Congressional Record

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OF THE

FIRST SESSION OF THE SEVENTY-SECOND CONGRESS

OF

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OF AMERICA

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Congressional Record

SEVENTY-SECOND CONGRESS, FIRST SESSION

SENATE

MONDAY, DECEMBER 7, 1931

The first Monday of December being the day prescribed by the Constitution of the United States for the annual meeting of Congress, the first session of the Seventy-second Congress commenced this day.

The Senate assembled in its Chamber at the Capitol.

CHARLES CURTIS, of Kansas, Vice President of the United States, called the Senate to order at 12 o'clock meridian.

The Chaplain, Rev. ZeBarney T. Phillips, D. D., of the city of Washington, offered the following

PRAYER

Lord of all power and might, who alone canst turn the hearts of men after the counsel of Thine own will, be graciously pleased to direct us amid the perplexing problems of our world, and so rule the hearts of Thy servants, the President of the United States, the Vice President, the Members of the Congress, and all others in authority, that they may seek Thy glory and the safety, honor, and welfare of Thy people. Grant to our Nation a new birth in righteousness, though it be with the travail of repentence and sorrow; bestow upon us a more imperious responsiveness to duty, a swifter compassion with suffering, an utter loyalty to Thy will. Remove from us the spirit of worldliness, lest power become the counselor of our designs or material interests the criterion of our success.

Put to shame the false idols of every heart and fill us with a Christlike tenderness for all who are heavy laden or overborne with care. Give us grace fearlessly to contend against evil; and that we may reverently use our freedom, help us to employ it in the maintenance of justice among men and nations, to the glory of Thy holy name. Through Jesus Christ our Lord. Amen.

CALL OF THE ROLL

The VICE PRESIDENT. This being the day designated by the Constitution of the United States for the assembling of Congress, the Senate, pursuant thereto, is now in session. The Chief Clerk will call the roll.

The Chief Clerk (John C. Crockett) called the roll, and the following Senators answered to their names:

Ashurst	Frazier	McGill	Swanson
Barkley	George	McKellar	Thomas, Idaho
Bingham	Glenn	Morrison	Thomas, Okla.
Black	Goldsborough	Moses	Townsend
Blaine	Hale	Norbeck	Trammell
Brookhart	Hatfield	Nye	Tydings
Broussard	Hawes	Oddie	Vandenberg
Bulkley	Hayden	Patterson	Wagner
Connally	Hebert	Pittman	Walcott
Copeland	Howell	Reed	Walsh, Mass.
Cutting	Johnson	Robinson, Ind.	Waterman
Dale	Jones	Shipstead	Watson
Davis	Kean	Shortridge	Wheeler
Dill	Kendrick	Smith	
Fess	King	Smoot	
Fletcher	La Follette	Steiwer	

The VICE PRESIDENT. Sixty-one Senators having answered to their names, a quorum is present.

ADMINISTRATION OF OATH TO SENATORS ELECT

The VICE PRESIDENT. Senators elect whose certificates have been properly filed with the Secretary of the Senate will, as their names are called, present themselves at the Vice President's desk and the oath of office will be administered to them.

The Chief Clerk called the names of Mr. BAILEY, Mr. BANKHEAD, Mr. BORAH, Mr. BRATTON, Mr. BULOW, Mr. BYRNES, Mr. CAPPER, and Mr. CAREY.

Mr. BAILEY, escorted by Mr. MORRISON; Mr. BANKHEAD, escorted by Mr. BLACK; Mr. BORAH, escorted by Mr. THOMAS of Idaho; Mr. BRATTON, escorted by Mr. CUTTING; Mr. BULOW, escorted by Mr. NORBECK; Mr. BYRNES, escorted by Mr. SMITH; Mr. CAPPER, escorted by Mr. MCGILL; and Mr. CAREY, escorted by Mr. KENDRICK, advanced to the Vice President's desk.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. For what purpose does the Senator rise?

Mr. SHORTRIDGE. I ask consent to make a very brief statement concerning the status of the two pending contests touching the election of Mr. BAILEY, of North Carolina, and of Mr. BANKHEAD, of Alabama. It will be very brief.

The VICE PRESIDENT. Is there objection?

Mr. ROBINSON of Arkansas. I do not wish to object to a statement by the Senator, but I understand it is a somewhat prolonged statement.

Mr. SHORTRIDGE. No; it is not long.

Mr. ROBINSON of Arkansas. Very well; I have no objection.

The VICE PRESIDENT. The Senator from California will proceed.

SENATORS FROM NORTH CAROLINA AND ALABAMA

Mr. SHORTRIDGE. Mr. President, before the oath of office is administered to Josiah W. Bailey, of North Carolina, or to John H. Bankhead, of Alabama, I desire, as chairman of the Committee on Privileges and Elections, to advise the Senate as to the pending contest between George M. Pritchard and Josiah W. Bailey involving the question whether the said George M. Pritchard or the said Josiah W. Bailey, or either of them, is entitled to membership in the United States Senate as a Senator from the State of North Carolina; also I desire to advise the Senate as to the status of the pending contest between J. Thomas Heflin and John H. Bankhead involving the question whether the said John H. Bankhead or the said J. Thomas Heflin, or either of them, is entitled to membership in the United States Senate as a Senator from the State of Alabama.

THE PRITCHARD-BAILEY CONTEST

Our record discloses that on March 3, 1931, Mr. Pritchard commenced the contest mentioned, which was thereupon on said day regularly referred to the Committee on Privileges and Elections.

The RECORD (vol. 74, pt. 7, p. 7305, 71st Cong., 3d sess.) shows that on the 4th day of March, 1931, as chairman of the Committee on Privileges and Elections, I endeavored to be recognized in order that I might introduce and secure the passage of a resolution authorizing the Committee on Privileges and Elections to hear said contest and make report to the Senate. But the RECORD further discloses that Senator THOMAS of Oklahoma had the floor and declined to yield for that purpose, and that he held the floor until 12 o'clock noon of March 4, 1931, when the Seventy-first Congress adjourned without day. The resolution I endeavored to introduce and to have adopted, and which I shall hereafter introduce and ask for its passage, was as follows:

Resolution

Whereas on the 3d day of March, 1931, the Senate referred to the Committee on Privileges and Elections the pending contest

between George M. Pritchard and Josiah W. Bailey involving the question whether the said George M. Pritchard or the said Josiah W. Bailey, or either of them, is entitled to membership in the United States Senate as a Senator from the State of North Carolina: Now, therefore, be it

Resolved, That the Committee on Privileges and Elections is hereby authorized to hear and determine said contest and to take such evidence as it may deem proper in order to determine the questions involved, and certify its conclusions to the Senate.

Said committee is authorized by itself or by any subcommittee to investigate the questions aforesaid, and shall have authority to act by or through such agents or representatives as it may see fit to designate.

Said committee or any subcommittee thereof shall have power to issue subpœnas and require the production of all papers, books, documents, or other evidence pertinent to said investigation, and to impound ballot boxes and all records and paraphernalia used in the election in question, and said committee or any subcommittee thereof may sit during the sessions of the Senate and during any recess of the Senate or of the Congress, and to hold its sessions at such places as it may deem proper.

It shall have authority to employ clerks and other necessary assistance and to employ stenographers at a cost not to exceed 25 cents per 100 words, and to cause to be taken and recorded all evidence received by the committee, and to have said evidence printed for the information of the Senate.

The Sergeant at Arms of the Senate and his deputies and assistants are hereby required to attend the said Committee on Privileges and Elections or any subcommittee thereof, and to execute its directions.

The chairman of the committee and each and every member thereof is hereby empowered to administer oaths and generally have such powers and perform such duties as are necessary or incident to the exercise of the powers and duties imposed by this resolution.

Said committee shall report to the Senate at the earliest practicable date.

The cost of investigations and proceedings in pursuance of the foregoing to be paid out of the contingent fund of the Senate and not to exceed $25,000.

It follows that in the absence of authority so to do the Committee on Privileges and Elections has not heard and that it is not ready to report to the Senate on the said contest.

If the Senate shall pass the resolution just called to its attention, I shall promptly appoint a subcommittee to hear said contest and the Committee on Privileges and Elections will report to the Senate its findings and conclusions at the earliest practicable date.

THE HEFLIN-BANKHEAD CONTEST

Our record discloses that on February 24, 1931, Senator Heflin commenced the contest mentioned, which was thereupon on said day referred to the Committee on Privileges and Elections. The RECORD discloses that on February 28, 1931, the Senate passed the following resolution (S. Res. 485):

Resolution

Whereas on the 24th day of February, 1931, the Senate referred to the Committee on Privileges and Elections the pending contest between J. Thomas Heflin and John H. Bankhead involving the question whether the said Heflin or the said Bankhead, or either of them, is entitled to membership in the United States Senate as a Senator from the State of Alabama: Now, therefore, be it

Resolved, That the Committee on Privileges and Elections is hereby authorized to hear and determine said contest and to take such evidence as it may deem proper in order to determine the questions involved, and certify its conclusions to the Senate.

Said committee is authorized, by itself or by any subcommittee, to investigate the questions aforesaid, and shall have authority to act by or through such agents or representatives as it may see fit to designate.

Said committee or any subcommittee thereof shall have power to issue subpœnas and require the production of all papers, books, documents, or other evidence pertinent to said investigation, and said committee or any subcommittee thereof may sit during the sessions of the Senate and during any recess of the Senate or of the Congress, and to hold its sessions at such places as it may deem proper.

It shall have authority to employ clerks and other necessary assistance and to employ stenographers at a cost not to exceed 25 cents per hundred words, and to cause to be taken and recorded all evidence received by the committee, and to have said evidence printed for the information of the Senate.

The Sergeant at Arms of the Senate and his deputies and assistants are hereby required to attend the said Committee on Privileges and Elections or any subcommittee thereof, and to execute its directions.

The chairman of the committee and each and every member thereof is hereby empowered to administer oaths and generally have such powers and perform such duties as are necessary or incident to the exercise of the powers and duties imposed by this resolution.

Said committee shall report to the Senate at the earliest practicable date.

The cost of investigations and proceedings in pursuance of the foregoing to be paid out of the contingent fund of the Senate and not to exceed $25,000 in addition to any unexpended balance of the sum previously appropriated in Senate Resolution 467.

I advise the Senate that as chairman of the Committee on Privileges and Elections I appointed Senators HASTINGS (chairman), WATSON, MOSES, GEORGE, and BRATTON as members of a subcommittee to hear said contest. I beg to further advise the Senate that the subcommittee entered upon the hearing of said contest, but, as I am informed by its chairman, has not been able to finish the hearing and report to the standing Committee on Privileges and Elections. Senator HASTINGS informs me as follows:

DECEMBER 5, 1931.

Hon. SAMUEL M. SHORTRIDGE,
Chairman of Committee on Privileges and Elections.

MY DEAR SENATOR SHORTRIDGE: In response to your request that I make a brief written report of the status of the investigation in the Alabama senatorial contest, which was referred by you to a subcommittee, of which I am chairman, I desire to say that shortly after the adjournment of the Senate I organized a force to collect the ballot boxes from Alabama and to count the ballots. This work has been completed and reports have been submitted to the other members of the subcommittee.

Some time ago the committee met for the purpose of hearing counsel on both sides discuss the question of the legality of the primary election in Alabama in 1930, and its effect upon the subsequent general election with respect to Mr. Bankhead.

The committee has been in session for three days hearing arguments on the question of the legality of the expenditures by Mr. Bankhead.

The only evidence we have at hand is that which was discovered in conducting the recount of the ballots and some important admissions that have been made to the committee. The committee has not had the opportunity to hear witnesses for the contestant in support of the charges of fraud alleged by him.

It has not been possible for the committee to meet in executive session and discuss the important legal matters that have been argued before it. If it had been possible to have done this, I should have undertaken to submit to the full committee a report of the work done up to the present time.

For your information I desire to say that to some members of the subcommittee, at least, the following important questions ought to be submitted to the full committee and by it to the Senate.

First. Whether the Alabama primary, which nominated Mr. Bankhead for the office of United States Senator, was in violation of the laws of the State of Alabama and was therefore void; and if so, what effect that had upon the general election with respect to Mr. Bankhead.

Second. Whether Mr. Bankhead, according to his sworn statements, violated the Alabama law or the Federal law relative to expenditures and is thereby disqualified to hold the office.

Third. Whether the facts disclosed by the recount of the ballots show such a disregard of the election laws of Alabama by the election officials as to make it impossible for the Senate to ascertain a definite result.

Fourth. Whether, if the ballots that are tainted with law violations should be excluded from the count because of the opportunity offered for fraud in such violations, there would be sufficient valid ballots left to enable the Senate to ascertain the will of the electorate of Alabama.

The mere tabulation of the ballots does not show any material change in the results announced by the election officials of Alabama. The difficulty arises, however, in the discovery that the election officers disregarded the election laws of Alabama. Out of a total of 2,043 boxes examined not a single one could be found where the law had been fully complied with. There were literally thousands of violations of the election laws. These were of such a character that, in my judgment, they raise the serious question as to whether it can be said that there was a legal election of a United States Senator in Alabama in 1930. The committee is ready to continue its investigations, but before it can do so it will be necessary for additional funds to be appropriated.

Very truly yours,

DANIEL O. HASTINGS,
Chairman Subcommittee on Privileges and Elections.

It follows, therefore, Mr. President, that your Committee on Privileges and Elections as of now is not ready to report to the Senate its findings and conclusions.

I beg to add that when the subcommittee shall have made its report to the Committee on Privileges and Elections your standing committee will thereafter report its findings and conclusions to the Senate at the earliest practicable date.

I have made this statement, Mr. President, in justice to the committee, and particularly the subcommittee, and to the end that all rights of the parties involved are not to be prejudiced by the proceedings further to be taken this day.

ADMINISTRATION OF OATH TO SENATORS ELECT

The oath of office was administered to Mr. BAILEY, Mr. BANKHEAD, Mr. BORAH, Mr. BRATTON, Mr. BULOW, Mr. BYRNES, Mr. CAPPER, and Mr. CAREY.

The Chief Clerk called the names of Mr. COOLIDGE, Mr. COSTIGAN, Mr. COUZENS, Mr. DICKINSON, Mr. GLASS, Mr. GORE, Mr. HARRIS, and Mr. HARRISON.

These Senators, escorted by Mr. WALSH of Massachusetts, Mr. WATERMAN, Mr. VANDENBERG, Mr. BROOKHART, Mr. SWANSON, Mr. THOMAS of Oklahoma, Mr. GEORGE, and Mr. ROBINSON of Arkansas, respectively, advanced to the Vice President's desk, and the oath of office was administered to them.

The Chief Clerk called the names of Mr. HASTINGS, Mr. HULL, Mr. KEYES, Mr. LEWIS, Mr. LOGAN, Mr. LONG, Mr. MCNARY, and Mr. METCALF.

These Senators, with the exception of Mr. LEWIS and Mr. LONG, escorted by Mr. TOWNSEND, Mr. MCKELLAR, Mr. MOSES, Mr. BARKLEY, Mr. STEIWER, and Mr. HEBERT, respectively, advanced to the Vice President's desk, and the oath of office was administered to them.

The Chief Clerk called the names of Mr. NEELY, Mr. NORRIS, Mr. ROBINSON of Arkansas, Mr. SCHALL, Mr. SHEPPARD, Mr. WALSH of Montana, and Mr. WHITE.

These Senators, escorted by Mr. PITTMAN, Mr. HOWELL, Mr. HARRISON, Mr. SHIPSTEAD, Mr. CONNALLY, Mr. WHEELER, and Mr. HALE, respectively, advanced to the Vice President's desk, and the oath of office was administered to them.

SENATOR FROM VERMONT

Mr. DALE. Mr. President, I present the certificate of election of WARREN R. AUSTIN, of the State of Vermont.

The VICE PRESIDENT. The certificate will be read.

The Chief Clerk read as follows:

STATE OF VERMONT.

TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 31st day of March, 1931, WARREN R. AUSTIN was duly chosen by the qualified electors of the State of Vermont a Senator from said State to represent said State in the Senate of the United States for the unexpired portion of the term of six years, beginning on the 4th day of March, 1929, to fill the vacancy caused by the death of Frank L. Greene.

Witness: His excellency our governor, Stanley C. Wilson, and our seal hereto affixed at Montpelier this 7th day of April, A. D. 1931.

By the governor: STANLEY C. WILSON, *Governor.*

[SEAL.] RAWSON C. MYRICK, *Secretary of State.*

The VICE PRESIDENT. The certificate will be placed on file, and the Senator from Vermont will escort the Senator elect to the desk.

Mr. AUSTIN, escorted by Mr. DALE, advanced to the Vice President's desk, and the oath of office was administered to him.

NOTIFICATION TO THE PRESIDENT

Mr. WATSON submitted the following resolution (S. Res. 1), which was read, considered by unanimous consent, and agreed to:

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled, and that the Congress is ready to receive any communication he may be pleased to make.

The VICE PRESIDENT. Under the resolution just adopted the Chair appoints Mr. WATSON and Mr. ROBINSON of Arkansas as the committee on the part of the Senate.

NOTIFICATION TO THE HOUSE

Mr. MCNARY submitted the following resolution (S. Res. 2), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

HOUR OF DAILY MEETING

Mr. ROBINSON of Arkansas submitted the following resolution (S. Res. 3), which was read, considered by unanimous consent, and agreed to:

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian until otherwise ordered.

DEATH OF SENATOR CARAWAY

Mr. ROBINSON of Arkansas. Mr. President, it becomes my sad duty to announce to the Senate the death of my late colleague, Hon. T. H. CARAWAY, which occurred at Little Rock, Ark., on November 6 last.

At this time I submit the following resolutions, for the consideration of which I ask unanimous consent.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 4) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with deep regret and profound sorrow the announcement of the death of Hon. THADDEUS H. CARAWAY, late a Senator from the State of Arkansas.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF SENATOR MORROW

Mr. KEAN. Mr. President, the sad duty devolves upon me to announce to the Senate the death of my late colleague, Hon. DWIGHT W. MORROW, at Englewood, N. J., October 5, 1931. Mr. BARBOUR, who has been appointed by the Governor of New Jersey to succeed the late Senator MORROW, is present, but it has been customary, on the death of a Senator, that the Senate be notified and a resolution be adopted, and that his successor wait until the following day before taking the oath of office. So, out of respect to the memory of my late colleague, Mr. BARBOUR is going to wait until to-morrow before he presents himself to be sworn in.

I send to the desk resolutions, which I ask to have read.

The VICE PRESIDENT. The resolutions will be read for the information of the Senate.

The resolutions (S. Res. 5) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with deep regret and profound sorrow the announcement of the death of Hon. DWIGHT W. MORROW, late a Senator from the State of New Jersey.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

ADJOURNMENT

Mr. KEAN. Mr. President, as a further mark of respect to the memory of the deceased Senators CARAWAY and MORROW, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 12 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, December 8, 1931, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 7, 1931

This day, in compliance with the provisions of the Constitution, the Members elect of the House of Representatives of the Seventy-second Congress assembled in their Hall, and at 12 o'clock noon were called to order by Hon. William Tyler Page, Clerk of the last House.

Rev. James Shera Montgomery, D. D., Chaplain of the last House, offered the following

PRAYER

Infinite God-soul of our soul! Marvelous truth that bridges time and eternity and makes them one. We wait a moment; our memories are stirred. Before us is the image of our most notable one. A sad and mournful yesterday dictates our sorrow. Through the years he camped with us in the embrace of a sweet and beautiful fraternity. But the night came, then the morning broke, and he was carried upward in the harmony and symmetry of his great heart beyond the zenith and the slope of the widening sky. Blessed Father, move upon our hearts. Direct our President and all his counsellors and endue them with great wisdom and strength. Reach down, O God, and touch the life of every Member of this Congress. Give wise purpose, unity, and upward movement to its history. Abide with us each day, so that the heroism of truth, of integrity and cooperation shall become contagious, until sacred forces shall lift our whole land upon a tide of universal patriotic devotion to the common good. As we apprehend its drift may we set our

sails toward this glorious goal. Let not the carriage of our faculties distress us. May we bear ourselves toward one another after the pattern of Him—the ideal Teacher. Inspire poise and self-control in all deliberations, and in character and in conduct help us to exercise a fine conception of human life. We long and pray for that good will that shall bring into fellowship all citizens and all sections of our country, so they shall aspire for those standards that make a nation truly great. Merciful God of the eternities, look with loving favor upon our country and divinely urge us as Members and officers of this Chamber to lay our best gifts in the lap of the Republic while a stainless splendor crowns her brow sublime. Turn all faces upward, O Light of Lights, that we may realize that the radiant sky is forever bigger than the floating cloud. Amen.

REPRESENTATIVES ELECT

The CLERK. This is the day fixed by the Constitution of the United States for the meeting of the Seventy-second Congress of the United States of America. The Clerk of the House of Representatives of the Seventy-first Congress will call the names of those persons whose credentials show that they were regularly elected as Representatives in accordance with the laws of their respective States or of the United States. As the roll is called, following the alphabetical order of the States, Representatives elect will please answer to their names, to determine whether a quorum is present.

The roll was called, and the following Members elect answered to their names:

[Roll No. 1]

ALABAMA

John McDuffie.
Lister Hill.
Henry B. Steagall.
Lamar Jeffers.
La Fayette L. Patterson.
William B. Oliver.
Miles C. Allgood.
Edward B. Almon.
George Huddleston.
William B. Bankhead.

ARIZONA

Lewis W. Douglas.

ARKANSAS

William J. Driver.
John E. Miller.
Claude A. Fuller.
Effiegene Wingo.
Heartsill Ragon.
D. D. Glover.
Tilman B. Parks.

CALIFORNIA

Clarence F. Lea.
Harry L. Englebright.
Charles F. Curry.
Florence P. Kahn.
Richard J. Welch.
Albert E. Carter.
Henry E. Barbour.
Arthur M. Free.
William E. Evans.
Joe Crail.
Philip D. Swing.

COLORADO

William R. Eaton.
Charles B. Timberlake.
Guy U. Hardy.
Edward T. Taylor.

CONNECTICUT

Augustine Lonergan.
Richard P. Freeman.
John Q. Tilson.
William L. Tierney.
Edward W. Goss.

DELAWARE

Robert G. Houston.

FLORIDA

Herbert J. Drane.
R. A. Green.
Thomas A. Yon.
Ruth Bryan Owen.

GEORGIA

Homer C. Parker.
E. E. Cox.
Charles R. Crisp.
William C. Wright.
Robert Ramspeck.
Samuel Rutherford.
Malcolm C. Tarver.
Charles H. Brand.
John S. Wood.
Carl Vinson.
William C. Lankford.
William W. Larsen.

IDAHO

Burton L. French.
Addison T. Smith.

ILLINOIS

Oscar De Priest.
Morton D. Hull.
Edward A. Kelly.
Harry P. Beam.
Adolph J. Sabath.
James T. Igoe.
Leonard W. Schuetz.
Peter C. Granata.
Fred A. Britten.
Carl R. Chindblom.
Frank R. Reid.
John T. Buckbee.
William R. Johnson.
John C. Allen.
Burnett M. Chiperfield.
William E. Hull.
Homer W. Hall.
William P. Holaday.
Charles Adkins.
Henry T. Rainey.
J. Earl Major.
Charles A. Karch.
William W. Arnold.
Claude V. Parsons.
Kent E. Keller.
Richard Yates.

At large

William H. Dieterich.

INDIANA

John W. Boehme, jr.
Arthur H. Greenwood.
Eugene B. Crowe.
Harry C. Canfield.
Courtland C. Gillen.
William H. Larrabee.
Louis Ludlow.
Albert H. Vestal.
Fred S. Purnell.
William R. Wood.
Glenn Griswold.
David Hogg.
Samuel B. Pettengill.

IOWA

William F. Kopp.
Bernhard M. Jacobsen.
Thomas J. B. Robinson.
Gilbert N. Haugen.
Cyrenus Cole.
C. William Ramseyer.
Cassius C. Dowell.
Lloyd Thurston.
Charles E. Swanson.
Fred C. Gilchrist.
Ed. H. Campbell.

KANSAS

W. P. Lambertson.
U. S. Guyer.
Harold McGugin.
Homer Hoch.
James G. Strong.
Charles I. Sparks.
Clifford R. Hope.
William A. Ayres.

KENTUCKY

William V. Gregory.
Glover H. Cary.
John W. Moore.
Cap R. Carden.
Maurice H. Thatcher.
Brent Spence.
Virgil Chapman.
Ralph Gilbert.
Fred M. Vinson.
Andrew J. May.
Charles Finley.

LOUISIANA

Joachim O. Fernandez.
Paul H. Maloney.
Numa F. Montet.
John N. Sandlin.
Riley J. Wilson.
Bolivar E. Kemp.
René L. DeRouen.
John H. Overton.

MAINE

Carroll L. Beedy.
Donald B. Partridge.
John E. Nelson.
Donald F. Snow.

MARYLAND

T. Alan Goldsborough.
William P. Cole, jr.
Vincent L. Palmisano.
J. Charles Linthicum.
Stephen W. Gambrill.
David J. Lewis.

MASSACHUSETTS

Allen T. Treadway.
William J. Granfield.
Frank H. Foss.
Pehr G. Holmes.
Edith Nourse Rogers.
A. Piatt Andrew.
William P. Connery, jr.
Frederick W. Dallinger.
Charles L. Underhill.
John J. Douglass.
George Holden Tinkham.
John W. McCormack.
Robert Luce.
Richard B. Wigglesworth.
Joseph W. Martin, jr.
Charles L. Gifford.

MICHIGAN

Robert H. Clancy.
Earl C. Michener.
Joseph L. Hooper.
John C. Ketcham.
Carl E. Mapes.
Seymour H. Person.
Jesse P. Wolcott.
Michael J. Hart.
James C. McLaughlin.
Roy O. Woodruff.
Frank P. Bohn.
W. Frank James.
Clarence J. McLeod.

MINNESOTA

Victor Christgau.
Frank Clague.
August H. Andresen.
Melvin J. Maas.
William I. Nolan.
Harold Knutson.
Paul J. Kvale.
William A. Pittenger.
Conrad G. Selvig.
Godfrey G. Goodwin.

MISSISSIPPI

John E. Rankin.
Wall Doxey.
Will M. Whittington.
Jeff Busby.
Ross A. Collins.
Robert S. Hall.
Percy E. Quin.
James W. Collier.

MISSOURI

Milton A. Romjue.
Ralph F. Lozier.
Jacob L. Milligan.
David Hopkins.
Joseph B. Shannon.
Clement C. Dickinson.
Robert D. Johnson.
William L. Nelson.
Clarence Cannon.
Henry F. Niedringhaus.
John J. Cochran.
Leonidas C. Dyer.
Clyde Williams.
James F. Fulbright.
Joe J. Manlove.
William E. Barton.

MONTANA

John M. Evans.
Scott Leavitt.

NEBRASKA

John H. Morehead.
Malcolm B. Baldrige.
Edgar Howard.
J. N. Norton.
A. C. Shallenberger.
Robert G. Simmons.

NEVADA

Samuel S. Arentz.

NEW HAMPSHIRE

Edward H. Wason.

NEW JERSEY

Charles A. Wolverton.	George N. Seger.
Isaac Bacharach	Fred A. Hartley, jr.
William H. Sutphin.	Peter A. Cavicchia.
Charles A. Eaton.	Frederick R. Lehlbach.
Percy H. Stewart.	Oscar L. Auf der Heide.
Randolph Perkins.	Mary T. Norton.

NEW MEXICO

Dennis Chavez.

NEW YORK

Robert L. Bacon.	Frank Oliver.
William F. Brunner.	James M. Fitzpatrick.
George W. Lindsay.	Charles D. Millard.
Thomas H. Cullen.	Hamilton Fish, jr.
Loring M. Black, jr.	Harcourt J. Pratt.
Andrew L. Somers.	Parker Corning.
John J. Delaney.	James S. Parker.
Patrick J. Carley.	Frank Crowther.
Stephen A. Rudd.	Bertrand H. Snell.
Emanuel Celler.	Francis D. Culkin.
Anning S. Prall.	Frederick M. Davenport.
Samuel Dickstein.	John D. Clarke.
Christopher D. Sullivan.	Clarence E. Hancock.
William I. Sirovich.	John Taber.
John J. Boylan.	Gale H. Stalker.
John J. O'Connor.	James L. Whitley.
Ruth Pratt.	Archie D. Sanders.
Martin J. Kennedy.	Walter G. Andrews.
Sol Bloom.	Edmund F. Cooke.
Fiorello H. LaGuardia.	James M. Mead.
Joseph A. Gavagan.	Daniel A. Reed.
Anthony J. Griffin.	

NORTH CAROLINA

Lindsay C. Warren.	J. Bayard Clark.
John H. Kerr.	Walter Lambeth.
Charles L. Abernethy.	Robert L. Doughton.
Edward W. Pou.	Alfred L. Bulwinkle.
Frank W. Hancock, jr.	Zebulon Weaver.

NORTH DAKOTA

Olger B. Burtness.	James H. Sinclair.
Thomas Hall.	

OHIO

John B. Hollister.	Arthur P. Lamneck.
William E. Hess.	William L. Fiesinger.
Byron B. Harlan.	Francis Seiberling.
John L. Cable.	C. Ellis Moore.
Frank C. Kniffin.	C. B. McClintock.
James G. Polk.	Charles West.
Charles Brand.	Frank Murphy.
Grant E. Mouser, jr.	John G. Cooper.
Wilbur M. White.	Martin L. Sweeney.
Thomas A. Jenkins.	Robert Crosser.
Mell G. Underwood.	Chester C. Bolton.

OKLAHOMA

Wesley E. Disney.	F. B. Swank.
William W. Hastings.	Jed Johnson.
Wilburn Cartwright.	James V. McClintic.
Tom D. McKeown.	M. C. Garber.

OREGON

Willis C. Hawley.	Charles H. Martin.
Robert R. Butler.	

PENNSYLVANIA

James M. Beck.	I. H. Doutrich.
Edward L. Stokes.	J. Russell Leech.
Harry C. Ransley.	J. Banks Kurtz.
Benjamin M. Golder.	Harry L. Haines.
James J. Connolly.	J. Mitchell Chase.
George A. Welsh.	Samuel A. Kendall.
George P. Darrow.	Henry W. Temple.
James Wolfenden.	J. Howard Swick.
Henry W. Watson.	Nathan L. Strong.
J. Roland Kinzer.	Thomas C. Cochran.
Patrick J. Boland.	Milton W. Shreve.
C. Murray Turpin.	William R. Coyle.
George F. Brumm.	Adam M. Wyant.
Norton L. Lichtenwalner.	Edmund F. Erk.
Louis T. McFadden.	Clyde Kelly.
Robert F. Rich.	Patrick J. Sullivan.
Frederick W. Magrady.	Harry A. Estep.
Edward M. Beers.	Guy E. Campbell.

RHODE ISLAND

Clark Burdick.	Francis B. Condon.
Richard S. Aldrich.	

SOUTH CAROLINA

Thomas S. McMillan.	William F. Stevenson.
Butler B. Hare.	Allard H. Gasque.
Fred H. Dominick.	Hampton P. Fulmer.
John J. McSwain.	

SOUTH DAKOTA

Charles A. Christopherson.	William Williamson.
Royal C. Johnson.	

TENNESSEE

O. B. Lovette.	Edward E. Eslick.
S. D. McReynolds.	Gordon Browning.
J. R. Mitchell.	Jere Cooper.
Ewin L. Davis.	E. H. Crump.
Joseph W. Byrns.	

TEXAS

Wright Patman.	James P. Buchanan.
Martin Dies.	O. H. Cross.
Morgan G. Sanders.	Fritz G. Lanham.
Sam Rayburn.	Guinn Williams.
Hatton W. Sumners.	Richard M. Kleberg.
Luther A. Johnson.	John N. Garner.
Clay Stone Briggs.	R. Ewing Thomason.
Daniel E. Garrett.	Thomas L. Blanton.
Joseph J. Mansfield.	Marvin Jones.

UTAH

Don B. Colton.	Frederick C. Loofbourow.

VERMONT

John E. Weeks.	Ernest W. Gibson.

VIRGINIA

Schuyler Otis Bland.	Clifton A. Woodrum.
Menalcus Lankford.	John W. Fishburne.
Andrew J. Montague.	Howard W. Smith.
Patrick Henry Drewry.	John W. Flannagan, jr.
Thomas G. Burch.	Henry St. George Tucker.

WASHINGTON

Ralph A. Horr.	John W. Summers.
Lindley H. Hadley.	Sam B. Hill.
Albert Johnson.	

WEST VIRGINIA

Carl G. Bachmann.	Robert L. Hogg.
Frank L. Bowman.	Hugh Ike Shott.
Lynn S. Hornor.	Joe L. Smith.

WISCONSIN

Thomas R. Amlie.	Gardner R. Withrow.
Charles A. Kading.	Gerald J. Boileau.
John M. Nelson.	George J. Schneider.
John C. Schafer.	James A. Frear.
William H. Stafford.	Hubert H. Peavey.
Michael K. Reilly.	

WYOMING

Vincent Carter

The CLERK. The roll call discloses the presence of 433 Members. A quorum is present.

The Clerk will present for information a statement showing changes that have occurred since the regular election of Representatives to the Seventy-second Congress; and if there be no objection, the statement will be printed in the RECORD.

There being no objection, the statement is as follows:

Representatives to the Seventy-second Congress who have died and their successors

Representatives	Died	Successor
John F. Quayle, seventh New York	Nov. 27, 1930	Mathew V. O'Malley.
David J. O'Connell, ninth New York	Dec. 29, 1930	Stephen A. Rudd.
Henry Allen Cooper, first Wisconsin	Mar. 1, 1931	Thomas R. Amlie.
James B. Aswell, eighth Louisiana	Mar. 16, 1931	John H. Overton.
Nicholas Longworth, first Ohio	April 9, 1931	John B. Hollister.
Mathew V. O'Malley, seventh New York	May 26, 1931	John J. Delaney.
Charles A. Mooney, twentieth Ohio	May 29, 1931	Martin L. Sweeney.
George S. Graham, second Pennsylvania	July 4, 1931	Edward L. Stokes.
Charles G. Edwards, first Georgia	July 13, 1931	Homer C. Parker.
Bird J. Vincent, eighth Michigan	July 18, 1931	Michael J. Hart.
Samuel C. Major, seventh Missouri	July 28, 1931	Robert D. Johnson.
Ernest R. Ackerman, fifth New Jersey	Oct. 18, 1931	Percy H. Stewart.
Fletcher Hale, first New Hampshire	Oct. 22, 1931	Vacancy.
Harry M. Wurzbach, fourteenth Texas	Nov. 6, 1931	Richard M. Kleberg.

The Clerk will state that credentials, regular in form, have been filed showing the election of VICTOR S. K. HOUSTON as Delegate from the Territory of Hawaii, and of JAMES WICKERSHAM as Delegate from the Territory of Alaska.

Two Resident Commissioners to the United States from the Philippine Islands are elected by the Philippine Legislature triennially. Certificates of election of PEDRO GUEVERA and of CAMILO OSIAS are on file, showing their election as Resident Commissioners from the Philippine Islands for the term of three years, commencing March 4, 1932.

ELECTION OF SPEAKER

The CLERK. The next business in order is the election of a Speaker. Nominations will now be received.

Mr. ARNOLD. Mr. Clerk, by direction of the Democratic caucus held December 5, 1931, as its chairman, I place in

nomination for Speaker of the House of Representatives Hon. JOHN N. GARNER, a Member elect from the State of Texas. [Applause.]

Mr. HAWLEY. Mr. Clerk, the conference of the Republican Members of the House for the Seventy-second Congress has directed me as its chairman to present to the House as its unanimous choice as a candidate for Speaker the man I shall now name. I have the honor to present as our candidate for Speaker the name of the distinguished gentleman from New York, Hon. BERTRAND H. SNELL. [Applause.]

The CLERK. Hon. JOHN N. GARNER, a Representative elect from the State of Texas, and Hon. BERTRAND H. SNELL, a Representative elect from the State of New York have been placed in nomination.

If there are no further nominations, the Clerk appoints the gentleman from Mississippi, Mr. BUSBY; the gentleman from West Virginia, Mr. HORNOR; the gentleman from Maine, Mr. BEEDY; and the gentleman from Nebraska, Mr. SIMMONS to act as tellers. The tellers will please come forward and take their places.

The roll will now be called, and Members will indicate by name the candidate of their choice.

The Clerk called the roll.

The following is the vote in detail:

[Roll No. 2]

GARNER—218

Abernethy	Dies	Keller	Pettengill
Allgood	Dieterich	Kelly, Ill.	Polk
Almon	Disney	Kemp	Pou
Arnold	Dominick	Kennedy	Prall
Auf der Heide	Doughton	Kerr	Quin
Ayres	Douglas, Ariz.	Kleberg	Ragon
Bankhead	Douglass, Mass.	Kniffin	Rainey
Barton	Doxey	Lambeth	Ramspeck
Beam	Drane	Lamneck	Rankin
Black	Drewry	Lanham	Rayburn
Bland	Driver	Lankford, Ga.	Reilly
Blanton	Eslick	Larrabee	Romjue
Bloom	Evans, Mont.	Larsen	Rudd
Boehne	Fernandez	Lea	Rutherford
Boland	Fiesinger	Lewis	Sabath
Boylan	Fishburne	Lichtenwalner	Sanders, Tex.
Brand, Ga.	Fitzpatrick	Lindsay	Sandlin
Briggs	Flannagan	Linthicum	Schuetz
Browning	Fulbright	Lonergan	Shallenberger
Brunner	Fuller	Lozier	Shannon
Buchanan	Fulmer	Ludlow	Sirovich
Bulwinkle	Gambrill	McClintic, Okla.	Smith, Va.
Burch	Garrett	McCormack	Smith, W. Va.
Busby	Gasque	McDuffie	Somers, N. Y.
Byrns	Gavagan	McKeown	Spence
Canfield	Gilbert	McMillan	Steagall
Cannon	Gillen	McReynolds	Stevenson
Carden	Glover	McSwain	Stewart
Carley	Goldsborough	Major	Sullivan, N. Y.
Cartwright	Granfield	Maloney	Sumners, Tex.
Cary	Green	Mansfield	Sutphin
Celler	Greenwood	Martin, Oreg.	Swank
Chapman	Gregory	May	Sweeney
Chavez	Griffin	Mead	Tarver
Clark, N. C.	Griswold	Miller	Taylor, Colo.
Cochran, Mo.	Haines	Milligan	Thomason
Cole, Md.	Hall, Miss.	Mitchell	Tierney
Collier	Hancock, N. C.	Montague	Tucker
Collins	Hare	Montet	Underwood
Condon	Harlan	Moore, Ky.	Vinson, Ga.
Connery	Hart	Morehead	Vinson, Ky.
Cooper, Tenn.	Hastings	Nelson, Mo.	Warren
Corning	Hill, Ala.	Norton, Nebr.	Weaver
Cox	Hill, Wash.	Norton, N. J.	West
Crisp	Hornor	O'Connor	Whittington
Cross	Howard	Oliver, Ala.	Williams, Mo.
Crosser	Huddleston	Oliver, N. Y.	Williams, Tex.
Crowe	Igoe	Overton	Wilson
Crump	Jacobsen	Owen	Wingo
Cullen	Jeffers	Palmisano	Wood, Ga.
Davis	Johnson, Mo.	Parker, Ga.	Woodrum
Delaney	Johnson, Okla.	Parks	Wright
DeRouen	Johnson, Tex.	Parsons	Yon
Dickinson	Jones	Patman	
Dickstein	Karch	Patterson	

SNELL—207

Adkins	Beck	Burtness	Christopherson
Aldrich	Beedy	Butler	Clague
Allen	Beers	Cable	Clancy
Andresen	Bohn	Campbell, Iowa	Clarke, N. Y.
Andrew, Mass.	Boileau	Campbell, Pa.	Cochran, Pa.
Andrews, N. Y.	Bolton	Carter, Calif.	Cole, Iowa
Arentz	Bowman	Carter, Wyo.	Colton
Bacharach	Brand, Ohio	Cavicchia	Connolly
Bachmann	Britten	Chase	Cooke
Bacon	Brumm	Chindblom	Cooper, Ohio
Baldrige	Buckbee	Chiperfield	Coyle
Barbour	Burdick	Christgau	Crail
Crowther	Hess	McLeod	Snow
Culkin	Hoch	Maas	Sparks
Curry	Hogg, Ind.	Magrady	Stafford
Dallinger	Hogg, W. Va.	Manlove	Stalker
Darrow	Holaday	Mapes	Stokes
Davenport	Hollister	Martin, Mass.	Strong, Kans.
De Priest	Holmes	Michener	Strong, Pa.
Doutrich	Hooper	Millard	Sullivan, Pa.
Dowell	Hope	Moore, Ohio	Summers, Wash.
Dyer	Hopkins	Mouser	Swanson
Eaton, Colo.	Horr	Murphy	Swick
Eaton, N. J.	Houston, Del.	Nelson, Me.	Swing
Englebright	Hull, Morton D.	Nelson, Wis.	Taber
Erk	Hull, William E.	Niedringhaus	Temple
Estep	James	Nolan	Thatcher
Evans, Calif.	Jenkins	Parker, N. Y.	Thurston
Finley	Johnson, Ill.	Partridge	Tilson
Fish	Johnson, S. Dak.	Perkins	Timberlake
Foss	Johnson, Wash.	Person	Tinkham
Frear	Kahn	Pittenger	Treadway
Free	Kelly, Pa.	Pratt, Harcourt J.	Turpin
Freeman	Kendall	Pratt, Ruth	Underhill
French	Ketcham	Purnell	Vestal
Garber	Kinzer	Ramseyer	Wason
Gibson	Knutson	Ransley	Watson
Gifford	Kopp	Reed, N. Y.	Weeks
Gilchrist	Kurtz	Reid, Ill.	Welch, Calif.
Golder	LaGuardia	Rich	Welsh, Pa.
Goodwin	Lambertson	Robinson	White
Goss	Lankford, Va.	Rogers	Whitley
Granata	Leavitt	Sanders, N. Y.	Wigglesworth
Guyer	Leech	Schafer	Williamson
Hadley	Lehlbach	Seger	Wolcott
Hall, Ill.	Loofbourow	Seiberling	Wolfenden
Hall, N. Dak.	Lovette	Selvig	Wolverton
Hancock, N. Y.	Luce	Shott	Wood, Ind.
Hardy	McClintock, Ohio	Shreve	Woodruff
Hartley	McFadden	Simmons	Wyant
Haugen	McGugin	Sinclair	Yates
Hawley	McLaughlin	Smith, Idaho	

SCHNEIDER—5

Amlie	Kvale	Peavey	Withrow
Kading			

ANSWERED "PRESENT"—3

Garner	Schneider	Snell

The CLERK. Before proceeding with the announcement of the result of the vote, the Clerk is requested to announce that immediately following the swearing in of Members votes will be taken upon the election of the officers of the House.

The tellers agree in their tally. Total number of votes cast, 430, of which Hon. JOHN N. GARNER has received 218, Hon. BERTRAND H. SNELL, 207, Hon. GEORGE J. SCHNEIDER, a Representative elect from the State of Wisconsin, 5, and three Members answering "present." Hon. JOHN N. GARNER, a Representative elect from the State of Texas, having received a majority of all the votes cast, is duly elected Speaker of the House of Representatives. [Prolonged applause.]

The gentleman from Illinois, Mr. RAINEY; and the gentleman from New York, Mr. SNELL; and the gentleman from Tennessee, Mr. BYRNS; and the gentleman from Connecticut, Mr. TILSON, will please conduct the Speaker elect to the chair.

The committee appointed by the Clerk escorted Mr. GARNER to the Speaker's chair.

Mr. SNELL. My colleagues of the House of Representatives, it is indeed a pleasure to have this opportunity to present to you the newly elected Speaker of the Seventy-second Congress.

I have always been a firm believer in the party system of government, and consider that country specially favored that has two strong, evenly divided political parties. Of course, from a personal standpoint I might be willing to change somewhat the division that apparently exists at the present time. [Laughter.]

As I look over the long list of distinguished men who have occupied this high position—and there is no higher honor in the gift of any legislative body in the world—I find no one of these men has ever risen to the position of Speaker by mere luck or accident, but rather as the result of long, intelligent, efficient service and of undoubted proven ability to perform the duties of this great office.

The gentleman from Texas, by native ability, by outstanding personality, by long service, and a complete understanding of the duties and responsibilities of Speaker, is exceptionally well qualified to fill that position, and I predict he will make one of the great Speakers of the present genera-

tion. I congratulate him on having reached the goal of his ambition and wish him every success in his work.

My colleagues, I now present your newly elected Speaker, the Hon. JOHN NANCE GARNER, of Texas. [Applause.]

Mr. Speaker, I present you the gavel.

The SPEAKER. Ladies and gentlemen of the Seventy-second Congress, I want to express my keen appreciation of my friend SNELL'S introductory remarks. As many of you are aware, Mr. SNELL and myself have known each other for many years, and I believe I speak the sentiments of the older Members of the House who have had association with him when I say that he is one of the most dependable men that has ever been elected to this body. [Applause.] It will be a great pleasure for me to cooperate with him in the service of the country.

Ordinarily I would extend thanks to the entire House for my election to this high office, but, unfortunately, I did not get all of the votes. Therefore I must in that particular confine myself to the ladies and gentlemen who have expressed their confidence in me by the vote just taken. I am deeply grateful and sincerely appreciative of the confidence that you have expressed in me. I am not unmindful of the responsibilities, and, with the cooperation of those who have expressed their confidence in me—and I expect and hope also of the entire membership of the House—I hope to perform the duties of the office acceptably to all.

Ordinarily this would be an occasion when I might express the hopes and aspirations of the House of Representatives in its legislative program for the coming session of Congress, but at the moment I do not feel at liberty—in fact, I do not think it advisable that I should undertake to make a statement on that subject. At a later date—and I hope at an early date—I expect to make to you a complete statement touching that program. Also, it is customary for a Member assuming this place to indulge in some promises as to what he hopes to do as your presiding officer. I made no promises to secure this preferment, and I have none to make now.

The oath of office that I am about to take carries with it the only promise it is necessary for any American citizen to make, to assure the country that he expects to devote his best efforts to its service.

That oath of office I am ready to take at the present moment, and I ask the gentleman from North Carolina [Mr. POU] to administer it. [Applause.]

Mr. POU administered the oath of office to the Speaker.

SWEARING IN OF MEMBERS ELECT

The SPEAKER. Ladies and gentlemen of the House, at the last Congress, after conference with my deceased friend, Mr. Longworth, it was decided that the better method of swearing in the membership was to swear in the entire House at one time, instead of swearing in the Members by States, as has been the custom for some hundred years. So I am going to ask each Member of the House to rise in his place and allow me to administer the oath of office.

The Members and Delegates rose in their places, and the Speaker administered the oath of office.

MAJORITY LEADER

Mr. ARNOLD. Mr. Speaker, the caucus of the Democratic Members of the House has selected Hon. HENRY T. RAINEY, of Illinois, as majority leader for the Seventy-second Congress. [Applause.]

ELECTION OF OFFICERS OF THE HOUSE

The SPEAKER. The next business before the House is the election of the officers of the House.

Mr. ARNOLD. Mr. Speaker, I present a resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from Illinois [Mr. ARNOLD] offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 1

Resolved, That South Trimble, of the State of Kentucky, be, and he is hereby, chosen Clerk of the House of Representatives;

That Kenneth Romney, of the State of Montana, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives;

That Joseph J. Sinnott, of the State of Virginia, be, and he is hereby, chosen Doorkeeper of the House of Representatives;

That Finis E. Scott, of the State of Tennessee, be, and he is hereby, chosen Postmaster of the House of Representatives; and

That Rev. James Shera Montgomery, D. D., of the District of Columbia, be, and he is hereby, chosen Chaplain of the House of Representatives.

Mr. HAWLEY. Mr. Speaker, under the direction of the Republican conference, I offer an amendment to the resolution offered by the gentleman from Illinois [Mr. ARNOLD].

The SPEAKER. The gentleman from Oregon [Mr. HAWLEY] offers an amendment, which the Clerk will report.

The Clerk read the amendment, as follows:

Mr. HAWLEY moves to amend the resolution by striking out—

"That South Trimble, of the State of Kentucky, be, and he is hereby, chosen Clerk of the House of Representatives"—

And inserting in lieu thereof the following:

"That William Tyler Page, of the State of Maryland, be, and he is hereby, chosen Clerk of the House of Representatives; "—

And by striking out—

"That Kenneth Romney, of the State of Montana, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives"—

And inserting in lieu thereof the following:

"That Joseph G. Rodgers, of the State of Pennsylvania, be, and he is hereby, chosen Sergeant at Arms of the House of Representatives; "—

And by striking out—

"That Joseph J. Sinnott, of the State of Virginia, be, and he is hereby, chosen Doorkeeper of the House of Representatives"—

And inserting in lieu thereof the following:

"That Bert W. Kennedy, of the State of Michigan, be, and he is hereby, chosen Doorkeeper of the House of Representatives; "—

And by striking out—

"That Finis E. Scott, of the State of Tennessee, be, and he is hereby, chosen Postmaster of the House of Representatives"—

And inserting in lieu thereof the following:

"That Frank W. Collier, of the State of Wisconsin, be, and he is hereby, chosen Postmaster of the House of Representatives."

Mr. HAWLEY. Mr. Speaker, I ask that the amendment be divided for the question so as to cover each of the officers, and, Mr. Speaker, I further ask unanimous consent that instead of a yea-and-nay vote on these amendments the vote be taken on the individuals; that is, as the roll is called Members vote for the individuals by their respective names.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

Mr. RAINEY and Mr. BANKHEAD rose.

Mr. RAINEY. Mr. Speaker, I suggest it would take a long time to do that. Why not vote en bloc?

Mr. HAWLEY. The purpose, Mr. Speaker, is to give the Members of the House an opportunity to vote on each of the proposed officers.

Mr. STAFFORD. Mr. Speaker, a parliamentary inquiry——

Mr. SABATH. Mr. Speaker, the amendment offered by the gentleman from Oregon [Mr. HAWLEY] does not call for a separate vote.

Mr. RAINEY. Mr. Speaker, the proposition just made by the gentleman from Oregon [Mr. HAWLEY] will keep us here all night. We are all going to be in our seats, as far as we are concerned. We will have no difficulty in keeping the Democrats present. We have a clear majority, so why not proceed in the usual way?

Mr. HAWLEY. Mr. Speaker, in view of the apparent opposition, I withdraw the proposal.

The SPEAKER. The gentleman from Oregon asks unanimous consent to withdraw his proposal. Is there objection?

There was no objection.

The question was taken, and the amendment to the resolution was rejected.

Mr. HAWLEY. Mr. Speaker, the Republican conference unanimously selected as Chaplain of the House the present Chaplain, Dr. James Shera Montgomery, and we want to join in his unanimous election.

The resolution was agreed to.

The SPEAKER. The officers elect will come forward and take the oath of office.

The officers elect appeared in the well of the House, and the oath of office was administered by the Speaker.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed the following resolutions:

Senate Resolution 1

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

Pursuant to the foregoing resolution, the Vice President appointed Mr. WATSON and Mr. ROBINSON of Arkansas members of the committee on the part of the Senate.

Senate Resolution 2

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

Senate Resolution 3

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian until otherwise ordered.

Senate Resolution 4

Resolved, That the Senate has heard with deep regret and profound sorrow the announcement of the death of Hon. THADDEUS H. CARAWAY, late a Senator from the State of Arkansas.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

Senate Resolution 5

Resolved, That the Senate has heard with deep regret and profound sorrow the announcement of the death of Hon. DWIGHT W. MORROW, late a Senator from the State of New Jersey.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

NOTIFICATION OF THE SENATE

Mr. COLLIER. Mr. Speaker, I offer a resolution and move its adoption.

The SPEAKER. The gentleman from Mississippi offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 2

Resolved, That a message be sent to the Senate to inform that body that a quorum of the House of Representatives has assembled; that JOHN N. GARNER, a Representative from the State of Texas, has been elected Speaker; that South Trimble, a citizen of the State of Kentucky, has been elected Clerk; and that the House is ready for business.

The resolution was agreed to.

NOTIFICATION OF THE PRESIDENT

Mr. RAINEY. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from Illinois offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 3

Resolved, That a committee of three be appointed by the Speaker, on the part of the House of Representatives, to join the committee appointed on the part of the Senate to wait on the President of the United States and notify him that a quorum of the two Houses has assembled, and that Congress is ready to receive any communication he may be pleased to make.

The resolution was agreed to.

The SPEAKER. The Chair appoints the following as members of said committee: Messrs. RAINEY, COLLIER, and SNELL.

Mr. BYRNS. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from Tennessee offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 4

Resolved, That the Clerk be instructed to inform the President of the United States that the House of Representatives has elected JOHN N. GARNER, a Representative from the State of Texas, Speaker, and South Trimble, a citizen of the State of Kentucky, Clerk, of the House of Representatives of the Seventy-second Congress.

The resolution was agreed to.

THE RULES

Mr. POU. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from North Carolina offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 5

Resolved, That the rules of the Seventy-first Congress be, and they are hereby, adopted as the rules of the Seventy-second Congress, with the following amendments included therein as a part thereof, to wit:

"That Rule II of the House be amended by adding two new paragraphs, as follows:

"'PAR. 48. A standing committee of the House shall meet to consider any bill or resolution pending before it: (1) On all regular meeting days selected by the committee; (2) upon the call of the chairman of the committee; (3) if the chairman of the committee, after three days' consideration, refuses or fails, upon the request of at least three members of the committee, to call a special meeting of the committee within seven calendar days from the date of said request, then, upon the filing with the clerk of the committee of the written and signed request of a majority of the committee for a called special meeting of the committee, the committee shall meet on the day and hour specified in said written request. It shall be the duty of the clerk of the committee to notify all members of the committee in the usual way of such called special meeting.

"'PAR. 49. The rules of the House are hereby made the rules of its standing committees so far as applicable, except that a motion to recess from day to day is hereby made a motion of high privilege in said committees.'

"That paragraph 3 of Rule XIII be, and the same is hereby, amended as follows: Strike out of said paragraph the following words: 'On the first Monday of each month immediately after the reading of the Journal, and on the third Monday of each month immediately after the disposition of motions to instruct committees which may be called up' and insert in lieu thereof: 'On the first and third Mondays of each month immediately after the reading of the Journal.'

"That paragraph 4 of Rule XIII of the House be amended by striking out the words 'of motions to instruct committees' and inserting in lieu thereof the words 'of motions to discharge committees.'"

"That the last proviso of paragraph 7 of Rule XXIV be, and the same is hereby, amended as follows: Strike out the word 'two' and insert in lieu thereof the word 'one': *Provided,* That when, during any one session of Congress, all of the committees of the House are not called under the Calendar Wednesday rule, at the next session of Congress the call shall commence where it left off at the end of the preceding session.

"That immediately upon the adoption of this resolution, paragraph 8 of Rule XXIV be amended as follows: Insert after the word 'month' the following language: 'after the disposition of motions to discharge committees and.'

"That upon the adoption of this resolution that part of paragraph 45 of Rule XI codified in the House Manual as section 725 A be, and the same is hereby, repealed, and that there be, and hereby is, inserted in lieu thereof the following: 'The Committee on Rules shall present to the House reports concerning rules, joint rules, and order of business, within three legislative days of the time when ordered reported by the committee. If such rule or order is not considered immediately, it shall be referred to the calendar and, if not called up by the Member making the report within seven legislative days thereafter, any member of the Rules Committee may call it up as a question of privilege and the Speaker shall recognize any member of the Rules Committee seeking recognition for that purpose. If the Committee on Rules shall make an adverse report on any resolution pending before the committee providing for an order of business for the consideration by the House of any public bill or joint resolution, on days when it shall be in order to call up motions to discharge committees, it shall be in order for any Member of the House to call up for consideration by the House any such adverse report, and it shall be in order to move the adoption by the House of said resolution adversely reported notwithstanding the adverse report of the Committee on Rules, and the Speaker shall recognize the Member seeking recognition for that purpose as a question of the highest privilege.'"

"That Rule XXVII of the Rules of the House be amended by striking out paragraph 4 of said rule and inserting in lieu thereof the following:

"'4. A Member may present to the Clerk a motion in writing to discharge a committee from the consideration of a public bill or resolution which has been referred to it 30 days prior thereto (but only one motion may be presented for each bill or resolution). Under this rule it shall also be in order for a Member to file a motion to discharge the Committee on Rules from further consideration of any resolution providing either a special order of business, or a special rule for the consideration of any public bill or resolution favorably reported by a standing committee, or a special rule for the consideration of a public bill or resolution which has remained in a standing committee 30 or more days without action: *Provided,* That said resolution from which it is moved to discharge the Committee on Rules has been referred to that committee at least seven days prior to the filing of the mo-

tion to discharge. The motion shall be placed in the custody of the Clerk, who shall arrange some convenient place for the signature of Members. A signature may be withdrawn by a Member in writing at any time before the motion is entered on the Journal. When Members to the total number of 145 shall have signed the motion, it shall be entered on the Journal, printed with the signatures thereto in the CONGRESSIONAL RECORD, and referred to the Calendar of Motions to Discharge Committees.

"'On the second and fourth Mondays of each month, except during the last six days of any session of Congress, immediately after the approval of the Journal, any Member who has signed a motion to discharge which has been on the calendar at least seven days prior thereto, and seeks recognition, shall be recognized for the purpose of calling up the motion, and the House shall proceed to its consideration in the manner herein provided without intervening motion except one motion to adjourn. Recognition for the motions shall be in the order in which they have been entered on the Journal.

"'When any motion under this rule shall be called up, the bill or resolution shall be read by title only. After 20 minutes' debate, one-half in favor of the proposition and one-half in opposition thereto, the House shall proceed to vote on the motion to discharge. If the motion prevails to discharge the Committee on Rules from any resolution pending before the committee, the House shall immediately vote on the adoption of said resolution, the Speaker not entertaining any dilatory or other intervening motion except one motion to adjourn, and, if said resolution is adopted, then the House shall immediately proceed to its execution. If the motion prevails to discharge one of the standing committees of the House from any public bill or resolution pending before the committee, it shall then be in order for any Member who signed the motion to move that the House proceed to the immediate consideration of such bill or resolution (such motion not being debatable), and such motion is hereby made of high privilege; and if it shall be decided in the affirmative, the bill shall be immediately considered under the general rules of the House, and if unfinished before adjournment of the day on which it is called up it shall remain the unfinished business until it is fully disposed of. Should the House by vote decide against the immediate consideration of such bill or resolution, it shall be referred to its proper calendar and be entitled to the same rights and privileges that it would have had had the committee to which it was referred duly reported same to the House for its consideration: *Provided*, That when any perfected motion to discharge a committee from the consideration of any public bill or resolution has once been acted upon by the House it shall not be in order to entertain during the same session of Congress any other motion for the discharge from that committee of said measure, or from any other committee of any other bill or resolution substantially the same, relating in substance to or dealing with the same subject matter, or from the Committee on Rules of a resolution providing a special order of business for the consideration of any other such bill or resolution, in order that such action by the House on a motion to discharge shall be res adjudicata for the remainder of that session: *Provided further*, That if before any one motion to discharge a committee has been acted upon by the House there are on the Calendar of Motions to Discharge Committees other motions to discharge committees from the consideration of bills or resolutions substantially the same, relating in substance to or dealing with the same subject matter, after the House shall have acted on one motion to discharge, the remaining said motions shall be stricken from the Calendar on Motions to Discharge Committees and not acted on during the remainder of that session of Congress.'"

"That Rule XXVIII be amended by inserting after paragraph 1a a new paragraph to be known as paragraph 1½a, as follows:

"'After House conferees on any bill or resolution in conference between the House and Senate shall have been appointed for 20 calendar days and shall have failed to make a report, it is hereby declared to be a motion of the highest privilege to move to discharge said House conferees and to appoint new conferees, or to instruct said House conferees; and, further, during the last six days of any session of Congress, it shall be a privileged motion to move to discharge, appoint, or instruct House conferees after House conferees shall have been appointed 36 hours without having made a report.'"

During the reading of the resolution the following occurred:

Mr. PURNELL. Mr. Speaker, if I may interrupt the reading, I would like to propound an inquiry to the gentleman from North Carolina [Mr. POU].

The SPEAKER. Except by unanimous consent, the gentleman can not stop the reporting of the resolution.

Mr. PURNELL. I ask unanimous consent, Mr. Speaker, that I may offer a suggestion to the gentleman from North Carolina in the interest of the adoption of sane, sensible rules, which we all seek to do.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. PURNELL. I want to suggest to the gentleman that he let this matter lay over, or at least the proposed amendments, until they can be printed. I understand the resolution is not in print, and as the Speaker himself has well said, this is perhaps one of the most important moves that will be made in this Congress—the revision of the rules. The individual Members can not possibly follow them. Even those of us who are on the Rules Committee and have tried to do so, have been unable to do it. If they might be printed and lay over, I think they could be disposed of to-morrow.

Mr. POU. I may say to my friend from Indiana that there would be no rules under which the House could operate. If I could get unanimous consent, I would be willing to adopt the rules of the Seventy-first Congress, and the amendment of the rules might go over until to-morrow.

Mr. LAGUARDIA. I hope the gentleman will not do that. If we are going to have any rules, let us have the complete rules. If unanimous consent is required, I certainly should object.

Mr. CRISP. I object to that proposition, Mr. Speaker.

The Clerk concluded the reading of the resolution.

ANNOUNCEMENT

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent to proceed for one minute to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. HAWLEY. The Republican conference will meet in this room, with the kind permission of our distinguished Speaker, following the adjournment of the session to-day.

THE RULES

Mr. LAGUARDIA. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LAGUARDIA. Mr. Speaker, in the absence of any rules to guide the procedure up to this point, I desire to inquire whether or not, after the presentation of the rules by the gentleman from North Carolina, and other gentlemen on the Democratic side who may present rules, whether the Speaker will recognize other Members on the question before the House—the adoption of the rules?

The SPEAKER. Of course, unless the previous question is moved, the Chair will indulge the House as long as anyone desires recognition.

Mr. LAGUARDIA. That I know. In the absence of any rule will the Chair recognize Members before the motion on the previous question is made?

The SPEAKER. The gentleman from New York has propounded a parliamentary inquiry and the Chair will answer it. The Chair understood the gentleman from New York to ask whether or not anyone can offer any amendments under the present parliamentary rules. My recollection is that Speaker Longworth held in the Sixty-ninth Congress that parliamentary law applying to this body included the rules of the House in the previous Congress as far as they were applicable, and in this instance the rules of the House in the Seventy-first Congress would give the gentleman from North Carolina the floor until he yielded.

Mr. CRISP. Mr. Speaker, I would like to say to my friend from Indiana [Mr. PURNELL] that I have consulted my majority leader and the gentleman who makes this motion, my friend from North Carolina [Mr. POU], and that I am perfectly willing for the whole matter of the consideration of the rules to go over until to-morrow. I objected to the proposition to adopt the rules of the Seventy-first Congress and to leave out of them the proposed changes. I can not and will not consent to that. If the whole matter goes over, I am quite acquiescent to that; and I want to say to my friend from Indiana that these rules were printed for the use of the caucus, just as you gentlemen printed yours, and the gentleman had a copy of them Sunday and talked to me over the phone about them, and I advised the gentleman exactly what this motion would be that is now made, and stated that there would be included in the motion every rule in that pamphlet, eliminating the rule dealing with the Private Calendar, and changing 100 to 145.

Mr. PURNELL. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. PURNELL. The statement the gentleman has made is exactly correct, but I am only one Member on this side. The rest of the membership have not seen the rules, and they don't know a thing about the proposal.

Mr. CRISP. I have not the slightest objection to gentlemen knowing them. I want the Members to hear them, and if they will study them I am sure they will be in favor of them.

Mr. LAGUARDIA. Does the gentleman from Georgia [Mr. CRISP] intend taking the floor to-day and clarifying the rules and answering any questions that may be asked?

Mr. CRISP. The leader suggested he desired me to do that, and I am prepared to proceed now or at any other time.

Mr. BANKHEAD. Will the gentleman from North Carolina yield?

Mr. POU. I yield.

Mr. BANKHEAD. Inasmuch as it is apparent we are approaching an agreement that might possibly carry over the consideration of this matter until to-morrow, and inasmuch as we have some subsequent business that we desire to present before we adjourn to-day, of course it will be understood, as stated by the Speaker, if this agreement is carried into effect, we will have the right to carry forward our program of electing the majority members of the Ways and Means Committee before we adjourn.

Mr. LAGUARDIA. Mr. Speaker, that would be extremely dangerous, and so far as I am concerned I shall resist any action in this House that in any way may be construed as adopting the rules of the last Congress for this Congress.

Mr. RAINEY. I may say to the gentleman from New York [Mr. LAGUARDIA] that we are very anxious to elect the Democratic members of the Ways and Means Committee.

Mr. LAGUARDIA. May not that be done by unanimous consent?

Mr. RAINEY. It is our committee on committees, and I hope it can be done by unanimous consent.

Mr. MICHENER. Will the gentleman from North Carolina yield?

Mr. POU. Yes.

Mr. MICHENER. In view of the fact that the amendments of the rules are important and this is a controversial matter, in view of the fact that the Republicans have held a caucus, or a conference, and have passed upon a set of rules, and in view of the further fact that the Democrats have held a conference, or a caucus, and have settled upon rules, and in view of the further fact that the Republican membership of the House have no information as to the rules to be presented by the Democrats, and I assume the Democrats have no information as to the rules to be presented by the Republicans I therefore ask unanimous consent that the matter of the consideration of the rules go over until to-morrow and that in the meantime there be a print of the proposed rules suggested by the Democrats and the proposed rules suggested by the Republicans so that the House may be fully advised when we come to a vote as to what are the proposed changes.

Mr. POU. I am willing to agree to any arrangement for debate on this amendment.

Mr. PURNELL. Is it the gentleman's intention to yield time to this side of the House?

Mr. POU. I am willing to yield time to that side of the House to use as that side of the House sees fit but with the understanding that I do not yield the floor.

Mr. PURNELL. May I put a further question? Is it the intention of the gentleman to yield for the purpose of offering amendments?

Mr. POU. No.

Mr. MICHENER. I feel sure that it will help the procedure if we may have the amendments to the rules printed so that we may know what they are.

Mr. MAPES. A parliamentary inquiry Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. MAPES. I understood the gentleman from North Carolina to say that he would not yield the floor for the purpose of allowing an amendment to his motion. I would like to ask the Speaker if it is not a fact, even though he does not yield the floor for that purpose and the previous question should be ordered on the resolution, that some Member on this side would have the right to move to recommit or move to amend the resolution?

The SPEAKER. Within the spirit of the rules of the Seventy-first Congress on the motion to recommit, the Chair thinks that they would have that right.

Mr. MAPES. I think the ruling of the Chair is correct. If the Chair will recollect, Speaker Clark, at the beginning of the Sixty-third Congress, ruled to the same effect.

The SPEAKER. The Chair is familiar with that ruling.

Mr. POU. Mr. Speaker, in view of the importance of the amendment to the rules of the House, I am wiling that the whole matter should go over until to-morrow and that it come up immediately after the reading of the Journal.

Mr. PURNELL. Including the amendment offered?

Mr. CRISP. That has been read and will go into the RECORD.

Mr. MICHENER. The Republican amendment has not been read, and therefore I ask unanimous consent that all amendments suggested by the Democrats be printed in the RECORD and all amendments suggested by the Republicans also be printed in the RECORD, so that we may have before us what we are to vote upon.

Mr. BANKHEAD. Reserving the right to object, as the gentleman has already pointed out, those will be printed in the RECORD. If gentlemen on the other side ask unanimous consent to have their proposals printed in the RECORD, that is an independent proposition from that side.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the resolution be permitted to go over until to-morrow, to become pending business, that the resolution be printed in the RECORD as read from the desk, and that such additional suggestions as the independent resolution by the Republican side be also printed in the RECORD. Is there objection?

Mr. LAGUARDIA. Reserving the right to object, it is understood, I take it, that the matter of the rules will be the first order of business to-morrow.

Mr. POU. In so far as I can bring that result about; yes.

The SPEAKER. The Chair understands that that will be a privileged matter, which could be brought up at any time.

Mr. LAGUARDIA. Other important matters may come in that may take a great deal of time. To my mind there is nothing more important than the adoption of the rules, because they are the only guidance we have as to our mode of procedure. It seems to me that we could well agree to take that matter up first. I am extremely anxious about this. Will the gentleman from Illinois inform the House that it is his intention to call up the rules the first thing to-morrow?

Mr. RAINEY. That is my intention.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. PURNELL. Mr. Speaker, reserving the right to object, I want to be sure that the gentleman's request provides for the printing of what are now the minority resolutions in the RECORD, as adopted by the minority conference.

Mr. POU. I have no objection to that, although I did not include that in my request.

Mr. PURNELL. I understood the Speaker to put it in that way, and I want to know if that is his interpretation of it.

Mr. POU. I have no objection.

The SPEAKER. The Chair will put the request once more as he understands it. The gentleman from North Carolina asks unanimous consent that the pending resolution go over until to-morrow, that it be the pending business, that the resolution be printed in the RECORD, that such additional amendments or suggestions as the Republicans may have to make be also printed in the RECORD. Is there objection?

There was no objection.

TENTATIVE PROPOSED CHANGES IN THE RULES OF THE HOUSE OF REPRESENTATIVES OF THE SEVENTY-SECOND CONGRESS AS APPROVED BY THE REPUBLICAN CONFERENCE

Resolved, That clause 3, Rule XIII, be amended to read as follows:

"3. After a bill which has been favorably reported shall be upon either the House or Union Calendar, any Member may file with the Clerk a notice that he desires such a bill placed upon a special calendar to be known as the "Consent Calendar." On the first Monday of each month immediately after the reading of the Journal, and on the third Monday of each month immediately after the disposition of motions to instruct committees which may be called up, the Speaker shall direct the Clerk to call the bills which have been for three days upon the "Consent Calendar." Should two objections be made to the consideration of any bill so called, it shall immediately be stricken from such calendar, but such bill may be restored to the calendar at the instance of the Member, and if again objected to by five or more Members, it shall be immediately stricken from such calendar, and shall not thereafter be placed thereon: *Provided,* That the same bill shall not be called twice on the same legislative day.

"On the second and fourth Saturdays of each month, after the disposal of such business on the Speaker's table as requires reference only, the House shall resolve itself into the Committee of the Whole House to consider business on the Private Calendar. Bills shall be called up in the order in which they appear on the Private Calendar. When a bill is called up it shall be first read by the Clerk and if there is objection to its consideration general debate shall be had on the bill. Such debate shall be limited to 20 minutes—10 minutes for and 10 minutes against—and the Chairman is charged with the strict enforcement of this limitation on debate. After such debate if five objections are made to the consideration the bill shall be passed over until the bills remaining on the calendar on that date have first been called. At the expiration of general debate, or after the first reading if no such debate is had, the bill shall be considered for amendment under the 5-minute rule. When bills thus objected to are subsequently called for consideration for amendment under the 5-minute rule, under this rule they shall be considered unless the question of consideration is raised, in which event debate shall be limited to 10 minutes—5 minutes for and 5 minutes against such question. If the Committee of the Whole House determines the question of consideration in the affirmative, the bill shall be considered for amendment under the 5-minute rule. If, however, the Committee of the Whole House determines the question of consideration in the negative, the bill shall be laid aside until the committee arises, whereupon it shall be reported back to the House with the adverse recommendation. Any bill under this rule reported back to the House with an adverse recommendation shall automatically be recommitted to the standing committee reporting it and said bill shall not again be reported during the same Congress."

Resolved, That clause 4 of Rule XIII of the House be amended by striking out the words "of motions to instruct committees" and inserting in lieu thereof the words "of motions to discharge committees."

Resolved, That the proviso of clause 7 of Rule XXIV be amended as follows: Strike out the words "two hours" and insert in lieu thereof the words "one hour"; and strike out the words "two Wednesdays" and insert in lieu thereof the words "one Wednesday."

Resolved, That clause 4 of Rule XXVII be amended to read as follows:

"A Member may present to the Clerk a motion in writing to discharge a standing committee of the House from the consideration of a public bill or resolution which has been referred to it 30 calendar days prior thereto (but only one motion may be presented for each bill or resolution). The motion shall be placed in the custody of the Clerk, who shall arrange some convenient place for the signature of Members. A signature may be withdrawn by a Member in writing at any time before the motion is entered on the Journal. When Members to the total number of 145 have signed the motion, it shall be entered on the Journal, printed with the signatures thereto in the CONGRESSIONAL RECORD, and referred to the Calendar of Motions to Discharge Committees.

"On the second and fourth Monday of each month, immediately after the approval of the Journal, any Member who has signed a motion to discharge which has been on the calendar at least 20 legislative days prior thereto and seeks recognition shall be recognized for the purpose of calling up the motion, and the House shall proceed to its consideration in the manner herein provided without intervening motion except one motion to adjourn. Recognition for the motions shall be in the order in which they have been entered on the Journal.

"When any motion under this rule shall be called up, the bill or resolution shall be read by title only. After one hour's debate, one-half in favor of the proposition and one-half in opposition thereto, the House shall proceed to vote on the motion to discharge: *Provided,* That as a substitute for the motion to discharge, one motion shall be in order to instruct. If the motion prevails to discharge one of the standing committees of the House from the consideration of any public bill or resolution pending before the committee, it shall then be in order for any Member who signed the motion to move that the House proceed to the immediate consideration of such bill or resolution (such motion not being debatable), and such motion is hereby made of high privilege; and if it shall be decided in the affirmative, the bill shall be immediately considered under the general rules of the House, and if it is unfinished before adjournment on the day on which it is called up it shall remain the unfinished business until it is fully disposed of (such privilege as attaches to the said bill or resolution, however, shall not supersede the provisions of clause 9 of Rule XVI). Should the House by vote decide against the immediate consideration of such bill or resolution, it shall be referred to its proper calendar and be entitled to the same rights and privileges that it would have had had the committee to which it was referred duly reported same to the House for its consideration: *Provided,* That, when any perfected motion to discharge a committee from the consideration of any public bill or resolution has once been acted upon by the House, it shall not be in order to entertain any other motion for the discharge of a committee from the consideration of the said measure during the same session of Congress."

Resolved, That Rule X be amended as follows:

"6. A standing committee of the House shall meet to consider any bill or resolution pending before it: (1) on all regular meeting days selected by the committee; (2) upon the call of the chairman of the committee; (3) if the chairman of the committee, after three days' consideration, refuses or fails, upon the written request of at least three members of the committee, to call a special meeting of the committee within seven calendar days from the date of said request, then, upon the filing with the clerk of the committee of the written and signed call of a majority of the committee for a special meeting of the committee, the committee shall meet on the day and hour specified in said written request. It shall be the duty of the clerk of the committee to notify all members of the committee in the usual way of such called special meeting.

"The rules of the House are hereby made the rules of its standing committees so far as applicable, except that a motion to recess from day to day is hereby made a motion of high privilege in said committees."

Resolved, That clause 4 of Rule I be amended by inserting, after the word "then," the words "10 minutes or more than," so as to read:

"4. He shall sign all acts, addresses, joint resolutions, writs, warrants, and subpœnas of, or issued by order of, the House, and decide all questions of order, subject to an appeal by any Member, on which questions or order or appeal no Member shall speak more than 10 minutes or more than once, unless by permission of the House."

Resolved, That Rule XX be amended by adding a new clause, as follows:

"3. When any amendment of the Senate to any House bill is considered in the Committee of the Whole, it shall be considered therein by paragraphs or sections, under the same rules for debate and amendment as if it were an original bill."

Resolved, That clause 45 of Rule XI be amended by inserting, after the last semicolon therein, the words: "the Committee on the Library, on all matters referred to them; " so as to read:

"The following-named committees shall have leave to report at any time on the matters herein stated, namely: The Committee on Rules, on rules, joint rules, and order of business; the Committee on Elections, on the right of a Member to his seat; the Committee on Ways and Means, on bills raising revenue; the Committee on Appropriations, the general appropriation bills; the Committee on Rivers and Harbors, bills authorizing the improvement of rivers and harbors; the Committee on the Public Lands, bills for the forfeiture of land grants to railroads and other corporations, bills preventing speculation in the public lands, and bills for the reservation of the public lands for the benefit of actual and bona fide settlers; the Committee on the Territories, bills for the admission of new States; the Committee on Enrolled Bills, enrolled bills; the Committee on Invalid Pensions, general pension bills; the Committee on Printing, on all matters referred to them of printing for the use of the House or the two Houses; the Committee on the Library, on all matters referred to them; and the Committee on Accounts, on all matters of the contingent fund of the House."

Resolved, That Clause I of Rule XII be amended by adding to the committee assignments of delegates, after the word "Territories," the following: "and Naval Affairs; and two on Merchant Marine and Fisheries and Immigration and Naturalization."

DAILY HOUR OF MEETING

Mr. RAINEY. Mr. Speaker, I offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 6

Resolved, That until otherwise ordered the daily hour of meeting of the House of Representatives shall be 12 o'clock meridian.

The resolution was agreed to.

DEMOCRATIC MEMBERS OF COMMITTEE ON WAYS AND MEANS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the desk.

The Clerk read as follows:

House Resolution 7

Resolved, That the following Members be, and they are hereby, elected members of the standing Committee of the House on Ways and Means, to wit: James W. Collier, of Mississippi (chairman); Charles R. Crisp, of Georgia; Henry T. Rainey, of Illinois; Robert L. Doughton, of North Carolina; Heartsill Ragon, of Arkansas; Sam-

uel B. Hill, of Washington; Harry C. Canfield, of Indiana; Thomas H. Cullen, of New York; Christopher D. Sullivan, of New York; Morgan G. Sanders, of Texas; Edward E. Eslick, of Tennessee; John W. McCormack, of Massachusetts; Clement C. Dickinson, of Missouri; David J. Lewis, of Maryland; and Fred M. Vinson, of Kentucky.

The SPEAKER. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, it is understood that the adoption of this resolution, which refers to a committee not yet actually in existence, shall not be construed in any way as an adoption by the House of the rules of the Seventy-first Congress?

Mr. RAINEY. Certainly not.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to.

PRINTING AND BINDING

Mr. STEVENSON. Mr. Speaker, I offer the following resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 8

Resolved, That the standing committees of the House of Representatives and the floor leaders are hereby authorized to have such printing and binding done as may be actually necessary for the transaction of their official business during the Seventy-second Congress.

The resolution was agreed to.

REQUEST TO ADDRESS THE HOUSE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to address the House for three minutes. Is there objection?

Mr. RAINEY. Mr. Speaker, reserving the right to object, I shall not object to this request, but I shall be compelled to enter objection to any further similar requests to-day.

The SPEAKER. Is there objection?

Mr. SCHAFER. Mr. Speaker, I object.

LEAVE OF ABSENCE

Mr. LOVETTE. Mr. Speaker, my colleague, Hon. J. WILL TAYLOR, is ill in a hospital in Memphis. I ask unanimous consent that he may be excused from attendance on the sessions of the House until such time as he is able to attend.

The SPEAKER. Is there objection?

There was no objection.

THE LATE REPRESENTATIVE CHARLES A. MOONEY

Mr. CROSSER. Mr. Speaker, it becomes my distressing duty to inform the House of the death of my colleague, Mr. CHARLES A. MOONEY, of the twentieth district of Ohio, a man who was beloved and who held the confidence and affection of this House to an unusual degree.

I shall have something more to say later, but in the meantime I offer a resolution, which I have sent to the Clerk's desk.

The SPEAKER. The gentleman from Ohio [Mr. CROSSER] offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 9

Resolved, That the House has heard with profound sorrow of the death of Hon. CHARLES A. MOONEY, a Representative from the State of Ohio.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE REPRESENTATIVE MATHEW V. O'MALLEY

Mr. CELLER. Mr. Speaker, I offer a resolution, which I have sent to the Clerk's desk.

The SPEAKER. The gentleman from New York [Mr. CELLER] offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 10

Resolved, That the House has heard with profound sorrow of the death of Hon. MATHEW V. O'MALLEY, a Representative from the State of New York.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE REPRESENTATIVE SAMUEL C. MAJOR

Mr. DICKINSON. Mr. Speaker, I offer a resolution, which I have sent to the Clerk's desk.

The SPEAKER. The gentleman from Missouri [Mr. DICKINSON] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 11

Resolved, That the House has heard with profound sorrow of the death of Hon. SAMUEL C. MAJOR, a Representative from the State of Missouri.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE REPRESENTATIVE GEORGE S. GRAHAM

Mr. TEMPLE. Mr. Speaker, I offer a resolution, which I have sent to the Clerk's desk.

The SPEAKER. The gentleman from Pennsylvania [Mr. TEMPLE] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 12

Resolved, That the House has heard with profound sorrow of the death of Hon. GEORGE S. GRAHAM, a Representative from the State of Pennsylvania.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE REPRESENTATIVE BIRD J. VINCENT

Mr. McLAUGHLIN. Mr. Speaker, I offer a resolution, which I have sent to the Clerk's desk.

The SPEAKER. The gentleman from Michigan [Mr. McLAUGHLIN] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 13

Resolved, That the House has heard with profound sorrow of the death of Hon. BIRD J. VINCENT, a Representative from the State of Michigan.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE REPRESENTATIVE FLETCHER HALE

Mr. WASON. I offer a resolution, which I have sent to the Clerk's desk.

The SPEAKER. The gentleman from New Hampshire [Mr. WASON] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 14

Resolved, That the House has heard with profound sorrow of the death of Hon. FLETCHER HALE, a Representative from the State of New Hampshire.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE SENATOR DWIGHT W. MORROW

Mr. LEHLBACH. Mr. Speaker, I offer a resolution, which I have sent to the Clerk's desk.

The SPEAKER. The gentleman from New Jersey [Mr. LEHLBACH] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 15

Resolved, That the House has heard with profound sorrow of the death of Hon. DWIGHT W. MORROW, a Senator of the United States from the State of New Jersey.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE REPRESENTATIVE CHARLES G. EDWARDS

Mr. CRISP. Mr. Speaker, on the 13th day of July last Hon. CHARLES G. EDWARDS, while in the office of Congressman RAMSPECK, of the Atlanta district, talking to Mr. RAMSPECK and Mr. WRIGHT, had a stroke and died in the arms of his colleagues.

In his death the State lost one of its most devoted public officials, a man beloved by all who knew him. He was my personal friend.

Mr. Speaker, I have sent to the Clerk's desk a resolution, which I ask to have adopted.

The SPEAKER. The gentleman from Georgia [Mr. CRISP] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 16

Resolved, That the House has heard with profound sorrow of the death of Hon. CHARLES G. EDWARDS, a Representative from the State of Georgia.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE REPRESENTATIVE ERNEST R. ACKERMAN

Mr. LEHLBACH. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The SPEAKER. The gentleman from New Jersey [Mr. LEHLBACH] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 17

Resolved, That the House has heard with profound sorrow of the death of Hon. ERNEST R. ACKERMAN, a Representative from the State of New Jersey.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was adopted.

THE LATE REPRESENTATIVE HARRY M. WURZBACH

Mr. BUCHANAN. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The SPEAKER. The gentleman from Texas [Mr. BUCHANAN] offers a resolution, which the Clerk will report.

The Clerk read the resolution, as follows:

House Resolution 18

Resolved, That the House has heard with profound sorrow of the death of Hon. HARRY M. WURZBACH, a Representative from the State of Texas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE SENATOR THADDEUS H. CARAWAY

Mr. DRIVER. Mr. Speaker, it becomes my sad duty to announce to the House of Representatives the death of the junior Senator from the State of Arkansas, the Hon. THADDEUS H. CARAWAY. I offer a resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from Arkansas offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 19

Resolved, That the House has heard with profound sorrow of the death of Hon. THADDEUS H. CARAWAY, a Senator of the United States from the State of Arkansas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE REPRESENTATIVE JAMES B. ASWELL

Mr. WILSON. Mr. Speaker, it becomes my sad duty to announce to the House the death of my colleague, Congressman JAMES B. ASWELL, of Louisiana. His passing was a great loss to our State and the Nation. I offer a resolution and ask that it be adopted.

The SPEAKER. The gentleman from Louisiana offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 20

Resolved, That the House has heard with profound sorrow of the death of Hon. JAMES B. ASWELL, a Representative from the State of Louisiana.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

THE LATE SPEAKER NICHOLAS LONGWORTH

Mr. COOPER of Ohio. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from Ohio offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 21

Resolved, That the House has learned with profound sensibility and sorrow of the death of NICHOLAS LONGWORTH, Speaker of the House of Representatives of the Sixty-ninth, Seventieth, and Seventy-first Congresses.

Resolved, That in the death of the Hon. NICHOLAS LONGWORTH the United States has sustained an irreparable loss.

Resolved, That this House, of which he was a distinguished Member and leader, unite in honoring his sterling character, the ability, probity, and patriotic motives which illustrated his public career, and the grace and dignity which marked his intercourse with his fellow citizens.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, as a further mark of respect to our deceased Members, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 24 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 8, 1931, at 12 o'clock noon.

SENATE

TUESDAY, DECEMBER 8, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, who bringest forth from Thy treasure house things old and new for man's instruction, unfold to us in this fateful hour the true parable of life. May the voice of the past recall to us our blessings and persuade us to a thoughtful mood. May the voice of the present with its clarion call to a great emprise inspire us with new visions for the future. May the radiant beam of Hope, prophetic mistress of reality, who dares to look upon the naked face of life all unabashed, bestow upon our work an added grace, a beautifying touch that shall reveal our noble kinship with Him who is the eternal hope of all our race, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

SENATORS FROM ARKANSAS AND NEW JERSEY

Mr. ROBINSON of Arkansas. Mr. President, I present the certificate of appointment of Mrs. HATTIE CARAWAY to fill the vacancy caused by the death of the late Senator T. H. Caraway. The appointee is present and ready to take the oath of office.

The VICE PRESIDENT. The certificate will be read.

The Chief Clerk read the certificate, as follows:

STATE OF ARKANSAS,
EXECUTIVE CHAMBER,
Little Rock.

APPOINTMENT

Thaddeus H. Caraway, who was chosen United States Senator of the State of Arkansas in pursuance of the Constitution of the United States of America, having died:

Therefore I, Harvey Parnell, Governor of the State of Arkansas, have appointed Mrs. HATTIE CARAWAY United States Senator to fill the said vacancy temporarily until the election of a United States Senator by the qualified electors of the State.

Given under my hand and the seal of the said State this the 13th day of November, 1931.

[SEAL.]

HARVEY PARNELL,
Governor of the State of Arkansas.

Attest:

E. F. MCDONALD,
Secretary of State.

The VICE PRESIDENT. The certificate will be placed on the files of the Senate.

Mr. KEAN. Mr. President, I present the certificate of appointment of Mr. W. WARREN BARBOUR to be a Senator from the State of New Jersey.

The VICE PRESIDENT. Let the certificate be read.

The Chief Clerk read the certificate, as follows:

STATE OF NEW JERSEY,
DEPARTMENT OF STATE.

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of the State of New Jersey, I, Morgan F. Larson, the governor of said State, do hereby appoint you, W. WARREN BARBOUR, a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the death of Dwight W. Morrow, is filled by election as provided by law.

Witness: His excellency our governor, Morgan F. Larson, and our seal hereto affixed at Trenton this 1st day of December, A. D. 1931.

By the governor:

MORGAN F. LARSON,
Governor.

[SEAL.] THOMAS A. MATHIS,
Secretary of State.

The VICE PRESIDENT. The certificate will be placed on file.

Mr. PITTMAN. Mr. President, I wish to raise a constitutional question with regard to the matter of Mr. BARBOUR's appointment. With the consent of the Senate, I offer first a resolution to see if there is any objection.

The VICE PRESIDENT. Let the resolution be read.

The Chief Clerk read the resolution (S. Res. 6), as follows:

Resolved, That a United States Senator, duly elected to such office in accordance with the Constitution of the United States, becomes a Member of the United States Senate on the beginning of the term of office for which he was elected, and his membership in the United States Senate is not dependent upon the date of the presentation of his credentials or upon the taking of the prescribed oath of office; that his membership in the Senate is not delayed or shortened by delay in the presentation or acceptance of his credentials or the taking of the prescribed oath; that the late Senator Dwight W. Morrow was the duly elected United States Senator from the State of New Jersey and that his term of office was to commence on March 4, 1931; that, notwithstanding the fact that he had no opportunity to take the oath of office and did not take the oath of office, he was a Member of the United States Senate, and that his death subsequent to the 4th of March, 1931, and prior to the 7th of December, 1931, the date of the convening of the Seventy-second Congress, created a vacancy in such office; that, under the Constitution of the United States and the laws of the State of New Jersey, the Governor of the State of New Jersey was authorized to fill such vacancy by appointment; that, in pursuance of such authority, he has appointed and issued credentials of appointment to W. WARREN BARBOUR, and that, by virtue of such appointment and by authority of such credentials, the said W. WARREN BARBOUR is a Member of the United States Senate.

Resolved further, That his credentials be accepted, and that he be administered the oath of office and permitted to take his seat.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. BORAH. Mr. President, is it intended to dispose of the resolution this morning?

The VICE PRESIDENT. The Senator from Nevada offers the resolution, and the question is whether there is objection to its consideration at this time.

Mr. BORAH. Has the matter been considered by a committee?

Mr. PITTMAN. No; it has not. I will say to the Senator from Idaho that I feel that when the precedents which I am going to cite are read, every Senator here will be satisfied. Of course if they are not that might raise a different question. Personally, I have no desire to delay the matter.

Mr. President, I wish to say that the constitutionality of the appointment of Mr. BARBOUR is questioned in a recent decision of the District Court of Louisiana. There is cited in support of that decision the Dietrich case, tried in Nebraska, the court there sitting being Mr. Justice Van Devanter, now of the Supreme Court of the United States. The Dietrich case also cites a report from a committee of the House rendered in 1818. I read only a very few lines of that report to show the effect of it:

So, also, if a person duly qualified be elected and returned, and die before the organization of a House of Representatives, we do not think he could be said to have been a Member of that body, which had no existence until after his death.

That was the contested case of Samuel Herrick. The report of the committee was adopted by a close vote of 72 to 70, but as that precedent stands it means that a person elected to the United States Senate does not become a Member of the Senate until he accepts the office by taking the oath of office.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Nebraska?

Mr. PITTMAN. I yield.

Mr. NORRIS. In order to get the Senator's view on this question I would like to ask if he does not think the case cited is different from one applying to the Senate, inasmuch as the Senate is a continuing body and the House of Representatives is not?

Mr. PITTMAN. I think there is a question about that, but with the permission of the Senate, I will make a brief statement and after I have concluded it, if there are any questions to be propounded which I am able to answer, I shall be glad to do so.

I want first to call attention to the fact that we have constantly acted on the theory that a Senator is a Member of the Senate from the date of the commencement of his term for a period of six years, and that although he presented himself subsequently, whether a day later or a year later, if his credentials were accepted at that time, it related back to the beginning of his term. There are acts which a Senator may perform from the very beginning of his term until the next session of Congress when he takes the oath of office.

The District Court of the State of Louisiana has just rendered a decision which, if followed by the United States Senate, would, in my opinion, impel the Senate to declare that the appointment of Mr. BARBOUR as a Member of the United States Senate from the State of New Jersey is void. I do not agree with the decision nor with the opinion of the court. The court, however, in sustaining his decision has quoted from the decisions and opinions of other courts and from the precedents established in the Senate and House of Representatives.

By reason of the dignity that attaches to the court, and what appears to me to be a misconception not only of the decisions cited but the precedents of the Senate and House of Representatives, I feel that it is a matter that may not be ignored. The question is now at issue before the United States Senate.

The court of Louisiana holds that a duly elected candidate for the United States Senate does not become a Member of the Senate until he has subscribed to the oath of office prescribed for United States Senator. If this be the law, then it is evident that the late Dwight W. Morrow never became a Member of the United States Senate for his term commencing on March 4, 1931, for the reason that subsequent to his election and prior to his death he did not subscribe to the oath of office of United States Senator.

Without question Senator Morrow was duly elected as a United States Senator from the State of New Jersey for a term of six years commencing March 4, 1931. If he became a Member of the United States Senate on March 4, 1931, by virtue of such election and prior to taking the oath of office, then a vacancy was created by his death which, under the Constitution and the laws of New Jersey, entitled the governor to fill such vacancy by appointment. On the other hand, if under the Constitution Senator Morrow could not become a Member of the United States Senate until he took the oath of office, then he died without being a United States Senator for the term for which he was elected and no vacancy occurred which could be filled by appointment. Of course, as each State is entitled to two Senators, the vacancy in representation of the State of New Jersey could be filled by an election even though Dwight W. Morrow was not a United States Senator at the time that he died, but not by appointment.

The power of a chief executive to make a temporary appointment of a Member of the United States Senate is granted in the seventeenth amendment to the Constitution, clause 2, which reads as follows:

When vacancies happen in the represenation of any State in the Senate, the executive authority of such State shall issue writs

of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

This clause of the Constitution does not change or modify the method of the election of United States Senators as provided under the first clause of the seventeenth amendment. It anticipates that a representative of the State who has been duly elected has vacated his office, and that temporarily to fill such vacancy in representation the governor may appoint until the State may fill its quota of representation by election. It follows, therefore, that if Dwight W. Morrow was not a representative in the United States Senate of the State of New Jersey at the time his office was vacated by death, then the power of the governor to make the temporary appointment has not come into effect under the constitutional provision.

Chief Justice Marshall held in Marbury *v.* Madison (1 Cr. 137, 161–162):

If the transmission of a commission be not considered as necessary to give validity to an appointment, still less is its acceptance. The appointment is the sole act of the President; the acceptance is the sole act of the officer, and is, in plain common sense, posterior to the appointment. As he may resign, so may he refuse to accept; but neither the one nor the other is capable of rendering the appointment a nonentity.

That this is the understanding of the Government is apparent from the whole tenor of its conduct.

A commission bears date, and the salary of the officer commences from his appointment, not from the transmission or acceptance of his commission. When a person appointed to any office refuses to accept that office, the successor is nominated in the place of the person who has declined to accept, and not in the place of the person who had been previously in office and had created the original vacancy.

It is, therefore, decidedly the opinion of the court that when a commission has been signed by the President the appointment is made; and that the commission is complete when the seal of the United States has been affixed to it by the Secretary of State.

The reasoning of Chief Justice Marshall is applicable to the determination of the question as to when a United States Senator becomes a Member of the Senate.

Senator Morrow's certificate of election for the term beginning March 4, 1931, was issued to him by the chief executive of the State of New Jersey. Every constitutional act required of the State of New Jersey under the Constitution was consummated. Senator Morrow did not decline the office, and his acceptance of the certificate of election and credentials from the chief executive of his State constituted an acceptance of the office. If the contention of the court of Louisiana is correct that Senator Morrow could not become a Member of the United States Senate until he took the oath of office, then he would be deprived of the office to which he had been elected, and the salary and powers and perquisites of such office, from the date of the beginning of his term on March 4, 1931, until December 7, 1931, and the State would be deprived during such period of its equal representation in the United States Senate. This would be by reason of no default on the part of the State of New Jersey or of Senator Morrow, but solely because the United States Senate during such period was not in session and therefore no oath of office could be administered.

As was stated by the Supreme Court of the United States in Barry *v.* U. S. ex rel. Cunningham (279 U. S. 597, 615):

When a candidate is elected to either House, he, of course, is elected a Member of the body.

Again, in Conway *v.* United States (1 Ct. Cl. 68), the court said:

When a State, already in the Union, elects a Representative, the person elected has therefrom a vested right of membership and the action of Congress passing upon his election only ascertains the right vested by and from the election.

James Shields was denied a seat in the United States Senate in 1849 under the following resolution:

Resolved, That the election of James Shields to be a Senator of the United States was void, he not having been a citizen of the United States for the term of years required as a qualification to be a Senator of the United States at the commencement of the term for which he was elected.

Shields was naturalized on October 21, 1840. According to Article I, section 3, clause 3 of the United States Constitution:

No person shall be a Senator who shall not have * * * been nine years a citizen of the United States.

It will be noted that the Senate in the resolution fixed the date when Shields would become a Member of the Senate as the date of the commencement of the term for which he was elected. If, under the Constitution, Shields would not have become a Member of the Senate until he took the oath of office, he could have waited until October 21, 1849, and the objection that he had not been a citizen of the United States for nine years before becoming a Senator would not have been tenable.

The Senate and the House of Representatives, since the first organization of the Congress under the Constitution, have by their every recorded act recognized Senators and Representatives of their respective bodies from the date of the beginning of the term for which they were elected or appointed. Their right to receive and be paid their salaries, to have offices and other facilities provided for them, to enjoy the perquisites of the office, and to represent their States as United States Senators and Representatives from the beginning of their term of office until such office was vacated, either by voluntary or involuntary action, has always been recognized. If such action on behalf of the Senate and House of Representatives has been unconstitutional, then our Government has illegally expended upon Senators and Representatives, in salaries and otherwise, large sums of money.

The Constitution provides that—

The Congress shall assemble at least once in every year, and such meeting shall be on the first Monday in December, unless they shall by law appoint a different day.

In accordance with the requirements of the Constitution the newly elected Congress met in March, 1789. At the time Congress was assembled there was no provision for the administering of an oath of office; in fact the act prescribing the oath of office did not become a law until Wednesday, June 3, 1789.

Now let us see whether the first Congress of the United States considered they were Members of Congress prior to the taking of an oath of office. It is interesting to read from the Journal of the Senate relative to its first organization. The first Journal entry reads as follows:

WEDNESDAY, *March 4, 1789.*

This being the day for the meeting of the new Congress, the following Members of the Senate appeared and took their seats:

The Members present not being a quorum, they adjourned from day to day until * * * Monday, April 6.

Richard Henry Lee, from Virginia, then appearing, "took his seat, and formed a quorum of the whole Senators of the United States."

The credentials of the Members present being read and ordered to be filed, the Senate proceeded, by ballot, to the choice of a President for the sole purpose of opening and counting the votes for President of the United States.

John Langdon was elected.

It will be noted that John Langdon, in accordance with Article I, section 3, clause 5, of the Constitution, was elected by the Members of the Senate, to whom no oath of office had been administered.

On April 6, 1789, the House of Representatives was informed that a quorum of the Senate was formed and that a President had been elected for the sole purpose of opening the certificates and counting the votes of the electors of the several States in the choice of a President and Vice President of the United States.

Referring again to the Journal of the Senate in its early days we find this entry in the Journal of April 6, 1789:

The Speaker and the House of Representatives attended in the Senate Chamber.

Then follows the tabulation of the vote. And the Journal continues:

Whereby it appeared that George Washington, Esq., was elected President, and John Adams, Esq., Vice President of the United States of America.

And then we gather the following facts from the Senate Journal:

A rules committee was appointed on April 7.

A Secretary of the Senate was elected April 8.

The Committee on Rules reported on April 13.

On April 15, the joint rules were reported by the committee.

On April 16, the rules were agreed to.

On April 18, the move of conference with the House was concurred in.

On April 21, Mr. Langdon, the President pro tempore, conducted the Vice President to the chair.

On April 25, the committee on providing for the President taking the oath reported.

I wish to call attention to the fact that all of this until April 25 had been done through a President pro tempore of the Senate, who had taken no oath of office and who had been elected by Senators who had taken no oath of office, nor was the Vice President administered any oath of office.

The Constitution does provide that the President—

Before he enter on the execution of his office, he shall take the following oath or affirmation: "I do solemnly swear (or affirm) that I will faithfully execute the office of President of the United States, and will to the best of my ability preserve, protect, and defend the Constitution of the United States."

As to Senators and Representatives, the Constitution provides:

The Senators and Representatives before mentioned, and the members of the several State legislatures, and all executive and judicial officers, both of the United States and of the several States, shall be bound by oath or affirmation to support this Constitution.

It will be observed that the Constitution provides that the President shall take the oath "before he enter on the execution of his office." No such qualification is imposed under the Constitution upon Senators and Representatives. As to the President, the wording of the oath was set forth in the Constitution. As to Senators, its definition was left to congressional enactment.

It was not until Monday, June 1, 1789, that the oath to be administered to the Vice President, Senators, Representatives, and other officers was provided for by law. And yet, prior to June 1, 1789, the Members of the Senate and House of Representatives, prior to taking the oath of office, entered upon their legislative duties and enacted a tariff bill.

It was not until June 3, 1789, that the oath of office was administered by Mr. Langdon to the Vice President, and by the Vice President to the Members of the Senate and the Secretary. It will be noted that Mr. Langdon, the President pro tempore, administered the oath of office to the Vice President before he, Mr. Langdon, had taken the oath of office himself.

It is evident that if Senators elect do not become Members of the United States Senate until they have taken the oath of office, then the tabulation of the votes of the electors of the several States in the matter of a choice of a President and Vice President of the United States was without authority of the Constitution and void.

It is evident, therefore, that the constitutional provision requiring an oath of office on the part of United States Senators was the imposition of a duty and not a qualification of membership. A Member of the Senate might be expelled for refusing to take the oath of office or to perform his duties as United States Senator.

As was said by Senator Trumbull in discussing the fourteenth amendment to the Constitution:

The oath does not go to the qualification, but to the discharge of the duties subsequently. (Congressional Globe, 1865–66, vol. 4, p. 2901.)

Senator Crittenden, of Kentucky, in a debate on the floor of the Senate in 1858, declared:

I am as much a Senator before I take the oath as I am afterwards. It contributes nothing to make me a Senator. If I fail to take the oath and presume to act without it, I am guilty of an offense; but I am a Senator before.

If it were determined that a Member of the House of Representatives became a Member only after taking his oath of office, it would seem almost impossible to organize the House of Representatives. The Constitution provides:

The House of Representatives shall be composed of Members chosen every second year by the people of the several States, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

The Constitution further states: "The House of Representatives shall choose their Speaker and other officers."

From the first organization of the House of Representatives, upon ascertaining that a quorum of the Members was present, the body has proceeded to the election of their Speaker and other officers. This is the first constitutional act of organization. As the law requires the Speaker to administer the oath of office to the Members, the Members must elect a Speaker before they take the oath of office. So the only possible process is that which is followed. In every case the Speaker, after his election, is administered the oath of office by some unsworn Member of the House of Representatives.

The Constitution provides that—

Each House shall be the judge of the elections, returns, and qualifications of its own Members, and a majority of each shall constitute a quorum to do business.

Each House, from the first organization of Congress to the present time, has by its every act held that its Members become Members upon the beginning of the term for which they were elected and that the oath of office prescribed is not a qualification to membership.

The District Court of Louisiana, in the decision and opinion referred to, states—

I call particular attention to this statement of the opinion of that court, because it lays the whole onus of the court's misconstruction of the Constitution upon the Congress of the United States. The court says:

If we were left free to decide this case upon the constitutional provisions, and the contemporaneous debates thereon, we would decide this case in favor of relator.

The Congress of the United States being the sole and exclusive arbiter of the qualifications of its Members, any decision by that court should be binding on this court, a mere trial court. Likewise, any decision by a Federal court, while not binding on this court, is at least persuasive and entitled to some weight.

And then the court cites the decision to which I have referred, known as the Dietrich case. The particular phase of this case which is important here is reported in One hundred twenty-sixth Federal Reporter, commencing on page 676, and I will read part of it.

Let me call attention to the fact that that decision only collaterally had involved in it the question as to when a Senator becomes a Member of the Senate. It was a criminal case. Dietrich was indicted under our statute making it a crime for any Member of Congress to accept a bribe for the purpose of performing an official act. There would seem to be little doubt that the court admitted the facts for the purpose of the argument; but he found that Dietrich was not guilty because he found that Dietrich did not become a United States Senator at the beginning of his term, but several months later, at the first succeeding session of Congress when he presented his certificate and took the oath of office. The crime was committed during the term for which he was elected but before he took the oath of office, and the distinguished court held that he was not a United States Senator until he had accepted the office.

I think the proposition of law that a Senator is not a member until he accepts the office is correct. I do not think you can enforce on a United States Senator the office, and that has been held frequently; but to void his election he must decline the office or commit acts which are inconsistent with the holding of the office.

In Dietrich's case, as far as the court's opinion shows, Dietrich, when elected, accepted the certificate of his election. He accepted his credentials; and subsequently, at the first session of the Congress to which he was elected, he appeared here, presented his credentials, and was sworn in. The court said, however, that at any time between the date of his election and the date of presenting his certificate he might have resigned; or, in other words, he had not declared his acceptance of the office until he took the oath.

Of course the fallacy of the opinion lies in this: The Constitution of the United States guarantees to every State two representatives in the Senate at all times; and in order to make that representation continuous and certain the Constitution gave United States Senators a term of six years, commencing on the 4th day of March. On the 4th day of March one Senator goes out, and instantly another Senator from the State goes in.

I say that the presumption conclusively arises that if a man offers himself before the people of his State as a candidate for election to the United States Senate to represent them for a 6-year term commencing on March 4, and thereafter is elected, receives from the proper executive of his State a certificate that he is elected, accepts the credentials that have to be presented to the United States Senate as evidence of his election, and thereafter says no word and commits no act indicative of his refusal to accept the office, there is a conclusive presumption that during that period of time he has accepted it. I contend that the freeing of this man under such a technical decision, when he afterwards became a Senator of the United States and was sworn in, should have no weight and effect.

May I call the attention of the Senate also to the fact that the court became extremely confused with regard to criminal statutes. Some of our criminal statutes state that a Senator elect is prohibited from doing certain acts. Some of them state that a Senator is prohibited from doing certain acts. In other words, we have various degrees of expression in criminal statutes relative to Senators and Representatives; but, in my opinion, the most flagrant error that the court made was this:

At the time Dietrich was elected he was Governor of the State of Nebraska. He held that office for two months after he was elected Senator. The court says that holding the office of governor and holding the office of United States Senator at the same time are incompatible with and contrary to the Constitution of the United States, and quotes the provision of the Constitution on the subject. The court says:

> This is the position which has been uniformly taken by the House of Representatives under that provision of the Constitution, Article I, paragraph 6, which declares:
> "No person holding any office under the United States shall be a Member of either House during his continuance in office."

The language is, "No person holding any office under the United States." It does not say, "No person holding any office under a State." There is no provision, to my knowledge, in the Constitution or in any Federal statute which prohibits a United States Senator from holding the office of governor of a State—none whatever. The Constitution only states that a person can not hold an office under the United States Government at the same time that he holds the office of Representative in Congress or United States Senator.

I am frank to confess that this whole decision is rested on the proposition that Dietrich did not become a United States Senator at the beginning of his term, did not become a United States Senator until he was sworn in, and that the crime committed between the beginning of his term and the time he actually took his seat in this body was not committed as a United States Senator.

If we wish to adopt that decision; if we wish to hold that after a man has been elected to the Senate for a certain term, and has accepted his credentials, and has not the opportunity to take the oath because Congress is not in session, he is not a Senator during that period of time, then we must hold that Dwight W. Morrow, although he was duly elected, although he was delivered and received his commission, was not a Senator at the time he died, because he died between the beginning of the term to which he was elected and to which the executive of his State had certified that he was elected as a Senator and yesterday, the 7th day of December, when we convened. If we hold that, then, under the seventeenth amendment to the Constitution, we must hold that there was no vacancy, because there was no Senator filling the position from March until December, because any prior Senator's office expired on March 4; and the State would be in the anomalous position of having one Senator go out of this body on March 4 and the other, who had been elected to fill that position, not taking his office until December 7, 1931.

The court cites the Herrick case. I have just read from the Dietrich case. There are only two cases cited in the Louisiana decision—the Dietrich and Herrick cases. There is one cited in the Dietrich decision, and that is the Herrick case.

I am free to confess that the Herrick case, decided in the House in 1818 by a divided vote of 72 to 74, is contrary to the position I have taken, although, as suggested by the Senator from Nebraska, there are different situations with regard to the House and Senate.

Here is the situation with regard to this matter. Herrick was a United States district attorney in a district in Ohio. We admit that under the Constitution a United States Senator or Representative could not hold the office of United States district attorney and United States Senator at the same time, because the Constitution forbids a United States Senator from holding any other office under the United States Government.

Herrick did not resign his office as United States district attorney when his term of office as Representative began. He remained as United States district attorney after the term for which he was elected began, but there was no session of Congress during the time he so held that office after his election. When Congress did convene, however, he came before the House, having resigned as district attorney, and presented his credentials and asked to be admitted as a Member. His case was referred to a committee. The case is known as Hammond against Herrick. Hammond contended that at the time the term of office of Herrick began he was United States district attorney, still held the office, and that therefore it constituted an abandonment of his election as a Member of the House of Representatives, as under the Constitution membership in the House is incompatible with the holding of any other office under the United States Government. The case was referred to the Committee on Elections, and finally, by a vote of 72 to 70, the House of Representatives held that Herrick was entitled to his seat; that the fact that he held this incompatible office after his term began but had resigned it before he entered on his duties in the House did not prevent him from holding his seat in the House.

The only ground upon which they could so find was that the constitutional provision does not in itself state that one holding an office under the United States Government may not be elected as a Member of Congress but provides that he can not hold at the same time the office of a Representative in Congress or in the United States Senate while he holds another office under the United States Government.

Whether they meant that or not I do not know; the decision is not plain enough to determine. But what I wish to say to the Senate is that while that decision was adopted in the House in 1818 or 1819 by a divided vote of 72 to 70, it has never since been quoted in any debate or in any precedent by the House of Representatives or the United States Senate. It is totally inconsistent with the constitutional protection of the representation of a State in the United States Senate, under which a State is entitled always to two representatives in the United States Senate, to say that the term of office, through no fault of the Senator himself or of a State, can not commence to run until the Senate of the United States sees fit to administer the Senators elect the oath. That is inconsistent with our whole form of government. The stand taken by Senator Trumbull and by Senator Crittenden, of Kentucky, that it is not a qualification but is a requirement that may be enforced as any other duty is more in consonance with the provision of the Constitution relative the representation of States in the Senate.

Mr. SHORTRIDGE. Mr. President, may I ask the Senator a question?

Mr. PITTMAN. Certainly.

Mr. SHORTRIDGE. Suppose a Senator elect should decline to subscribe to the oath required by law?

Mr. PITTMAN. I think in that event, sir, it would be the duty of the Senate immediately to expel him for refusing to comply with the requirements of the statutes of the United States, as it would be their duty to expel him if he openly refused to comply with other provisions of law relative the duties of a Senator.

Under the Constitution a Senator's term of office is for six years. It begins on the 4th of March and expires on the 4th of March. He does not hold over until his successor is qualified by taking the oath of office, if such were required as a qualification. Senators have other duties to perform besides legislative duties.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Montana?

Mr. PITTMAN. I yield.

Mr. WHEELER. I have just read the resolution the Senator introduced, having entered the Chamber late. It is not quite clear to me exactly what the Senator is contending for. Does the Senator contend that a Senator elect is not a Senator until he takes the oath of office?

Mr. PITTMAN. No; I do not; I contend the opposite. I contend that he becomes a Member of the Senate upon the beginning of the term for which he was elected.

Mr. WHEELER. If the Senator contends the opposite, why is it necessary to have the resolution?

Mr. PITTMAN. The only reason for having the resolution at all is that we not only have a recent decision from Louisiana but we have a very reputable decision in the Dietrich case from the United States District Court in Nebraska, presided over by a judge who is now an Associate Justice of the Supreme Court of the United States. He argues, in his opinion, strongly that until a Senator is sworn in he is not a Senator from the State which chose him; that although being elected to serve his State as a United States Senator for a certain term—that is, from March 4—when his predecessor goes out, there is a vacancy in the Senate from that State until the first Monday in December, when an oath of office may be administered, unless there is a special session.

Mr. WHEELER. Of course the Senator is familiar with the fact that the law makes two distinct crimes—one for a man who is a United States Senator and one for a man who does the same thing between the time he is elected to the Senate and the time he takes the oath of office.

Mr. PITTMAN. Yes.

Mr. WHEELER. Those are distinct acts, showing that Congress recognized that there is a question as to when a man actually becomes a Senator. This resolution, as a matter of fact, would be overriding laws previously passed by the Congress of the United States.

Mr. PITTMAN. The only distinctions in the acts I have found are these: There are acts which make it a crime for a Senator, after election, to do certain things. There are other statutes which make it a crime for a Member of the Senate or of the House to do certain things. But none of those statutes attempts to define when a person is a Member of the Senate or House. That is what I am getting at. The court in the Dietrich case attempted to determine when a person becomes a Member of the Senate or of the House. I contend that if we sit idly by and stand by the decision in the Dietrich case we find ourselves in the position of saying that on the 4th of March one Senator retires, while his successor, who is supposed to go in on the same 4th of March, can not take office until the Senate convenes the following December, because it is impossible for him to take an oath of office until the Senate convenes.

As I was saying, there are other duties besides legislative duties which a Senator may perform. He represents his State in United States Government matters. He is entitled to an office the minute his term of office begins. He is entitled to the perquisites of a United States Senator. He is entitled to a secretary; he is entitled to whatever clerks are allotted to a United States Senator. He is prohibited, during that period of time, from violating the duties of a United States Senator, but the opposite was held in this one decision here. The court says to the Senate in that decision that if Senator Morrow had come here on the 4th of March and asked for his office as a Senator, the Senate would have said, "You are not a United States Senator; you can not have the office." If he had asked for the establishment of a telephone, they would have told him the same thing. If he had undertaken to send out under frank to his constituents year books and other literature, they would have said, "You are not a United States Senator." If he had appeared before any body to represent the position of his State, they would have said, "You are not a United States Senator, because you can not be until December, when you are sworn in."

Mr. COSTIGAN. Mr. President, may I ask the Senator from Nevada whether he has considered the effect of his resolution upon the authority, jealously guarded by the Senate, to ask a Senator elect to stand aside when he presents himself to take the oath of office?

Mr. PITTMAN. That matter has been decided by the Supreme Court. That court recently, in an opinion rendered by Chief Justice Hughes, passed on that very question. They said that a Senator became a Member of the Senate when he was elected, but that when he presented his certificate to the United States Senate, the Senate had the right to determine the one question, as to whether he had been duly and constitutionally elected, and they could determine that question before receiving his certificate or after receiving his certificate. That was their ruling on that matter, that the only question was whether or not he was duly and constitutionally elected, and that if the Senate had proof before it at the time he presented his certificate, as in the case from Illinois, then the Senate had just as much right to determine the legality of his election before seating him as it would have afterwards.

I read from the decision:

> When a candidate is elected to either House, he, of course, is elected a Member of the body; and when that body determines, upon presentation of his credentials, without first giving him his seat, that the election is void, there would seem to be no real substance in the claim that the election of a "Member" had not been adjudged. To hold otherwise would be to interpret the word "Member" with a strictness in no way required by the obvious purpose of the constitutional provision, or necessary to its effective enforcement in accordance with such purpose, which, so far as the present case is concerned, was to vest the Senate with authority to exclude persons asserting membership, who either had not been elected or, what amounts to the same thing, had been elected by resort to fraud, bribery, corruption, or other sinister methods having the effect of vitiating the election. * * * (p. 616). The temporary deprivation of equal representation which results from the refusal of the Senate to seat a Member pending the inquiry as to his election or qualifications is the necessary consequence of the exercise of a constitutional power, and no more deprives the State of its "equal suffrage" in the constitutional sense than would a vote of the Senate vacating the seat of a sitting Member or a vote of expulsion.

Mr. HARRISON. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Mississippi?

Mr. PITTMAN. I yield.

Mr. HARRISON. Let us suppose the Senate passed this resolution. In the Louisiana case we have a situation where a Senator was elected last year and, as I understand, is saying to the people that he will serve out his term of office as governor before he begins his term as United States Senator. His term of office as governor ends in March next, I believe. If the resolution should pass and this particular individual should not come here and take the oath until he has completed his term as governor, could the question then be raised and the Senate, following these precedents, prevent him from taking his oath of office?

Mr. PITTMAN. My reading of the decisions of the courts confirms my opinion that the Senate can do what it please. The Senate, as suggested in the Dietrich case, if it saw fit, could refuse him his seat on the ground that he has already declined to become a United States Senator. The constitutional provision is that the Senate is the sole judge of the election and qualifications of its Members. The matter now before us has not anything to do with the Senator elect from

Louisiana, if I may say so. There is nothing incompatible, as I said before, under the Constitution or the laws of the United States, in a Senator holding at the same time the office of United States Senator and that of governor of a State. The governor is holding his office in Louisiana and yet he is a Senator of the United States, but there is nothing that the United States Senate can question about his holding the office of governor at the same time. It is not incompatible with holding the office of United States Senator.

Mr. HARRISON. The reason why I asked the Senator is that I am perfectly willing to have the Senator elect from New Jersey take the oath of office, but I do not want something we do now coming back to confront me in the future because I voted to establish as a precedent which might be used when some other Senator comes here in 30 or 60 days to take the oath of office. If I thought it had any bearing in the world or might be construed against the new Senator from Louisiana taking his seat, I would vote against the resolution. I merely want to clarify it to that extent. I believe there are other Senators in the same position.

Mr. ROBINSON of Arkansas. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Arkansas?

Mr. PITTMAN. I yield.

Mr. ROBINSON of Arkansas. I have been asked by a number of Senators to inquire of the Senator from Nevada whether there would be any objection on his part, at the conclusion of his remarks, to a reference of the resolution to the Committee on the Judiciary for its consideration and report, particularly in view of the first paragraph of the resolution which undertakes to construe the Constitution. The Senator has made a statement that is quite impressive and forceful. I have been asked to inquire whether or not it would be objectionable to him to have that course pursued.

Mr. PITTMAN. As I stated in the beginning, and as I have assured those who are interested, I have no desire intentionally to attempt to delay the taking of his seat by the Senator appointed from New Jersey. Therefore I am going to request that the resolution be referred to the Committee on the Judiciary and that the Senator elect from New Jersey may be permitted to present himself and take the oath.

Mr. NORRIS. Mr. President, before the Senator from Nevada resumes his seat I want to ask him whether, if he takes that course, we are not then facing a situation involving simply a moot question and ought we to pursue that course? He is proposing to refer something to the Judiciary Committee which has not any application to an actual pending case.

Mr. WALSH of Montana. Mr. President, I would invite the Senator's attention to the fact that we frequently swear in Senators elect when they present their credentials and afterwards decide that they are not entitled to their seats.

Mr. NORRIS. I am not going to make any objection to the Senator appointed from New Jersey taking the oath and taking his seat. I am not raising any question of that kind.

Mr. WALSH of Montana. I understand. I thought that the Senator meant that if he is now sworn in the Senate would be concluded in the matter.

Mr. NORRIS. Oh, no; I do not say that. But why present to the Judiciary Committee a question for them to consider and report upon when it is simply a moot question? There is no action to be taken afterwards by the Senate.

Mr. ROBINSON of Arkansas. It does not follow at all that there would be no action taken by the Senate. If the Senate Judiciary Committee should report that one who is apparently duly elected and whose term does not begin until he takes the oath of office is not qualified, then the question would arise whether the Senator appointed from New Jersey would be entitled to retain his seat. That is the very question.

Mr. NORRIS. If we take that view of it, his credentials, together with the resolution, ought to be referred to the Committee on Privileges and Elections, as any such contested matter would be referred.

Mr. WALSH of Montana. It seems to me it would be more appropriate to have the resolution referred to the Committee on Privileges and Elections.

Mr. ROBINSON of Arkansas. I made the suggestion that it go to the Committee on the Judiciary because it is purely a question of law that is involved. The resolution involves no question of fact. It does involve a question of law, and therefore I think it should go to the Committee on the Judiciary.

Mr. WALSH of Montana. Should it be referred to the Committee on the Judiciary and should the committee report against the contention made by the Senator from Nevada and in apparent conformity to the decision of the House of Representatives, the decision of the District Court for the State of Louisiana and the United States District Court for the District of Nebraska, all of which appear to be contrary to that contention, the matter would then go to the Committee on Privileges and Elections.

Mr. ROBINSON of Arkansas. Certainly.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from California?

Mr. PITTMAN. I yield.

Mr. SHORTRIDGE. There being no objection, as I have understood, to the Senator appointed from New Jersey subscribing to the required oath, and there being no contest pending touching the question of his right so to do and to enter upon the discharge of his duties here, I have not, of course, suggested that the matter be referred to the Committee on Privileges and Elections. I heartily concur in the suggestion that it be referred for the purposes stated to the Committee on the Judiciary.

Mr. PITTMAN. I have already requested, on the suggestion of Senators, that the resolution which I have offered be amended by striking out the last resolve——

The VICE PRESIDENT. The Senator may modify his resolution as he wishes.

Mr. PITTMAN. And that it be referred to the Committee on the Judiciary.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

ADMINISTRATION OF OATH TO SENATORS FROM ARKANSAS AND NEW JERSEY

The VICE PRESIDENT. The Senators designate will present themselves at the Vice President's desk to receive the oath of office.

Mrs. CARAWAY, escorted by Mr. ROBINSON of Arkansas, and Mr. BARBOUR, escorted by Mr. KEAN, advanced to the Vice President's desk, and the oath prescribed by law was administered to them.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. A. E. Chaffee, one of its clerks, informed the Senate that a quorum of the House of Representatives had assembled; that JOHN N. GARNER, a Representative from the State of Texas, was elected Speaker; that South Trimble, a citizen of the State of Kentucky, was elected Clerk; and that the House was ready for business.

The message also announced that Kenneth Romney, of the State of Montana, was chosen Sergeant at Arms of the House of Representatives; that Joseph J. Sinnott, of the State of Virginia, was chosen Doorkeeper; that Finis E. Scott, of the State of Tennessee, was chosen Postmaster; and that Rev. James Shera Montgomery, D. D., of the District of Columbia, was chosen Chaplain.

The message further announced that a committee of three Members was appointed by the Speaker on the part of the House of Representatives to join with the committee appointed on the part of the Senate to notify the President of the United States that a quorum of each House had as-

sembled and that Congress was ready to receive any communication he might be pleased to make.

The message communicated to the Senate the intelligence of the death of Hon. Nicholas Longworth, the Speaker of the House of Representatives of the Sixty-ninth, Seventieth, and Seventy-first Congresses, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Mathew V. O'Malley, late a Representative from the State of New York, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Samuel C. Major, late a Representative from the State of Missouri, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. George S. Graham, late a Representative from the State of Pennsylvania, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Bird J. Vincent, late a Representative from the State of Michigan, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Charles A. Mooney, late a Representative from the State of Ohio, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Fletcher Hale, late a Representative from the State of New Hampshire, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Charles G. Edwards, late a Representative from the State of Georgia, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Ernest Ackerman, late a Representative from the State of New Jersey, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. Harry M. Wurzbach, late a Representative from the State of Texas, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the intelligence of the death of Hon. James B. Aswell, late a Representative from the State of Louisiana, and transmitted the resolutions of the House thereon.

The message also communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Dwight W. Morrow, late a Senator from the State of New Jersey.

The message also communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Thaddeus H. Caraway, late a Senator from the State of Arkansas.

NOTIFICATION TO THE PRESIDENT

Mr. WATSON and Mr. ROBINSON of Arkansas advanced in the center aisle, and

Mr. WATSON said: Mr. President, the joint committee of the House and Senate appointed to notify the President that the two Houses have organized and to inquire whether or not he has any communication to make to the Congress have performed their duty and have been informed by the President that to-day he would transmit to both Houses a message in writing.

PRESIDENT'S ANNUAL MESSAGE

Mr. Latta, one of the secretaries of the President, was announced and said:

Mr. President, I am directed by the President of the United States to deliver to the Senate a message in writing.

The message was received by the secretary to the majority (C. A. Loeffler) and handed to the Vice President.

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read the message, as follows:

To the Senate and House of Representatives:

It is my duty under the Constitution to transmit to the Congress information on the state of the Union and to recommend for its consideration necessary and expedient measures.

The chief influence affecting the state of the Union during the past year has been the continued world-wide economic disturbance. Our national concern has been to meet the emergencies it has created for us and to lay the foundations for recovery.

If we lift our vision beyond these immediate emergencies, we find fundamental national gains even amid depression. In meeting the problem of this difficult period, we have witnessed a remarkable development of the sense of cooperation in the community. For the first time in the history of our major economic depressions there has been a notable absence of public disorders and industrial conflict. Above all there is an enlargement of social and spiritual responsibility among the people. The strains and stresses upon business have resulted in closer application, in saner policies, and in better methods. Public improvements have been carried out on a larger scale than even in normal times. The country is richer in physical property, in newly discovered resources, and in productive capacity than ever before. There has been constant gain in knowledge and education; there has been continuous advance in science and invention; there has been distinct gain in public health. Business depressions have been recurrent in the life of our country and are but transitory. The Nation has emerged from each of them with increased strength and virility, because of the enlightenment they have brought, the readjustments and the larger understanding of the realities and obligations of life and work which come from them.

NATIONAL DEFENSE

Both our Army and Navy have been maintained in a high state of efficiency. The ability and devotion of both officers and men sustain the highest traditions of the service. Reductions and postponements in expenditure of these departments to meet the present emergency are being made without reducing existing personnel or impairing the morale of either establishment.

The agreement between the leading naval powers for limitation of naval armaments and establishment of their relative strength and thus elimination of competitive building also implies for ourselves the gradual expansion of the deficient categories in our Navy to the parities provided in those treaties. However, none of the other nations, parties to these agreements, is to-day maintaining the full rate of construction which the treaty size of fleets would imply.

Although these agreements secured the maximum reduction of fleets which it was at that time possible to attain, I am hopeful that the naval powers, party to these agreements, will realize that establishment of relative strength in itself offers opportunity for further reduction without injury to any of them. This would be the more possible if pending negotiations are successful between France and Italy. If the world is to regain its standards of life, it must further decrease both naval and other arms. The subject will come before the General Disarmament Conference which meets in Geneva on February 2 next.

FOREIGN AFFAIRS

We are at peace with the world. We have cooperated with other nations to preserve peace. The rights of our citizens abroad have been protected.

The economic depression has continued and deepened in every part of the world during the past year. In many countries political instability, excessive armaments, debts, governmental expenditures, and taxes have resulted in revolutions, in unbalanced budgets and monetary collapse and financial panics, in dumping of goods upon world markets, and in diminished consumption of commodities.

Within two years there have been revolutions or acute social disorders in 19 countries, embracing more than half the population of the world. Ten countries have been un-

able to meet their external obligations. In 14 countries, embracing a quarter of the world's population, former monetary standards have been temporarily abandoned. In a number of countries there have been acute financial panics or compulsory restraints upon banking. These disturbances have many roots in the dislocations from the World War. Every one of them has reacted upon us. They have sharply affected the markets and prices of our agricultural and industrial products. They have increased unemployment and greatly embarrassed our financial and credit system.

As our difficulties during the past year have plainly originated in large degree from these sources, any effort to bring about our own recuperation has dictated the necessity of cooperation by us with other nations in reasonable effort to restore world confidence and economic stability.

Cooperation of our Federal reserve system and our banks with the central banks in foreign countries has contributed to localize and ameliorate a number of serious financial crises or moderate the pressures upon us and thus avert disasters which would have affected us.

The economic crisis in Germany and Central Europe last June rose to the dimensions of a general panic from which it was apparent that without assistance these nations must collapse. Apprehensions of such collapse had demoralized our agricultural and security markets and so threatened other nations as to impose further dangers upon us. But of highest importance was the necessity of cooperation on our part to relieve the people of Germany from imminent disasters and to maintain their important relations to progress and stability in the world. Upon the initiative of this Government a year's postponement of reparations and other intergovernmental debts was brought about. Upon our further initiative an agreement was made by Germany's private creditors providing for an extension of such credits until the German people can develop more permanent and definite forms of relief.

We have continued our policy of withdrawing our marines from Haiti and Nicaragua.

The difficulties between China and Japan have given us great concern, not alone for the maintenance of the spirit of the Kellogg-Briand pact, but for the maintenance of the treaties to which we are a party assuring the territorial integrity of China. It is our purpose to assist in finding solutions sustaining the full spirit of those treaties.

I shall deal at greater length with our foreign relations in a later message.

THE DOMESTIC SITUATION

Many undertakings have been organized and forwarded during the past year to meet the new and changing emergencies which have constantly confronted us.

Broadly the community has cooperated to meet the needs of honest distress, and to take such emergency measures as would sustain confidence in our financial system and would cushion the violence of liquidation in industry and commerce, thus giving time for orderly readjustment of costs, inventories, and credits without panic and widespread bankruptcy. These measures have served those purposes and will promote recovery.

In these measures we have striven to mobilize and stimulate private initiative and local and community responsibility. There has been the least possible Government entry into the economic field, and that only in temporary and emergency form. Our citizens and our local governments have given a magnificent display of unity and action, initiative and patriotism in solving a multitude of difficulties and in cooperating with the Federal Government.

For a proper understanding of my recommendations to the Congress it is desirable very briefly to review such activities during the past year.

The emergencies of unemployment have been met by action in many directions. The appropriations for the continued speeding up of the great Federal construction program have provided direct and indirect aid to employment upon a large scale. By organized unity of action, the States and municipalities have also maintained large programs of public improvement. Many industries have been prevailed upon to anticipate and intensify construction. Industrial concerns and other employers have been organized to spread available work amongst all their employees, instead of discharging a portion of them. A large majority have maintained wages at as high levels as the safe conduct of their business would permit. This course has saved us from industrial conflict and disorder which have characterized all previous depressions. Immigration has been curtailed by administrative action. Upon the basis of normal immigration the decrease amounts to about 300,000 individuals who otherwise would have been added to our unemployment. The expansion of Federal employment agencies under appropriations by the Congress has proved most effective. Through the President's organization for unemployment relief, public and private agencies were successfully mobilized last winter to provide employment and other measures against distress. Similar organization gives assurance against suffering during the coming winter. Committees of leading citizens are now active at practically every point of unemployment. In the large majority they have been assured the funds necessary which, together with local government aids, will meet the situation. A few exceptional localities will be further organized. The evidence of the Public Health Service shows an actual decrease of sickness and infant and general mortality below normal years. No greater proof could be adduced that our people have been protected from hunger and cold and that the sense of social responsibility in the Nation has responded to the need of the unfortunate.

To meet the emergencies in agriculture the loans authorized by Congress for rehabilitation in the drought areas have enabled farmers to produce abundant crops in those districts. The Red Cross undertook and magnificently administered relief for over 2,500,000 drought sufferers last winter. It has undertaken this year to administer relief to 100,000 sufferers in the new drought area of certain Northwest States. The action of the Federal Farm Board in granting credits to farm cooperatives saved many of them from bankruptcy and increased their purpose and strength. By enabling farm cooperatives to cushion the fall in prices of farm products in 1930 and 1931 the board secured higher prices to the farmer than would have been obtained otherwise, although the benefits of this action were partially defeated by continued world overproduction. Incident to this action the failure of a large number of farmers and of country banks was averted which could quite possibly have spread into a major disaster. The banks in the South have cooperated with the Farm Board in creation of a pool for the better marketing of accumulated cotton. Growers have been materially assisted by this action. Constant effort has been made to reduce overproduction in relief of agriculture and to promote the foreign buying of agricultural products by sustaining economic stability abroad.

To meet our domestic emergencies in credit and banking arising from the reaction to acute crises abroad the National Credit Association was set up by the banks with resources of $500,000,000 to support sound banks against the frightened withdrawals and hoarding. It is giving aid to reopen solvent banks which have been closed. Federal officials have brought about many beneficial unions of banks and have employed other means which have prevented many bank closings. As a result of these measures the hoarding withdrawals which had risen to over $250,000,000 per week after the British crisis have substantially ceased.

FURTHER MEASURES

The major economic forces and weaknesses at home and abroad have now been exposed and can be appraised, and the time is ripe for forward action to expedite our recovery.

Although some of the causes of our depression are due to speculation, inflation of securities and real estate, unsound foreign investments, and mismanagement of financial institutions, yet our self-contained national economy, with its matchless strength and resources, would have enabled us to recover long since but for the continued dislocations, shocks, and setbacks from abroad.

Whatever the causes may be, the vast liquidation and readjustments which have taken place have left us with a

large degree of credit paralysis, which, together with the situation in our railways and the conditions abroad, are now the outstanding obstacles to recuperation. If we can put our financial resources to work and can ameliorate the financial situation in the railways, I am confident we can make a large measure of recovery independent of the rest of the world. A strong America is the highest contribution to world stability.

One phase of the credit situation is indicated in the banks. During the past year banks representing 3 per cent of our total deposits have been closed. A large part of these failures have been caused by withdrawals for hoarding, as distinguished from the failures early in the depression where weakness due to mismanagement was the larger cause of failure. Despite their closing, many of them will pay in full. Although such withdrawals have practically ceased, yet $1,100,000,000 of currency was previously withdrawn which has still to return to circulation. This represents a large reduction of the ability of our banks to extend credit which would otherwise fertilize industry and agriculture. Furthermore, many of our bankers, in order to prepare themselves to meet possible withdrawals, have felt compelled to call in loans, to refuse new credits, and to realize upon securities, which in turn has demoralized the markets. The paralysis has been further augmented by the steady increase in recent years of the proportion of bank assets invested in long-term securities, such as mortgages and bonds. These securities tend to lose their liquidity in depression or temporarily to fall in value so that the ability of the banks to meet the shock of sudden withdrawal is greatly lessened and the restriction of all kinds of credit is thereby increased. The continuing credit paralysis has operated to accentuate the deflation and liquidation of commodities, real estate, and securities below any reasonable basis of values.

All of this tends to stifle business, especially the smaller units, and finally expresses itself in further depression of prices and values, in restriction on new enterprise, and in increased unemployment.

The situation largely arises from an unjustified lack of confidence. We have enormous volumes of idle money in the banks and in hoarding. We do not require more money or working capital—we need to put what we have to work.

The fundamental difficulties which have brought about financial strains in foreign countries do not exist in the United States. No external drain on our resources can threaten our position, because the balance of international payments is in our favor; we owe less to foreign countries than they owe to us; our industries are efficiently organized; our currency and bank deposits are protected by the greatest gold reserve in history.

Our first step toward recovery is to reestablish confidence and thus restore the flow of credit which is the very basis of our economic life. We must put some steel beams in the foundations of our credit structure. It is our duty to apply the full strength of our Government not only to the immediate phases, but to provide security against shocks and the repetition of the weaknesses which have been proven.

The recommendations which I here lay before the Congress are designed to meet these needs by strengthening financial, industrial, and agricultural life through the medium of our existing institutions, and thus to avoid the entry of the Government into competition with private business.

FEDERAL GOVERNMENT FINANCE

The first requirement of confidence and of economic recovery is financial stability of the United States Government. I shall deal with fiscal questions at greater length in the Budget message. But I must at this time call attention to the magnitude of the deficits which have developed and the resulting necessity for determined and courageous policies. These deficits arise in the main from the heavy decrease in tax receipts due to the depression and to the increase in expenditure on construction in aid to unemployment, aids to agriculture, and upon services to veterans.

During the fiscal year ending June 30 last we incurred a deficit of about $903,000,000, which included the statutory reduction of the debt and represented an increase of the national debt by $616,000,000. Of this, however, $153,000,000 is offset by increased cash balances.

In comparison with the fiscal year 1928 there is indicated a fall in Federal receipts for the present fiscal year amounting to $1,683,000,000, of which $1,034,000,000 is in individual and corporate income taxes alone. During this fiscal year there will be an increased expenditure, as compared to 1928, on veterans of $255,000,000, and an increased expenditure on construction work which may reach $520,000,000. Despite large economies in other directions, we have an indicated deficit, including the statutory retirement of the debt, of $2,123,000,000, and an indicated net debt increase of about $1,711,000,000.

The Budget for the fiscal year beginning July 1 next, after allowing for some increase of taxes under the present laws and after allowing for drastic reduction in expenditures, still indicates a deficit of $1,417,000,000. After offsetting the statutory debt retirements this would indicate an increase in the national debt for the fiscal year 1933 of about $921,000,000.

Several conclusions are inevitable. We must have insistent and determined reduction in Government expenses. We must face a temporary increase in taxes. Such increase should not cover the whole of these deficits or it will retard recovery. We must partially finance the deficit by borrowing. It is my view that the amount of taxation should be fixed so as to balance the Budget for 1933 except for the statutory debt retirement. Such Government receipts would assure the balance of the following year's Budget including debt retirement. It is my further view that the additional taxation should be imposed solely as an emergency measure terminating definitely two years from July 1 next. Such a basis will give confidence in the determination of the Government to stabilize its finance and will assure taxpayers of its temporary character. Even with increased taxation, the Government will reach the utmost safe limit of its borrowing capacity by the expenditures for which we are already obligated and the recommendations here proposed. To go further than these limits in either expenditures, taxes, or borrowing will destroy confidence, denude commerce and industry of its resources, jeopardize the financial system, and actually extend unemployment and demoralize agriculture rather than relieve it.

FEDERAL LAND BANKS

I recommend that the Congress authorize the subscription by the Treasury of further capital to the Federal land banks to be retired as provided in the original act, or when funds are available, and that repayments of such capital be treated as a fund available for further subscriptions in the same manner. It is urgent that the banks be supported so as to stabilize the market values of their bonds and thus secure capital for the farmers at low rates, that they may continue their services to agriculture and that they may meet the present situation with consideration to the farmers.

DEPOSITS IN CLOSED BANKS

A method should be devised to make available quickly to depositors some portion of their deposits in closed banks as the assets of such banks may warrant. Such provision would go far to relieve distress in a multitude of families, would stabilize values in many communities, and would liberate working capital to thousands of concerns. I recommend that measures be enacted promptly to accomplish these results, and I suggest that the Congress should consider the development of such a plan through the Federal reserve banks.

HOME-LOAN DISCOUNT BANK

I recommend the establishment of a system of home-loan discount banks as the necessary companion in our financial structure of the Federal reserve banks and our Federal land banks. Such action will relieve present distressing pressures against home and farm property owners. It will relieve pressures upon and give added strength to building and loan associations, savings banks, and deposit banks, engaged in extending such credits. Such action would further decentralize our credit structure. It would revive residential construction and employment. It would enable such loaning

institutions more effectually to promote home ownership. I discussed this plan at some length in a statement made public November 14, last. This plan has been warmly indorsed by the recent National Conference upon Home Ownership and Housing, whose members were designated by the governors of the States and the groups interested.

RECONSTRUCTION FINANCE CORPORATION

In order that the public may be absolutely assured and that the Government may be in position to meet any public necessity, I recommend that an emergency Reconstruction Corporation of the nature of the former War Finance Corporation should be established. It may not be necessary to use such an instrumentality very extensively. The very existence of such a bulwark will strengthen confidence. The Treasury should be authorized to subscribe a reasonable capital to it, and it should be given authority to issue its own debentures. It should be placed in liquidation at the end of two years. Its purpose is that by strengthening the weak spots to thus liberate the full strength of the Nation's resources. It should be in position to facilitate exports by American agencies; make advances to agricultural credit agencies where necessary to protect and aid the agricultural industry; to make temporary advances upon proper securities to established industries, railways, and financial institutions which can not otherwise secure credit, and where such advances will protect the credit structure and stimulate employment. Its functions would not overlap those of the National Credit Corporation.

FEDERAL RESERVE ELIGIBILITY

On October 6th I issued a statement that I should recommend to the Congress an extension during emergencies of the eligibility provisions of the Federal reserve act. This statement was approved by a representative gathering of the Members of both Houses of the Congress, including members of the appropriate committees. It was approved by the officials of the Treasury Department, and I understand such an extension has been approved by a majority of the governors of the Federal reserve banks. Nothing should be done which would lower the safeguards of the system.

The establishment of the mortgage-discount banks herein referred to will also contribute to further reserve strength in the banks without inflation.

BANKING LAWS

Our people have a right to a banking system in which their deposits shall be safeguarded and the flow of credit less subject to storms. The need of a sounder system is plainly shown by the extent of bank failures. I recommend the prompt improvement of the banking laws. Changed financial conditions and commercial practices must be met. The Congress should investigate the need for separation between different kinds of banking; an enlargement of branch banking under proper restrictions; and the methods by which enlarged membership in the Federal reserve system may be brought about.

POSTAL SAVINGS BANKS

The postal savings deposits have increased from about $200,000,000 to about $550,000,000 during the past year. This experience has raised important practical questions in relation to deposits and investments which should receive the attention of the Congress.

RAILWAYS

The railways present one of our immediate and pressing problems. They are and must remain the backbone of our transportation system. Their prosperity is interrelated with the prosperity of all industries. Their fundamental service in transportation, the volume of their employment, their buying power for supplies from other industries, the enormous investment in their securities, particularly their bonds, by insurance companies, savings banks, benevolent and other trusts, all reflect their partnership in the whole economic fabric. Through these institutions the railway bonds are in a large sense the investment of every family. The well-maintained and successful operation and the stability of railway finances are of primary importance to economic recovery. They should have more effective opportunity to reduce operating costs by proper consolidation. As their rates must be regulated in public interest, so also approximate regulation should be applied to competing services by some authority. The methods of their regulation should be revised. The Interstate Commerce Commission has made important and far-reaching recommendations upon the whole subject, which I commend to the early consideration of the Congress.

ANTITRUST LAWS

In my message of a year ago I commented on the necessity of congressional inquiry into the economic action of the antitrust laws. There is wide conviction that some change should be made especially in the procedure under these laws. I do not favor their repeal. Such action would open wide the door to price fixing, monopoly, and destruction of healthy competition. Particular attention should be given to the industries founded upon natural resources, especially where destructive competition produces great wastes of these resources and brings great hardships upon operators, employees, and the public. In recent years there has been continued demoralization in the bituminous coal, oil, and lumber industries. I again commend the matter to the consideration of the Congress.

UNEMPLOYMENT

As an aid to unemployment the Federal Government is engaged in the greatest program of public-building, harbor, flood-control, highway, waterway, aviation, merchant and naval ship construction in all history. Our expenditures on these works during this calendar year will reach about $780,000,000 compared with $260,000,000 in 1928. Through this increased construction, through the maintenance of a full complement of Federal employees, and through services to veterans it is estimated that the Federal taxpayer is now directly contributing to the livelihood of 10,000,000 of our citizens.

We must avoid burdens upon the Government which will create more unemployment in private industry than can be gained by further expansion of employment by the Federal Government. We can now stimulate employment and agriculture more effectually and speedily through the voluntary measures in progress, through the thawing out of credit, through the building up of stability abroad, through the home-loan discount banks, through an emergency finance corporation and the rehabilitation of the railways and other such directions.

I am opposed to any direct or indirect Government dole. The breakdown and increased unemployment in Europe is due in part to such practices. Our people are providing against distress from unemployment in true American fashion by magnificent response to public appeal and by action of the local governments.

GENERAL LEGISLATION

There are many other subjects requiring legislative action at this session of the Congress. I may list the following among them:

VETERANS' SERVICES

The law enacted last March authorizing loans of 50 per cent upon adjusted-service certificates has, together with the loans made under previous laws, resulted in payment of about $1,260,000,000. Appropriations have been exhausted. The Administrator of Veterans' Affairs advises that a further appropriation of $200,000,000 is required at once to meet the obligations made necessary by existing legislation.

There will be demands for further veterans' legislation; there are inequalities in our system of veterans' relief; it is our national duty to meet our obligations to those who have served the Nation. But our present expenditure upon these services now exceeds $1,000,000,000 per annum. I am opposed to any extension of these expenditures until the country has recovered from the present situation.

ELECTRICAL-POWER REGULATION

I have recommended in previous messages the effective regulation of interstate electrical power as the essential func-

tion of the reorganized Federal Power Commission. I renew the recommendation. It is urgently needed in public protection.

MUSCLE SHOALS

At my suggestion, the Governors and Legislatures of Alabama and Tennessee selected three members each for service on a committee to which I appointed a representative of the farm organizations and two representatives of the War Department for the purpose of recommending a plan for the disposal of these properties which would be in the interest of the people of those States and the agricultural industry throughout the country. I shall transmit the recommendations to the Congress.

REORGANIZATION OF FEDERAL DEPARTMENTS

I have referred in previous messages to the profound need of further reorganization and consolidation of Federal administrative functions to eliminate overlap and waste, and to enable coordination and definition of Government policies now wholly impossible in scattered and conflicting agencies which deal with parts of the same major function. I shall lay before the Congress further recommendations upon this subject, particularly in relation to the Department of the Interior. There are two directions of such reorganization, however, which have an important bearing upon the emergency problems with which we are confronted.

SHIPPING BOARD

At present the Shipping Board exercises large administrative functions independent of the Executive. These administrative functions should be transferred to the Department of Commerce, in keeping with that single responsibility which has been the basis of our governmental structure since its foundation. There should be created in that department a position of Assistant Secretary for Merchant Marine, under whom this work and the several bureaus having to do with merchant marine may be grouped.

The Shipping Board should be made a regulatory body acting also in advisory capacity on loans and policies, in keeping with its original conception. Its regulatory powers should be amended to include regulation of coastwise shipping so as to assure stability and better service. It is also worthy of consideration that the regulation of rates and services upon the inland waterways should be assigned to such a reorganized board.

REORGANIZATION OF PUBLIC WORKS ADMINISTRATION

I recommend that all building and construction activities of the Government now carried on by many departments be consolidated into an independent establishment under the President to be known as the "Public Works Administration" directed by a Public Works Administrator. This agency should undertake all construction work in service to the different departments of the Government (except naval and military work). The services of the Corps of Army Engineers should be delegated in rotation for military duty to this administration in continuation of their supervision of river and harbor work. Great economies, sounder policies, more effective coordination to employment, and expedition in all construction work would result from this consolidation.

LAW ENFORCEMENT

I shall present some recommendations in a special message looking to the strengthening of criminal-law enforcement and improvement in judicial procedure connected therewith.

INLAND WATERWAY AND HARBOR IMPROVEMENT

These improvements are now proceeding upon an unprecedented scale. Some indication of the volume of work in progress is conveyed by the fact that during the current year over 380,000,000 cubic yards of material have been moved—an amount equal to the entire removal in the construction of the Panama Canal. The Mississippi waterway system, connecting Chicago, Kansas City, Pittsburgh, and New Orleans, will be in full operation during 1933. Substantial progress is being made upon the projects of the upper Missouri, upper Mississippi, etc.

Negotiations are now in progress with Canada for the construction of the St. Lawrence waterway.

THE TARIFF

Wages and standards of living abroad have been materially lowered during the past year. The temporary abandonment of the gold standard by certain countries has also reduced their production costs compared to ours. Fortunately any increases in the tariff which may be necessary to protect agriculture and industry from these lowered foreign costs, or decreases in items which may prove to be excessive, may be undertaken at any time by the Tariff Commission under authority which it possesses by virtue of the tariff act of 1930. The commission during the past year has reviewed the rates upon over 254 items subject to tariff. As a result of vigorous and industrious action, it is up to date in the consideration of pending references and is prepared to give prompt attention to any further applications. This procedure presents an orderly method for correcting inequalities. I am opposed to any general congressional revision of the tariff. Such action would disturb industry, business, and agriculture. It would prolong the depression.

IMMIGRATION AND DEPORTATION

I recommend that immigration restriction now in force under administrative action be placed upon a more definite basis by law. The deportation laws should be strengthened. Aliens lawfully in the country should be protected by the issuance of a certificate of residence.

PUBLIC HEALTH

I again call attention to my previous recommendations upon this subject, particularly in its relation to children. The moral results are of the utmost importance.

CONCLUSION

It is inevitable that in these times much of the legislation proposed to the Congress and many of the recommendations of the Executive must be designed to meet emergencies. In reaching solutions we must not jeopardize those principles which we have found to be the basis of the growth of the Nation. The Federal Government must not encroach upon nor permit local communities to abandon that precious possession of local initiative and responsibility. Again, just as the largest measure of responsibility in the government of the Nation rests upon local self-government, so does the largest measure of social responsibility in our country rest upon the individual. If the individual surrenders his own initiative and responsibilities, he is surrendering his own freedom and his own liberty. It is the duty of the National Government to insist that both the local governments and the individual shall assume and bear these responsibilities as a fundamental of preserving the very basis of our freedom.

Many vital changes and movements of vast proportions are taking place in the economic world. The effect of these changes upon the future can not be seen clearly as yet. Of this, however, we are sure: Our system, based upon the ideals of individual initiative and of equality of opportunity, is not an artificial thing. Rather it is the outgrowth of the experience of America, and expresses the faith and spirit of our people. It has carried us in a century and a half to leadership of the economic world. If our economic system does not match our highest expectations at all times, it does not require revolutionary action to bring it into accord with any necessity that experience may prove. It has successfully adjusted itself to changing conditions in the past. It will do so again. The mobility of our institutions, the richness of our resources, and the abilities of our people enable us to meet them unafraid. It is a distressful time for many of our people, but they have shown qualities as high in fortitude, courage, and resourcefulness as ever in our history. With that spirit, I have faith that out of it will come a sounder life, a truer standard of values, a greater recognition of the results of honest effort, and a healthier atmosphere in which to rear our children. Ours must be a country of such stability and security as can not fail to carry forward and enlarge among all the people that abundant life of material and spiritual opportunity which it has represented among all nations since its beginning.

HERBERT HOOVER.

THE WHITE HOUSE, *December 8, 1931.*

The VICE PRESIDENT. The message will lie on the table and be printed.

MESSAGE OF GOVERNOR LA FOLLETTE TO THE LEGISLATURE OF WISCONSIN

Mr. NORRIS. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point the message delivered on November 24, 1931, by Gov. Philip F. La Follette, of Wisconsin, to a special session of the Wisconsin Legislature.

The VICE PRESIDENT. Is there objection?

There being no objection, the message was ordered to be printed in the RECORD, as follows:

FELLOW CITIZENS OF THE LEGISLATURE:

You have been summoned in extraordinary session to deal with an extraordinary emergency.

We are in the midst of the greatest domestic crisis since the Civil War. In this crisis people are divided broadly into two groups—one opposes and one favors collective action to meet the emergency and to guard against its recurrence in the future.

Those who oppose collective action base their argument on the supposition that any such action would hamper the return of normal conditions in business; they are apprehensive of the interference of government in its conduct. They point to governmental corruption in some of the States, municipalities, and in certain phases of the National Government. This group insists that if business is given an opportunity it will put its own house in order and restore normal conditions.

Certain business and industrial leaders have taken intelligent and courageous positions, for which they are entitled to high commendation. But throughout the Nation business as a whole has failed to put its house in order, either with reference to the immediate depression or with reference to the adoption of safeguards against a recurrence.

The people have in the past allowed capital to have control of our business machine as well as to receive the larger portion of the financial return from its operation. But capital can not justly expect to remain in control of both management and the lion's share of financial return if it is not willing to assume the responsibility of keeping that machine in operation.

For 10 years our business system has tolerated the deflation of agriculture. For over two years the same process has been doing its work in our cities. For at least two years this system has had every justification for vigorous and energetic action. With a few outstanding exceptions it not only has failed to act but is making the same arguments of delay and procrastination to-day that it made in November, 1929.

Business and industry can not longer expect the public to wait for them to act.

In 1929 the top rung of our Federal financial ladder, comprising 504 individuals, reported net incomes of over $2,000,000 per return. The next rung, numbering 101,000, reported net incomes of $68,000 per return. These two groups represent the upper crust of our business and industrial ownership. To put the matter plainly, they are not worth to our society $2,000,000 a year, or even $68,000 per year, for the kind of leadership they have given us.

Their policy has been tried for two years. It has failed to produce the desired results. They can not justly blame the rest of society for insisting that its one agency for collective action—namely, government—begin to grapple with the problem.

In order to grapple with this or any other problem we must first try to understand it.

We have at least 130,000 people in Wisconsin who are completely out of work and some 50,000 or more who have only partial employment; at least 100,000 farmers in Wisconsin are in financial distress. Thus, one-third to one-half of our population is at various stages ranging from hunger to the pressing danger of losing homes and farms.

A cursory glance at either agriculture or industry alone gives a picture which might lead one to the conclusion that our problem is one of overproduction. We find the farmer with more products than he can sell. We find the factories shut down because they can not sell what they make.

But on closer examination we find literally millions of men and women in our cities actually hungry for the products that the farmer can not sell; we find literally millions of farm homes without the conveniences or comforts produced by our factories.

It is true that industry and agriculture thus both have large stocks of goods which they can not sell and which are labeled "surpluses." There is a vital difference, however, between a surplus which represents goods that can not be consumed and a surplus which represents goods that can not be purchased. At the present time, broadly speaking, our surpluses have resulted from the inability of the consuming public to purchase what they need. They are not surpluses arising because the people have more to eat, more to wear, more to use than they want and need. The farmer can not find a market for his food products and suffers for want of industrial products. Millions of industrial workers and their families are in actual want for the very products which the farmer can not sell.

Under these circumstances the surplus of both agricultural and industrial products is one that has resulted from the inability of the consuming public to buy what they need. The lumber industry affords a striking illustration of this basic fact. While we have a 2-year surplus of lumber, if the American farmer had the money to buy the lumber which he needs—not for new buildings, but to prevent his property from going to rack and ruin, to buy shingles for the roof, to put a new plank in the barn floor where one is rotted—this purchasing power would not only take up that surplus but it would require the lumber industry to operate at 100 per cent production for the next five or six years just to supply the actual needs of the American farmer.

We know that we have had no great natural catastrophe. We know that we have the best-trained labor and the most modern industrial machinery; that we can produce all of the industrial products we want. We know that we have a rich and fertile soil, with the most efficient and best-trained agricultural population, which can easily produce enough food to supply the American population with all that we need.

We know that the farmer wants to trade the products he has raised on his farm for products that are made in the factory. He wants clothes, shoes, farm machinery, electric lights, automobiles, harnesses, and all of the other products that the worker can and does make in the factory. The American farmer has abundant supplies of milk and butter and eggs and vegetables and meats and fruits that he has grown on his farm, which he would like to trade for these other city-made products. But he can not trade them for enough in money to enable him to pay interest and taxes, let alone have enough over to actually buy even a small part of what he needs for himself and his family.

We all know that the worker in the city wants milk and butter and vegetables and meats and the other things that the farmer grows, together with shoes and clothes and the other things that are the products of the industrial system. But millions of our workers are totally without money to buy anything.

It is clear that there is nothing wrong with our power of production. We have created a machine on the farm and in the factory that will produce more than enough to sustain us all. This machine has been producing enough to provide the necessities and many of the luxuries of life for 120,000,000 of people. Nothing has destroyed that machine. It could start functioning to-morrow. It would and it will start functioning the moment that the great mass of people can buy and sell the things which they produce.

Our problem arises out of our system of distribution. That system of distribution is founded on the use of money as the medium of exchange. Instead of the farmer exchanging a load of wheat with an individual worker for a piece of farm machinery the farmer and the worker use money. Since the producers represent at least 95 per cent of our population, and since these producers are dependent upon money in order to exchange the products that they need, the problem before us to-day is the distribution of our medium of exchange so that people can trade with each other.

Putting the problem another way, our industrial and agricultural machine is geared to mass production. Mass production requires mass consumption, and mass consumption requires mass purchasing power.

Analyzing thus the distribution of our purchasing power, have we divided our medium of exchange—money—so that the bulk of people can trade with one another?

The answer is we have not. Even in the so-called boom period of 1925 the average income of wage earners in agriculture, merchandising, mining, manufacturing, transportation, construction, government employees, banking, and unclassified was only $1,384 per year, or approximately $100 per month. In the same year, 1925, the total income of at least 80 per cent of all of the families in the United States was well under $2,000 per year per family.

In 1928 the farmer, representing at least 25 per cent of the population, received less than 10 per cent of the national income.

The share of the wage earners and salaried employees in the total production of industry has decreased since 1920. From 1923 to 1927 the total salaries and wages paid in manufacturing industries in this country were practically stationary, while the return to capital increased by about $2,000,000,000.

In 1920 there were 33 people in the United States who reported taxable incomes to the Federal Government of about $1,000,000. In 1924 there were 75 such million-dollar incomes; in 1929, 504. In 1929 the 504 persons who had net incomes of $1,000,000 or more had total incomes of $1,185,100,000, or more than the selling price of all the wheat and all the cotton produced in the United States in 1930.

In 1929, of the 4,000,000 income taxpayers reporting to the Federal Government:

Seventy-five per cent received one-third of the total reporting income, or approximately $2,700 per return;

Twenty-one per cent received one-third of the total reporting income, or approximately $10,000 per return;

Two and one-half per cent received 28 per cent of the total reporting income, or approximately $68,000 per return; and

One tenth of 1 per cent received 4.8 per cent of the total reporting income, or approximately $2,000,000 per return.

These figures show that year after year the rich have grown richer and the poor poorer. Putting it another way, a small class of our population have each year received far more income than they have been able to spend. This has gone on to a point where now a small group have such a "corner" on the medium of exchange—money—that the rest of us can not get enough money to trade with each other. Being unable to trade with one another, each of us has a surplus of our own particular product but famishes for the products of our neighbors.

Those who are receiving these large incomes are able to spend only a small part of what they receive. They can not use, relatively, more food or clothes or other necessities of life than the rest of us. So being unable to use any large part of their incomes for buying the production of the factory or the farm they use

the unexpended income to buy more factories and farms from the rest of us who have grown too poor to own them. Or they use part of their incomes to build more factories and machines than are actually needed. It is this investment of unexpendable incomes in new productive equipment that is largely responsible for whatever overbuilding of plants and machines that exists. And it likewise explains in large part why American capital has invested some fifteen thousand millions of dollars outside of the United States. If these great incomes were actually expended here in America, the money might find its way back to the producers and consumers. But it has not been so spent; instead it has been used to buy ownership of property not only here but all over the world.

The rich, being unable to spend the income they have been receiving, have been using their unexpendable income to acquire more property, which in turn, like a rolling snowball, again increases their already unexpendable income. It is this condition which has brought about a situation where 3 great holding companies control our electricity, where 1 corporation owns more than half of the country's iron resources, where 1 corporation controls more than 90 per cent of the world's nickel resources, where 4 great concerns control the major portion of the country's copper, where 8 concerns closely allied with the railroads own nearly 80 per cent of the Nation's coal, where 2 corporations control over half of the steel, where 2 concerns own and control over half of the meat packing, where 1 per cent of the banks control 99 per cent of the banking resources, and so on.

The monopoly system has at last acquired ownership of so much of our wealth, thereby receiving such a tremendous proportion of the medium of exchange, that the rest of us can not do business with each other.

The World War is correctly cited as one of the prime causes of the present depression. This, in my opinion, is correct, because during the three years of the World War there was a greater concentration of wealth than in any other single period in our history. There was following the World War a pick-up in business conditions, which we now see to have been an inflation period. It is quite possible that we may have another such period. Such temporary pick-ups can be effected through pledging of credit, as was done during the World War. But when the repayment of that credit is imposed upon the great masses of people, as was done by our methods of war financing or by extending the installment-buying plan to every form of short-lived product, it merely accelerates this unsound distribution of purchasing power.

Our problem is the redistribution of our purchasing power to enable our population to receive enough of the medium of exchange—money—to do business.

In trying to solve this problem, both in the present emergency and in the future, it is apparent that we need action by the National Government. Approximately 80 per cent of the net incomes reported for income-tax purposes is paid in only 9 States, although much of it was derived in the other 39 States. Thus New York State alone receives approximately 33 per cent of the total net income above the subsistence level. For a century, through a policy of internal improvements, tariffs, and taxation, we have deliberately encouraged the growth of a national economic life. It is not sheer perversity that makes many of us urge that a like system for distributing wealth and economic power on a national basis be put in action in the present national and international depression.

But because that national system, both political and economic, has not acted and apparently does not intend to act, does not relieve us of the responsibility of using every possible effective course within our own control. If we are reasonably certain that we understand our problem and its causes, we can then at least see that every part of the program which we adopt for dealing with it is kept in the right direction. While our action alone will not remedy the situation nationally, or even within our State, we shall know that our action will help and that we are on the right road and will not have to retrace our steps.

It is just as important to understand our remedy as it is to understand the problem for which we are devising it.

At the time of the formation of our Government this country was primarily agricultural. In a country which is primarily agricultural, each individual is largely self-sustaining. He does not have to trade with some one else. All he requires is a sufficient degree of political government to give him security. With the introduction of machinery following the industrial revolution, our whole economic system has changed. Few, if any of us, are self-sustaining; we have become specialists; we have to trade with one another in order to live.

The men who founded our Government devised a system which was highly satisfactory as a political instrument. They did not devise a Government with broad economic powers, but in their farsighted wisdom they did recognize that the one permanent thing in human society is change. They created a system in which that change could take place peacefully and as the result of intelligent action.

They recognized that human experience teaches us that the progress of mankind in every field and at every point has been advanced by the spark of some individual initiative and vision. They devised a society which gave to the individual the greatest freedom and initiative ever vouchsafed him in all human experience. No careful student can seriously question that the development of this country has been more largely due to this than to any other single human factor.

At the time of the formation of our Republic a very small fraction of the population in the other countries of the world—the nobility—had the extreme degree of liberty, namely, license to do what they pleased, but the great bulk of human beings in all of these countries had no liberty whatever. The founders of our Republic recognized that in order to give liberty to the great mass of human beings there had to be restraints and controls upon the selfish and powerful few.

To-day a small fraction of our population at the very top have complete economic license to do as they please, but the vast proportion of our people are without adequate economic liberty. The passing of free land in 1890 closed the only door of escape for the mass of people. Unless our generation devises some economic control, some reasonable restraints, we shall have missed both the opportunity and the crying need of our time.

As we look over the world to-day we see other nations devising this machinery for economic government. Unfortunately for the progress of the world, most of those attempts are duplicates in the economic field of the political autocracy that prevailed a century ago. We in America should blaze a trail in this economic field as we did in the political field; we should devise instrumentalities for the control of our economic life that will be democratic and in keeping with the experience and traditions of our Republic.

I suggest four definite courses that we may pursue:

(1) The direct control and ownership by the people through their municipal, State, and National Governments of enough of those instruments of common necessity to protect the public against extortionate charges, to insure efficient service, and to the extent of the ownership thus to effect a better distribution of the earning power of those facilities.

(2) The provision of machinery by the State that will enable business—and I use business in its largest sense—to govern itself. I am not here suggesting that the State should take over the problem of running business. I am urging that the State enable business to govern itself intelligently, reserving at all times to the Government both the power and the duty to protect the public from extortion or from combinations for other than sound public purposes.

(3) The provision of machinery for undertaking and carrying on the profound research we need as a society; for the taking of economic and social counsel, and the definite attempt to plan continuously both for the present and the future of our communities.

(4) The equalization of the burden of taxation. The intelligent and courageous use of the taxing power is the most effective thing that can be done immediately in the present emergency. The tax power is organized and established. We do not have to wait to devise and establish it. Taxes represent the largest single expenditure for farmers and for many of our workers who own homes. The use of the taxing power in those States that have been farsighted enough to adopt income and inheritance taxes is an effective instrument with which to redistribute money to enable workers and farmers to trade with one another. If the Federal Government would adopt the financial measures recommended in this message for Wisconsin, it would at once redistribute over two and a quarter billions of dollars of purchasing power, which would be almost the identical sum by which wages and the same sum by which farm prices have been deflated since 1929.

It is conceded on all sides and from all sources that the State of Wisconsin is to-day in a far better position economically than any other State in the Union. This is due primarily to the fact that Wisconsin has been better redistributing the income that comes to it than any other State. In the past 30 years we have changed from raising 90 per cent of our taxes from general property to a point where we now raise only 66 per cent. Our sister States who have not followed our policy are many of them not only face to face with insolvency because of the inability of general property to bear the burden any longer, but likewise their people, year in and year out, have had to pay from their meager incomes a larger and larger share of the total tax burden.

The governor of this State has no power to pass a single law, let alone to enact a program. That function devolves upon the legislature. But the governor does have both the right and the duty, under our constitution, of making recommendations to the legislature.

There will be introduced into both houses of the legislature proposed laws, which, taken together, present a definite and specific program for dealing with the present emergency and for devising instrumentalities for the future. These measures, coupled with what legislation has already been adopted by you, would if enacted into law lay the foundations for a definite attempt upon our part to meet the demands of our time, so far as it lies within our power to act within a single State and one session of the legislature.

This program divides itself naturally into two parts: That dealing with the present emergency and that relating to an effort on our part to begin to lay down safeguards against recurrences of depressions such as the present one.

Our first responsibility is to enable the towns, cities, villages, and counties of this State to provide the necessities of life for our fellow citizens who are in want. These people can not wait while we create some ideal system of distribution of either income or the necessities of life. It seems to me clear, therefore, that we must use the local governmental agencies already established, reserving to the State supervisory control over the funds which it provides.

The towns, cities, villages, and counties of this State will expend approximately $6,000,000 more for providing food, shelter, and clothing for our needy citizens this year than it was necessary to provide in 1928. The expenditure which each town, city, village, and county has had to make this year is a better indication of the burden which each locality is now bearing than any other that has been suggested. There are, however, certain localities which, due to the size of their burden and their lack of wealth, have been unable to raise from any source of local taxation this year the funds which they actually need. It is likewise manifest that every locality will have a considerably heavier burden to meet in 1932 than it had in 1931 This means that $6,000,000 does not measure the actual funds that will be necessary to carry this load. The best estimate that I have been able to obtain indicates that it will be approximately twice this sum. If the State, therefore, were to provide $6,000,000, this, together with what the municipalities will raise, should enable the localities to provide the minimum necessities for our people.

I recommend that this legislature immediately appropriate $3,000,000 to be paid to the several towns, cities, villages, and counties of the State as they submit evidence to the State of the excess of their 1931 expenditures for relief over 1928, thus providing each town, city, village, and county immediately with one-half of the excess of 1931 over 1928.

I recommend an appropriation of another $3,000,000 to the towns, cities, villages, and counties of the State to be paid to them upon a showing to the State of their compliance with such reasonable standards as the State may provide.

It is far preferable to provide work than to provide charity, whether public or private. It is therefore sound and proper that the State should provide that its funds should be used:

(a) Preferably for the direct labor costs of public works, not exceeding 50 per cent of the entire cost of the project.

(b) For poor relief when public works can not be practicably provided.

(c) Subject to requirements that will provide work for citizens of our own State under proper working conditions and standards.

In order to provide for special emergencies in those localities where the burden now is or may become excessive, I recommend an appropriation of $1,000,000 to an agency of the State to be used as a fund to provide relief in localities which find themselves in special distress.

Just as many of us feel that it is a glaring injustice to impose the cost of this national emergency upon a locality irrespective of its wealth, and are convinced that we should meet the problem as a nation with all of the sources of national wealth being required to bear a proportionate cost of the burden, so we feel that even with the failure of the National Government to act, we as a State should apply the same fundamental principle, namely, that this emergency will be met as a community and that those who are best able to carry the burden shall carry a proportionate amount of it.

It thus becomes manifest that if the total relief burden of this depression amounts to some twelve millions of dollars, the State should provide additional aid for the reduction of taxes upon general property. Since the tax rolls for the towns, cities, and villages have already been made up, the best and fairest method of affording tax reduction to the individual taxpayer in 1932 is for the State to appropriate funds to the several counties to enable them to reduce their county tax. Every part of the taxation program of this session of the legislature has been to prevent an increase in the total of all taxes, to reduce them where possible, but in any event to make every available new tax dollar go for the purpose of reducing taxes rather than increasing the total tax burden. The 1931 highway law puts a definite limit upon total highway expenditures and requires the additional funds available from the increased gasoline tax to be used for the reduction of the general property tax for highway purposes. I think it proper, therefore, for the State to require that a similar policy be adopted by any county receiving aid from the State in a tax-reduction program. I recommend an appropriation of a sum sufficient (approximately $4,750,000) to enable and require every county in the State to reduce the tax upon general property $1 per thousand dollars of valuation. But I recommend that proper safeguards be provided to carry out fairly this policy of tax reduction you have followed in this legislature.

If this legislature adopts this recommendation, this legislature will have provided the taxpayers of this State a tax reduction upon general property of approximately $20,000,000, or 16 per cent of the total property tax for all purposes in Wisconsin. This would be the largest and most substantial reduction of general property taxes in the history not only of Wisconsin but of any State in the Union

In order to enable the towns, cities, villages, and counties of this State to build in this period of low prices and to provide work rather than charity, I recommend the revision and amendment of the existing statutes with relation to bonding to enable the several localities to issue promptly, if they so desire, their general bonds for relief and for public works. However, before such bonds can actually be sold I recommend that each locality be required to submit the definite project to be thus financed to an agency of the State in order that the State may be assured that the project is necessary and economical and will afford the maximum of employment for the dollar expended, and likewise in order that the State may be assured as nearly as practicable that such bonds can be retired without increasing the tax upon general property. The State should appropriate a sum sufficient to enable the State to aid localities in the doing of such works.

In everything that has been done publicly or privately the younger unmarried man has been overlooked. We have some 25,000 of these younger unmarried and unemployed men in Wisconsin. I do not need to point out that they are quite as important a part of our citizenship as any other element, and in some ways they are more important for the future than those who are older. Many of them have had less experience with life and are in their formative years. It would be both cruel and unwise to neglect them. I know that it will appeal to the people of this State if we make a constructive effort to make some provision for them. It is not possible for us within our financial means to provide work for them all in public works.

We have, however, a vast area in northern Wisconsin that is in urgent need of reforestation and better fire protection. If we can induce some substantial part of these younger men to cooperate with the State in the doing of this necessary and valuable public work, we may be able to do something for them and a great deal for the future spiritual and material wealth of Wisconsin. At my request a tentative program has been prepared. If these younger men are willing to help the State in this long-time enterprise, the State could, within our financial means, provide them the necessities of life and a modest wage in this emergency. It will be impracticable to commence this work, however, until early spring. The principal educators of the State have cooperated in devising a plan for a combination of vocational education and noncompetitive works during the winter—that is, upon public works that are desirable but which the localities and the State could not expect to finance in a competitive market at the present time.

The effectiveness of the latter part of this program for these younger men will depend entirely upon the ability of the localities to prepare programs of noncompetitive works and vocational education with sufficient rapidity so as to be effective before the winter is over. In view of the probable difficulty of getting such a program into sufficiently wide operation to be of immediate effect upon this problem during the winter I recommend that the legislature urge localities to care for these younger men through their outdoor relief during the winter. I recommend that this legislature appropriate $5,000,000 to an agency of the State to finance, control, and supervise the carrying out of this program for younger men.

Large numbers of owners of our farms and homes are laboring under great difficulty in keeping those homes with lack of or decreased income, and I therefore recommend, under reasonable safeguards, that the period of redemption in the foreclosure of mortgages and land contracts may be extended in the discretion of the courts on proper showing during this emergency.

Every thoughtful person sees the relationship between the hours of labor and the present depression. Hours of labor are another way of expressing income. The changes that have taken place from doing the world's work by hand to doing it by machine ought to have meant a lessening in the total amount of work that we all have to do. But each individual industrial plant, operating as it does without general economic government, is forced to look upon each new invention not as a labor-saving device but as a money-making device. This is why in the 30-year period from 1899 to 1929 there has been a decrease of only about 15 per cent in the hours of labor while our production has increased nearly 100 per cent. We can no longer proceed with the idea that technological changes—that is, the invention of new labor-saving machinery which displaces hundreds of thousands of men—can be entirely ignored as of no public concern.

I am not saying that it is desirable or feasible that we should seek to discourage socially sound inventions. I do mean that in considering a labor-saving invention there is no ultimate social or economic gain if the man power displaced from a private industry is shifted to public or private charity.

We must find some basic principle that will act as a guide in this problem of machine production. We have such a principle in relation to taxation, namely, that taxes should be levied in accordance with ability to pay them. Wisconsin's definite attempt to apply that principle to the operation of its government during the past 30 years enables this State to face the present emergency in a better financial condition with less of a tax burden upon those least able to bear it than any other State in America to-day. If we could find some basic principle to apply to this problem of both cyclical and technological unemployment it would be an outstanding achievement.

Such a principle has been suggested. That principle succinctly stated is this: That as an economic society we should adopt the standard that whatever work there is to be done shall be done by all of us; if we have a large volume, we all can work more; if we have a smaller volume, we all will do less. We will not willingly submit to a system that makes the farmer work 15 hours a day while others have no work at all. It is based on our unwillingness to permit to grow up in our society a system which has half of us at work and half of us idle. The application of such a principle in times such as these would mean that those who are now fully employed would have to share that employment with others less fortunate.

But the application of this principle should not and does not mean that anyone should be permitted to work for less than a living wage. Through the application of the principle of collective bargaining, labor has been able to gain for itself substantial recognition of its rights. At the present time many of those

standards are being broken down or endangered through the enormous numbers of unemployed who in desperation are ready to accept work upon any terms. Nothing will do more toward protecting labor's achievements than steps that will help to put people back to work.

We are definitely committed and strongly in favor of the principle of collective bargaining. Just as we are not in favor of the Government taking the responsibility of running business so we are not in favor of Government unnecessarily taking the responsibility of fixing wages. Our problem is to devise machinery that will enable both labor and business to govern themselves and protect their rights and interests.

Up to the present time our industrial system has been operated with the machine as the central point. We have regulated our shifts, our hours, our whole plant operations in order that the machine could function at its maximum point of efficiency. It seems clear to me that we have to shift that point from the machine to the human beings that operate it; instead of figuring how human beings must work in order to keep the machinery operating we must figure how we must run the machinery to keep the men at work. Courageous and intelligent industrial leadership has already demonstrated not only the human value in such a program but that it pays as an economic venture in ensuring mass consumption.

In order to put this program into action it requires that business shall be able reasonably and accurately to estimate the demand for its product over a given period. It can then regulate the hours of employment of those normally employed in the industry so as to provide regular and continuous employment. Wage and working standards won by labor would not then be ruthlessly menaced or destroyed by wholesale discharging of employees.

There is no group more interested in or concerned about the problem of unemployment and fluctuations in the business cycle than intelligent business management itself, and there is in my mind a diffrence between both the attitude and the understanding of our problems on the part of those who are actively engaged in and have the responsibility for business management and those whose only connection with or interest in the business system is solely their ownership of stocks and bonds.

The problem that faces intelligent business management in any attempt to cope with this underlying matter is the lack of any adequate machinery for self-government. Instance after instance could be cited where 75 per cent of both the plants and the volume of a given industry were clearly satisfied as to the public necessity of a given course of action only to be frustrated by the selfishness or lack of understanding of a very small minority within that industry.

I am convinced that we have reached the time where we must help business to devise machinery to stabilize itself, for the better protection of the rights of labor and the public interest generally.

A part of the program to be presented to you provides for the creation of chapter 109 of the Statutes, relating to the stabilization of employment. The purposes of this act are well summarized in its introductory clause, which reads: "The purpose of this chapter is to promote the stabilization of industry and thereby to prevent the widespread distress and resulting great public expense incident to the ruthless discharge of workmen when industrial depression curtails demand or when improved machinery or processes are introduced. It is declared to be the duty of employers to do everything possible within their control to give steady and full-time employment, and when this is not possible, to reduce hours of labor so as to equitably distribute the available work. It is the further purpose of this chapter to enable employers to meet this obligation through combinations and joint action, with safeguards to prevent unreasonable restraints of trade."

Section 109.08 would authorize, subject to the approval of the executive council and on recommendation of the department of agriculture and markets, "any group of employers in the same industry or community" to "associate themselves in a board of trade" for the purpose of stabilizing employment. This section proposes to enable employers in the same industry or community to create, subject to the supervision of the State, organizations for their own self-government. They may establish rules and regulations and agreements for the stabilization of their industry.

Section 109.09 would provide that every such organization shall have a public-policy committee consisting of not less than three members who are selected to represent the interest of the consumers, employees, and other groups distinct from but affected by the operation of the board of trade.

Section 109.10 would provide that on the direction of the governor or of either house of the legislature or on recommendation of the public-policy committee of any board of trade that such organization is not functioning in the public interest the department of agriculture and markets shall conduct a public hearing to determine whether the approval of the State should be withdrawn. If after such hearing the department determines that the board has not in good faith complied with the purposes of the chapter, or is not functioning in the public interest, the approval of the State is then to be withdrawn.

Section 109.11 would provide that so long as such an organization is acting under the approval of the State that fact shall be prima facie evidence that it is not violating the antitrust laws of this State, and that such organization, in the event of prosecution under the Federal laws, so long as it has approval of the State, shall have the support of the State in any such prosecution.

Sections 109.02 to 109.07 would provide that the industrial commission of this State shall from time to time regulate and fix by order the hours of industries and occupations so as to protect the employee and the public from the effects of both cyclical and technological unemployment. However, those employers who in good faith take advantage of the State's offer to assist them in governing themselves are exempted from the provisions. Thus, by this measure the State would aid and encourage industry in its own self-government. In connection with those individual employers or industries which are unwilling to accept any responsibility for their own stabilization, the State, through the industrial commission, would undertake the regulation of the hours of employment to equalize as nearly as practicable the effects of both technological and cyclical unemployment.

I do not suggest that we have in some miraculous fashion discovered a cure-all for the problem of unemployment. I do maintain that the only way we have made any progress in the past is from our experience. Out of the experience of recent years we have learned certain things which indicate that certain steps are now necessary. I have no doubt that as we try the program which we are indicating we shall discover both weaknesses and strengths where we did not expect to find them. But we shall never discover anything or make any progress unless we try.

During the first nine months of 1930 our national industrial and business system was able to and did pay $432,000,000 more in dividends and $191,000,000 more in interest than it did in 1929; in the first nine months of 1931, the second year of the depression, it paid $374,000,000 more in dividends and $338,000,000 more in interest than it did in the first nine months of 1929. In the first nine months of 1929 the total interest and dividends paid was $5,559,000,000, while in the first nine months of 1931, the second year of the business depression, it paid $6,279,000,000 in interest and dividends. Our business and industrial machine was able to pay $720,000,000 more in interest and dividends in the first nine months of 1931 than it paid in the first nine months of 1929. A substantial portion of both the interest and dividends paid in 1930 and 1931 has been paid out of reserves built up for those purposes. Business and industry have, then, felt an obligation to and have built up reserves in times of prosperity to meet the obligations of interest and dividends.

The great bulk of industry has not built up these reserves for unemployment in the past. The question of unemployment compensation relates, then, solely to what is to be done as to future depressions. No voluntary or compulsory plan adopted at this time can affect the present unemployment. Whatever is done now will be done as a safeguard for the future, not the present.

The majority of those in control of industry are strongly opposed to any compulsory legislation. Their position is that if the State will give industry an opportunity it will establish fair voluntary systems of its own accord.

No one contends that voluntary or compulsory unemployment compensation will actually compensate for any prolonged period of unemployment. The great objective of unemployment compensation is to reduce unemployment. Workmen's compensation does not and was not intended primarily as compensation for loss of life or limb. The purpose of both unemployment and workmen's compensation is to put a penalty on the conditions that cause loss of life and limb or jobs. Workmen's compensation has succeeded not only because it pays compensation but because it has made industry eliminate unsafe machines and conditions of work. Workmen's compensation has given Wisconsin the finest record in America for safety.

If industry fails to pay its interest money it is penalized by loss of the business. If management fails to earn dividends it hears from the stockholders, and may be and often is discharged. If industry has conditions which cause loss of life or limb, it is penalized. Industry has therefore built protection for interest and dividends, and has enormously reduced the causes of accidents. But to-day industry is under no immediate penalty for failure to eliminate as far as possible unemployment. Unemployment compensation, voluntary or compulsory, proposes to impose that penalty.

Many of us question, not the sincerity, but the feasibility of industry's establishing a voluntary system. We are convinced that it is not fair to the rest of society for industry to make great profits in periods of prosperity only to turn its employees over to public or private charity in a period of depression.

It seems to me that the fairest method of procedure for us at this time is to adopt a just and sound compulsory unemployment compensation program for Wisconsin, but to make the taking of effect of such legislation conditional upon industry's failure to establish a fair voluntary system in Wisconsin within a reasonable time.

The interim committee on unemployment, after careful study and consideration, recommends what is commonly known as the Groves bill for unemployment compensation. My study of this subject leads me to the conclusion that the Groves plan is the soundest and fairest compulsory plan yet suggested anywhere. I recommend the adoption of the Groves plan for unemployment compensation, to be conditional, however, upon the failure of industry to adopt a comparable plan for a substantial part of those employed in manufacturing in this State by July 1, 1933.

BANKING

There will be submitted to you two bills relating to the subject of banking. These bills are the products of the hearings by and

are presented with the approval of the interim committee on banking.

There are people to-day who urge that this is not a proper time for the enactment of legislation relating to the subject of banking. It is better to call the doctor before some one is sick and avoid the sickness entirely, but if we have failed to do that and the sickness comes upon us, we need the best medical attention that can be provided. Banking more than any other occupation is founded on confidence. The public generally is fully aware that all of our economic institutions, including banks, have felt the effect of this depression. We do not help the banking situation by attempting either to ignore it or to do nothing about it. We can not in one year correct the mistakes of the past 20 years. But we can do all within our power to prevent the consequences of the past 20 years from doing any more damage than is necessary, and we can learn by our mistakes in the past and do our best to guard against them in the future.

I believe we can make no greater contribution to the stability of our banking system than for the public to know and understand that we are not ignoring this vital problem. We inspire confidence, not by putting our heads ostrich fashion into the sand, but by convincing the public that we understand our problem and are applying the best available remedies.

It is just to say that the general condition of the great majority of the banks in Wisconsin is better and stronger than that of any other State similarly situated. It is our duty and our privilege to make that position better, both now and in the future. The two bills presented to you by the interim committee on banking show that that committee faced and dealt with the problem of banking in the attitude which I have described.

The interim committee on banking, composed of able representation from this legislature and of the banks of this State, presents a comprehensive and carefully prepared program representing their mature judgment. I know of no higher compliment that could have been paid to their efforts than the reception that has been given to the bills which they have prepared. While there are objections to their program, the objections relate to underlying matters of public policy. No question or suggestion has been raised that their program is ill considered or poorly drawn. If you agree with the objectives which these bills seek to obtain, you will agree with the banking program. If you disagree with the objectives desired by the interim committee on banking, you will oppose one or both of these bills.

The first bill revises and strengthens the supervision and control of the State banking department over State banks and provides for the reorganization of the banking department. It broadens the definition of banking to include those corporations and individuals who are in fact in the banking business but are not now under the control or supervision of the banking department. The banking laws of Wisconsin were last revised in the legislative session of 1905. Since that time vast changes have taken place in every phase of our life. It is clear we need thorough revision of the legislation relating to banks. This first bill relates to the revision of this part of the banking law. It recognizes that three factors have been primarily responsible for the difficulties of our financial institutions: (1) The economic depression, (2) management, and (3) overbanking.

This bill recognizes that the banking department can do a great deal, if given adequate personnel and authority, in the matter of bank management and overbanking. Heretofore the banking commissioner's powers have been limited practically to closing banks. But closing a bank is not a remedy. The proposal in this bill is to improve the personnel of the banking department by placing its personnel under the protection of the civil service law, and to provide adequate compensation so that the State can obtain the services of men who have the experience, the character, and the ability to discharge adequately the responsibility of this important department.

This bill gives to the banking department wider authority over the management of the banks and over the individuals who conduct them. Recognizing that no one individual should have either the authority or the responsibility to discharge these widened powers, this bill creates an advisory council composed of five members to be appointed by the governor and confirmed by the senate. This advisory council would be composed both of bankers and representatives of the economic interests of the State. It is their duty to advise with the banking commissioner and likewise to act as a board of review to enable any bank or individual aggrieved or dissatisfied with the action of the banking commissioner to present his case and obtain, if he is entitled to it, a reversal of the order of the banking commissioner.

The problem of overbanking has nothing to do with independent banking, chain banking, branch banking, or group banking. Overbanking has been caused by the granting of too many bank charters and by changes in our methods of transportation. Twenty-five years ago a community may have been in position to support one or more banks, while to-day, with the shortening of distances by automobile transportation, it may not be able to support adequately the number of banks that it now has.

This bill stabilizes the policy of the banking department by providing appeals to the courts in the granting or refusing of bank charters.

The interim committee on banking takes the position, with which I heartily agree, that bankers as a profession and the State as a whole owe a joint responsibility in the conduct of banking; that the failure of any bank causes hardship upon not only every other bank but upon the whole economic life of the community affected. In a large proportion of cases this problem of overbanking can be worked out, without loss to the depositors, by gradual liquidation, consolidation with other banks, or improvement of management. But this problem of overbanking can only be met by some constructive action. If left to itself—without help, supervision, or direction—it means that many banks in the United States will sooner or later close, with the consequent loss to the innocent depositor. This problem is met by giving the banking commissioner greater authority over management and by giving him authority, under proper safeguards, to order consolidations of banks.

No one contends that if this program is adopted there would never be any bank failures. We do contend that if this bill is adopted, together with the bill providing for the establishment of clearing-house associations, there would be far less bank failures than if the situation were left without leadership or direction. I commend this first bill of the interim committee on banking to your earnest consideration and call your attention to the fact that it has the almost unanimous support of the banking profession and is free from any partisan question, and that it can be adopted even though two-thirds of both houses of this legislature are not in agreement with our position upon chain banking.

The other bill recommended by the interim committee on banking offers a constructive solution to the problem of the concentration of control of our credit system through chain or group banking.

The majority of the members of this legislature and all of the State officers were elected upon a platform which pledges us to use the powers possessed by the State to enable the people of Wisconsin to keep control of the credit which they have created. This bill fulfills that platform commitment. I recommend its adoption not alone because of our contractual obligation to the voters of this State but because the remedy it proposes is right and in the best interests of the people of Wisconsin.

This bill authorizes and directs the banking commissioner to establish in the State of Wisconsin clearing-house associations composed of both State and National banks. This would divide the State into natural commercial and business districts and unite the banks within such natural districts into homogeneous groups with common economic interests.

At the outset every bank in this State would be eligible to membership, subject to the limitations I shall call to your attention. Once established it would mean that all of the banks of this State would be grouped together into local associations. Each group is given the machinery and the authority, subject to common supervision by the banking department, of governing and regulating the conduct of its members. From time to time these several associations will be able to establish and enforce standards and regulations which will insure the highest degree of stability and security for the depositor. Through a relatively small contribution by each of the member banks each will be able to receive and be guided by research, information, advice, and suggestions heretofore limited to only those institutions with great aggregations of wealth. It would enable the member banks to participate in the underwriting and the sale of the safest and most desirable securities at the best possible prices. This plan will give to all of the banks of Wisconsin every benefit and a great deal more than is offered by any program of chain or group banking.

The limitation upon membership in these associations is that no bank may become a member where 10 per cent or more of its stock is held by a holding company. This limitation is inserted, first, because the holding company is the device used for the creation of chain or group banking and, second, because the ownership of bank stock by holding companies is the method by which stock speculation is interjected into banking. If speculation in stocks has any justification in other fields, it certainly has no place in the banking profession.

One of the substantial evils of chain or group banking is that it introduces stock promotion into the ownership of banks. Banking deals primarily with other people's money. Those that are appealed to by speculative profits and various forms of gambling have no place in and should be ruthlessly excluded from banking.

In order to encourage and foster independent banking, eliminate stock promotion, and eventually bring about a complete restoration of local ownership and control of credit in Wisconsin, all of the privileges within the control of the State are granted exclusively to those banks that are members of the clearing-house associations.

Putting this program in the simplest terms, its adoption would mean: The State agrees to give those rights and privileges over which it has control to the banks in this State that agree:

(a) That they will cooperate and work one with another to give Wisconsin a strong, safe, and stable banking system.

(b) That so far as humanly possible stock speculation and promotion are to be eliminated from the banking system of Wisconsin.

(c) That they will agree that the ownership of banks should be in the hands of individuals who primarily reside in and are a part of the community life whose money is deposited in their banks.

(d) That they will stand together and discharge the obligations of their profession toward the public by recognizing their responsibility, not only for their own individual banks but for the other banks within their own territory.

The people of this State have spoken in unmistakable terms in opposition to the establishment of any system of banking which means loss of the control of their own money. It is now argued

by some, however, that in view of the economic depression nothing should be done with reference to the chain-banking question. They argue that the chain banks are more stable; that the chain-banking system is not now doing any harm, but, on the contrary, it is being helpful to other banks in this State through the making of loans to those institutions; and that it would therefore be best to do nothing about the matter at the present time.

Chain banking in Wisconsin is conducted, like any other banking business, for profit. The banks in the chain system have made loans to other banks in Wisconsin. As of September 29, the parent bank of our largest chain system had loaned approximately three and a quarter millions of dollars to other banks. On the same date, however, it had between twenty-five and thirty millions of dollars that belonged to the banks of Wisconsin. The loans which this bank has made to the other banks have been amply secured with the best collateral and interest paid in advance. This bank has never loaned to the other banks any substantial part of the money which the other banks have themselves had on deposit.

It is essential that we understand clearly that there is nothing in the system of either independent or chain banking that in and of itself makes for security of deposits. Benjamin Anderson, chief economist for the largest bank in the world, quotes with approval the following statement: "After all, good banking is not a matter of size. A properly conducted small country bank can be as safe as a large city institution with many branches. Success in the banking field depends on good management whether the unit be large or small * * *."

The issue between chain and independent banking does not mean that those who oppose chain banking are not in favor of strong and stable banks. Every sensible person wants just that, and every careful student of the banking question freely acknowledges that strength and stability of banks are not determined by whether the bank belongs to a group, is a branch, or is independent. It depends, first, upon certain economic factors; and, second, upon management.

The issue involved in chain banking is: Who is to own and control the money that the people produce? Is it to be owned and controlled by that community or is it to be owned and controlled by individuals and corporations a long way off? Are we to have democratic or autocratic control of our credit system?

If we were actually confronted with the alternative of the loss of every dollar we now own as against the control of our future earning power, I would have no question in deciding in favor of the control of our future earnings. The total number of dollars in all of the banks of Wisconsin to-day represents less than half of the income of the people of Wisconsin in a single year. Regardless of the rights of our children, we of to-day would be making a very poor bargain to sell the control of our economic future for a price amounting to less than half of one year's income.

But we confront no such choice. The chief objective of the banking program here recommended is to give Wisconsin strong and stable banks and at the same time to keep the control of our own money. If this program is adopted, Wisconsin takes the position that alien ownership and stock speculation are to have no place in the public banking system of this State.

This banking program is in keeping with the basic program we are trying to pursue, namely, of enabling the various parts of our economic life to construct machinery that will enable them to govern themselves. It is again an application of America's experience and tradition to the problems which we face.

The emergency program presented to you calls for the minimum amount of administration by the State. The funds for direct relief are to be expended through the local agencies of government. The funds for tax reduction are paid directly to the several counties and are to be used for the direct reduction of taxes. I am sure you will agree that for a program dealing with an emergency that administrative discretion is reduced to the minimum.

But reduced as it is to a minimum, there is nevertheless necessity for a highly important duty of administration. In order to insure both the State and the communities against wasteful and uneconomic expenditures, as well as provide the proper care for our needy citizens, supervisory control over the State's own funds should be reserved to some agency of the State. The fairness and efficiency of the administration of any duty require above all other things a centering of the responsibility for that administration. The administration of this program, or such program as may be adopted by this legislature, is at the least an onerous and heavy task. It is not one that anyone would seek. But administration is naturally part of the executive functions of the Government. I, therefore, recommend that the unemployment commission membership be enlarged and that the additional members be appointed by the governor and confirmed by the senate, and that the thus enlarged unemployment commission be charged with the responsibility and given adequate authority to carry out that responsibility.

We come now to the vital question of financing the emergency program recommended to you herein.

The foundation of any program, whether it be public or private, for dealing with this problem is finance; how much money is to be provided and where is the money coming from? The program recommended to you will require a cash outlay in 1932 of approximately $16,000,000. It will require an additional sum which can be financed over a period of several years.

I have heretofore pointed out why it is a manifest injustice for the Federal Government to fail to help. Its present policy means that the rich States get off at the expense of the poorer ones; or, rather, that the rich people in the rich States get off at the expense of the poorer people everywhere. The failure of the National Government to act simply means that those people of wealth in this State will be required to carry a heavier share of the load than they would if all the wealth in this country would be required to share its proportionate part. In the program I am recommending, provision is made for a proportionate reduction of our emergency taxation for whatever relief funds may be provided by the Federal Government.

In financing this emergency an important consideration should be the State's credit and reputation for solvency. We are now reaping the benefit of having had the courage to levy a substantial tax to pay our soldiers' bonus obligations in full, while States and other communities are groaning under the burden of levying taxes in these hard times to pay the interest and part of the principal of their soldiers' bonus bonds.

By meeting this emergency with an emergency-tax program we will maintain our leadership in sound governmental finance as compared with our chief industrial competitors.

At the close of 1928 the bonded debt of all governmental units in Wisconsin was $160,000,000. The corresponding debts for Wisconsin's competing States were as follows:

New York	$2,662,000,000
Ohio	954,000,000
Michigan	758,000,000
Illinois	677,000,000
Minnesota	316,000,000
Indiana	192,000,000
Wisconsin	160,000,000

These total bonded debts are much more significant when reduced to a per capita basis. After this is done the favorable showing of Wisconsin's policy is still apparent. Based on the 1930 census, the seven States had the following per capita net bonded indebtedness on January 1, 1930:

New York	$211
Michigan	157
Ohio	144
Minnesota	123
Illinois	89
Indiana	59
Wisconsin	54

The present per capita debt of each citizen in Wisconsin is $54. This is approximately one-fourth that of the inhabitants of the State of New York and about one-third that of the taxpayers of Ohio and Michigan.

I recommend an emergency surtax upon individual and corporation net incomes, irrespective of capital gains or losses and from whatever sources derived. I would favor rates even higher than here suggested, but recommend the adoption of rates no lower than:

One per cent upon corporations.

A flat exemption from the surtax of $800 and $1,500 for unmarried and married persons or heads of families, respectively, and $400 for each child or dependent member of the family.

On the excess income over the exemptions I recommend a surtax as follows: 1 per cent under $1,000, 3 per cent on $1,000 to $2,000, 5 per cent on $2,000 to $3,000, 7 per cent on $3,000 to $4,000, 9 per cent on $4,000 to $5,000, 12 per cent on $5,000 to $10,000, 15 per cent on $10,000 to $25,000, 20 per cent on $25,000 to $50,000, 25 per cent on $50,000 to $100,000, and 30 per cent on $100,000 or over.

This, it is estimated, will produce on this year's individual incomes $13,600,000. The corporation surtax should produce approximately $1,500,000. I recommend a permanent chain-store tax for the reasons stated in my message of June 4. If adopted, this should produce approximately $1,500,000 annually. I recommend the adoption of the gift tax upon all gifts with appropriate exemptions.

The surtax should be for one year only and only on the net income of 1931. This taxation program will produce the necessary revenue to provide the necessary cash for 1932, and the chain-store tax will produce the revenue for the State to carry its share in the retirement of local bonds issued for public works over a period of years.

If this taxation program is adopted, the State will be taking a sound position. It will require everyone from the lowest to the highest who has a net cash income in 1931 over and above the subsistence level to make a proportionate contribution to Wisconsin's "community chest" to meet our community responsibilities.

There has been a great deal of agitation from industrial and other sources for a cut in the wages of wage earners, "white-collar" workers, and public employees. There is genuine merit and justice in such a program if it meant a proportionate deflation for everybody. The difficulty with any deflation program that has been thus far suggested is that it deflates the wage earner and the salaried worker, but there is no proposal to deflate the income of the bondholder, the mortgage holder, and the recipient of interest on term obligations. For the first nine months of 1931 wages to labor and the farmers' income had each been cut approximately two and one-half billion dollars from the 1929 figure. But the total of dividends and interest had actually increased over 1929. The dollar of the wage earner and salaried worker buys more, but so does the dollar that comes from invested capital. Labor and agriculture have taken approximately a 20

per cent cut in income. But for the first nine months of 1931 capital not only had taken no real cut but the purchasing power of its income had increased 20 per cent. Hence capital, so far as income is concerned, is 40 per cent better off for the first nine months of 1931 than it was in 1929. All of these proposals for wage and salary cuts are deemed by big business to be sound economics. But any serious proposal to deflate invested capital proportionately would be assailed. "Deflate the farmer." "Deflate the worker." "Deflate the salaried man." That is "sound." But deflate invested capital, and that is another story.

The United States Steel Corporation, which took leadership in wage cutting, showed by its last annual report that it had $117,000,000 of cash on hand and $471,000,000 of undivided surplus. If it was necessary for "sound" economics to cut the wages of the steel worker 10 per cent, why do we find no program for the deflation of this enormous cash and undivided surplus? In the first nine months of this year the American Telephone & Telegraph Co. made $5,000,000 in excess of the highest total ever earned by this company in any equivalent period. Why have we had no proposals for the deflation in the charges to the American public by "the world's greatest corporation"?

If we have correctly analyzed our problem, we now see clearly that any deflation in the earnings of those who receive no more than a decent subsistence level decreases the very purchasing power that we are trying to increase in order to reestablish decent conditions.

We will not help but hurt our problem if we impose the burden so as to decrease the earnings of those below the subsistence level. In dividing income or jobs or anything else there should be no division which reduces people below the standard of living our producing power can easily and properly support.

It would be better for our morale and our society if employers, public and private, would each see that they provide both employment and a living wage for all of their own normal employees. The State should do it. Industry should do it. To just the extent that this is done we shall reduce both the necessity for and the cost of relief, public and private.

But in this emergency we must not deflate the earnings of the 80 per cent of American families who represent the mass of our purchasing power. Our job in the financing of our program is clearly to finance it in accordance with people's ability to pay by a surtax on incomes above the subsistence level.

If Wisconsin adopts this policy of meeting this emergency we can in truth say to the United States Steel Corporation and similar business and industrial leadership: "If there is to be any wage cutting, whether of public or private employees, we will all take our cuts—the millionaire, the bondholder, and the interest receiver right along with the farmer, the worker, and the salaried man."

I am opposed to waste, to overpayment for anything or to anybody at any time, whether in depressions or in prosperity. Wherever and whenever any individual in the public service in any of its forms is receiving more than he is worth his salary should be cut. But any blanket cutting of salaries in public or private employment is merely another method of making the poor poorer and the rich richer. I am opposed to it. I am in favor of meeting the costs of this depression in accordance with Wisconsin's traditional tax policy of people contributing in accord with their ability to pay. That means that those who have net incomes above the subsistence level must contribute their share in proportion to the size of their income.

The public needs able, courageous, and efficient servants at any time. It needs such services in the period that lies ahead of us especially. It needs public servants who have the intelligence and the courage to fight the self-interest of some of the greatest corporations in America. Public servants as a class do not expect the high salaries of private business. They are willing to accept reasonable salaries for the opportunity that the public service affords. They are more than willing to do their share in this emergency, but they object, and they object on just and fair grounds, to be singled out and required to contribute from 10 per cent to 25 per cent of their gross incomes while some millionaire is asked, under the President's scheme, to give "what he can afford," which may be anything from nothing up to a modest fraction of his net income. If the plan here recommended is adopted all public officials and employees will take a reduction in their incomes above the subsistence level, in the same proportion as others with similar incomes. And this is the essential point, they are not alone asked to contribute. They all take a proportionate cut; they all share equally according to their means. The vast proportion of human beings are reasonable, and are willing to carry a burden that is fair and equitable. Men revolt when they feel they are imposed upon.

Wisconsin has had a distinguished public service. It has earned the right to be treated fairly, and for my part I will do all in my power to insure that it pays the same proportionate share, but I will not willingly consent to seeing it discriminated against.

THE END

At your regular session you adopted constitutional amendments and enacted statutes which go as far as it is now possible for us to go in carrying out Wisconsin's power program. It is the most basic and far-reaching program on the part of any State in the Union in regaining control for the people of essential mechanical energy—electricity. The execution of that program will go far toward giving the State and its municipalities the direct control and ownership of a sufficient amount of power to protect the people of this State in one of the most vital of their common necessities. Generally throughout Wisconsin we own our water. Control of this substantial part of our electricity will give us light, heat, and power.

You have created a body for the intelligent examination of our common problems in the executive council. We have outstanding resources, in character and intelligence, in Wisconsin's industrial, agricultural, and business world. I acknowledge the splendid response that has been given to the State's effort to mobilize that creative capacity. No one should be disturbed for Wisconsin's future with this leadership that exists within our borders, a leadership that is so willing and anxious to bury partisan consideration for our common good. While it may be my lot to be chief executive of Wisconsin I shall continue to call to the State's service the best brains and character, regardless of residence, politics, or wealth, that we can obtain. Wisconsin needs the best. So far as I may be able to influence it, Wisconsin shall have the best.

The adoption of the program herein recommended would give us machinery for inaugurating a definite attempt to enable and require business to stabilize itself in the public interest.

This legislature has not yet met the challenge of our permanent tax problem. But the adoption of this emergency tax program would be a substantial achievement.

The adoption of the banking program will lay the foundation for the best banking system in America from the point of view of stability and at the same time would do more to secure the local control of our own money than has ever heretofore been suggested anywhere.

A very profound student of life once said that any man who enters public service must elect as to whether he is for or against things as they are. I intend that there should be no doubt as to where I stand. So far as I am concerned, in or out of public life, alone or with others, I am in this fight until the control of the monopoly system over the lives of the people of this country is broken and the American ideal and tradition of political, religious, and economic liberty is reestablished.

I am fully aware that the program that we have heretofore adopted and that is herein recommended challenges the monopoly system at its foundation. I know the power of that system. I know what it can do to the public and even private lives of men who challenge it. I know the attacks, subtle, open, and under cover, to which everyone of you will be subjected.

You will be assailed. They will say that you are destructive, although they offer no alternatives themselves. They will tell you that the Government can not put 5,000,000 men to work, although they forget that they put 4,000,000 American young men to work at the business of war; that they squandered $40,000,000,000 of American money in the most wasteful and futile war of modern history. And still they will say that you are extravagant and wasteful and visionary because you propose to spend millions or billions to build highways and bridges and power plants that will make the farmer's and the worker's life better and happier; you may spend tens of billions to destroy—but nothing to build a richer life.

To fight this fight you give up security, you give up peace; you may give up your homes, your businesses, and your occupations. And what can you expect in return? Only the inner satisfaction that if you are successful you will have helped to remake the life of America; that you will have been a part of a determined effort to live up to the highest and noblest traditions of our fathers; that the scars and wounds that you have received and will receive came in a great cause, the age-old struggle of mankind to build a better world.

Respectfully submitted.

PHILIP F. LA FOLLETTE,
Governor.

MADISON, WIS., *November 24, 1931.*

INTERNATIONAL PARLIAMENTARY CONFERENCE ON COMMERCE

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of State, transmitting, for the information of the Senate, two reports prepared by the American observers concerning the seventeenth plenary assembly of the International Parliamentary Conference on Commerce, held at Prague May 25 to 29, 1931; which, with the accompanying reports, was referred to the Committee on Foreign Relations.

TAX DEDUCTIONS OF CORPORATIONS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting a draft of proposed legislation for the purpose of authorizing corporations in computing net income to take as deductions from gross income under the provisions of the revenue act of 1928 amounts contributed for unemployment relief or relief of the poor or needy during the period from July 1, 1931, to June 30, 1932; which was referred to the Committee on Finance.

RAILROAD INDEBTEDNESS TO THE UNITED STATES

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, in response to Senate Resolution 494, agreed to March 3, 1931, a report respecting the indebtedness of railroads on account of loans made under the provisions of section 210 of the transportation act, 1920, as amended; which, with accompanying exhibits, was referred to the Committee on Interstate Commerce and ordered to be printed.

REPORT OF NATIONAL FOREST RESERVATION COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, as ex officio president of the National Forest Reservation Commission, transmitting, pursuant to law, the report of the commission for the fiscal year ended June 30, 1931; which, with the accompanying report, was referred to the Committee on Agriculture and Forestry and ordered to be printed with the accompanying illustrations.

REPORTS OF THE ATTORNEY GENERAL

The VICE PRESIDENT laid before the Senate certain communications from the Attorney General of the United States, transmitting, pursuant to law, the following reports, which were referred to the Committee on the Judiciary:

The annual report of the Department of Justice for the fiscal year ended June 30, 1931;

A report showing suits arising under the public vessels act of March 3, 1925, in which final decrees were entered, exclusive of cases on appeal; and

A report showing suits arising under the act of March 9, 1920, authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal.

MONOGRAPH ON THE VALUE OF LAW OBSERVANCE

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, in response to Senate Resolution 459, agreed to February 17, 1931, a report prepared by the Bureau of Prohibition concerning the preparation and publication in October, 1930, of a monograph entitled "The Value of Law Observance, a Factual Monograph," which, with the accompanying report, was referred to the Committee on the Judiciary and ordered to be printed.

AIRCRAFT PURCHASES FOR THE NAVY

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of the Navy, transmitting, pursuant to law, a report of designs, aircraft, aircraft parts, and aeronautical accessories purchased by the Navy Department during the fiscal year ended June 30, 1931, the prices paid therefor, and the reason for the award in each case, which, with the accompanying report, was referred to the Committee on Naval Affairs.

COAL LANDS WITHIN UINTAH NATIONAL FOREST

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of the Interior, transmitting, pursuant to law, a report of the Acting Director of the Geological Survey as to the value of certain coal lands of the Uintah, White River, and Uncompahgre Bands of Utes of Utah, taken by the United States for the Uintah National Forest, together with a supplemental report dated August 24, 1931, which, with the accompanying reports, was referred to the Committee on Public Lands and Surveys.

REPORTS OF THE SECRETARY OF AGRICULTURE

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of Agriculture, transmitting, pursuant to law, reports for the fiscal year ended June 30, 1931, which, with the accompanying reports, was referred to the Committee on Appropriations, as follows:

A report of revenues and disbursements, Center Market, Washington, D. C.; and

A report showing the proceeds of sales of waste paper and useless documents by the Department of Agriculture.

REPORT OF MIGRATORY BIRD CONSERVATION COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, as ex officio chairman of the Migratory Bird Conservation Commission, transmitting, pursuant to law, a report of the commission for the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

RURAL POST ROADS AND NATIONAL FOREST ROADS AND TRAILS

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report (in two sections) for the fiscal year ended June 30, 1931, concerning the appropriations for the construction of rural post roads in cooperation with the States, the Federal administration of that work, and the survey, construction, and maintenance of roads and trails within or only partly within the national forests, which, with the accompanying report, was referred to the Committee on Post Offices and Post Roads.

WASTE PAPER SALES IN GOVERNMENT PRINTING OFFICE

The VICE PRESIDENT laid before the Senate a communication from the Public Printer, reporting the receipt of $34.45 as proceeds from the sale of useless papers in the United States Government Printing Office, which was referred to the Committee on Printing.

ANNUAL REPORT OF BOARD OF MEDIATION

The VICE PRESIDENT laid before the Senate a communication of the chairman of the United States Board of Mediation, transmitting, pursuant to law, the fifth annual report of the United States Board of Mediation for the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

REPORT OF DIRECTOR OF BOTANIC GARDEN

The VICE PRESIDENT laid before the Senate a communication from the Director of the United States Botanic Garden, transmitting, pursuant to law, a statement showing the travel expenses in connection with official business of the office during the fiscal year ended June 30, 1931, which was referred to the Committee on the Library.

ANNUAL REPORT OF THE ARCHITECT OF THE CAPITOL

The VICE PRESIDENT laid before the Senate a communication from the Architect of the Capitol, transmitting, pursuant to law, his annual report for the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

REPORT OF SMITHSONIAN INSTITUTION

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the annual report of the Board of Regents of the institution for the fiscal year ended June 30, 1931, which was referred to the Committee on the Library.

DAUGHTERS OF THE AMERICAN REVOLUTION

The VICE PRESIDENT laid before the Senate a communication from the Acting Secretary of the Smithsonian Institution, transmitting, pursuant to law, the annual report of the National Society of Daughters of the American Revolution for the year ended April 1, 1931, which, with the accompanying report, was referred to the Committee on Printing.

REPORT OF GORGAS MEMORIAL INSTITUTE

The VICE PRESIDENT laid before the Senate a communication from the chairman and president, respectively, of the Gorgas Memorial Institute of Tropical and Preventive Medicine (Inc.), transmitting, pursuant to law, a report of the institute for the year ended October 31, 1931, which, with the accompanying report, was referred to the Committee on Interoceanic Canals.

REPORT ON RESALE PRICE MAINTENANCE

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, for the information of the Congress, part 2 of a report of the Commission on Resale Price Maintenance, dealing with commercial aspects and tendencies, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

REPORT OF THE DISTRICT COMMISSIONERS

The VICE PRESIDENT laid before the Senate a communication from the president of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, a report of the official operations of the government of the District of Columbia for the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on the District of Columbia.

PRACTICE OF THE HEALING ARTS IN THE DISTRICT

The VICE PRESIDENT laid before the Senate a communication from the president of the Commission on Licensure, healing arts practice act, in the District of Columbia, transmitting, pursuant to law, the report of the commission for the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on the District of Columbia.

REPORT ON COOPERATIVE GROCERY CHAINS

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, in response to Senate Resolution 224, agreed to May 5, 1928, a report of the commission on cooperative grocery chains, which, with the accompanying report, was referred to the Committee on the Judiciary and ordered to be printed.

ANNUAL REPORT OF PUBLIC UTILITIES COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Public Utilities Commission of the District of Columbia, transmitting, pursuant to law, a report of the official proceedings of the commission for the year ended December 31, 1930, with other information relating to the regulation and operation of public utilities in the District coming under the jurisdiction of the commission, which, with the accompanying report, was referred to the Committee on the District of Columbia.

REPORT OF WAR FINANCE CORPORATION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the liquidating committee of the War Finance Corporation, transmitting, pursuant to law, a report of the corporation for the period from April 1 to June 30, 1930, which, with the accompanying report, was referred to the Committee on Finance.

REPORT OF THE TARIFF COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the United States Tariff Commission transmitting, pursuant to law, the fifteenth annual report of the commission, which was referred to the Committee on Finance.

FISH AND OTHER MARINE PRODUCTS LANDED IN UNITED STATES

The VICE PRESIDENT laid before the Senate a communication from the United States Tariff Commission transmitting, in response to Senate Resolution 314, agreed to July 3, 1930, a report on fish and other marine products landed in the United States from the high seas and from territorial waters by aliens and citizens which, with the accompanying report, was referred to the Committee on Commerce and ordered to be printed with illustrations.

ADJUSTMENTS OF TARIFF RATES

The VICE PRESIDENT laid before the Senate a communication from the chairman of the United States Tariff Commission informing the Senate that, during the period between the close of the Seventy-first Congress and November 30, 1931, the commission had completed 37 investigations (in part pursuant to Senate resolutions of the Seventy-first Congress) in connection with adjustments of rates of duty established by the tariff act of 1930, and transmitting to the Senate certain reports relating thereto, which, with the accompanying reports, was referred to the Committee on Finance and ordered to be printed.

[The matters included in the above-mentioned tariff reports cover investigations or studies relative to the following commodities and subjects:

GROUP 1

Wool felt hat bodies and wool felt hats; fourdrinier and cylinder wires and wire cloth used in the manufacture of these wires; edible gelatin; smokers' articles—pipes, pipe bowls, cigar and cigarette holders and mouthpieces, finished or unfinished; cherries, sulphured or in brine; tomatoes, prepared or preserved; bells, chimes, and carillons; pipe organs and parts thereof; olive oils; bentwood furniture, wholly or partly finished, and parts thereof; dried eggs, dried egg yolk, and dried egg albumen; hemp, cordage, and cables; iron in pigs; hides and skins of cattle of bovine species; cheese, except of American or Cheddar and Swiss or Emmenthaler types; boots and shoes, wholly or in chief value of leather, not specially provided for; lumber and timber of fir, spruce, pine, hemlock, or larch; cylinder, crown, and sheet glass by whatever process made and for whatever purpose used; pens; fresh pineapples; tomatoes in their natural state; peppers in their natural state; peas, green or unripe; eggplant in its natural state; cucumbers in their natural state; Lima beans; okra; crin vegetal, flax upholstery tow, and Spanish moss; gauge glass tubes; snap or string beans; feldspar, crude and ground; and Roman, Portland, and other hydraulic cement or cement clinker.

GROUP 2

Fish and other marine products; cigar-wrapper tobacco; census of dyes and other synthetic organic chemicals, 1930; computed duties and equivalent ad valorem rates, calendar year 1929; and United States-Philippine tariff and trade relations.]

ANNUAL REPORT OF THE COMPTROLLER GENERAL

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to law, a report of the work of the General Accounting Office for the fiscal year ended June 30, 1931, with recommendations for certain legislation calculated to effect greater economy and efficiency in public expenditures, which, with the accompanying report, was referred to the Committee on Appropriations.

LEGISLATIVE RECOMMENDATIONS OF COMPTROLLER GENERAL

The VICE PRESIDENT laid before the Senate two communications from the Comptroller General of the United States, transmitting, pursuant to law, recommendations for the enactment of legislation, which, with the accompanying papers, were referred to the Committee on Appropriations, as follows:

Legislation for the simplification of procedure for the payment of Federal moneys to States and Territories; and

Legislation for an accounting regularly to the General Accounting Office for the contingent fund of the West Point Military Academy.

ANNUAL REPORT OF THE SHIPPING BOARD

The VICE PRESIDENT laid before the Senate a communication from the chairman of the United States Shipping Board, transmitting, pursuant to law, the fifteenth annual report of the board, which, with the accompanying report, was referred to the Committee on Commerce.

SETTLEMENT OF SHIPPING BOARD CLAIMS

The VICE PRESIDENT laid before the Senate a communication from the chairman of the United States Shipping Board, transmitting, pursuant to law, a report of claims arbitrated or settled by agreement from October 16, 1930, to October 15, 1931, by the United States Shipping Board and/or the United States Shipping Board Merchant Fleet Corporation, which, with the accompanying report, was referred to the Committee on Commerce.

FINAL VALUATIONS OF CERTAIN RAILROAD PROPERTIES

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Interstate Commerce

Commission, transmitting, pursuant to law, final valuations of properties of the Maine Central Railroad Co. and 23 other railroads, which, with the accompanying papers, was referred to the Commitee on Interstate Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint memorial of the Legislature of the State of Arizona, which was referred to the Committee on Commerce:

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
State of Arizona, ss:

I, Scott White, secretary of state, do hereby certify that the within is a true and correct copy of Senate Joint Memorial No. 2 of the regular session of the tenth legislature, 1931, entitled: "A memorial to the Congress of the United States praying for the enactment of a joint resolution empowering and directing the President of the United States to declare an emergency embargo against further importation of certain foreign products," all of which is shown by the original engrossed copy on file in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 8th day of April, A. D. 1931.

[SEAL.] SCOTT WHITE,
Secretary of State.

Senate Joint Memorial 2, a memorial to the Congress of the United States praying for the enactment of a joint resolution empowering and directing the President of the United States to declare an emergency embargo against further importation of certain foreign products

Whereas in view of the rapidly declining rate of exchange in certain foreign countries and the consequent lowering in the gold value of wool, livestock, and other material products of the United States farm and range to the great financial loss of the American producer; and

Whereas the depleted monetary standards of those certain foreign countries aforesaid places the burden of exchange and subsequent financial loss upon the farmers and stock raisers of this country: It is therefore

Resolved by the Senate of the Tenth Legislature of the State of Arizona, in regular session assembled (the House of Representatives concurring), That the Congress of the United States, in view of the conditions now existing, be memorialized to forthwith pass a joint resolution empowering and directing the President of the United States to declare an emergency embargo against further imports of foreign products from those countries which react so unfavorably on our already seriously depressed commercial fabric. It is further

Resolved, That suitably engrossed copies of this memorial, signed by the president of the senate, the speaker of the house of representatives, and the governor, be transmitted to the Presiding Officer of the United States Senate, the Speaker of the National House of Representatives, the President of the United States, and to each of the Arizona Members of the Congress of the United States at Washington.

And your memorialist will ever pray.

Adopted by the senate February 13, 1931.
Passed the house of representatives February 27, 1931.
Senate concurred in house amendment February 27, 1931.
Approved by the governor March 2, 1931.
Filed in the office of the secretary of state March 2, 1931.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Arizona, which was referred to the Committee on Foreign Relations:

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
State of Arizona:

I, Scott White, secretary of state, do hereby certify that the within is a true and correct copy of House Joint Memorial No. 12, of the regular session of the tenth legislature, 1931, entitled "A memorial to the President of the United States and to the Senate of the United States pertaining to stabilization of silver," all of which is shown by the original engrossed copy on file in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 8th day of April, A. D. 1931.

[SEAL.] SCOTT WHITE,
Secretary of State.

House Joint Memorial 12, a memorial to the President of the United States and to the Senate of the United States pertaining to stabilization of silver.

Whereas there was introduced in the Senate of the United States by Senator KEY PITTMAN, of Nevada, on February 11, 1931, Senate Resolutions Nos. 442 and 443; and

Whereas there was filed with the Foreign Relations Committee of the United States Senate on the same day a report by a subcommittee of that committee, which report discloses that the price of silver is now around 26 cents per ounce, as against a normal average price over many years of around 60 cents per ounce; and which report is an exhaustive study of silver, its use, its markets, consumption, production, and all other aspects of the present silver situation, and which report goes searchingly into the cause of the present decline in price, and recommends, through the above-mentioned two United States Senate Resolutions Nos. 442 and 443, a method of restoring silver to its normal value and stabilizing its price; and

Whereas the State of Arizona ranks fourth among the States of the United States in the production of silver and produces over 11 per cent of the total silver production of the United States; and

Whereas the silver values in small lots of ore shipped by prospectors in this State are of vital importance to them in enabling them to continue work; and

Whereas the present depressed price of silver has caused the cessation of work in many such prospective mines, and thus is seriously retarding the further development of Arizona's greatest industry: It is therefore

Resolved by the House of Representatives of the Tenth Legislature of the State of Arizona (the State senate concurring therein), That we consider this silver situation of vital interest to our State;

That we have the utmost confidence in the report and recommendations of the subcommittee, of which Senator KEY PITTMAN is chairman;

That we urge the Senate Committee on Foreign Relations to favorably report on the two resolutions offered by their subcommittee;

That we urge the Senate of the United States to pass these resolutions; and

That we respectfully urge the President of the United States to act expeditiously upon the Senate's hoped-for recommendations, to the end that silver may be restored to its normal status; be it further

Resolved, That the secretary of state of Arizona is authorized and directed to forward copies of this memorial to the President of the United States, to the President of the Senate of the United States, and to the Committee on Foreign Relations of the United States Senate, and to the Senators and Representative in Congress from this State.

Passed the house February 17, 1931.
Adopted by the senate February 19, 1931.
Approved by the governor February 19, 1931.
Filed in the office of the secretary of state February 19, 1931.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Arizona, which was referred to the Committee on Public Lands and Surveys:

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
State of Arizona, ss:

I, Scott White, secretary of state, do hereby certify that the within is a true and correct copy of House Joint Memorial No. 6, of the regular session of the tenth State legislature, 1931, entitled "House Joint Memorial No. 6, requesting United States Congress to make legislation transferring to Arizona all public domain, reserved lands, etc., belonging to the United States within the borders of the State of Arizona, including all surface, subsurface, mineral, and oil rights," all of which is shown by the original engrossed copy on file in this office.

In witness whereof I have hereunto set my hand and affixed my official seal. Done at Phoenix, the capital, this 8th day of April, A. D. 1931.

[SEAL.] SCOTT WHITE,
Secretary of State.

House Joint Memorial 6

To the Honorable Senate and House of Representatives of the Congress of the United States of America in Congress assembled:

Your memorialist, the Tenth Legislature of the State of Arizona, in regular session convened, respectfully represents:

That the area of land within the State of Arizona is 72,838,400 acres, of which area 19,566,339 acres are within Indian reservations, 16,911,367 are within the United States public domain, 11,203,438 are within the national forests, 671,610 are within national parks and monuments, and 73,008 are within military reservations; that a total of two-thirds the area of land within the State of Arizona is controlled by Federal bureaus and can not be taxed for State purposes.

That 6,498,669 acres are owned by the State, subject to Federal regulations as to their sale, etc.

That 17,913,969 acres, or less than one-quarter of the land of the State, is subject to taxation.

That during the 18 years of Arizona statehood the lands reserved from entry by the Federal Government have increased, especially the Indian reservations.

That instead of the Secretary of the Interior's advertised policy of turning lands over to the State being followed, the efforts of Washington bureaus have been directed to control more of the lands and all of the waters of the State.

Whereas the public domain of the United States has an area of about 178,000,000 acres, distributed among 17 States;

Whereas it is overwhelmingly the public sentiments of the people of Arizona that all the public domain, reserved lands, and all national monuments owned by the United States, within the State of Arizona, should be transferred to the State of Arizona;

Whereas the transferring of all the lands of the United States to the State of Arizona would result in a more immediate development and exploration and exploitation thereof;

Whereas the States within which the lands of the United States are located are nearer to the people than the Federal Government, and the administration of such lands, under the governments of the respective States, would be closer to the people;

Whereas the State of Arizona is willing, through its elected officials, to take over all lands of the United States within its borders and administer the same, equitably and according to well-defined methods, consonant with and agreeable to the general historical policy of the United States, with regard to the distribution of public lands in a manner that will be just to all States and all citizens of the United States;

Wherefore your memorialist, the Tenth Legislature of the State of Arizona in regular session assembled, urgently requests Congress to enact such legislation as will effectually transfer to the State of Arizona all the public domain, reserved lands, and all other lands belonging to the United States, including all surface and subsurface, mineral and oil rights: It is hereby

Resolved, That the secretary of state of the State of Arizona is authorized and directed to forward this memorial to the Senate and House of Representatives of the United States, and that copies thereof be sent to the Senators and Representative in Congress from this State.

Passed the house February 13, 1931.

Passed the senate February 17, 1931.

Approved by the governor February 17, 1931.

Filed in the office of the secretary of state February 17, 1931.

The VICE PRESIDENT also laid before the Senate the following joint memorials of the Legislature of the State of Arizona, which were referred to the Committee on Finance:

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
State of Arizona, ss:

I, Scott White, secretary of state, do hereby certify that the within is a true and correct copy of House Joint Memorial No. 2 of the regular session of the tenth State legislature, 1931, entitled "House Joint Memorial No. 2, petitioning that Congress revise the copper schedule of the tariff law so as to bring domestic copper into price alignment with other domestic commodities and specifying fair rates to protect the copper industry in Arizona and the United States," all of which is shown by the original engrossed copy on file in this office.

In witness whereof I have hereunto set my hand and affixed my official seal. Done at Phoenix, the capital, this 8th day of April, A. D. 1931.

[SEAL.] SCOTT WHITE,
Secretary of State.

House Joint Memorial 2

To the Senate and House of Representatives of the Congress of the United States:

Your memorialist, the Tenth Legislature of the State of Arizona, respectfully represents:

1. Copper mining is one of the leading industries of many of the Western States. Upon it these States are in great measure dependent for their prosperity and large numbers of their citizens for a livelihood. In this State the industry is of the first magnitude. Its importance can scarcely be exaggerated. The copper mines of Arizona produce almost as much copper as all other States of the Union combined. They represent approximately one-half of our taxable wealth. In their operation there is annually distributed, chiefly within Arizona, about $70,000,000 for labor, supplies, transportation, and taxes. They afford a convenient and profitable market for the produce of Arizona farms, orchards, and ranches. They provide employment and a means of livelihood for many thousands of citizens, whose earnings contribute materially to the wealth of the State. Their successful operation stimulates the further search for mineral deposits and encourages prospecting, so essential to the perpetuation of the copper-mining industry.

2. The effect upon Arizona and its people of the destruction of such an industry, or even of its temporary depression, must be at once apparent—curtailed revenues for the maintenance of government, widespread unemployment, depletion or complete loss of the life earnings of thousands of miners, privation in their homes, lessened or utterly destroyed buying power, business paralysis, closing of an important outlet for agricultural products, economic loss and suffering to all classes of citizens, and the creation of a serious problem for the State government.

3. Thus is presented a situation which has been developing in Arizona for the past eight years. During this evil time for the copper-mining industry the number of active copper-mining districts in this State has decreased 80 per cent, and the smelter fires are still going out. It is needless to say that the industry is in a most precarious condition. What has been said of copper mining in Arizona is true of the industry wherever it exists in the United States.

4. The reasons for this condition are to be found to a limited extent only in the general financial and industrial depression from which our Nation has recently suffered and still is suffering. They have a much more easily definable and far more serious source. They may be found primarily in the tremendous copper-ore reserves of Africa, South America, Canada, and Mexico, estimated to exceed this country's ore reserves in volume and grade three times over; in the slave labor of equatorial Africa and the impressed Indian labor of South America with which the great ore bodies of these countries are worked; and in the bringing of this cheaply produced copper duty free into direct competition with the copper produced in the United States. Looking deeper, the reasons may be found in the circumstance that the principal copper interests of this country, controlling approximately 90 per cent of the copper mined in four of the leading western copper-producing States and controlling likewise the copper-fabricating industry, also control huge copper reserves in the foreign countries named, with mine and smelter capacities sufficient to supply this country's requirements and to control its copper market. They may be found in the obvious purpose of the interests holding this almost universal control of the copper industry of the world to supply their fabrication industry with cheap raw material from their foreign ore reserves, unhampered and undeterred by any tariff requirements, to the exclusion of the nonprotected copper of this country, while enjoying, on the other hand, the advantage of high protection for their fabricated product. They may be found in the fact that although during the past 11 years the production of copper in this country has exceeded domestic consumption by only 12¾ per cent, and during the past 8 years by only about 1 per cent, and that henceforth the home market is undoubtedly capable of absorbing at least 90 per cent of the domestic copper, the legitimate benefits of this advantage are, because of the unequal economic conditions under which domestic and foreign copper is produced, denied to the copper-mining industry of the United States.

5. The discrimination shown in existing tariff laws, by which the copper-fabricating industry is highly favored while the copper-mining industry is permitted to languish and die, is nothing short of startling. The copper manufacturer is liberally protected on every article of fabricated copper, and enjoys the advantage of a differential of as high as 11 cents per pound merely as converting compensation. The home market is reserved for his sole and exclusive benefit, with advantages so great that he is able to compete in every country with the fabricated copper products of the world. But the basic producer, the man who takes this copper—this elementary, foundation product—out of the ground; who finds it, mines it, and converts it into a finished, refined copper ingot, and delivers it to the manufacturer, is not only forced to sell his product in competition with the cheap-labor copper of other countries but he is compelled to buy every appliance and every item which enters into the cost of that product in a protected market at a swollen price.

6. This discrimination is as unjust as it is startling—as economically unsound as it is unfair. The business of domestic copper mining, considered solely as a business, has a moral right, not inferior to that of the many commercial enterprises based upon other highly protected metals and alloys, to live and prosper. As an essential industry, vital to the welfare of this Nation both in peace and war, its vast importance is self-evident.

7. By every law of justice the copper-mining industry should again be afforded the protection it first received as early as 1846, and which it enjoyed until 1894, when it was able to meet foreign competition both at home and in the markets of the world. By every rule of economic wisdom the copper miner of the West should be kept at work, the market created by his activities kept open, exploration encouraged, the prospector kept scanning the hills, untouched ore areas opened and developed, and the domestic copper-ore reserves constantly maintained.

8. Without protection against the competition of foreign copper ores, this can not be done. There is an inescapable difference of 6 cents between the price at which foreign copper may be laid down in this country and the cost of producing it at home, to the disadvantage of the domestic product. That figure represents the minimum of protection necessary before the copper miner of the United States can hope to compete with copper produced by the slave labor of Africa and the native Indian labor of South America, or be assured of enjoying the benefits of his home market.

Wherefore your memorialist, the Tenth Legislature of the State of Arizona, prays:

1. That Congress, at the earliest practicable date, revise the copper schedules of the tariff law in such manner and to such extent as to bring domestic copper into price alignment with highly protected fabricated copper, as well as with the thousands of protected domestic commodities of all kinds, that the copper miner is compelled, in common with other American citizens, to buy.

2. That a measure of protection be afforded to copper produced in this country sufficient to enable the domestic copper miner to realize the benefits of his home market, and which will place his product on a parity with foreign copper.

3. That such protection be established at approximately the following rates: For copper in ingots, pigs, plates, or bars, not manufactured, and copper in any form not officially provided for, 6 cents per pound; all alloys or combinations of copper not specially provided for, 6 cents per pound on the copper contained therein; blister copper, regulus, matte, cement copper, and black or coarse copper, 5 cents per pound on the copper contained therein; old copper, scrap copper, fit only for manufacture, copper scale, and clippings from new copper, 5 cents per pound on the copper contained therein; copper ore and flotation or milled cop-

per concentrate, containing 30 per cent or more of metallic copper, 5 cents per pound on the metallic copper contained therein; or if containing less than 30 per cent of metallic copper, 4 cents per pound on the metallic copper contained therein.

And your memorialist will ever pray.

Passed the house of representatives January 21, 1931.

Adopted by the senate February 4, 1931.

Approved by the governor February 11, 1931.

Filed in the office of the secretary of state February 11, 1931.

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
State of Arizona, ss:

I, Scott White, secretary of state, do hereby certify that the within is a true and correct copy of House Joint Memorial No. 8 of the regular session of the tenth legislature, 1931, entitled: "To the Senate and House of Representatives of the United States of America, in Congress assembled, urging the cash retirement of bonus certificates for World War veterans," all of which is shown by the original engrossed copy on file in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 8th day of April, A. D. 1931.

[SEAL.] SCOTT WHITE,
Secretary of State.

House Joint Memorial 8.—To the Senate and House of Representatives of the United States of America, in Congress assembled, urging the cash retirement of bonus certificates for World War veterans

Your memorialist, the Tenth State Legislature of the State of Arizona, in regular session convened, respectfully represents:

That the adjusted compensation (bonus) act passed by Congress in 1924, granted to World War veterans' insurance certificates to mature in 20 years or at death of the veteran;

That many veterans now facing the sunset of life will not live to enjoy the benefits of said compensation act;

That due to the existing economic and unemployment condition many needy veterans and their families will secure financial relief in the event said certificates are now retired on a cash basis;

That there is now pending in Congress proposed legislation to retire said bonus certificates at their full face value;

That Congress be, and it is hereby, urged to enact necessary and adequate legislation to retire on a cash basis the aforementioned certificates at their full face value.

That copies of this memorial be sent the President of the United States, the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, and to our Representatives in Congress; and

Your memorialist will forever pray.

Passed the house of representatives January 29, 1931.

Passed the senate February 2, 1931.

Approved by the governor February 3, 1931.

Filed in the office of the secretary of state February 4, 1931.

The VICE PRESIDENT also laid before the Senate the following joint memorials of the Legislature of the State of Arizona, which were referred to the Committee on Agriculture and Forestry:

OFFICE OF THE SECRETARY,
STATE OF ARIZONA.

UNITED STATES OF AMERICA,
State of Arizona, ss:

I, Scott White, secretary of state, do hereby certify that the within is a true and correct copy of House Joint Memorial No. 9, of the regular session of the tenth legislature, 1931 entitled "House Joint Memorial No. 9—requesting an appropriation of $25,000 for the establishment of a southwestern wild-life experiment station at or near the University of Arizona, Tucson, Ariz., for necessary research work for proper management of wild-life resources, etc.," all of which is shown by the original engrossed copy on file in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 8th day of April, A. D. 1931.

[SEAL.] SCOTT WHITE,
Secretary of State.

House Joint Memorial 9

To the Honorable Senate and House of Representatives of the United States of America in Congress assembled:

The Tenth State Legislature of the State of Arizona, in regular session convened, requests consideration of the following:

Whereas the natural wild-lift resources (including wild game, fur-bearing animals, insectivorous mammals and birds, and many other species of scientific, educational, and recreational interest) of the State of Arizona and the Southwest are already recognized as constituting an important present and future asset; and

Whereas there exist in the State of Arizona and the Southwest many problems of regulation of numbers of such species as flesh-eating animals predatory on livestock and game, and plant-eating rodents detrimental to farm, forage, and forest; and

Whereas the proper management of wild-life resources, whether neutral, harmful, or beneficial, is intimately related to important problems in farming, stock raising, recreational development, forestry, soil conservation, and maintenance of watershed; and

Whereas the proper management of these natural resources is absolutely dependent on a full and accurate knowledge of the lives and habits of wild life, which knowledge can only be provided by long-time studies by specialists possessing advanced training in biological sciences and experience in practical field conditions, and who should be equipped with all needful laboratory space and scientific apparatus for the prosecution of their studies; and

Whereas a considerable proportion of the surface area of the Southwestern States (Arizona, 71 per cent; New Mexico, 38 per cent) is Government land, carrying with it some Federal responsibility for adequate conservation of its natural resources; and

Whereas the State and private institutions of Arizona, including the University of Arizona, the Arizona Game and Fish Commission, the Boyce Thompson Southwestern Arboretum, Arizona Game Protective Association, Carnegie Institution of Washington, and especially the University of Arizona and the Arizona Game and Fish Commission, have already demonstrated in numerous concrete ways their cooperative attitude and aggressive interest in the building up of a proper scientific foundation for every pertinent phase of wild-life management, but are obviously unable to finance the expanded investigations absolutely needful for proper development: Therefore, your memorialist, the Tenth Legislature of the State of Arizona, in regular session assembled, urgently requests Congress to authorize and appropriate the sum of $25,000 for the immediate establishment by the Biological Survey of the United States Department of Agriculture of a southwestern wild-life experiment station, at or near the University of Arizona, Tucson, Ariz., to undertake the necessary researches.

And your memorialist will ever pray.

Passed the house February 5, 1931.

Adopted by the senate February 25, 1931.

House concurs in senate amendments February 26, 1931.

Received and approved by the governor February 26, 1931.

Filed with the secretary of state February 26, 1931.

STATE OF ARIZONA,
OFFICE OF THE SECRETARY.

UNITED STATES OF AMERICA,
State of Arizona, ss:

I, Scott White, secretary of state, do hereby certify that the within is a true and correct copy of House Joint Memorial No. 14, of the regular session of the tenth legislature, 1931, entitled "House Joint Memorial No. 14—Memorializing the Congress of the United States to set aside public lands of the United States in House Rock Valley in Arizona for establishing so-called House Rock Valley Game Refuge, to maintain and conserve the herd of buffalo formerly owned by C. J. (Buffalo) Jones," all of which is shown by the original engrossed copy on file in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of Arizona. Done at Phoenix, the capital, this 7th day of April, A. D. 1931.

[SEAL.] SCOTT WHITE,
Secretary of State.

House Joint Memorial 14

To the honorable the President of the United States and the presiding officers of the Senate and the House of Representatives of the United States of America in Congress assembled:

The Tenth State Legislature of the State of Arizona, in regular session convened, requests consideration of the following:

Whereas the buffalo herd located in House Rock Valley, Ariz., is the only State-owned buffalo herd in the United States; and

Whereas it is proposed to introduce a bill in Congress setting aside from the public lands of the United States approximately 44,000 acres in what is known as the House Rock Valley of Arizona for the purpose of establishing the so-called House Rock Valley Game Refuge to maintain and conserve the herd of buffalo formerly owned by C. J. (Buffalo) Jones and sold by his successor, Uncle Jimmie Owens, to the State of Arizona for $10,000, it being the desire of the State to fence and develop water on this tract of land and to increase this herd from the present number of 97 to 250, and to also put in this proposed preserve a band of antelope, up to 250 in number; and

Whereas the following described area is the piece or parcel of land required for said game refuge: Beginning at the corner of sections 7, 8, 17, and 18, T. 37 N., R. 4 E., on the boundary of the Kaibab National Forest; thence easterly along the north boundaries of sections 17, 16, 15, 14, and 13 of said township and the north boundaries of sections 18, 17, 16, 15, and 14, T. 37 N., R. 5 E., to the north rim of North Canyon at a point approximately 20.20 chains west of the corner of sections 11, 12, 13, and 14; thence northeasterly along the north rim of the North Canyon to the west rim of Marble Canyon of the Colorado River; thence southwesterly across the mouth of the North Canyon and along the west rim of said Marble Canyon to the north rim of the South Canyon, approximately in unsurveyed section 21, T. 36 N., R. 5 E.; thence northwesterly along the north rim of South Canyon to the line between sections 18 and 19, approximately 12.89 chains west of the corner of sections 17, 18, 19, and 20, T. 36 N., R. 5 E.; thence westerly along the south boundary of section 18, T. 36 N., R. 5 E.; thence following the boundary of the Kaibab National Forest westerly along the south boundaries of sections

13, 14, 15, 16, and east one-half section 17, to the quarter-section corner of sections 17 and 20, T. 36 N., R. 4 E.; thence northerly along the north and south center lines of sections 17, 8, and 5 to the point for the quarter-section corner on the north boundary of section 5, T. 36 N., R. 4 E.; thence westerly along the ninth standard parallel north to the corner of sections 31 and 32, T. 37 N., R. 4 E.; thence northerly along the west boundaries of sections 32, 29, 20, and 17, to the corner of sections 7, 8, 17, and 18, T. 36 N., R. 4 E., and the place of beginning, containing approximately 44,000 acres; and

Whereas the Tenth State Legislatue of the State of Arizona heartily approves this project and prays Congress that this proposed refuge be established under the management and control of the State of Arizona as a free gift from the United States Government for this purpose.

And your memorialists will ever pray.

Passed the house February 27, 1931.

Passed the senate March 5, 1931.

Approved by the governor March 6, 1931.

Filed with the secretary of state March 6, 1931.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Commerce:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-NINTH SESSION,
Sacramento.

Please note the following joint resolution adopted by the Legislature of California May 14, 1931:

CHAPTER 68

Assembly Joint Resolution 22.—Relative to memorializing and petitioning the President of the United States and Congress to take steps to prevent the importation into the United States of products produced by Russian convict labor

Whereas there are at this time being imported into the United States large quantities of a variety of products produced by Russian convict labor; and

Whereas the importation and distribution of such products are extremely detrimental to the sale of American free labor produced products in the United States; and

Whereas as a result the economic and financial stability of some of the leading American industries and interests are being threatened: Now, therefore, be it

Resolved by the Assembly and Senate, jointly, That we, the members of the Legislature of the State of California, urgently request the President of the United States and Congress to take steps to prevent the importation of products produced by Russian convict labor, and to that end place an embargo upon the importation of such products into the United States; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the Vice President, the Speaker of the House of Representatives, and each of the Members from California of the Senate and House of Representatives of the United States.

EDGAR C. LEVEY,
Speaker of the Assembly.

Attest:

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Interstate Commerce:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-NINTH SESSION,
Sacramento.

Please note the following joint resolution adopted by the Legislature of California April 9, 1931:

CHAPTER 39

Assembly Joint Resolution 8.—Relative to the increase in power of radio station KQW

Whereas the encouragement and protection of agriculture is an important feature of our legislative policy; and

Whereas radio station KQW, situated in the city of San Jose, State of California, has become, and now is, one of the leaders among the progressive and forward-looking farm agencies of the State, and has through its broadcasts been of material assistance to the farmers of the State in the sowing and marketing of their crops; and

Whereas in order to continue its splendid work said station must be allowed to increase its power to 5,000 watts; and

Whereas an application for such increase is now pending before the Federal Radio Commission; Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California urge the assistance of the Federal Radio Commission and the support of Congress, and that the President of the United States be respectfully requested to lend his aid, in order that the power of radio station KQW be increased; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the United States, the Federal Radio Commission, and to each Senator and Representative in Congress from the State of California.

EDGAR C. LEVEY, *Speaker.*

Attest:

ARTHUR A. OHNIMUS, *Chief Clerk.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Finance:

SENATE LEGISLATIVE DEPARTMENT,
STATE OF CALIFORNIA,
Sacramento, Calif., April 23, 1931.

To the President of the United States, the Vice President, the Speaker of the House of Representatives, and the Senators and Representatives in Congress of the State of California:

I am directed to inform you that the California Legislature has adopted the following Senate Joint Resolution No. 17 (by Senator Allen) relative to memorializing Congress to provide compensation in lieu of taxes for certain lands of the United States within the borders of the several States:

Whereas the United States Government has withdrawn and set apart within permanent national parks or forests enormous tracts of land, approximately 19,000,000 acres in the State of California alone; and

Whereas, among other reasons, this has been made possible by the owners of timberland trading in their "cut-over" lands to the Government for selected "cuttings"; and

Whereas the United States Government pays no taxes on such lands, resulting in throwing a heavy tax burden on privately owned property in the same political subdivision: Now, therefore, be it

Resolved by the senate and assembly, jointly, That Congress is urgently requested to appropriate sufficient money so that a sum of 5 cents per acre per year may be paid in lieu of taxes to the political subdivisions in which such lands belonging to the United States are situated; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the Vice President, the Speaker of the House of Representatives, and each of the Members from California of the Senate and House of Representatives of the United States.

FRANK F. MERRIAM,
President of the Senate.
J. A. BEEK,
Secretary of the Senate.
JAMES L. GARDINER,
Assistant Secretary.
EDGAR C. LEVEY,
Speaker of the Assembly.
ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Public Lands and Surveys:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-NINTH SESSION,
Sacramento.

Please note the following joint resolution adopted by the Legislature of California May 15, 1931:

CHAPTER 91

Assembly Joint Resolution 26.—Relative to changing the official name of Goat Island to Yerba Buena Island

Whereas at the time of the American occupation of California, and for many years prior thereto, the island in San Francisco Bay known as Goat Island was known as Yerba Buena Island; and

Whereas the original historic name of said island is more euphonious and in keeping with the nomenclature of historic landmarks in California and no good reason appears for the change which has been made: Now, therefore, be it

Resolved by the assembly and senate, jointly, That the Legislature of the State of California respectfully urges the National Geographic Board to resume the use of Yerba Buena as the official designation of said island; and be it further

Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to said National Geographic Board at Washington, D. C.

EDGAR C. LEVEY,
Speaker of the Assembly.

Attest:

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of California, which was referred to the Committee on Irrigation and Reclamation:

STATE OF CALIFORNIA,
DEPARTMENT OF STATE.

I, Frank C. Jordan, secretary of state of the State of California, do hereby certify that I have carefully compared the transcript, to which this certificate is attached, with the record on file in my office of which it purports to be a copy, and that the same is a full, true, and correct copy thereof. I further certify that this authentication is in due form and by the proper officer.

In witness whereof I have hereunto set my hand and have caused the great seal of the State of California to be affixed hereto this 31st day of March, 1931.

[SEAL.]

FRANK C. JORDAN,
Secretary of State.
By CHAS. J. HAGERTY,
Deputy.

Senate Joint Resolution No. 12.
Adopted in senate March 13, 1931.

J. A. BEEK,
Secretary of the Senate.

Adopted in assembly March 26, 1931.

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

This resolution was received by the governor this 31st day of March, A. D. 1931, at 4.30 o'clock p. m.

WM. A. SMITH,
Private Secretary of the Governor.

CHAPTER 38

Senate Joint Resolution 12.—Relative to memorializing Congress to make an emergency appropriation as a loan to the Federal reclamation fund

Whereas there is not now available in the Federal reclamation fund an adequate amount to carry on the construction and betterment on many reclamation projects approved by Congress and now in process of construction; and

Whereas such lack of funds necessitates the discontinuance of work thereon until such time as said reclamation fund may be augmented by the different sources of income thereto; and

Whereas the prevailing economic depression throughout the Nation may cause considerable time to elapse before the income to said reclamation fund will be adequate to permit the continuance of work on the various reclamation projects; and

Whereas said delay in the continuation of construction on such projects will add considerable to the cost of those projects now under construction, loss to settlers now on the projects awaiting an initial or additional water supply, and tend to add to the general economic depression in many localities in our Western States: Now, therefore, be it

Resolved by the Senate and the Assembly of the State of California, jointly, That the Legislature of the State of California most respectfully urges the Congress of the United States of America to make an emergency appropriation of $5,000,000 as a loan to the reclamation fund; and his excellency, the Governor of the State of California, be requested to forward to the President of the Senate, the Speaker of the House of Representatives, and to each of our Senators and Representatives in Congress a properly certified copy of this resolution

FRANK F. MERRIAM,
President of the Senate.
EDGAR C. LEVEY,
Speaker of the Assembly.

Attest:
[SEAL.]

FRANK C. JORDAN,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of California, which were referred to the Committee on Military Affairs:

SENATE LEGISLATIVE DEPARTMENT, STATE OF CALIFORNIA,
Sacramento, Calif., March 5, 1931.

To the President of the United States, to the Secretary of War, to each House of Congress, and to the Senators and Representatives in Congress of the State of California:

I am directed to inform you that the California Legislature has adopted the following:

Senate Joint Resolution 11 (by Senators Sharkey, Nelson, Ingels, Slater, McCormack, Fellom, Maloney, and Tubbs). Relative to accepting permit from the Government of the United States for the construction of approach roads and toll-collection areas over certain rights of way leading to the Golden Gate Bridge and relating to the retrocession by the Congress of the United States of jurisdiction over the said rights of way, approach roads, toll areas, bridge ends, and bridge

Whereas the Secretary of War of the United States has by grant dated the 13th day of February, 1931, granted the Golden Gate Bridge and Highway District certain rights of way upon which are to be located the approach roads, toll areas, and bridge ends of the proposed Golden Gate Bridge; and

Whereas the said grant is by its terms granted in lieu of and supersedes the permit to the Golden Gate Bridge and Highway District dated October 27, 1930; and

Whereas the said permit dated the 13th day of February, 1931, requires as a condition precedent to the taking effect of such permit that the State of California accept the same and conform to certain other requirements therein contained: Now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the said permit granted by the Secretary of War to Golden Gate Bridge and Highway District be, and the same hereby is, together with each, all, every, and singular the terms, conditions, limitations, reservations, and requirements therein contained, accepted by and on behalf of the State of California; and be it further

Resolved, That the State of California does hereby make application to Congress for a retrocession of jurisdiction over the rights of way, toll areas, bridge ends, and the bridge itself to be constructed across the Golden Gate Bridge at the mouth of San Francisco Bay, and mentioned, described, and designated in that certain grant from the Secretary of War to the Golden Gate Bridge and Highway District dated February 13, 1931; and be it further

Resolved, That the State of California will, in case such retrocession of jurisdiction is granted by Congress, accept such retrocession of jurisdiction, and will assume the responsibility for managing, controlling, policing, and regulating traffic thereon, all subject to the following limitations and to such other limitations as Congress may prescribe:

(a) That nothing in said permit contained shall be construed to give to the State of California, or any of its agents, authority at any time to regulate traffic of military personnel or vehicles upon the said bridge or roads. All traffic upon said roads and upon said bridge shall be free from any tolls, charges, or any form of obstruction by State or other agencies against military and naval personnel and their dependents, civilians of the Army and Navy traveling on Government business under military authority, and Government traffic.

(b) That whenever in the judgment of the Secretary of War or his authorized representative any emergency exists which justifies it he may assume exclusive control and management of said bridge and roads and may then in his discretion prohibit, limit, or regulate traffic thereon.

(c) That nothing in said permit contained shall be construed to confer upon the State courts the right to try persons subject to military law for crimes or offenses committed on said roads or upon said bridge within the boundaries of the respective military reservations involved, but the courts of the United States or military tribunals, as now or hereafter provided by law, shall retain exclusive jurisdiction to try such persons for such offenses.

Be it further resolved, That the State of California does hereby agree to make the bridge and highways and toll areas in said permit described a part of the system of public highways of the State; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the Secretary of War, to each House of Congress, and to the Senators and Representatives in Congress of the State of California.

FRANK F. MERRIAM,
President of the Senate.
J. A. BEEK,
Secretary of the Senate.
By JAMES L. GARDINER,
Assistant Secretary.
EDGAR C. LEVEY,
Speaker of the Assembly.
ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-NINTH SESSION,
Sacramento.

Please note the following joint resolution adopted by the Legislature of California, February 26, 1931:

Assembly joint Resolution 12.—Relative to memorializing Congress to enact certain legislation now pending granting travel pay and allowances to certain soldiers of the Spanish-American War and Philippine insurrection who were discharged in the Philippines.

Whereas there is now pending before the Congress of the United States of America a bill (H. R. 7930) providing that soldiers who enlisted in the Regular Army in 1898 for the duration of the war with Spain, who were discharged in the Philippines, who did not reenter the military service there, and who embarked from Manila within one year after discharge, be allowed travel pay and commutation of subsistence for a period not exceeding three months during which they awaited transportation by Government transport, less any sums heretofore paid by the Government by way of such travel pay and commutation of subsistence; and

Whereas such legislation is in all respects just and desirable: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Congress of the United States of America be hereby memorialized and earnestly urged to enact said bill, and the President and Vice President be likewise memorialized and urged to support said bill; and be it further

Resolved, That the chief clerk of the assembly be, and he is hereby, directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the chairmen of the Committee on Military Affairs in each of the two Houses of Congress, and to the Senators and Representatives from California in Congress.

EDGAR C. LEVEY, *Speaker.*

Attest:

ARTHUR A. OHNIMUS, *Chief Clerk.*

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of California, which were referred to the Committee on Naval Affairs:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-NINTH SESSION,
Sacramento.

Please note the following joint resolution adopted by the Legislature of California May 15, 1931:

CHAPTER 96

Assembly Joint Resolution 17.—Relative to memorializing and petitioning Congress to enact legislation transferring certain oil lands in Kern County, Calif., from the jurisdiction of the Navy Department to the jurisdiction of the Department of the Interior

Whereas on September 27, 1909, by presidential Executive order of that date, certain lands in Kern County, Calif., were withdrawn from entry and, by presidential Executive order of September 2, 1912, naval petroleum reserve No. 2 was created therefrom embracing originally 31,181 acres, of which 19,620 acres were or have been patented to private parties and 9,991 acres have been leased to private parties for operation and are being operated under the provisions of the general leasing act of February 25, 1920 (c. 85, 41 Stats. 450), and 570 acres remain unleased; and

Whereas section 35 of the said general leasing act provides that 37½ per cent of all amounts derived by the Federal Government from bonuses, royalties, and rentals on leased oil or gas lands or deposits within the public domain shall be paid at stated intervals by the Secretary of the Treasury to the State within the boundaries of which such leased lands or deposits are located, for the use by said State or the subdivisions thereof for the construction and maintenance of public roads or for the support of public schools or other public educational institutions, and that all moneys accruing to the Federal Government from bonuses, royalties, and rentals from naval petroleum reserve lands shall be deposited in the United States Tresaury as miscellaneous receipts; and

Whereas neither the State of California nor Kern County, Calif., nor the Navy Department of the United States receives any benefit from or part of the amounts derived by the Federal Government from bonuses, royalties, or rentals on said lands within said naval petroleum reserve No. 2: Now, therefore, be it

Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California earnestly memorializes and petitions Congress to enact legislation transferring the aforesaid lands now within naval petroleum reserve No. 2 from the jurisdiction of the Navy Department to the public domain under the jurisdiction of the Department of the Interior; and be it further

Resolved, That a copy of this joint resolution be transmitted to the President of the United States, to the Vice President of the United States, and to each Member of the Senate and the House of Representatives of the United States.

EDGAR C. LEVEY,
Speaker of the Assembly.

Attest:

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

STATE OF CALIFORNIA,
DEPARTMENT OF STATE.

I, Frank C. Jordan, secretary of state of the State of California, do hereby certify that I have carefully compared the transcript, to which this certificate is attached, with the record on file in my office of which it purports to be a copy, and that the same is a full, true, and correct copy thereof. I further certify that this authentication is in due form and by the proper officer.

In witness whereof I have hereunto set my hand and have caused the great seal of the State of California to be affixed hereto this 14th day of May, 1931.

[SEAL.]

FRANK C. JORDAN,
Secretary of State.
By CHAS. J. HAGERTY,
Deputy.

Assembly Joint Resolution No. 25.
Adopted in assembly April 27, 1931.

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

Adopted in senate May 12, 1931.

J. A. BEEK,
Secretary of the Senate.

This resolution was received by the governor this 14th day of May, A. D. 1931, at 5 o'clock p. m.

WM. A. SMITH,
Private Secretary of the Governor.

CHAPTER 69

Assembly Joint Resolution 25.—Relative to requesting the Secretary of the Navy to name the dirigible *ZRS–5;* to be stationed at the Sunnyvale air base "Palo Alto"

Whereas the Federal Government pursuant to an act of Congress is to erect at Sunnyvale, Calif., a naval dirigible base at which will be stationed the navy dirigible *ZRS–5;* and

Whereas it is desirous that a name be selected for the dirigible *ZRS–5* to be stationed at the said base that will be typical of California and in harmony with the location of the base; and

Whereas it is the opinion of the Legislature of the State of California that "Palo Alto" would be a fitting and proper name to carry out the sentiment herein expressed: Now, therefore, be it

Resolved by the assembly and senate, jointly, That the Secretary of the Navy is respectfully urged and requested to name the dirigible *ZRS–5* to be stationed at the Sunnyvale dirigible base, "Palo Alto"; and be it further

Resolved, That the governor is respectfully requested to forward a copy of this resolution to the President of the United States, Vice President, Secretary of the Navy, and to all Senators and Representatives of California in Congress.

EDGAR C. LEVEY,
Speaker of the Assembly.
FRANK F. MERRIAM,
President of the Senate.

Attest:
[SEAL.]

FRANK C. JORDAN,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of California, which were referred to the Committee on Agriculture and Forestry:

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-NINTH SESSION,
Sacramento.

Please note the following joint resolution adopted by the Legislature of California April 21, 1931:

CHAPTER 44

Assembly Joint Resolution 16.—Relative to memorializing United States Secretary of Agriculture Arthur M. Hyde to rescind his order of December 26, 1930, with regard to the labeling of food products containing corn sugar

Whereas on December 26, 1930, United States Secretary of Agriculture Arthur M. Hyde issued the following order:

"Corn sugar (dextrose), when sold in packages, must be labeled as such; when sold in bulk, must be declared as such; but the use of pure refined corn sugar as an ingredient in the packing, preparation, or processing of any article of food in which sugar is a recognized element need not be declared upon the label of any such product.

"Nothing in this ruling shall be construed to permit the adulteration or imitation of any natural product, such as honey, by the addition of any sugar or other ingredient whatever"; and

Whereas research by the laboratories of the California State Board of Health and elsewhere indicates that corn sugar has entirely different properties from cane or beet sugar (chemically known as sucrose), and also has materially less sweetening power; and

Whereas cane or beet sugar have been used for generations in the home and commercially as the natural sweetening for foods, and that the consumer expects this sugar to be used in these products; and

Whereas, in view of the above facts, Secretary Hyde's order will mislead the consuming public as to the contents of manufactured food products; and

Whereas Secretary Hyde's ruling thereby disregards one of the fundamental principles of the Federal food law, which is that the public shall not be deceived or misled as to the contents of any package of food: Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the United States Secretary of Agriculture, Arthur M. Hyde, be hereby memorialized and earnestly urged to rescind said order; and be it further

Resolved, That the chief clerk of the assembly be hereby directed forthwith to transmit this resolution to Secretary Hyde, to the President of the United States, and to the Members of Congress.

EDGAR C. LEVEY, *Speaker.*

Attest:

ARTHUR A. OHNIMUS, *Chief Clerk.*

CALIFORNIA LEGISLATURE,
ASSEMBLY CHAMBER,
FORTY-NINTH SESSION,
Sacramento.

Please note the following joint resolution adopted by the Legislature of California, May 14, 1931:

CHAPTER 65

Assembly Joint Resolution 18.—Relating to an immediate survey of forest insect conditions and for the control of forest insects

Whereas the forests of California are seriously threatened with great losses due to the activities of bark beetles and other forest insects; and

Whereas in parts of California forest insects have killed over one-half of all commercial timber with annual losses in excess of 10 per cent of the entire stand; and

Whereas forest insects also threaten timber of high value in recreational areas, having in past years killed all timber on some 20,000 acres within the Yosemite National Park; and

Whereas forest-insect losses are always greatest in years of deficient rainfall; and

Whereas California is now confronted with a year of subnormal precipitation; and

Whereas in past years funds for forest-insect control have been largely diverted to use in other States in protecting timber of less value than timber in California; and

Whereas the United States owns many millions of acres of timberlands in California, upon which lands the insects are causing heavy losses to timber; and

Whereas the owners of private lands adjoining such Federal lands are unable to control forest insects unless the Federal Government also carries on control work; and

Whereas for the control of forest insects there are now available Federal funds that have not yet been allotted to other States; it is

Resolved by the assembly and the senate, jointly, That $100,000 of the Federal fund should be allotted to California for making an immediate survey of forest insect conditions and for the control of forest insects where the survey shows the work to be most needed; and be it further

Resolved, That the Chief Forester of the United States, who has the authority to make the above allotment, be, and hereby is, urged to make the allotment to California; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States and to the Secretary of the Department of Agriculture and to the Chief Forester of the United States.

EDGAR C. LEVEY,
Speaker of the Assembly.

Attest:

ARTHUR A. OHNIMUS,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of Colorado, which was referred to the Committee on the Judiciary:

STATE OF COLORADO,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Colorado, ss.

I, Chas. M. Armstrong, Secretary of State of the State of Colorado, do hereby certify that the annexed is a full, true, and complete copy of House Concurrent Resolution No. 9, which was filed in this office on the 28th day of April, A. D. 1931, at 12.15 o'clock p. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Colorado, at the city of Denver, this 28th day of April, A. D. 1931.

[SEAL.] CHAS. M. ARMSTRONG,
Secretary of State.
By A. G. SNEDEKER, *Deputy.*

House Concurrent Resolution 9 (by Representatives Graham and England, and Senators Talbot, Evans, Ryan, and Quiat) ratifying the proposed amendment to the Constitution of the United States providing that Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age

Whereas the Sixty-eighth Congress of the United States of America, at its first session, in both Houses, by a constitutional majority of two-thirds thereof, has made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein),* That the following article is proposed as an amendment to the Constitution of the United States, which, when ratified by the legislatures of three-fourths of the several States, shall be valid to all intents and purposes as a part of the Constitution:

"ARTICLE —

"SECTION 1. The Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age.

"SEC. 2. The power of the several States is unimpaired by this article except that the operation of State laws shall be suspended to the extent necessary to give effect to legislation enacted by the Congress."

Therefore be it resolved by the General Assembly of the State of Colorado, That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby ratified by the General Assembly of the State of Colorado.

Resolved, That certified copies of the foregoing preamble and resolution be forwarded by the Governor of the State of Colorado to the President of the United States, the Secretary of State of the United States, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

D. E. HUNTER,
Speaker of the House of Representatives.
E. C. JOHNSON,
President of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint memorials of the Legislature of the State of Colorado, which were referred to the Committee on Mines and Mining:

STATE OF COLORADO,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Colorado, ss:

I, Charles M. Armstrong, Secretary of State of the State of Colorado, do hereby certify that the annexed is a full, true, and complete copy of House Joint Memorial No. 2, which was filed in this office on the 3d day of February, A. D. 1931, at 2 o'clock p. m.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State of Colorado, at the city of Denver, this 3d day of March, A. D. 1931.

[SEAL.] CHAS. M. ARMSTRONG,
Secretary of State.
By A. G. SNEDEKER, *Deputy.*

House Joint Memorial 2 (by Representatives Fisher, Twining, Waters, Hoefnagels, Barrick, Mowatt, and Holman) to the United States Congress reestablishing some monetary value to silver

Whereas the depression affecting the business and economic life of the United States is not alone confined to this country but extends into all parts of the world, and in the minds of all the great economists of this generation it is attributable, directly or indirectly, to a greater or less extent, to the lack of flexibility in the monetary systems of the various nations; and

Whereas for many years there has been a pronounced effort on the part of England, Germany, France, and other nations of the world who heretofore controlled the gold and necessarily the credit of the world to do everything possible to bring about a world-wide single gold standard and demonetize silver in many countries where silver was and still is practically the only circulating medium of exchange, all of which has seriously impaired the buying power of a vast majority of the population of the entire world, and has as a result destroyed the market for many of the products manufactured in this and other countries; and

Whereas a large part of the available gold of the world is now controlled by the United States, France, and England, and is wholly insufficient to meet the demands of commerce, and unless and until a monetary value is restored in silver international commerce will continue to be seriously impaired; and

Whereas practice has shown that there is no disparity of value between gold and silver coins where they have been heretofore used as the circulating medium of a country and such disparity will not occur in the use of gold and silver coins of any country until such country shall coin silver dollars to an extent where they will supply the total metallic money required by such country; and right now the United States of America is the greatest creditor Nation of the world, and the debtor nations, constituting the great powers of the world, are unable to make payments in gold, and the United States would be in a far better position in reviving commercial relations with other countries and stimulating the commerce of the world to accept payment of such indebtedness in silver as well as gold; and

Whereas the international payments as between the nations of the world have for a long time been fluctuating erratically, due to the constant change in the value of silver, and it would be to the advantage of the commerce of all nations of the world to have definitely established an international exchange ratio between gold and silver, which can readily be done by establishing a fixed value for silver as compared with that of gold, and the time is opportune for any great creditor nation to adopt, or be instrumental in adopting internationally, some form of bimetallic standard under which the gold and silver can be coined at the mints upon some practicable ratio: Now, therefore, be it

Resolved, That the Twenty-eighth General Assembly of the State of Colorado respectfully memorializes and petitions the Congress of the United States of America to enact as speedily as possible proper legislation reestablishing some monetary value to silver in this country and thereby restore silver to a use as money, or as a basis for the issuance of silver certificates to pass as money, and admit the silver of the world, or at least what is produced in the United States, to coinage in the mints of the United States on the basis of 20 to 1 as compared with gold; be it further

Resolved, That copies of this memorial be sent to the President of the Senate and the Speaker of the House of Representatives and to the Senators and Representatives of Colorado in Congress.

D. E. HUNTER,
Speaker of the House of Representatives.
E. C. JOHNSON.
President of the Senate.

STATE OF COLORADO,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Colorado, ss:

I, Charles M. Armstrong, secretary of state of the State of Colorado, do hereby certify that the annexed is a full, true, and complete copy of House Joint Memorial No. 3, which was filed in this office on the 20th day of February, A. D. 1931, at 2.30 o'clock p. m.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Colorado at the city of Denver this 3d day of March, A. D. 1931.

[SEAL.] CHAS. M. ARMSTRONG,
Secretary of State.
A. G. SNEDEKER, *Deputy.*

House Joint Memorial 3 (by Representatives Barrick, Twining, Fisher, Waters, Hoefnagels, Mowatt, Holman, and Edwards)

Whereas the depression affecting the business and economic life of the United States is not alone confined to this country but extends into all parts of the world, and in the minds of all the great economists of this generation it is attributable, directly or indirectly, to a greater or less extent to the lack of flexibility in the monetary systems of the various nations; and

Whereas the demonetization of silver and its discontinuance as a standard of value in parity with gold was the beginning of the decline of the silver-mining industry in this State and elsewhere in this country, and it has become increasingly evident that the present depressing economic condition throughout the world is occasioned in a large measure thereby: Now, therefore, be it

Resolved by joint resolutions of the Twenty-eighth General Assembly of the State of Colorado, First, that Resolution No. 442, introduced in the Senate of the United States by Senator KEY PITTMAN, of Nevada, advising the President of the United States to take the action therein set out relative to the dumping of silver on the markets of the world derived from melting up of silver coins and, in addition, to call or obtain an international conference looking to an agreement or understanding with regard to the use and status of silver as money be, and is hereby, indorsed; and be it further

Resolved, That Resolution No. 443, introduced in the Senate of the United States by Senator KEY PITTMAN, of Nevada, advising the President of the United States to consider the practicability of the United States Government, alone or in connection with other governments, establishing a silver pool or fund for advancement of silver to the National Government of China for coinage and use for specific purposes be, and is hereby, indorsed; and be it further

Resolved, That the report of the subcommittee, of which Senator KEY PITTMAN is chairman, filed with the Foreign Relations Committee of the United States Senate be, and is hereby, indorsed; and be it further

Resolved, That the Foreign Relations Committee of the United States Senate is respectfully urged to report favorably the foregoing resolutions to the United States Senate and that the United States Senate is respectfully urged to pass said resolution and that the President of the United States is respectfully urged to carry out such resolutions as expeditiously as possible; and be it further

Resolved, That copies of this memorial be sent to the President of the United States, to the Senators and Representatives from Colorado in Congress, to the Foreign Relations Committee of the United States Senate, and to the President of the United States Senate.

D. E. HUNTER,
Speaker of the House of Representatives.
E. C. JOHNSON,
President of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint memorials of the Legislature of the State of Idaho, which were referred to the Committee on Irrigation and Reclamation:

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Fred E. Lukens, secretary of state of the State of Idaho and custodian of the seal of said State, do hereby certify that I have carefully compared the annexed copy of House Joint Memorial No. 4 with the original thereof adopted by the Senate and House of Representatives of the Twenty-first Legislative Assembly of the State of Idaho, and filed in the office of the Secretary of State of the State of Idaho March 10, 1931, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 20th day of March, A. D. 1931.

[SEAL.] FRED E. LUKENS,
Secretary of State.

In the House of Representatives. House Joint Memorial 4 (by Industry Committee)

To the Honorable Senate and the House of Representatives of the United States of America in Congress assembled:

We, your memorialists, the Legislature of the State of Idaho, respectfully represent that:

Whereas a very great portion of the area drained by the upper courses of the Snake River and its tributaries lies within the boundaries of States other than the State of Idaho and within forest reserves and national parks over all of which the State of Idaho has and can exercise no jurisdiction or control whatsoever; and

Whereas the sources of the Snake River and its upper tributaries are in high mountainous altitudes wherein snow falls and accumulates to great depths each winter, the melting of which in the spring and early summer of each year causes destructive floodings of farm lands lying along and adjacent to such river; and

Whereas great damage is annually done to such farm lands and the crops growing thereon and to the other property of the farmers owning and residing upon such river bottom lands; and

Whereas farms are damaged and in some instances ruined by the changing of the channel of this river, caused by the great volume of water flowing therein from melting snows and spring rains; and

Whereas such freshet conditions are growing worse from year to year by reason of the removal and destruction of the timber, underbrush, and vegetation therefrom as this drainage area becomes more thickly populated, and the State of Idaho is unable to control such removal and destruction of timber, underbrush, and other vegetation because of lack of jurisdiction; and

Whereas for a number of years the State of Idaho, the counties lying along and through which the Snake River in its upper courses flows, and the individuals owning lands subject to flooding and other damage by the freshets of each year have expended large sums of money in endeavoring to minimize the damages caused by such freshets with but meager success; and

Whereas the building of flood-control dams and other works along this portion of the channel of this stream is the only means by which complete mastery of this very destructive flood condition can be attained; and

Whereas neither the State of Idaho nor the counties of the State are able, either alone or together, to undertake and complete a work of such magnitude and which is largely outside of their territorial jurisdiction; and

Whereas the Government of the United States is now engaged in building works to overcome like conditions in other portions of the country, notably in the Mississippi Valley: Now therefore be it

Resolved by the House of Representatives of the State of Idaho (the senate concurring), That we, your memorialists, urgently request that investigations be made of the conditions herein recited and that proper legislation be enacted and appropriations of adequate funds be made by the Congress of the United States to construct such flood dams and other works as will effect complete control of these very damaging and destructive freshets: Be it further

Resolved, That the secretary of state of the State of Idaho be authorized and is hereby directed to furnish and forward to the Senate and House of Representatives of the United States of America and to each of the Senators and Representatives in Congress from the State of Idaho copies of this memorial.

This house joint memorial passed the house on the 4th day of March, 1931.

C. A. BOTTOLFSEN,
Speaker of the House of Representatives.

This house joint memorial passed the senate on the 5th day of March, 1931.

G. P. MIX,
President of the Senate.

I hereby certify that the within House Joint Memorial No. 4 originated in the house of representatives during the Twenty-first Session of the Legislature of the State of Idaho.

GEO. M. JORGENSEN,
Chief Clerk of the House of Representatives.

STATE OF IDAHO,
DEPARTMENT OF STATE.

I, Fred E. Lukens, secretary of state of the State of Idaho, and custodian of the seal of said State, do hereby certify:

That I have carefully compared the annexed copy of Senate Joint Memorial No. 8 with the original thereof adopted by the Senate and House of Representatives of the Twenty-first Legislative Assembly of the State of Idaho, and filed in the office of the secretary of state of the State of Idaho March 7, 1931, and that the same is a full, true, and complete transcript therefrom and of the whole thereof, together with all indorsements thereon.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise, the capital of Idaho, this 20th day of March, A. D. 1931.

[SEAL.] FRED E. LUKENS,
Secretary of State.

IN THE SENATE.

Senate Joint Memorial 8 (by Leslie)

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

Your memorialists, the Legislature of the State of Idaho, respectfully represent—

Whereas the future growth and prosperity of north Idaho, and especially Boundary County, is of vital importance in connection with the maintenance and the security of its dikes in the reclamation and drainage of large areas of unproductive swamp lands now reclaimed along the Kootenai River, a large navigable stream; and

Whereas the said Kootenai River is now filled with snags, trees, and débris which are brought down from the higher altitudes in its flood stage and are deposited in the more sluggish portions of the said river, thereby causing an erosion of the banks as well as changing the course of the river, which vitally endangers the reclamation already established, upon which millions of dollars have already been spent, and lands protected by said dikes which are now in a high state of cultivation and which are now turning a revenue to the State of Idaho through its production of millions of dollars of agricultural products annually; and

Whereas the said conditions could be remedied by clearing the channel of the logs, trees, and other débris, thereby insuring to the public the free use of the said river for navigation and the protection of its dikes along its banks; and

Whereas the Kootenai River Valley is now producing millions of dollars' worth of grain and other agricultural products; and

Whereas the said river is a large navigable stream and under the jurisdiction of the United States: Now, therefore, be it

Resolved, That the Senate and House of Representatives of the State of Idaho hereby requests that an appropriation be made for the necessary work for the clearing of the said Kootenai River in Boundary County, Idaho; be it further

Resolved, That the secretary of state of the State of Idaho is hereby instructed to forward this memorial to the Senate and House of Representatives of the United States of America, and that copies hereof be sent to the Senators and Representatives in Congress from this State.

This senate joint memorial passed the senate on the 24th day of February, 1931.

G. P. MIX,
President of the Senate.

This senate joint memorial passed the house of representatives on the 27th day of February, 1931.

C. A. BOTTOLFSEN,
Speaker of the House of Representatives.

I hereby certify that the within Senate Joint Memorial No. 8 originated in the senate during the Twenty-first session of the Legislature of the State of Idaho.

CARL C. KITCHEN,
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Iowa, which was referred to the Committee on Foreign Relations:

Whereas economic authorities in the United States and Canada, acting officially both as joint commissions and severally, have repeatedly and unanimously declared that enlarging the connecting channels of the Great Lakes and the St. Lawrence River to admit uninterrupted movement of ocean-borne commerce from and into the Great Lakes, is economically sound and necessary to raise the competitive position, establish economic equality, permit future development, and effect the return of prosperity to the vast continental areas of both countries; and

Whereas over the past five years diplomatic correspondence has brought the two nations into agreement on the assignment of tasks and division of costs, said correspondence having allocated to the United States the construction and cost of all improvements in international waters—which includes the deepening to 27 feet of the connecting channels of the upper Great Lakes, a new lock at the Soo corresponding in dimensions to the locks in the New Welland Ship Canal, and the improvement of the international stretch of the St. Lawrence River from Lake Ontario to the 45th parallel (opposite Cornwall), where the river ceases to form the boundary line between the two countries, and allocating to Canada the completion of the New Welland Ship Canal and the improvement of the river from the 45th parallel aforesaid to the sea; and

Whereas approximately one-half of the tasks assigned to each Government has either been completed, is in process of completion, or already authorized by one or other of the two Governments, and approximately one-half of the total cost of the through seaway has either been expended, in process of being expended, or involved in authorizations already made, all of which has been carried out and is capable of being completed without any treaty; and

Whereas engineering authorities in Canada and the United States, acting officially both as joint boards and severally, have agreed upon engineering plans and costs and unanimously declared that the international rapids sections (48 miles) of the St. Lawrence River, extending from Ogdensburg to the international boundary, must, for economic reasons, be developed for navigation and power jointly; and

Whereas the State of New York, with the clear intent of delaying or obviating the completion of a through seaway via the St. Lawrence, and advancing a deep water route across the State of New York, has caused to be prepared engineering plans which if permitted to be carried out will under the most favorable conditions postpone through navigation 17 years, but predictably a generation, and in the meantime afford New York opportunity to transfer its barge canals to the Federal Government and under the pseudonym "all-American" embark the Government upon the staggering and almost useless expense of deepening or widening them for the passage of lake ships down to the port of New York for transfer to the ocean carrier, but not admitting the ocean ship to the Great Lakes, thus denying to midcontinental areas direct access to the sea; and

Whereas no development of this international rapids section of the river can be undertaken by either country or any agency in either country without an agreement or treaty appropriate thereto having first been entered into between Canada and the United States; and

Whereas the landlocked interior of the United States is deeply concerned and in emergent need of the relief which would accrue to that area by the opening of such seaway, and the citizens of New York State also are directly interested in the improvement and early utilization of the large reservoir of cheap power which would be made available by such joint development; and

Whereas the need exists for a formula or plan that will effect the development of this section of the river for navigation and power at the earliest possible date by employing the most practical, the most expeditious, and best agency or agencies for that purpose: Therefore be it

Resolved by the Senate of the State of Iowa (the house concurring), That the President of the United States be, and is hereby, memorialized to proceed to a treaty with Canada for the development of the aforesaid International Rapids section of the St. Lawrence River at the earliest possible date, and in accordance with the plans agreed upon by the joint board of engineers, or such amendment to or changes in said plans as may be subsequently adopted by such joint board; and be it

Resolved, That in such improvement all permanent works, such as dams and navigation works, be constructed by the Governments of the United States and Canada, along the general lines of assignment of tasks and division of costs outlined in the correspondence between the two countries, but not the power house, superstructures, or installation of power machinery; and be it further

Resolved, That the Congress of the United States be, and is hereby, memorialized to enact the necessary preliminary legislation declaring all lands and the entire flow of the St. Lawrence River, extending from the shore to the international boundary line in the river, from Lake Ontario to the forty-fifth parallel, where the river ceases to form the boundary between the two nations, necessary for the purpose of navigation of said waters and the waters connected therewith.

I hereby certify that the foregoing resolution was duly adopted by the General Assembly of the State of Iowa on February 27, 1931.

[SEAL.] WALTER H. BEAM,
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Maryland, which was referred to the Committee on Agriculture and Forestry:

A joint resolution requesting the Congress of the United States to pass Senate Joint Resolution 78, providing for the construction of a Washington-Lincoln memorial Gettysburg boulevard from the city of Washington to the battlefield of Gettysburg

Whereas a joint resolution, Senate Joint Resolution 78, has been introduced in the Senate of the United States, providing for the establishment of a commission for the construction of a Washington-Lincoln memorial boulevard, connecting the present Lincoln Memorial, in the city of Washington, with the battlefield of Gettysburg, in the State of Pennsylvania; and

Whereas the construction of such a memorial will further commemorate the public services of George Washington and Abraham Lincoln: Now, therefore, be it

Resolved by the General Assembly of Maryland, That the Congress of the United States is most earnestly requested to pass said joint resolution, Senate Joint Resolution No. 78; and be it further

Resolved, That the secretary of the State of Maryland be, and he is hereby, requested to transmit under the great seal of the State a copy of the aforegoing resolution to the President of the United States, the President of the Senate, the Speaker of the House of Representatives, and to each of the representatives of Maryland in both Houses of Congress.

Approved April 17, 1931.

True copy.

[SEAL.] DAVID C. WINEBRENNER, 3d,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Maryland, which was referred to the Committee on Military Affairs:

A joint resolution requesting the Congress to create a national military park on the battlefield of Monocacy to commemorate the battle fought there on July 9, 1864, whereby a Federal force under Gen. Lew Wallace delayed the march upon Washington by Gen. Jubal A. Early, in command of a Confederate force of infantry, cavalry, and artillery, and thereby saved the National Capital from capture and possible destruction

Whereas the sanguinary battle fought at Monocacy on July 9, 1864, between the Federal forces under Gen. Lew Wallace and the Confederate forces under Gen. Jubal A. Early caused a delay of at least 24 hours in Early's march upon Washington, and thereby enabled General Grant to send several divisions of seasoned Federal veterans to the defense of the city just in time to man the fortifications, then poorly and inadequately manned, before the arrival of the Confederate hosts bent upon the capture of the city; and

Whereas this delay of 24 hours, caused by the battle fought at Monocacy to impede the progress of the invading army toward the National Capital, saved the Capital from capture and all the direful consequences thereof, and has for that reason been denominated "one of the decisive battles of the world"; and

Whereas the valor displayed by the officers and men on both sides in that important conflict reflects honor and glory upon the citizen soldier of America, both North and South; and

Whereas the battlefield is located on the national highway from Washington to the West, over which many thousands of American citizens travel to and fro every year, and moreover is a picturesque spot, with the winding Monocacy flowing through it and adding to its beauty: Therefore be it

Resolved by the General Assembly of Maryland, That the Congress of the United States be, and it is hereby, memoralized and

earnestly requested to create on the Monocacy Battlefield a national military park to commemorate the battle fought there on July 9, 1864, by which the Federal Capital was saved, and possibly the Union itself, and which would, if established, become a resting place and shrine where thousands of travelers and tourists could rest and renew their patriotism by a contemplation of the lofty deeds which have been wrought; of the great hearts which spent themselves there; and be it further

Resolved, That the secretary of state of Maryland be, and he is hereby, requested and directed to transmit under the great seal of this State a copy of the aforegoing resolution to the President of the United States Senate, to the Speaker of the House of Representatives, and to each of the representatives from Maryland in the Senate and House of Representatives of the United States.

Approved April 17, 1931.

True copy:

[SEAL.] DAVID C. WINEBRENNER, 3D,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following resolutions of the General Court of Massachusetts, which were referred to the Committee on the Judiciary:

THE COMMONWEALTH OF MASSACHUSETTS, 1931.

Resolutions making application to Congress in accordance with Article V of the Constitution of the United States, to call a constitutional convention, to amend, or repeal the eighteenth article of amendment or to propose such an amendment for submission to the several States

Whereas a condition of widespread dissatisfaction prevails with the workings and results of Article XVIII of the amendments to the Constitution of the United States; and

Whereas it is desirable to attempt to improve, clarify, or quiet such condition; and

Whereas the only methods for repealing or modifying said Article XVIII are set forth in Article V of the said Constitution: Therefore be it

Resolved, That the General Court of Massachusetts, acting in pursuance of said Article V, hereby requests that Congress call a convention under said article for the purpose of proposing an amendment or amendments to the Constitution amending, modifying, revising, or repealing said Article XVIII; or that Congress, acting in pursuance of said Article V, itself propose such an amendment or amendments; and requests that in either case the same be submitted for ratification by conventions in the several States; and be it further

Resolved, That the secretary of the commonwealth forward forthwith to the presiding officers of both branches of Congress certified copies of these resolutions attested by the clerks of both branches of the general court.

Adopted March 13, 1931.

A true copy.

Attest:

FRANK E. BRIDGMAN,
Clerk of the House of Representatives.
WILLIAM H. SANGER,
Clerk of the Senate.

THE COMMONWEALTH OF MASSACHUSETTS,
OFFICE OF THE SECRETARY.

Witness the great seal of the Commonwealth.

[SEAL.] F. W. COOK,
Secretary of the Commonwealth.

The VICE PRESIDENT also laid before the Senate the following memorial of the Legislature of the State of Minnesota, which was referred to the Committee on Agriculture and Forestry:

A resolution memorializing Congress to enact that certain bill now pending known as H. R. 16470, relating to the use of public funds for the purchase of oleomargarine

Whereas there is now pending before the Congress of the United States a certain bill known as H. R. 16470, the purpose of which is to prohibit the use of oleomargarine in the Army and Navy and other agencies of the Federal Government; and

Whereas the major political parties during recent campaigns have pledged themselves to give agriculture the full protection of our domestic markets; and

Whereas the Federal Government is spending large amounts of money to help in the recovery of the markets for agricultural products; and

Whereas butter as a human food is recognized far superior to any article that may be used as a substitute for it; and

Whereas the enactment of such bill by Congress would be a very definite contribution toward restoring our dairy industry upon a sound basis, first, because of enlarging our domestic butter market, and, second, because of the moral supporting influence it would have, which is of great importance and far-reaching effect, and to which the dairy industry of our State and Nation feels they are entitled: Now, therefore, be it

Resolved by the House of Representatives of the State of Minnesota (the senate concurring herein), That we do hereby respectfully petition and urge Congress to pass and enact said H. R. 16470; and be it further

Resolved, That the secretary of state be instructed to forward copy hereof to the President of the United States, the President of the Senate, the Speaker of the House, the chairman of the Committees on Agriculture of the Senate and House, respectively, and to each of the Senators and Representatives of the State of Minnesota in said Congress of the United States.

OSCAR A. SWANSON,
Speaker of the House of Representatives.
HENRY ARENS,
President of the Senate.

Passed the house of representatives the 10th day of March, 1931.

JOHN I. LEVIN,
Chief Clerk House of Representatives.

Passed the senate the 23d day of March, 1931.

GEO. H. SPAETH,
Secretary of the Senate.

Approved March 26, 1931.

FLOYD B. OLSON, *Governor.*

Filed March 26, 1931.

MIKE HOLM, *Secretary of State.*

I, Mike Holm, secretary of state of the State of Minnesota, do hereby certify that I have compared the annexed copy with record of the original resolution in my office of H. F. 433, being Resolution 15, Laws 1931, and that said copy is a true and correct transcript of said resolution and of the whole thereof.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State, at the capitol, in St. Paul, this 27th day of March, A. D. 1931.

[SEAL.] MIKE HOLM, *Secretary of State.*

The VICE PRESIDENT laid before the Senate the following memorial of the Legislature of the State of Minnesota, which was referred to the Committee on Commerce:

STATE OF MINNESOTA.

A concurrent resolution memorializing the Congress of the United States to pass the Shipstead-Mansfield bill for the adequate financing and speedy completion of the river and harbor projects heretofore adopted by Congress (S. F. No. 512—Introduced by Messrs. Hausler, Nordlin, Anderson, and Loftsgaarden)

Whereas, by concurrent resolution approved February 27, 1929, and for economic reasons therein stated, the State of Minnesota appealed to the President of the United States, the Secretary of War, and the Congress of the United States to provide a 9-foot channel adequate to care for commercial river navigation on the upper Mississippi River; and

Whereas Congress responding to this appeal has recognized the economic necessity of a trade outlet to tidewater for the landlocked States of the mid-West, and by the act of July 3, 1930, has adopted a project for a 9-foot channel on the upper Mississippi River, but has made no adequate provision for financing its construction so that its benefits may be enjoyed by the present generation; and

Whereas the Special Board of United States Engineers, assigned to the survey of the upper Mississippi River, have found and reported that "industries have not located in this area because transportation costs, both on raw material and finished products, have been so high as to dictate their location elsewhere," and "the grain producer has had little choice but to sell at one price to the one market"; and

Whereas these conditions, now aggravated by a nation-wide depression, suggest the immediate employment of labor and industry in the construction of public and reproductive works; and

Whereas the Shipstead-Mansfield bill, now pending in Congress, provides for an internal loan to supplement annual budget appropriations for the adequate financing of all river and harbor projects already adopted by Congress, thus effecting a material saving in the primary cost of these works, hastening the date of their completion and beneficial enjoyment, and providing immediate employment for idle labor, idle industry, and idle capital: Now, therefore, be it

Resolved, by the Senate of the State of Minnesota (the house of representatives concurring), That the Congress of the United States be memoralized and urgently requested to enact this bill into law, and that our Representatives in Congress be urged to support it and use all honorable means to procure its passage; be it further

Resolved, That a copy of this resolution, attested by the proper officers of both houses, be sent to the President of the United States, the Secretary of War, the presiding officers of the Senate and House of Representatives, and to each United States Senator and Member of Congress from the State of Minnesota.

Passed the senate the 17th day of February, 1931.

HENRY ARENS,
President of the Senate.
G. H. SPAETH,
Secretary of the Senate.

Passed the house of representatives the 20th day of April, 1931.

OSCAR A. SWENSON,
Speaker of the House.
JOHN I. LEVIN,
Chief Clerk, House of Representatives.

Filed April 24, 1931.

MIKE HOLM,
Secretary of State.

Approved April 24, 1931.

FLOYD B. OLSON,
Governor of the State of Minnesota.

The VICE PRESIDENT also laid before the Senate the following memorial of the Legislature of the State of Mississippi, which was referred to the Committee on Agriculture and Forestry:

STATE OF MISSISSIPPI,
OFFICE OF SECRETARY OF STATE,
Jackson.

I, Walker Wood, secretary of state of the State of Mississippi, do hereby certify that the within and attached is a true and correct copy of

House Concurrent Resolution No. 7, passed by the Mississippi Legislature, extraordinary session, 1931, the enrolled act of which is now a matter of record in this office.

Given under my hand and the great seal of the State of Mississippi this the 12th day of October, 1931.

[SEAL.] WALKER WOOD,
Secretary of State.

House Concurren Resolution 7.—A concurrent resolution memorializing the President and the Congress of the United States and the Federal Farm Board to declare a moratorium of one year on all seed and feed loans and drought relief loans due the United States Government by the farmers on loans made by said Government to the farmers, and memorializing Congress and the Federal Land Bank to declare a moratorium on loans made by said bank to farmers

Whereas it is a matter of record that the Government has declared a moratorium on debts due the United States from foreign countries on account of the depression existing in said foreign countries; and

Whereas this said moratorium was entered into in order to stimulate trade and benefit the general economic conditions of said foreign countries; and

Whereas the farmers of Mississippi are in a very critical financial condition, being faced with low-priced cotton; and

Whereas in a great many instances the price received for the cotton crop will not pay the fertilizer bills incurred in the growing of said crop; and

Whereas the burden of taxation is very heavy on the farmers by virtue of their inability to realize anything for the crop produced this year; and

Whereas it appears that in a great many cases, if the Government enforced the collection of these debts out of the proceeds of the present crop, a great many farms, because of this act, will have to be sold for taxes due; and

Whereas the condition of the farmers from an economic standpoint is as serious as the condition of these foreign countries from the said standpoint; and

Whereas it appears that the Government should be as lenient with her own people as it is concerning obligations due it by foreign countries; therefore be it

Resolved by the house of representatives (the senate concurring therein), That the President and the Congress of the United States in conjunction with the Federal Farm Board, be, and they are hereby, memorialized to grant a moratorium of one year on the debts due by the farmers to the Government by virtue of the drought relief loan and the seed and feed loan advanced farmers by said Government, and that said indebtedness due said Government be not due until one year after the due date of the evidence of indebtedness held by said Government: Be it further

Resolved, That a copy of this resolution be forwarded by registered mail to the President of the United States; to the Vice President of the United States, who by virtue of his office is President of the Senate; and to the Speaker of the National House of Representatives; and that a copy be forwarded to the Federal Farm Board, all and each in Washington, D. C.: Be it further

Resolved, That the Congress of the United States and the Federal Land Bank be, and they are hereby, memorialized to declare a moratorium of one year on all loans made by said bank to farmers.

Adopted by the senate, October 7, 1931.

W. B. ROBERTS,
President of the Senate, Pro Tempore.

Adopted by the house of representatives, October 2, 1931.

THOS. L. BAILEY,
Speaker of the House of Representatives.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Montana, which was referred to the Committee on Finance:

House Joint Resolution 7.—A resolution requesting that Congress enact legislation providing for the taxation of the personal property of employees of military reservations

To the Honorable Senate and House of Representatives in the Congress of the United States of America:

Your memorialists, the members of the Twenty-second Legislative Assembly of the State of Montana, the senate and house concurring, respectfully represent—

Whereas many employees on military reservations, particularly reservations that are used for rehabilitation hospitals, protest against the payment of personal taxes; and

Whereas the members of the family of said employees enjoy the benefits of the community, particularly police protection, education, and the maintenance of highways; and

Whereas the burdens of these particular benefits to the community should be borne by all alike; be it

Resolved, That it is the sense of this legislative assembly to the Congress of the United States that they should enact legislation that will provide for the respective States and counties to assess the personal effects of employees residing on reservations therein; be it further

Resolved, That a copy of this memorial be forwarded by the secretary of state to both the Senate and House of Representatives of the National Congress and to the Senators and Members of Congress from Montana.

W. R. FLACHSENHAR,
Speaker of the House.
FRANK A. HAZELBAKER,
President of the Senate.

Approved March 16, 1931.

J. E. ERICKSON, *Governor.*

UNITED STATES OF AMERICA,
State of Montana, ss:

I, W. E. Harmon, secretary of state of the State of Montana, do hereby certify that the foregoing is a true and correct copy of an act entitled "House Joint Resolution No. 7—A resolution requesting that Congress enact legislation providing for the taxation of the personal property of employees of military reservations" enacted by the twenty-second session of the Legislative Assembly of the State of Montana, and approved by J. E. Erickson, governor of said State, on the 16th day of March, 1931.

In testimony whereof I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 20th day of March, A. D. 1931.

[SEAL.] W. E. HARMON,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following memorials of the Legislature of the State of Montana, which were referred to the Committee on Agriculture and Forestry:

Senate Joint Resolution 3.—A concurrent resolution memorializing Congress to pass and the President to approve House Resolution 9599, by LEAVITT

Whereas there is now pending before the Seventy-first Congress, third session, House Resolution 9599 by LEAVITT, entitled "A bill to authorize the Secretary of Agriculture to carry out his 10-year cooperative program for the eradication, suppression, or bringing under control of predatory and other wild animals injurious to agriculture, horticulture, forestry, animal husbandry, wild game, and other interests, and for the suppression of rabies and tularemia in predatory or other wild animals, and for other purposes"; and

Whereas the livestock and poultry raisers of Montana suffer a loss of thousands of dollars annually through stock and poultry being destroyed by predatory animals; and

Whereas the State of Montana is now spending large sums of money annually in the destruction of predatory animals for the protection of its livestock and poultry industries, which expenditures result beneficially to the preservation of the wild life in the national parks and Federal forest reserves; and

Whereas tularemia is becoming more prevalent among the wild animals and the State has no way of combating this disease and needs Federal assistance in this, as well as in the work of destroying predatory animals: Now, therefore, be it

Resolved, That the Legislative Assembly of the State of Montana hereby recommends the prompt passage of House Resolution 9599 by LEAVITT in order that the work of destroying predatory animals and suppressing rabies and tularemia among wild animals be effectively carried on; be it further

Resolved, That a copy of this memorial be transmitted by the secretary of state of the State of Montana to both Houses of the National Congress.

FRANK A. HAZELBAKER,
President of the Senate.
W. R. FLACHSENHAR,
Speaker of the House.

Approved March 9, 1931.

J. E. ERICKSON, *Governor.*

UNITED STATES OF AMERICA,
State of Montana, ss:

I. W. E. Harmon, secretary of state of the State of Montana, do hereby certify that the foregoing is a true and correct copy of an act entitled "Senate Joint Resolution No. 3.—A concurrent resolution memorializing Congress to pass and the President to approve House Resolution 9599 by LEAVITT," enacted by the Twenty-second Session of the Legislative Assembly of the State of Montana, and approved by J. E. Erickson, governor of said State, on the 9th day of March, 1931.

In testimony whereof, I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 10th day of March, A. D. 1931.

[SEAL.] W. E. HARMON,
Secretary of State.
By CLIFFORD L. WALKER,
Deputy.

Memorial to the Congress of the United States requesting the enactment of Senate bill No. 5109, introduced by FRAZIER, providing for the liquidation and refinancing of agricultural indebtedness through Federal agencies.

To the honorable Senate and House of Representatives of the United States of America:

Your memorialists, the members of the Twenty-second Legislative Assembly of the State of Montana, the house and senate concurring, respectfully represent:

Whereas Senate bill No. 5109, introduced in the Congress of the United States by Senator FRAZIER, provides for the liquidating and refinancing of agricultural indebtedness and providing for a reduced rate of interest for the same through the Federal farm Loan System, Federal Reserve Bank System, and Postal Saving Depository System; and

Whereas the provisions of this will have a vital effect upon the agricultural industry of the State of Montana; and

Whereas at the present time many loans relating to the agricultural industry should bear a reduced rate of interest; and

Whereas there are funds in the various Federal financial departments to provide for this reduced rate of interest: Now, therefore, be it

Resolved, That it is the sense of your memorialists, the Legislative Assembly of the State of Montana, that the Congress of the United States should by proper legislation enact the provisions of the Frazier Act; and be it further

Resolved, That a copy of this memorial, duly authenticated, be sent by the secretary of state to the Senate and House of Representatives of the United States and to each of the Senators and Representatives of Montana in Congress.

W. R. FLACHSENHAR,
Speaker of the House.
FRANK A. HAZELBAKER,
President of the Senate.

Approved March 2, 1931.

J. E. ERICKSON, *Governor.*

UNITED STATES OF AMERICA,
State of Montana, ss:

I, W. E. Harmon, secretary of state of the State of Montana, do hereby certify that the foregoing is a true and correct copy of House Joint Memorial No. 10, "Memorial to the Congress of the United States requesting the enactment of Senate bill No. 5109, introduced by FRAZIER, providing for the liquidation and refinancing of agricultural indebtedness through Federal agencies," enacted by the Twenty-second Session of the Legislative Assembly of the State of Montana and approved by J. E. Erickson, governor of said State, on the 2d day of March, 1931.

In testimony whereof I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this — day of ———, A. D. 1931.

[SEAL.]

W. E. HARMON,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of Montana, which was referred to the Committee on Foreign Relations:

UNITED STATES OF AMERICA,
State of Montana, ss:

I, W. E. Harmon, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of House Joint Memorial No. 9—"A resolution memorializing the Senate of the United States for the passage of Resolutions Nos. 442 and 443, introduced by Senator PITTMAN, relative to the stabilization of the silver market," enacted by the Twenty-second Session of the Legislative Assembly of the State of Montana and approved by J. E. Erickson, governor of said State, on the 2d day of March, 1931.

In testimony whereof I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 6th day of March, A. D. 1931.

[SEAL.]

W. E. HARMON,
Secretary of State.
By CLIFFORD L. WALKER,
Deputy.

House Joint Memorial 9.—A resolution memorializing the Senate of the United States for the passage of Resolutions Nos. 442 and 443, introduced by Senator PITTMAN, relative to the stabilization of the silver market

To the honorable the Senate of the United States of America:

Whereas a subcommittee of the Committee on Foreign Relations of the United States Senate has had under consideration trade relations with China and the causes and remedies for depressed conditions of commerce; and

Whereas a report thereon has been submitted by such subcommittee to the chairman of the Committee on Foreign Relations; and

Whereas as a result of the investigations and findings of such subcommittee there has been introduced in the Senate of the United States Resolutions Nos. 442 and 443, by Senator PITTMAN, urging that the President, if he deem it to the best interests of the Government, enter into discussion and negotiations with the Governments of India, Great Britain, France, Belgium, and other governments looking to the suspension of the policy and practice of governments melting up or debasing silver coins and sales by governments of silver, and that he take such other and further action in the premises as he may deem necessary to eliminate the abnormal fluctuations and depressions in the price of silver; and that the President, if he deem it to the best interests of the Government, call or obtain an international conference or international conferences, to the end that agreements or understandings may be obtained with respect to the uses and status of silver as money; and further that the President of the United States, if he deem it to the best interests of the Government, enter into discussions or negotiations with the National Government of China and such other governments that have treaty relations with China, as China and the United States may consider it advisable, looking to the moral, intellectual, and financial aid of the National Government of China, and to that end to discuss and ascertain the advisability of establishing a silver pool or fund from which to supply the National Government of China with silver for coinage, to be used for certain specific purposes and in certain specified manner to be agreed upon, and to be repaid at a time and in a manner to be agreed upon; and further a consideration of the practicability of utilizing some of the standards dollars now in the Treasury of the United States in connection with such silver pool or the supplying of silver to China for coinage purposes; and further, that he consider the practicability of supplying such silver in kind, without reference to its ratio to gold or its market value, to be repaid in coin; and

Whereas the State of Montana is one of the large producers of silver in the United States, and its industrial life has been greatly hampered as the result of the serious fluctuations in the price of silver: Now, therefore, be it

Resolved, That the House of Representatives of the State of Montana (the senate concurring), that the Senate of the United States of America be, and it is hereby, memorialized to pass said Resolutions Nos. 442 and 443, now pending in the Senate of the United States, to the end that the price of silver may be stabilized and our trade and commerce with China, India, and other silver-using countries may be increased; and be it further

Resolved, That a copy of this memorial be transmitted by the secretary of state of the State of Montana to the Senate of the United States of America, to the President of the United States of America, to the Vice President of the United States of America, to the Secretary of State of the United States of America, to the chairman of the Committee on Foreign Relations, to each of the Senators from the State of Montana, and to Senator PITTMAN, of Nevada.

W. R. FLACHSENHAR,
Speaker of the House.
FRANK A. HAZELBAKER,
President of the Senate.

Approved March 2, 1931.

J. E. ERICKSON, *Governor.*

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Nevada, which was referred to the Committee on Agriculture and Forestry:

Assembly Joint Resolution 13

Assembly joint resolution, approved March 25, 1931, 6.42 p. m., memorializing the President and Congress of the United States that it is the sense of the members of the Nevada Legislature that the Government of the United States place American agriculture on the basis of equality with other industries by providing an adequate system of credit, and that adequate legislation to that end should be adopted at the earliest possible date

Whereas the farmers throughout the entire United States have lost and are losing their lands and chattels through inability to refinance loans on their property because of high interest rates and low prices of agricultural commodities; and

Whereas agriculture is one of the basic industries of this country, and there can be no sound business prosperity unless the business of agriculture is based on a sound basis and on an equal basis with other industries; and

Whereas a bill has been introduced in the Senate of the United States, being S. 5109, a bill "To liquidate and refinance agricultural indebtedness; and to encourage and promote agriculture, commerce, and industry by establishing an efficient credit system through which the unjust and unequal burdens placed upon agriculture during the period of price fixing and deflation may be lightened by providing for the liquidation and refinancing of farm mortgages and farm indebtedness at a reduced rate of interest through the Federal Farm Loan System, the Federal Reserve Banking System, and the Postal Savings Depository System, and creating a board of agriculture to supervise the same"; and

Whereas this bill is a sound economic measure designed to remedy the inequalities under which agriculture is now laboring: Now, therefore, be it

Resolve by the Assembly of the State of Nevada (the senate concurring), That the Congress of the United States be, and it is hereby, urgently petitioned to enact the said bill into law; be it further

Resolved, That the Nevada Members of the United States Senate and the Representatives in Congress from the State of Nevada be, and they are hereby, petitioned and most earnestly urged to use their best efforts to bring about a speedy enactment of said legislation; be it further.

Resolved, That a duly authenticated copy of this resolution be, by the secretary of state of the State of Nevada, presented to the President of the United States, to the presiding officers of the Senate and the House of Representatives of the Congress of the United States, and to each of the Senators and Representatives of the State of Nevada in the Congress of the United States.

STATE OF NEVADA,
Department of State, ss:

I, W. G. Greathouse, the duly elected, qualified, and acting secretary of state of the State of Nevada, do hereby certify that the foregoing is a true, full, and correct copy of the original Assembly Joint Resolution No. 13 (No. 22) of the Thirty-fifth Session of the Legislature of the State of Nevada, passed by the legislature and approved by the Governor of the State of Nevada on March 25, 1931, now on file and of record in this office.

In witness whereof I have hereunto set my hand and affixed the great seal of state at my office in Carson City, Nev., this 31st day of March, A. D. 1931.

[SEAL.] W. G. GREATHOUSE,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Commerce:

STATE OF NEW JERSEY.

Joint Resolution 14, Laws of 1931.—A joint resolution memorializing the Congress of the United States to construct a ship canal across the State of New Jersey from Raritan Bay to the Delaware River, at a point near the head of navigation

Whereas an inland waterways system has been provided along the entire Atlantic coast with the exception of the short distance through the State of New Jersey; and

Whereas the construction of a ship canal through the State of New Jersey will complete said inland waterways system; and

Whereas the State of New Jersey has heretofore appropriated considerable money for the acquisition of the right of way for such canal, and has from year to year reappropriated said moneys; and

Whereas the State of New Jersey has been and still is ready and willing to furnish the right of way for such canal in accordance with representations heretofore made to the Federal Government: Therefore be it

Resolved by the Senate and General Assembly of the State of New Jersey,

1. That the Congress of the United States is hereby memorialized and requested to appropriate a sufficient sum of money to construct a ship canal across the State of New Jersey from Raritan Bay to the Delaware River, at a point near the head of navigation, upon a right of way to be furnished by this State; be it further

2. *Resolved*, That a copy of this resolution be transmitted to the Vice President of the United States, to the Speaker of the House of Representatives, and to each Member in the Senate and House of Representatives of the United States from the State of New Jersey.

3. This joint resolution shall take effect immediately.

Approved April 27, 1931.

STATE OF NEW JERSEY,
DEPARTMENT OF STATE.

I, Joseph F. S. Fitzpatrick, secretary of state of the State of New Jersey, do hereby certify that the foregoing is a true copy of a joint resolution passed by the legislature of this State and approved by the governor the 27th day of April, A. D. 1931, as taken from and compared with the original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed my official seal at Trenton this 14th day of May, 1931.

[SEAL.] JOSEPH F. S. FITZPATRICK,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of New Mexico, which was referred to the Committee on Indian Affairs:

House Joint Memorial 1 (introduced by William A. Spence and A. A. Rivera) memorializing the Congress of the United States to repeal the provisions relating to taxes lawfully assessed and levied in paragraphs a and b of section 4 of chapter 331 of the laws of the United States, entitled "An act to quiet the title to lands within Pueblo Indian land grants, and for other purposes," and cited in volume 43, Statutes at Large, part 1, 1923–1925, page 636

Be it resolved by the Legislature of the State of New Mexico:

Whereas the Congress of the United States has by the enactment of chapter 331, volume 43, Statutes at Large, passed an act to quiet the title to lands within Pueblo land grants; and

Whereas it is provided in section 4 of said act that all persons claiming title to or ownership of any lands involved in any suit to quiet title, such persons may, in addition to any other legal or equitable defenses, plead limitation of action, as follows:

"(a) That in themselves, their ancestors, grantors, privies, or predecessors, in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed, under color of title from the 6th day of January, 1902, to the date of the passage of this act, and have paid the taxes lawfully assessed and levied thereon to the extent required by the statutes of limitation, or adverse possession of the Territory or of the State of New Mexico, since the 6th day of January, 1902, to the date of the passage of this act, except where the claimant was exempted or entitled to be exempted from such tax payment.

"(b) That in themselves, their ancestors, grantors, privies, or predecessors in interest or claim of interest, they have had open, notorious, actual, exclusive, continuous, adverse possession of the premises claimed with claim of ownership but without color of title from the 16th day of March, 1889, to the date of the passage of this act, and have paid the taxes lawfully assessed and levied thereon to the extent required by the statutes of limitation or adverse possession of the Territory or of the State of New Mexico, from the 16th day of March, 1899, to the date of the passage of this act, except where the claimant was exempted or entitled to be exempted from such tax payment"; and

Whereas it is believed to be an injustice to require settlers within the limitations of such Indian pueblos to show that taxes have been lawfully assessed and levied since the 6th day of January, 1902, and since the 16th day of March, 1899; and

Whereas such settlers have, by reason of long, open, notorious, actual, exclusive, and continuous users of such lands, become established citizens and residents of this State; and

Whereas and due to erroneous description of the lands held by such settlers, it is impossible to show that they paid taxes lawfully assessed and levied, and without such showing will suffer great irreparable loss: Now, therefore, be it

Resolved, That the Legislature of the State of New Mexico does hereby request the Congress of the United States to repeal those provisions relating to taxes lawfully assessed and levied, as set forth in said paragraphs a and b of section 4 of said chapter 331, volume 43, Statutes at Large, part 1; and be it further

Resolved, That a copy of this memorial be sent to the Hon. SAM G. BRATTON, the Hon. BRONSON CUTTING, Senators from New Mexico, and to the Hon. DENNIS CHAVEZ, Member of Congress, and to the Speaker of the House of Representatives and President of the Senate of the United States Congress.

The VICE PRESIDENT also laid before the Senate two communications from the Governor of the State of New York, which, with the accompanying acts of the New York Legislature in the nature of memorials, were referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Assembly 4.—An act on the application of the Legislature of the State of New York petitioning the Congress of the United States of America to call a national constitutional convention to repeal Article XVIII of the Constitution of the United States

The people of the State of New York, represented in senate and assembly, do enact as follows:

SECTION 1. The Legislature of the State of New York applies to the Congress of the United States of America to call a national constitutional convention to repeal Article XVIII of the Constitution of the United States of America, and no other article of the Constitution.

SEC. 2. On the passage of this act the Governor of the State of New York shall forthwith cause to be filed with the President of the United States Senate and the Speaker of the House of Representatives of the United States and the Secretary of State of the United States, engrossed copies of this act.

SEC. 3. This act shall take effect immediately.

Assembly 1432.—An act on the application of the Legislature of the State of New York petitioning the Congress of the United States of America to submit a referendum to the citizens of the various States

The people of the State of New York, represented in the senate and assembly, do enact as follows:

SECTION 1. The Legislature of the State of New York petitions the Congress of the United States of America to enact by proper and appropriate legislation measures requesting the legislatures of the various States to submit to the voters of their respective States at the next general election in the form of referenda, the following questions: 1. Do you favor a repeal of the eighteenth (prohibition) amendment?

2. Do you favor a modification of the Volstead law to permit light wines and beers?

3. Do you favor a modification of the Volstead law so as to permit each State to define for itself what constitutes an intoxicating beverage?

4. Do you favor the continuance and strict enforcement of the eighteenth amendment and Volstead law?

SEC. 2. On the passage of this act the Governor of the State of New York shall forthwith cause to be transmitted to the President of the Senate of the United States and the Speaker of the House of Representatives of the United States and to each Senator and Member of Congress elected from the State of New York, engrossed copies of this act.

SEC. 3. This act shall take effect immediately.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Agriculture and Forestry:

STATE OF NORTH DAKOTA,
DEPARTMENT OF STATE.

To all to whom these presents shall come:

I, Robert Byrne, secretary of state of the State of North Dakota and keeper of the great seal thereof, do hereby certify that the annexed copy of House Concurrent Resolution No. D–4, Twenty-second Legislative Assembly, State of North Dakota, has been compared by me with the original resolution on file in this department, and that the same is a true copy thereof and of the whole of such resolution.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State, at the capitol in the city of Bismarck, this 9th day of March, A. D. 1931.

[SEAL.] ROBERT BYRNE,
Secretary of State.
By CHARLES LIESSMAN,
Deputy.

House Concurrent Resolution No. D–4.—Relating to the coloring of oleomargarine by the use of palm oil

Whereas under a ruling of the United States Commissioner of Internal Revenue palm oil may now be used in the manufacture of oleomargarine to give it the color of butter without making such product subject to the tax on colored oleomargarine; and

Whereas this practically nullifies the protection which the dairymen of this country have enjoyed since 1902 in the law taxing colored oleomargarine 10 cents per pound; and

Whereas the effect of this ruling has been to greatly increase the manufacture and sale of oleomargarine and similar butter substitutes despite the present very low price of butter; and

Whereas the coloring of oleomargarine to resemble butter constitutes a fraud upon the consuming public of the country: Therefore be it

Resolved by the house of representatives (the senate concurring), That the Twenty-second Legislative Assembly of the State of North Dakota hereby protests against the ruling permitting oleomargarine and similar butter substitutes to be colored like butter through the use of palm oil without making these products subject to the 10-cent tax on colored oleomargarine, and respectfully requests the United States Commissioner of Internal Revenue to reverse his ruling in the interests of the great dairy industry of this country and fair dealing with consumers; be it further

Resolved, That in the event that the United States Commissioner of Internal Revenue shall not promptly reverse his ruling allowing palm oil to be used in the manufacture of oleomargarine and similar butter substitutes without making the product subject to the tax on colored oleomargarine, the Congress of the United States is respectfully requested to enact legislation either prohibiting the use of palm oil in the manufacture of oleomargarine or making any product manufactured with palm oil subject to the tax on colored oleomargarine; be it further

Resolved, That properly attested copies of this resolution be transmitted to the Commissioner of Internal Revenue, the Secretary of the Treasury, the presiding officers of both Houses of the Congress of the United States, and to each North Dakota Member thereof.

C. VERNON FREEMAN,
Speaker of the House.
C. R. VERRY,
Chief Clerk of the House.
JNO. W. SEARS,
President of the Senate.
E. S. ROBHILE,
Secretary of the Senate.

Filed in my office this 2d day of March, 1931.

ROBERT BYRNE,
Secretary of State.
By CHARLES LIESSMAN.

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of North Dakota, which was referred to the Committee on Foreign Relations:

STATE OF NORTH DAKOTA,
DEPARTMENT OF STATE.

To all to whom these presents shall come:

I, Robert Byrne, secretary of state of the State of North Dakota and keeper of the great seal thereof, do hereby certify that the following copy of House Concurrent Resolution No. L–12, Twenty-second Legislative Assembly, State of North Dakota, has been compared by me with the original resolution on file in this department, and that the same is a true copy thereof and of the whole of such resolution.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State at the capitol in the city of Bismarck this 10th day of March, A. D. 1931.

[SEAL.] ROBERT BYRNE,
Secretary of State.
By CHARLES LIESSMAN, *Deputy.*

House Concurrent Resolution L–12 (Concurrent Resolution L–12—Smith and Swett).—Great Lakes-St. Lawrence waterway

Whereas economic authorities in the United States and Canada, acting officially both as joint commissions and severally, have repeatedly and unanimously declared that enlarging the connecting channels of the Great Lakes and St. Lawrence River to admit uninterrupted movement by ocean steamers from and into the Great Lakes is economically sound and necessary to raise the competitive position, establish equality, permit future development, and effect the return of prosperity to the vast continental areas of both countries; and

Whereas during the past five years diplomatic correspondence has brought the two nations into agreement on the assignment of tasks and division of costs, said correspondence having allocated to the United States the construction and cost of all improvements in international waters, which includes the deepening to 27 feet of the connecting channels of the upper Great Lakes, a new lock at the Soo corresponding in dimensions to the locks in the new Welland ship canal and the improvement of the international stretch of the St. Lawrence River from Lake Ontario to the forty-fifth parallel (opposite Cornwall), where the river ceases to form the boundary line between the two countries, and allocating to Canada the completion of the new Welland ship canal and the improvement of the river from the forty-fifth parallel aforesaid to the sea; and

Whereas approximately one-half of the tasks assigned to each Government has either been completed, is in process of completion, or already authorized by one or other of the two Governments, and approximately one-half of the total cost of the through seaway has either been expended, in process of being expended, or involved in authorizations already made, all of which has been carried out and is capable of being completed without any treaty; and

Whereas engineering authorities in Canada and the United States, acting officially both as joint boards and severally, have agreed upon engineering plans and costs and unanimously declared that the International Rapids (48 miles) of the St. Lawrence River, extending from Ogdensburg to the international boundary, must, for economic reasons, be developed for navigation and power jointly by the United States and Canada; and

Whereas the State of New York, with the clear intent of delaying or obviating the completion of a through seaway, via the St. Lawrence, and advancing a deep-water route across the State of New York by way of the Erie and Oswego Barge Canals, has caused to be prepared engineering plans, which if permitted to be carried out will, under the most favorable conditions, postpone navigation development for many years, and in the meantime afford New York opportunity to transfer its barge canals to the Federal Government and embark the Government upon the staggering expense of deepening or widening them for the passage of Lake ships down to the Port of New York for transfer to the ocean carrier, but not admitting the ocean ship to the Great Lakes, thus denying to midcontinental areas direct access to the sea; and

Whereas no development of this international-rapids section of the St. Lawrence River can be undertaken by either country or any agency in either country without an agreement or treaty appropriate thereto having first been entered into between Canada and the United States; and

Whereas the landlocked interior of the United States is deeply concerned and in emergent need of the relief which would accrue to that area by the opening of such seaway and the citizens of New York State also are directly interested in the improvement and early utilization of the large reservoir of cheap power which would be made available by such joint development; and

Whereas the need exists for a plan that will effect the development of this section of the river for navigation and power at the earliest possible date, by employing the most practical, the most expeditious, and best agency or agencies for that purpose: Therefore be it

Resolved by the house of representatives (the senate concurring), That the President of the United States be and is hereby memorialized to proceed to a treaty with Canada for the development of the aforesaid international rapids section of the St. Lawrence River at the earliest possible date and in accordance with the plans agreed upon by the International Joint Board of Engineers, or such amendment to or changes in said plans as may be subsequently adopted by such joint board; and be it further

Resolved, That the Congress of the United States be and is hereby memorialized to enact the necessary preliminary legislation declaring all lands and the entire flow of the St. Lawrence River, extending from the shore to the international boundary line in the river, from Lake Ontario to the forty-fifth parallel, where the river ceases to form the boundary between the nations, necessary for the purposes of navigation of said waters and the waters connected therewith; and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States and to the Senate and House of Representatives of the United States.

C. VERNON FREEMAN,
Speaker of the House.
C. R. VERRY,
Chief Clerk of the House.
JNO. W. CARR,
President of the Senate.
J. L. ROSHOLT,
Secretary of the Senate.

Filed in this office this 4th day of March, 1931.

ROBERT BYRNE,
Secretary of State.
By CHARLES LIESSMAN,
Deputy.

The VICE PRESIDENT also laid before the Senate the following resolutions of the House of Representatives of the State of Pennsylvania, which were referred to the Committee on Immigration:

The General Assembly of Pennsylvania, file of the House of Representatives, Resolution No. 52, Mr. McAlee in place, May 21, 1931

Whereas the Federal officials at Washington have admitted there are over 6,000,000 people out of employment in America to-day; and

Whereas there are beyond any reason of doubt several million more people who are only able to secure employment on part time in America to-day; and

Whereas the Federal officials at Washington claim that there are at least 100,000 alien seamen alone that are illegally living in America; and

Whereas the Federal officials at Washington claim there are besides the 100,000 alien seamen at least three to four hundred thousand more aliens who illegally entered the United States; and

Whereas the nearly one-half million aliens claimed by Federal officials to have entered the United States illegally are either directly or indirectly adding to the burdens of both municipalities, and citizen's committees on unemployment throughout the State and Nation that are now endeavoring to appropriate or raise money to relieve the increasing distress of unemployment; and

Whereas there is no question in the minds of thinking American citizens that there are some aliens who have entered the United States illegally and are adding to the burden of the cost of crime throughout the entire country; and

Whereas nearly every European country long ago, in the defense of the unemployed of their country and to put a stop to alien criminals entering and adding to their burden and cost of crime, passed laws calling for the registration of both native and foreign born citizens; and

Whereas the United States, with its many miles of coast and border lines, without a large army of immigration and custom employees at a prohibitive cost to the taxpayers, are not able to stop or arrest both good and bad aliens from entering America illegally; and

Whereas the present and future distress of unemployment can be given relief by the Government deporting all aliens that have or will enter the United States illegally: Therefore, be it

Resolved, That it is the consensus of opinion of the members of the House of Representatives of Pennsylvania that both Houses of Congress at Washington should when they meet in December, 1931, enact legislation that will provide for the registration of both Americans and aliens in the United States; and be it further

Resolved, That the Secretary of Labor at Washington be requested to prepare all data and information as to the cost that may be necessary for the information of Congress to enact the proposed national registration law when they meet in December, 1931; and be it further

Resolved, That the chief clerk of the house of representatives be instructed to send copies of this resolution to the presiding officers of both Houses of Congress at Washington, D. C., with the request that they have the resolution read and then refer the resolution to the proper committee for their consideration, also a copy to each Member of the Congress of the United States from this Commonwealth with the request that they work and vote to enact this proposed national registration law, also mail copies to the Secretary of Labor, Secretary of State, and the President for their information.

The foregoing is a true and correct copy of the resolution adopted by the house of representatives March 27, 1931.

E. F. WHITE,
Chief Clerk, House of Representatives.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of South Carolina, which was referred to the Committee on Banking and Currency:

A concurrent resolution

Whereas there is existing at the present time a period of depression covering the entire world, and that the United States has granted a moratorium to foreign countries, and that the farm lands of the South are heavily encumbered by mortgages, a majority of which are held by Federal land banks and other governmental agencies; and

Whereas these banks have sold bonds secured by said real-estate mortgages and it is impossible to extend the payment of the said mortgages without provision for payment of interest to the holders of the said bonds: Now, therefore, be it

Resolved by the house of representatives (the senate concurring):

1. That the Congress of the United States be memorialized to appropriate such amount as will be necessary to retire interest coupons falling due during the next 12 months on bonds issued by such land banks and other governmental agencies.

2. That the Treasury Department be authorized and directed to buy up the said interest coupons as they become due during the next 12 months.

3. That upon the provision being made as set out in sections 1 and 2, that the Federal land banks and other governmental agencies be directed and authorized to extend the time of payment of mortgages held by them for the period of one year.

4. That the Senators and Congressmen of South Carolina are requested to lend every effort toward the passage of such legislation as will give the relief set out in this resolution.

5. That a copy of this resolution be sent to the President of the United States, to the President of the United States Senate, to the Speaker of the National House of Representatives, and to each of the Senators and Congressmen of South Carolina.

COLUMBIA, S. C., *October 3, 1931.*

I hereby certify that the foregoing is a true and correct copy of a concurrent resolution adopted by the house of representatives and returned by the senate with concurrence.

[SEAL.]

J. WILSON GIBBES,
Clerk of the House.

The VICE PRESIDENT also laid before the Senate the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Agriculture and Forestry:

STATE OF SOUTH DAKOTA.

Senate Concurrent Resolution 15 (introduced by fish and game committee), relating to the protection of the woods, waters, and wild life of Rainy Lake watershed and adjacent areas of similar nature

Whereas the unique network of interconnecting lakes in the area of Superior National Forest in northern Minnesota stretches far across the unguarded border into the Province of Ontario; and

Whereas this forested lakeland, so readily accessible to the people of the great central sections of both the United States and Canada, is one of the most historic, healthful, and beautiful survivals of pioneer America; and

Whereas there has been formulated for the perpetuation of this wilderness region a plan that contemplates joint action with the Dominion of Canada and the Province of Ontario for the establishment by treaty of a vast international forest and park, dedicated in the name of peace; and

Whereas the Congress of the United States by unanimous action on June 3, 1930, with the approval of the President on July 10, 1930, has already wisely recorded itself against the commercial exploitation of that portion of the border lakes and their tributaries lying in northern Minnesota from Rainy Lake eastward to Lake Superior; and

Whereas various attempts are being made by private interests to secure the approval of the International Joint Commission, of the Federal Power Commission, and of other agencies for storage and power projects affecting these waters; and

Whereas disturbance of the age-old scheme of nature by further industrial invasion can not help but seriously impair, if not completely destroy, the present public appeal and usefulness of the region; and

Whereas in a state of nature the potential value of the region for our peoples and our peoples' children far outweighs any temporary private advantage from logging, power, or other commercial development; Be it therefore

Resolved by the senate (the house of representatives concurring), That the International Joint Commission be, and are hereby, requested and urged to refuse all requests for the construction of dams and the flooding of any part of this rare recreational region and to recognize instead the policy of perpetuating the wilderness character of this lakeland for the health, delight, and inspiration of present and future generations; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to the Premier of the Dominion of Canada, to the Presiding Officers of both Houses of Congress at Washington, to the presiding officers of both houses of the Ontario Parliament at Toronto, to the International Joint Commission at Washington and Ottawa, to the Federal Power Commission, to the Governor of the State of Minnesota, to the premier of the Province of Ontario, and to all Representatives of the State of South Dakota at Washington.

O. K. WHITNEY,
President of the Senate.
W. J. MATSON,
Secretary of the Senate.
B. W. MCVEIGH,
Speaker of the House.
WRIGHT TARBELL,
Chief Clerk.

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Commerce:

UNITED STATES OF AMERICA,
STATE OF SOUTH DAKOTA,
DEPARTMENT OF STATE.

I, Elizabeth Coyne, secretary of state, do hereby certify that the annexed Senate Concurrent Resolution No. 17 and senate bill No. 105 were duly passed by the Twenty-second Session of the Legislature of the State of South Dakota, and the bill approved by the governor February 28, 1931.

In witness whereof, I have hereunto set my hand and affixed the great seal of the State of South Dakota, at the city of Pierre, March 9, 1931.

[SEAL.]

ELIZABETH COYNE,
Secretary of State.

Senate concurrent resolution No. 17 (introduced by Mr. Warren) memorializing the Congress of the United States and the Legislature of the State of Nebraska to cooperate with the State of South Dakota in the purchase of the Meridian Highway Bridge across the Missouri River at Yankton, S. Dak., so as to convert the same into a free bridge

Whereas the twenty-second legislative session of the Legislature of the State of South Dakota has passed an act authorizing the State of South Dakota to cooperate with the United States of America and the State of Nebraska in the purchase of the Meridian Highway Bridge connecting the States of Nebraska and South Dakota across the Missouri River, at Yankton, S. Dak., upon the following terms:

Twenty-five per cent of the appraised valuation to be paid by the State of South Dakota; 25 per cent of the appraised valuation to be paid by the State of Nebraska; 50 per cent of the appraised valuation to be paid by the United States of America; and the bridge thereupon to become the sole property of the United States of America and to be operated and maintained by it as a free bridge; and

Whereas the conversion of said bridge from a toll bridge to a free bridge will greatly facilitate commerce and tourist travel between the States of the Union and will directly an indirectly be a source of permanent benefit to all the people of the United States, and will result in placing this important link of the highway system of the United States within the sole control of public agencies and free from control of private agencies: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That we respectfully memorialize and petition the Congress of the United States of America and the Legislature of the State of Nebraska to join in the enterprise as above outlined in the title and preamble of this resolution.

That we respectfully request the Senators and Representatives of the State of South Dakota in the Congress of the United States to give earnest support to the accomplishment of this enterprise.

That a copy of this resolution, to which shall be attached a copy of the act of the South Dakota Legislature providing for this enterprise, both properly certified by the secretary of state of the State of South Dakota, be forthwith, upon the passage of this resolution, forwarded to the President of the United States of America, to the Governor of the State of Nebraska, and to the Secretary of the Senate and the Chief Clerk of the House of Representatives of the National Congress of the United States of America and the Legislature of the State of Nebraska, and to each of the Senators and Representatives of the State of South Dakota in the National Congress of the United States of America. That the forwarding of said certified copies be done by the secretary of state of the State of South Dakota.

O. K. WHITNEY,
President of the Senate.
W. J. MATSON,
Secretary of the Senate.
B. W. MCVEIGH,
Speaker of the House.
WRIGHT TARBELL,
Chief Clerk.

An act entitled "An act authorizing the State of South Dakota to cooperate with the United States Government in establishing the Meridian Highway Bridge at Yankton, S. Dak., as a toll-free bridge, providing for contribution funds for the purchase thereof, and authorizing an appropriation therefor"

Be it enacted by the Legislature of the State of South Dakota, That the State of South Dakota, through its State highway commission, is hereby authorized to cooperate with the United States Government in its program of acquiring, by purchase, toll bridges whenever it is considered that the free operation of such bridge would be advantageous in the interest of interstate commerce, the improvement of the postal service, or in connection with the national defense. For the accomplishment of such purpose the State highway commission is hereby empowered to cooperate with the State of Nebraska and the United States Government in acquiring by purchase, by the United States Government, the Meridian Highway Bridge at Yankton, S. Dak. That the State highway commission is authorized to contribute funds to the extent of not to exceed 25 per cent of the purchase price thereof, which purchase price shall be fixed by appraisal as herein provided. That the funds herein provided shall become available as soon as the State of Nebraska shall have provided for and make available an amount equal to 25 per cent of said purchase price and the United States Government shall have provided and made available equal amount to 50 per cent of the said purchase price.

SEC. 2. That the funds herein provided for shall become available, in addition to the contingency provided for in section 1 hereof, when the said Meridian Highway Bridge at Yankton, S. Dak., shall have been appraised by a joint appraisal board consisting of the State highway commission of this State, the department designated by the United States Government, the highway authorities of the State of Nebraska, and the board of directors of the Meridian Highway Bridge Co.: *Provided, however*, That no contract or agreement shall be entered into by the State of South Dakota and no obligations shall be incurred herein unless such appraisal shall be found satisfactory by the State Highway Commission of the State of South Dakota and approved by the governor of this State.

SEC. 3. That in the event of the purchase of the said Meridian Highway Bridge at Yankton, S. Dak., the title to the same shall by proper instrument or instruments of conveyance be made to the United States. That before any expenditure of the funds herein provided for shall be made, it shall be the duty of the attorney general of this State to make a thorough investigation of the title to the property of the Meridian Highway Bridge Co. and of all proceedings in connection with such sale.

SEC. 4. That the necessary funds for the carrying out of the provisions of this bill shall be paid out of the State bridge fund created by chapter 128 of the Session Laws of 1921, and so much thereof as may be necessary is hereby appropriated out of such bridge fund not otherwise appropriated.

SEC. 5. It is the intent and purpose of this act to cooperate with the Government of the United States in acquiring any toll bridge for the purpose of establishing such toll bridges as toll-free bridges.

Approved February 28, 1931.

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the Legislature of the State of South Dakota, which was referred to the Committee on Foreign Relations:

House concurrent resolution, introduced by committee on State affairs—A concurrent resolution relating to the development of the St. Lawrence River

Be it resolved by the Legislature of the State of South Dakota:

Whereas the authorities of the United States and Canada have agreed that enlargement of the connecting channels of the Great Lakes and the St. Lawrence River so that ocean-going vessels may come to the Lake ports will improve the competitive position, establish economical equality, and assist in future development of the farm lands in the center of the continent; and

Whereas diplomatic correspondence has effected an agreement between the two countries on the assignment of tasks and divisions of costs, and the engineering authorities in Canada and the United States, acting under orders from their Governments, have agreed upon plans and costs and unanimously declared that the International Rapids section of the St. Lawrence River, extending 48 miles from Ogdensburg to the international boundary, must, for economic reasons, be developed for navigation and power jointly; and

Whereas no development of this international-rapids section of the river can be undertaken by either country or any agency in either country without an agreement or treaty first having been entered into between Canada and the United States; and

Whereas the landlocked interior of the United States is deeply concerned and in vital need of the relief which would accrue to this area by the opening of such waterway; and

Whereas the need exists for an official plan that will effect the development of this section of the river for navigation and power at the earliest possible date: Therefore, be it

Resolved by the House of Representatives of the State of South Dakota (the senate concurring), That the President of the United States be and is hereby memorialized to effect such a treaty with Canada for the development of the international-rapids section of the St. Lawrence River at the earliest possible date; and be it further

Resolved, That the Congress of the United States be and is hereby memorialized to enact the necessary preliminary legislation; and be it further

Resolved, That the secretary of state transmit copies of this resolution to His Excellency President Herbert Hoover and to the presiding officers of the United States Congress.

B. W. MCVEIGH,
Speaker of the House.
WRIGHT TARBELL,
Chief Clerk.
O. K. WHITNEY,
President of the Senate.
W. J. MATSON,
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint memorial of the Legislature of the State of Utah, which was referred to the Committee on Public Lands and Surveys:

STATE OF UTAH,
OFFICE OF SECRETARY OF STATE.

I, M. H. Welling, secretary of state of the State of Utah, do hereby certify that the following is a full, true, and correct copy of House Joint Memorial No. 1, by Mr. Hirschi and Mr. Esplin, being a memorial to the Congress of the United States protesting against the withdrawal from entry and against preventing grazing on public lands in northwestern Arizona, as passed by the Legislature of the State of Utah and approved by his honor Gov. George H. Dern, March 7, 1931, as appears on file in my office.

In witness whereof, I have hereunto set my hand and affixed the great seal of the State of Utah, at Salt Lake City, this 10th day of March, 1931.

[SEAL.]

M. H. WELLING,
Secretary of State.

House Joint Memorial 1 (by Mr. Hirschi and Mr. Esplin), to the Congress of the United States protesting against the withdrawal from entry and against preventing grazing on public lands in northwestern Arizona

Be it resolved by the Legislature of the State of Utah (the governor concurring therein):

Whereas the area in the State of Arizona which lies northward of the Gorge of the Colorado River, commonly known as "The Arizona Strip," is an arid country, except for the Kaibab Plateau and the Trumbull Mountain Range, and except for small plots which are cultivated immediately surrounding the settlements of Fredonia, Moccasin, and Littlefield, has no agricultural development and has always been a grazing country since the settlement of that locality and has been utilized as range land for the grazing of cattle and sheep owned chiefly by the people who reside in the settlements of southern Utah; and

Whereas this area is capable of sustaining upward of 25,000 head of cattle throughout the year and more than 200,000 head of sheep during the winter grazing season; and

Whereas the policy of the Federal Government in withdrawing large portions of the said "Arizona Strip" from grazing, thus resulting in great detriment and loss to the people who depend upon the livestock industry for their livelihood; the principal instances being:

(1) A large area in the vicinity of Moccasin was withdrawn and set aside as an Indian reservation, which entire reservation was fenced and grazing was excluded therefrom, except upon the payment of prohibitive fees;

(2) Sheep have been entirely excluded from the Kaibab National Forest and the Grand Canyon National Park, except two small bands, and permits for the grazing of cattle on the Kaibab Forest have been restricted so that there are now not more than 1,000 head of cattle permitted on the whole reserve for the summer season, where in former days this area sustained upward of 15,000 head of cattle and 10,000 head of sheep during the summer grazing season;

(3) On April 25, 1930, by Executive order of the President, approximately 2,000,000 acres of land, for the purpose of "determination as to the advisability of including such lands in a national monument" in the vicinity of the proposed Hoover Dam, were withdrawn. This withdrawal embraces a tract 25 miles back from the Colorado River from 20 miles below the proposed Hoover Dam site upstream 300 miles to Kanab Creek. If this withdrawal is made permanent and if the present restrictive policy against grazing is applied by the National Government in this area, it will exclude about 75,000 head of sheep from their present regular winter grazing grounds and about 15,000 head of cattle from their full-year grazing grounds and will greatly retard the development of this section of Arizona and the southern part of the State of Utah and prevent homesteaders and livestock growers from acquiring ownership of the land; and

(4) In addition to the foregoing it is now being proposed by the Arizona Game Department that the Congress withdraw from homestead entry and fence as a buffalo pasture a large portion of what is known as House Rock Valley, which lies between the Colorado River Gorge and the Kaibab Plateau, to the east of the Kaibab. This valley has supported, and is capable of supporting, as winter grazing ground fully 5,000 head of cattle. It is proposed to withdraw and reserve the choicest part of this area, embracing approximately 40,000 acres, for the use of a bunch of buffalo, now numbering about 97 head; the said area to be fenced in such a manner as to control all of House Rock Valley, an area in excess of 185,000 acres; and

Whereas each of these withdrawals and proposed withdrawals results and will result in the curtailment of the area open for grazing without materially benefiting anyone, and if continued will take away the means of livelihod of many persons in this State and result in financial ruin to those who depend upon the livestock industry for a livelihood: Be it, therefore,

Resolved by the Legislature of the State of Utah, in regular session assembled:

I. That the Congress of the United States be respectfully urged to enact such legislation as may be necessary to open the Moccasin Indian Reservation to free grazing.

II. That the Congress of the United States be urgently requested to revoke and annul the Executive order of April 25, 1930, withdrawing approximately 2,000,000 acres of land in the vicinity of the proposed Hoover Dam.

III. That a more liberal policy with respect to grazing of livestock within the Kaibab National Forest be effected.

IV. That the Congress of the United States do not pass any act withdrawing or permitting the withdrawal of any area whatsoever in House Rock Valley as a buffalo pasture. Be it further

Resolved, That the secretary of the State of Utah is authorized and directed to forward this memorial to the Senate and House of Representatives of the United States and that copies thereof be sent to the Senators and Representatives in Congress from this State and the State of Arizona.

The foregoing House Joint Memorial No. 1 was publicly read by title and immediately thereafter signed by the president of the senate, in the presence of the house of which he presides, and the fact of such signing duly entered upon the journal this 6th day of March, 1931.

RAY E. DILLMAN,
President of the Senate.

Attest:

H. L. CUMMINGS,
Secretary of the Senate.

The foregoing House Joint Memorial No. 1 was publicly read by title and immediately thereafter signed by the speaker of the house, in the presence of the house over which he presides, and the fact of such signing duly entered upon the journal this 6th day of March, 1931.

JAMES C. HACKING,
Speaker of the House.

Attest:

E. L. CROPPER,
Chief Clerk of House.

Received from the house this 6th day of March, 1931.
Approved March 7, 1931.

GEO. H. DERN, *Governor.*

Received from the governor and filed in the office of the secretary of state this 9th day of March, 1931.

M. H. WELLING,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Appropriations:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to at once make adequate appropriations to give employment to the millions of unemployed workmen of the country

Whereas by the lowest estimate at least 4,000,000 workmen are at present unemployed in this country and the true number of the unemployed is probably twice as great; and

Whereas the only measure of relief that has been enacted is the emergency construction bill which will make available about $116,000,000 for additional public construction, of which probably not more than 60 per cent will go in wages to workmen, allowing only on the average about $14 per unemployed workman; and

Whereas there are many public construction projects that ought to be carried out at this time, including improvement of 500,000 miles of primary through highways in this country; and

Whereas the only objection offered to the adoption of an adequate program of public construction, which would at once end the present depression, is that it would cost perhaps one to five billion dollars; and

Whereas a Liberty loan for the jobless of this amount would be but a small fraction of the more than $20,000,000,000 of Liberty loan contracted by this country for the prosecution of a foreign war and the feeding of starving people in European nations: Therefore be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to at once enact legislation making appropriations for a really adequate program of public construction which would afford employment to all unemployed workmen and end the existing depression; be it therefore

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Banking and Currency:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact effective legislation to check the development of chain banking among national banks

Whereas there has been a startling development of chain banking in all parts of the country during the last two years, probably more than one-third of the total banking resources of the United States having already passed into the control of holding companies; and

Whereas chain banking, at its best, means control of the local banks by corporations having no interest in the communities they serve other than to derive the maximum amount of profits therefrom, and is destructive of individual initiative, on which the economic greatness of this country is founded; and

Whereas chain banking, at least in the Middle West, has developed principally around national banks, which are within the exclusive control of the Federal Government, so that the States can not deal with this problem alone: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin respectfully petitions the Congress of the United States to promptly enact amendments to the national banking laws to make it impossible for national banks to be owned or controlled by holding companies; be it further

Resolved, That properly attested copies of this resolution be sent to the presiding officers of both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Civil Service:

STATE OF WISCONSIN.

Joint resolution relating to a 5-day week in the Federal service

Whereas it has long been regarded as a sound principle that the Government should be a model employer and should lead, rather than lag behind, in all movements for the improvement of working conditions; and

Whereas the 5-day working week has already been adopted by a considerable number of employers in private industry, but the United States Government, which is the largest employer of labor in the entire country, has not yet adopted this forward step, but, on the contrary, has many employees who are required to work seven days each week: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to promptly enact legislation providing for a 5-day working week throughout the Federal service; be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS B. PERRY
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly,

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Education and Labor:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact legislation for unemployment insurance

Whereas statistics show that this country is almost constantly faced with the unemployment situation, either sectional or national in its scope; and

Whereas unemployment subjects its victims to the ravages of extreme poverty and causes an enormous increase in crime; and

Whereas the only way to combat this unemployment menace is to insure for the workingman a steady and living wage: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorialize the Congress of the United States to enact legislation making it possible for the workingman to be protected by unemployment insurance: Be it therefore

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN.
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Foreign Relations:

STATE OF WISCONSIN.

Joint resolution memorializing the President and the Congress of the United States to take immediate steps for the completion of the Great Lakes-St. Lawrence waterway

Whereas the completion of the Great Lakes-St. Lawrence waterway, through which the largest ocean-going vessels will be enabled to reach lake ports, would result in a large reduction in freight rates upon agricultural and manufactured products, with consequent increased returns to the farmers and a great stimulation of industry throughout the entire Middle West; and

Whereas this project has now been brought materially nearer realization by the completion of the new Welland Canal at the expense of Canada, by the settlement of the long controversy over the Chicago Drainage Canal, and by the steps which Canada is now taking for the deepening of the canals to accommodate ocean-going vessels around the rapids of the St. Lawrence River in the Canadian section thereof; and

Whereas all that remains to be done is the construction of less than 20 miles of canals around the rapids in the international section of the St. Lawrence River, a project which all of the several international commissions and other bodies which have investigated the same have found can be carried out at far less expense than the cost of the Panama Canal; and

Whereas the early beginning of this work would very materially aid in the early restoration of economic prosperity and would afford employment to many workmen now unemployed; and

Whereas the Great Lakes-St. Lawrence waterway has the support of the great majority of the people both of the United States and of Canada, and there is every reason to believe that the Canadian Government as now constituted will welcome negotiations for the early beginning of this work: Therefore be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin hereby again indorses the Great Lakes-St. Lawrence waterway project and respectfully memorializes the President of the United States to at once negotiate arrangements with Canada for the conclusion of a treaty under which this project may become a reality, and also memorializes the Congress of the United States in the event that a treaty is negotiated to promptly ratify the same and to enact the necessary legislation for the beginning of work on this project; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to each House of the Congress of the United States, and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Indian Affairs:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact legislation for the expenditure of moneys appropriated by the Federal Government for Indian relief through State agencies

Whereas many of the Indians in this State are in dire distress at this time, being at the starvation point and dying in large numbers from preventable diseases; and

Whereas the Federal Government makes large appropriations for the relief of the Indians, their education, health work, the promotion of agriculture among them, and like purposes, but little of this money appears ever to reach the Indians; and

Whereas bills are now pending in Congress providing that the moneys appropriated by the Federal Government for the benefit of the Indians in the several States should be expended through the State agencies, which bills have the indorsement of Secretary of the Interior Wilbur; and

Whereas the Indians are the original Americans and their distress is a reproach to the white man's civilization and should not be allowed to continue: Therefore be it

Resolved by the senate (the assembly concurring), That this legislature respectfully memorializes the Congress of the United States to pass legislation before the close of the present Congress to give the States control over the care of the Indians within their borders and making available to them all Federal moneys appropriated for Indian welfare: Be it further

Resolved, That properly attested copies of this resolution be sent to the Secretary of the Interior, to both Houses of the Congress of the United States, and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin; which was referred to the Committee on Pensions:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact a Federal old age pension law

Whereas approximately 6,000,000 persons in the United States are above 65 years of age and at least 2,000,000 of this number are supported by public or private charity or by relatives; and

Whereas the great majority of these aged persons are people of sterling character and worth who have been reduced to dependency by misfortunes and the meagerness of the wages they received during the productive period of their life; and

Whereas no less than 38 foreign countries, including all large civilized countries except the United States, have enacted nationwide old age pension laws, under which all aged persons are given pensions sufficient to support them without in any manner pauperizing them; and

Whereas in the absence of Federal legislation in this country a considerable number of States and counties have enacted old age pension laws to accord more humane treatment to aged dependents but such laws are not only financially burdensome to the States and counties but do not meet the entire problem, which is nationwide and should be dealt with through Federal legislation: Therefore be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to enact a Federal old age pension law along the lines of the old age pension laws which have been passed by Wisconsin and other States: Be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Public Lands and Surveys:

STATE OF WISCONSIN.

Joint resolution relating to the proposed national park on the Apostle Islands

Whereas the United States Government has under consideration the conversion of the Apostle Islands in Chequamegon Bay into a national park; and

Whereas the rock formations and other natural features of these islands are among the most striking to be found anywhere in the North Central States, and the historical associations date back to a Jesuit mission established on Madeline Island more than 200 years ago; and

Whereas the Apostle Islands can still be acquired at a very small outlay, and the highway program which the present legislature has adopted will, within a few years, make them accessible through an improved highway to the millions of people residing in the population centers of the Middle West: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin respectfully memorializes the Secretary of Agriculture, the United States Forest Service, and the Congress of the United States to take necessary steps for the establishment of a national park embracing all of the Apostle Islands, or so many of them as it may be deemed advisable to acquire; be it further

Resolved, That properly attested copies of this resolution be transmitted to the Secretary of Agriculture, the Director of the Forest Service, the presiding officers of each of the Houses of the Congress of the United States, and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
N. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of Wisconsin, which were referred to the Committee on Military Affairs:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to provide for the conscription of wealth in time of war

Whereas in time of war the Nation must demand from many of its citizens their most valuable possession, life itself; and

Whereas when the Nation requires such sacrifices from some of its citizens it is but fair that others who are not required to risk their health and lives should contribute any wealth, which they may have beyond their needs, to the common cause; and

Whereas great wealth is to-day international, so that the international banker and financier profit from war, no matter which side wins: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully petitions the Congress of the United States to enact legislation to the effect that no person, association, or corporation be allowed to retain any excess profits made from or by reason of any war: Be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to pass appropriate legislation for the restoration of Fort Howard

Whereas the old Fort Howard, located at Green Bay, is one of the outstanding historic spots in Wisconsin, marking the probable site where Jean Nicolet landed in 1634 as the first white man ever to come to Wisconsin, after which it was for more than a century the site of a French fort and fur-trading station, later becoming a British fort, and in 1816 a regular United States Army post, with its present name, and for more than a quarter of a century was one of the three United States forts which protected the water-route connection between the Great Lakes and the Mississippi River and the principal military road in this State; and

Whereas a movement to restore Fort Howard was inaugurated a little more than a year ago by the city council of Green Bay and a bill was introduced in the last Congress by Senator BLAINE for a Federal appropriation for this purpose, which will, no doubt, be again offered in the first session of the present Congress: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to enact appropriate legislation for the restoration of Fort Howard and its preservation as a memorial of the stirring days of the early history of this State: Be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of Wisconsin, which were referred to the Committee on Agriculture and Forestry:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact legislation to prohibit the use of oleomargarine in Federal institutions and in the Army and Navy of the United States

Whereas oleomargarine is a product manufactured mainly from vegetable oils not produced in the United States, in competition with butter, which is one of the principal sources of income of the American farmers; and

Whereas oleomargarine is an imitation product, inferior in many respects to butter, with which it unfairly competes; and

Whereas the existing Federal laws permit oleomargarine to be used in the institutions conducted by the National Government and in the Army and Navy of the United States, and not less than 1,000,000 pounds of oleomargarine were fed to inmates and employees in the Federal institutions in 1929 alone; and

Whereas this State absolutely prohibits the use of oleomargarine in any institution supported in whole or in part from public funds: Therefore be it

Resolved by the assembly (the senate concurring), That this legislature hereby respectfully memorializes the Congress of the United States, before the adjournment of the present session, to enact a law prohibiting the use of oleomargarine or any other kind of butter substitute in the Army, Navy, hospitals, and other Government institutions; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact legislation for the public operation and development of Muscle Shoals

Whereas during the war period the United States Government invested more than $150,000,000 in dams and other property in the stretch of the Tennessee River in Alabama known as Muscle Shoals, and this is one of the world's greatest power developments; and

Whereas this great investment of the people of the United States is being dissipated through the failure of Congress to make provisions for the development and operation of this project and there is grave danger that the entire property will be given away to power interests on the plea that the Government should not engage in business; and

Whereas President Hoover during the presidential campaign of 1928 in an interview stated that the principle that the Government should not engage in business should not be applied to Muscle Shoals inasmuch as this project has already been developed at public expense, and the benefits thereof should go to the entire people of the country and not to any limited number of private individuals or corporations; and

Whereas the Seventieth Congress enacted legislation for the public development and operation of Muscle Shoals, only to have this bill killed by a pocket veto, and the United States Senate in the Seventy-first Congress has passed a similar measure: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of the State of Wisconsin again expresses its indorsement of the plan for the public operation and development of Muscle Shoals, generally known as the Norris bill, and urges the Congress of the United States to promptly pass this measure and the President to give his approval thereto; be it further

Resolved, That properly attested copies of this resolution be transmitted to the President of the United States, to both Houses of the Congress of the United States, and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution relating to Federal aid for forestry

Whereas of the original 820,000,000 acres of forest lands in the United States only 100,000,000 acres of virgin timber remain, and the annual timber cut is five times as great as the timber growth; and

Whereas there are above 200,000,000 acres of cut-over lands in this country which are at present practically valueless for any purpose other than for growing timber; and

Whereas promising beginnings in reforestation have been made, not only by the Federal Government but by many of the States and counties, the further development of which is dependent to a very great extent upon the provisions for financial assistance; and

Whereas the Federal Government, through its aids for public roads, upon which it has spent nearly a billion dollars, stimulated the good-roads movement and got all States interested in the improvement of their highways; and

Whereas similar results could be expected if the Federal Government in a substantial manner aided reforestation work by the States and counties: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to enact legislation for aid to the extent of 10 cents per acre per year to States and the political subdivisions thereof maintaining county forests, such aid to be expended exclusively for carrying on forestry on publicly owned lands; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution commending the Democratic Senators who voted to override the President's veto of the Muscle Shoals bill

Whereas the Legislature of Wisconsin has several times memorialized the Congress of the United States to pass the Muscle Shoals public power bill; and

Whereas such a bill was passed by Congress but vetoed by President Hoover: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin hereby commends the 33 Democratic Senators who voted to override the President's veto of the Muscle Shoals public power bill; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States Senate and to the Democratic Senators who are commended herein.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution relating to the opening date of the hunting season for migratory birds

Whereas the Secretary of Agriculture, with the approval of the President, on March 17, 1931, promulgated a regulation, under the authority conferred upon him by the migratory bird treaty act, in which the opening date for hunting migratory birds within the State of Wisconsin is fixed as October 1, instead of September 16, as heretofore; and

Whereas many varieties of migratory game birds leave Wisconsin to fly south before October 1, so that the change in the Federal regulations will prevent any hunting of these birds in this State; and

Whereas this change in the opening date of the hunting season will not afford any additional protection to the migratory game birds, but will merely deprive citizens of the Nortern States from hunting, while citizens of States further south are free to shoot these birds: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully requests the Secretary of Agriculture and the President to rescind the order of March 17, 1931, in so far as it changes the opening day for the hunting of migratory game birds in this State from September 16 to October 1, and also urges the Members of Congress of this State to make every effort to have this order rescinded, or to have the statute amended to give relief in this respect to the people of Wisconsin; be it further

Resolved, That properly attested copies of this resolution be transmitted to the President of the United States, the Secretary of Agriculture, the presiding officers of both Houses of the Congress of the United States, and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of Wisconsin, which were referred to the Committee on Finance:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to amend the Federal income tax law so as to give credit for income-tax payments made to the several States

Whereas income taxes are in accord with the principle of ability to pay and the fairest of all taxes; and

Whereas the income tax is an important source of revenue to 16 States, and a dozen or more other States are considering the enactment of State income tax laws; and

Whereas as long as all States do not have State income taxes there is opportunity for evasion through the nominal removal of a taxpayer from an income-tax State to a non-income-tax State, and threats are made of several more effective removals whenever any attempt is made to place a larger part of the total tax burden upon incomes; and

Whereas the similar situation which formerly existed with reference to the State inheritance tax laws was remedied by the simple device of giving credit for payments of inheritance taxes made to the several States in the determination of the Federal inheritance tax; and

Whereas a similar provision is entirely feasible with reference to State income taxes as well as inheritance taxes, and would be effective to prevent much evasion now occurring and make it possible to use the State income taxes to effect the much-needed, really substantial readjustment of the burden of State and local taxes: Therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to amend the Federal income tax law so as to give credit to income taxes paid to the State as an offset against Federal income taxes assessed against the same taxpayer, similar to the credit now allowed under the Federal inheritance tax law for inheritance taxes paid to the States; be it further

Resolved, That properly attested copies of this resolution be submitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to refrain from enacting a law placing a tariff or embargo on crude petroleum and the refined products thereof

Whereas petroleum producers have secured the legislatures in certain petroleum-producing States to pass resolutions memorializing the Congress of the United States to enact a law placing a tariff or an embargo on petroleum and its refined products, claiming that such a measure is necessary as a relief measure to the industry in these States; and

Whereas such a tariff or embargo would place an additional burden of over $350,000,000 that would be borne by the owners of over 27,000,000 automobiles and trucks, and would be a benefit to comparatively few petroleum producers; and

Whereas only four or five States produce oil to any considerable extent and their citizens comprise only a small portion of the population of the United States; and

Whereas petroleum and its refined products are necessary to carry on trade and commerce; and

Whereas it has been the well-settled policy for the past decade, both by the petroleum producers and the Government, to conserve our petroleum deposits; and

Whereas an embargo or tariff would have the effect of hastening the depletion of petroleum in the United States and increase the price of gasoline to the consumer: Therefore, be it

Resolved by the assembly (the senate concurring), That this legislature hereby respectfully memorializes the Congress of the United States to refrain from the enacting of any laws imposing a tariff or an embargo on crude petroleum or the refined products thereof; and be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of Congress of the United States, and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
N. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution memorializing Congress to enact a law making income from royalties on patents and copyrights taxable under State income tax laws

Whereas in Long *v.* Rockwood (277 U. S. 142), decided two years ago, the United States Supreme Court in a five to four decision held unconstitutional, as violation of section 8 of Article I of the United States Constitution the attempt of the State of Massachusetts to tax income from royalties on patents and copyrights; and

Whereas in Educational Film Corporation of America *v.* Hamilton Ward, a case decided January 12, 1931, the United States Supreme Court held valid an excise tax imposed by the State of New York on the income from royalties received from patents and copyrights; and

Whereas many cases are now pending in the courts of this State involving the question whether the attempt of this State to tax the income from royalties on patents and copyrights violates the Federal Constitution; and

Whereas the decisions of the United States Supreme Court herein mentioned leave uncertain whether income from royalties can now be taxed under a State income tax law; and

Whereas Congress can remove this doubt by specifically providing that royalties on patents and copyrights may be taxed under the State income tax laws: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature hereby respectfully memorializes the Congress of the United States to enact legislation to specifically authorize the States to tax royalties on patents and copyrights to the same extent and in the same manner as they tax other income. Be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof, and also to both houses of the legislatures of all States having State income tax laws whose legislatures are now in session.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution relating to an increase in the tariff on butter, cheese, and eggs

Whereas the prices now being paid for dairy products and eggs are the lowest in over 20 years; and

Whereas these prices are absolutely ruinous to all dairy farmers and threaten universal bankruptcy; and

Whereas these low prices are at least partly due to the large importations of butter, cheese, and eggs from foreign countries, no less than 3,298,000 pounds of butter, 84,606,000 pounds of cheese, 291,000 dozen eggs, 10,000,000 pounds of dried eggs, and 27,968,000 pounds of frozen eggs, egg yolks, and egg albumen being imported in 1929; and

Whereas this destructive competition can be absolutely eliminated through more adequate tariff duties: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the President of the United States and the Tariff Commission and the Congress of the United States be, and they are hereby, respectfully requested to promptly take measures for the increase of the tariff on butter, cheese, and eggs to eliminate all destructive competition, which is a large factor in the ruinous prices now being paid for these products. Be it further

Resolved, That properly attested copies of this resolution be transmitted to the President of the United States, the United States Tariff Commission, to each House of the Congress of the United States, and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution memorializing Congress to remit interest charges on soldiers' bonus

Whereas the United States Government pursuant to act of Congress is loaning to veterans of the World War 50 per cent of their bonus certificates and is charging 4½ per cent interest on said loans; and

Whereas these young men risked their lives in the service of their country and gave up their opportunities to earn a living and many of them are in extremely needy circumstances; and

Whereas the Government has reduced the debts of foreign nations; and

Whereas the Government pays no interest on such bonus certificates in cases where the veterans do not make loans upon them: Now, therefore, be it

Resolved by the assembly (the senate concurring), That this legislature respectfully memorializes the Congress of the United States to enact a law remitting the interest on such bonus loans; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
W. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution commending President Hoover for his "debt moratorium proposal"

Whereas the present world-wide depression presents a situation that can be solved only through effective leadership and the cooperation of all peoples; and

Whereas President Hoover has suggested a debt-moratorium plan to aid in relieving the present financial crisis in Europe, and particularly in the great German Republic and its people oppressed with excessive debt payments; and

Whereas this proposal has created a wave of optimism throughout the world and will aid in stimulating trade and industry: Now, therefore, be it

Resolved by the senate (the assembly concurring), That this legislature respectfully commends President Hoover for his efforts to aid in stabilizing the financial, and thus relieving the unemployment, situation confronting all peoples; be it further

Resolved, That properly attested copies of this resolution be transmitted to President Hoover, to the Presiding Officer of each House of Congress, and to the Senators and Representatives of the Wisconsin delegation in Congress.

HENRY A. HUBER,
President of the Senate.
W. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of Wisconsin, which were referred to the Committee on the Judiciary:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress to propose an amendment to the Constitution of the United States repealing the eighteenth amendment

Whereas the American Constitution was designed as a fundamental instrument of government. It was not intended to be a declaration of police powers nor an invasion of the rights of sovereign States or their citizens.

The eighteenth amendment attempts to accomplish these things. It was ratified through hysteria under the stress of war conditions. It never had, and it never will have, that public sanction without which it can not be enforced.

Attempts to enforce it without such sanction have cost the expenditure of billions of dollars, with the loss of enormous revenue in taxation which might have been derived from better regulatory control.

The eighteenth amendment and its impossibility of enforcement have brought both the Federal Constitution and law into disrepute, and is a subject for jesting throughout the world.

In the overwhelming cost of attempted enforcement and in the enormous loss of revenue which should be derived from the proper regulation of the sale of intoxicating beverages, the eighteenth amendment is an unwise imposition on the American people—it ought to be eliminated from the Federal Constitution: Therefore be it

Resolved by the assembly (the senate concurring), That we do hereby petition the Congress of the United States to adopt and submit to the various States for ratification a proper amendatory resolution for the purpose of eliminating the eighteenth amendment from the United States Constitution; be it further

Resolved, That a properly certified copy of this resolution be sent to each of the following officials: To the President of the United States Senate, to the Speaker of the House of Representatives, to the Chief Clerks of said respective Houses, and to each Senator and Representative from the State of Wisconsin in the Congress of the United States.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. H. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution relating to a constitutional convention to amend or repeal the eighteenth amendment to the Constitution of the United States

Whereas the eighteenth amendment to the United States Constitution providing for nation-wide prohibition represents a policy which has proven unworkable and is contrary to the wishes of the great majority of the people of this State; and

Whereas Article V of the United States Constitution provides for the calling of a constitutional convention to propose amendments to the Constitution when the requisite number of States request such a convention: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of the State of Wisconsin hereby respectfully memorializes the Congress of the United States, pursuant to Article V of the Constitution, to call a convention for the purpose of either amending or repealing the eighteenth amendment. Be it further

Resolved, That properly attested copies of this resolution be transmitted to both houses of the Congress of the United States and to each Wisconsin Member thereof.

Senate: Ayes, 41; noes, 14.

Assembly: Ayes, 19; noes, 6.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to provide for a nation-wide referendum on prohibition

Whereas the eighteenth amendment and the Volstead Act were adopted without affording the voters of this country an opportunity to express their wishes upon prohibition; and

Whereas, while the voters of many States, including Wisconsin, have in an unmistakable manner expressed their disapproval of prohibition, there has never been afforded an opportunity to the qualified voters of the entire country to express themselves upon this subject; and

Whereas a nation-wide popular referendum would give an accurate expression of the wishes of the people on this question and is the democratic way of settling the same: Therefore be it

Resolved by the senate (the assembly concuring), That the members of the Legislature of the State of Wisconsin hereby record themselves as respectfully memorializing Congress to enact the necessary legislation for the holding of a nation-wide referendum on the two following questions:

1. Shall the policy of prohibition be abandoned?
2. Shall the Volstead Act be amended to allow the manufacture and sale of 2.75 per cent beer? Be it further

Resolved, That a copy of this resolution, duly attested by the proper officers of the senate and assembly, be transmitted to the presiding officers of each house of Congress.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution memorializing Congress to enact legislation for the regulation of the sale of intoxicating liquor, similar to the liquor control laws of the Province of British Columbia, Canada

Whereas since the enactment of the eighteenth amendment to the Constitution, its enforcement has met with little success; and

Whereas the prohibition question has become of acute national importance; and

Whereas the time has arrived when proper action should be taken to alleviate the deplorable conditions relating to prohibition; and

Whereas the Province of British Columbia, Canada, does effectively and satisfactorily regulate the sale of intoxicating liquors: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of the State of Wisconsin does hereby urge Congress to promptly enact legislation for the regulation of the sale of intoxicating liquors, similar to the laws now enforced in the Province of British Columbia, Canada; and be it further

Resolved, That a copy of this resolution, properly attested, be sent to the presiding officer of each House of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution relating to the so-called Wickersham report on prohibition

Whereas the United States Commission on the Enforcement of the Criminal Laws, popularly known as the Wickersham Commission, in a divided report has recommended further trial and strict enforcement of the policy of national prohibition; and

Whereas despite the fact that this commission was appointed by a President who in the 1928 presidential campaign termed prohibition "a noble experiment" and the majority of its members were known to be supporters of prohibition, 2 of the 11 members declared themselves in favor of the repeal of the eighteenth amendment and 4 others expressed their conviction that this amendment should be modified; and

Whereas the recommendation made by the commission that prohibition be given a further trial and that increased appropriations be made for its enforcement is inconsistent with the views expressed by these six members of the commission; and

Whereas experience has demonstrated that prohibition is unenforceable, results in making criminals of law-abiding citizens, and immensely increases the difficulties of preventing serious crimes: Therefore be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin hereby urges upon the Congress of the United States the immediate repeal or modification of the eighteenth amendment to the Constitution of the United States and the abandonment of the policy of prohibition in lieu of voting increased appropriations for its enforcement; be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, the members of the United

States Commission on the Enforcement of the Criminal Law, to both Houses of Congress, and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution relating to the manufacture and sale of beer and wines

Whereas this country is now faced with a most serious depression and there are few, if any, measures which will accomplish so much to stimulate business and employment as would a modification of the Volstead Act to allow the manufacture and sale of beer and wine; and

Whereas legalization of the manufacture of beer alone would afford employment to nearly 2,000,000 men; would mean increased sales and earnings to the farmers, grain dealers, automobile and truck companies, and box and bottle factories; would stimulate railroad transportation, real estate, and other kindred businesses; and would prove beneficial to all industries through increasing the buying power of the consuming public by 2,000,000 well-employed men; and

Whereas such a modification of the Volstead Act would help to rid the country of racketeering, highjacking, and other evils which have followed the trail of prohibition: Therefore be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin respectfully memorializes the Congress of the United States to relieve the present depression and to bring work and business to millions by modifying the Volstead Act to permit the manufacture and sale of beer and wine; be it further

Resolved, That properly attested copies of this resolution be sent to the presiding officers of both Houses of Congress and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution memorializing the Congress to pass a Federal antilynching act

Whereas lynching not only constitutes a grave crime but tends to undermine respect for law and order and government itself; and

Whereas, despite increased public sentiment against lynching, a considerable number of such outrages occur each year; and

Whereas there is little hope for the complete abolition of lynching until the Federal Government will make this its responsibility: Now, therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin respectfully memorializes the Congress of the United States to enact appropriate legislation for the apprehension and punishment of all persons guilty of lynching in any part of the United States; be it further

Resolved, That a copy of this resolution, properly attested, be forwarded to the presiding officers of both Houses of the Congress and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

STATE OF WISCONSIN.

Joint resolution memorializing Congress to grant Federal aid to abolish lynching

Whereas the people of the State of Wisconsin have been deeply shocked by, and justifiably incensed over, the lynching outrages which have at various times been perpetrated in some of the States; and

Whereas it is the sense of the people and of the legislature of this State that such outrages have a marked and definite tendency to destroy respect of our people for law and order; and

Whereas the dispensation of justice to and punishment of persons suspected of crime is not a matter to be dealt with by a group or groups of aroused and angry citizens having no regard or consideration for constitutional rights and no respect for the adopted and deliberate rules of evidence and procedure: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of the State of Wisconsin earnestly requests and petitions the Congress of the United States to enact legislation which will effectively end the lynching or other destruction of persons accused or suspected of crime in any other way or by any other authority than by due process of law and by a duly constituted code of justice; and be it further

Resolved, That a copy of this resolution, properly attested, be forwarded to the President of the United States, the presiding officers of both Houses of Congress, and to the Wisconsin Senators and Representatives therein.

CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.

STATE OF WISCONSIN.

Joint resolution relating to the election of Federal judges

Whereas all Federal judges are appointed for life and are subject to removal only through impeachment and for grave crimes and misdemeanors; and

Whereas the experience in this State has demonstrated that an elective judiciary with a limited term increases rather than weakens the prestige of the judiciary and increases the confidence which the people have in the courts without impairing the quality of the judges: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to submit an amendment to the Federal Constitution under which all judges will be elected by the people of the districts in which they serve for terms of 10 years; be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.

The VICE PRESIDENT also laid before the Senate the following joint memorials of the Legislature of the Territory of Alaska, which were referred to the Committee on Territories and Insular Affairs:

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska, and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial No. 2 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 29th day of April, A. D. 1931.

[SEAL.] KARL THEILE,
Secretary of Alaska.

Senate Joint Memorial 2 (by Mr. Dunn and Mr. Lomen; committee substitute) in the Legislature of the Territory of Alaska

To the Congress of the United States, Department of Commerce, and Bureau of Fisheries:

Your memorialist, the Legislature of the Territory of Alaska, respectfully represents that—

Whereas the present regulations prevent the inhabitants of the Yukon River Valley from canning or mild-curing salmon for the open market, thereby forcing them to dry their entire catch for dog feed; and

Whereas the market for dried fish being very limited as compared with previous years, the fisherman's means for gaining a livelihood for self and family on the Yukon River has almost vanished; and

Whereas the estimated average yearly catch of salmon on the Yukon River between the points of 35 miles above and 35 miles below the town of Tanana is 135 tons of dried fish, which catch can be maintained without danger of depletion, having a sale price of 8 cents per pound, or a total value of $21,600; and

Whereas a 10-pound salmon when dried weighs only 3 pounds, and approximately one-half of the salmon caught consist of kings and silvers, which would bring the highest price on the market if sold for human consumption. A fair estimate of the yearly loss to the people of this one section alone because of the prohibition placed on the preparation of the Yukon salmon for human consumption on the open market, based on a sale value of 15 cents per pound, is $56,700; and

Whereas the grand igloo of the pioneers, by resolution condemned the present wasteful practice of drying kings and silvers for dog feed, forced on the people along the Yukon by regulations, and requested the legislature to memorialize the Bureau of Fisheries to grant relief: Wherefore

Your memorialist prays that these people be granted the right and privilege of establishing local community canneries, limiting the pack to a point where there is no danger of depletion or be permitted to dispose of the first-class salmon in any manner

whereby they may secure the highest market value for their product, thereby enabling them to secure a fair competence for their labors and assist materially in building up several prosperous villages along the Yukon River.

And your memorialist will ever pray.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial No. 6 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 20th day of April, A. D. 1931.

[SEAL.] KARL THEILE,
Secretary of Alaska.

Senate Joint Memorial 6 (Mr. Bragaw and Mr. Dimond)

To the PRESIDENT,
To the CONGRESS, and
To the SECRETARY OF THE INTERIOR.

Your memorialist, the Legislature of Alaska, respectfully represents:

The Alaska Railroad was greatly conceived with the thought that it would develop the Territory of Alaska in the same fashion that the great transcontinental railroads had developed and brought about the settlement of vast regions of the United States west of the Mississippi River. In this conception it was realized that the railroad for many years after construction would probably not pay the cost of operation. It was further realized that in order to make the railroad a success it would be necessary to actively stimulate and encourage the settlement of the public lands lying adjacent to the railroad and to foster and promote the cultivation and working of such lands by active aid from the United States so that the rigors confronting the initial pioneers and settlers might be lessened, and thus a prosperous and contented population dwell in the region of the railroad. Before this plan could be carried into effect, the World War and the vast economic and political difficulties arising from the war, turned the thoughts and energies of men elsewhere so that all of the plan for the Alaska Railroad and for its proper development were pushed aside and nothing was done except to build the railroad itself, no attempt being made to otherwise develop the region served by the railroad. In a frontier country like Alaska, it is obvious that great difficulties confront the early settlers and that they need every aid and encouragement if the land is to be settled and developed. In the past men were not blind to this fact, for, in this connection, it is to be borne in mind that the extensive grants of land to the western railroads, embracing in many cases mineral as well as agricultural lands, and the grants of other aid alone made possible the building of those roads; and that these grants so greatly exceeded in value the money heretofore spent by the United States on the Alaska Railroad that the latter sums seem trifling by comparison. It is to be further remembered that Alaska is economically cppressed by a system of conservation entirely unknown at the time of the building of the western railroads and the settlement of the domain which they traversed.

The original conception of the development of Alaska could still be made to bear fruit if men of broad vision would earnestly devote themselves to the project. This conception can not be furthered by a narrow-minded policy which insists that the railroad shall always and at all times pay the cost of its operation without regard to the effects thereof upon the settlement and development of the surrcunding region. This new policy of the Government, if it can be justly called a policy, put into effect at the last session of Congress, and resulting in a material raise in the rates of freight and passenger traffic over the Alaska Railroad, is bound to result in disaster to the railroad and to the people of Alaska, and such policy is moreover an abandonment of the statesmanlike and comprehensive plan under which the building of the railroad was commenced and the plan likewise which fostered the building of the western railroads.

The Alaska Railroad is now blessed with efficient management. The railroad has at its head in Alaska a man who has the vision, the energy, and the driving power to make the railroad a success. But his energy will be wasted and his efforts vain if the railroad is to be considered merely as a money-making institution, and it is sternly insisted that every day shall yield its pound of flesh in revenue. If the present policy, or lack of policy, continues for any great length of time, the case of the Alaska Railroad is indeed hopeless.

Wherefore your memorialist prays that the order recently made for increasing the rates on the Alaska Railroad be set aside and that the old rates be restored or lower rates be put into effect, and that a systematic plan for the aid of the Alaska Railroad be carried out, to the end that Alaska may be settled and developed in the same fashion as were the regions served by the great transcontinental railroads of the United States.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Senate Joint Memorial No. 8 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 6th day of May, A. D. 1931.

[SEAL.] KARL THEILE,
Secretary of Alaska.

Senate Joint Memorial 8 (by Mr. Dimond)

To the PRESIDENT,
To the CONGRESS, and
To the Hon. JAMES WICKERSHAM,
Delegate to Congress from Alaska.

Your memorialist, the Legislature of Alaska, respectfully represents:

That the act of Congress of August 1, 1912 (37 Stat. 242), embraced in sections 129a, 129b, 129c, 129d, and 129e of the Compiled Laws of Alaska, relating to the location of placer-mining claims in the Territory of Alaska and the annual labor required thereon is retarding the proper development of the placer-mining industry of said Territory and no longer serves any useful purpose.

The Legislature of Alaska has passed an act (Senate bill 59) repealing said act of Congress, the same to be effective when approved by the Congress.

Wherefore your memorialist prays that the Congress approve said act of the Legislature of Alaska repealing the said act of Congress of August 1, 1912.

Passed by the senate April 29, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

Passed by the house April 30, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of Joint Memorial No. 1 of the Alaska Territorial Legislature, 1931, with the original thereof and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 7th day of May, A. D. 1931.

[SEAL.] KARL THEILE,
Secretary of Alaska.

Joint Memorial 1

To the CONGRESS OF THE UNITED STATES and
The SECRETARY OF COMMERCE OF THE UNITED STATES and to
The COMMISSIONER OF FISHERIES OF THE UNITED STATES:

Your memorialist, the Legislature of the Territory of Alaska, respectfully represents:

That during the past few years the fur-farming industry in the Territory of Alaska, the Territory's infant industry, through the efforts of the individual residents of the Territory, under the most trying and adverse conditions, has been built up to a point where to-day there are approximately 500 licensed fur farms with a total investment of approximately $7,000,000.

That the greater majority—in fact, at least 90 per cent—of these fur farms have been established and maintained by the untiring efforts of individuals with little, if any, capital, derived in nearly all cases from the individual earnings of the fur farmers.

That in most cases, in order to carry on the business and maintain their respective farms, the individuals, who constitute the greater portion of Alaska's fur farmers, are obliged to seek employment during the summer months in order to be able to maintain their fur farms; that very few of these farms are on a self-sustaining basis and that most of these farms are operated by the owners themselves, they being unable to employ assistance.

That fish constitute a considerable portion of the diet of fur bearers but that under existing law fish taken for feeding fur-bearing animals are for commercial purposes just as are fish taken for human consumption, and all the limitations applicable to commercial fishing apply fully to fish taken for food of such animals.

That during the period in which commercial fishing is permitted in the waters of the Territory the majority of the fur farmers are engaged in earning a livelihood for themselves and their families and of sufficient funds to permit them to continue with their fur-farming ventures and are unable to secure and conserve a sufficient food supply for their animals.

Wherefore your memorialist prays that the existing law be so amended by Congress as to permit the taking of salmon for fur-bearing animal feed.

And your memorialist will ever pray.

Passed by the house April 1, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 28, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 3 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 18th day of April, A. D. 1931.

[SEAL.]

KARL THEILE,
Secretary of Alaska.

House Joint Memorial 3 (by Mr. McCutcheon)

To the President and to the Congress of the United States:

Your memorialist, the Legislature of the Territory of Alaska, in the tenth regular session assembled, respectfully represents that:

Whereas during the World War approximately 4,000 persons, residents of Alaska, enlisted or were inducted into the military and naval service of the United States, rendering therein excellent service; and

Whereas all or nearly all of the persons so serving with the forces of the United States made sacrifices by reason of such service above and beyond any sacrifices made by those who were unable or failed to undertake such service; and

Whereas it is fitting and proper that the Territory should render a grateful tribute to her sons and daughters who in time of danger took arms for the defense of their country; and

Whereas by reason of its limited powers and its reluctance to impose burdensome taxes on the people, already sufficiently taxed, it is impracticable for the Legislature of Alaska to pay Alaskan soldiers, sailors, or marines, or nurses any money, bonus, compensation, or reward, and the only practicable way of showing the gratitude of the country is by an act of Congress making a grant of lands in Alaska to the persons from Alaska who served in the World War; and

Whereas a grant of 160 acres of land to each of the persons from Alaska who served in the World War would not cover more than one-half of 1 per cent of the vacant and unoccupied lands of Alaska in which the title still remains in the United States:

We therefore pray that an act be passed by Congress and signed by the President granting each person from Alaska who served in the military or naval forces of the United States during the World War, 160 acres of land, to be selected by the grantee from any open or unappropriated public lands now subject to homestead entry, or one lode or placer mining claim of legal dimensions, and that no requirements of settlement, cultivation, labor, or improvement be imposed on the grantee, and that the right to take up and select such lands be made assignable and transferable, and that further provision be made giving to those entitled hereunder to the benefits of such grant but who are now nonresidents of Alaska or so situated as to make impracticable the location and selection of such lands in person, the right to locate and select such lands by attorney in fact under written power of attorney.

Provided further, that to be entitled to such grant persons shall have been bona fide residents of the Territory of Alaska who were regularly called, enlisted, drafted, inducted, or commissioned, and who served on active duty in the Army, Navy, or Marine Corps, or Corps of Nurses of the United States between the 6th day of April, 1917, and the 11th day of November, 1918. Also, any such bona fide resident who being a citizen of the United States at the time of his entry therein, served on active duty in the army, navy, or air forces, or corps of nurses of the governments associated with the United States between those dates.

Persons who while in such service were separated therefrom under circumstances amounting to a dishonorable discharge and who have not been subsequently restored to honorable status are not entitled to grant hereunder.

And your memorialist will ever pray.

Passed by the house April 2, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Clerk of the House.

Passed by the senate April 11, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

House Joint Memorial 4 (by Mr. Foster)

To the PRESIDENT OF THE UNITED STATES.
To the Hon. RAY LYMAN WILBUR,
Secretary of the Interior.
To the CHAIRMAN OF THE COMMITTEE ON INDIAN AFFAIRS OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES.
To the CHAIRMAN OF THE COMMITTEE ON INDIAN AFFAIRS OF THE SENATE OF THE UNITED STATES.
To the CHAIRMAN OF THE COMMITTEE ON APPROPRIATIONS OF THE HOUSE OF REPRESENTATIVES OF THE UNITED STATES.
To the Hon. JAMES WICKERSHAM,
Delegate to the Congress of the United States from the Territory of Alaska.

Your memorialist, the Legislature of the Territory of Alaska, in tenth regular session assembled, does most earnestly and respectfully represent that:

Whereas the population of the Territory of Alaska consists of approximately 60,000 inhabitants, equally divided between white people and peoples of the Indian and mixed races; and

Whereas the said Indian population of the Territory of Alaska comprises approximately one-seventh of that portion of the total Indian population of the United States treated as wards of the United States Government; and

Whereas the Government of the United States has for more than 100 years followed the policy of Federal aid to aboriginal peoples through reservations, grants of land, assistance in the purchase of farm machinery and equipment, maintenance of schools and hospitals, aid to the poor and needy, and through liberal Federal appropriations for other forms of relief; and

Whereas the recent Interior Department appropriation bill provides for an expenditure of a sum in excess of $22,000,000 for the continuation of its work among the Indians of the United States as a whole, of which said sum only a one-twentieth part thereof, or $1,125,000 has been allotted to the Territory of Alaska for education and medical relief; and

Whereas the Indians of the United States proper, by killing the early white settlers who attempted to dispossess them of their ancient hunting grounds, forced the United States Government to recognize their rights and to provide them with lands and other preferences which have, in many cases, made them prosperous, while the aborigines of Alaska, being of peaceable and law-abiding dispositions, have quietly pursued their humble occupations, while the white man took the best of their fishing grounds and trapping rights, until, with but a few exceptions, the 30,000 Indians of the Territory of Alaska find difficulty in providing themselves with the necessities of life, with the result that, and because of their peaceable dispositions and lives, the United States Government has taken but little interest in the aboriginal population of Alaska, has not provided adequate reservations for their use, nor has the Indian of Alaska been given intelligent aid to the end that he might learn to compete with the white man, nor been given proper medical attention; the truth of which statement is apparent from an examination of the records of vital statistics of the Territory of Alaska, said records showing that in the past 15 years the death rate due to tuberculosis among Indians and those of mixed blood, is 36½ per cent, as against 1.7 per cent due to the same cause in the United States proper; and

Whereas the Secretary of the Interior, testifying before the Committee on Appropriations of the House of Representatives of the United States Congress, has recently (November, 1930) stated the policy of his department to be to turn over to the various States and Territories the responsibility for the control and operation of the schools, hospitals, and other relief organizations among the Indians, as is shown by the following statement appearing on page 11, Interior Department appropriation bill, 1932: (By Secretary Wilbur.) "We have put about one-half the Indians into the white schools now, and we are paying for some of them but not for all. In other words, we are trying to transfer them over to the public-school system if we can do that, and transfer them to the public-health system, and to the general hospitals, instead of building too many buildings of our own. If we can do that, that would help." That this policy of the Interior Department has been in effect in Alaska for some time, as may be seen from the following facts taken from the record of the Territorial Commissioner of Education of Alaska: "That in 71 schools, being all of the schools of the Territory of Alaska maintained and operated outside of incorporated towns, there are 1,608 pupils, of which number 369 are white, the remaining 1,239 being pupils of Indian or mixed blood; that there are 3,468 pupils in 17 schools operated by the Territory in incorporated towns, of whom 3,046 are of white blood and 422 of Indian or mixed blood; that the total percentage of white children in all the schools supported by the Territory of Alaska is not more than 68 per cent; furthermore, that of the funds of the Territory of Alaska appropriated for medical and indigent relief, excluding the Pioneers' Home and the pioneer's pension, approximately 90 per cent is expended among the Indians; and

Whereas the total income of the Territory of Alaska received from license taxes amounts to practically the same amount as is being appropriated each year by the Government of the United States for its work among the Alaska Indians; any further increase in such territorial taxation would, in the opinion of your memorialist, result not only in crippling the present industries of the Territory but in preventing and discouraging the formation and establishment of new industries in Alaska; and

Whereas, as has been shown herein, the taxable resources of the Territory of Alaska are absolutely insufficient to provide revenues

beyond the bare necessities for the support of the territorial government of Alaska and for the education of the white children of the Territory and the relief of the aged and disabled among the white population; and

Whereas a continuation of the policy outlined by the Secretary of the Interior, whereby the Federal Government seeks to avoid responsibility for this great proportion of its wards residing in the Territory and to place said burden upon the territorial government of this sparsely populated area, can result only in retarding the development of Alaska through excessive taxation and in the driving out of the Territory the industries already established therein;

Now, therefore, your memorialist earnestly prays that the policy of the Interior Department, as declared by the Secretary, be relaxed as to the Territory of Alaska; and

That the Interior Department increase appropriations for the care of the Indians in said Territory to an amount proportionate to the ratio which the Alaska Indian population bears to the total number of such wards of the Government of the United States as a whole; and

That the Interior Department provide hospitalization, doctors, nurses, quarantine funds, and other medical service adequate to care for said people; and

That orphan asylums be established; and

That a system of education be established which will train the aboriginal inhabitants of Alaska so that they may successfully compete in those vocations such as boat building, carpentry, gas engineering, wood and ivory carving, basket weaving, and other kindred pursuits as to the male population, and sewing, cooking, nursing, and personal hygiene as to the females, and thus that the aborigines may become a happy, contented, self-supporting, self-respecting people; and

To the further end that the white population of the Territory of Alaska be not oppressed and overburdened beyond its ability and capacity, and that its development be not restricted by responsibilities justly the care of the United States Government, and to the end that it may be permitted to develop normally and become a prosperous unit of these United States of America.

And your memorialist will ever pray.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 5 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 22d day of April, A. D. 1931.

KARL THEILE,
Secretary of Alaska.

House Joint Memorial 5 (by Mr. Nylen)

To the Congress of the United States, Department of Commerce, and the Bureau of Fisheries:

Your memorialist, the Legislature of the Territory of Alaska, in tenth regular session assembled, respectfully represents that:

Whereas the waters of southeastern and southwestern Alaska have received considerable attention by the Bureau of Fisheries and the private interests of the fishing industry, but this work has not been extended to the northern waters; and

Whereas the present halibut and cod banks are being rapidly depleted and it is now necessary for our fishermen to go great distances to secure a catch, many, in fact, entering Bering Sea; and

Whereas it is a generally known fact that there are extensive banks of halibut, cod, and other food fish in the Bering Sea, Kotzebue Sound, and Arctic waters, but concerning which there is no reliable data now available; and

Whereas a thorough survey of these waters will undoubtedly encourage the building up of several large fishing communities along their shores:

Therefore your memorialist prays that plans be prepared and funds secured to make such survey as soon as possible, thereby assisting materially in the development of this great industry.

And your memorialist will ever pray.

Passed by the house April 6, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 17, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 6 of the Alaska Territorial Legislature, 1931, with the original thereof and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 8th day of May, A. D. 1931.

[SEAL.]

KARL THEILE,
Secretary of Alaska.

House Joint Memorial 6 (by Mr. Ziegler)

To the honorable the Congress of the United States:

Your memorialist, the Legislature of the Territory of Alaska, in regular session assembled, respectfully represents:

Whereas the quantity of salmon caught in the waters of Alaska by means of the floating and standing fish trap is gradually increasing; and

Whereas the packers of canned salmon have announced a curtailment of their packs for the season of 1931 now approaching which will eliminate the necessity of using seine-caught fish, and as a result of which the fishermen and seiners will be deprived of an opportunity to earn a livelihood; and

Whereas the use of the fish trap in the salmon-fishing industry militates prejudicially against the development of the Territory and has and will continue to retard the upbuilding of a permanent population in the Territory; and

Whereas it is becoming increasingly more difficult for the local fishermen and seiners to earn a livelihood from their vocation; and

Whereas great and general dissatisfaction exists among the people of Alaska over the manner in which the fisheries of the Territory are being regulated, and it is believed by the people of the Territory that the ends of justice would be better served were the legislature of the Territory given the same powers over the subject as were formerly possessed by other Territories and are now possessed by the States; and

Whereas the people of Alaska have the welfare of their country at heart and are fully capable of administering their own affairs:

Therefore, your memorialist, the Legislature of Alaska, respectfully memorializes the Congress of the United States, pending the time when full Territorial form of government shall be granted, to so amend the existing fisheries laws of Alaska as to permit the legislature to prescribe and define the apparatus and methods to be employed in the catching and taking of salmon in the waters of Alaska and to give to the Territory full power and authority to administer the fisheries to that extent.

Passed by the house April 6, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 28, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 7 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 23d day of April, A. D. 1931.

[SEAL.]

KARL THEILE,
Secretary of Alaska.

House Joint Memorial 7 (by Mr. Foster)

To the Congress of the United States, Department of Commerce, and the Bureau of Fisheries:

Your memorialist, the Legislature of the Territory of Alaska, in tenth regular session assembled, respectfully represents that:

Whereas the waters of the Territory of Alaska abound in valuable food fish of which a very limited commercial use has been made as compared to the ultimate development of such resource given an adequate survey and examination of the same, which survey has never been made; and

Whereas the present fishing season of Alaska continues but a short period, leaving the fishing population of this Territory without occupation for the greater part of the year; and

Whereas an adequate survey and mapping of the waters of the Territory would, in the opinion of your memorialist, disclose vast

banks of spider or king crab, additional halibut and cod banks, shrimp, and many other varieties of useful marine products.

Therefore your memorialist prays that funds be provided for a comprehensive survey of the waters adjacent to the coast of Alaska from its southern boundary to the Arctic Ocean.

And your memorialist will ever pray.

Passed by the house April 8, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 17, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 9 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 24th day of April, A. D. 1931.

[SEAL.]

KARL THEILE,
Secretary of Alaska.

House Joint Memorial 9 (by Mr. Winn)

To Congress of the United States:

Your memorialist, the Legislature of Alaska, respectfully represents:

That by far the greatest part of the legal business in the Territory of Alaska is transacted in the courts of the United States commissioners, that these officials are remunerated for their services by fees paid by the litigants, that this system has proved nefarious and inadequate, and so much so that in the larger number of precincts it has been found impossible to secure the services of competent men for those positions;

That your memorialist considers the present archaic system decidedly unsuited to the conditions of the Territory and a menace to its people.

Now, therefore, your memorialist prays that proper legislation be enacted to the end that the commissioners appointed for the various precincts in Alaska be paid a fixed salary.

And your memorialist will ever pray.

Passed by the house April 17, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 22, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

Approved April —, 1931.

——— ———, *Governor.*

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 11 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 8th day of May, A. D. 1931.

[SEAL.]

KARL THEILE,
Secretary of Alaska.

House Joint Memorial 11 (by Mr. Hellerich and Mr. Allyn)

To the PRESIDENT OF THE UNITED STATES and
To the CONGRESS OF THE UNITED STATES and
To the Hon. JAMES WICKERSHAM,
Delegate to Congress from Alaska.

The Alaska Legislature has repealed the Alaska bone-dry law, chapter 53 of the Public Laws of the Sixty-fourth Congress, second session (39 Stat. 903–909).

There is substantial doubt upon the question of whether the Alaska Legislature is authorized to do this.

Your memorialist represents that the action taken by the legislature was not taken either to indorse or repudiate prohibition, but was taken solely to promote the interest of humanity.

The Alaska bone-dry law is not an enforcement act, since there are no Territorial enforcement officers. The law-enforcement machinery of the Territory is entirely in the hands of the Federal Government, so that the Volstead Act can be made to serve every purpose required of a prohibition law.

The most serious objection to the Alaska bone-dry law lies in the fact that it prevents the use of intoxicating beverages for medicinal purposes. When the law was first adopted it was supposed that medicinal liquors could, notwithstanding the provisions of the law, be supplied under the general statutes of the United States, but the courts held otherwise. This did not at first present a very serious situation, for the reason that there were in the Territory many small private stocks from which medicinal liquors could be supplied, and later, when these became exhausted, the situation was met by supplying the hospitals and physicians with liquors taken from the liquors which were seized by prohibition officers. This was, of course, illegal; but under the circumstances no one could attach any blame to the action taken by the officials; it was advisable in order to save human life and therefore justifiable. The people of Alaska are at the present time so situated that medicinal liquors can no longer be obtained.

We are not unmindful of the fact that there are those who maintain that intoxicating liquors have no medicinal value. It is not a question of whether such persons are right or wrong, for in matters such as this no man can have the right to set up his judgment as against that of the sick person's physician. Many believe that medicinal drugs are not only useless but harmful, yet no legislative body would because of this be justified in prohibiting the use of such drugs. The principle is the same in either case, and the responsibility assumed by the legislator is also the same in either case. It is so grave that we do not believe that any legislator can be justified in assuming it, even though he conscientiously believes that intoxicating liquors are lacking in medicinal value.

Wherefore your memorialist prays that the Congress approve the act of the Legislature of Alaska for the repeal of the Alaska bone-dry law and that the Congress make proper provision for the enforcement of the national prohibition act in the courts of the commissioners and ex officio justices of the peace of Alaska as to all offenses within the jurisdiction of said justices' courts, or that the Congress grant to the Legislature of Alaska the power to make such provision for the enforcement of the national prohibition act.

Passed by the house April 17, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 28, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

Approved ——— —, 1931.

——— ———, *Governor.*

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 12 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 8th day of May, A. D. 1931.

[SEAL.]

KARL THEILE,
Secretary of Alaska.

House Joint Memorial 12 (by Mr. Hellerich)

To the PRESIDENT AND THE CONGRESS OF THE UNITED STATES:

Your memorialist, the Legislature of the Territory of Alaska, in tenth regular session assembled, do most respectfully represent that—

Whereas mining is the basic industry of the Territory of Alaska and upon which a high percentage of the population, trades, and traffic of the Territory are directly or indirectly dependent; and

Whereas approximately 98 per cent of the area of Alaska is public land largely under the jurisdiction and control of the Interior Department and the development and utilization of the mineral resources within which are matters of concern and responsibility on the part of the Government of the United States; and

Whereas these vast areas of public land are not subject to taxation by the Territory of Alaska, and therefore yield no revenue to the Territorial treasury; and

Whereas the future development of the agricultural industry of the interior of Alaska depends almost entirely on the development of the mining industry; and

Whereas it is of the utmost importance in the continued growth of the mining industry that authentic information be secured and disseminated as to the economic importance and commercial availability of the mineral resources of the Territory and as to the extent and significance of the development of such resources, and

that all possible assistance be given to prospectors in their search for and development of valuable mineral substances and in making contact with prospective investors in mining prospects; and

Whereas we are informed that such important mining States of the West as California and Idaho and also the Province of British Columbia in Canada, realizing the importance to their mining industries of services such as those above outlined, maintain and liberally support extensive organizations in the form of mining bureaus and departments charged with the duty of gathering such data and rendering such services, and we believe such services are of equal or even greater importance in Alaska; and

Whereas during each of the past two biennnia the Territory of Alaska has appropriated $20,000 as a fund to assist in defraying the field and office expenses of mining engineers of the United States Bureau of Mines and Geological Survey assigned by the Interior Department to duty in Alaska for the purposes of making mining investigations, assisting prospectors, and the inspection of mines under the direction of the supervising mining engineer for those bureaus in Alaska; and

Whereas from the year 1922 to July 1, 1925, the said Bureau of Mines assigned to duty in Alaska three mining engineers besides the supervising mining engineer and allotted for their salaries and expenses in making such mining investigations the sum appropriated by the Congress for such work in the amount of $22,000 per annum, as a result of which very valuable service was rendered to the mining industry of Alaska; and

Whereas on July 1, 1925, the engineers and funds available for making mining investigations and conducting mine inspection in Alaska were transferred from the Bureau of Mines to the Geological Survey, since which time the appropriations and funds allotted thereunder and the personnel of engineers assigned to making mining investigations, assisting prospectors, and conducting mine inspection in Alaska from time to time have been reduced and curtailed until the sum so allotted for such work now amounts to only $4,500 per annum, and part of the services of the supervising mining engineer, who has other important duties, are alone available for such work within the entire Territory, and a large part of the funds appropriated by the Territory to assist in defraying the field and office expenses of this important work have remained unexpended on account of the removal by the Government of three engineers as above recited, and the appropriation thereof has thereby been rendered futile and of no avail; and

Whereas the services of at least two additional mining engineers are urgently necessary in order to properly and effectively conduct mining investigations, assist prospectors, and conduct mine inspection in the Territory, and the Territory is willing to continue to appropriate as heretofore its proper share of the expense of such services other than salaries;

Now, therefore, we, your memorialist, earnestly urge your honorable body to appropriate sufficient funds to pay the salaries and a reasonable proportion of the expenses of two additional mining engineers and that the proper departmental executive officers be authorized and directed to assign and maintain such engineers in Alaska for the purpose of performing the duties necessary in adequately carrying on the work hereinbefore described; and that the said departmental executive officers be further authorized to cooperate with the Territory of Alaska in conducting said work.

And your memorialist will ever pray.

Passed by the house April 23, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 28, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 13 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 8th day of May, A. D. 1931.

[SEAL.] KARL THEILE,
Secretary of Alaska.

House Joint Memorial 13 (by Mr. Nerland)

To the Senate and House of Representatives of the United States and the Secretary of War:

Your memorialist, the Legislature of the Territory of Alaska, in tenth biennial session assembled, respectfully represents that

Whereas there was introduced in the Congress of the United States at its last session a bill authorizing the sale of the Washington-Alaska military cable and telegraph system of the United States of America, now being operated in Alaska by the Signal Corps, United States Army, to private parties; and,

Whereas in the opinion of your memorialist, private parties purchasing the same will be unable to operate any system or systems of cable or telegraph service in Alaska that will afford to the Government of the United States and the residents of Alaska an efficient cable and telegraph service; and,

Whereas in the development of the Territory there is a constantly increasing demand for radio service to and from far-distant points to which airplane service alone is practical and expedient:

Now, therefore, your memorialist respectfully prays that the aforesaid military cable and telegraph system be retained and operated by the Signal Corps of the United States Army to the end that there be a continuance of efficient cable and telegraph service in the Territory of Alaska available as heretofore for purposes of the United States Government and for commercial use by the residents of the Territory under such rules and regulations as may be established in the due administration of such an important public necessity, and your memorialist will ever pray; be it

Resolved further, That copies of this memorial be sent to the Congress of the United States; to the Hon. Patrick Hurley, Secretary of War; to the respective chairmen of both the Senate and House Committees on Military Affairs; and to the Hon. James Wickersham, Delegate to Congress from the Territory of Alaska.

And your memorialist will ever pray.

Passed by the house April 18, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 30, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 14, of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof, I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 8th day of May, A. D. 1931.

[SEAL.] KARL THEILE,
Secretary of Alaska.

House Joint Memorial 14 (by Mr. Johnson)

To the Hon. JAMES WICKERSHAM,
Delegate to Congress from Alaska, and
To the CONGRESS OF THE UNITED STATES:

Your memorialist, the Legislature of the Territory of Alaska, respectfully represents:

That the Territory of Alaska is now and has been for several years providing vocational training in many of its public schools, and is in position to assume the obligations and responsibilities entailed upon the acceptance of the benefits of the Smith-Hughes Act of February 23, 1917; that your memorialist believes that the extension of the provisions of that act to Alaska will be of great and lasting benefit to the Territory: Now, therefore

Your memorialist most respectfully urge that the provisions of the Smith-Hughes Act of February 23, 1917, be extended to and made applicable in the Territory of Alaska.

And your memorialist will ever pray.

Passed by the house April 23, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 28, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 18 of the Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska at Juneau, the capital, this 8th day of May, A. D. 1931.

[SEAL.] KARL THEILE,
Secretary of Alaska.

House Joint Memorial 18 (by Mr. Foster)

To the CONGRESS OF THE UNITED STATES and
To the Hon. JAMES WICKERSHAM,
Delegate from the Territory of Alaska:

Your memorialist, the Legislature of the Territory of Alaska, in tenth regular session assembled, does most earnestly and respectfully represent that:

Whereas the Department of Commerce of the United States has for many years operated the seal fisheries of the Pribilof Islands, located in this Territory, from which operation there is annually received a sum in excess a quarter of a million ($250,000) dollars; and

Whereas the Territory of Alaska is annually expending more than $200,000 for the care and education of Indian and Eskimo wards of the Government, which said sum places an excessive burden upon the people of this Territory and one which its limited taxable resources are hardly able to bear; and

Whereas the Forestry Bureau operating in the Territory has for many years paid a certain proportion of its receipts into the common-school fund of the Territory:

Now, therefore, your memorialist earnestly prays, that a law be enacted to the effect that the Department of Commerce shall annually pay to the Territory of Alaska for the benefit of the common-school funds therein a sum equal to 50 per cent of the amount received from the share of the United States in the operations of said seal fisheries.

And your memorialist will ever pray.

Passed by the house April 27, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 29, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

UNITED STATES OF AMERICA,
TERRITORY OF ALASKA,
OFFICE OF SECRETARY FOR THE TERRITORY.

I, Karl Theile, secretary of Alaska and custodian of the great seal of said Territory, do hereby certify that I have compared the annexed copy of House Joint Memorial No. 20, Alaska Territorial Legislature, 1931, with the original thereof, and that the same is a full, true, and correct copy of said original now on file in my office.

In testimony whereof I have hereunto set my hand and affixed hereto the seal of the Territory of Alaska, at Juneau, the capital, this 9th day of May, A. D. 1931.

[SEAL.]

KARL THEILE,
Secretary of Alaska.

House Joint Memorial 20 (by Mr. Allyn)

To the Congress of the United States:

Your memorialist, the Legislature of Alaska, respectfully represents:

That in proportion to population no part of the world is more dependent on aviation than the people of Alaska, and none avail themselves more of that means of conveyance in business pursuits; that neither the United States Army nor Navy has any aviation station or landing field in Alaska; that frequently the Army and Navy have been called upon to aid in the search of lost aviators, but have been unable to respond because of lack of necessary equipment suitable for the North; that not only for the sake of the industrial development of the Territory, but for proper national defense in case of war is the establishment of national aviation stations and large landing fields necessary in Alaska.

Wherefore your memorialist respectfully urges that the proper legislation be passed to authorize the United States Army and Navy to establish adequate aviation stations and landing fields in Alaska, and maintain one or more squadrons of airships in the Territory at all times ready to respond to call when needed.

And your memorialist will ever pray.

Passed by the house April 29, 1931.

GROVER C. WINN,
Speaker of the House.

Attest:

LAWRENCE KERR,
Chief Clerk of the House.

Passed by the senate April 29, 1931.

LUTHER C. HESS,
President of the Senate.

Attest:

A. W. FOX,
Secretary of the Senate.

The VICE PRESIDENT also laid before the Senate the following concurrent resolutions of the Legislature of the Territory of Hawaii, which were referred to the Committee on Territories and Insular Affairs:

Concurrent resolution

Whereas the Mala Wharf at Lahaina, Territory of Hawaii, can not be used by passenger steamers by reason of the current ebbing and rising, making it unsafe for a steamer to tie to the wharf; and

Whereas it is necessary that a breakwater be constructed so that there will be safety to steamers to tie to said wharf: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Delegate to Congress from Hawaii be requested to procure an appropriation from the Congress for a breakwater to protect said wharf; and be it further

Resolved, That certified copies of this resolution be forwarded to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, and to the Delegate to Congress from Hawaii.

THE HOUSE OF REPRESENTATIVES,
TERRITORY OF HAWAII,
Honolulu, T. H., April 27, 1931.

We hereby certify that the foregoing concurrent resolution was adopted by the House of Representatives of the Territory of Hawaii on April 25, 1931.

ROY A. VITOUSEK,
Speaker, House of Representatives.
JOSEPH ORDENSTEIN,
Clerk, House of Representatives.

THE SENATE OF THE TERRITORY OF HAWAII,
Honolulu, T. H., April 27, 1931.

We hereby certify that the foregoing concurrent resolution was adopted by the Senate of the Territory of Hawaii on April 27, 1931.

ROBERT W. SHINGLE,
President of the Senate.
ELLEN D. SMYTHE,
Clerk of the Senate.

Concurrent resolution declaring that the Territory of Hawaii shall be made a State, and requesting and urging the Congress of the United States of America to pass an enabling act authorizing the people of the Territory of Hawaii to form a constitution and State government, to be admitted into the Union on an equal footing with the original States

Whereas the Territory of Hawaii is an integral part of the United States of America and for a long period of years has demonstated its ability to govern itself; and

Whereas the population and wealth of the Territory exceeds that of several of the States of the Union; and

Whereas the people of the Territory of Hawaii contribute in income taxes to the Federal Government a larger amount than many of the States of the Union; and

Whereas the people of the Territory desire to participate in the Government of the United States freely, fully, and loyally as a sovereign State: Now, therefore, be it

Resolved by the House of Representatives of the Territory of Hawaii (the Senate concurring), That the people of the Territory of Hawaii desire that said Territory shall become a State and be admitted into the Union on an equal footing with the original States;

That the Congress of the United States of America be, and it is hereby, requested and urged to pass an act enabling the people of the Teritory of Hawaii to form a constitution and State government, to be admitted into the Union on an equal footing with the original States;

That the proposed enabling act hereinafter set forth, being an act entitled "An act to enable the people of Hawaii to form a constitution and State government, to be admitted into the Union on an equal footing with the original States," and reading as follows:

"Be it enacted, etc., That the inhabitants of all that part of the area of the United States now constituting the Territory of Hawaii as at present described may become the State of Hawaii, as hereinafter provided.

"SEC. 2. That all citizens of the United States who have the qualifications of voters for representatives of the Territorial legislature are hereby authorized to vote for and choose delegates to form a convention in said Territory. Such delegates shall possess the qualifications of such electors; and the aforesaid convention shall consist of ——— delegates, apportioned among the several counties within the limits of the proposed State in the same proportion as the proportion in the house of representatives, as follows: Hawaii County, first representative district, ——— delegates; Hawaii County, second representative district, ——— delegates; Maui County, third representative district, ——— delegates; city and county of Honolulu, fourth representative district, ——— delegates; city and county of Honolulu, fifth representative district, ——— delegates; Kauai County, sixth representative district, ——— delegates; and the governor of said Territory shall, on the — day of ———, 19—, issue a proclamation ordering an election of the delegates aforesaid in said Territory, to be held at a time to be designated in proclamation, within six months after the approval of this act, which proclamation shall be issued at least 30 days prior to the time of holding said election of delegates. The election for delegates shall be conducted, the returns made, the result ascertained, and the certificate of persons elected to such convention issued in the same manner as is prescribed by the laws of said Territory regulating elections therein of members of the legislature. Persons possessing the qualifications entitling them to vote for delegates under this act shall be entitled to vote on the ratification or rejection of the constitution under such rules or regulations as said convention may prescribe not in conflict with this act.

"SEC. 3. That the delegates to the convention thus elected shall meet at the seat of government of said Territory on the second Tuesday after the election, excluding the day of election in case such day shall be Tuesday, but they shall not receive compensation for more than 60 days of service, and, after organization, shall declare on behalf of the people of said proposed State that they adopt the Constitution of the United States, whereupon the said convention shall be, and is hereby, authorized to form a constitution and State government for said proposed State.

"The constitution shall be republican in form and make no distinction in civil or political rights on account of race or color, and not to be repugnant to the Constitution of the United States and the principles of the Declaration of Independence. And said convention shall provide, by ordinance irrevocable without the consent of the United States and the people of said State—

"First. That perfect toleration of religious sentiment shall be secured, and that no inhabitant of said State shall ever be molested in person or property on account of his or her mode of religious worship.

"Second. Except as to the public property now ceded, transferred, and in the possession of the United States, the said State of Hawaii shall retain all the public property, vacant and unappropriated lands lying within its limits to be disposed of as said State may direct. But any such public property previously taken for the uses of the United States may be restored to the State of Hawaii by direction of the President. That the lands belonging to citizens of the United States residing without the said State shall never be taxed at a higher rate than the lands belonging to residents thereof; that no taxes shall be imposed by the State on lands or property therein belonging to or which may hereafter be purchased by the United States or reserved for its use.

"Third. That the debts and liabilities of said Territory of Hawaii shall be assumed and paid by said State.

"Fourth. That provision shall be made for the establishment and maintenance of a system of public schools, which shall be open to all the children of said State and free from sectarian control.

"SEC. 4. That in case a constitution and State government shall be formed in compliance with the provisions of this act, the convention forming the same shall provide by ordinance for submitting said constitution to the people of said State for its ratification or rejection, at an election to be held on the ———, at which election the qualified voters of said proposed State shall vote directly for or against the proposed constitution and for or against any provisions separately submitted. The return of said election shall be made to the secretary of Hawaii, who shall cause the same to be canvassed, and if a majority of the votes cast on that question shall be for the constitution, the Governor of the Territory of Hawaii shall certify the result to the President of the United States, together with a statement of the votes cast thereon, and upon separate articles or propositions, and a copy of said constitution, articles, propositions, and ordinances. And if the constitution and government of said proposed State are republican in form and if all the provisions of this act have been complied with in the formation thereof, it shall be the duty of the President of the United States to issue his proclamation announcing the result of said election, and thereupon the proposed State of Hawaii shall be deemed admitted by Congress into the Union, under and by virtue of this act, on an equal footing with the original States, from and after the date of said proclamation.

"SEC. 5. That the sum of ——— dollars, or so much thereof as may be necessary, is hereby authorized to be appropriated, out of any money in the treasury not otherwise appropriated, for the defraying of the expenses of the elections provided for in this act, and said convention, and for the payment of the members thereof, under the same rules and regulations, and at the same rates as are now provided by law for the payment of the Territorial Legislature of the Territory of Hawaii, and the disbursements of the money appropriated by this section shall be made by the secretary of the Territory of Hawaii.

"SEC. 6. That until the next general census, or until otherwise provided by law, said State shall be entitled to one Representative in the House of Representatives of the United States, which Representative in the Seventy——— Congress, the two Senators of the United States, together with the governor and other officers provided for in said constitution, shall be elected on the same day of the election for the adoption of the constitution; and until said State officers are elected and qualified under the provisions of the constitution, and the State is admitted into the Union, the territorial officers shall continue to discharge the duties of the respective offices in said territory.

"SEC. 7. The said State when admitted as aforesaid shall constitute one judicial district, to be known as the district of Hawaii. The circuit and district courts for the district of Hawaii shall be held one term at Honolulu, one term at ———, one term at ———, one term at ———, and one term at ———, each year. And the said district shall, for judicial purposes, until otherwise provided, be attached to the ninth judicial circuit. There shall be appointed for said district two district judges, one United States attorney, and one United States marshal. There shall be appointed a clerk for said district, who shall keep his office at Honolulu. The regular term of said courts shall be held at the places designated in this act, at ——— on the first Monday in January and at ——— on the first Monday in ——— and at ——— on the first Monday in ———, at ——— on the first Monday in ———, in each year, and one grand jury shall be summoned in each year in each of said circuit and district courts. The circuit and district courts for said district, and the judges thereof, respectively, shall possess the same powers and jurisdiction and perform the same duties required to be performed by the other circuit and district courts and judges of the United States, and shall be governed by the same laws and regulations. The marshal, district attorney, and clerk of each of the circuit and district courts of said district, and all other officers and persons performing duties in the administration of justice therein, shall severally possess the powers and perform the duties lawfully required to be performed by similar officers in other districts of the United States, and shall, for the services they may perform, receive the fees and compensation now allowed by law to officers performing similar services for the United States in other districts of the United States, and shall, for the services they may perform, receive the fees and compensation now allowed by law to officers performing similar services for the United States in other districts of the United States; and that the laws in force in the Territory of Hawaii, as far as applicable, shall extend over and apply to said State until changed by the legislature thereof.

"SEC. 8. That all appeals of writs of error taken from the Supreme Court of the Territory of Hawaii to the Supreme Court of the United States, or the United States Circuit Court of Appeals for the Ninth Circuit, previous to the final admission of such State shall be prosecuted to final determination as though this act had not been passed. And all cases in which final judgment has been rendered in such Territorial appellate courts which appeals or writs of error might be had, except for the admission of such State may still be sued out, taken, and prosecuted to the Supreme Court of the United States or the United States circuit court of appeals under the provisions of existing laws, and there held and determined in like manner, and in either case the Supreme Court of the United States, or the United States circuit court of appeals, in the event of reversal shall remand the said causes to either the State supreme court or other final appellate court of said State, or the United States circuit and district courts of said State, as the case may require: *Provided*, That the time allowed by existing law for appeals and writs of error from appellate courts of said Territory shall not be enlarged thereby, and all appeals and writs of error not sued out from the final judgments of said courts at the time of the admission of such State shall be taken within six months from such time.

"SEC. 9. That all causes pending in the supreme and circuit courts of the Territory of Hawaii and in the United States courts arising under the Constitution, laws, or treaties of the United States, or affecting ambassadors, ministers, or consuls of the United States, or of any other country or state, or of admiralty or of maritime jurisdiction, or in which the United States may be a party, or between citizens of the same State claiming lands under grants from different States, and in all cases where there is a controversy between citizens of said Territory prior to admission and citizens of different States, or between citizens of different States, or between a citizen of any State and citizens or subjects of any foreign state or country, and in which cases of diversity of citizenship there shall be more than $2,000 in controversy, exclusive of interest and costs, shall be transferred to the proper United States circuit or district court for final disposition: *Provided*, That said transfer shall not be made in any case where the United States is not a party except on application of one of the parties in the court in which the cause is pending at or before the second term of such court after the admission of said State, supported by oath showing that the case is one which may be so transferred, the proceedings to effect such transfer, except as to time and parties, to be the same as are now provided by law for the removal of causes from a State court to a circuit court of the United States; and in causes transferred from the appellate courts of said Territory the circuit court of the United States in such State shall first determine such appellate matters as the successor of and with all the power of said Territorial appellate courts and shall thereafter proceed under its original jurisdiction of such causes. All final judgments and decrees rendered in such circuit and district courts in such transferred cases may be reviewed by the Supreme Court of the United States or by the United States circuit court of appeals in the same manner as is now provided by law with reference to existing United States circuit and district courts.

"SEC. 10. That all cases pending in the supreme court of said Territory of Hawaii not transferred to the United States circuit and district courts in said State of Hawaii shall be proceeded with, held, and determined by the supreme and other final appellate court of such State as the successor of said territorial supreme court and appellate court, subject to the same right to review upon appeal or error to the Supreme Court of the United States now allowed from the supreme or appellate courts of a State under existing laws. Jurisdiction of all cases pending in the courts of original jurisdiction in said Territory not transferred to the United States circuit and district courts shall devolve upon and be exercised by the courts of original jurisdiction created by said State.

"SEC. 11. That the supreme court or other court of last resort of said State shall be deemed to be the successor of said Territorial appellate courts and shall take and possess any and all jurisdiction as such, not herein otherwise specifically provided for, and shall receive and retain the custody of all books, dockets,

records, and files not transferred to other courts, as herein provided, subject to the duty to furnish transcripts of all book entries in any specific case transferred to complete the record thereof.

"SEC. 12. That the courts of original jurisdiction of such State shall be deemed to be the successor of all courts of original jurisdiction of said Territory, and as such shall take and retain custody of all records, dockets, journals, and files of such courts, except in causes transferred therefrom, as herein provided; the files and papers in such transferred cases shall be transferred to the proper United States circuit or district court, together with a transcript of all book entries to complete the record in such particular case so transferred.

"SEC. 13. That all cases pending in the circuit courts of the Territory of Hawaii at the time said Territory becomes a State not transferred to the United States circuit or district courts in the State of Hawaii shall be proceeded with, held, and determined by the courts of said State, the successor of said circuit courts of the Territory of Hawaii, with the right to prosecute appeals or writs of error to the supreme court of said State; and also with the same right to prosecute appeals of writs of error from the final determination in said causes made by the supreme court of said State of Hawaii to the Supreme Court of the United States, as now provided by law for appeals and writs of error from the supreme court of a State to the Supreme Court of the United States.

"SEC. 14. That the constitutional convention shall by ordinance provide for the election of officers for a full State government, including members of the legislature, two United States Senators, and one Representative to Congress. Such State government shall remain in abeyance until the State shall be admitted into the Union and the election for State officers held as provided for in this act. The governor and secretary of said State shall certify the election of the Senators and Representative in the manner required by law, and said Senators and Representative shall be entitled to be admitted to seats in Congress and to all the rights and privileges of Senators and Representatives of other States in the Congress of the United States. And the officers of the State government formed in pursuance of said constitution, as provided by said constitutional convention, shall proceed to exercise all the functions of such State officers; and all laws in force in the Territory of Hawaii at the time of the admission of said State into the Union shall be in force throughout said State, except as modified or changed by this act or by the constitution of the State, and the laws of the United States not locally inapplicable shall have the same force and effect within said State as elsewhere within the United States.

"SEC. 15. That all acts or parts of acts in conflict with the provisions of this act, whether passed by the legislature of said Territory or by Congress, are hereby repealed."—

be and the same is hereby approved in form and substance as the act that the Congress of the United States of America is requested to pass; and be it further

Resolved, That certified copies of this resolution be forwarded to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States and to the Delegate to Congress from Hawaii.

THE HOUSE OF REPRESENTATIVES,
TERRITORY OF HAWAII,
Honolulu, T. H., May 22, 1931.

We hereby certify that the foregoing concurrent resolution was this day adopted in the House of Representatives of the Territory of Hawaii.

ROY A. VITOUSEK,
Speaker House of Representatives.
JOSEPH ORDENSTEIN,
Clerk House of Representatives.

THE SENATE OF THE TERRITORY OF HAWAII,
Honolulu, T. H., May 22, 1931.

We hereby certify that the foregoing concurrent resolution was this day adopted in the Senate of the Territory of Hawaii.

ROBERT W. SHINGLE,
President of the Senate.
ELLEN D. SMYTHE,
Clerk of the Senate.

The VICE PRESIDENT also laid before the Senate a communication in the nature of a petition from the Chamber of Commerce of Winfield, Kans., praying that an additional appropriation be made for road building for allocation to the States so as to relieve unemployment this winter, which was referred to the Committee on Appropriations.

He also laid before the Senate a resolution adopted by the convention of the American Turnerbund at Elkhart Lake, Wis., favoring the prompt passage of legislation known as the Shipstead bill, which was referred to the Committee on Commerce.

He also laid before the Senate a resolution adopted by the board of directors of the Independent Petroleum Association of America, requesting that the President of the United States declare a temporary embargo against the importation of petroleum products into the United States, etc., which was referred to the Committee on Commerce.

He also laid before the Senate a resolution adopted by the Board of Estimate and Apportionment of the city of New York, N. Y., favoring the making of a prompt survey by the United States engineer's office of that portion of Coney Island Creek lying between West Twenty-third Street and Shell Road, with a view to having the Government dredge a channel of sufficient width and depth to accommodate vessels using it, the lands necessary to be dredged to be acquired by the city, which was referred to the Committee on Commerce.

He also laid before the Senate resolutions adopted by the Board of Home Missions and Church Extension of the Methodist Episcopal Church, at its annual meeting in New York City, N. Y., favoring the passage of legislation creating a Federal Department of Education, etc.; which were referred to the Committee on Education and Labor.

He also laid before the Senate resolutions of the New York State Woman's Republican Club, adopted February 10, 1931, favoring the enforcement of existing laws against obscene literature and books published reflecting against any person holding or having held the office of President of the United States, which were referred to the Committee on the Judiciary.

He also laid before the Senate a resolution of the National Association of Furniture Manufacturers (Inc.), at Chicago, Ill., favoring curtailment of the hours of work for labor without general reduction of wages where such curtailment will serve to more widely and equitably distribute the total wage fund; the establishment of scales of wages for labor which are coextensive with the field of competition for the products of labor; to increase and more widely distribute public buying power; and the creation of an industrial board or economic council to function for industry as a whole in securing and maintaining the necessary balance in production and the maximum of sustained employment, etc., which was referred to the Committee on Manufactures.

He also laid before the Senate a resolution adopted by the Industrial Veterans of the Representative District of San German, P. R., favoring the passage of legislation granting them certain relief for work performed, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted at a wage conference composed of manufacturers and workers representing the hand-blown bottle industry, indorsing the work of the present Tariff Commission and also the existing tariff law, which was referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by Byron W. Thornburg Post, No. 10, the American Legion, of Marion, Ind., favoring an investigation by Congress of the payments of compensation or pension to ex-service men in an effort to eliminate alleged abuses in the present system, to wit, the employment in the Government service of persons drawing compensation or retirement pay, with reference to the Veterans' Administration, which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the campaign committee of the Regular Old Line Republican Organization at New Orleans, La., indorsing Mr. Michael J. Cousins for appointment as collector of internal revenue for the district of Louisiana, which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the city council of the city of Chicago, Ill., indorsing the proposal of William Randolph Hearst for the issuance of $5,000,000,000 of bonds by the Federal Government, the proceeds to be used for the immediate building of public improvements as an aid to business and the unemployment situation, which were referred to the Committee on Finance.

He also laid before the Senate a resolution adopted by the city council of the city of Chicago, Ill., favoring the passage of legislation to enlarge and extend the facilities of the Government postal savings bank system so that the maximum deposit limit be raised from the present sum of $2,500 to $10,000, as well as to provide for checking accounts in

addition to savings accounts, etc., which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a resolution adopted by the sixty-eighth annual convention of the New York Federation of Labor at Syracuse, N. Y., favoring the passage of legislation providing several billion dollars in prosperity bonds, with long-period amortizations, the proceeds to be used for Federal improvements and to be loaned to the States and municipalities where needed, so as to provide employment for a large number of people, which was referred to the Committee on Finance.

He also laid before the Senate a communication from J. E. Weeks, of the United States Demandment League, of Hammond, Ind., transmitting a paper relative to the granting of personal credit in circumstances of distress in place of a dole or charity, which was referred to the Committee on Finance.

He also laid before the Senate a resolution of members of the Junior Committee, National Patriotic Association, indorsed by the Indiana University Reserve Officers' Training Corps, requesting that Congress take action to prohibit the transportation into the United States, or any territory subject to the jurisdiction thereof, of any article of merchandise from any territory subject to the jurisdiction or control of the Government of the Union of Soviet Socialist Republics, mined, produced, or manufactured wholly or in part in any such territory, or produced or manufactured from materials, any of which have been mined, produced, or manufactured in such territory, etc., which was referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Kennard Woman's Christian Temperance Union, of Lawrence, Kans., favoring the passage of legislation for the Federal supervision of motion pictures before they are manufactured, and also requesting that a committee of five Senators be appointed to investigate the motion-picture industry, including the producers and distributors and also the activities of Will H. Hays, which were referred to the Committee on Interstate Commerce.

He also laid before the Senate resolutions adopted at a special meeting of the City and County Employees' Union, of Milwaukee, Wis., favoring the passage of legislation to submit to convention of the several States, as provided for in the Federal Constitution, a resolution for the repeal of the eighteenth amendment; to provide for prohibition liberalization and modification by altering the Federal Government dispensing system; to provide for the removal of the mandatory provisions of the eighteenth amendment as mentioned in the Wickersham report, and pending action by the State convention to enact legislation which will permit the manufacture and sale of beer and light wines, etc., which were referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted at the Twenty-second Biennial Convention of the Supreme Court of the Foresters of America, at Boston, Mass., favoring the modification or repeal of the eighteenth amendment to the Constitution, so that the Government would receive sufficient revenue to assist in the unemployment situation, which were referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by the National Pickle Packers' Association at the Palmer House in Chicago, Ill., favoring an amendment to the Sherman antitrust law so as to make it lawful for those engaged in industry to agree upon production schedules which would limit production of various commodities to consumption possibilities, and also that the public interest may be fully protected in such proposed modifications, etc., which were referred to the Committee on the Judiciary.

He also laid before the Senate resolutions adopted by the Pennsylvania State Hotel Association, in annual convention assembled, at Stroudsburg, Pa., favoring the passage of legislation to modify the national prohibition act so as to permit the manufacture and sale of beer and wine, and also to submit to the States the question of the repeal of the eighteenth amendment to the Constitution, etc., which were referred to the Committee on the Judiciary.

He also laid before the Senate resolutions of the Second Oregon Volunteer Infantry Association, in annual reunion assembled, favoring the passage of legislation providing for the conscription of all wealth, labor, and property as well as the man power of the Nation in the event of war, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution of the Montana division of the Farmers Educational and Cooperative Union of America, opposing the making of appropriations in aid of any educational institution wherein military training is enforced, which was referred to the Committee on Military Affairs.

He also laid before the Senate a resolution of the California State Chamber of Commerce, of San Francisco, Calif., requesting that the dirigible *ZRS–5* be named "Palo Alto," after the home city of President Hoover, which was referred to the Committee on Naval Affairs.

He also laid before the Senate a resolution adopted by the Provincial Board of Leyte, Tacloban, P. I., favoring the complete independence of the Philippine Islands and at not beyond a period of 10 years, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a resolution adopted by the Merchant Tailors Society, of the city of New York, N. Y., protesting against any increase in the rates on certain classes of commercial mail through recommendation of Postmaster General Brown, which was referred to the Committee on Post Offices and Post Roads.

He also laid before the Senate a joint resolution adopted by the Second Guam Congress, renewing and pledging their allegiance to the United States, to its institutions, and to its ideals of justice and democracy, and affirming their happiness in being a part of America, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a communication from the secretary of the permanent conference on printing (an organization composed of representatives of the various departments and establishments of the Government), expressing appreciation of the conference on the passage at the last session of Congress of Senate bill 783, providing for a 4-hour work day on Saturday, which was ordered to lie on the table.

He also laid before the Senate a resolution adopted by the Volusia County Bar Association, at Daytona Beach, Fla., extending the thanks of that association to President Hoover and the Senate upon the appointment and confirmation of Hon. Louie W. Strum to be Federal district judge of the Southern District of Florida, which was ordered to lie on the table.

He also laid before the Senate resolutions adopted by the American gold-star pilgrimage, group N, on the steamship *President Harding,* at sea, August, 1931, expressing thanks and gratitude to the citizens of America, to President Hoover, to Secretary of War Hurley and his associates, and to the Congress for the comfort provided and the welfare of the pilgrimage to the graves of ex-service men in France, which were ordered to lie on the table.

He also laid before the Senate resolutions of the board of directors of the Golden Gate bridge and highway district relative to a permit granted by the Secretary of War to the Golden Gate bridge and highway district, and an amendment thereto, etc., which were referred to the Committee on Military Affairs.

He also laid before the Senate a resolution adopted by the Montana Stock Growers' Association at its 1931 annual meeting, favoring the passage of legislation granting the unappropriated public lands remaining in the 11 public lands States to the States for school purposes, which was referred to the Committee on Public Lands and Surveys.

He also laid before the Senate a resolution adopted by the Montana Stock Growers' Association at its 1931 annual meeting, protesting against the creation of any new national parks, or additions to existing national parks, throughout the western States, which was referred to the Committee on Public Lands and Surveys.

He also laid before the Senate a communication from G. W. Hurley, of Bakersfield, Calif., with accompanying papers, relating to the development of the Great Valley of California, and allotments to Indians at North Fork in the matter of distribution, etc., which was referred to the Committee on Public Lands and Surveys.

He also laid before the Senate resolutions adopted by the members of the Men's Bible Class of Trinity Methodist Episcopal Church, of Hutchinson, Kans., requesting that wheat in the possession of the Federal Farm Board be disposed of to the Government of China so as to relieve the suffering people of China from starvation, which were referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions adopted by the the E. B. Nye Post, No. 203, Grand Army of the Republic, the E. B. Nye Relief Corps, No. 156, the Gen. Leonard Wood Post, No. 230, American Legion, and its auxiliary, in the town hall at Bourne, Mass., approving the proposed world disarmament conference to be held in 1932 at Geneva, Switzerland, which were referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions adopted by the Northern California Baptist Convention held at Berkeley, Calif., deprecating war and any effort on the part of aliens and enemies to subvert the foundations of the Government, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a memorial of sundry citizens of Albany, N. Y., remonstrating against any change in the calendar which would in any manner endanger the fixity of the historical and biblical 7-day weekly cycle, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram from a committee representing 23 societies and over 10,000 individuals assembled in mass meeting on November 1, 1931, in New Britain, Conn., protesting against any attempt to deprive Poland of the Polish Corridor, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a telegram from the Polish-American Political Organization of Connecticut, signed by its officers, protesting against any partition of Poland, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a letter from the Sons of Roumania, an association of American citizens at New York City, N. Y., protesting against any statement or effort looking to a change in the existing order of things in Europe or to revise the peace treaties, etc., which was referred to the Committee on Foreign Relations.

He also laid before the Senate a petition of sundry citizens of Dublin, Ga., praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also laid before the Senate petitions of sundry citizens of Draper and Murphy, N. C., praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Affairs.

He also laid before the Senate petitions numerously signed by sundry citizens of Shelby, Mansfield, Alliance, Minerva, and Beloit, all in the State of Ohio, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

He also laid before the Senate the petition of the Woman's Missionary Society of Itasca, Tex., praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a petition of sundry citizens of El Campo, Tex., praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions adopted by the National Society of the Sons of the American Revolution, at Charlotte, N. C., protesting against the commercialization of the United States flag and favoring the prompt passage of legislation to protect the national emblem from desecration, which were referred to the Committee on the Judiciary.

He also laid before the Senate the petition of the witness committee of the Reformed Presbyterian Church of North America, praying that the preamble of the Constitution be amended so as to recognize "the authority and law of Jesus Christ, the Savior and King of Nations," which was referred to the Committee on the Judiciary.

CONDOLENCES ON DEATH OF THE LATE SPEAKER LONGWORTH

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War transmitting copy of a cablegram signed by Luis Sanchez Morales, President of the Senate of Porto Rico, setting forth resolutions of sympathy adopted by the Senate of Porto Rico on the death of Hon. Nicholas Longworth, late Speaker of the House of Representatives, which was ordered to lie on the table.

He also laid before the Senate a cablegram signed by Mario Fermin Cabral, President of the Senate, and Miguel Angel Roca, President of the Chamber of Deputies of the Dominican Republic, expressing in the name of the Senate and Chamber of Deputies of the Dominican Republic their sympathy on the death of Hon. Nicholas Longworth, late Speaker of the House of Representatives, which was ordered to lie on the table.

CONDOLENCES ON DEATH OF THE LATE THOMAS A. EDISON

The VICE PRESIDENT laid before the Senate a cablegram signed by Clemente Vazquez Bello, President of the Senate of the Republic of Cuba, transmitted through the Department of State, setting forth an expression of the grief of the Senate of the Republic of Cuba and transmitting a resolution of sympathy on the death of Thomas A. Edison, which was ordered to lie on the table.

He also laid before the Senate a communication from Alfonso Burbano Delara, Secretary of the National Congress of Ecuador, transmitted through the Department of State, setting forth a resolution of sympathy adopted by the National Congress of Ecuador on the death of Thomas A. Edison, which was ordered to lie on the table.

FUNERAL EXPENSES OF THE LATE SENATOR CARAWAY

Mr. ROBINSON of Arkansas, by unanimous consent, submitted a resolution (S. Res. 7), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Thaddeus H. Caraway, late a Senator from the State of Arkansas, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

ELECTION OF PRESIDENT PRO TEMPORE

Mr. ROBINSON of Arkansas. Mr. President, I move that the Senate proceed to the election of a President pro tempore.

Mr. WATSON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Cutting	Johnson	Robinson, Ind.
Austin	Dale	Jones	Schall
Bailey	Davis	Kean	Sheppard
Bankhead	Dickinson	Kendrick	Shipstead
Barbour	Dill	Keyes	Shortridge
Bingham	Fess	King	Smith
Black	Fletcher	La Follette	Smoot
Blaine	Frazier	Logan	Steiwer
Borah	George	McGill	Swanson
Bratton	Glass	McKellar	Thomas, Idaho
Brookhart	Glenn	McNary	Thomas, Okla.
Broussard	Goldsborough	Metcalf	Townsend
Bulkley	Gore	Morrison	Trammell
Bulow	Hale	Moses	Tydings
Byrnes	Harris	Neely	Vandenberg
Capper	Harrison	Norbeck	Wagner
Caraway	Hastings	Norris	Walcott
Carey	Hatfield	Nye	Walsh, Mass.
Connally	Hawes	Oddie	Walsh, Mont.
Coolidge	Hayden	Patterson	Watson
Copeland	Hebert	Pittman	Wheeler
Costigan	Howell	Reed	White
Couzens	Hull	Robinson, Ark.	

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present. The question is on agreeing to the motion of the Senator from Arkansas [Mr. ROBINSON].

Mr. WATSON. Mr. President, I trust that the motion will be agreed to.

The motion was agreed to.

The VICE PRESIDENT. Nominations for President pro tempore are now in order.

Mr. ROBINSON of Arkansas. Mr. President, I present the name of the senior Senator from Nevada [Mr. PITTMAN].

Mr. WATSON. Mr. President, I suggest the name of the present occupant of the position, who has held it for the past six years, Senator GEORGE H. MOSES, of New Hampshire.

Mr. NORRIS. Mr. President, a parliamentary inquiry?

The VICE PRESIDENT. The Senator will state it.

Mr. NORRIS. Will Members of the Senate be required to vote for either one of the nominees even though no one else is nominated?

The VICE PRESIDENT. When the roll is called Senators may vote for any Senator they prefer.

The Chief Clerk proceeded to call the roll.

Mr. METCALF (when his name was called). On this vote I have a pair with the Senator from Kentucky [Mr. BARKLEY]. Were he present, he would vote for Mr. PITTMAN. Were I privileged to vote, I should vote for Mr. MOSES.

Mr. MOSES (when his name was called). On this and all ballots under this motion I am paired with the Senator from Nevada [Mr. PITTMAN] for obvious reasons.

Mr. PITTMAN (when his name was called). On this vote and all votes pertaining to this question I am paired with the Senator from New Hampshire [Mr. MOSES].

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. I transfer that pair to the senior Senator from Colorado [Mr. WATERMAN] and vote for Mr. MOSES.

The roll call was concluded.

Mr. HARRISON. My colleague [Mr. STEPHENS] is necessarily detained at home on account of illness. He has a pair, as previously announced. If present, my colleague would vote for Senator PITTMAN.

Mr. ROBINSON of Arkansas. The Senator elect from Illinois [Mr. LEWIS], who has not yet qualified, will be in the Senate to-morrow. He is unavoidably detained to-day.

The result was announced, as follows:

FOR SENATOR PITTMAN—42

Ashurst	Coolidge	Hayden	Smith
Bailey	Copeland	Hull	Swanson
Bankhead	Costigan	Kendrick	Thomas, Okla.
Black	Dill	King	Trammell
Bratton	Fletcher	Logan	Tydings
Broussard	George	McGill	Wagner
Bulkley	Glass	McKellar	Walsh, Mass.
Bulow	Gore	Morrison	Walsh, Mont.
Byrnes	Harris	Neely	Wheeler
Caraway	Harrison	Robinson, Ark.	
Connally	Hawes	Sheppard	

FOR SENATOR MOSES—33

Austin	Glenn	McNary	Steiwer
Barbour	Goldsborough	Norbeck	Townsend
Bingham	Hale	Oddie	Vandenberg
Brookhart	Hastings	Patterson	Walcott
Carey	Hatfield	Reed	Watson
Dale	Hebert	Robinson, Ind.	White
Davis	Johnson	Schall	
Dickinson	Kean	Shortridge	
Fess	Keyes	Smoot	

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR McNARY—5

Borah	Couzens	Jones	Thomas, Idaho
Capper			

FOR SENATOR JONES—1

Norris

The VICE PRESIDENT. No Senator having received a majority of the votes cast, the clerk will again call the roll.

Mr. McNARY. Mr. President, I appreciate the honor conferred upon me by some of my fellow Senators, but, on account of the very poor showing I have made, I prefer to retire and do now retire from this spirited race.

Mr. President, seriously, I do not want this office. I would not choose it, sir, if I could be elected, and that is impossible. I appreciate the kindness and courtesy of those who have voted for me, but I hope that I may now retire in peace.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. HARRISON. Did I understand the Senator from Oregon to say that he retired in favor of Senator PITTMAN, of Nevada? [Laughter.]

The VICE PRESIDENT. No Senator having received a majority of votes for the office of President pro tempore, the Secretary will again call the roll.

The Chief Clerk proceeded to call the roll.

Mr. METCALF (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. MOSES (when his name was called). Repeating the announcement I made on the previous ballot, I withhold my vote.

Mr. PITTMAN (when his name was called). I withhold my vote on account of the pair previously announced.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as before, transferring my general pair with the junior Senator from Mississippi [Mr. STEPHENS] to the senior Senator from Colorado [Mr. WATERMAN], I vote for Senator MOSES.

The roll call having been concluded, resulted as follows:

FOR SENATOR PITTMAN—42

Ashurst	Coolidge	Hayden	Smith
Bailey	Copeland	Hull	Swanson
Bankhead	Costigan	Kendrick	Thomas, Okla.
Black	Dill	King	Trammell
Bratton	Fletcher	Logan	Tydings
Broussard	George	McGill	Wagner
Bulkley	Glass	McKellar	Walsh, Mass.
Bulow	Gore	Morrison	Walsh, Mont.
Byrnes	Harris	Neely	Wheeler
Caraway	Harrison	Robinson, Ark.	
Connally	Hawes	Sheppard	

FOR SENATOR MOSES—33

Austin	Glenn	McNary	Steiwer
Barbour	Goldsborough	Norbeck	Townsend
Bingham	Hale	Oddie	Vandenberg
Brookhart	Hastings	Patterson	Walcott
Carey	Hatfield	Reed	Watson
Dale	Hebert	Robinson, Ind.	White
Davis	Johnson	Schall	
Dickinson	Kean	Shortridge	
Fess	Keyes	Smoot	

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—3

Borah	Couzens	Norris

FOR SENATOR McNARY—2

Capper	Thomas, Idaho

FOR SENATOR CAPPER—1

Jones

The VICE PRESIDENT. On this ballot there have been cast the following votes: For Senator PITTMAN 42, for Senator MOSES 33, for Senator NORRIS 7, for Senator JONES 3, for Senator McNARY 2, and for Senator CAPPER 1. The total number of votes cast is 88; necessary to a choice 45. No Senator having received a majority, there is no choice.

Mr. ROBINSON of Arkansas. Mr. President, I am about to propose a unanimous-consent agreement which will result in the election of a President pro tempore. I do not know whether it will be agreed to or not; but one never knows until he submits a proposition.

I ask unanimous consent that on each succeeding ballot the candidate receiving the fewest votes be dropped from the list. [Laughter.]

The VICE PRESIDENT. Is there objection?

Mr. LA FOLLETTE. I object, Mr. President.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. METCALF (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. MOSES (when his name was called). Under the same conditions as on the previous ballots I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). As previously announced, I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is detained at his home on account of illness. Being unable to obtain a transfer, I withhold my vote. If at liberty to vote, I should vote for Senator MOSES.

The roll call, having been concluded, resulted as follows:

FOR SENATOR PITTMAN—42

Ashurst	Coolidge	Hayden	Smith
Bailey	Copeland	Hull	Swanson
Bankhead	Costigan	Kendrick	Thomas, Okla.
Black	Dill	King	Trammell
Bratton	Fletcher	Logan	Tydings
Broussard	George	McGill	Wagner
Bulkley	Glass	McKellar	Walsh, Mass.
Bulow	Gore	Morrison	Walsh, Mont.
Byrnes	Harris	Neely	Wheeler
Caraway	Harrison	Robinson, Ark.	
Connally	Hawes	Sheppard	

FOR SENATOR MOSES—33

Austin	Glenn	McNary	Townsend
Barbour	Goldsborough	Norbeck	Vandenberg
Bingham	Hale	Oddie	Walcott
Brookhart	Hastings	Patterson	Waterman
Carey	Hatfield	Reed	Watson
Dale	Hebert	Schall	White
Davis	Johnson	Shortridge	
Dickinson	Kean	Smoot	
Fess	Keyes	Steiwer	

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—4

Borah	Couzens	Norris	Thomas, Idaho

FOR SENATOR CAPPER—1

Jones

FOR SENATOR McNARY—1

Capper

The VICE PRESIDENT. On this ballot there are 42 votes for Senator PITTMAN, 33 votes for Senator MOSES, 7 votes for Senator NORRIS, 4 votes for Senator JONES, 1 vote for Senator CAPPER, and 1 vote for Senator MCNARY. Eighty-eight votes having been cast, and 45 being necessary for a choice, and no Senator receiving a majority, there is no choice.

DEATH OF MEMBERS OF THE HOUSE OF REPRESENTATIVES

Mr. WATSON. Mr. President, a number of resolutions have come over from the House of Representatives to-day announcing the death of Members of that body. They await our consideration; and I ask that the Chair lay them down at this time.

DEATH OF REPRESENTATIVE O'MALLEY

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 10

Resolved, That the House has heard with profound sorrow of the death of Hon. MATHEW V. O'MALLEY, a Representative from the State of New York.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. COPELAND. Mr. President, I send to the desk resolutions which I ask to have read.

The resolutions (S. Res. 8) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. MATHEW V. O'MALLEY, late a Representative from the State of New York.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE MAJOR

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 11

Resolved, That the House has heard with profound sorrow of the death of Hon. SAMUEL C. MAJOR, a Representative from the State of Missouri.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. HAWES. Mr. President, I send to the desk resolutions which I ask to have read.

The resolutions (S. Res. 9) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. SAMUEL C. MAJOR, late a Representative from the State of Missouri.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE GRAHAM

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 12

Resolved, That the House has heard with profound sorrow of the death of Hon. GEORGE S. GRAHAM, a Representative from the State of Pennsylvania.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. REED. Mr. President, I send to the desk resolutions, which I ask to have read.

The resolutions (S. Res. 10) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. GEORGE S. GRAHAM, late a Representative from the State of Pennsylvania.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE VINCENT

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 13

Resolved, That the House has heard with profound sorrow of the death of Hon. BIRD J. VINCENT, a Representative from the State of Michigan.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. COUZENS. Mr. President, I send to the desk resolutions which I ask to have read.

The resolutions (S. Res. 11) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. BIRD J. VINCENT, late a Representative from the State of Michigan.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE HALE

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 14

Resolved, That the House has heard with profound sorrow of the death of Hon. FLETCHER HALE, a Representative from the State of New Hampshire.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. MOSES. Mr. President, I send to the desk resolutions which I ask to have read and immediately considered.

The resolutions (S. Res. 12) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon FLETCHER HALE, late a Representative from the State of New Hampshire.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE EDWARDS

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 16

Resolved, That the House has heard with profound sorrow of the death of Hon. CHARLES G. EDWARDS, a Representative from the State of Georgia.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. HARRIS. Mr. President, I ask for the immediate consideration of the resolutions which I send to the desk.

The resolutions (S. Res. 13) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES G. EDWARDS, late a Representative from the State of Georgia.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE ACKERMAN

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 17

Resolved, That the House has heard with profound sorrow of the death of Hon. ERNEST R. ACKERMAN, a Representative from the State of New Jersey.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. KEAN. Mr. President, I ask for the immediate consideration and adoption of the resolutions which I send to the desk.

The resolutions (Sen. Res. 14) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. ERNEST R. ACKERMAN, late a Representative from the State of New Jersey.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE WURZBACH

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 18

Resolved, That the House has heard with profound sorrow of the death of Hon. HARRY M. WURZBACH, a Representative from the State of Texas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. SHEPPARD. Mr. President, I present the following resolutions and ask for their immediate consideration.

The resolutions (S. Res. 15) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. HARRY M. WURZBACH, late a Representative from the State of Texas.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE ASWELL

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 20

Resolved, That the House has heard with profound sorrow of the death of Hon. JAMES B. ASWELL, a Representative from the State of Louisiana.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. BROUSSARD. Mr. President, I offer the following resolutions and ask for their immediate consideration.

The resolutions (S. Res. 16) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JAMES B. ASWELL, late a Representative from the State of Louisiana.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE MOONEY

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 9

Resolved, That the House has heard with profound sorrow of the death of Hon. CHARLES A. MOONEY, a Representative from the State of Ohio.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. BULKLEY. Mr. President, I offer the following resolutions and ask for their immediate adoption.

The resolutions (S. Res. 17) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES A. MOONEY, late a Representative from the State of Ohio.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF FORMER SPEAKER LONGWORTH

The VICE PRESIDENT. The Chair lays before the Senate resolutions from the House of Representatives, which will be read.

The Chief Clerk read as follows:

House Resolution 21

Resolved, That the House has learned with profound sensibility and sorrow of the death of NICHOLAS LONGWORTH, Speaker of the House of Representatives of the Sixty-ninth, Seventieth, and Seventy-first Congresses.

Resolved, That in the death of the Hon. NICHOLAS LONGWORTH the United States has sustained an irreparable loss.

Resolved, That this House, of which he was a distinguished Member and leader, unite in honoring his sterling character, the ability, probity, and patriotic motives which illustrated his public career, and the grace and dignity which marked his intercourse with his fellow citizens.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect this House do now adjourn.

Mr. FESS. Mr. President, I send to the clerk's desk resolutions which I would like to have read, and I ask for their immediate consideration.

The resolutions (S. Res. 18) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. NICHOLAS LONGWORTH, late Speaker of the House of Representatives of the Sixty-ninth, Seventieth, and Seventy-first Congresses.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

ADJOURNMENT

Mr. FESS. Mr. President, I offer the resolution which I send to the desk.

The Chief Clerk read the resolution, as follows:

Resolved, That as a further mark of respect to the memory of the deceased Representatives the Senate do now adjourn.

The resolution was unanimously agreed to; and the Senate (at 2 o'clock and 50 minutes p. m.) adjourned until tomorrow, Wednesday, December 9, 1931, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 8, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Heavenly Father, just and holy is Thy name, and all Thy works proclaim Thy glory! Again we tarry at Thy footstool and praise Thee that the zone of Thy fatherhood, in its sympathies and provisions, is as wide as the races of men. Let us hear Thy whisper, for when it is heard a new hope and faith spring within us. May we listen until we feel and catch its note. Keep our hearts from withering toward our fellow men, and make our labor a constant joy. Graciously regard our Speaker, and lead us forth with a splendid ambition to be fully equal to our tasks. Endue us with that wisdom that shall dominate our country and finally lead the world. O Divine Heart, send Thy loving messenger to all our hearthstones and dwell with our loved ones and bless them with perfect peace and rest. In the name of the world's Saviour we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MINORITY LEADER

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent to proceed for one minute to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. HAWLEY. Mr. Speaker, the Republican conference, at its meeting yesterday, unanimously elected Hon. BERTRAND H. SNELL, a Member of this House from New York, as Republican floor leader. [Applause.]

SWEARING IN OF A MEMBER

Mr. RAINEY. Mr. Speaker, I present Hon. KENT E. KELLER, of Illinois, who desires to take the oath of office.

The oath of office was administered to Hon. KENT E. KELLER, of the twenty-fifth district of Illinois.

REPORT OF THE COMMITTEE OF NOTIFICATION OF THE PRESIDENT

Mr. RAINEY. Mr. Speaker, I desire to report that the committee of three appointed by the Speaker on the part of the House of Representatives to join a like committee appointed on the part of the Senate to wait on the President of the United States and notify him that a quorum of the two Houses was assembled and that Congress is ready to receive any communication he may be pleased to make has discharged that duty, and the President advised us that he would communicate with the House in writing to-day.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

THE RULES

Mr. POU. Mr. Speaker, I call up the resolution which was pending when the House adjourned yesterday; and I would like to get an agreement as to debate on the resolution.

We are perfectly agreeable to any reasonable time for debate, but we would like to get an agreement that at the end of the debate the previous question shall be considered as ordered. What time can the gentleman suggest for his side of the House?

Mr. PURNELL. The gentleman stated to me yesterday he would not yield for the purpose of offering amendments. Is the gentleman still of the same opinion?

Mr. POU. Yes.

Mr. PURNELL. Does the gentleman intend to yield us 30 minutes on this side?

Mr. POU. I will yield 30 minutes and even more if the gentleman desires it.

Mr. PURNELL. No; that is plenty. I would say to the gentleman from North Carolina I would like to have yielded to me 30 minutes, but not with the understanding that at the conclusion of the debate the previous question shall be considered as ordered. I will say, frankly, to the gentleman from North Carolina that that will perhaps be our only method of offering amendments. We have two valid amendments which I think should appeal to the Members of the House and upon which the House should have an opportunity to express itself.

Mr. POU. I will say to the gentleman from Indiana that I shall yield him 30 minutes to be used as he sees fit. At the end of that time, if the gentleman can not agree that the previous question may be considered as ordered, of course, I will have to move the previous question. I only yield for debate.

Mr. PURNELL. I understand.

Mr. POU. Mr. Speaker, I do not suppose that unanimous consent is necessary. I believe I have one hour.

The SPEAKER. The gentleman from North Carolina is recognized for one hour.

Mr. POU. Mr. Speaker, I am going to yield one-half hour to the gentleman from Indiana to be yielded by him as he sees fit. I yield myself five minutes, Mr. Speaker.

Mr. Speaker, 31 years ago I was a Member of this House under what I may term a one-man oligarchy. For 10 years following my entrance into the House the House of Representatives had tied itself hand and foot and delivered itself to the Speaker. The House was under the control of a Committee on Rules, composed of three men, the Speaker, a gentleman from his side of the House, and one man from the minority side.

Time and again I have seen the Speaker call the majority Member back of the Speaker's desk and decide upon a rule, and, after agreeing upon the rule, they would notify the minority Member what was done, and the Republican Member would read his rule, sometimes written in longhand on the back of an envelope, and the House would proceed to act.

I actually saw this, Mr. Speaker. It is hard to believe, but the records of the House will bear me out. I saw the two majority members of the Committee on Rules report a rule to this House for the consideration of a measure, and when the rule was adopted and the language of the rule was carefully examined, bless goodness, they found it not only provided for the consideration of the measure but actually passed the measure. [Laughter.]

There has been constant protest against this manner of considering legislation. The protest has continued all during the years. After 1910, when the Democrats came into power in this body, there was considerable liberalization of the rules, and now the Democratic caucus has agreed upon what is known as the Crisp discharge rule, and I was instructed to report that as an amendment to the rules of the House, which I took pleasure in doing.

This discharge rule provides for the discharge of committees, under certain circumstances. It even provides for the discharge of the Committee on Rules. I have no objection to that. As long as I am at the head of the Rules Committee there is not going to be any "sitting on the lid." [Applause.] I am willing at any time, if any gentleman thinks the Rules Committee is attempting to stifle legislation, to have you put your discharge rule into operation. This is also what the proposed change does with respect to other committees. I may say that this matter will be discussed in detail by the gentleman from Georgia [Mr. CRISP] and, perhaps, by other gentlemen on this side.

The Crisp discharge rule also provides, in another paragraph, for the calling together of committees where the chairman refuses to call the committee together. Surely, nobody objects to this.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. POU. Mr. Speaker, I yield myself two minutes more. Another provision of the Crisp rule is that providing for action by the conferees when they refuse to act. Surely, nobody can object to that. These are the three high spots in the Crisp amendment to the rules of the House—the discharge of committees, the calling of committees together, and compelling the conferees to act.

Now, gentlemen, a good deal has been said about amendments to this Crisp amendment to the rules. We are willing to stand or fall by the action taken by the Democratic caucus. I believe an overwhelming majority of the House is in favor of the proposed liberalization of the rules. I will say that if the discharge rule is not workable then the Rules Committee will promptly give consideration to any amendment that may be deemed necessary to make the discharge rule workable. [Applause.]

I now yield 15 minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker and my colleagues, this is the day I long have looked forward to—a Democratic Speaker, this House under Democratic rule, carrying out the great principle of democracy that a majority shall rule, and the adoption of rules with sufficient authority and so adjusted that they shall be rules for the entire House, not to meet any political exigency of any party but to insure the fundamental right of democracy that a majority of the House may work its will under the terms of those rules. [Applause.]

Gentlemen, my time is short and I do not wish for applause.

The rules that are presented here to-day are exactly the rules, word for word, that were presented by me in the last Congress and debated with the distinguished majority leader on the floor of this House with only one change—the number that is required to initiate a motion to discharge being changed from 100, as originally written, to 145. These rules, I say to you, absolutely make it possible beyond the peradventure of doubt for the majority of the House to call up and consider and pass any measure it desires to pass. And I stake any little reputation I may have among my colleagues as to knowing the rules of the House that these rules will work and that they will not cause disorderly procedure but will insure orderly procedure and at the same time insure that a majority of this House can function.

Ladies and gentlemen of the House, every rule that I urged last January is included in this motion, except the rule dealing with the consideration of the Private Calendar. No questions of fundamentals is involved in that; it is a matter as to which is the best way to consider the Private Calendar. The gentleman from Massachusetts [Mr. UNDERHILL] has a plan to relieve the House of that drudgery, as has the gentleman from Mississippi [Mr. COLLINS], and others, and it may be a better method can be found than the rule I discussed last January for the Private Calendar. That rule I discussed last January is 99¾ per cent the rule the Republican conference proposes to-day for the Private Calendar.

I have made no suggestion relative to the Consent Calendar. The question of the fundamental principle of majority rule is not involved in that, because it is the Consent Calendar. It takes practically the unanimous consent of the House, and even under the rule proposed by the Republican conference five men can stop it. Fundamental principles are not involved, so that we may brush them aside.

There are four essential changes which I propose in these rules. First, that a majority of the members of the standing committees of this House can meet and work whenever a majority of a committee desires to do so. The Republican conference proposes that rule that I advocated last January word for word. I advocated amending the rule as to Calendar Wednesday so as to give the committees a better chance to be heard under Calendar Wednesday rule, because it was apparent and is a fact that some of the committees had not been called under the Calendar Wednesday rule for six years. Last year I proposed to change from two to one day that a standing committee might have for the consideration of a bill under this rule. I proposed also that when the call was made, commencing at the beginning of the lists of committees, if, during that session, it was not completed, at the next session of the House we should commence the call where it was left off the preceding session, instead of going back to the beginning.

The Republican conference reports that provision with a change cutting down debate from an hour on a side to 30 minutes on a side, which is an immaterial matter as no principle is involved.

I propose another very vital fundamental change to insure the majority control which the Republican conference did not act upon, to wit, a rule making it possible to deal with recalcitrant conferees, and make them subject to and amenable to this House, that rule being that when conferees shall have been appointed for 20 days and shall not have made a report, it shall be a privileged motion to move to discharge them and to appoint new conferees and to instruct. The rule provides also that during the last six days of a session those rights to discharge and instruct and appoint new conferees can be made after the conferees have been appointed for 36 hours. You all recall how in Congresses past the conferees defied the House on the Norris lame-duck resolution, how they defied it on Muscle Shoals, and how they defied it during the last hours of the last session on the bill for the veterans' hospital. Under the old rules if nine-tenths of the Members of this House desired to instruct conferees, they are impotent as babies to do so unless the Speaker would recognize them to move to suspend the rules, or the Committee on Rules would bring in a resolution authorizing the House to deal with them. Is that democratic, or is it consistent with the American form of government? No. Under the rule proposed to-day you have them absolutely within the control and authority of this House.

I come now to the remaining fundamental, the discharge rule, and it is, word for word, the rule that I proposed, to discharge committees, when I was in the minority last January. That rule has two separate, distinct methods of procedure to discharge the committee, not related to each other, absolutely divorced from each other, and a Member can proceed to discharge the committee under either one of those methods. The Republican conference adopted one of those methods, the weaker method for discharge. They liberalized as little as possible to meet their political exigencies. They adopted the old rule that I had the honor of drawing in the Sixty-eighth Congress under which the Howell-Barkley bill was discharged and which was filibustered in the House so that we could never get action. Why? Because the Speaker and those in the chair entertained dilatory motions, would not bring the matter to a conclusion, permitted delays, and the bill could not be finally passed, and I then learned my lesson. I profited by that experience. I knew that history might repeat itself. I determined to evolve, to the very best of my ability, a rule that could not be filibustered, that could not be circumvented, giving the House a chance to discharge a committee and put a bill on its passage; and the second method in this rule which you have before you to-day will absolutely accomplish that purpose. The Republican conference even weakened that first method, because, while they say it shall be unfinished business, they have an innocent little clause in there saying it does not supervene the right to make a preferential motion, when it is up, to go into Committee of the Whole House on the state of the Union to consider appropriation or revenue bills. That weakness even is not in the first method proposed in the rule the Democrats present to you for consideration.

Let us come to the second, and the second is a method that will work. What does it do? It makes it in order to discharge the Committee on Rules from a rule providing for the special consideration of any bill or resolution. The discharge rule of the Republican conference is as silent as the tomb on that, and that is a provision which the gentleman from New York [Mr. SNELL] last February, in debating with me, said would destroy the Committee on Rules; it made the Committee on Rules the servant of the House, and there would be no need for a Committee on Rules with such a rule. He admitted it would work. Let us see how it would work.

Were I to seek to discharge a standing committee from the consideration of any bill, that is the method I would adopt. It does not require two petitions. You can start your petition with 145, under the first method to discharge a stand-

ing committee, or you can start your petition to discharge the Committee on Rules from a special rule providing for the consideration of a bill. That is what I would do. I would introduce a resolution providing that immediately upon the adoption of this resolution the Committee on the Judiciary, for example, should be discharged from further consideration of a certain bill. I would say that there should be two hours' debate, and after that it should be considered under the 5-minute rule. At a certain hour the committee should rise and report to the House. The Speaker should not entertain any dilatory motions. It should be unfinished business, considered from day to day until final disposition of it. I would send that to the Committee on Rules. You can not introduce that resolution until the committee which has had the bill has had it for 30 days, so as to give that committee ample opportunity to consider the merits of the bill. Then, the standing committee having had that bill for 30 days, you introduce this resolution and send it to the Rules Committee, and if they do not report within seven days, you can have a discharge rule against the Committee on Rules on that resolution. Then, on the second and fourth Mondays you can call up that discharge rule, and if a majority of the House adopts that motion to discharge the committee, the question would come for the House to adopt a rule to consider it. If the House adopted it, then the House would instanter proceed to consider that bill under the terms of that resolution, all dilatory motions being cut out, just the same as they would be if the chairman of the Rules Committee came in here with a favorable report for a special order of business for the consideration of a bill, and the standing committee would have been discharged from further consideration of the bill, and the bill would be before the House for consideration. It would not be necessary to have two petitions.

Now, I would like especially to stress to my friends of the press that 145 does not discharge a committee. The opponents of this rule say that that 145 would permit "unbaked legislation." Such is not the case. The 145 is simply the number necessary to initiate the right for the House itself to vote twice a month as to whether or not it will discharge a committee. To discharge a committee it would be necessary to have a majority of the membership of the House voting, a quorum being present. As this rule can only come up two days in a month, the motion to discharge will have to be on the calendar seven days, and the membership of the House will know it, will be here, and, in my judgment, it will always require 200 or more voting in the affirmative to discharge a committee, but it is within the power of the 145 to put the House on record.

Now, gentlemen, one burning question in this country is prohibition, and I am perfectly willing to face a vote on that or any other matter. [Applause.] This rule gives that right. I would not propose a rule that would lead to confusion or that would make the House of Representatives ridiculous, or that would enable people to pile up motion after motion on the same subject and have many votes on it. Therefore, in this rule I have tried to tie it down, that where a motion to discharge had been perfected, and the House had voted once on that subject matter, as far as this discharge rule is concerned, it would be res adjudicata for that session of Congress.

The SPEAKER. The time of the gentleman from Georgia [Mr. CRISP] has expired.

Mr. POU. Mr. Speaker, I yield to the gentleman from Georgia three additional minutes.

Mr. CRISP. That would not stop the committee from making a favorable report and the House from considering it.

Now, I want to be very fair. Let us take the prohibition question. I think that if this rule is adopted, and there were 10 bills introduced to amend the Volstead Act, for beer of 1 per cent, 2 per cent, 3 per cent, or 4 per cent alcohol, if one of those beer bills was voted on, you could not vote, under the discharge rule, during the same session on the other beer bills. I think under the rule it would not preclude having a motion to discharge on a proposed constitutional amendment repealing the eighteenth amendment. When you had voted on one constitutional repeal, that settles it for that session of Congress, and that is all the public has a right to know about. They have a right to know how you and I stand on it. That is all the people in your district are entitled to know. There is no use keeping on voting on the same thing over and over.

There is one provision that the Republican rule does not affect. The rules which I propose will also deal with this situation: Suppose a committee reports favorably to the House a public bill. It is not privileged, and you can not get it up for consideration. This rule says you can file against the Rules Committee a special rule, making it in order to consider that bill favorably reported and on the calendar, which the responsible authorities will not allow to come up. It puts it in the power of the House to work its will. It puts it in the power of the minority to work out its program and have the House go on record, and it is the duty of the majority to take that responsibility.

I welcome the minority's program. I hope you will propose one. This rule gives you an opportunity to do so. If it is like your programs in the past, I am quite willing to vote against it, and our majority will vote against it, and yet you can have your record known to the country.

That is all these rules will do. They are democratic. They put it in the power of the majority of this House to carry out its will, whether that majority is made up of Democrats, Progressives, Republicans, or any other party. These rules are made in keeping with the spirit of democracy, in keeping with the spirit of the Constitution of the United States that the majority may rule; and with these rules there can be no hue and cry throughout the land that the House of Representatives is gagged by a triumvirate. [Applause.]

Mr. PURNELL. Mr. Speaker, I have listened with great interest to the distinguished gentleman from Georgia who, as we all know, is one of the best parliamentarians this House has ever produced. [Applause.] I want to say at the outset, speaking for the minority which now sits on this side of the aisle, that we join with you in this effort to liberalize the rules of this House. Lest there may be some misunderstanding, as is evidenced by muffled chuckles on the other side of the aisle, let me say to you that the Republicans in conference last February instructed the Republican members of the Rules Committee to devote this summer, or such part of it as might be necessary, to the preparation of a program looking toward the liberalization of the rules of the House for presentation this fall. And let it be remembered that those instructions were given by the Republican conference to the Republican members of the Rules Committee at a time when you yourselves [addressing the Democratic side of the House] did expect to organize this House. [Applause.] This is therefore no eleventh-hour conversion occasioned by the fact that we are now in the minority. When our Republican conference met in February and decided to take some definite action upon the matter of liberalizing our rules we fully expected to have our own party represented in that chair and to be in the majority on this side. I make this statement to show that our effort was made in good faith. Fate has decreed otherwise. While the gentleman from Georgia says this is the day he long has sought, it is likewise the day we did not expect. [Laughter.]

Many of the proposals here are identical, and I may say for the benefit of the new Members—most of whom are on that side—that the purpose of this whole procedure is to adopt some rules for this House. At present we have no rules under which to operate. The proposal here is to adopt the rules which prevailed in the last session of Congress, with the amendments offered by the gentleman from North Carolina, the new chairman of the Rules Committee. We also present some amendments, and I may say frankly that the suggestions which are offered by the Democratic side and the Republican side are in the main identical, with the exception that we offer some specific amendments for the benefit of the Consent and Private Calendars.

Our discharge rules are not exactly the same, as the gentleman from Georgia has pointed out. But if he is willing that his discharge rule shall go as far as it does toward stripping the Rules Committee of this House of its power, that is up to him and his party, and it is within your province to adopt his suggestions. I shall therefore discuss only the two proposals which we seek to have added to the proposed amendments. They are with reference to the Consent Calendar and the Private Calendar. Let me state briefly to the Members of the House, particularly the new Members, what it is proposed to do under our proposed amendments. Two objections instead of one will be required under our plan before the consideration of a bill on the Consent Calendar may be stopped, and five objections, instead of three, will be required when the bill is again called for consideration. If when the bill is again called for consideration five objections are heard, then the old rule operates, and in that case the bill goes off of the calendar, and can not thereafter be placed upon it. That, we think, is a distinct improvement over the old rule.

Another suggestion has to do with the Private Calendar. Our proposal—and I present it as a member of the Rules Committee, at the suggestion of our Republican conference—presents an entirely new rule for the consideration of bills on the Private Calendar. In brief, our proposal makes it mandatory, not optional, that the House shall consider bills on the Private Calendar on the second and fourth Saturdays of each month. When a bill is called and no objection is heard it is immediately read for amendment and the question put on laying the bill aside for favorable recommendation. If objection is heard the rule provides for 20 minutes of debate, 10 minutes on each side, during which time the merits of the bill can be discussed.

After the debate of 20 minutes the Chair will then ask if there is objection, and unless five objections are heard the bill will be considered for amendment. If five objections are made after the 20 minutes of debate shall have passed, then the bill is passed over and all of the remaining bills on the calendar of that date are called before those bills to which objection has been heard can again be considered. When all of the bills that were on the calendar on the day the five objections were lodged against it have been called, then the Chair will, under our proposal, return to the bills which have been objected to. When they are called this time, unless the question of consideration is raised, the Committee of the Whole proceeds to consider the bill under the 5-minute rule. If the question of consideration is raised we provide in our resolution for 10 minutes of debate, 5 on each side. If the question of consideration is decided in the negative, the bill is laid aside until the committee rises, when it is reported to the House with an adverse recommendation. Any bill so reported is automatically recommitted to the committee reporting it and can not be again reported during the same Congress.

The only opportunity the House will have to-day to express itself upon these two vital proposals now offered by this side of the Chamber will be by voting down the previous question. The gentleman from North Carolina has indicated to-day, as he did yesterday, that he will not recognize this side of the House to offer any amendments. Therefore, in the interest of the liberalization of these rules and in order to protect the individual rights of the Members on both sides of this Chamber and give the widest latitude consistent with reason, I want to seriously urge that the previous question be voted down, in order that we may have the opportunity to at least present these two proposals. [Applause.]

Mr. Speaker, I reserve the balance of my time and yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Speaker, the gentleman from Georgia [Mr. CRISP] gives full credit to the Democratic side of the House for the presentation of the present rules which liberalize the old rules, and I thank that side of the House. The distinguished gentleman from Indiana [Mr. PURNELL] gives credit to the Republican side of the House for initiating the movement which resulted in the amendments we are now considering, and I thank the gentlemen who sit on that side. But now, gentlemen, I want to thank the small group of determined Members on both sides of the House who have been fighting for these amendments for the past 10 years, and have really forced both sides to bring them in.

In all fairness, I want to say that when it looked as if the Republicans would organize the House I contacted the Rules Committee, when it was sure that if they did organize they would require every vote, and opened negotiations, and we were then given absolute assurance that these amendments would be acceptable. When conditions changed the distinguished gentleman from Georgia [Mr. CRISP] gave us assurance that the changes would come from his side. I want to say to the new Members that this indicates the usefulness of our small group that for 10 years has been protesting, and I say also that this pill is as bitter to swallow to some Members on the Democratic side as it is to some of the older Members on the other side.

The two discharge rules will once and for all give us the opportunity to test whether or not a real discharge rule is workable. Personally, I will say that the discharge rule suggested by the gentleman from Georgia is preferable, because it provides an alternative method. As against that he limits the discharge to one subject matter, while the rule of the Republican side limits it to a specific bill. This phase of the rule will be tested in the ruling which we will receive from time to time from the Chair as to what is a similar, substantive subject matter. So, I take it, gentlemen, this House, on the public assurances made by the Republican conference and the Democratic conference, is honor bound to-day to pass this discharge rule.

The change in the rules providing machinery for a committee to operate, of course, is satisfactory, and the gentleman from Georgia has covered that phase of it completely.

The conferees' rule, I believe, is very necessary. I attempted to have our side of the House adopt it, but we failed. This also should be adopted.

Gentlemen, there is a great deal of misapprehension going through the country as to the discharge rule. I still believe that 100 is the logical number, but it is wrong to send out propaganda that 100 men can control the House. All that this rule does is to give 145 Members of the House power to offset anything that 13 members of a committee now have the power to do. This is all there is to it. In other words, under existing rules, 13 members of a committee may prevent this House from considering a bill, although a majority desires its consideration. This change provides the machinery whereby 145 men can move the 13 members of a committee and bring the bill before the House.

I trust, gentlemen, that to-day, whether the previous question is voted down or is voted up, we will pass the amendments offered by the gentleman from North Carolina [Mr. POU] and give the liberalization of the rules a real test in this House. [Applause.]

The SPEAKER. The time of the gentleman from New York has expired.

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, I have no wish to claim or to disclaim credit in respect of the pending proposal. It is, however, my sincere regret that the gentlemen on my right have not seen fit to take up an equally serious branch of this subject to which the Republican conference addressed itself, with the result that it made certain proposals which would have in effect liberalized further the rules of the House, in that their acceptance here would have given every Member an opportunity, a chance, to get fair consideration for those bills that appear on the Private and the Consent Calendars. It is possible that my friend from Georgia [Mr. CRISP] contemplates that these additional changes will be considered by his Committee on Rules.

Mr. CRISP. I will say to my friend I hope sincerely the Rules Committee will consider them. I am not on the Rules Committee. Personally I favor the three rules the gentle-

man suggested to me after the gentleman's conference met, as to limiting debate on points of order and the right of the Library Committee to report favorably and one other which the gentleman suggested which I can not recall at this moment.

Mr. LUCE. Opportunity to debate and amend bills sent from the Senate by way of amendment striking out all after the enacting clause of our bill and substituting their own.

Mr. CRISP. Yes; I think that is a very important rule, and I hope the gentleman will go before the Rules Committee; and I will go before the Rules Committee with the gentleman and also express my approval of such changes; but they were not, from my viewpoint, fundamental. They are matters that do not involve any political right or the right of the House to control, and I thought there would be no objection to the Committee on Rules, both the Democrats and the Republicans, considering such changes.

Mr. LUCE. These three rules, Mr. Speaker, are typical of a group of changes that ought to be made to increase the efficiency of the House of Representatives.

When you are faced by the fact that at the conclusion of the last session 918 bills had passed one House and did not pass the other, you realize why the country is disappointed at our failure to do our work. If, Mr. Speaker, the gentleman had included in his proposal reform in the matter of the Consent and the Private Calendars, he would have conferred a great benefit on the Members of the House and on the whole country. We are united in those matters. The overwhelming desire of the House is that its business shall be expedited. We Republicans have set the example by proposing to do it now.

I remember very well eight years ago, when there was hope that something of this sort might be accomplished and the matter went before the Committee on Rules, we made no progress. We have waited eight years for the House to face the mass of legislation upon which we do not act.

If you want to change that thing, if gentlemen who are interested in the Private and Unanimous Consent Calendars want to pass them now and not wait for the inevitable delays, with the possibility of partisan animosity, the possibility of raising prejudice, then vote down the previous question that we may at once settle this matter. The Private and Unanimous Consent Calendars press upon us for action, they deserve immediate attention, and they ought not to be thrown into the political maelstrom that confronts us. For that reason it will be fair to the House to give us an opportunity to present the reasons why our proposals will expedite the business of the House. [Applause.]

Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LUCE. Under this permission, and in order that Members may have before them for study and discussion sundry changes in the rules that seem to me desirable, let me first set forth the situation.

In the House that adjourned March 4, 1931, there had been introduced 18,356 bills and resolutions, in the Senate 7,080, making a total of 25,436 in two years. Favorable reports had been made to the House on 2,734. Seven hundred and forty-seven of these died on the House calendars; that is, were not acted upon. Measures that passed the House and were not acted upon in the Senate numbered 537; those that passed the Senate and not the House 381, making a total of 918 that fell between the branches.

The measures that became law numbered 1,524, a figure to be reconciled with the previous figures by taking into account the instances where identical bills are introduced in both House and Senate, and one of them is laid aside.

It is also to be borne in mind that individual pension bills approved are combined in two or three big bills, which makes the showing not quite so bad as it appears on the face. This, however, does not alter the fact that more than one-quarter of the measures reported to the House were not acted upon at all, and that between 800 and 1,000 passed one branch and were not acted upon by the other.

Granted that some of these measures ought not to have been reported, and that there has been no loss because they were not enacted, yet it can not be denied that a lamentable amount of committee effort went for naught; that other time was spent in vain in House or Senate, and many, very many citizens were disappointed. Two-thirds of the measures lost were private bills, so that several hundred persons were denied the justice, equity, mercy, or generosity that committees had held to be deserved.

Two hundred and more were public bills. Many of them concerned administration, so that by reason of their failure the governmental agencies concerned will be by that much the less able to function as efficiently as committees had held to be desirable. Others were expected to inure to the safety of the public, to its protection, to its prosperity. Few, very few, concerned new policies—the things where public opinion might have divided between approval and blame.

This is not a novel situation. It repeats what has taken place at the end of every Congress in many years. Congress is getting further and further behind in its work. Like all other legislative bodies, it does not keep up with the times. Hence in no small part disrepute.

In point of numbers the minor measures are, of course, the most considerable. To handle them quickly, as, of course, the Members who have served here before well know, we have developed a system under which the private bills are grouped on one calendar and those to which little or no objection is expected are grouped on another, known as the Consent Calendar. Single objections have again and again prevented the majority floor leader from taking up the Private Calendar, and on those rare days when it is considered almost no bill to which any one Member objects ever gets a chance for debate and a vote.

When the Consent Calendar was devised one objector could block any bill it carried. This was found to put too much power in the hands of the single Member, and eight years ago we provided that when a bill had been thrown off and then put back, upon being reached the second time, three objections must appear. This one-and-three rule has in turn been found to give unreasonable power to a few, and I am sure the House would by an overwhelming vote, if it had the opportunity, to require more objectors. To that end the Republican conference agreed on a change that would require two objectors the first time, five the second.

For private bills the conference agreed there should be at least some chance of consideration regardless of solitary objection. The conference proposed that there should be two days a month for these bills. Each would be insured 20 minutes of debate, then going to the foot of the calendar if objected to by five Members; otherwise to be debated and voted on forthwith.

Sooner or later every man in the House will find it of advantage to his constituents and to himself if these changes in the calendar rules are made. I am confident the public interest would be subserved by them.

The conference also agreed upon two minor changes to which the gentleman from Georgia [Mr. CRISP] has given his approval. One would save time that everybody agrees is wasted in discussion of points of order. The publication of Hinds's Precedents took away most of the reason for such discussion, and since then the admirable work of the parliamentary clerks, Mr. CRISP and Mr. CANNON, now respected fellow Members, of Mr. Fess and Mr. Deschler, has so well established our system of parliamentary procedure that rarely is there real need of any discussion whatever. Yet the old practice of protracted discussion dies out but slowly and wastes many precious minutes. As a matter of fact, we might with safety follow the practice in the House of Commons, where for any member to question a decision of the speaker is a breach of order. Here, to be sure, our Speakers are elected as partisans, and a partisan ruling is conceivable still, but of late years absolute fairness has been the rule, and it is a rule from which no Speaker in our day is likely to deviate. However, it is at the moment proposed

only to curtail discussions of points of order, not to prevent them.

Not to save time but to protect the House in its rights is the purpose of another change proposed. Once in a while the Senate will strike out all after the enacting clause of some bill we have sent over, usually a long, intricate bill, and substitute a measure of its own. When that comes back to us, it must be treated as one amendment, which precludes us from reading it for further amendment. In effect we have to swallow it whole. That is unfair and unwise. I have heard not a single objection to making it impossible.

There are other practicable changes that ought to be considered by the Committee on Rules, chiefly for the purpose of saving some of the dreadful waste of our time by lost motion in useless processes long outgrown and long discarded by the great legislative bodies of the world. Of them all far the most serious in its effect is the reading of bills orally and at length. The enactments of any one Congress comprise a total of nearly 1,000,000 words. A single reading of all such enactments of any one Congress, even though read as rapidly as the reading clerk can enunciate, occupies the clerk at least 70 hours, or something more than 12 working days, which is more than 2 weeks of the time of the House.

Taking into account matter that is read twice or three times, together with bills that fail of enactment, it is probable that nearly a month of the term of Congress is consumed in mere clerical enunciation.

As far as I can learn, this is not found in any other large legislative body in the world. The practice has been carried on because centuries ago in the British Parliament many of the members could neither read nor write. Now that printed copies are at command, the reason for the practice has wholly disappeared. I inquired of the clerk of the House of Commons in the Parliament at London when this practice was abandoned in Parliament, and he replied that such researches as he had been able to make threw no light on the subject. It was abandoned in the Massachusetts Legislature also so long ago that I can not ascertain the date of the abandonment.

If it were abandoned here we should have two weeks more in every Congress for the passage of minor bills now never reached, or for more adequate discussion of the big things. Gentlemen who are here in such numbers for the first time will find their greatest disappointment in the lack of opportunity to share in debating the great questions of principle and policy that confront us. This opportunity would be importantly enlarged if the House would save the minutes it now wastes in useless processes.

Take another, insignificant on any one day, but in the aggregate using up about four days of each term, the perfunctory and useless reading of the Journal. No harm whatever could come from dispensing with it unless on any given day objection were raised. Another change, apparently trivial in itself, would permit a committee to report a bill in a new draft or to combine report on several bills in such a draft. Now, when a committee has perfected a bill, it instructs its chairman to introduce a new bill, which, of course, entails no serious waste of time, though it may be important toward the end of the session. The waste comes from calling attention to each and every change that has been made, great or small. This invites ineffective discussion of minutiae, not only taking time, but also endangering decision on the merits. To put the emphasis on the well-considered opinion of the committee, rather than on the often immature views of the man who wrote the bill, in point of detail, is unfortunate. Here is another outgrown inheritance from centuries ago, abandoned by some at least of the most efficient and respected lawmaking bodies of the world.

The hour-rule for debate has also been made undesirable by changed conditions. In practice we let nobody speak more than half an hour, save by the unanimous consent always granted when possible to a man who has something to say and whom the House wants to hear. The harm in the rule under present conditions lies in the tendency of the man who gets control of an hour, to use every minute of the 60, doling out the time with slight regard to the need. To be sure, he usually does this because of requests, but these requests are hard to refuse and so two hours are likely to be used, one on each side, where one in all would amply suffice.

Another source of irritation is the man who in the course of five-minute debate asks unanimous consent to speak out of order, and when, say, an appropriation bill is being read for amendment, breaks in with five minutes on the iniquities of the Soviets. It is no great matter, but typical of the little changes that in the total would benefit our procedure.

Much more important would be some way to lessen the time taken by roll calls. The constitutional requirement of a quorum can be escaped. We escape it now whenever we are in committee of the whole, down at least to the number of 100. That avenue can be pursued further whenever the House is willing.

The immediate problem to which the most thought should be given is that presented by claims. Various remedies have been urged. Among them the Committee on Rules ought to be able to find something workable and fair. Nobody can deny that the way in which we now pretend to dispense the equity of the Nation does no credit to our intelligence or our honor. Both public duty and self-interest call for action.

Mr. PURNELL. Mr. Speaker, I yield half a minute to the gentleman from Wisconsin [Mr. NELSON].

Mr. NELSON of Wisconsin. Mr. Speaker, I congratulate both sides of the House, the Democratic as well as the Republican, on the spirit of fairness that now prevails in this matter of revision of the rules.

Both sides now propose to adopt a discharge rule which is virtually the same as the one that some of us fought so strenuously for some years ago. We succeeded then in securing its adoption, but when we lost the balance of power it was again made innocuous, unworkable, useless.

As an illustration of conditions that prevailed in the last session, I may cite my own position as chairman of the Committee on Invalid Pensions. I had before me bills authorizing the expenditure of between forty to fifty millions of dollars. The old Civil War soldiers and the widows were interested in this pension legislation. As the committee met subject to the call of the chairman, it would not have been a very difficult matter for me to have smothered this bill even if a majority of that committee and of the House had been favorable to the old soldiers' pension measure. Of course, I did no such thing. We reported out and passed a satisfactory bill unanimously. But the power I had as chairman was too large for one man to exercise. Only by revolutionary proceedings could any of those measures have reached the House from my committee without my consent. This discharge rule gives the power back to the House and to the committee.

The Democratic caucus adopted the suggestion of the able parliamentarian, Mr. CRISP, of Georgia; the Republican caucus adopted the proposal of the distinguished chairman of the Rules Committee, Mr. SNELL, the present minority leader. I shall vote for the amendments proposed by the gentleman from Georgia [Mr. CRISP], for they are, in my mind, more liberal and more workable.

May I add, however, that I regard them only as so much more patchwork? They do not deal with the fundamental evil of our system—the concentration of power into the hands of a few. While the Senate rules concentrate all power in the individual Members of that body, so that they have to legislate by unanimous consent, in the House the power is concentrated in a few leaders, with corresponding loss of power to the individual Member. In this respect the rules of the House and the Senate are at the extreme of divergence.

In the Fifty-eighth Congress, more than 20 years ago, I made a speech on the subject, The President's Message and the Rules of the House. I had carefully prepared that speech by a study of everything that was printed on the rules of the House, and as a compendium I printed a concise study of the criticism of our system. I pointed out

then the concentration and control of power in the person of the Speaker. After three years of constant agitation in Congress and before the country we succeeded in overthrowing so-called "Cannonism" by breaking up and distributing the Speaker's arbitrary power.

Gradually, however, it has been centered again in a few Members—in the Member elected Speaker, who is possessed of the power of recognition, which he retained; and extensively in the Member who becomes chairman of the Committee on Rules, through the control of the business of the Congress; and most extensively in the Members of a few great States, through the method of appointment of Members to committees. Both the Democratic and Republican practices, each being somewhat different, concentrate this vast power, this important and far-reaching power in virtually a handful of Members. It is very easy, therefore, for the majority floor leader, who is chairman of the committee on committees, acting with the chairman of the Committee on Rules and with the Speaker, to dominate legislation in the House. Under the triumvirate of rulers of the last Congress—Longworth, SNELL, and TILSON—this control was exercised in a seemingly gentle and mild way. It was a benevolent despotism. Nevertheless, there was lodged in these three Members the arbitrary power to control one branch of Congress, a condition well understood by the country at large.

May I sum up my views on this subject by saying that after 25 years of fighting for a revision of the rules of the House, having led in two such contests with some success, and after having gathered together and studied carefully the parliamentary systems of the State legislatures and of the parliaments of the world, I have come to the conclusion that our parliamentary procedure can be revised and perfected only by the appointment of a select committee composed of the best parliamentarians we have, acting under definite instructions, not only to revise and liberalize the rules themselves but also to codify, unify, and reconcile the decisions of presiding officers? Here we have confusion worse confounded. No Member can tell beforehand as to innumerable measures and amendments when a point of order is made what the decision of a chairman will be after hearing the parliamentarians discuss a point and review these past decisions. For this reason chiefly a careful study and working knowledge of our rules and these decisions is sadly neglected by the overwhelming membership of the House, and are only studied and debated by the very few who take an interest in the intricacies of our parliamentary procedure.

Obviously, the Committee on Rules itself will never revise the rules so as to remove this concentration of power, for the members of the Rules Committee know they have the power. They are not willing to give it up. Indeed, when I was a member of the Rules Committee I was asked by Members why I wanted to get rid of this power that I had as a member of this powerful committee. And history bears me out in my position, for the only thoroughgoing revision of the rules that was ever had by the House was by a special committee appointed for that purpose. This took place many years before I came to Congress. My distinguished colleague from Massachusetts [Mr. LUCE] is a very scholarly man, the author of notable books on, among other things, our American parliamentary system. He came before the Rules Committee to urge amendments when I was a member of it. I have had correspondence with him this summer on the subject. The conclusion that we have both reached is summed up in this brief letter from him:

WALTHAM, MASS., *October 31, 1931.*

Hon. JOHN M. NELSON,
Madison, Wis.

DEAR JOHN: When I sent you a copy of my United States Daily interview on the House rules last June, in your acknowledgment you said:

"The only way we can really revise the rules is to have a special committee appointed with that specific task assigned to it."

You are absolutely right.

The thing to do, then, is to try to get such a committee. In my judgment, you and your Wisconsin colleagues have that completely in your power. Without you, nothing can be done. With you all things are possible at this juncture. I want to help. To that end I have drawn the inclosed. What do you think of it?

Very truly yours,

ROBERT LUCE.

But, Mr. Speaker, as neither the Democratic caucus nor the Republican caucus has seen fit to make a thoroughgoing revision of the rules as a whole, but has reported this discharge rule and these minor changes, it is all we can get at this time. Patchwork as it is, it is an improvement, and I shall vote for it; but would most urgently suggest to whomsoever may be interested in this important subject hereafter that there will be no real revision of the rules as a whole until a special committee of experts has been appointed for that purpose.

Again I congratulate the House on the spirit of fairness and harmony that now prevails in taking this further step in the right direction toward restoring equality of representation, freedom of action, and greater efficiency to our parliamentary procedure.

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Pennsylvania [Mr. BECK].

Mr. BECK. Mr. Speaker, if there be one subject about which I am more densely ignorant than another it is the subject of parliamentary procedure. Nevertheless, I venture to discuss one feature of the proposed rule as suggested by the majority. Let me say, preliminarily, that I am in sympathy with the underlying purpose of both the proposed rules, to liberalize the rules of this House. In principle, I favor such a liberalization, but it is most important that in liberalizing the rules we should not destroy deliberate and orderly processes of government.

The proposed rule to discharge a committee invites us to enter upon a fateful experiment in the scant provision it makes for any reasonable debate on a motion to discharge a committee. No student of government can question that the parliamentary system could not possibly survive in this or any country without the committee system. I think the very greatest care should be taken so that in attempting to liberalize the rules we should not place the House in the position of Louis XV, who once said, "After me, the deluge." If we open the dike too far, there is manifest danger, especially in a critical time, when hard conditions are apt to make hard laws that much legislation may be forced upon the House which the House would afterwards greatly deplore.

However, the particular suggestion I want to commend to the majority side of the House, and especially to the gentleman from Georgia [Mr. CRISP], is as to that provision of the Democratic proposal which provides that on a motion to discharge a committee there shall be allowed only 20 minutes of debate. It seems to me this House can take no graver action than the discharge of a committee. A committee presumably has greater knowledge of the subject matter than the House can have, with the limited debate upon the floor that is permissible upon any measure whatever. If, therefore, on a motion to discharge, the only day in court of the committee, which may well have given months of attention to the matter, is 10 minutes to defend its right to proceed further with the consideration of the bill, you will have practically denied debate, at least any adequate debate, upon the proposition whether the committees of this House shall or shall not function. It is obvious that the moment the motion to discharge the committee prevails, in most instances the fate of the legislation will already have been foreshadowed, and the passage of the bill will follow the success of the motion to discharge. Therefore I propose for the careful consideration of the gentlemen in charge of the majority proposal—and I make this suggestion because with your intention to order the previous question we will have no opportunity on this side to offer amendments—whether it would not be fairer, before a committee is relieved of its primary responsibility to consider legislation, to allow at least an hour of debate, one-half for the committee to state its position and one-half for those who favor the discharge of the committee.

Mr. CRISP. Mr. Speaker, will the gentleman yield?

Mr. BECK. Yes.

Mr. CRISP. Does the gentleman yield for me to answer him?

Mr. BECK. Oh, no; because my time is nearly through.

Mr. CRISP. This is a drastic rule and will never be used where a committee is sincerely having hearings and considering legislation. Therefore, being a drastic rule which will be used only in extraordinary cases, because it can not be used until a standing committee has had a bill under consideration for 30 days, I think 10 minutes on a side is sufficient. If it is proven that this does not work well, then that is a matter which may be considered later, in respect to extending the time for debate.

Mr. BECK. If the committee is going to be put on trial for the fidelity with which it has discharged its duties to the House, then it ought to have a day in court, and 10 minutes in which to state its defense is no adequate day in court.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. PURNELL. Mr. Speaker, I yield one minute more.

Mr. BECK. Let me state a concrete case. Suppose the committee of which I was a member in the previous Congress, the Committee on Interstate and Foreign Commerce, should have before it a measure for the consolidation of the railroads of the United States, and that after we had given careful consideration to it, 145 Members of the House were displeased with the progress we were making and determined to bring the matter before the House under this proposed rule. All that that committee, all that its chairman could say, would be what he could compress within 10 minutes. I say, far from promoting democracy, you are destroying democracy when you destroy the committee system. [Applause on the Republican side.]

Mr. POU. Mr. Speaker, I ask unanimous consent that the time for debate upon each side may be extended five minutes.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that the time for debate be extended on each side for five minutes, to be controlled by himself and by the gentleman from Indiana. Is there objection?

There was no objection.

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, I felicitate the gentleman from New York [Mr. LAGUARDIA] and the gentleman from Massachusetts [Mr. LUCE] that their long-deferred dreams of parliamentary equity are about to be realized in the first Democratic Congress that has convened since they have been Members of this body. I also congratulate my distinguished friend the gentleman from Indiana [Mr. PURNELL] upon the advanced and progressive position which he takes on the liberalization of the rules. It is to be regretted that these views were not expressed in the last Congress. For five Congresses—for 10 long years—every reform which he now so eloquently advocates could have been enacted any day the House was in session.

> When the devil was sick, the devil a monk would be;
> When the devil was well, the devil a monk was he.

And I can also appreciate the conservative position taken by the gentleman from Pennsylvania [Mr. BECK]. We approach any proposition to amend the rules with reluctance. They constitute probably the most efficient system of procedure in use in any parliamentary body in the world. They are the heritage of more than 150 years. They are the composite product of the ablest minds America has produced. They have influenced the legislative program of every Congress. They will affect materially the legislative program of every future Congress. So effectively have they served the purpose for which they were formulated that in the revision of 1890, the most sweeping revision of modern times—after a century of experiment and practice—but four important changes were considered necessary. And in the revision of 1909, the most notable in the parliamentary history of the House, there were but three. It follows that we consider carefully and scrutinize minutely any proposal for modification, and only amendments of unmistakable merit may hope to receive even cursory consideration.

But no product of human ingenuity is perfect. The Constitution itself has been amended repeatedly. And the procedure of the House is no exception to the rule. From time to time, as the occasion required, the rules have been adjusted to conform to the changing needs of the times. For example, the revision of 1909 sought to remedy three major defects:

First, the tendency of a few powerful committees to monopolize the time of the House, crowding out bills reported by other committees.

Second. Arbitrary recognitions by the Speaker for motions to consider by unanimous consent or by motions for suspension of the rules, with the incidental denial to many measures of their only hope of consideration.

Third. The refusal of committees to report bills which the House desired to consider. The first of these was remedied by the adoption of the Calendar Wednesday rule; the second, by the establishment of the Unanimous Consent Calendar; and the third, by provision for a calendar of motions to discharge committees.

The first two amendments were successful from the beginning. Calendar Wednesday and Consent Monday are among the most popular institutions of the House. But the discharge rule, as drawn, failed to function. Notwithstanding repeated amendments no committee has ever been discharged under its provisions in the 20 years since its adoption. It is the last remaining problem in the procedure of the House, and the need of some practical method of discharging committees refusing to report meritorious legislation has been the storm center about which parliamentary battles have been waged in practically every adoption of the rules for the last two decades.

In the pending resolution we have the solution of the problem. Here at last is a workable rule. Here is a provision under which recalcitrant committees, whether standing committees or committees of conference, may be discharged, and the House afforded an opportunity for the discussion of measures it desires to consider. It is a provision which conforms to every requirement of the ideal rule. It permits the majority to legislate when it desires to legislate. And it safeguards the rights of the minority. These two qualifications constitute the highest test to which a rule may be subjected. The resolution merits the support of Members on both sides of the aisle. It removes the last obstacle to the complete democratization of the rules of the House.

Mr. PURNELL. Mr. Speaker, I yield three minutes to the gentleman from Nebraska [Mr. SIMMONS].

Mr. SIMMONS. Mr. Speaker, Members of the House, in 1923 I voted for the discharge rule calling for 150 signatures of Members to discharge a committee. I voted against the rule in 1925 that among other things increased the number of signatures required to 218. My record in favor of liberal rules is clear. I expect to vote for the liberal discharge rules to-day. However, there is one part of these rules proposed by our Democratic friends that I wish to call to their attention. I believe the Republican proposal is a better one in this regard as well as in other respects. The particular proposal to which I wish to call attention is this: The ordinary procedure for a bill is that, first, it be introduced. It then is sent to a committee and the committee holds hearings on that proposal. After the hearings are held and the committee has considered the bill, then the bill comes before the House, under the rules, for consideration. Now, we are here proposing a method different from that ordinarily followed. The proposed Republican rule provides that after 145 men have signed a petition to discharge a committee a period of 20 legislative days shall elapse before the matter can be called up on the floor of the House. In other words, after 145 Members of the House have indicated a desire to have immediate action upon a proposal, the committee in charge of that bill shall have 20 days within which they may hold hearings; within which they may hear those who are favorable to or opposed to the legislation; within which time

they may gather information that the House will need in order to intelligently act upon the proposal. That 20 days' period, in my judgment, is absolutely necessary if we are to function with any reasonable amount of information properly gathered by the committees of the House.

The Democratic proposal, as I understand it, provides for a period of only seven days. In other words, you may have a situation where a committee like the Committee on Ways and Means, the Committee on Interstate and Foreign Commerce, the Committee on World War Veterans' Legislation, or any of the larger committees of the House might not have had time to consider a bill, and a petition is filed and signed to discharge that committee. In seven days it is brought up on the floor of the House, and under the Democratic proposal the House would have absolutely no opportunity whatever to get information from the committee, or to have the committee get the essential facts about the bill. There are many things that could be discussed, but I think this is one which the membership of this House should decide, and to do that the Democratic motion of the previous question must be defeated.

The SPEAKER. The time of the gentleman from Nebraska [Mr. SIMMONS] has expired.

Mr. POU. Mr. Speaker, on account of the demand for time on this side, which I did not apprehend, I am compelled to ask unanimous consent for an additional 10 minutes, to be applied to the other side also.

The SPEAKER. The gentleman from North Carolina [Mr. POU] asks unanimous consent that the time on each side be extended 10 minutes and controlled by the gentleman from North Carolina [Mr. POU] and the gentleman from Indiana [Mr. PURNELL]. Is there objection?

There was no objection.

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Speaker and ladies and gentlemen of the House, I am not the father or even the foster father of any part of these proposed rules, and I claim no credit for them. I would not have taken the floor to-day except that I have been intensely amused by the sudden liberality and generosity of the now minority Republican side. It supports the liberality of giving away straw hats in December.

The elections of 1930 clearly indicated that there was grave doubt whether or not the Republicans would organize this House in the Seventy-second Congress. When you speak about a conference in February, you are speaking of February, 1931. When we adjourned a few days after that, on March 4, 1931, leaving the organization of the House in the hands of Divine Providence—and I say it respectfully—it looked as though things pointed to the fact that the Republicans could not possibly organize the House; but if you Republicans did, you would have to liberalize the rules. As proof of the fact that the Republicans never had a chance of organizing the House of Representatives in the Seventy-second Congress, I call your attention to the fact that five members of that delegation failed to vote yesterday for the Republican nominee.

I was a Member of the Sixty-eighth Congress, when the Republicans had a very slender majority. By sheer force we on the Democratic side, aided by some of the real patriotic Republicans actually pried out of the Republicans the 150-Member discharge rule. That was a galling pill for the old G. O. P. to swallow. As soon as the party "fit to rule" came back in power in the Sixty-ninth Congress, with a real working majority, the party of Hoover put back the 218-majority rule. [Applause.] Now they attempt to go out to the country and claim credit for this liberalization of the rules. Such insincerity!

Now, let us talk about this sudden liberality of the Republicans. I have heard a great deal of talk about the Private Calendar. Months before we adjourned in the last Congress I stood here on the floor of this House fighting for some change in the Private Calendar rule.

I contended that one man should not be able to hold up the business of this House. The membership of this House was almost unanimously with me in fighting for some change in that rule. A Republican Speaker presided over the House. There was a Republican chairman of the Rules Committee. Everybody sitting here listening to me had said, "Let us change the rules right now." I then took the floor and sought recognition from the Speaker to change the rules. I moved to change the Private Calendar rule by requiring at least three objections, but the Republican Speaker arbitrarily refused to recognize me for that purpose, and the Republican Rules Committee then refused to take up the matter at all. So the country ought to know that this last-minute conversion, colloquially speaking, is not "on the level." [Applause.]

I am concerned about one particular phase of this discharge rule, although I think the gentleman from Georgia has somewhat cleared it up. I refer to the discharge rule which provides that no measures "substantially the same" can be brought up twice. I understand the gentleman from Georgia to say, for instance, that if a measure providing for the repeal of the eighteenth amendment should not succeed, we could later bring up a proposal to amend the Volstead Act. However, prohibition is not the only important subject involved in the possibilities of this discharge rule. There are many other proposals involved. Perhaps some of them will come home to plague both sides of the Chamber. I am wondering, however, how the new Speaker will rule if, after a motion is made in reference to the submission of the repeal of the eighteenth amendment and that is defeated, another motion is made to submit it to the States for control by the States, such as the plan devised by the gentleman from Rhode Island. Those, ladies and gentlemen, are going to become vexatious questions, which I had hoped would be cleared up before the difficulties arose, not only on the prohibition question, but on the other questions which may come before the House.

Mr. HOCH. Will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. HOCH. If the gentleman will note the language of the Democratic proposal, he will find it does not relate simply to measures substantially the same, but the words used are "dealing with the same subject matter." That seems to me to limit the application of this discharge rule.

Mr. O'CONNOR. I am not so sure. This question has been discussed by a number of Members of the House on this side, and questions have been raised as to just what we may face when those questions are presented for parliamentary decision. We may be going too fast. Let us trust that the intense desire of the new Democratic majority to liberalize the rules will work to the best advantage of our party and our country.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. PURNELL. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I am not going to discuss the merits of these proposed rules, but I am going to call attention to the parliamentary situation which confronts us at this time. I might say for the benefit of the new Members that the phrase "gag rule" is a phrase that is euphonious in campaign times. You have heard much about the "gag rules" of Congress, and to-day you are operating under one of those rules. This is a case of where might makes right. The majority party has a few more votes than the minority party. The Democratic caucus and the Republican conference have given careful consideration to amendments to existing rules, but by reason of the fact that you have a few more votes we are denied the right to even offer amendments to what your caucus considers the proper rules to regulate the deliberations of this body.

Mr. CRISP. Will the gentleman yield?

Mr. MICHENER. Not now.

Mr. CRISP. For a correction in the interest of fairness?

Mr. MICHENER. Not now. The gentleman will have his opportunity. I well appreciate that you are going to carry the previous question. You are generous to the extent that you are permitting the minority to even discuss the proposed

rules, but the rule under which this matter is being considered makes it possible for the gentleman from North Carolina, who presented the resolution to cut off debate at any time, to prevent amendments being offered or considered, and to compel a vote for or against the Democratic proposals in toto.

There is little difference between the discharge rule framed by the Republican conference and the discharge rule proposed by the Democratic caucus. Either will work and will bring the proposed legislation before the House upon the application of 145 Members and by a vote of a majority of a quorum, the quorum being 218 votes. Personally, I prefer the rule as suggested by the minority, but I am sure that the Republicans can join in the passage of this liberalized rule. Even though we are not permitted to offer some helpful amendments, there are some changes, however, suggested in the minority draft that are fundamental, and I believe are of interest to more individual Members in the House than the discharge rule itself. I refer to a change in the Consent Calendar rule and a change in the Private Calendar rule. These changes have been fully explained by the gentleman from Indiana [Mr. PURNELL], and the proposed changes are the result of careful consideration on the part of the Republican members of the Rules Committee of the Seventy-first Congress and the careful debate and consideration by the Republican conference; and, as a recommendation of almost a majority of the entire House, it seems that we are justified in beseeching the Democratic leadership which controls the votes to permit the House to express its view on whether or not these changes should be made. Favoring his discharge rule, the gentleman from Georgia [Mr. CRISP] argues that a majority of the House should at all times be permitted to express itself on all legislation, and it seems to me that it logically follows that this same House should in this particular instance be permitted to express itself on the kind of rules under which it will operate.

Under the rules which are here proposed it is within the power of one man, by objection, to delay legislation which has run the gantlet and is up for consideration in the House under the rules of the House, and it requires slightly more than the objection of one man to prevent consideration of legislation during the session. The Consent Calendar is important, and the Private Calendar is of utmost importance to those interested, and if there is a place where the rules need liberalizing it is in this connection. There has been more discussion over the Consent Calendar rule and the Private Calendar rule than all the other rules in the House put together, and I feel confident that if the amendments which we have suggested, and which we will offer if opportunity presents itself, will meet with the approval of the majority of the Members of this House. We who have served here some time realize that those Members who devote time to these two calendars are rendering a splendid service, yet it is not democratic to permit one or two individuals on their own initiative to assume to act as dictators when these calendars are being considered. After a committee has given careful consideration to a bill and reports it favorably, no single individual, who possibly has not even read the bill, should be permitted to prevent consideration.

Those familiar with the situation realize that rules are necessary to the orderly procedure in this body, and the more familiar one is with the proceedings here the more he is convinced of this fact. One of the prime purposes of the rules is to permit the party in power to carry out its program and at the same time to protect the minority, and on this occasion when we are trying to work out rules which are to govern us in our parliamentary deliberations in the future, it seems hardly necessary to invoke the previous-question rule and cut off the opportunity for amendment. This body is not going to vote for amendments it does not desire. We have plenty of time to-day, and it does seem that we are not unreasonable in asking that every individual in the body, regardless of the caucus or conference, be permitted to vote his personal views on this important matter. One of the new Members has just asked me what this previous question means. In answer I would say that it means that if the previous question carries, there can be no further debate on the amendments to the rules and there can be no amendments offered. In other words, the House will be required to take the rules as suggested by the Democratic caucus just as they are without the crossing of a "t" or the dotting of an "i." In other words, it is a yes or no vote on the whole thing.

The gentleman from North Carolina [Mr. POU] will move the previous question, and those who are opposed to giving anyone an opportunity to offer amendments will vote "aye," and those who favor an opportunity of offering amendments will vote "no." We shall demand a roll call on this question, and I hope that the entire membership understands just what this vote means. It is not a vote on the passage of the rules, but is simply on the question of consideration of amendments; and I hope that all those opposing this procedure will vote "no."

Mr. POU. Mr. Speaker, I yield one minute to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker and my colleagues, I would not trespass upon you further, but to assume responsibility for misleading, innocently, my colleague, the gentleman from New York [Mr. O'CONNOR], when he made the statement that under the Republican discharge rule there was only to be a 10-minute debate on a side. I suggested that to the gentleman from New York [Mr. O'CONNOR], and I made the statement because I had had a printed copy of your rules that you considered in caucus, and it had 10 minutes on a side, and I did not know you had changed it. However, since that occurred I have seen in the RECORD that your discharge rule is one hour—30 minutes on the side—and I wanted to correct the statement and assume all responsibility for the statement made by the gentleman from New York [Mr. O'CONNOR], which he made absolutely in good faith.

In response to what my friend from Michigan [Mr. MICHENER] said with respect to demanding the previous question, this in no wise interferes with majority control of the House. I am a party man. The gentleman is a party man. When the House has the right to vote, a majority has the right to function; and if they order the previous question, it is majority rule. [Applause.]

Mr. POU. Mr. Speaker, I yield five minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, ladies and gentlemen of the House, it is amusing for me to hear these stand-pat Republicans clamor for a liberalization of the rules, now that the Democrats have come into power. [Laughter and applause.] My colleague from Pennsylvania [Mr. BECK] now demands that the proposed amendment give more time for debate. To him I will say that the people of this country are tired of hearing the speeches and the promises of the Republicans; what they desire is action; yes, relief legislation from the Democrats.

When I entered the House Uncle Joe Cannon was its Speaker. At that time the rules of the House gave him full power not only to appoint the committees but also complete power over what we like to point to with pride as the greatest legislative body in the world.

At that time the Speaker was the House; but in 1910, during the Sixty-first session of Congress, with the aid of the press and a few true progressives from Wisconsin, after a most determined fight, which was tantamount to a revolution of procedure, under the leadership of our then leader, Champ Clark; our present Speaker, JOHN N. GARNER; the present majority leader, HENRY T. RAINEY; Claude Kitchin; and Judge Shackleford, of Missouri, we succeeded in amending the rules and in freeing the membership from the tyrannical rule and dictatorship of the then Speaker.

To-day, after 22 years, thanks to the Democratic majority, we again have a chance and an opportunity to liberalize the rules and to relieve the membership from the extremely restrictive and established rulings which have been in effect the last 10 years of Republican rule.

To me, who continually demanded the liberalization of these rules, it is a great satisfaction that we are about to protect the Members in their rights and privileges so long denied them. For not only was the House often at the mercy of the Speaker but also at the mercy of the conferees and of the various chairmen of the committees.

If the amendment offered by the gentleman from North Carolina will carry—and I know it will—the House can, yes, will, secure action and the Members the right to vote on any bill or resolution. No longer will it be possible for the chairman of the Rules Committee to walk about with pockets full of rules reported by the committee and refusing to call them up. Nor will it be possible for any chairman of any committee to willfully and deliberately refuse to call up a bill reported by that particular committee or to refuse to call a meeting, notwithstanding the fact that the majority of the members of that committee may desire to meet. Nor will the conferees deprive the House of the right to express itself on any proposition in disagreement.

Therefore I must repeat, it is amusing to me to hear some of you gentlemen demand a further liberalization of the rules.

As one who for nearly a quarter of a century has continually demanded such liberalization, I am in full accord with the rules which have been submitted, and I hope that every Member of this House who does believe in such liberalization and in complying with the wishes of the people of the country will vote for the rules as offered by the gentleman from North Carolina. [Applause.]

To the astute gentleman from Michigan [Mr. MICHENER] I desire to say that, regardless of his able efforts, he will not succeed in deceiving the country in the belief that he and his reactionary colleagues, who for years had it in their power to liberalize the rules, are now being deprived of any opportunity to express not only their views but also to vote upon the amendment, since he must and does know that his side, now the minority, has the right to vote down the previous question, and, although defeated in that, can move to recommit the resolution, and in that way give to him and to every Member of the House the right to vote twice on the subject matter before same can be adopted. Therefore no one is deprived or abridged in his rights under the Democratic majority, as was the case when his, the Republican Party, was in power.

The adoption of this rule, being the first legislative act of this new Congress, clearly demonstrates that the Democrats are ready and desirous not only that the majority should rule but also that the rights of the minority should be protected; and, above all, that we all stand ready and willing to carry out the wishes of the American people. [Applause.]

Mr. POU. Mr. Speaker, I move the previous question on the resolution.

Mr. PURNELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 227, nays 193, not voting 12, as follows:

[Roll No. 3]

YEAS—227

Abernethy	Buchanan	Corning	Drewry
Allgood	Bulwinkle	Cox	Driver
Almon	Burch	Crisp	Eslick
Amlie	Busby	Cross	Evans, Mont.
Arnold	Byrns	Crosser	Fernandez
Auf der Heide	Canfield	Crowe	Fiesinger
Ayres	Cannon	Crump	Fishburne
Bankhead	Carden	Cullen	Fitzpatrick
Barton	Carley	Davis	Flannagan
Beam	Cartwright	Delaney	Fulbright
Black	Cary	DeRouen	Fuller
Bland	Celler	Dickinson	Fulmer
Blanton	Chapman	Dickstein	Gambrill
Bloom	Chavez	Dies	Garrett
Boehne	Clark, N. C.	Dieterich	Gasque
Bolleau	Cochran, Mo.	Disney	Gavagan
Boland	Cole, Md.	Dominick	Gilbert
Boylan	Collier	Doughton	Gillen
Brand, Ga.	Collins	Douglas, Ariz.	Glover
Briggs	Condon	Douglass, Mass.	Goldsborough
Browning	Connery	Doxey	Granfield
Brunner	Cooper, Tenn.	Drane	Green
Greenwood	Lanham	O'Connor	Smith, Va.
Gregory	Lankford, Ga.	Oliver, Ala.	Smith, W. Va.
Griffin	Larrabee	Oliver, N. Y.	Somers, N. Y.
Griswold	Larsen	Overton	Spence
Haines	Lewis	Owen	Stafford
Hall, Miss.	Lichtenwalner	Palmisano	Steagall
Hancock, N. C.	Lindsay	Parker, Ga.	Stevenson
Hare	Linthicum	Parks	Stewart
Harlan	Lonergan	Parsons	Sullivan, N. Y.
Hart	Lozier	Patman	Sumners, Tex.
Hastings	Ludlow	Patterson	Sutphin
Hill, Ala.	McClintic, Okla.	Peavey	Swank
Hill, Wash.	McCormack	Pettengill	Sweeney
Hornor	McDuffie	Polk	Tarver
Howard	McKeown	Pou	Taylor, Colo.
Huddleston	McMillan	Prall	Thomason
Igoe	McReynolds	Quin	Tierney
Jacobsen	McSwain	Ragon	Tucker
Jeffers	Major	Rainey	Underwood
Johnson, Mo.	Maloney	Ramspeck	Vinson, Ga.
Johnson, Okla.	Mansfield	Rankin	Vinson, Ky.
Johnson, Tex.	Martin, Oreg.	Rayburn	Warren
Jones	May	Reilly	Weaver
Karch	Mead	Romjue	West
Keller	Miller	Rudd	Whittington
Kelly, Ill.	Milligan	Rutherford	Williams, Mo.
Kemp	Mitchell	Sabath	Williams, Tex.
Kennedy	Montague	Sanders, Tex.	Wilson
Kerr	Montet	Sandlin	Wingo
Kleberg	Moore, Ky.	Schneider	Withrow
Kniffin	Morehead	Schuetz	Wood, Ga.
Kvale	Nelson, Mo.	Shallenberger	Woodrum
LaGuardia	Nelson, Wis.	Shannon	Wright
Lambeth	Norton, Nebr.	Sinclair	Yon
Lamneck	Norton, N. J.	Sirovich	

NAYS—193

Adkins	De Priest	Jenkins	Sanders, N. Y.
Aldrich	Doutrich	Johnson, S. Dak.	Schafer
Allen	Dowell	Johnson, Wash.	Seger
Andresen	Dyer	Kading	Seiberling
Andrew, Mass.	Eaton, Colo.	Kahn	Selvig
Andrews, N. Y.	Eaton, N. J.	Kelly, Pa.	Shott
Arentz	Englebright	Kendall	Shreve
Bacharach	Erk	Ketcham	Simmons
Bachmann	Estep	Kinzer	Smith, Idaho
Bacon	Evans, Calif.	Knutson	Snell
Baldrige	Finley	Kopp	Snow
Barbour	Fish	Kurtz	Sparks
Beck	Foss	Lambertson	Stalker
Beedy	Frear	Lankford, Va.	Strong, Kans.
Beers	Free	Leavitt	Strong, Pa.
Bohn	Freeman	Leech	Sullivan, Pa.
Bolton	French	Loofbourow	Summers, Wash.
Bowman	Garber	Lovette	Swanson
Britten	Gibson	Luce	Swick
Brumm	Gifford	McClintock, Ohio	Swing
Buckbee	Gilchrist	McFadden	Taber
Burdick	Golder	McGugin	Temple
Burtness	Goodwin	McLaughlin	Thatcher
Butler	Goss	McLeod	Thurston
Cable	Granata	Maas	Tilson
Campbell, Iowa	Guyer	Magrady	Timberlake
Campbell, Pa.	Hadley	Manlove	Tinkham
Carter, Calif.	Hall, Ill.	Mapes	Treadway
Cavicchia	Hall, N. Dak.	Martin, Mass.	Turpin
Chase	Hancock, N. Y.	Michener	Underhill
Chindblom	Hardy	Millard	Vestal
Chiperfield	Hartley	Moore, Ohio	Wason
Christgau	Haugen	Mouser	Weeks
Christopherson	Hawley	Murphy	Welch, Calif.
Clague	Hess	Nelson, Me.	Welsh, Pa.
Clancy	Hoch	Niedringhaus	White
Clarke, N. Y.	Hogg, Ind.	Nolan	Whitley
Cochran, Pa.	Hogg, W. Va.	Parker, N. Y.	Wigglesworth
Cole, Iowa	Holaday	Partridge	Williamson
Colton	Hollister	Perkins	Wolcott
Connolly	Holmes	Pittenger	Wolfenden
Cooper, Ohio	Hooper	Pratt, Harcourt J.	Wolverton
Coyle	Hope	Pratt, Ruth	Wood, Ind.
Crail	Hopkins	Purnell	Woodruff
Crowther	Horr	Ransley	Wyant
Curry	Houston, Del.	Reed, N. Y.	Yates
Dallinger	Hull, Morton D.	Reid, Ill.	
Darrow	Hull, William E.	Rich	
Davenport	James	Rogers	

NOT VOTING—12

Brand, Ohio	Culkin	Lehlbach	Robinson
Carter, Wyo.	Johnson, Ill.	Person	Stokes
Cooke	Lea	Ramseyer	Watson

So the previous question was ordered.

The following pair was announced:

On the vote:

Mr. Lea (for) with Mr. Watson (against).

The result of the vote was announced as above recorded.

The SPEAKER. The question now is on agreeing to the resolution.

Mr. PURNELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 403, nays 7, not voting 22, as follows:

[Roll No. 4]

YEAS—403

Abernethy	Davis	Jenkins	Perkins
Adkins	Delaney	Johnson, Mo.	Person
Aldrich	De Priest	Johnson, Okla.	Pettengill
Allen	DeRouen	Johnson, Tex.	Pittenger
Allgood	Dickinson	Johnson, Wash.	Polk
Almon	Dickstein	Jones	Pou
Amlie	Dies	Kading	Prall
Andresen	Dieterich	Kahn	Pratt, Harcourt J.
Andrew, Mass.	Disney	Karch	Pratt, Ruth
Andrews, N. Y.	Dominick	Keller	Purnell
Arentz	Doughton	Kelly, Ill.	Quin
Arnold	Douglas, Ariz.	Kelly, Pa.	Ragon
Auf der Heide	Douglass, Mass.	Kemp	Rainey
Ayres	Doutrich	Kendall	Ramspeck
Bachmann	Dowell	Kennedy	Rankin
Bacon	Drane	Kerr	Ransley
Baldridge	Drewry	Ketcham	Rayburn
Bankhead	Driver	Kinzer	Reid, Ill.
Barbour	Dyer	Kleberg	Reilly
Barton	Eaton, Colo.	Kniffin	Rich
Beam	Eaton, N. J.	Knutson	Robinson
Beedy	Englebright	Kopp	Rogers
Beers	Erk	Kurtz	Romjue
Black	Eslick	Kvale	Rudd
Bland	Estep	LaGuardia	Rutherford
Blanton	Evans, Calif.	Lambertson	Sabath
Bloom	Evans, Mont.	Lambeth	Sanders, N. Y.
Boehne	Fernandez	Lamneck	Sanders, Tex.
Bohn	Fiesinger	Lanham	Sandlin
Bolleau	Finley	Lankford, Ga.	Schafer
Bolton	Fish	Larrabee	Schneider
Bowman	Fishburne	Larsen	Schuetz
Boylan	Fitzpatrick	Leavitt	Seger
Brand, Ga.	Flannagan	Leech	Selberling
Briggs	Frear	Lewis	Selvig
Britten	Free	Lichtenwalner	Shallenberger
Browning	Freeman	Lindsay	Shannon
Brumm	Fulbright	Linthicum	Shott
Brunner	Fuller	Lonergan	Shreve
Buchanan	Fulmer	Loofbourow	Simmons
Buckbee	Gambrill	Lovette	Sinclair
Bulwinkle	Garber	Lozier	Sirovich
Burch	Garrett	Luce	Smith, Va.
Burdick	Gasque	Ludlow	Smith, W. Va.
Burtness	Gavagan	McClintic, Okla.	Snell
Busby	Gibson	McClintock, Ohio	Somers, N. Y.
Butler	Gifford	McCormack	Sparks
Byrns	Gilbert	McDuffie	Spence
Cable	Gilchrist	McFadden	Stafford
Campbell, Iowa	Gillen	McGugin	Steagall
Campbell, Pa.	Glover	McKeown	Stevenson
Canfield	Goldsborough	McLaughlin	Stewart
Cannon	Goodwin	McLeod	Strong, Kans.
Carden	Goss	McMillan	Strong, Pa.
Carley	Granata	McReynolds	Sullivan, N. Y.
Carter, Calif.	Granfield	McSwain	Sullivan, Pa.
Cartwright	Green	Maas	Summers, Wash.
Cary	Greenwood	Magrady	Sumners, Tex.
Cavicchia	Gregory	Major	Sutphin
Celler	Griffin	Maloney	Swank
Chapman	Griswold	Manlove	Swanson
Chase	Guyer	Mansfield	Sweeney
Chavez	Hadley	Mapes	Swick
Chindblom	Haines	Martin, Mass.	Swing
Chiperfield	Hall, Ill.	May	Tarver
Christgau	Hall, Miss.	Mead	Taylor, Colo.
Christopherson	Hall, N. Dak.	Michener	Temple
Clague	Hancock, N. Y.	Millard	Thatcher
Clancy	Hancock, N. C.	Miller	Thomason
Clark, N. C.	Hardy	Milligan	Thurston
Clarke, N. Y.	Hare	Mitchell	Tierney
Cochran, Mo.	Harlan	Montague	Tilson
Cochran, Pa.	Hart	Montet	Timberlake
Cole, Iowa	Hartley	Moore, Ky.	Tinkham
Collier	Hastings	Moore, Ohio	Treadway
Collins	Haugen	Morehead	Tucker
Colton	Hawley	Mouser	Turpin
Condon	Hess	Murphy	Underwood
Connery	Hill, Ala.	Nelson, Me.	Vestal
Connolly	Hill, Wash.	Nelson, Mo.	Vinson, Ga.
Cooke	Hoch	Nelson, Wis.	Vinson, Ky.
Cooper, Ohio	Hogg, Ind.	Niedringhaus	Warren
Cooper, Tenn.	Hogg, W. Va.	Nolan	Wason
Corning	Holaday	Norton, Nebr.	Weaver
Cox	Hollister	Norton, N. J.	Weeks
Coyle	Holmes	O'Connor	Welch, Calif.
Crail	Hooper	Oliver, Ala.	Welsh, Pa.
Crisp	Hope	Oliver, N. Y.	West
Cross	Hopkins	Overton	White
Crosser	Horr	Palmisano	Whitley
Crowe	Houston, Del.	Parker, Ga.	Whittington
Crowther	Howard	Parker, N. Y.	Wigglesworth
Culkin	Huddleston	Parks	Williams, Mo.
Cullen	Hull, William E.	Parsons	Williams, Tex.
Curry	Igoe	Partridge	Williamson
Dallinger	Jacobsen	Patman	Wilson
Darrow	James	Patterson	Wingo
Davenport	Jeffers	Peavey	Withrow
Wolcott	Wood, Ga.	Woodrum	Yates
Wolfenden	Wood, Ind.	Wright	Yon
Wolverton	Woodruff	Wyant	

NAYS—7

French	Reed, N. Y.	Stalker	Taber
Johnson, S. Dak.	Snow	Stokes	

NOT VOTING—22

Bacharach	Crump	Johnson, Ill.	Ramseyer
Beck	Doxey	Lankford, Va.	Smith, Idaho
Boland	Foss	Lea	Underhill
Brand, Ohio.	Golder	Lehlbach	Watson
Carter, Wyo.	Hornor	Martin, Oreg.	
Cole, Md.	Hull, Morton D.	Owen	

So the resolution was agreed to.

The following pairs were announced:

Until further notice:

Mr. Lea with Mr. Watson.
Mr. Boland with Mr. Bacharach.
Mrs. Owen with Mr. Ramseyer.
Mr. Crump with Mr. Smith of Idaho.
Mr. Hornor with Mr. Golder.
Mr. Cole of Maryland with Mr. Lankford of Virginia.
Mr. Doxey with Mr. Foss.
Mr. Martin of Oregon with Mr. Beck.

On motion of Mr. BANKHEAD, a motion to reconsider the vote whereby the resolution was agreed to was laid on the table.

MESSAGE FROM THE PRESIDENT

The SPEAKER laid before the House the message from the President of the United States, which was read by the Clerk.

(See Senate proceedings of this day for message of the President, page 22.)

Mr. RAINEY. Mr. Speaker, I move that the President's message just read be referred to the Committee of the Whole House on the state of the Union and ordered printed.

The motion was agreed to.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. SNELL. Several gentlemen have requested me to find out the intended program for the remainder of the week. Can the gentleman give us that?

Mr. RAINEY. I can give the gentleman the program for to-morrow. After the reading of the President's Budget message it is my purpose to move to go into the Committee of the Whole House on the state of the Union to consider the President's message just read. That will give an opportunity to all gentlemen who desire to make speeches to do so. I think of nothing else for the remainder of the week. The committees are not appointed.

Mr. STAFFORD. Do we understand from the gentleman's statement that there will be nothing considered after to-morrow?

Mr. RAINEY. I do not know of anything. We will make an announcement to-morrow. I can not think now of anything coming up for the rest of the week, certainly nothing of importance.

ANNOUNCEMENT

Mr. ARNOLD. Mr. Speaker, I ask the attention of the Democratic Members of the House for a moment. Immediately after adjournment to-day there will be a caucus of the Democratic Party held in this Chamber, and it is requested that all of you remain here to participate in the proceedings of that caucus.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 3 o'clock and 21 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 9, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Interior, transmitting copy of a supplemental report from the Geological Survey dated August 15, 1931, with a copy of a map showing the

coal classification of the lands to which reference is made; to the Committee on Indian Affairs.

2. A letter from the Secretary of the Interior, transmitting report from the Acting Director of the Geological Survey as to the valuation of certain coal lands within the Uintah National Forest, such report being required by the act of February 13, 1931 (Public, No. 622); to the Committee on Indian Affairs.

3. A letter from the Secretary of the Navy, transmitting report of designs, aircraft, aircraft parts, and aeronautical accessories purchased by the Navy Department pursuant to section 10 of said act during the fiscal year ended June 30, 1931; to the Committee on Expenditures in the Executive Departments.

4. A letter from the Secretary of the Navy, transmitting copy of a resolution adopted April 6, 1931, by the Congress of Guam, expressing allegiance to the United States; to the Committee on Insular Affairs.

5. A letter from the Secretary of Commerce, transmitting report that papers weighing approximately 145,184 pounds have been sold, the revenue derived therefrom amounting to $146.40; to the Committee on Disposition of Useless Executive Papers.

6. A letter from the chairman of the Public Utilities Commission, transmitting annual report of the Public Utilities Commission of the District of Columbia, 1930; to the Committee on the District of Columbia.

7. A letter from the Secretary of War, transmitting report from the American Red Cross for the fiscal year ending June 30, 1931; to the Committee on Military Affairs.

8. A letter from the chairman of the Textile Foundation, transmitting report of the proceedings, activities, income, and expenditures of the Textile Foundation for the fiscal year ending December 31, 1930; to the Committee on Interstate and Foreign Commerce.

9. A letter from the vice chairman of the American Legion, transmitting report covering the financial operations of the national organization for the period ending December 31, 1930; to the Committee on World War Veterans' Legislation.

10. A letter from the secretary of Hawaii, transmitting a copy each of the journals of the house and senate of the Legislature of the Territory of Hawaii, regular session of 1931; to the Committee on the Territories.

11. A letter from the Secretary of the Interior, transmitting report to amend the general leasing act of February 25, 1920; to the Committee on the Public Lands.

12. A letter from the Secretary of the Interior, transmitting report to amend the general leasing act of February 25, 1920; to the Committee on the Public Lands.

13. A letter from the Secretary of the Navy, transmitting draft of a bill "Authorizing the transfer of certain lands near Vallejo, Calif., from the United States Housing Corporation to the Navy Department for naval purposes"; to the Committee on Public Buildings and Grounds.

14. A letter from the Secretary of the Navy transmitting draft of a proposed bill to amend section 1 of the act of February 14, 1927, entitled "An act authorizing the Secretary of the Navy to accept, on behalf of the United States, title in fee simple to a certain strip of land and the construction of a bridge across Archers Creek in South Carolina"; to the Committee on Naval Affairs.

15. A letter from the Secretary of Commerce, transmitting part 2 of the annual report of the Commissioner of Lighthouses for the fiscal year ended June 30, 1931; to the Committee on Interstate and Foreign Commerce.

16. A letter from the Secretary of War, transmitting 433 reports of inspections of disbursements made by officers of the Army during the fiscal year ended June 30, 1931; to the Committee on Expenditures in the Executive Departments.

16½. A letter from the Secretary of the Treasury, transmitting the annual report of the Surgeon General, Public Health Service of the United States, for the fiscal year 1931 (H. Doc. No. 3); to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations, if any.

17. A letter from the chairman of the Federal Radio Commission, transmitting report of an accumulation of papers which are not needed in the transaction of public business and have no permanent value or historical interest; to the Committee on Disposition of Useless Executive Papers.

18. A letter from the Secretary of Commerce, transmitting copy of the eighteenth annual report for the fiscal year 1931; to the Committee on Interstate and Foreign Commerce.

19. A letter from the Secretary of War, transmitting a letter from the Chief of Ordnance, United States Army, dated November 20, 1931, covering statements of the cost of manufacture for the fiscal year June 30, 1931, at the several arsenals contained in the report; to the Committee on Expenditures in the Executive Departments.

20. A letter from the president of the Commission on Licensure, transmitting annual report of the Commission on Licensure for the fiscal year ending June 30, 1931 (H. Doc. No. 125); to the Committee on the District of Columbia and ordered to be printed.

21. A letter from the Secretary of War, transmitting the annual report of the disposal of surplus property in the possession of the War Department showing in detail the specific property sold or transferred in each case; to the Committee on Expenditures in the Executive Departments.

22. A letter from the chairman of the Gorgas Memorial Institute, transmitting annual report from the Gorgas Memorial Institute of Tropical and Preventive Medicine (Inc.), covering the activities of the Gorgas Memorial Laboratory in Panama, together with statement of receipts and disbursements for the period November 1, 1930, to October 31, 1931 (H. Doc. No. 126); to the Committee on Foreign Affairs and ordered to be printed.

23. A letter from the chairman of the United States Tariff Commission, transmitting report of the United States Tariff Commission on its investigation of the entries of fish and other marine products into the United States from the high seas in vessels owned, chartered, leased, or rented, wholly or in part, by aliens; to the Committee on Ways and Means.

24. A letter from the president of the Board of Commissioners of the District of Columbia, transmitting report of the official operations of that government for the fiscal year ended June 30, 1931; to the Committee on the District of Columbia.

25. A letter from the Public Printer, transmitting report of the disposition of useless papers in the United States Government Printing Office, amounting to $34.45; to the Committee on Disposition of Useless Executive Papers.

26. A letter from the Secretary of Agriculture, transmitting report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1931 (H. Doc. No. 127); to the Committee on Agriculture and ordered to be printed.

27. A letter from the chairman of the United States Shipping Board, transmitting the fifteenth annual report of the United States Shipping Board covering the period from July 1, 1930, to and including June 30, 1931 (H. Doc. No. 16); to the Committee on the Merchant Marine and Fisheries and ordered to be printed.

28. A letter from the Secretary of the United States Employees' Compensation Commission, transmitting report of the operation of the United States Employees' Compensation Commission for the fiscal year ending June 30, 1931; to the Committee on the Judiciary.

29. A letter from the Comptroller General of the United States, transmitting annual report of the Comptroller General of the United States for the fiscal year 1931; to the Committee on Expenditures in the Executive Departments.

30. A letter from the chairman of the Federal Power Commission, transmitting eleventh annual report of the Federal Power Commission 1931; to the Committee on Interstate and Foreign Commerce.

31. A letter from the Director of United States Botanic Garden, transmitting report relative to travel from Washington, D. C., in connection with official business of this office during the fiscal year 1931; to the Committee on the Library.

32. A letter from the Secretary of the Treasury, transmitting reports from the Departments of Commerce, Interior, and War, the United States Railroad Administration, and the United States Shipping Board relative to money received during the fiscal year ended June 30, 1931; to the Committee on Expenditures in the Executive Departments.

33. A letter from the Secretary of the Treasury, transmitting report of rental collections on account of public buildings and sites, privileges, and ground rent, under the control of the Treasury Department, outside the District of Columbia, for the fiscal year ended June 30, 1931; to the Committee on Expenditures in the Executive Departments.

34. A letter from the chairman of United States Board of Mediation, transmitting fifth annual report of the Board of Mediation; to the Committee on Interstate and Foreign Commerce.

35. A letter from the Attorney General of the United States, transmitting list of suits arising under the public vessel act of March 3, 1925, in which final decrees were entered, exclusive of cases on appeal; to the Committee on Claims.

36. A letter from the Attorney General of the United States, transmitting annual report of the Department of Justice for the fiscal year ended June 30, 1931; to the Committee on the Judiciary.

37. A letter from the Attorney General of the United States, transmitting list of suits arising under the act of March 9, 1930 (41 Stat. 525), authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal; to the Committee on Claims.

38. A letter from the chief clerk of the Court of Claims of the United States, transmitting statement of all judgments rendered by the Court of Claims for the year ended December 5, 1931, the amount thereof, the parties in whose favor rendered, and a brief synopsis of the nature of the claims; to the Committee on Claims.

39. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination and survey of Green Bay Harbor, Wis., with a view to widening the outer channel to a minimum of 500 feet; also to removing shoals in Fox River at the outlet of East River and providing a turning basin in this locality (H. Doc. No. 128); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

40. A letter from the Secretary of the Interior, transmitting report covering the calendar year ending November 30, 1931, of all the operations of the War Minerals Relief Commission, including receipts and disbursements; to the Committee on Mines and Mining.

41. A letter from the Secretary of the Interior, transmitting financial report from the superintendent of St. Elizabeths Hospital, dated September 15, 1931; to the Committee on Expenditures in the Executive Departments.

42. A letter from the chairman of the United States Tariff Commission, transmitting fifteenth annual report of the United States Tariff Commission for the year 1931 (H. Doc. No. 23); to the Committee on Ways and Means and ordered to be printed, with illustrations.

43. A letter from the Postmaster General, transmitting report of operations of the postal savings system for the fiscal year ended June 30, 1931 (H. Doc. No. 24); to the Committee on the Post Office and Post Roads and ordered to be printed, with illustrations.

44. A letter from the chairman of the United States Shipping Board, transmitting report of claims arbitrated or settled by agreement between October 16, 1930, and October 15, 1931, by the United States Shipping Board and/or the United States Shipping Board Merchant Fleet Corporation; to the Committee on the Merchant Marine and Fisheries.

45. A letter from the Architect of the Capitol, transmitting annual report of the Architect of the Capitol for the fiscal year ending June 30, 1931; to the Committee on Public Buildings and Grounds.

46. A letter from the chairman of the United States Tariff Commission, transmitting report of an investigation made by the United States Tariff Commission under section 332 of title 111 of the tariff act of 1930, directed by House Resolution 391, dated March 3, 1931, of the difference in the cost of production of crude petroleum, fuel, oil, gasoline, and lubricating oils produced in the United States; to the Committee on Ways and Means.

47. A letter from the Secretary of the Interior, transmitting investigation and report on the desirability and practicability of establishing the Apostle Islands National Park, in the north part of the counties of Ashland and Bayfield, to include the Apostle Islands group in Lake Superior; to the Committee on the Public Lands.

48. A letter from the Secretary of the Treasury, transmitting draft of proposed joint resolution to amend the revenue act of 1928, authorizing corporations in computing net income to take as deductions from gross income amounts contributed for unemployment relief purposes; to the Committee on Ways and Means.

49. A letter from the Administrator of Veterans' Affairs, transmitting annual report of the Administrator of Veterans' Affairs for the fiscal year ended June 30, 1931 (H. Doc. No. 15); to the Committee on World War Veterans' Legislation and ordered to printed, with illustration.

50. A letter from the Doorkeeper of the House of Representatives, transmitting the inventory of books, maps, and pamphlets in the folding room July 1, 1931, including the total number of all documents received from July 1, 1931, to December 1, 1931; to the Committee on Accounts.

51. A letter from the chairman of the Public Utilities Commission of the District of Columbia, transmitting copy of Senate bill 3615, passed by the Senate on the 17th of June, 1930; to the Committee on the District of Columbia.

52. A letter from the chairman of the Public Utilities Commission of the District of Columbia, transmitting proposed joint resolution embodying a form of street-railway merger agreement; to the Committee on the District of Columbia.

53. A letter from the chairman of the Interstate Commerce Commission, transmitting copies of final valuations of properties of certain carriers subject to the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

54. A letter from the Secretary of the Treasury, transmitting report showing refunds of internal revenue in excess of $500 approved by the Bureau of Internal Revenue during the fiscal year ended June 30, 1931; to the Committee on Expenditures in the Executive Departments.

55. A letter from the Secretary of the Interior, transmitting two tables showing the cost and other data with respect to Indian irrigation projects as compiled to the end of the fiscal year June 30, 1931; to the Committee on Indian Affairs.

56. A letter from the Secretary of Agriculture, transmitting report of the Department of Agriculture for the fiscal year 1931 on the following subjects: Federal aid road work, forest roads and trails, revenue and disbursements, Center Market, Washington, D. C.; to the Committee on Roads.

57. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination and survey of Fenwicks Cut, at Ashepoo River to Coosaw River, S. C., and waterway from Ashepoo River, S. C., to Coosaw River, by way of Fenwicks Cut (H. Doc. No. 129); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

58. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Aransas Pass, Corpus Christi Channel, Tex., from Corpus Christi breakwater to shore line of Corpus Christi Bay (H. Doc. No. 130); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

59. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Blackwater Creek, Va.; to the Committee on Rivers and Harbors.

60. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Black River, Alcona County, Mich.; to the Committee on Rivers and Harbors.

61. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of New York Harbor, N. Y., the Brooklyn water front south from a point opposite the lower end of Governors Island to a point near the beginning of the shore road improvemnt with a view to securing wider channels; to the Committee on Rivers and Harbors.

62. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Branford Harbor, Conn.; to the Committee on Rivers and Harbors.

63. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Brunswick Harbor, Ga., to include Turtle River from Southern Docks to Crispen Island, with a view to securing such depth, width, and other improvements as may be found necessary or advisable in the interest of navigation and commerce, and with a view of consolidating all projects related to or forming a part of said harbor; to the Committee on Rivers and Harbors.

64. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Cheboygan River, Mich.; to the Committee on Rivers and Harbors.

65. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Burns Ditch Harbor, Ind.; to the Committee on Rivers and Harbors.

66. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Charlevoix Harbor, Mich.; to the Committee on Rivers and Harbors.

67. A letter from the Secretary of War, transmitting report from the Chief of Engineers on the prospective cooperation offered by responsible interests under the Federal water power act in the program of construction recommended by the Chief of Engineers providing for the 9-foot project in the Tennessee River by means of high dams (H. Doc. No. 131); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

68. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Bodega Bay, Calif.; to the Committee on Rivers and Harbors.

69. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Broad Creek, Md., from Annemessex River to Pocomoke Sound, Somerset County, Md.; to the Committee on Rivers and Harbors.

70. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of waterway from the headwaters of Bay John, Ala., to the Gulf of Mexico; to the Committee on Rivers and Harbors.

71. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Barron River, at Everglades, Collier County, Fla., and channel across Chokoloskee Bay to the Gulf of Mexico; to the Committee on Rivers and Harbors.

72. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Bidwells Creek, Cape May County, N. J.; to the Committee on Rivers and Harbors.

73. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Back Bay, of Biloxi, Miss.; to the Committee on Rivers and Harbors.

74. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Au Sable River, Mich.; to the Committee on Rivers and Harbors.

75. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Alligator Creek, N. C., and channel connecting said creek with the inland waterway; to the Committee on Rivers and Harbors.

76. A letter from the Secretary of War, transmitting report from the Chief of Engineers on Auglaize, Blanchard, and Ottawa Rivers, Ohio, and their tributaries, with a view to the control of their floods and to the devising of methods whereby the sources of pollution may be removed (H. Doc. No. 132); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

77. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Au Gres River, Mich.; to the Committee on Rivers and Harbors.

78. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Bayou Coden, Ala.; to the Committee on Rivers and Harbors.

79. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Hampton, Hampton Falls, and Seabrook, N. H.; to the Committee on Rivers and Harbors.

80. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Chicago Harbor, Ill.; to the Committee on Rivers and Harbors.

81. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of the locality at and near City Island, New York City, N. Y.; to the Committee on Rivers and Harbors.

82. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Chincoteague Bay, Channel, and Inlet and adjacent waters, Accomac County, Va.; to the Committee on Rivers and Harbors.

83. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Bayou Cocodrie, Bayou Courtableau, Bayou Boeuf, and Bayou Teche, La.; to the Committee on Rivers and Harbors.

84. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Great Egg Harbor River, at Mays Landing, N. J.; to the Committee on Rivers and Harbors.

85. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Dickersons Bay, Gloucester County, La.; to the Committee on Rivers and Harbors.

86. A letter from the Secretary of War, transmitting report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Greens Bayou, Tex.; to the Committee on Rivers and Harbors.

87. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Gulfport Harbor, Miss.; to the Committee on Rivers and Harbors.

88. A letter from the Secretary of War, transmitting report on claims for damages caused to inhabitants of the United States by the artificial raising of the level of the Lake of the Woods (H. Doc. No. 133); to the Committee on Foreign Affairs and ordered to be printed with illustrations.

89. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend paragraph 1 of section 22 of the interstate commerce act, as amended, by providing for the carrying of officers and enlisted men of the military and naval services while on leave of absence or furlough at own expense at reduced rates; to the Committee on Interstate and Foreign Commerce.

90. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend section 1860 of the Revised Statutes as amended; to the Committee on Naval Affairs.

91. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to provide for the better adminis-

tration of justice in the Navy; to the Committee on Naval Affairs.

92. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize certain officers of the Navy and Marine Corps to administer oaths; to the Committee on Naval Affairs.

93. A letter from the Secretary of the Navy, transmitting a draft of bill to permit and authorize Rear Admiral Frank B. Upham, United States Navy, to accept the diploma of the Legion of Honor, with the rank of commander, tendered to him by the French Government; to the Committee on Naval Affairs.

94. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize certain officers of the United States Navy and Marine Corps to accept such decorations, orders, and medals as have been tendered them by foreign governments in appreciation of services rendered; to the Committee on Naval Affairs.

95. A letter from the Secretary of the Navy, transmitting a draft of bill to provide for the removal of civil or criminal prosecutions from a State court to the United States district court in certain cases; to the Committee on the Judiciary.

96. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to fix the status of officers of the Naval Reserve who are restricted to the performance of flying duty and who have not qualified for designation as naval aviators; to the Committee on Naval Affairs.

97. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to authorize the admission to naval hospitals of dependents of officers, nurses, and enlisted men of the naval service in need of hospital care; to the Committee on Naval Affairs.

98. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend article 6 of the Articles for the Government of the Navy authorizing trial by court-martial of any person in the naval service charged with the crime of murder committed without the geographical limits of the States of the Union and the District of Columbia; to the Committee on Naval Affairs.

99. A letter from the Secretary of the Navy, transmitting a draft of bill to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes, which is submitted as a substitute for the text of the bills introduced in the Seventy-first Congress and reported from the House and Senate Committees on Naval Affairs, H. R. 7974 and S. 551, respectively; to the Committee on Naval Affairs.

100. A letter from the Comptroller General of the United States, transmitting recommendation for the enactment of legislation for an accounting regularly to the General Accounting Office of the contingent fund of the West Point Military Academy; to the Committee on Expenditures in the Executive Departments.

101. A letter from the Comptroller General of the United States, transmitting recommendation for enactment of legislation for the simplification of procedure for the payment of Federal moneys to States and Territories; to the Committee on Expenditures in the Executive Departments.

102. A letter from the Secretary of the Treasury, transmitting a report, prepared by the Surgeon General of the Public Health Service, on the extent and circumstances of cooperation by the Public Health Service with State and local authorities in the conduct of rural health work in the drought-stricken areas under the terms of the appropriation for the period February 6, 1931, to November 30, 1931 (H. Doc. No. 134); to the Committee on Interstate and Foreign Commerce and ordered to be printed, with illustration.

103. A letter from the Comptroller General of the United States, transmitting report concerning the claim of J. G. Shelton against the United States; to the Committee on Claims.

104. A letter from the Comptroller General of the United States, transmitting report concerning the claim of B. F. Hart against the United States; to the Committee on Claims.

105. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend the provisions in the act approved June 10, 1896, prohibiting the employment of officers of the Navy and Marine Corps on the active or retired list by persons or companies furnishing naval supplies or war material to the Government; to the Committee on Naval Affairs.

106. A letter from the Secretary of the Treasury, transmitting a combined statement of the receipts and expenditures, balances, etc., of the Government during the fiscal year ended June 30, 1931 (H. Doc. No. 45); to the Committee on Expenditures in the Executive Departments and ordered to be printed, with illustration.

BILLS AND RESOLUTIONS

Under Rule XXII, bills and resolutions were introduced and severally referred as follows:

By Mr. PATMAN: A bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. LAGUARDIA: A bill (H. R. 2) to provide for an employment commission, the creation and maintenance of an unemployment-insurance fund, and raising necessary revenue therefor; to the Committee on Ways and Means.

Also, a bill (H. R. 3) to protect banking and commerce against short sales of commodities produced by the cultivation of the soil; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4) to protect banking and commerce against short sales of securities issued by corporations engaged therein; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 5) to amend the revenue act of 1928 by the addition thereto of a section imposing a special additional tax on the profits derived from short sales of commodities and stocks, bonds, and/or other securities; to the Committee on Ways and Means.

By Mr. WELCH of California: A bill (H. R. 6) to provide for the withdrawal of the sovereignty of the United States over the Philippine Islands and for the recognition of their independence, to regulate the migration of citizens of the Philippine Islands to the United States, and for other purposes; to the Committee on Insular Affairs.

Also, a bill (H. R. 7) to regulate the migration of citizens of the Philippine Islands to the continental United States, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 8) to amend subsection (d) of section 11 of the merchant marine act of June 5, 1920, as amended by section 301 of the merchant marine act of May 22, 1928; to the Committee on the Merchant Marine and Fisheries.

By Mr. JAMES: A bill (H. R. 9) to incorporate the American Gold Star Mothers; to the Committee on the Judiciary.

By Mr. LAGUARDIA: A bill (H. R. 10) to provide for the appointment of two additional judges of the District Court of the United States for the Southern District of New York; to the Committee on the Judiciary.

By Mr. KELLY of Pennsylvania: A bill (H. R. 11) to protect trade-mark owners, distributors, and the public against injurious and uneconomic practices in the distribution of articles of standard quality under a distinguishing trade-mark, brand, or name; to the Committee on the Judiciary.

By Mr. BACON: A bill (H. R. 12) to require contractors and subcontractors engaged on public works of the United States to give certain preferences in the employment of labor; to the Committee on Labor.

By Mr. CANNON: A bill (H. R. 13) to extend the provisions of the pension act of May 11, 1912, and subsequent acts amendatory thereof to the Enrolled Missouri Militia and other militia organizations of the State of Missouri that rendered service to the Union cause during the Civil War for a period of 90 days or more, and providing pensions for their widows, minor children, and dependent parents, and for other purposes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14) to amend section 2 of the pension act approved July 3, 1926, so as to increase the pensions of widows of soldiers, sailors, and marines of the Civil and

Mexican Wars to $50 a month; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15) providing for the purchase of a site and erection of a public building at Hermann, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 16) providing for the purchase of a site and erection of a public building at Vandalia, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 17) providing for the purchase of a site and erection of a public building at Wellsville, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 18) providing for the purchase of a site and erection of a public building at Bowling Green, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 19) providing for the purchase of a site and erection of a public building at Union, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. BURTNESS: A bill (H. R. 20) to stabilize the buying power of money; to the Committee on Banking and Currency.

Also, a bill (H. R. 21) to raise the commodity price level to the debt-incurrence stage and to stabilize it thereafter; to the Committee on Banking and Currency.

By Mr. CANNON: A bill (H. R. 22) providing for the purchase of a site and erection of a public building at Owensville, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. CLANCY: A bill (H. R. 23) to prevent wire tapping; to the Committee on the Judiciary.

Also, a bill (H. R. 24) amending the World War adjusted compensation act; to the Committee on Ways and Means.

Also, a bill (H. R. 25) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 26) amending the World War adjusted compensation act; to the Committee on Ways and Means.

Also, a bill (H. R. 27) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. CORNING: A bill (H. R. 28) to provide for the construction of a vessel for the Coast Guard designed for ice-breaking and assistance work; to the Committee on Interstate and Foreign Commerce.

By Mr. DALLINGER: A bill (H. R. 29) granting pensions to certain disabled children of veterans of the Civil War and the war with Spain; to the Committee on Invalid Pensions.

By Mr. EVANS of California: A bill (H. R. 30) to provide hospitalization for members of the Fleet Naval Reserve and retired enlisted men; to the Committee on Naval Affairs.

By Mr. EVANS of California: A bill (H. R. 31) authorizing the pay of warrant officers on the retired list for transferred members of the Fleet Naval Reserve and Fleet Marine Corps Reserve who served as commissioned officers during the World War; to the Committee on Naval Affairs.

By Mr. FULMER: A bill (H. R. 32) to amend an act entitled "An act to divide the eastern district of South Carolina into four divisions and the western district into five divisions" by adding a new division to the eastern district and providing for terms of said court to be held at Orangeburg, S. C.; to the Committee on the Judiciary.

Also, a bill (H. R. 33) authorizing an appropriation of $5,000 for the erection of a tablet or marker near Leesville, S. C., to commemorate the burial place of Capt. James Butler, sr., James Butler, jr., and the 20 American soldiers killed and massacred in the Battle of Clouds Creek in 1781; to the Committee on Military Affairs.

By Mr. GIBSON: A bill (H. R. 34) for the relief of certain guests of certain Government hotels; to the Committee on Claims.

By Mr. HALL of Illinois: A bill (H. R. 35) to create a board of veterans' appeals for the purpose of establishing a judicial tribunal to consider on appeal for the Administrator of Veterans' Affairs all matters embraced by the laws administered by the Administrator of Veterans' Affairs and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. MARTIN of Massachusetts: A bill (H. R. 36) to amend the World War adjusted compensation act, as amended; to the Committee on Ways and Means.

By Mr. MARTIN of Oregon: A bill (H. R. 37) to amend the retirement laws affecting certain grades of Army officers; to the Committee on Military Affairs.

Also, a bill (H. R. 38) to prohibit importation of products of convict, forced, or indentured labor, and for other purposes; to the Committee on Ways and Means.

By Mr. PEAVEY: A bill (H. R. 39) granting to the State of Wisconsin certain unappropriated public lands in meandered areas; to the Committee on the Public Lands.

Also, a bill (H. R. 40) for securing the uniform grading of fur, preventing of deception in transactions in fur, and regulating traffic therein, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 41) providing for pension for widows of World War veterans; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 42) providing for pensions for the widows and orphans of World War veterans; to the Committee on Pensions.

Also, a bill (H. R. 43) providing for the repeal of the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 44) providing that erroneously meandered lake-shore land in Wisconsin shall be conclusively presumed to be the property of the owner of title to lands adjoining it; to the Committee on the Public Lands.

Also, a bill (H. R. 45) providing for pensions for Indians of old age; to the Committee on Indian Affairs.

Also, a bill (H. R. 46) providing aid for Indians who are blind or blind and deaf; to the Committee on Indian Affairs.

By Mr. REILLY: A bill (H. R. 47) for the improvement of Two Rivers Harbor, Wis.; to the Committee on Rivers and Harbors.

By Mr. STRONG of Kansas: A bill (H. R. 48) to provide that transferors for collection of negotiable instruments shall be preferred creditors of national banks in certain cases; to the Committee on Banking and Currency.

Also, a bill (H. R. 49) to amend the act approved December 23, 1913, known as the Federal reserve act; to define certain policies toward which the powers of the Federal reserve system shall be directed; to promote the stability of commerce, industry, agriculture, and employment; to realize a more stable purchasing power of the dollar; to direct the governor of the Federal Reserve Board to make public any change in its policies, and for other purposes; to the Committee on Banking and Currency.

By Mr. SWING: A bill (H. R. 50) placing certain noncommissioned officers of the Corps of Engineers on the retired list in the first grade; to the Committee on Military Affairs.

By Mr. VINSON of Kentucky: A bill (H. R. 51) to amend subdivision 7 of section 202 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. WILLIAMSON: A bill (H. R. 52) for the relief of farmers in the drought, storm, and/or grasshopper stricken areas of the United States; to the Committee on Agriculture.

By Mr. JOHNSON of Washington: A bill (H. R. 53) to construe the contract-labor provisions of the immigration act of 1917 with reference to instrumental musicians, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 54) to authorize the refund of visa fees in certain cases; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 55) to provide quota limitations for certain countries of the Western Hemisphere, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 56) to define and delimit citizenship, to establish a uniform system for the naturalization of aliens throughout the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. CHINDBLOM: A bill (H. R. 57) providing for the participation of the United States in A Century of Progress

(the Chicago World's Fair Centennial Celebration) to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes; to the Committee on the Library.

By Mr. CARTWRIGHT: A bill (H. R. 58) providing for the purchase of a site and the erection of a public building thereon at Idabel, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 59) to authorize the Secretary of the Treasury to construct in Durant, Okla., on the site now used for a post office an addition to the present Federal building for the use of the United States court and other Federal offices, and making an appropriation therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 60) providing for the purchase of a site and the erection of a public building thereon at Poteau, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 61) providing for the purchase of a site and the erection of a public building thereon at Heavener, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. SMITH of Idaho: A bill (H. R. 62) for the erection of a public building at the city of Buhl, Idaho; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 63) for the erection of a public building at the city of Jerome, Idaho; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 64) for the erection of a public building at the city of Burley, Idaho; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 65) for the erection of a public building at the city of Blackfoot, Idaho; to the Committee on Public Buildings and Grounds.

By Mr. VINSON of Georgia: A bill (H. R. 66) providing for a site and public building for a post office at Sparta, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 67) providing for a site and public building for a post office at Tennille, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 68) providing for a site and public building for a post office at Louisville, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 69) providing for a site and public building for a post office at Monticello, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. COOPER of Ohio: a bill (H. R. 70) granting the consent of Congress to the Board of County Commissioners of Mahoning County, Ohio, to construct a free overhead viaduct across the Mahoning River at Struthers, Mahoning County, Ohio; to the Committee on Interstate and Foreign Commerce.

By Mr. CRAIL: A bill (H. R. 71) to place an embargo on the importation of crude and refined mineral oils; to the Committee on Ways and Means.

By Mr. COLTON: A bill (H. R. 72) for the relief of the Northwestern Band of Shoshone Indians residing in Utah; to the Committee on Indian Affairs.

By Mr. DAVIS: A bill (H. R. 73) to extend the times for commencing and completing the construction of a bridge across the Elk River at or near Kelso, Tenn.; to the Committee on Interstate and Foreign Commerce.

By Mrs. KAHN: A bill (H. R. 74) granting travel pay and other allowances to certain soldiers of the Spanish-American War and the Philippine insurrection who were discharged in the Philippines; to the Committee on War Claims.

By Mr. GASQUE: A bill (H. R. 75) granting the consent of Congress to the State of South Carolina to construct, maintain, and operate a bridge across the Waccamaw River; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 76) to authorize the Secretary of the Treasury to acquire, by condemnation or otherwise, such additional land in the city of Florence, S. C., as may be necessary for the extension and remodeling of the Federal courthouse and post-office building of said city, to cause said building to be extended and remodeled, and authorizing an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. HOUSTON of Delaware: A bill (H. R. 77) authorizing the Delaware & New Jersey Bridge Corporation, a corporation of the State of Delaware, domiciled at Wilmington, Del., its successors and assigns, George A. Casey, of Wilmington, Del.; Clifford R. Powell, of Mount Holly, N. J.; and Anthony J. Siracusa, of Atlantic City, N. J., their heirs, executors, administrators, or assigns, to construct, maintain, and operate a bridge across the Delaware River at or near Wilmington, Del.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 78) authorizing the Delaware & New Jersey Bridge Corporation, a corporation of the State of Delaware, domiciled at Wilmington, Del., its successors and assigns, George A. Casey, of Wilmington, Del.; Clifford R. Powell, of Mount Holly, N. J.; their heirs, executors, administrators, or assigns, to construct, maintain, and operate a vehicular tunnel or tunnels under the Delaware River between New Castle County, Del., and Salem County, N. J.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 79) to provide for conveyance of a portion of the Liston Range Rear Lighthouse Reservation, New Castle County, State of Delaware, for highway purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 80) to provide for conveyance of a certain strip of land on Fenwick Island, Sussex County, State of Delaware, for roadway purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGRADY: A bill (H. R. 81) granting the consent of Congress to the Catawissa Railroad Co. to reconstruct, maintain, and operate a railroad bridge across the Susquehanna River at or near Catawissa, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mrs. OWEN: A bill (H. R. 82) for the relief of certain purchasers of lots in Harding town site, Florida; to the Committee on the Public Lands.

Also, a bill (H. R. 83) for the relief of certain medical officers of the United States Public Health Service; to the Committee on Interstate and Foreign Commerce.

By Mr. PATTERSON: A bill (H. R. 84) to authorize an appropriation for building public buildings in a number of cities of the United States; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 85) to authorize an appropriation for building highways in the several States of the United States; to the Committee on Roads.

Also, a bill (H. R. 86) to grant pensions to widows and orphans of deceased American veterans of the World War; to the Committee on Pensions.

Also, a bill (H. R. 87) to provide for making the Coosa River navigable; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 88) to relieve the farmers who owe the Federal land bank, and for other purposes; to the Committee on Appropriations.

By Mr. PEAVEY: A bill (H. R. 89) providing for the sale and disposal of public lands within the areas hereafter surveyed as erroneously meandered lake-shore land in Wisconsin; to the Committee on the Public Lands.

By Mr. BACHARACH: A bill (H. R. 90) to supplement and amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary" (act of March 3, 1911, ch. 231), and known as the Judicial Code, and to limit the jurisdiction of district and circuit courts in certain cases; to the Committee on the Judiciary.

Also, a bill (H. R. 91) for the protection and control of anadromous and shore fishes and other aquatic forms of any State or Territory, and authorizing the Department of Commerce to define the seasons and regulate the manner and conditions under which they may be taken or destroyed; to the Committee on the Merchant Marine and Fisheries.

By Mr. BURDICK: A bill (H. R. 92) to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September

7, 1916, and acts in amendment thereof; to the Committee on the Judiciary.

By Mr. GUYER: A bill (H. R. 93) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the war with Spain and who were held to service in the Philippine Islands after the ratification of the treaty of peace April 11, 1899; to the Committee on War Claims.

By Mr. CONNERY: A bill (H. R. 94) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. COCHRAN of Missouri: A bill (H. R. 95) to provide for the use of the U. S. S. *Olympia* as a memorial to the men and women who served the United States in the war with Spain; to the Committee on Naval Affairs.

Also, a bill (H. R. 96) to punish the sending through the mails of certain threatening comunications; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 97) to provide for the retirement of officers and employees of the legislative branch of the Government, and for other purposes; to the Committee on Accounts.

Also, a bill (H. R. 98) to provide additional hospital facilities for disabled war veterans at Jefferson Barracks, Mo.; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 99) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 100) amending the Webb-Kenyon Act, divesting liquors and beverages of certain alcoholic contents of their interstate character in certain cases; to the Committee on the Judiciary.

Also, a bill (H. R. 101) amending section 1, Title II, page 307, part 1, Forty-first United States Statutes at Large, and defining liquors and intoxicating liquors; to the Committee on the Judiciary.

Also, a bill (H. R. 102) to amend the World War veterans' act as amended; to the Committee on Military Affairs.

Also, a bill (H. R. 103) to enforce the fourth and fifth amendments to the Constitution of the United States, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 104) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 105) to provide that certain officers and employees of the United States shall file bonds for the purpose of satisfying judgments obtained by persons injured by the unlawful or careless use of firearms by such officers or employees, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 106) to provide for the settlement of claims against the United States on account of property damage, personal injury, or death; to the Committee on Claims.

Also, a bill (H. R. 107) to regulate the construction of bridges over navigable waters of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FOSS: A bill (H. R. 108) to amend an act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes"; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 109) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof; to the Committee on the Post Office and Post Roads.

By Mr. FULMER: A bill (H. R. 110) to provide for cooperation with the several States in the care, treatment, education, vocational guidance and placement, and physical rehabilitation of crippled children, and for other purposes; to the Committee on Education.

Also, a bill (H. R. 111) to provide for the aiding of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 112) to regulate interstate shipments of cotton, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 113) to transfer the administration of the affairs of Federal intermediate credit banks to the Federal Farm Board; to the Committee on Banking and Currency.

Also, a bill (H. R. 114) to divert lands unsuited for profitable agriculture to productive forestry uses; to the Committee on Agriculture.

Also, a bill (H. R. 115) to provide for research work in connection with the utilization of agricultural products other than forest products, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 116) to provide for the commemoration of the Battle of Eutaw Springs; to the Committee on Military Affairs.

Also, a bill (H. R. 117) to establish and maintain a pecan experiment station at or near the city of Orangeburg, S. C.; to the Committee on Agriculture.

Also, a bill (H. R. 118) to establish, maintain, and operate a reforesting station for pine and other timber trees in the seventh congressional district of South Carolina; to the Committee on Agriculture.

Also, a bill (H. R. 119) to provide for the use of net weights in interstate and foreign commerce transactions in cotton, to provide for the standardization of bale covering for cotton, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 120) for the construction of rural post roads, exclusive of those now included in the system of Federal aid for construction of post roads; to the Committee on Roads.

By Mr. HOUSTON of Hawaii: A bill (H. R. 121) to provide for the issuance of certificates of citizenship to citizens of the United States residing in the Territory of Hawaii; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 122) to provide that the provisions of the act requiring the payment of the prevailing rate of wages to laborers and mechanics on public-building projects shall apply to public-building projects in the Territory of Hawaii; to the Committee on Labor.

By Mr. JAMES: A bill (H. R. 123) prescribing a rate of retired pay for an Army officer of outstanding service; to the Committee on Military Affairs.

By Mr. McKEOWN: A bill (H. R. 124) authorizing appropriations for cooperating with States granting old-age and disabled-persons pensions, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 125) amending section 200, World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

By Mr. PITTENGER: A bill (H. R. 126) to direct the distribution of the interest and principal of the permanent fund of the Chippewa Indians of Minnesota in accordance with the true purpose and intent of the agreements made pursuant to the act of January 14, 1889; to the Committee on Indian Affairs.

Also, a bill (H. R. 127) to amend an act approved May 14, 1926 (44 Stat. 555), entitled "An act authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims"; to the Committee on Indian Affairs.

By Mr. RAMSEYER: A bill (H. R. 128) to restore and maintain the level of wholesale commodity prices; to the Committee on Banking and Currency.

By Mr. REILLY: A bill (H. R. 129) to prohibit the use of public funds for the purchase of oleomargarine; to the Committee on Agriculture.

By Mr. ROMJUE: A bill (H. R. 130) to amend the World War adjusted compensation act, as amended; to the Committee on Ways and Means.

Also, a bill (H. R. 131) to provide for the establishment of a school for the training of policemen and policewomen within the District of Columbia; to the Committee on the District of Columbia.

By Mr. TARVER: A bill (H. R. 132) to authorize the Secretary of War to erect one marker for the graves of 15 Confederate soldiers killed in action and buried in the La Fayette Cemetery at La Fayette, Ga., in lieu of separate markers as now authorized by law; to the Committee on Military Affairs.

Also, a bill (H. R. 133) to subject shipments of pistols in interstate commerce to the police powers of the several States and Territories upon arrival therein; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 134) to provide for the extension of Federal aid in highway construction to rural free delivery routes and star mail routes which do not constitute portions of Federal or State highway systems designated under existing laws to receive Federal aid as primary (or interstate), or secondary (or intercounty) routes, and providing for the expenditure of such money as may be appropriated hereunder; to the Committee on Roads.

Also, a bill (H. R. 135) to provide for the paving of the Government road known as the Glass Mill Road, commencing in the city of Chickamauga, Ga., and extending to Stotts Mill, constituting an approach road to Chickamauga and Chattanooga National Military Park; to the Committee on Military Affairs.

Also, a bill (H. R. 136) to provide for the paving of the Government road known as the Stephens Gap Road, commencing in the city of Chickamauga, Ga., and extending to Stephen Gap, constituting an approach road to Chickamauga and Chattanooga National Military Park; to the Committee on Military Affairs.

By Mr. SUMMERS of Washington: A bill (H. R. 137) to aid the several States in constructing post roads; to the Committee on Roads.

By Mr. VESTAL: A bill (H. R. 138) amending the statutes of the United States to provide for copyright registration of designs; to the Committee on Patents.

Also, a bill (H. R. 139) to amend and consolidate the acts respecting copyright and to permit the United States to enter the convention of Berne for the protection of literary and artistic works; to the Committee on Patents.

By Mr. YON: A bill (H. R. 140) to permit certain veterans to purchase stores and supplies from the Army, Navy, and Marine Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 141) authorizing an appropriation for repairs to old Fort San Carlos, Fla., and for the procurement and erection of a tablet or marker thereon; to the Committee on Military Affairs.

By Mr. BACON: A bill (H. R. 142) to amend the act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. BECK: A bill (H. R. 143) authorizing an appropriation to aid in the construction of the George Washington Memorial Building in the city of Washington; to the Committee on Public Buildings and Grounds.

By Mr. BUTLER: A bill (H. R. 144) authorizing the sale of a certain tract of land in the State of Oregon to the Klamath Irrigation District; to the Committee on the Public Lands.

Also, a bill (H. R. 145) authorizing the construction of a canal for the diversion within the city of Klamath Falls, Oreg., of the main canal of the Klamath project; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 146) to provide for an Indian village at Celilo, near The Dalles, Oreg.; to the Committee on Indian Affairs.

Also, a bill (H. R. 147) to extend the provisions of the forest exchange act to public lands within 10 miles of the boundaries of the Whitman National Forest in the State of Oregon; to the Committee on the Public Lands.

Also, a bill (H. R. 148) for the relief of settlers in Baker County, Oreg., and to consolidate certain forest lands within the Whitman National Forest, Oreg., and to add certain lands thereto; to the Committee on the Public Lands.

Also, a bill (H. R. 149) to extend the times for commencing and completing the construction of a bridge across the Columbia River at or near The Dalles, Oreg.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 150) to provide for the improvement of the Columbia and Snake Rivers; to the Committee on Rivers and Harbors.

By Mr. CRAIL: A bill (H. R. 151) to authorize appropriations for construction of additional hospital facilities at the Pacific Branch of the National Soldiers' Homes, Los Angeles County, Calif., and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 152) to establish an aviation flag of the United States of America; to the Committee on the Judiciary.

Also, a bill (H. R. 153) to enact a uniform pension law for disabilities incurred in war service and granting pensions to certain soldiers, sailors, marines, and nurses who served the United States in time of war; to the Committee on Pensions.

Also, a bill (H. R. 154) to amend sections 1 and 4 of the act of March 3, 1927, granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes; to the Committee on Pensions.

Also, a bill (H. R. 155) to amend section 200 of the World War veterans' act of 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 156) to amend paragraph 6 of section 202 of the World War veterans' act of 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 157) authorizing the erection of a sanitary fireproof dormitory and infirmary to be used for the housing, maintenance, and treatment of disabled women veterans only; to the Committee on Military Affairs.

Also, a bill (H. R. 158) making retired officers and enlisted personnel, of both sexes, of the Regular Army, Navy, and Marine Corps eligible for admission to the United States hospitals of any branch of the service and to hospitals of the Veterans' Bureau, and to hospitals of the National Home for Disabled Volunteer Soldiers, on a parity with the honorably discharged officer or enlisted personnel; to the Committee on Military Affairs.

Also, a bill (H. R. 159) to amend paragraph 10 of section 202 of the World War veterans' act of 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 160) to amend the act of May 24, 1928, entitled "An act making eligible for retirement, under certain conditions, officers and former officers of the Army, Navy, and Marine Corps of the United States, other than officers of the Regular Army, Navy, or Marine Corps, who incurred physical disability in line of duty while in the service of the United States during the World War"; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 161) providing for four additional district judges for the southern district of California and providing for their appointment; to the Committee on the Judiciary.

Also, a bill (H. R. 162) to authorize the erection of a Veterans' Bureau hospital in the State of California and to authorize the appropriation therefor, $2,000,000; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 163) to make provision against the discharge or escape of oil into navigable waters and fixing penalties for violations thereof; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 164) providing a nautical school at the port of Los Angeles, Calif.; to the Committee on Naval Affairs.

Also, a bill (H. R. 165) increasing pensions of widows of Indian war veterans; to the Committee on Pensions.

Also, a bill (H. R. 166) to amend section 4 of the act of July 14, 1862, as amended, commonly called the general pension law; to the Committee on Pensions.

Also, a bill (H. R. 167) granting pensions and increase of pensions to widows and former widows of certain soldiers, sailors, and marines of the Civil War, and for other purposes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 168) to assist by loans any person holding an honorable discharge from the military forces of the United States of America during any war; to the Committee on Ways and Means.

Also, a bill (H. R. 169) directing the Secretary of War to issue Army discharges to those who were regularly inducted into the military service of the United States prior to November 11, 1918, and to whom were issued discharges from draft on or after said date; to the Committee on Military Affairs.

Also, a bill (H. R. 170) to declare the 11th day of November, celebrated and known as Armistice Day, a legal public holiday; to the Committee on the Judiciary.

By Mr. COYLE: A bill (H. R. 171) to amend section 2 of the act relative to naturalization and citizenship of married women, approved September 22, 1922; to the Committee on Immigration and Naturalization.

By Mr. DISNEY: A bill (H. R. 172) to amend paragraph (8) of section 1 of the interstate commerce act, as amended; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 173) authorizing appropriations for cooperating with States granting old-age and disabled-persons pensions, and for other purposes; to the Committee on the Judiciary.

By Mr. EATON of Colorado: A bill (H. R. 174) concerning oil-shale lands; to the Committee on the Public Lands.

Also, a bill (H. R. 175) to provide for the commemoration of the Battle of Apache Canyon, N. Mex.; to the Committee on Military Affairs.

Also, a bill (H. R. 176) to provide for the commemoration of the Battle of Glorieta Pass, N. Mex.; to the Committee on Military Affairs.

Also, a bill (H. R. 177) to provide for the study, investigation, and survey for commemorative purposes, of Fort Massachusetts, in the State of Colorado; to the Committee on Military Affairs.

Also, a bill (H. R. 178) to provide for the study, investigation, and survey, for commemorative purposes, of Pike's Stockade, in the State of Colorado; to the Committee on Military Affairs.

By Mr. ENGLEBRIGHT: A bill (H. R. 179) to authorize the Secretary of the Interior to construct a bridge across Lost River on the Tule Lake division of the Klamath project, Oregon-California; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 180) to exempt from taxation income derived from the mining of gold; to the Committee on Ways and Means.

Also, a bill (H. R. 181) to authorize the issuance of patent for lands containing gold-bearing gravels, at depth, which are overlaid by volcanic lava; to the Committee on the Public Lands.

Also, a bill (H. R. 182) making the 9th day of September of each year a holiday for Federal employees in the State of California; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 183) to authorize the erection of a Veterans' Bureau hospital in the inland part of the State of California, and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 184) to authorize the conveyance by the United States to Tule Lake Post No. 164 of the American Legion of lots 1 and 2 in block 9 of Tule Lake town site, California; to the Committee on the Public Lands.

Also, a bill (H. R. 185) to authorize the payment of three months' pay to certain clerical assistants in the legislative branch of the Government; to the Committee on Accounts.

Also, a bill (H. R. 186) to amend an act entitled "An act making an appropriation for the survey of public lands laying within the limits of land grants, to provide for the forfeiture to the United States of unsurveyed land grants to railroads, and for other purposes," approved June 25, 1910; to the Committee on the Public Lands.

Also, a bill (H. R. 187) to provide for the destruction and eradication of predatory animals in the State of California; to the Committee on Agriculture.

Also, a bill (H. R. 188) to extend the provisions of the forest exchange act approved March 20, 1922, to certain lands adjacent to the Modoc National Forest, in the State of California; to the Committee on the Public Lands.

Also, a bill (H. R. 189) to add certain lands to the Modoc National Forest in the State of California; to the Committee on the Public Lands.

Also, a bill (H. R. 190) to add certain lands to the Modoc National Forest, in the State of California; to the Committee on the Public Lands.

Also, a bill (H. R. 191) to add certain lands to the Modoc National Forest, in the State of California; to the Committee on the Public Lands.

Also, a bill (H. R. 192) for the inclusion of certain lands in the Lassen National Forest, Calif., and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 193) to enable the Secretary of Agriculture to control emergency insect infestation on the national forests; to the Committee on Agriculture.

Also, a bill (H. R. 194) to amend section 6 of the national charter of the Great Council of the United States of the Improved Order of Red Men; to the Committee on the Judiciary.

Also, a bill (H. R. 195) to amend the act entitled "An act to create the California Débris Commission and regulate hydraulic mining in the State of California," approved March 1, 1893, as amended; to the Committee on Mines and Mining.

Also, a bill (H. R. 196) to amend the act entitled "An act to create the California Débris Commission and regulate hydraulic mining in the State of California," approved March 1, 1893, as amended; to the Committee on Mines and Mining.

By Mr. GIFFORD: A bill (H. R. 197) to legalize an intake pipe in Warren Cove, at Plymouth, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 198) for a Coast Guard station at the eastern entrance to Cape Cod Canal, Mass.; to the Committee on Interstate and Foreign Commerce.

By Mr. GOLDER: A bill (H. R. 199) to provide for a special series of postage stamps in observance of the one hundredth anniversary of the death of Stephen Girard; to the Committee on the Post Office and Post Roads.

By Mr. GOLDSBOROUGH: A bill (H. R. 200) to name the Sixteenth Street entrance to the District of Columbia Blair Place; to the Committee on the District of Columbia.

Also, a bill (H. R. 201) to amend the perishable agricultural commodities act, 1930, so as to suppress unfair and fraudulent practices in the marketing of floricultural products in interstate and foreign commerce; to the Committee on Agriculture.

By Mr. HORR: A bill (H. R. 202) for the repeal of the so-called Jones 5 and 10 law; to the Committee on the Judiciary.

By Mr. HOUSTON of Hawaii: A bill (H. R. 203) to amend the immigration act of 1924; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 204) to authorize the appointment of reporters in the Court of the United States in the Territory of Hawaii, and to fix their duties and compensation; to the Committee on the Judiciary.

Also, a bill (H. R. 205) to amend the act entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States; to the Committee on Immigration and Naturalization.

By Mr. HUDDLESTON: A bill (H. R. 206) authorizing an appropriation for the relief of destitution in the United States; to the Committee on Labor.

By Mr. JAMES: A bill (H. R. 207) to grant the distinguished-service cross to certain retired enlisted men; to the Committee on Military Affairs.

Also, a bill (H. R. 208) to authorize transfer of the abandoned Indian-school site and building at Zeba, Mich., to the L'Anse Band of Lake Superior Indians; to the Committee on Indian Affairs.

Also, a bill (H. R. 209) to amend the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, as amended, and for other purposes; to the Committee on Military Affairs.

By Mr. JENKINS: A bill (H. R. 210) to amend an act entitled "An act making it a felony with penalty for certain aliens to enter the United States of America under certain conditions in violation of law," approved March 4, 1929; to the Committee on Immigration and Naturalization.

By Mr. JONES of Texas: A bill (H. R. 211) to authorize loans to farmers of the United States for use in making payments on loans from Federal land banks; to the Committee on Agriculture.

By Mr. KNUTSON: A bill (H. R. 212) for the relief of volunteer officers and soldiers who served in the Philippine Islands beyond the period of their enlistment; to the Committee on War Claims.

By Mr. LANKFORD of Georgia: A bill (H. R. 213) to create a farmers' finance corporation, provide a system of loans on farm products, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 214) to pay a pension to dependent relatives of any arresting officer who dies from injuries received as the result of the discharge of his duties, and for other purposes; to the Committee on Pensions.

Also, a bill (H. R. 215) to create a department of general welfare, and for other purposes; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 216) to provide for inspection and grading of tobacco by experts of the Department of Agriculture, and for other purposes; to the Committee on Agriculture.

By Mr. MARTIN of Oregon: A bill (H. R. 217) providing for the reconditioning of the old Federal post office and Federal courthouse building in the city of Portland, Oreg.; to the Committee on Public Buildings and Grounds.

By Mr. LANKFORD of Virginia: A bill (H. R. 218) to provide for the collection and publication of statistics of peanuts and peanut oil by the Secretary of Agriculture, and for other purposes; to the Committee on Agriculture.

By Mr. LEA: A bill (H. R. 219) to provide for the establishment of a Coast Guard station at or near Crescent City, Calif.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 220) to authorize the free transmission, outside of the mail, of reports of the sale and delivery of milk and other farm products to a creamery or other local market; to the Committee on the Post Office and Post Roads.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 221) regulating the operation of motor trucks and busses; to the Committee on Interstate and Foreign Commerce.

By Mr. MARTIN of Oregon: A bill (H. R. 222) to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States," approved June 21, 1930, so as to give class B officers of the Army the benefits of such act; to the Committee on Military Affairs.

By Mr. PITTENGER: A bill (H. R. 223) for the relief of certain members of the Fleet Naval Reserve and Fleet Marine Corps Reserve; to the Committee on Naval Affairs.

By Mr. REILLY: A bill (H. R. 224) to establish and maintain a fish-hatching and fish-culture station in Marquette County, State of Wisconsin; to the Committee on the Merchant Marine and Fisheries.

By Mr. SELVIG: A bill (H. R. 225) providing for the payment of $50 to each enrolled Chippewa Indian, of Minnesota, from the funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

By Mr. SWICK: A bill (H. R. 226) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. SWING: A bill (H. R. 227) authorizing the Secretary of the Interior to arrange with States for the education, medical attention, and relief of distress of Indians, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 228) to provide for the appointment of two additional judges of the District Court of the United States for the Southern District of California; to the Committee on the Judiciary.

Also, a bill (H. R. 229) amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands; to the Committee on the Public Lands.

By Mr. TIMBERLAKE: A bill (H. R. 230) to provide for the enlargement and further development of the Akron United States agricultural substation, located near Akron, Washington County, Colo., by authorizing the purchase of certain lands adjacent thereto, the erection of certain improvements thereon, and the equipment thereof with dairy cattle and other livestock; to the Committee on Agriculture.

Also, a bill (H. R. 231) to grant certain lands to the State of Colorado for the benefit of the Colorado School of Mines; to the Committee on the Public Lands.

Mr. YON: A bill (H. R. 232) to provide for the commemoration of Fort St. Marks, in the State of Florida; to the Committee on Military Affairs.

Also, a bill (H. R. 233) to provide for the commemoration of the Battle of Natural Bridge, in the State of Florida; to the Committee on Military Affairs.

By Mr. WICKERSHAM: A bill (H. R. 234) to authorize the entry of fur-farming homesteads on the public lands of Alaska; to the Committee on the Public Lands.

By Mr. WOLFENDEN: A bill (H. R. 235) to remodel with colonial design the present post-office building at Phoenixville, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. SEGER: A bill (H. R. 236) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BACON: A bill (H. R. 237) to provide for the appointment of an additional judge of the District Court of the United States for the Eastern District of New York; to the Committee on the Judiciary.

By Mr. CAMPBELL of Iowa: A bill (H. R. 238) granting a pension to certain widows, minor children, and helpless children of soldiers, sailors, and marines of the World War; to the Committee on Pensions.

By Mr. CELLER: A bill (H. R. 239) to create a negro industrial commission; to the Committee on the Judiciary.

Also, a bill (H. R. 240) to amend the act of November 23, 1921, entitled "An act supplementary to the national prohibition act" to the end that physicians shall have the right to prescribe medicinal wines and liquors without limitations; to the Committee on the Judiciary.

Also, a bill (H. R. 241) to prevent disclosure of confidential information the physician receives from the patient for whom medicinal liquor is prescribed; to the Committee on the Judiciary.

Also, a bill (H. R. 242) to amend the bankruptcy law; to the Committee on the Judiciary.

Also, a bill (H. R. 243) to establish a fish-cultural station on Long Island Sound at Montauk Point; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 244) to amend the act of March 2, 1929 (45 Stat., ch. 536); to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 245) to amend the naturalization law, and for other purposes; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 246) to amend section 2169 of the Revised Statutes, as amended, in respect of the definition

of a white person; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 247) to relieve the unemployment emergency by amending the national defense act so as to organize a special Army reserve in which unemployed men to the number of 250,000 may enlist for a period of not to exceed one year; to the Committee on Military Affairs.

Also, a bill (H. R. 248) to authorize the Secretary of War and the Secretary of the Navy to furnish a firing squad to fire the customary salute for an ex-service man; to the Committee on Military Affairs.

Also, a bill (H. R. 249) repealing the act of July 31, 1912, prohibiting the importation and the interstate transportation of films or other pictorial representations of prize fights, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 250) to fix the salaries of certain judges of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 251) to prevent obstruction and burdens upon interstate trade and commerce in copyrighted motion-picture films, and to prevent the restraint upon the free competition in the production, distribution, and exhibition of copyrighted motion-picture films, and to prevent the further monopolization of the business of producing, distributing, and exhibiting copyrighted motion pictures by prohibiting blind booking and block booking of copyrighted motion-picture films and by prohibiting the arbitrary allocation of such films by distributors to theaters in which they or other distributors have an interest, direct or indirect, and by prohibiting the arbitrary refusal to book or sell such films to exhibitors in which they have no such interest; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 252) to amend section 283 of the Judicial Code, same being section 420, title 28, the Code of Laws of the United States of America in force December 6, 1926; to the Committee on the Judiciary.

By Mr. CRISP: A bill (H. R. 253) to abolish the Federal Farm Board, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 254) to authorize the construction of buildings for certain post offices, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. CHRISTOPHERSON: A bill (H. R. 255) to establish uniform requirements affecting Government contracts, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 256) to prohibit broadcasting by means of radio any information regarding any lottery, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 257) to prohibit the use of public funds for the purchase of oleomargarine; to the Committee on Agriculture.

Also, a bill (H. R. 258) to amend sections 22 and 39, Title II, of the national prohibition act; to the Committee on the Judiciary.

By Mr. COLTON: A bill (H. R. 259) to amend the Criminal Code of the United States; to the Committee on the Judiciary.

By Mr. CULLEN: A bill (H. R. 260) to amend the act of March 4, 1911 (ch. 239, 36 Stat. L. 1267), as amended; to the Committee on Naval Affairs.

By Mr. CURRY: A bill (H. R. 261) to create a Department of National Defense, defining the powers and duties of the Secretary thereof, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 262) authorizing the replacement of the causeway over Mare Island Strait, Calif.; to the Committee on Naval Affairs.

Also, a bill (H. R. 263) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 264) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

By Mr. ESTEP: A bill (H. R. 265) authorizing the county of Allegheny to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Pittsburgh, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. EVANS of Montana: A bill (H. R. 266) to provide for a duty on copper and certain copper products; to the Committee on Ways and Means.

Also, a bill (H. R. 267) to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 268) to excuse certain persons from residence upon homestead lands during 1930 and 1931 in the drought-stricken areas; to the Committee on the Public Lands.

Also, a bill (H. R. 269) to suspend the requirements of annual assessment work on mining claims during the assessment years 1932 and 1933; to the Committee on Mines and Mining.

Also, a bill (H. R. 270) to amend an act entitled "An act to pension the survivors of certain Indian wars from January 1, 1859, to January, 1891, inclusive, and for other purposes," approved March 4, 1917; to the Committee on Pensions.

By Mr. FISH: A bill (H. R. 271) to extend the provisions of an act entitled "An act placing certain noncommissioned officers in the first grade," approved March 3, 1927; to the Committee on Military Affairs.

Also, a bill (H. R. 272) to require the use of certain water-condensation apparatus on seagoing vessels; to the Committee on the Merchant Marine and Fisheries.

By Mr. FITZPATRICK: A bill (H. R. 273) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 274) to promote temperance in the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 275) for the trial of Federal or State officers, agents, or employees in the Federal courts for violation of the provisions of the fourth amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 276) transferring trials of Federal officers, agents, or employees of the United States Government from Federal to State jurisdiction; to the Committee on the Judiciary.

Also, a bill (H. R. 277) providing for a 40-hour week for Federal employees; to the Committee on the Civil Service.

By Mr. FOSS: A bill (H. R. 278) to compensate the Post Office Department for the extra work caused by the payment of money orders at offices other than those on which the orders are drawn; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 279) to provide for weekly pay days for postal employees; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 280) to authorize the Postmaster General to issue additional receipts or certificates of mailing to senders of any class of mail matter and to fix the fees chargeable therefor; to the Committee on the Post Office and Post Roads.

By Mr. GAMBRILL: A bill (H. R. 281) relating to length of service of professors of mathematics in the United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 282) authorizing an appropriation for the erection of memorial to the officers and men of the United States Navy who lost their lives as the result of a boiler explosion that totally destroyed the U. S. S. *Tulip* near St. Inigoes Bay, Md., on November 11, 1864, and for other purposes; to the Committee on the Library.

By Mr. GARBER: A bill (H. R. 283) amending section 200 of the World War veterans' act; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 284) conferring jurisdiction on the Court of Claims for adjudging the rights of the Otoe and

Missouria Tribes of Indians for compensation on a basis of guardian and ward, and conferring jurisdiction on the Court of Claims to adjust the claims between the Otoe and Missouria Tribes of Indians and the Omaha Indians to certain moneys received by the Omaha Indians; to the Committee on Indian Affairs.

Also, a bill (H. R. 285) to amend and further extend the benefits of the act approved January 9, 1925, entitled "An act authorizing the Ponca Tribe of Indians residing in the States of Oklahoma and Nebraska to submit claims to the Court of Claims"; to the Committee on Indian Affairs.

Also, a bill (H. R. 286) providing for payments in lieu of transportation in kind and subsistence en route to certain veterans of the war with Spain and the Philippine insurrection; to the Committee on Military Affairs.

Also, a bill (H. R. 287) authorizing an appropriation to enable the Secretary of Agriculture to cooperate with the experiment station of the Panhandle Agricultural and Mechanical College, located at Goodwell, Okla.; to the Committee on Agriculture.

Also, a bill (H. R. 288) granting to the State of Oklahoma 210,000 acres of unappropriated nonmineral land for the benefit of its agricultural and mechanical colleges, according to the provisions of the acts of July 2, 1862, and July 23, 1866, and authorizing the Secretary of the Treasury, upon the Secretary of the Interior certifying the number of acres available and that there are not sufficient lands in the State of Oklahoma to comply with the provisions of this act, to pay to the State of Oklahoma in lieu thereof the sum of $1.25 per acre for the number of acres due said State; to the Committee on the Public Lands.

Also, a bill (H. R. 289) to promote the maintenance and stabilization of the channels of navigable streams of the United States, to promote commerce between the several States, to protect the post roads, to protect the Federal highways for military purposes, and for other purposes; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 290) to authorize the Postmaster General to give substitute watchmen, messengers, and laborers in first and second class post offices and substitute laborers in the Railway Mail Service credit for actual time served on a basis of one year for each 306 days of eight hours served as substitute; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 291) to provide for the appointment of one additional judge of the District Court of the United States for the Western District of Oklahoma; to the Committee on the Judiciary.

Also, a bill (H. R. 292) to establish the Wichita Mountains National Park of Oklahoma, in the State of Oklahoma; to the Committee on the Public Lands.

By Mr. GOSS: A bill (H. R. 293) to enable physicians to prescribe malt liquors for medicinal purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 294) to amend the national prohibition act, as amended and supplemented, in respect to the definition of intoxicating liquor; to the Committee on the Judiciary.

Also, a bill (H. R. 295) to regulate the use and sale of wood alcohol; to the Committee on the Judiciary.

Also, a bill (H. R. 296) to provide benefits for women who served with the American Expeditionary Forces during the World War; to the Committee on Military Affairs.

By Mr. GRIFFIN: A bill (H. R. 297) to provide that religious views or philosophical opinions against war shall not debar aliens, otherwise qualified, from citizenship; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 298) to provide that religious views or philosophical opinions against war shall not debar aliens, otherwise qualified, from citizenship; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 299) providing for medals of honor and awards to Government employees for distinguished service in science or for voluntary risk of life and health beyond the ordinary risks of duty; to the Committee on the Library.

By Mr. HOUSTON of Hawaii: A bill (H. R. 300) to amend section 319 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909; to the Committee on the Judiciary.

Also, a bill (H. R. 301) to reimburse the Territory of Hawaii for money advanced in the development of Nawiliwili Harbor, in the Territory of Hawaii; to the Committee on Claims.

Also, a bill (H. R. 302) to amend an act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1917, and for other purposes," approved August 29, 1916; to the Committee on Naval Affairs.

Also, a bill (H. R. 303) authorizing appropriations for the construction of a highway in the Hawaiian Islands; to the Committee on Military Affairs.

Also, a bill (H. R. 304) relative to the admission under the immigration laws of wives of American citizens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 305) to authorize the establishment of a Coast Guard station on the east coast of Maui, in the Territory of Hawaii; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 306) to provide Federal aid for the Territory of Hawaii in the segregation, care, maintenance, and treatment of persons afflicted or suspected of being afflicted with leprosy therein, and in the eradication of said disease; to the Committee on the Territories.

Also, a bill (H. R. 307) to approve Act No. 256 of the session laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the districts of North Kona and South Kona, on the island and county of Hawaii, Territory of Hawaii"; to the Committee on the Territories.

Also, a bill (H. R. 308) to provide for the appointment of an acting secretary of the Territory of Hawaii during the absence or illness of the secretary; to the Committee on the Territories.

Also, a bill (H. R. 309) to amend section 4 of the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900; to the Committee on the Territories.

Also, a bill (H. R. 310) to amend section 100 of the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900; to the Committee on the Territories.

Also, a bill (H. R. 311) to approve Act No. 268 of the session laws of 1931 of the Territory of Hawaii, entitled "An act to authorize and provide for the manufacture, maintenance, distribution, and supply of electric current for light and power within the island of Molokai"; to the Committee on the Territories.

By Mr. HOWARD: A bill (H. R. 312) to amend the act entitled "An act to amend an act entitled 'An act to provide for the disposal of the unallotted lands on the Omaha Indian Reservation in the State of Nebraska,'" approved January 7, 1925; to the Committee on Indian Affairs.

Also, a bill (H. R. 313) to guarantee the payment of deposits in national banks; to the Committee on Banking and Currency.

Also, a bill (H. R. 314) to amend an act approved December 17, 1928, entitled "An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment thereon in claims which the Winnebago Tribe of Indians may have against the United States, and for other purposes"; to the Committee on Indian Affairs.

By Mr. HUDDLESTON: A bill (H. R. 315) to prevent frauds in commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 316) to provide capital for building homes, and for other purposes; to the Committee on Banking and Currency.

By Mr. JAMES: A bill (H. R. 317) to amend the tariff act of 1922 entitled "An act to provide revenue, to regulate commerce with foreign countries, to encourage the indus-

tries of the United States, and for other purposes"; to the Committee on Ways and Means.

By Mr. JENKINS: A bill (H. R. 318) granting pensions to certain widows, minor children, and helpless children of soldiers, sailors, and marines who served during the World War, and for other purposes; to the Committee on Pensions.

By Mr. KNUTSON: A bill (H. R. 319) to provide for equalizing the benefits of the Chippewa Indian tribal fund among the school children of the enrolled members of the Chippewa Indians belonging to the Chippewa Tribe of Minnesota; to the Committee on Indian Affairs.

Also, a bill (H. R. 320) authorizing the purchase of certain lands to enable the Chippewa Indians of Minnesota to harvest wild rice; to the Committee on Indian Affairs.

Also, a bill (H. R. 321) to promote civilization and self-support among the Chippewa Indians in the State of Minnesota, and to carry into effect the agreements with said Indians under the provisions of the act of January 14, 1889 (25 Stat. L. 642); to the Committee on Indian Affairs.

Also, a bill (H. R. 322) to provide for more expeditious settlement of money claims against the United States, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 323) to authorize an investigation of the annuity or membership rolls of the Chippewa Indians in the State of Minnesota for the purpose of purifying said rolls; to the Committee on Indian Affairs.

Also, a bill (H. R. 324) prohibiting the use of the words "Army" or "Navy," or both, in the name of a store or company engaged in mercantile business; to the Committee on the Judiciary.

Also, a bill (H. R. 325) to extend the benefits of certain pension laws to the officers, sailors, and marines on board the U. S. S. *Maine* when that vessel was wrecked in the harbor of Habana, February 15, 1898, and to their widows and dependent relatives; to the Committee on Pensions.

Also, a bill (H. R. 326) to amend the World War veterans' act as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 327) to repeal the act entitled "An act to prohibit the importation and the interstate transportation of films of other pictorial representations of prize fights, and for other purposes"; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 328) granting an additional pension of $25 per month to all widows who are now or who may hereafter become, on account of age or physical or mental disabilities, helpless or blind or so nearly helpless or blind as to need or require the regular aid and attendance of another person; to the Committee on Pensions.

Also, a bill (H. R. 329) to set aside certain lands for the Leech Lake Band of Chippewa Indians in the State of Minnesota; to the Committee on Indian Affairs.

Also, a bill (H. R. 330) to authorize the erection of an addition to the existing Veterans' Bureau hospital plant, No. 101, St. Cloud, Minn., and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 331) to amend the Arlington Memorial Bridge act; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 332) to authorize the Secretary of the Interior to determine the value of services and expenses of delegates and representatives of the Chippewa Indians in the State of Minnesota sent to Washington, D. C., by said Indians, and to certify the amount to the Secretary of the Treasury for the purpose of making settlement therefor; to the Committee on Indian Affairs.

Also, a bill (H. R. 333) to regulate the level of water in certain reservoirs at the headwaters of the Mississippi River; to the Committee on Rivers and Harbors.

By Mr. LAGUARDIA: A bill (H. R. 334) to amend the Federal Trade Commission act, as amended, to provide for regulating exchanges; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 335) to provide a public terminal aviation field at Governors Island, N. Y., and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 336) to supplement and amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary" (act of March 3, 1911, ch. 231), and known as the Judicial Code, and to limit the jurisdiction of district and circuit courts in certain cases; to the Committee on the Judiciary.

Also, a bill (H. R. 337) to amend section 4426 of the Revised Statutes of the United States, as amended by the act of Congress approved March 16, 1906; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 338) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 339) for the purpose of protecting officers of the Army, Navy, or Marine Corps who are called by committees of the House and Senate to testify concerning matters before such committees; to the Committee on Military Affairs.

Also, a bill (H. R. 340) to provide adequate compensation and treatment for veterans having a tubercular disease; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 341) to provide for the popular election of the Governor of Porto Rico, and for other purposes; to the Committee on Insular Affairs.

Also, a bill (H. R. 342) defining combinations and conspiracies in trade and labor disputes and prohibiting the issuance of injunctions therein; to the Committee on the Judiciary.

Also, a bill (H. R. 343) to extend the jurisdiction and territory of the judicial district of the State of Maryland; to the Committee on the Judiciary.

Also, a bill (H. R. 344) to amend the act of March 3, 1879 (ch. 180, sec. 14, 20 Stat. 359, being sec. 225 of title 39 of the Code of Laws of the United States), and all acts amendatory thereof; to the Committee on the Judiciary.

Also, a bill (H. R. 345) to amend section 380 of title 28 of the United States Code (Judicial Code, sec. 266, amended); to the Committee on the Judiciary.

Also, a bill (H. R. 346) fixing the liability of owners of vessels; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 347) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 348) to regulate certain transactions in securities in interstate commerce, and for other purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 349) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, approved July 3, 1926; to the Committee on the Civil Service.

Also, a bill (H. R. 350) providing a trial by jury for acts constituting contempt of court; to the Committee on the Judiciary.

Also, a bill (H. R. 351) exempting newspaper men from testifying with respect to the sources of certain confidential information; to the Committee on the Judiciary.

Also, a bill (H. R. 352) authorizing appropriations to increase the flying-field area of Governors Island, N. Y.; to the Committee on Military Affairs.

Also, a bill (H. R. 353) to amend section 213, act of March 4, 1909 (Criminal Code, U. S. C., title 18, sec. 336), affixing penalties for use of mails in connection with fraudulent devices and lottery paraphernalia; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 354) relating to personal-injury suits by seamen; to the Committee on the Merchant Marine and Fisheries.

By Mr. LINDSAY: A bill (H. R. 355) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 356) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 357) to promote temperance in the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 358) to purchase a site for the erection of a post-office building in the section of the Borough of Brooklyn, city of New York, N. Y., known as Greenpoint; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 359) to provide commutation of transportation on common carriers for certain persons traveling thereon for the sole purpose of visiting war veterans in hospitals, sanitariums, or similar institutions; to the Committee on World War Veterans' Legislation.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 360) to amend an act approved September 26, 1914, known as the Federal Trade Commission act; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 361) to provide for the extension of improvements on the west side of Georgia Avenue, north of Princeton Place, in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

Also, a bill (H. R. 362) creating the United States board of affairs; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 363) authorizing an appropriation to reimburse the State of Oklahoma for money paid for the education of restricted Indian children in the public schools of the said State; to the Committee on Indian Affairs.

Also, a bill (H. R. 364) authorizing the Secretary of Agriculture to accept for the Government a donation of 160 acres of land situated in Beckham, Custer, Harmon, Greer, or Roger Mills County, Okla., for the operation and maintenance by the Government of an agricultural demonstration farm; to the Committee on Agriculture.

Also, a bill (H. R. 365) authorizing an appropriation to be used in the construction of a monument in memory of those who lost their lives in the Battle of the Washita; to the Committee on the Library.

Also, a bill (H. R. 366) to repeal the act of July 13, 1926; to the Committee on the Public Lands.

Also, a bill (H. R. 367) creating an unemployment fund; to the Committee on the Public Lands.

Also, a bill (H. R. 368) for the hospitalization of World War veterans in private hospitals; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 369) for the erection of a public building in the city of Mangum, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 370) authorizing the President of the United States to appoint representatives with the authority to participate in an international conference for the purpose of making agreements with respect to tariff rates; to the Committee on Foreign Affairs.

By Mr. McREYNOLDS: A bill (H. R. 371) to require the discoloration of poisons which resemble commonly used foodstuffs; to the Committee on Interstate and Foreign Commerce.

By Mr. McSWAIN: A bill (H. R. 372) to give war-time commissioned rank to retired enlisted men; to the Committee on Military Affairs.

Also, a bill (H. R. 373) to authorize the acquisition of additional land for the use of Walter Reed General Hospital; to the Committee on Military Affairs.

By Mr. MICHENER: A bill (H. R. 374) exempting building and loan associations from being adjudged involuntary bankrupts; to the Committee on the Judiciary.

By Mr. PITTENGER: A bill (H. R. 375) amending the public building act approved March 4, 1931, authorizing acquisition of building sites and construction of public buildings at Hibbing, Minn., and other places; to the Committee on Public Buildings and Grounds.

By Mr. RAMSPECK: A bill (H. R. 376) to limit the time for bringing suit on bonds of clerks of United States district courts; to the Committee on the Judiciary.

By Mr. SANDERS of Texas: A bill (H. R. 377) to amend title 28, section 41, of the United States Code; to the Committee on the Judiciary.

Also, a bill (H. R. 378) for the erection of a public building at Wills Point, Van Zandt County, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 379) for the erection of a public building at Henderson, Rusk County, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 380) for the erection of a public building at Mineola, Wood County, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 381) for the erection of a public building at Kaufman, Kaufman County, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 382) for the erection of a public building at Athens, Henderson County, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 383) for the erection of a public building at Winnsboro, Wood County, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 384) to provide for extending during the present emergency the time of payment of loans made by Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. SCHNEIDER: A bill (H. R. 385) to amend the act approved March 2, 1929, entitled "An act to supplement the naturalization laws, and for other purposes"; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 386) to establish a fish-cultural station in the town of Baileys Harbor, Door County, Wis.; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 387) to authorize the expenditure of $125,000 to purchase land for and build an Indian hospital and to furnish necessary equipment, to be located in Forest County, Wis.; to the Committee on Indian Affairs.

Also, a bill (H. R. 388) for the hospitalization of persons discharged from the United States Army, Navy, or Marine Corps who have contracted tuberculosis in line of duty; to the Committee on Military Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 389) for the protection of the water flow of streams in the public-land States; to the Committee on the Public Lands.

Also, a bill (H. R. 390) to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved May 29, 1930; to the Committee on the Civil Service.

Also, a bill (H. R. 391) to authorize the granting of leaves of absence to civilian officers and employees of the executive departments and independent establishments of the Government, including their field forces, and of the municipal government of the District of Columbia; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 392) to authorize homestead entrymen and owners of patented lands to purchase not exceeding 640 acres of stock-raising homestead lands; to the Committee on the Public Lands.

Also, a bill (H. R. 393) authorizing an addition to the Cache National Forest, Idaho; to the Committee on the Public Lands.

By Mr. SMITH of Virginia: A bill (H. R. 394) to amend section 215 of the Code of the District of Columbia; to the Committee on the District of Columbia.

By Mr. SUTPHIN: A bill (H. R. 395) for the improvement of New York and New Jersey channels; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 396) for the improvement of Shrewsbury River, N. J.; to the Committee on Rivers and Harbors.

By Mr. SWANK: A bill (H. R. 397) to amend sections 19, 200, 201, 203, 205, and 210 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. SWICK: A bill (H. R. 398) for the improvement of the Beaver, Mahoning, and Shenango Rivers located in Pennsylvania and Ohio; to the Committee on Rivers and Harbors.

By Mr. THOMASON: A bill (H. R. 399) authorizing the appropriation of the sum of $7,200,000 out of the Federal Treasury for the building of a reservoir to be known as the Angeles Reservoir for the purpose of impounding not less than 280,000 acre-feet of water at the Angeles Dam site, which has been found feasible and recommended to hold this amount of water, on the Pecos River in Texas, within the vicinity of the boundary line between Texas and New Mexico; to the Committee on Irrigation and Reclamation.

By Mr. TINKHAM: A bill (H. R. 400) providing for the preparation of plans and estimate of cost of erecting a hall of fame; to the Committee on Public Buildings and Grounds.

By Mr. CAMPBELL of Iowa: A bill (H. R. 401) to amend section 23 (c) (3) of the revenue act of 1928, as amended; to the Committee on Ways and Means.

By Mr. CARTER of Wyoming: A bill (H. R. 402) to investigate and determine the feasibility of the construction of an irrigation dam on the Bear River, Wyo.; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 403) to provide for the application of net revenues from the operation of the Shoshone power dam, Wyoming; to the Committee on Irrigation and Reclamation.

By Mr. ESTEP: A bill (H. R. 404) extending the time for awarding medals of honor, distinguished-service crosses, and distinguished-service medals, etc.; to the Committee on Military Affairs.

By Mr. EVANS of California: A bill (H. R. 405) to provide equal pensions for widows of Civil War veterans; to the Committee on Invalid Pensions.

Also, a bill (H. R. 406) to validate a certain conveyance heretofore made by Central Pacific Railway Co., a corporation, and its lessee, Southern Pacific Co., a corporation, to Pacific States Box & Basket Co., a corporation, involving certain portions of right of way in the vicinity of the town of Florin, County of Sacramento, State of California, acquired by the Central Pacific Railway Co. under the act of Congress approved July 1, 1862 (12 Stat. L. 489), as amended by the act of Congress approved July 2, 1864 (13 Stat. L. 356); to the Committee on Public Lands.

Also, a bill (H. R. 407) authorizing the Secretary of the Navy to appoint a board of three naval officers to investigate sites for the establishment of a Pacific coast branch of the United States Naval Academy; to the Committee on Naval Affairs.

Also, a bill (H. R. 408) prescribing regulations for carrying on the business of lighter service from any of the ports of the United States to stationary ships or barges located off shore, and for the purpose of promoting the safety of navigation; to the Committee on Merchant Marine and Fisheries.

By Mr. FRENCH: A bill (H. R. 409) to provide for the payment of a discharge gratuity to enlisted men of the Navy and Marine Corps; to the Committee on Naval Affairs.

Also, a bill (H. R. 410) to prohibit the announcement, conduct, and advertising of lotteries by means of radio communication; to the Committee on Merchant Marine and Fisheries.

Also, a bill (H. R. 411) to prevent erosion of soil, to protect the national watersheds, and to promote the highest general uses of the public domain, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 412) to add certain lands to the Idaho National Forests, Idaho; to the Committee on the Public Lands.

Also, a bill (H. R. 413) to add certain lands to the Boise National Forest; to the Committee on the Public Lands.

Also, a bill (H. R. 414) to extend the provisions of the act approved March 20, 1922 (42 Stat. 465), to certain additional lands in the State of Idaho; to add certain public lands to the Coeur d'Alene and St. Joe National Forests; and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 415) to provide for the acquisition, sale, and closer settlement of delinquent lands on irrigation projects by the Government to protect its investment; to the Committee on Irrigation and Reclamation.

By Mr. HILL of Washington: A bill (H. R. 416) to provide for free homesteads on the public lands for bona fide settlers in the diminished Colville Indian Reservation, State of Washington, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 417) authorizing certain Indian tribes and bands, or any of them residing in the State of Washington, to present their claims to the Court of Claims; to the Committee on Indian Affairs.

Also, a bill (H. R. 418) authorizing certain Indian tribes and bands, or any of them, residing in the State of Washington to present their claims to the Court of Claims; to the Committee on Indian Affairs.

Also, a bill (H. R. 419) granting the consent of Congress to Pend Oreille County, Wash., to construct, maintain, and operate a free highway bridge across the Clark's Fork River at or near Ione, Wash.; to the Committee on Interstate and Foreign Commerce.

By Mr. HOCH: A bill (H. R. 420) to amend paragraph (8) of section 1 of the interstate commerce act, as amended; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 421) to amend paragraph (3) of section 1 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. LOZIER: A bill (H. R. 422) providing for the establishment of the Gen. John J. Pershing National Military Park near Laclede, in Linn County, Mo.; to the Committee on Military Affairs.

By Mr. LUCE: A bill (H. R. 423) to create a commission to study the hospitalizing of war veterans; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 424) to create a commission for the erection of a national World War memorial; to the Committee on the Library.

Also, a bill (H. R. 425) to authorize the transfer of jurisdiction over public land in the District of Columbia; to the Committee on Public Buildings and Grounds.

By Mr. McREYNOLDS: A bill (H. R. 426) to amend section 700 of the revenue act of 1921; to the Committee on Ways and Means.

By Mr. McSWAIN: A bill (H. R. 427) providing for the purchase of a suitable site and the erection of a public building at Inman, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 428) providing for the purchase of a suitable site and the erection of a public building at Jonesville, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 429) providing for the purchase of a suitable site and the erection of a public building at Fountain Inn, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 430) providing for the purchase of a suitable site and the erection of a public building at Greer, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 431) providing for the purchase of a suitable site and the erection of a public building at Woodruff, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 432) to aid the several States in constructing post roads; to the Committee on Roads.

Also, a bill (H. R. 433) to provide for the commemoration of the Battle of Blackstock; to the Committee on Military Affairs.

Also, a bill (H. R. 434) to provide for the commemoration of the Battle of Musgrove's Mill; to the Committee on Military Affairs.

By Mr. MAPES: A bill (H. R. 435) to provide for a deep waterway for ocean-going vessels from the Great Lakes to the Atlantic Ocean by way of the St. Lawrence River and the Welland Canal; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 436) to exempt veterans of the World War from payment of the fee for the issuance of a passport; to the Committee on Foreign Affairs.

Also, a bill (H. R. 437) to require a contractor to whom is awarded any contract for public buildings or other public works or for repairs or improvements thereon in the District of Columbia to give bond for the faithful performance of the contract, for the protection of persons furnishing labor and materials, and for other purposes; to the Committee on the District of Columbia.

By Mr. LANKFORD of Virginia: A bill (H. R. 438) to authorize the completion of barracks buildings and mess hall for enlisted men at the naval operating base, Hampton Roads, Va.; to the Committee on Naval Affairs.

Also, a bill (H. R. 439) providing for the acquisition of additional lands for the naval air station at Hampton Roads naval operating base, Norfolk, Va.; to the Committee on Naval Affairs.

By Mr. PATMAN: A bill (H. R. 440) authorizing the investigation of waste products by the Secretary of Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. PURNELL: A bill (H. R. 441) to incorporate the National Society, Army of the Philippines, as a body corporate and politic of the District of Columbia; to the Committee on the District of Columbia.

By Mr. RUDD: A bill (H. R. 442) granting annual and sick leave to postal employees; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 443) granting a leave of absence to postal employees on account of death in family; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 444) to provide study periods for post-office clerks, terminal and transfer clerks; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 445) to promote temperance in the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 446) granting hospital treatment to postal employees suffering from tuberculosis, nervous diseases, or kindred occupational ailments in Government-owned hospitals; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 447) to purchase a site for the erection of a post-office building in the section of the Borough of Queens, city of New York, N. Y., known and designated as South Ozone Park; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 448) to amend the World War veterans' act granting compensation to certain widows, minor children, and helpless children of such soldiers and sailors of the World War, and for other purposes; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 449) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 450) granting holidays to postal employees in States where holidays are a State law; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 451) for postal employees' longevity; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 452) to provide for the applicability to certain classes of persons of the provisions of articles 3 and 4 of the war risk insurance act, as amended, and for other purposes; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 453) to authorize the construction and use of underground pneumatic-tube service; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 454) to amend section 202, paragraph 10, of the World War veterans' act to include honorably discharged men of the Regular Army, Navy, and Marine Corps, and fleet reservists and retired officers and enlisted men; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 455) to purchase a site for the erection of a post-office building in the section of the Borough of Queens, city of New York, N. Y., known and designated as Woodhaven; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 456) to purchase a site for the erection of a post-office building in the section of the Borough of Queens, city of New York, N. Y., known and designated as Richmond Hill; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 457) to amend the World War adjusted compensation act, section 7 (sec. 602, subsec. C), of such act as amended; to the Committee on Ways and Means.

Also, a bill (H. R. 458) to amend an act entitled "An act to limit the immigration of aliens into the United States, and for other purposes"; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 459) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SCHAFER: A bill (H. R. 460) granting an increase of pension under the general law to soldiers and sailors of the Regular Army, Navy, and Marine Corps, their dependents, and for other purposes; to the Committee on Pensions.

Also, a bill (H. R. 461) to amend section 18 of the act entitled "An act to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia, and for other purposes," approved March 3, 1921; to the Committee on the District of Columbia.

Also, a bill (H. R. 462) to provide for the establishment of a construction service in the Bureau of the Census of the Department of Commerce; to the Committee on the Census.

Also, a bill (H. R. 463) to provide the American Legion, Department of Wisconsin, with a building site for Legion purposes at the Northwestern Branch of the National Home for Disabled Volunteer Soldiers; to the Committee on Military Affairs.

By Mr. SELVIG: A bill (H. R. 464) for the relief of officers and soldiers of the volunteer service of the United States mustered into service for the War with Spain and who were held to service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899; to the Committee on War Claims.

Also, a bill (H. R. 465) to amend section 11 of an act entitled "An act to limit the immigration of aliens into the United States, and for other purposes," approved May 26, 1924; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 466) authorizing the free transmission in the mails of certain experiment-station articles; to the Committee on Agriculture.

Also, a bill (H. R. 467) to promote the public health of all who are engaged in the service or defense of the United States in the Army and Navy and all of the Government, and to encourage the dairy industry in the interest of the general welfare; to the Committee on Agriculture.

Also, a bill (H. R. 468) to authorize the acquisition of a site and the erection of a Federal building at Breckenridge, Minn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 469) to authorize the acquisition of a site and the erection of a Federal building at East Grand Forks, Minn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 470) to authorize the acquisition of a site and the erection of a Federal building at Warren, Minn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 471) to amend the World War veterans' act, 1924, as amended, by providing for allowance for widows and children of veterans of the World War; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 472) to authorize the leasing of unallotted tribal Indian Land in the Red Lake Indian Reservation, Minn.; to the Committee on Indian Affairs.

By Mr. SINCLAIR: A bill (H. R 473) to amend section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies and for other purposes," approved October 15, 1914, as amended; to the Committee on the Judiciary.

Also, a bill (H. R. 474) granting the consent of Congress to the State of North Dakota to construct, maintain, and

operate a free highway bridge across the Missouri River at or near Garrison, N. Dak.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 475) to extend Federal aid to certain school districts in the State of North Dakota upon condition that the public-school buildings benefited shall be available to Indian children of Fort Berthold Indian Reservation; to the Committee on Indian Affairs.

Also, a bill (H. R. 476) to liquidate and refinance agricultural indebtedness, and to encourage and promote agriculture, commerce, and industry, by establishing an efficient credit system, through which the unjust and unequal burdens placed upon agriculture, during the period of price fixing and deflation, may be lightened by providing for the liquidation and refinancing of farm mortgages and farm indebtedness at a reduced rate of interest through the Federal farm loan system, the Federal reserve banking system, and the postal savings depository system, and creating a board of agriculture to supervise the same; to the Committee on Banking and Currency.

Also, a bill (H. R. 477) to provide for the conducting of livestock breeding, growing, and feeding experiments in connection with the Dickinson field station at Dickinson, N. Dak.; to the Committee on Agriculture.

Also, a bill (H. R. 478) to extend the time for repayment of certain loans to farmers for seed, feed, or fertilizer, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 479) to promote and encourage agriculture by divesting grains of their interstate character in certain cases; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 480) to amend the United States grain standards act; to the Committee on Agriculture.

Also, a bill (H. R. 481) to establish the Killdeer Mountain National Park in the State of North Dakota, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 482) to establish the Roosevelt National Park in North Dakota; to the Committee on the Public Lands.

By Mr. SNELL: A bill (H. R. 483) to amend the act of March 2, 1897, authorizing the construction and maintenance of a bridge across the St. Lawrence River; to the Committee on Interstate and Foreign Commerce.

By Mr. WATSON: A bill (H. R. 484) to prohibit the sending of unsolicited merchandise through the mails; to the Committee on the Post Office and Post Roads.

By Mr. WICKERSHAM: A bill (H. R. 485) to establish a supreme court for the Territory of Alaska, to confer judicial power thereon, and for other purposes; to the Committee on the Judiciary.

By Mr. WILLIAMSON: A bill (H. R. 486) to prohibit the importation of certain articles of merchandise from the Union of Soviet Socialist Republics; to the Committee on Ways and Means.

Also, a bill (H. R. 487) to authorize the appropriation for the purchase of land in South Dakota for use as camp sites or rifle ranges for the National Guard of said State; to the Committee on Military Affairs.

Also, a bill (H. R. 488) authorizing the expenditure of funds for the thinning out of timber and the planting of young trees in the burnt-over areas in the Black Hills and Harney National Forests in the States of South Dakota and Wyoming; to the Committee on the Public Lands.

Also, a bill (H. R. 489) to amend the act of April 25, 1922, as amended, entitled "An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government-land purchases within the former Cheyenne River and Standing Rock Indian Reservations, N. Dak. and S. Dak.; to the Committee on the Public Lands.

By Mr. WOODRUFF: A bill (H. R. 490) applying the powers of the Federal Government under the commerce clause of the Constitution to aid the States in the suppression of racketeering and gangster activities; to the Committee on the Judiciary.

By Mr. PITTENGER: A bill (H. R. 491) for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October, 1918; to the Committee on Claims.

Also, a bill (H. R. 492) to amend section 505 of title 28 of the Code of Laws of the United States of America, volume 44, part 1, United States Statutes at Large, relating to payment of salaries of certain officials; to the Committee on the Judiciary.

Also, a bill (H. R. 493) authorizing the Secretary of the Treasury to grant and convey to the city of Duluth an easement for park purposes upon certain lands constituting the site of the former post office, customhouse, and courthouse building in said city, together with the right to wreck and remove said structure thereon; to the Committee on Public Buildings and Grounds.

By Mr. WICKERSHAM: A bill (H. R. 494) to amend an act of Congress entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes," approved August 24, 1912, and for other purposes; to the Committee on the Territories.

Also, a bill (H. R. 495) to amend section 6 of the act of Congress entitled "An act for the protection of the fisheries of Alaska, and for other purposes" (43 Stat. L., pp. 464–466), approved June 6, 1924; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 496) to authorize the Secretary of the Treasury to purchase additional land for the site and better fire protection of the Federal and Territorial public building at Juneau, Alaska, and for other purposes; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 497) to amend section 8 of chapter 3547, Thirty-fourth Statutes at Large, part 1, entitled "An act for the protection and regulation of the fisheries of Alaska," approved June 26, 1906; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 498) to repeal an act of Congress entitled "An act to modify and amend the mining laws in their application to the Territory of Alaska, and for other purposes," approved August 1, 1912; to the Committee on Mines and Mining.

Also, a bill (H. R. 499) to repeal an act of Congress entitled "An act to prohibit the manufacture or sale of alcoholic liquors in the Territory of Alaska, and for other purposes," approved February 14, 1917; to the Committee on the Territories.

Also, a bill (H. R. 500) to authorize the construction of a coal bunker as a part of the Alaska Railroad at Seward, Alaska, and to make an appropriation for the construction and maintenance thereof; to the Committee on the Territories.

By Mr. ALMON: A bill (H. R. 501) granting a pension to Margaret McAllister Barron; to the Committee on Pensions.

By Mr. ARNOLD: A bill (H. R. 502) granting an increase of pension to Mary J. Burris; to the Committee on Pensions.

Also, a bill (H. R. 503) granting an increase of pension to Nellie L. P. Earlewine; to the Committee on Pensions.

Also, a bill (H. R. 504) for the relief of Frederick Leininger; to the Committee on Military Affairs.

Also, a bill (H. R. 505) for the relief of Armstrong Hunter; to the Committee on Military Affairs.

Also, a bill (H. R. 506) for the relief of Thomas Jefferson Faith; to the Committee on Military Affairs.

Also, a bill (H. R. 507) granting an increase of pension to Margaret Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 508) granting an increase of pension to Adelia A. Masters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 509) granting an increase of pension to Sophia Snuffin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 510) granting an increase of pension to Maria J. Harner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 511) granting an increase of pension to Ava Denton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 512) granting an increase of pension to Sarah Raney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 513) granting an increase of pension to Eliza Peddicord; to the Committee on Invalid Pensions.

Also, a bill (H. R. 514) granting an increase of pension to Laura S. Hicks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 515) granting an increase of pension to Delilah Rice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 516) granting a pension to Elvert Mouser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 517) granting a pension to Mary Belle Pigg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 518) granting an increase of pension to Prudence M. A. Burton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 519) granting an increase of pension to Nancy P. Conrad; to the Committee on Invalid Pensions.

Also, a bill (H. R. 520) granting an increase of pension to Harriet E. Dutton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 521) granting an increase of pension to Melissa E. Gibson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 522) granting an increase of pension to Elizabeth Harrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 523) granting an increase of pension to Johanna S. W. Micksch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 524) granting an increase of pension to Mary A. Ashton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 525) granting an increase of pension to Elizabeth E. Preble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 526) granting an increase of pension to Mary E. Turbeville; to the Committee on Invalid Pensions.

Also, a bill (H. R. 527) granting an increase of pension to Margaret J. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 528) granting an increase of pension to Permelia Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 529) granting a pension to John T. Garrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 530) granting a pension to Josephine Hatcher; to the Committee on Invalid Pensions.

By Mr. BACHMANN: A bill (H. R. 531) for the relief of the Kleeson Co. of Moundsville, W. Va.; to the Committee on Claims.

Also, a bill (H. R. 532) for the relief of George R. Keener, alias George E. Kirk; to the Committee on Military Affairs.

Also, a bill (H. R. 533) making Nancy J. Litman eligible to receive the benefits of the civil service retirement act; to the Committee on Claims.

Also, a bill (H. R. 534) to extend benefits under the World War veterans' act, 1924, as amended to the dependents of the late Leonidas B. Linger; to the Committee on Military Affairs.

Also, a bill (H. R. 535) granting an increase of pension to Eliza A. Buzzard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 536) granting an increase of pension to Belle Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 537) for the relief of Margaret Archer; to the Committee on Claims.

Also, a bill (H. R. 538) for the relief of Andrew Boyd Rogers; to the Committee on Claims.

Also, a bill (H. R. 539) granting an increase of pension to Mary J. Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 540) granting an increase of pension to Josephine Criswell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 541) granting a pension to Ida M. Darrah; to the Committee on Invalid Pensions.

Also, a bill (H. R. 542) granting an increase of pension to Emma B. Hicks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 543) granting an increase of pension to Margaret E. Wilt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 544) granting an increase of pension to Nancy A. West; to the Committee on Invalid Pensions.

Also, a bill (H. R. 545) to extend certain benefits to Robert Smith Watson and William La Velle Watson; to the Committee on Claims.

Also, a bill (H. R. 546) for the relief of W. E. Sturgeon; to the Committee on Military Affairs.

Also, a bill (H. R. 547) for the relief of Francis L. Sexton; to the Committee on Military Affairs.

Also, a bill (H. R. 548) for the relief of Richard J. Slater; to the Committee on Military Affairs.

Also, a bill (H. R. 549) for the relief of the Neill Grocery Co.; to the Committee on claims.

Also, a bill (H. R. 550) for the relief of Amy Harding; to the Committee on Claims.

Also, a bill (H. R. 551) granting a pension to Andrew J. Bissett, jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 552) granting a pension to Levi Blake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 553) granting an increase of pension to Hannah Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 554) for the relief of Henry C. Perrine; to the Committee on Military Affairs.

Also, a bill (H. R. 555) granting an increase of pension to Susie Leeson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 556) for the relief of Charles P. McDonald; to the Committee on Military Affairs.

Also, a bill (H. R. 557) granting a pension to Lillie M. Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 558) granting an increase of pension to Margaret E. Steadman; to the Committee on Invalid Pensions.

By Mr. BEEDY: A bill (H. R. 559) granting a pension to Samuel H. Huff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 560) granting a pension to Blanche Bradbury Littlefield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 561) for the relief of William J. Blake; to the Committee on Claims.

Also, a bill (H. R. 562) granting a pension to Isabell Bolster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 563) granting a pension to Belle B. Jordan; to the Committee on Pensions.

Also, a bill (H. R. 564) granting a pension to Loie Marion Cournoyer; to the Committee on Pensions.

Also, a bill (H. R. 565) granting a pension to Ada May Fuller; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Iowa: A bill (H. R. 566) for the relief of Andrew Hansen; to the Committee on Claims.

Also, a bill (H. R. 567) granting an increase of pension to Emily A. McLeran; to the Committee on Invalid Pensions.

Also, a bill (H. R. 568) for the relief of the Odd Fellows lodge, Alvord, Iowa; to the Committee on Claims.

Also, a bill (H. R. 569) for the relief of Laura Lynch; to the Committee on Claims.

Also, a bill (H. R. 570) granting a pension of Nancy E. Dermit; to the Committee on Invalid Pensions.

Also, a bill (H. R. 571) for the relief of William T. Roche; to the Committee on Claims.

Also, a bill (H. R. 572) granting a pension to Susan McCleery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 573) granting a pension to Sarah Soule; to the Committee on Invalid Pensions.

Also, a bill (H. R. 574) for the relief of John Herink; to the Committee on Claims.

By Mr. CANFIELD: A bill (H. R. 575) granting an increase on pension to Elizabeth Wells; to the Committee on Invalid Pensions.

Also, a bill (H. R. 576) granting an increase of pension to Isabell Roseberry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 577) granting an increase of pension to Ophelia Roseberry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 578) granting an increase of pension to Patsy Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 579) granting an increase of pension to Catherine A. Turner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 580) granting an increase of pension to Nancy A. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 581) granting a pension to Grant E. Q. Leatherman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 582) granting a pension to Mollie Merrill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 583) granting a pension to Lula M. McCoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 584) granting a pension to Samuel Strader Sering; to the Committee on Invalid Pensions.

Also, a bill (H. R. 585) granting an increase of pension to John A. C. Hazel; to the Committee on Pensions.

Also, a bill (H. R. 586) granting a pension to Jesse Cotton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 587) granting an increase of pension to Eldoris Y. Green; to the Committee on Pensions.

Also, a bill (H. R. 588) granting an increase of pension to Jennie Bowman; to the Committee on Pensions.

Also, a bill (H. R. 589) for the relief of Ernest Linwood Stewart; to the Committee on Claims.

Also, a bill (H. R. 590) granting an increase of pension to Zenobia Blanche Sniffen; to the Committee on Pensions.

Also, a bill (H. R. 591) for the relief of Strother B. and Mary N. Earls; to the Committee on Claims.

Also, a bill (H. R. 592) for the relief of the heirs of David H. Fish, deceased; to the Committee on Claims.

Also, a bill (H. R. 593) for the relief of Ralph Ryle; to the Committee on Military Affairs.

Also, a bill (H. R. 594) for the relief of Joseph Carter; to the Committee on Military Affairs.

Also, a bill (H. R. 595) granting a pension to Clara Hoard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 596) granting an increase of pension to Sarah Jane Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 597) granting an increase of pension to Martha Litsey; to the Committee on Invalid Pensions.

By Mr. CARLEY: A bill (H. R. 598) for the relief of William A. Reithel; to the Committee on Claims.

Also, a bill (H. R. 599) for the relief of Albert A. Ayuso; to the Committee on Claims.

Also, a bill (H. R. 600) for the relief of Robert Bennett; to the Committee on Naval Affairs.

Also, a bill (H. R. 601) providing for an examination and survey of Coney Island Creek, N. Y.; to the Committee on Rivers and Harbors.

By Mr. CARTER of Wyoming: A bill (H. R. 602) granting an increase of pension to Jessie Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 603) relating to the induction of Richard J. Jackson, who applied and was accepted for induction assigned to an educational institution for special and technical training under the act approved August 31, 1918; to the Committee on Military Affairs.

Also, a bill (H. R. 604) granting an increase of pension to Josephine A. Budd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 605) granting an increase of pension to Mrs. C. F. Eagan; to the Committee on Pensions.

Also, a bill (H. R. 606) granting a pension to Hector J. Robitaille; to the Committee on Pensions.

Also, a bill (H. R. 607) validating application for entry upon public lands; to the Committee on the Public Lands.

Also, a bill (H. R. 608) for the relief of E. W. Gillespie; to the Committee on Claims.

Also, a bill (H. R. 609) for the relief of C. H. Reimerth; to the Committee on Claims.

Also, a bill (H. R. 610) for the relief of George W. Parkins; to the Committee on Claims.

Also, a bill (H. R. 611) for the relief of Con Murphy; to the Committee on Claims.

By Mr. EVANS of California: A bill (H. R. 612) for the relief of Jay S. Mott; to the Committee on Military Affairs.

Also, a bill (H. R. 613) for the relief of Walter Carl Merkel; to the Committee on Military Affairs.

Also, a bill (H. R. 614) granting a pension to Addie E. Kennedy; to the Committee on Pensions.

Also, a bill (H. R. 615) for the relief of C. B. Bellows; to the Committee on Claims.

Also, a bill (H. R. 616) granting a pension to Mahala Walter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 617) for the relief of Austin G. Tainter; to the Committee on Claims.

Also, a bill (H. R. 618) for the relief of Phillis Pratt and Harold Louis Pratt, a minor; to the Committee on Claims.

Also, a bill (H. R. 619) for the relief of George Horne Smith; to the Committee on Naval Affairs.

Also, a bill (H. R. 620) for the relief of Stephen A. McNeil; to the Committee on Naval Affairs.

Also, a bill (H. R. 621) for the relief of Alfred O. Huestis; to the Committee on Military Affairs.

Also, a bill (H. R. 622) granting a pension to Reese H. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 623) granting a pension to Almira W. Gunther; to the Committee on Pensions.

Also, a bill (H. R. 624) for the relief of Andrew Laird; to the Committee on Military Affairs.

Also, a bill (H. R. 625) for the relief of John P. Larimore; to the Committee on Naval Affairs.

Also, a bill (H. R. 626) for the relief of Samuel Kaufman; to the Committee on Military Affairs.

Also, a bill (H. R. 627) for the relief of the city of Glendale, Calif.; to the Committee on Claims.

Also, a bill (H. R. 628) granting a pension to Sarah Ella Huston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 629) granting a pension to Rosalie Edwards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 630) granting a pension to Leroy Cartright Lowden; to the Committee on Pensions.

Also, a bill (H. R. 631) for the relief of Patrick J. Lynch; to the Committee on Military Affairs.

Also, a bill (H. R. 632) for the relief of Lucy Murphy; to the Committee on Claims.

Also, a bill (H. R. 633) for the relief of Alpha Newell; to the Committee on Military Affairs.

Also, a bill (H. R. 634) granting a pension to Martha Trusty Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 635) granting a pension to Harry C. Spring; to the Committee on Pensions.

Also, a bill (H. R. 636) to convey certain land in the county of Los Angeles; State of California; to the Committee on Military Affairs.

Also, a bill (H. R. 637) to relinquish the title of the United States to certain lands in the county of Los Angeles, State of California; to the Committee on Public Lands.

Also, a bill (H. R. 638) relating to 50,000 inches of the waters of the Colorado River for the irrigation of lands in townships, in Riverside County, State of California; to the Committee on the Public Lands.

Also, a bill (H. R. 639) for the relief of George Hovey; to the Committee on Military Affairs.

Also, a bill (H. R. 640) granting a pension to Mandel Halpern; to the Committee on Pensions.

Also, a bill (H. R. 641) for the relief of Harry E. Hale; to the Committee on Military Affairs.

Also, a bill (H. R. 642) granting a pension to Allice Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 643) granting a pension to Joseph U. Bunch; to the Committee on Pensions.

Also, a bill (H. R. 644) granting an increase of pension to Fannie H. Burton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 645) for the relief of Henry I. Colburn; to the Committee on Military Affairs.

Also, a bill (H. R. 646) for the relief of Lawrence D. Collins; to the Committee on Military Affairs.

Also, a bill (H. R. 647) granting a pension to Nettie E. Dennison; to the Committee on Pensions.

Also, a bill (H. R. 648) for the relief of Frank Duffy; to the Committee on Military Affairs.

Also, a bill (H. R. 649) for the relief of William J. Dillon, alias William Rhoades; to the Committee on Naval Affairs.

Also, a bill (H. R. 650) for the relief of Joe Andrews Co.; to the Committee on Claims.

Also, a bill (H. R. 651) for the relief of James Bradley; to the Committee on Military Affairs.

Also, a bill (H. R. 652) for the relief of Seymour H. Dotson, otherwise known as William Dodson; to the Committee on Military Affairs.

By Mr. GILCHRIST: A bill (H. R. 653) granting a pension to Mary F. Robbins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 654) to reimburse W. B. Donelson for revenues wrongfully paid; to the Committee on Claims.

By Mr. GRANFIELD: A bill (H. R. 655) for the relief of Myles McDonagh; to the Committee on Military Affairs.

Also, a bill (H. R. 656) authorizing the President to order Louis U. LaBine before a retiring board for a hearing of his case and upon the findings of such board to determine whether or not he be placed on the retired list with rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 657) for the relief of Peter Bess; to the Committee on Claims.

Also, a bill (H. R. 658) granting a pension to Ellen Scully; to the Committee on Pensions.

Also, a bill (H. R. 659) for the relief of George A. G. Dearborn; to the Committee on Naval Affairs.

By Mr. GREENWOOD: A bill (H. R. 660) granting a pension to Ira M. Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 661) granting an increase of pension to Clara Carnahan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 662) granting an increase of pension to James P. Burns; to the Committee on Pensions.

Also, a bill (H. R. 663) granting a pension to John Porter Naanes; to the Committee on Pensions.

By Mr. HADLEY: A bill (H. R. 664) for the relief of Marie A. Zweegman; to the Committee on Claims.

Also, a bill (H. R. 665) granting a pension to Julia Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 666) to authorize the appointment of Master Sergt. Joseph Eugene Kramer as a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 667) for the relief of John W. Knox; to the Committee on Naval Affairs.

By Mr. HALL of Mississippi: A bill (H. R. 668) for the relief of Capt. Henry T. Korner; to the Committee on Claims.

Also, a bill (H. R. 669) for the relief of Jeff Davis Caperton and Lucy Virginia Caperton; to the Committee on Claims.

Also, a bill (H. R. 670) for the relief of Marion F. Blackwell; to the Committee on Claims.

By Mr. HARTLEY: A bill (H. R. 671) for the relief of Patrick Coughlan; to the Committee on Military Affairs.

Also, a bill (H. R. 672) for the relief of Frank Gaybrant, otherwise known as Frank Corticelli; to the Committee on Military Affairs.

Also, a bill (H. R. 673) for the relief of Smith De Lamatter, otherwise known as John Ryan; to the Committee on Military Affairs.

Also, a bill (H. R. 674) for the relief of Edward M. Brodie; to the Committee on Military Affairs.

Also, a bill (H. R. 675) for the relief of Peter Scola; to the Committee on Military Affairs.

Also, a bill (H. R. 676) for the relief of Edward Van Duyne; to the Committee on Military Affairs.

Also, a bill (H. R. 677) for the relief of Robert C. Lehr; to the Committee on Military Affairs.

Also, a bill (H. R. 678) for the relief of Howard Van Volkenburgh; to the Committee on Naval Affairs.

Also, a bill (H. R. 679) for the relief of John Mullaney; to the Committee on Naval Affairs.

Also, a bill (H. R. 680) for the relief of Fred Baker; to the Committee on Military Affairs.

Also, a bill (H. R. 681) for the relief of Wallace Munn; to the Committee on Naval Affairs.

Also, a bill (H. R. 682) for the relief of Joseph Anthony Cordick; to the Committee on Naval Affairs.

Also, a bill (H. R. 683) for the relief of Ewald Schmenkel; to the Committee on Naval Affairs.

Also, a bill (H. R. 684) for the relief of Thomas James Malloy; to the Committee on Naval Affairs.

Also, a bill (H. R. 685) for the relief of George Hunter Shaw; to the Committee on Naval Affairs.

Also, a bill (H. R. 686) for the relief of William Benjamin Smith; to the Committee on Naval Affairs.

Also, a bill (H. R. 687) for the relief of George J. Kennedy; to the Committee on Naval Affairs.

Also, a bill (H. R. 688) for the relief of the Peerless Tube Co.; to the Committee on Claims.

Also, a bill (H. R. 689) for the relief of Newark Concrete Pipe Co.; to the Committee on Claims.

Also, a bill (H. R. 690) for the relief of George F. Marron; to the Committee on Claims.

Also, a bill (H. R. 691) for the relief of Western Electric Co. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 692) for the relief of Western Electric Co. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 693) granting compensation to Philip R. Roby; to the Committee on Claims.

Also, a bill (H. R. 694) granting a pension to Bertha H. Best; to the Committee on Pensions.

Also, a bill (H. R. 695) for the relief of the estate of George B. Spearin, deceased; to the Committee on Claims.

By Mr. HESS: A bill (H. R. 696) granting an increase of pension to Safrona Elliott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 697) granting a pension to W. Arthur Hackman; to the Committee on Pensions.

Also, a bill (H. R. 698) authorizing the President to transfer and appoint Lieut. (Junior Grade) Arnold R. Kiine, United States Navy, to the grade of assistant paymaster with the rank of lieutenant (junior grade), in the Supply Corps, United States Navy; to the Committee on Naval Affairs.

By Mr. HILL of Washington: A bill (H. R. 699) for the relief of Herman Wulff; to the Committee on Military Affairs.

Also, a bill (H. R. 700) for the relief of the Lake Chelan reclamation district; to the Committee on Claims.

Also, a bill (H. R. 701) granting an increase of pension to Arvilla R. Penfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 702) granting an increase of pension to Esther J. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 703) for the relief of Panhandle Lumber Co. (Ltd.), a corporation of the State of Idaho; to the Committee on Claims.

By Mr. HOGG of Indiana: A bill (H. R. 704) granting an increase of pension to Ellener Russell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 705) for the relief of Clyde Calvin Rhodenbaugh; to the Committee on Military Affairs.

Also, a bill (H. R. 706) for the relief of Lewis Deems; to the Committee on War Claims.

Also, a bill (H. R. 707) granting a pension to Ella I. Dewire; to the Committee on Pensions.

Also, a bill (H. R. 708) for the relief of Samuel Kelly; to the Committee on Military Affairs.

Also, a bill (H. R. 709) granting an increase of pension to Mariah A. Morris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 710) for the relief of Ralph L. Fell; to the Committee on Claims.

Also, a bill (H. R. 711) for the relief of George G. Waldrop; to the Committee on Military Affairs.

Also, a bill (H. R. 712) for recognition of meritorious service performed by Chief Gunner Clarence L. Tibbals; to the Committee on Invalid Pensions.

Also, a bill (H. R. 713) granting an increase of pension to Martha J. Carr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 714) granting a pension to Elizabeth Nye; to the Committee on Invalid Pensions.

Also, a bill (H. R. 715) granting an increase of pension to Lavinnia J. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 716) granting an increase of pension to Alma Niedhammer, to the Committee on Invalid Pensions.

Also, a bill (H. R. 717) granting an increase of pension to Eliza J. Arthur; to the Committee on Invalid Pensions.

Also, a bill (H. R. 718) granting a pension to Grace V. Lawrence; to the Committee on Invalid Pensions.

Also, a bill (H. R. 719) granting a pension to Lulu Arthur; to the Committee on Invalid Pensions.

Also, a bill (H. R. 720) granting an increase of pension to Sarah A. Hyatt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 721) granting an increase of pension to Sarah E. Huffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 722) granting an increase of pension to Sarah Harrold; to the Committee on Invalid Pensions.

Also, a bill (H. R. 723) granting an increase of pension to Julia A. Griffith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 724) granting an increase of pension to Mary A. Swander; to the Committee on Invalid Pensions.

Also, a bill (H. R. 725) granting an increase of pension to Alice A. Slater; to the Committee on Invalid Pensions.

Also, a bill (H. R. 726) granting an increase of pension to Jane Bowser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 727) granting an increase of pension to Cynthia Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 728) granting an increase of pension to Matilda Van Niman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 729) granting an increase of pension to Lydia M. Surfus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 730) granting a pension to Lydia Wear; to the Committee on Invalid Pensions.

Also, a bill (H. R. 731) granting a pension to Catherine Keyser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 732) granting a pension to Sarah J. Treman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 733) granting a pension to Eliza Jane Wilkinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 734) granting a pension to Neva Hutchins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 735) granting a pension to Mary Ann Foutz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 736) granting an increase of pension to Josephine E. Sears; to the Committee on Invalid Pensions.

Also, a bill (H. R. 737) granting an increase of pension to Olivia J. Zegenfus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 738) granting a pension to Edith L. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 739) granting a pension to Mary A. Ramer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 740) granting an increase of pension to Harriet Galloway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 741) granting an increase of pension to Martha E. Fowler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 742) granting an increase of pension to Edith A. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 743) granting an increase of pension to Mary E. Kistler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 744) granting an increase of pension to Elizabeth Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 745) granting an increase of pension to Eva Keyes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 746) granting an increase of pension to Susan L. C. Patton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 747) granting an increase of pension to Emma A. Linder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 748) granting an increase of pension to Ruth Ryan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 749) granting an increase of pension to Lucinda A. Quinn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 750) granting an increase of pension to Martha J. Snowberger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 751) granting an increase of pension to Margaret A. Oliver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 752) granting an increase of pension to Allie B. Tuttle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 753) granting an increase of pension to Sarah J. Knight; to the Committee on Invalid Pensions.

By Mr. HOPE: A bill (H. R. 754) for the relief of Willard B. Hall; to the Committee on Claims.

Also, a bill (H. R. 755) for the relief of Rosa E. Plummer; to the Committee on Claims.

Also, a bill (H. R. 756) for the relief of R. L. Wilson; to the Committee on Claims.

Also, a bill (H. R. 757) for the relief of Victor B. Tate; to the Committee on Claims.

Also, a bill (H. R. 758) for the relief of Thomas Spence; to the Committee on Military Affairs.

Also, a bill (H. R. 759) for the relief of John Alexander Harmon; to the Committee on Military Affairs.

Also, a bill (H. R. 760) granting an increase of pension to Willis E. Van Vranken; to the Committee on Pensions.

Also, a bill (H. R. 761) granting an increase of pension to James T. Carl; to the Committee on Pensions.

Also, a bill (H. R. 762) granting a pension to William A. Symington; to the Committee on Pensions.

Also, a bill (H. R. 763) granting a pension to Addaline Collins; to the Committee on Pensions.

Also, a bill (H. R. 764) granting an increase of pension to Johanna Reiter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 765) granting an increase of pension to Helen Burchett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 766) granting an increase of pension to Sarah Jane Wiegel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 767) granting an increase of pension to Anna E. Fisher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 768) granting a pension to Peter Cuddy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 769) granting a pension to Stella Coffield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 770) granting an increase of pension to Emily J. Clapp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 771) granting a pension to Sarah Davison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 772) granting a pension to Etta M. Gillette; to the Committee on Invalid Pensions.

Also, a bill (H. R. 773) granting a pension to Lizzie E. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 774) granting an increase of pension to Caroline Gorgas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 775) granting a pension to Alvesta Otto; to the Committee on Invalid Pensions.

Also, a bill (H. R. 776) granting an increase of pension to Martha A. Edwards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 777) granting a pension to Rosa M. Green; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 778) for the relief of Habel, Armbruster & Larsen Co.; to the Committee on Claims.

Also, a bill (H. R. 779) for the relief of Florence Thromans; to the Committee on Claims.

Also, a bill (H. R. 780) for the relief of James Murphy; to the Committee on Military Affairs.

Also, a bill (H. R. 781) for the relief of John Farrell; to the Committee on Military Affairs.

Also, a bill (H. R. 782) for the relief of Harold Luce; to the Committee on Military Affairs.

Also, a bill (H. R. 783) for the relief of Francis H. Potee; to the Committee on Military Affairs.

Also, a bill (H. R. 784) for the relief of John Patrick Geary; to the Committee on Naval Affairs.

Also, a bill (H. R. 785) to reimburse Earl V. Larkin for injuries sustained by the accidental discharge of a pistol in the hands of a soldier in the United States Army; to the Committee on Claims.

Also, a bill (H. R. 786) granting a pension to Lucretia Libby; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Texas: A bill (H. R. 787) granting a pension to Mary Quirk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 788) granting a pension to Benjamin R. Taylor; to the Committee on Pensions.

Also, a bill (H. R. 789) granting an increase of pension to Sam H. Wilkinson; to the Committee on Pensions.

By Mr. KELLY of Illinois: A bill (H. R. 790) for the relief of Joseph Patrick Gorman; to the Committee on Naval Affairs.

Also, a bill (H. R. 791) for the relief of Stephen William Kelley; to the Committee on Naval Affairs.

By Mr. LANKFORD of Virginia: A bill (H. R. 792) for the relief of William Joseph Vigneault; to the Committee on Naval Affairs.

Also, a bill (H. R. 793) to amend the act entitled "An act for the relief of contractors and subcontractors for the post offices and other buildings and work under the supervision of the Treasury Department and for other purposes," approved August 25, 1919, as amended by act of March 6, 1920; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 794) granting a pension to John W. Swoveland; to the Committee on Pensions.

Also, a bill (H. R. 795) granting a pension to William Tanner; to the Committee on Pensions.

Also, a bill (H. R. 796) for the relief of the James River Bridge Corporation; to the Committee on the Judiciary.

Also, a bill (H. R. 797) to extend the benefits of the employees' compensation act of September 7, 1916, to James Robert Allen; to the Committee on Claims.

Also, a bill (H. R. 798) for the relief of Mrs. J. J. Bradshaw; to the Committee on Claims.

Also, a bill (H. R. 799) to extend the benefits of the employees' compensation act of September 7, 1916, to Willie Louise Johnson; to the Committee on Claims.

Also, a bill (H. R. 800) for the relief of Bessie B. Hurd, formerly Bessie B. Fowlkes; to the Committee on Claims.

Also, a bill (H. R. 801) for the relief of the Norfolk Southern Railroad Co.; to the Committee on Claims.

Also, a bill (H. R. 802) to extend the benefits of the employees' compensation act of September 7, 1916, to Mrs. John James Clark; to the Committee on Claims.

Also, a bill (H. R. 803) to extend the benefits of the employees' compensation act of September 7, 1916, to Mrs. F. Lee Bartlett; to the Committee on Claims.

Also, a bill (H. R. 804) for the relief of May L. Marshall, administratrix of the estate of Jerry A. Litchfield; to the Committee on Claims.

Also, a bill (H. R. 805) to extend the benefits of the employees' compensation act of September 7, 1916, to James H. Machen; to the Committee on Claims.

Also, a bill (H. R. 806) to extend the benefits of the employees' compensation act of September 7, 1916, to Mary Cato; to the Committee on Claims.

Also, a bill (H. R. 807) for the relief of James A. Willoughby; to the Committee on Military Affairs.

Also, a bill (H. R. 808) to extend the benefits of the employees' compensation act of September 7, 1916, to Howard Lewter; to the Committee on Claims.

Also, a bill (H. R. 809) for the relief of Roy W. Farrell; to the Committee on Naval Affairs.

Also, a bill (H. R. 810) for the relief of Robert James Allen; to the Committee on Naval Affairs.

Also, a bill (H. R. 811) for the relief of Martha Edwards, Norfolk Protestant Hospital, and Dr. Julian L. Rawls; to the Committee on Claims.

Also, a bill (H. R. 812) for the relief of Ruth May Harnly; to the Committee on Claims.

Also, a bill (H. R. 813) for the relief of the heirs at law of Barnabas W. Baker and Joseph Baker; to the Committee on Claims.

Also, a bill (H. R. 814) for the relief of Hudson Brothers; to the Committee on Claims.

Also, a bill (H. R. 815) for the relief of Richard V. Owen; to the Committee on Military Affairs.

Also, a bill (H. R. 816) for the relief of Meyer Katz; to the Committee on Military Affairs.

Also, a bill (H. R. 817) for the relief of Irying Lindsay Leafe; to the Committee on Military Affairs.

Also, a bill (H. R. 818) for the relief of Aaron S. Fass; to the Committee on Military Affairs.

Also, a bill (H. R. 819) for the relief of E. H. Rock; to the Committee on Claims.

By Mr. LARRABEE: A bill (H. R. 820) granting a pension to Hannah C. Adamson Hoke; to the Committee on Invalid Pensions.

By Mr. LOOFBOUROW: A bill (H. R. 821) for the relief of the H. L. Bracken Cylinder Grinding Co.; to the Committee on Claims.

Also, a bill (H. R. 822) for the relief of Maj. O. S. McCleary, United States Army, retired; to the Committee on War Claims.

By Mr. LOZIER: A bill (H. R. 823) granting an increase of pension to Martha E. Joslin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 824) granting an increase of pension to Rachel Reeter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 825) granting an increase of pension to Elizabeth Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 826) granting an increase of pension to America Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 827) granting an increase of pension to Anna Laird; to the Committee on Invalid Pensions.

Also, a bill (H. R. 828) granting an increase of pension to Julia A. Fuson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 829) granting an increase of pension to Mary Ann Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 830) granting an increase of pension to Frances M. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 831) granting an increase of pension to Analiza Robb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 832) granting an increase of pension to Martha E. Humphreys; to the Committee on Invalid Pensions.

Also, a bill (H. R. 833) granting an increase of pension to Mary F. Hudgens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 834) granting an increase of pension to Grace E. Prior; to the Committee on Invalid Pensions.

Also, a bill (H. R. 835) granting an increase of pension to Eliza J. Bush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 836) granting an increase of pension to Eliza J. Kennedy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 837) granting an increase of pension to Louisa Hiskett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 838) granting an increase of pension to Kisiah J. Hunefelt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 839) granting an increase of pension to Serena E. Merryman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 840) granting an increase of pension to Emeline Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 841) granting an increase of pension to Mary E. Benson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 842) granting an increase of pension to Lydia A. Cary; to the Committee on Invalid Pensions.

Also, a bill (H. R. 843) granting an increase of pension to Sarah I. Tomlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 844) granting an increase of pension to Sarah Ann Peters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 845) granting an increase of pension to Eliza A. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 846) granting an increase of pension to Julia A. Bradley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 847) granting an increase of pension to Belle Enyeart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 848) granting an increase of pension to Mary E. Henley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 849) granting an increase of pension to Martha Ann Parsley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 850) granting an increase of pension to Sarah E. Burton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 851) granting an increase of pension to Charles O. Thomas; to the Committee on Pensions.

Also, a bill (H. R. 852) granting an increase of pension to Erastus J. Griffin; to the Committee on Pensions.

Also, a bill (H. R. 853) granting a pension to Margaret Scofield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 854) granting a pension to Effie T. McElhiney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 855) granting a pension to Josephine Minter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 856) granting a pension to Pernetha Frances Durham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 857) granting a pension to Sadie Saunders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 858) granting a pension to Nola Shepard; to the Committee on Pensions.

Also, a bill (H. R. 859) for the relief of John Gregory; to the Committee on Military Affairs.

By Mr. LUCE: A bill (H. R. 860) for the relief of Arthur William Buckley; to the Committee on Naval Affairs.

Also, a bill (H. R. 861) granting a pension to Nellie G. Quinn; to the Committee on Pensions.

Also, a bill (H. R. 862) granting a pension to Mrs. Samuel H. Durgin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 863) for the relief of James Henry Payne; to the Committee on Naval Affairs.

Also, a bill (H. R. 864) to allow the distinguished-service cross for service in the World War to be awarded to Otis B. Merrithew; to the Committee on Military Affairs.

Also, a bill (H. R. 865) to authorize the presentation of the distinguished-flying cross to Russell N. Boardman; to the Committee on Naval Affairs.

Also, a bill (H. R. 866) for the relief of Adelaide Richardson; to the Committee on Foreign Affairs.

Also, a bill (H. R. 867) for the relief of Warren J. Clear; to the Committee on Claims.

Also, a bill (H. R. 868) granting a pension to Mary Rabbitt; to the Committee on Pensions.

Also, a bill (H. R. 869) granting a pension to Alice Grace Welch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 870) for the relief of Henry Carl Wikstrom; to the Committee on Naval Affairs.

By Mr. McREYNOLDS: A bill (H. R. 871) for the relief of Henry C. Lawhorn; to the Committee on Military Affairs.

Also, a bill (H. R. 872) for the relief of White B. Miller; to the Committee on Claims.

Also, a bill (H. R. 873) for the relief of Carl F. Castleberry; to the Committee on Claims.

Also, a bill (H. R. 874) for the relief of Lewis Stiles; to the Committee on Military Affairs.

Also, a bill (H. R. 875) for the relief of John A. Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 876) for the relief of Victor C. McKenzie; to the Committee on Claims.

Also, a bill (H. R. 877) granting a pension to Isabel Guffey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 878) granting a pension to Alton Frazier Cowan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 879) for the relief of Alice M. A. Damm; to the Committee on Foreign Affairs.

Also, a bill (H. R. 880) for the relief of John Merrill; to the Committee on Claims.

Also, a bill (H. R. 881) granting a pension to Edward J. Carr; to the Committee on Pensions.

By Mr. McSWAIN: A bill (H. R. 882) for the relief of G. W. Wall; to the Committee on Claims.

Also, a bill (H. R. 883) for the relief of Greenville News Co.; to the Committee on Claims.

Also, a bill (H. R. 884) for the relief of the heirs of Mrs. F. L. Stone; to the Committee on War Claims.

Also, a bill (H. R. 885) granting a pension to David Wilbern Strickland; to the Committee on Pensions.

Also, a bill (H. R. 886) granting a pension to Horace H. Glenn; to the Committee on Pensions.

Also, a bill (H. R. 887) granting a pension to Clarence T. Lee; to the Committee on Pensions.

By Mr. PATMAN: A bill (H. R. 888) for the relief of J. M. Badt; to the Committee on Claims.

Also, a bill (H. R. 889) granting a pension to Tom F. Taylor; to the Committee on Pensions.

By Mr. PURNELL: A bill (H. R. 890) granting an increase of pension to Sarah A. Austin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 891) granting an increase of pension to Barbara Horine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 892) granting an increase of pension to Mary A. Templeton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 893) granting an increase of pension to Ella F. Webster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 894) granting an increase of pension to Achsa Tyler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 895) granting an increase of pension to Susana Mann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 896) granting an increase of pension to Nancy J. McWilliams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 897) granting an increase of pension to Sarah M. Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 898) granting an increase of pension to Elizabeth Caslow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 899) granting an increase of pension to Mary A. Gentry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 900) granting an increase of pension to Tabitha Bundy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 901) granting an increase of pension to Amelia A. Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 902) granting a pension to Martha Foley; to the Committee on Pensions.

Also, a bill (H. R. 903) granting a pension to Mary Ann McCabe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 904) granting a pension to Nellie Spray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 905) granting a pension to James L. Pierson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 906) granting an increase of pension to Claude E. Maxwell; to the Committee on Pensions.

Also, a bill (H. R. 907) granting a pension to Walter O'Connor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 908) for the relief of Louis Martin; to the Committee on Military Affairs.

Also, a bill (H. R. 909) for the relief of Michael Marley; to the Committee on Military Affairs.

Also, a bill (H. R. 910) for the relief of Charles E. Dern; to the Committee on Military Affairs.

Also, a bill (H. R. 911) for the relief of James M. Blankenship; to the Committee on Military Affairs.

Also, a bill (H. R. 912) for the relief of Thomas J. Gardner; to the Committee on Military Affairs.

Also, a bill (H. R. 913) for the relief of Charles W. Sumner; to the Committee on Claims.

Also, a bill (H. R. 914) for the relief of Frederick Sparks; to the Committee on Military Affairs.

Also, a bill (H. R. 915) for the relief of Willard Thompson; to the Committee on Military Affairs.

Also, a bill (H. R. 916) for the relief of James W. True; to the Committee on Military Affairs.

By Mr. RUDD: A bill (H. R. 917) granting an increase of pension to Minnie Betz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 918) for the relief of Arthur J. L. Hock; to the Committee on Naval Affairs.

Also, a bill (H. R. 919) for the relief of Charles J. Eisenhauer; to the Committee on Claims.

Also, a bill (H. R. 920) for the relief of Thomas J. Healy; to the Committee on Military Affairs.

Also, a bill (H. R. 921) granting a pension to Julia J. Godley; to the Committee on Pensions.

Also, a bill (H. R. 922) for the relief of John Heffron; to the Committee on Naval Affairs.

Also, a bill (H. R. 923) for the relief of Stephen Schmeiser, sr.; to the Committee on Claims.

Also, a bill (H. R. 924) for the relief of Sophie de Sota; to the Committee on Foreign Affairs.

Also, a bill (H. R. 925) for the relief of Joseph A. McCarthy; to the Committee on Claims.

By Mr. SCHAFER: A bill (H. R. 926) granting an increase of pension to Charles Osborne; to the Committee on Pensions.

Also, a bill (H. R. 927) for the relief of the estate of Franklin D. Clark; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 928) for the relief of Howard P. Milligan; to the Committee on Military Affairs.

Also, a bill (H. R. 929) for the relief of Mary Kwiatkowski; to the Committee on Claims.

Also, a bill (H. R. 930) for the relief of John A. Nehmer; to the Committee on Claims.

Also, a bill (H. R. 931) for the relief of Lawrence P. Morris; to the Committee on Military Affairs.

Also, a bill (H. R. 932) granting a pension to Leo J. Nagele; to the Committee on Pensions.

Also, a bill (H. R. 933) granting a pension to John Joseph Poczeker; to the Committee on Pensions.

Also, a bill (H. R. 934) for the relief of William J. O'Brien; to the Committee on Military Affairs.

Also, a bill (H. R. 935) for the relief of William J. O'Brien; to the Committee on Claims.

Also, a bill (H. R. 936) for the relief of Carl Walter Olsen; to the Committee on Naval Affairs.

Also, a bill (H. R. 937) for the relief of Paul Wallerstein; to the Committee on Military Affairs.

Also, a bill (H. R. 938) granting an increase on pension to Leroy Palmer; to the Committee on Pensions.

Also, a bill (H. R. 939) granting a pension to Charles W. Bentley; to the Committee on Pensions.

Also, a bill (H. R. 940) for the relief of Frank Wetyen; to the Committee on Claims.

Also, a bill (H. R. 941) for the relief of Roland Zolesky; to the Committee on Claims.

Also, a bill (H. R. 942) granting a pension to Carl H. Ziebell; to the Committee on Pensions.

Also, a bill (H. R. 943) granting a pension to Merle W. Richards; to the Committee on Pensions.

Also, a bill (H. R. 944) for the relief of Dr. C. A. Toline; to the Committee on Claims.

Also, a bill (H. R. 945) for the relief of George C. Tisdale; to the Committee on Claims.

Also, a bill (H. R. 946) for the relief of the George C. Mansfield Co. and George D. Mansfield; to the Committee on Claims.

Also, a bill (H. R. 947) for the relief of George B. Amann; to the Committee on Claims.

Also, a bill (H. R. 948) for the relief of Fred Andler, jr.; to the Committee on Military Affairs.

Also, a bill (H. R. 949) for the relief of May U. Roszak; to the Committee on Claims.

Also, a bill (H. R. 950) granting a pension to Delia E. Curtis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 951) granting an increase of pension to John F. Kopczynski; to the Committee on Pensions.

Also, a bill (H. R. 952) for the relief of Henry Bud Johnson; to the Committee on Naval Affairs.

Also, a bill (H. R. 953) for the relief of Roman Przytarski; to the Committee on Naval Affairs.

Also, a bill (H. R. 954) for the relief of Margaret Diederich; to the Committee on Claims.

Also, a bill (H. R. 955) granting a pension to James H. Forrest; to the Committee on Pensions.

Also, a bill (H. R. 956) for the relief of Michael Elmer; to the Committee on Naval Affairs.

Also, a bill (H. R. 957) for the relief of Lincoln Freeman; to the Committee on Naval Affairs.

Also, a bill (H. R. 958) for the relief of Kaid Ahmed (Charles Athmid); to the Committee on Military Affairs.

Also, a bill (H. R. 959) for the relief of Harry Cinq-Mars; to the Committee on Military Affairs.

Also, a bill (H. R. 960) for the relief of Frank Csermak; to the Committee on Military Affairs.

Also, a bill (H. R. 961) for the relief of Walter S. Bean; to the Committee on Military Affairs.

Also, a bill (H. R. 962) granting a pension to Charles W. Hanna; to the Committee on Pensions.

Also, a bill (H. R. 963) granting a pension to Jane A. Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 964) for the relief of Howard Emmett Tallmadge; to the Committee on Naval Affairs.

Also, a bill (H. R. 965) for the relief of Touma Tamexian; to the Committee on Military Affairs.

By Mr. SNELL: A bill (H. R. 966) for the relief of Ida M. Everett; to the Committee on Claims.

Also, a bill (H. R. 967) for the relief of A. W. Duckett & Co. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 968) for the relief of Melissa Switzer; to the Committee on Military Affairs.

Also, a bill (H. R. 969) for the relief of Edward F. Weiskopf; to the Committee on Military Affairs.

Also, a bill (H. R. 970) for the relief of Louis Shybilska; to the Committee on Naval Affairs.

Also, a bill (H. R. 971) granting insurance to Lydia C. Spry; to the Committee on Claims.

Also, a bill (H. R. 972) for the relief of Joseph Shortsleeves; to the Committee on Military Affairs.

Also, a bill (H. R. 973) for the relief of John L. Dunn; to the Committee on Claims.

Also, a bill (H. R. 974) for the relief of Elizabeth Lizette; to the Committee on Military Affairs.

Also, a bill (H. R. 975) for the relief of John Martin; to the Committee on Military Affairs.

Also, a bill (H. R. 976) granting a pension to Jennie S. Bogardus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 977) granting a pension to Cora M. Perry; to the Committee on Pensions.

Also, a bill (H. R. 978) granting an increase of pension to Octavia Partlow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 979) granting an increase of pension to Rhoda P. McBroom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 980) granting an increase of pension to Eliza Lagoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 981) granting an increase of pension to Mariah C. Kent; to the Committee on Invalid Pensions.

Also, a bill (H. R. 982) granting an increase of pension to Jane Groves; to the Committee on Invalid Pensions.

Also, a bill (H. R. 983) granting an increase of pension to Melissa M. Day; to the Committee on Invalid Pensions.

Also, a bill (H. R. 984) granting an increase of pension to Sarah E. Bradley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 985) granting an increase of pension to Maria F. West; to the Committee on Invalid Pensions.

Also, a bill (H. R. 986) granting a pension to Ellen D. Keck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 987) for the allowance of certain claims for extra labor above the legal day of eight hours at certain navy yards certified by the Court of Claims; to the Committee on Claims.

By Mr. TEMPLE: A bill (H. R. 988) granting an increase of pension to Clarice Radcliffe; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 989) granting a pension to Mary Wilcox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 990) granting an increase of pension to Agnes Daniels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 991) granting an increase of pension to Elizabeth A. Crum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 992) granting an increase of pension to Mary Stearns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 993) granting a pension to Nora Dunlavy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 994) for the relief of Edna B. Wylie; to the Committee on Claims.

By Mr. TUCKER: A bill (H. R. 995) authorizing the President to order William H. Sage, jr., before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; to the Committee on Military Affairs.

Also, a bill (H. R. 996) for the relief of Mildred B. Crawford; to the Committee on Claims.

By Mr. WATSON: A bill (H. R. 997) for the relief of William L. Jenkins; to the Committee on Claims.

Also, a bill (H. R. 998) for the relief of Anna L. Auchenbauch; to the Committee on Claims.

Also, a bill (H. R. 999) for the relief of Lewis E. Green; to the Committee on Claims.

By Mr. WOODRUFF: A bill (H. R. 1000) for the relief of John K. Kelley; to the Committee on Military Affairs.

Also, a bill (H. R. 1001) granting a pension to Blanche M. Anneke; to the Committee on Pensions.

Also, a bill (H. R. 1002) granting a pension to Bertha Sampson Condon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1003) granting a pension to Mary J. Ryerson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1004) granting a pension to Minnie Harrington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1005) granting a pension to Esther Critchell; to the Committee on Invalid Pensions.

By Mr. ARNOLD: A bill (H. R. 1006) granting an increase of pension to Louise Grasshoff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1007) granting an increase of pension to Rachel A. Jackson; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 1008) granting a pension to Mary E. Kelley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1009) granting a pension to Elizabeth Connor; to the Committee on Invalid Pensions.

By Mr. ARNOLD: A bill (H. R. 1010) granting a pension to Edna Elliott; to the Committee on Invalid Pensions.

Also, a bill (H. H. 1011) granting a pension to Harriet Ann Irvin; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 1012) granting an increase of pension to Margretta Pelton; to the Committee on Invalid Pensions.

By Mr. BOWMAN: A bill (H. R. 1013) granting a pension to Benjamin F. Mathers, jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1014) granting an increase of pension to Angelina Spiker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1015) granting an increase of pension to Malinda J. Messenger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1016) granting an increase of pension to Nancy Jane Shaffer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1017) granting an increase of pensions to Marion Lawson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1018) granting an increase of pension to Lydia M. Criss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1019) granting an increase of pension to Fanny E. Bishop; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1020) granting an increase of pension to Malinda House; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1021) granting an increase of pension to Leeanna E. Blair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1022) granting a pension to Frank T. Mason; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1023) granting a pension to Dora Etta Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1024) granting a pension to Clara V. Crossland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1025) granting a pension to Edgar F. Heidler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1026) granting a pension to Marcellus W. Mace; to the Committee on Pensions.

Also, a bill (H. R. 1027) for the relief of Lewis Clark; to the Committee on Claims.

Also, a bill (H. R. 1028) for the relief of Freda Mason; to the Committee on Claims.

Also a bill (H. R. 1029) for the relief of Basil Henry; to the Committee on Military Affairs.

By Mr. BRUMM: A bill (H. R. 1030) granting a pension to Caroline W. Patterson (with accompanying papers); to the Committee on Invalid Pensions.

By Mr. CARTER of Wyoming: A bill (H. R. 1031) for the relief of First National Bank of Thermopolis, Wyo.; to the Committee on Claims.

By Mr. CONNOLLY: A bill (H. R. 1032) to correct the naval record of George Herman Francis Wilhelm; to the Committee on Naval Affairs.

Also, a bill (H. R. 1033) for the relief of Harry J. Swisher; to the Committee on Military Affairs.

Also, a bill (H. R. 1034) for the relief of Morris Dietrich; to the Committee on Claims.

Also, a bill (H. R. 1035) for the relief of Amos Gaul; to the Committee on Military Affairs.

Also, a bill (H. R. 1036) for the relief of Banks College; to the Committee on Claims.

Also, a bill (H. R. 1037) granting a pension to Charles J. Bradley; to the Committee on Pensions.

Also, a bill (H. R. 1038) for the relief of Manus Kane; to the Committee on Military Affairs.

Also, a bill (H. R. 1039) for the relief of James Moffitt; to the Committee on Military Affairs.

Also, a bill (H. R. 1040) for the relief of Peter Guilday; to the Committee on Military Affairs.

By Mr. ESTEP: A bill (H. R. 1041) for the relief of Harry Gordon; to the Committee on Military Affairs.

Also, a bill (H. R. 1042) for the relief of Henry A. Levake; to the Committee on Military Affairs.

Also, a bill (H. R. 1043) for the relief of Max W. Amster; to the Committee on Military Affairs.

By Mr. EVANS of California: A bill (H. R. 1044) for the relief of Charles S. Hockenjos; to the Committee on Military Affairs.

By Mr. FINLEY: A bill (H. R. 1045) granting a pension to Tempie Farley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1046) granting a pension to Mary French; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1047) granting a pension to Esther Gambrell; to the Committee on Pensions.

Also, a bill (H. R. 1048) granting a pension to Berry Garner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1049) granting a pension to Myrtle Griffin; to the Committee on Pensions.

Also, a bill (H. R. 1050) granting a pension to Sarah Farmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1051) granting a pension to Sarah L. Hadley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1052) granting a pension to Hiram P. Marcum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1053) granting a pension to David D. Lay; to the Committee on Pensions.

Also, a bill (H. R. 1054) granting a pension to Eugene Messer; to the Committee on Pensions.

Also, a bill (H. R. 1055) granting a pension to Robert McDaniel; to the Committee on Pensions.

Also, a bill (H. R. 1056) granting a pension to William F. Davis; to the Committee on Pensions.

Also, a bill (H. R. 1057) granting an increase of pension to Roscoe Eversole; to the Committee on Pensions.

Also, a bill (H. R. 1058) granting a pension to Benjamin F. Tye; to the Committee on Pensions.

Also, a bill (H. R. 1059) granting a pension to Henry Engle; to the Committee on Pensions.

Also, a bill (H. R. 1060) granting a pension to John B. Ellis; to the Committee on Pensions.

Also, a bill (H. R. 1061) granting a pension to Alfred Davidson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1062) granting a pension to Virgil L. Davis; to the Committee on Pensions.

Also, a bill (H. R. 1063) granting a pension to Kate Couch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1064) granting a pension to Gilbert Curry; to the Committee on Pensions.

Also, a bill (H. R. 1065) for the relief of Dillon A. Collett; to the Committee on Military Affairs.

Also, a bill (H. R. 1066) granting a pension to Francis J. Coffey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1067) granting a pension to Jane Burns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1068) granting a pension to James G. Carr; to the Committee on Pensions.

Also, a bill (H. R. 1069) for the relief of James Brummett; to the Committee on Military Affairs.

Also, a bill (H. R. 1070) granting a pension to Frank Broyles; to the Committee on Pensions.

Also, a bill (H. R. 1071) granting a pension to Nannie M. Brock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1072) granting a pension to Tip Jackson; to the Committee on Pensions.

Also, a bill (H. R. 1073) granting an increase of pension to John Baker; to the Committee on Pensions.

Also, a bill (H. R. 1074) granting a pension to Philip Aaron; to the Committee on Pensions.

Also, a bill (H. R. 1075) granting an increase of pension to Cynthia E. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1076) granting a pension to Lucy I. Brake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1077) granting a pension to Mary Wiley; to the Committee on Pensions.

Also, a bill (H. R. 1078) granting a pension to Bert Croley; to the Committee on Pensions.

Also, a bill (H. R. 1079) for the relief of Clarence C. Bray; to the Committee on Naval Affairs.

Also, a bill (H. R. 1080) for the relief of James Clay Colson; to the Committee on Claims.

Also, a bill (H. R. 1081) granting a pension to John C. Camden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1082) granting a pension to James A. Catern; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1083) granting a pension to Hector O. Downey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1084) granting an increase of pension to Elizabeth F. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1085) granting an increase of pension to Rachel Gibson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1086) granting a pension to John Powell; to the Committee on Pensions.

Also, a bill (H. R. 1087) granting an increase of pension to William H. Hensley; to the Committee on Pensions.

Also, a bill (H. R. 1088) granting an increase of pension to Edward Hail; to the Committee on Pensions.

Also, a bill (H. R. 1089) granting an increase of pension to Elizabeth Lloyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1090) granting an increase of pension to William C. Knuckles; to the Committee on Pensions.

Also, a bill (H. R. 1091) granting an increase of pension to William Napier; to the Committee on Pensions.

Also, a bill (H. R. 1092) granting an increase of pension to William R. Neal; to the Committee on Pensions.

Also, a bill (H. R. 1093) granting a pension to Allen T. Carter; to the Committee on Pensions.

Also, a bill (H. R. 1094) granting an increase of pension to Harrison Smith; to the Committee on Pensions.

Also, a bill (H. R. 1095) granting an increase of pension to Richard E. Hibbard; to the Committee on Pensions.

Also, a bill (H. R. 1096) granting an increase of pension to Mary C. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1097) for the relief of Joe H. Ross; to the Committee on Military Affairs.

Also, a bill (H. R. 1098) for the relief of Esaw Wright; to the Committee on Military Affairs.

Also, a bill (H. R. 1099) for the relief of Andrew M. Cornelius; to the Committee on Military Affairs.

Also, a bill (H. R. 1100) for the relief of Jesse Perry; to the Committee on War Claims.

Also, a bill (H. R. 1101) granting a pension to Howard Jones; to the Committee on Pensions.

Also, a bill (H. R. 1102) granting a pension to Chester Hollin; to the Committee on Pensions.

Also, a bill (H. R. 1103) granting a pension to Peter T. Keeney; to the Committee on Pensions.

Also, a bill (H. R. 1104) granting a pension to Mary Ingram; to the Committee on Pensions.

Also, a bill (H. R. 1105) granting a pension to Willie Roberts; to the Committee on Pensions.

Also, a bill (H. R. 1106) granting a pension to Burl F. King; to the Committee on Pensions.

Also, a bill (H. R. 1107) granting an increase of pension to Jane Jones; to the Committee on Pensions.

Also, a bill (H. R. 1108) granting a pension to Lucinda Rowe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1109) granting a pension to Fred Sandlin; to the Committee on Pensions.

Also, a bill (H. R. 1110) granting a pension to George Rush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1111) granting a pension to Rutha Shepherd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1112) granting a pension to Ruth E. Simpson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1113) granting a pension to Josephine Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1114) granting a pension to Armina E. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1115) for the relief of Jordan B. Gross; to the Committee on Military Affairs.

Also, a bill (H. R. 1116) granting a pension to William B. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1117) granting a pension to Elizabeth Vogler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1118) granting a pension to Amanda Jarvis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1119) granting a pension to William O. Whitaker; to the Committee on Pensions.

Also, a bill (H. R. 1120) granting a pension to Lizzie Baker; to the Committee on Pensions.

Also, a bill (H. R. 1121) granting a pension to Gellgoo Wells; to the Committee on Pensions.

Also, a bill (H. R. 1122) granting a pension to Roy Webb; to the Committee on Pensions.

Also, a bill (H. R. 1123) granting a pension to Willie Beatty; to the Committee on Pensions.

Also, a bill (H. R. 1124) granting a pension to Wiley Roberts; to the Committee on Pensions.

Also, a bill (H. R. 1125) granting a pension to Bertie F. Radford; to the Committee on Pensions.

By Mr. FRENCH: A bill (H. R. 1126) granting a pension to Catherine King; to the Committee on Invalid Pensions

Also, a bill (H. R. 1127) for the relief of the estate of Lafayette Keene (Wade Keene, executor); to the Committee on Ways and Means.

Also, a bill (H. R. 1128) for the relief of Alfred Burton; to the Committee on Claims.

Also, a bill (H. R. 1129) for the relief of George H. Unternahrer; to the Committee on Claims.

Also, a bill (H. R. 1130) for the relief of estate of Katherine Heinrich (Charles Grieser and others, executors); to the Committee on Claims.

Also, a bill (H. R. 1131) for the relief of James C. Simmons (otherwise known as James C. Whitlock); to the Committee on Military Affairs.

Also, a bill (H. R. 1132) to authorize the appointment of Master Sergeant (Band Leader) Bernt Nielsen as a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 1133) to provide for the relinquishment by the United States of certain lands to the city of Coeur d'Alene, in the county of Kootenai, in the State of Idaho; to the Committee on the Public Lands.

Also, a bill (H. R. 1134) for the relief of Francis Jenkins; to the Committee on the Public Lands.

Also, a bill (H. R. 1135) granting a pension to John B. Sallee; to the Committee on Pensions.

Also, a bill (H. R. 1136) granting a pension to Marion M. Luther; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1137) granting a pension to Annie L. King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1138) granting an increase of pension to Nettie M. Freeman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1139) granting a pension to Emma F. Eshom; to the Committee on Pensions.

Also, a bill (H. R. 1140) granting a pension to Dan B. Dunwell; to the Committee on Pensions.

Also, a bill (H. R. 1141) granting an increase of pension to Lettie J. M. Craig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1142) granting a pension to Eusebia Dagan; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 1143) granting an increase of pension to John Stringer; to the Committee on Pensions.

Also, a bill (H. R. 1144) granting an increase of pension to Luther Jay Cole; to the Committee on Pensions.

Also, a bill (H. R. 1145) granting an increase of pension to Mary J. Gwinn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1146) granting an increase of pension to Judy Stuffle; to the Committee on Invalid Pensions.

By Mr. HOCH: A bill (H. R. 1147) granting a pension to Helen Moody; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1148) granting an increase of pension to Mary Evilsizer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1149) granting an increase of pension to Frances E. Miller; to the Committee on Invalid Pensions.

By Mr. HOGG of Indiana: A bill (H. R. 1150) granting an increase of pension to Jennie Payson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1151) granting an increase of pension to Harriet Snowberger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1152) granting a pension to Henrietta Sours; to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 1153) granting a pension to Malissa Hoover; to the Committee on Pensions.

Also, a bill (H. R. 1154) granting a pension to Milton Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1155) granting an increase of pension to Sarah Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1156) granting a pension to Josephine Rutter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1157) granting an increase of pension to Eliza J. Weimer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1158) granting an increase of pension to Martha Gorsuch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1159) granting an increase of pension to Mary E. Gary; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1160) granting an increase of pension to Lois E. McClain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1161) granting an increase of pension to Nancy Catharine Mostoller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1162) granting an increase of pension to Barbary E. Roley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1163) granting an increase of pension to Rachel Walter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1164) granting an increase of pension to Mary Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1165) granting an increase of pension to Margaret C. Mills; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1166) granting an increase of pension to Harriet Neiderhiser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1167) granting an increase of pension to Laura Bixler; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 1168) for the relief of the estate of Benjamin A. Pillsbury (William J. Pillsbury, executor); to the Committee on War Claims.

Also, a bill (H. R. 1169) for the relief of Monumental Stevedore Co.; to the Committee on Claims.

Also, a bill (H. R. 1170) for the relief of the owners of the French bark *France;* to the Committee on Foreign Affairs.

Also, a bill (H. R. 1171) for the relief of Helena C. Von Groning and Stephan Von Groning; to the Committee on Claims.

Also, a bill (H. R. 1172) for the relief of Moreau M. Casler; to the Committee on Claims.

Also, a bill (H. R. 1173) for the relief of Sophie Carter; to the Committee on Claims.

Also, a bill (H. R. 1174) for the relief of Mary A. Cox; to the Committee on Claims.

Also, a bill (H. R. 1175) for the relief of Capt. Walter S. Bramble; to the Committee on Military Affairs.

Also, a bill (H. R. 1176) for the relief of John E. Ensor; to the Committee on Military Affairs.

Also, a bill (H. R. 1177) for the relief of Peter E. Anderson; to the Committee on Naval Affairs.

Also, a bill (H. R. 1178) for the relief of Lieut. Charles R. Price; to the Committee on Naval Affairs.

Also, a bill (H. R. 1179) for the relief of Edward McDonald; to the Committee on Military Affairs.

Also, a bill (H. R. 1180) granting a pension to George W. Marrow; to the Committee on Pensions.

By Mr. MAPES: A bill (H. R. 1181) to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929; to the Committee on Military Affairs.

Also, a bill (H. R. 1182) granting a pension to Lucinda M. Badger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1183) to correct the records of the War Department to show that Guy Carlton Baker and Calton C. Baker, or Carlton C. Baker, is one and the same person; to the Committee on Military Affairs.

Also, a bill (H. R. 1184) granting a pension to Ella J. Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1185) for the relief of Anthony Peter De Young; to the Committee on Naval Affairs.

Also, a bill (H. R. 1186) granting a pension to Laura E. Diets; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1187) for the relief of William H. Estabrook; to the Committee on Military Affairs.

Also, a bill (H. R. 1188) granting an increase of pension to Charles A. Halbert; to the Committee on Pensions.

Also, a bill (H. R. 1189) granting a pension to Clare Elsworth Hawley; to the Committee on Pensions.

Also, a bill (H. R. 1190) to provide for the advancement on the retired list of the Navy of George Dewey Hilding; to the Committee on Naval Affairs.

Also, a bill (H. R. 1191) granting a pension to Dora Hilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1192) granting a pension to Harry J. Hull; to the Committee on Pensions.

Also, a bill (H. R. 1193) granting an increase of pension to Fred Kape; to the Committee on Pensions.

Also, a bill (H. R. 1194) for the relief of Samuel Hooper Lane, alias Samuel Foot; to the Committee on Military Affairs.

Also, a bill (H. R. 1195) granting a pension to Cassie B. McBane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1196) for the relief of James J. McBarnes; to the Committee on Military Affairs.

Also, a bill (H. R. 1197) for the relief of William Dean McCoy; to the Committee on Naval Affairs.

Also, a bill (H. R. 1198) granting a pension to Anna J. Russell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1199) granting a pension to Alice D. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1200) for the relief of Walter Zerba; to the Committee on Military Affairs.

By Mr. MEAD: A bill (H. R. 1201) for the relief of Harold C. Marshall; to the Committee on Claims.

Also, a bill (H. R. 1202) for the relief of Lehde & Schoenhut; to the Committee on Claims.

Also, a bill (H. R. 1203) for the relief of Edward J. O'Neil; to the Committee on Claims.

Also, a bill (H. R. 1204) for the relief of Nick Gruich; to the Committee on Claims.

Also, a bill (H. R. 1205) for the relief of John L. Hoffman; to the Committee on Claims.

Also, a bill (H. R. 1206) for the relief of George Beier; to the Committee on Claims.

Also, a bill (H. R. 1207) for the relief of Mary Downey; to the Committee on Claims.

Also, a bill (H. R. 1208) for the relief of George Evans; to the Committee on Military Affairs.

Also, a bill (H. R. 1209) granting a pension to Ella I. Parsons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1210) granting an increase of pension to Sarah A. Chandler; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 1211) granting a pension to Martha Ferbrache; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1212) granting an increase of pension to Maria J. McNurland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1213) granting an increase of pension to Clarence B. Cline; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1214) granting an increase of pension to Mary E. McCoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1215) granting an increase of pension to Nancy E. Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1216) granting an increase of pension to Adline Dillehay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1217) granting an increase of pension to Sarah J. McHenry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1218) granting a pension to Carrie Boyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1219) correcting the military record of William H. Murphy; to the Committee on Military Affairs.

Also, a bill (H. R. 1220) granting a pension to Rachel Elizabeth Phelps; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1221) granting a pension to Florence Bonnell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1222) for the relief of Julia Kerr O'Bleness; to the Committee on Claims.

Also, a bill (H. R. 1223) for the relief of Kearney B. Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 1224) granting a pension to Maretta Anna Booher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1225) authorizing the Secretary of the Navy in his discretion to deliver to the custody of the Campus Martius Memorial Museum of the city of Marietta, Ohio, the silver service presented to the United States for the gunboat *Marietta;* to the Committee on Naval Affairs.

By Mr. MURPHY: A bill (H. R. 1226) for the relief of Edna M. Gilson; to the Committee on Claims.

By Mr. PURNELL: A bill (H. R. 1227) granting an increase of pension to Lucy T. Burns; to the Committee on Invalid Pensions.

By Mr. SELVIG: A bill (H. R. 1228) to adjudicate the claim of Knud O. Flakne, a homestead settler on the drained Mud Lake bottom, in the State of Minnesota; to the Committee on Claims.

Also, a bill (H. R. 1229) for the relief of George Johnson; to the Committee on Military Affairs.

By Mr. SINCLAIR: A bill (H. R. 1230) for the relief of Chase E. Mulinex; to the Committee on Claims.

Also, a bill (H. R. 1231) for the relief of Grina Bros.; to the Committee on Claims.

By Mr. SNELL: A bill (H. R. 1232) granting an increase of pension to Abigail Stone; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 1233) granting a pension to Julinah J. Neptune; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1234) granting an increase of pension to Rhoda Kester; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1235) granting an increase of pension to Sarah J. Wishart; to the Committee on Invalid Pensions.

By Mr. WILLIAMSON: A bill (H. R. 1236) for the relief of Williams Lyons; to the Committee on Pensions.

Also, a bill (H. R. 1237) for the relief of John G. Morgan; to the Committee on Claims.

Also, a bill (H. R. 1238) for the relief of J. E. Reddick; to the Committee on Claims.

Also, a bill (H. R. 1239) for the relief of Frank Fisher; to the Committee on Military Affairs.

By Mr. WOODRUFF: A bill (H. R. 1240) granting an increase of pension to Nancy E. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1241) granting an increase of pension to Ida I. Secor; to the Committee on Invalid Pensions.

By Mr. ALLEN: A bill (H. R. 1242) granting an increase of pension to Barbara Treuthart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1243) granting an increase of pension to Mabel L. F. Schultz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1244) granting an increase of pension to Jennie P. McClanahan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1245) granting an increase of pension to Julietta R. Moody; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1246) granting a pension to Ellen Lynch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1247) granting a pension to Maggie Pyles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1248) granting an increase of pension to Emma Z. Cooper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1249) granting an increase of pension to Catherine R. Forbes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1250) granting an increase of pension to Thomas S. Shull; to the Committee on Pensions.

Also, a bill (H. R. 1251) granting an increase of pension to Elizabeth Graham; to the Committee on Invalid Pensions.

By Mr. BACHMANN: A bill (H. R. 1252) for the relief of E. Lodge Ross; to the Committee on Claims.

Also, a bill (H. R. 1253) granting a pension to Samuel W. Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1254) granting an increase of pension to Mary Ensminger; to the Committee on Invalid Pensions.

By Mr. BACON: A bill (H. R. 1255) for the relief of David Myerle, as executor of the last will and testament of Phineas Burgess, deceased; to the Committee on Claims.

Also, a bill (H. R. 1256) for the relief of John A. Rapelye; to the Committee on Claims.

Also, a bill (H. R. 1257) for the relief of Francis Joseph Mead; to the Committee on Naval Affairs.

Also, a bill (H. R. 1258) for the relief of Frank Fournier; to the Committee on Naval Affairs.

Also, a bill (H. R. 1259) for the relief of Frank Kroegel, alias Francis Kroegel; to the Committee on Pensions.

Also, a bill (H. R. 1260) for the relief of James E. Frazer; to the Committee on Claims.

Also, a bill (H. R. 1261) for the relief of Pierre E. Teets; to the Committee on Claims.

Also, a bill (H. R. 1262) for the relief of Nathaniel Monsell, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 1263) for the relief of the children of William Wheeler Hubbell and his wife, Elizabeth Catherine Hubbell, both deceased; to the Committee on Claims.

By Mr. BEEDY: A bill (H. R. 1264) for the relief of Henry Stanley Wood; to the Committee on Ways and Means.

Also, a bill (H. R. 1265) for the relief of Isabell Bolster, widow of Charles K. Bolster; to the Committee on Military Affairs.

Also, a bill (H. R. 1266) granting an increase of pension to Cora W. Merryman; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 1267) granting a pension to Patrick Kilmartin; to the Committee on Pensions.

Also, a bill (H. R. 1268) granting a pension to Lottie McKelvey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1269) granting a pension to Charles C. Lockhart; to the Committee on Pensions.

Also, a bill (H. R. 1270) granting a pension to Laura E. Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1271) granting a pension to Bernard A. Brinkley; to the Committee on Pensions.

Also, a bill (H. R. 1272) granting a pension to Frederick L. Eagle; to the Committee on Pensions.

Also, a bill (H. R. 1273) for the relief of James E. Haynes; to the Committee on Claims.

Also, a bill (H. R. 1274) for the relief of Elizabeth Buxton Hospital; to the Committee on Claims.

Also, a bill (H. R. 1275) for the relief of Anna Marie Sanford, widow of William Richard Sanford, deceased; to the Committee on Claims.

Also, a bill (H. R. 1276) for the relief of W. Barnard Bates; to the Committee on Military Affairs.

Also, a bill (H. R. 1277) for the relief of John Fox; to the Committee on Military Affairs.

Also, a bill (H. R. 1278) for the relief of Robbie Coates; to the Committee on Claims.

Also, a bill (H. R. 1279) for the relief of Frank Kanelakos; to the Committee on Claims.

Also, a bill (H. R. 1280) to authorize and direct the appointment of Levin Milton Price as a first lieutenant, United States Army; to the Committee on Military Affairs.

By Mr. BOILEAU: A bill (H. R. 1281) granting a pension to Marie Beck; to the Committee on Pensions.

Also, a bill (H. R. 1282) granting an increase of pension to Carrie Fry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1283) granting a pension to Elizabeth Ellen Barker; to the Committee on Invalid Pensions.

By Mr. BRUMM: A bill (H. R. 1284) granting a pension to George W. Snyder, jr.; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Iowa: A bill (H. R. 1285) for the relief of E. E. Heldridge; to the Committee on Claims.

Also, a bill (H. R. 1286) for the relief of Frank J. Abbate; to the Committee on Claims.

By Mr. CARTER of Wyoming: A bill (H. R. 1287) granting a pension to Robert W. Jones; to the Committee on Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 1288) for the relief of the General Warehousing Co.; to the Committee on Claims.

Also, a bill (H. R. 1289) for the relief of William Dalton; to the Committee on Claims.

Also, a bill (H. R. 1290) for the relief of Jeannette Weir; to the Committee on Claims.

Also, a bill (H. R. 1291) for the relief of Arthur H. Lorenzen; to the Committee on Claims.

Also, a bill (H. R. 1292) to extend the benefits of the United States employees' compensation act to R. W. Dickerson; to the Committee on Claims.

Also, a bill (H. R. 1293) to extend the measure of relief provided in the employees' compensation act of September 7, 1916, to Ellen Moore; to the Committee on Claims.

Also, a bill (H. R. 1294) for the relief of Julian Simon, Ira Simon, and Herbert Simon, doing business as J. Simon & Sons; to the Committee on Ways and Means.

Also, a bill (H. R. 1295) for the relief of Oscar R. Witte; to the Committee on Ways and Means.

Also, a bill (H. R. 1296) for the relief of Capt. W. B. Finney; to the Committee on War Claims.

Also, a bill (H. R. 1297) for the relief of Louis Wohlfahrt; to the Committee on Naval Affairs.

Also, a bill (H. R. 1298) for the relief of Ambrose M. Fell; to the Committee on Naval Affairs.

Also, a bill (H. R. 1299) for the relief of Morris Kopit; to the Committee on Naval Affairs.

Also, a bill (H. R. 1300) for the relief of James Leo Kelley; to the Committee on Naval Affairs.

Also, a bill (H. R. 1301) for the relief of William Thomas; to the Committee on Naval Affairs.

Also, a bill (H. R. 1302) for the relief of Anthony John McCoy; to the Committee on Naval Affairs.

Also, a bill (H. R. 1303) for the relief of Lester E. Upmeyer; to the Committee on Naval Affairs.

Also, a bill (H. R. 1304) for the relief of Clarence L. Kelly; to the Committee on Military Affairs.

Also, a bill (H. R. 1305) for the relief of John J. Kane; to the Committee on Military Affairs.

Also, a bill (H. R. 1306) for the relief of Howard Helms; to the Committee on Military Affairs.

Also, a bill (H. R. 1307) for the relief of Steve Popp; to the Committee on Military Affairs.

Also, a bill (H. R. 1308) for the relief of Frederick V. Armistead; to the Committee on Military Affairs.

Also, a bill (H. R. 1309) for the relief of Fred H. Harrison; to the Committee on Military Affairs.

Also, a bill (H. R. 1310) for the relief of John J. McMahon; to the Committee on Military Affairs.

Also, a bill (H. R. 1311) for the relief of Edith Cook; to the Committee on Military Affairs.

Also, a bill (H. R. 1312) for the relief of Arthur W. Adams; to the Committee on Military Affairs.

Also, a bill (H. R. 1313) for the relief of Charles F. Gray; to the Committee on Military Affairs.

Also, a bill (H. R. 1314) for the relief of George W. Gilmore; to the Committee on Military Affairs.

Also, a bill (H. R. 1315) for the relief of Joseph M. Black; to the Committee on Military Affairs.

Also, a bill (H. R. 1316) for the relief of John Costigan; to the Committee on Military Affairs.

Also, a bill (H. R. 1317) for the relief of August H. Moses; to the Committee on Military Affairs.

Also, a bill (H. R. 1318) for the relief of Harry C. Fowler; to the Committee on Military Affairs.

Also, a bill (H. R. 1319) for the relief of John G. Fell; to the Committee on Military Affairs.

Also, a bill (H. R. 1320) for the relief of C. M. Perkins; to the Committee on Claims.

Also, a bill (H. R. 1321) for the relief of Louis T. Kneif; to the Committee on Claims.

Also, a bill (H. R. 1322) for the relief of Anna Lohbeck; to the Committee on Claims.

Also, a bill (H. R. 1323) for the relief of the United States Bank of St. Louis; to the Committee on Claims.

Also, a bill (H. R. 1324) for the relief of William P. Roach; to the Committee on Claims.

Also, a bill (H. R. 1325) for the relief of C. Lillie Wise; to the Committee on Claims.

Also, a bill (H. R. 1326) granting a pension to Martha B. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1327) granting a pension to Mary J. B. Newman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1328) granting an increase of pension to Anna Barfield; to the Committee on Invalid Pensions.

Also, a bill (H. R 1329) granting an increase of pension to Rosine Wildeisen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1330) granting an increase of pension to Kate D. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1331) granting an increase of pension to Fannie Hoover; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1332) granting a pension to Kate Kingston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1333) granting a pension to Fred Wellmann; to the Committee on Pensions.

Also, a bill (H. R. 1334) granting an increase of pension to Emelia Rueppel; to the Committee on Invalid Pensions.

By Mr. COOKE: A bill (H. R. 1335) granting a pension to William Hansen; to the Committee on Pensions.

Also, a bill (H. R. 1336) granting a pension to Dorothy D. Grabenstatter; to the Committee on Pensions.

Also, a bill (H. R. 1337) to correct the military record of Charles Welchlin; to the Committee on Military Affairs.

Also, a bill (H. R. 1338) to correct the military record of John H. Burd; to the Committee on Naval Affairs.

By Mr. CROWTHER: A bill (H. R. 1339) for the relief of Lee M. Allen; to the Committee on Military Affairs.

Also, a bill (H. R. 1340) for the relief of Cathrine E. Morris; to the Committee on Claims.

Also, a bill (H. R. 1341) for the relief of Dent, Allcroft & Co.; A. J. Baker Co. (Inc.); Horwitz & Arbid (Inc.); and Richard Evans & Sons Co.; to the Committee on Claims.

Also, a bill (H. R. 1342) granting an increase of pension to Anna Corte; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1343) granting a pension to Marie Ludwig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1344) granting a pension to Cora Cath; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1345) for the relief of John T. Pierson; to the Committee on Military Affairs.

Also, a bill (H. R. 1346) for the relief of William J. Nowinski; to the Committee on Naval Affairs.

By Mr. CULLEN: A bill (H. R. 1347) for the relief of James M. Robedee; to the Committee on Naval Affairs.

By Mr. CURRY: A bill (H. R. 1348) granting a pension to Earl E. Bayles; to the Committee on Pensions.

Also, a bill (H. R. 1349) granting a pension to Frank Sornborger; to the Committee on Pensions.

Also, a bill (H. R. 1350) for the relief of A. L. Hedding; to the Committee on Claims.

Also, a bill (H. R. 1351) for the relief of Frank Sornborger; to the Committee on Military Affairs.

Also, a bill (H. R. 1352) to permit the county of Solano, State of California, to lay, construct, install, and maintain sewer outlets over and across the Navy longitudinal dike and accretions thereto in Mare Island Straits; to the Committee on Naval Affairs.

By Mr. DOWELL: A bill (H. R. 1353) granting an increase of pension to Rebecca A. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1354) granting an increase of pension to Mary E. Lemmon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1355) granting a pension to Mrs. M. F. Culbertson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1356) granting a pension to John H. Andrews; to the Committee on Pensions.

Also, a bill (H. R. 1357) granting an increase of pension to Harriet A. Skinner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1358) granting an increase of pension to Frances E. Tilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1359) granting an increase of pension to Nancy Shawhan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1360) granting an increase of pension to Hannah P. Walling; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1361) granting an increase of pension to Martha A. McDole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1362) granting an increase of pension to Emily A. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1363) granting an increase of pension to Annie B. Chedester; to the Committee on Invalid Pensions.

By Mr. DOUTRICH: A bill (H. R. 1364) for the relief of Eleanor Freedman; to the Committee on Claims.

Also, a bill (H. R. 1365) granting a pension to Clara Stevens; to the Committee on Pensions.

Also, a bill (H. R. 1366) granting a pension to Mary J. Glace; to the Committee on Pensions.

Also, a bill (H. R. 1367) granting an increase of pension to Elizabeth C. George; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1368) granting an increase of pension to Elizabeth Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1369) granting a pension to Anna M. Crooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1370) granting a pension to Catherine Gunderman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1371) granting an increase of pension to Sophia Rademaker; to the Committee on Invalid Pensions.

By Mr. DYER: A bill (H. R. 1372) granting a pension to Agnes Fuhrmeister; to the Committee on Pensions.

Also, a bill (H. R. 1373) granting a pension to Annie Suits; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1374) granting a pension to Mary Glascock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1375) granting a pension to Josephine Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1376) granting a pension to Mary Kiel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1377) granting a pension to Fanna Craig; to the Committee on Pensions.

Also, a bill (H. R. 1378) granting a pension to Annie Lapoint; to the Committee on Invalid Pensions.

By Mr. EVANS of Montana: A bill (H. R. 1379) for the relief of Granville W. Hickey; to the Committee on Military Affairs.

Also, a bill (H. R. 1380) for the relief of Maurice J. O'Leary; to the Committee on Military Affairs.

Also, a bill (H. R. 1381) for the relief of Joe Petran; to the Committee on Claims.

Also, a bill (H. R. 1382) for the relief of A. K. Resner; to the Committee on Claims.

Also, a bill (H. R. 1383) for the relief of certain United States naval officers; to the Committee on Naval Affairs.

Also, a bill (H. R. 1384) for the relief of George A. Cole; to the Committee on Military Affairs.

Also, a bill (H. R. 1385) granting a pension to Jacob Goodman; to the Committee on Pensions.

By Mr. FINLEY: A bill (H. R. 1386) granting an increase of pension to Alex Goins; to the Committee on Pensions.

Also, a bill (H. R. 1387) granting a pension to Lester C. Gay; to the Committee on Pensions.

Also, a bill (H. R. 1388) granting an increase of pension to Lawrence Waldroup; to the Committee on Pensions.

Also, a bill (H. R. 1389) granting an increase of pension to James M. Howard; to the Committee on Pensions.

By Mr. FISH: A bill (H. R. 1390) authorizing the President to order Ellis S. Hopewell before a retiring board for a hearing of his case and upon the findings of such board to determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 1391) authorizing the President to order Clive A. Wray before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 1392) for the relief of Nicholas Amoroso; to the Committee on Claims.

Also, a bill (H. R. 1393) for the relief of A. R. Free; to the Committee on Claims.

Also, a bill (H. R. 1394) for the relief of Edward W. Dornberger; to the Committee on Claims.

Also, a bill (H. R. 1395) granting a pension to Moses C. Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1396) granting a pension to Isabelle C. Mackey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1397) granting an increase of pension to Bessie Weygant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1398) granting an increase of pension to Katherine A. Swords; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1399) granting an increase of pension to Jennie Van Rensselaer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1400) granting an increase of pension to Mary B. Ray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1401) granting an increase of pension to Emma Buchanan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1402) for the relief of James M. Winter; to the Committee on the Judiciary.

Also, a bill (H. R. 1403) authorizing the Comptroller General of the United States to pay the claim of E. F. Cummings, postmaster at Beacon, N. Y., for reimbursement of payments made by him to E. H. Cochrane, substitute postal clerk, for vehicle hire; to the Committee on Claims.

By Mr. FULBRIGHT: A bill (H. R. 1404) granting a pension to Mary Kibby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1405) granting a pension to Isabella Hedgpeth; to the Committee on Invalid Pensions.

By Mr. GAMBRILL: A bill (H. R. 1406) for the relief of Lottie Naylor; to the Committee on Claims.

Also, a bill (H. R. 1407) for the relief of Maclane Caswood; to the Committee on Claims.

Also, a bill (H. R. 1408) for the relief of William A. Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 1409) for the relief of Theodore W. Beland; to the Committee on Claims.

Also, a bill (H. R. 1410) for the relief of the heirs of James Henry Birch; to the Committee on Claims.

Also, a bill (H. R. 1411) for the relief of James A. Blueford and Josephine E. Blueford; to the Committee on Claims.

Also, a bill (H. R. 1412) granting an increase of pension to Frank Coalman; to the Committee on Pensions.

Also, a bill (H. R. 1413) for the relief of William G. Fulton; to the Committee on Claims.

Also, a bill (H. R. 1414) for the relief of Jeanie G. Lyles; to the Committee on Claims.

Also, a bill (H. R. 1415) for the relief of Marie B. Neale; to the Committee on Claims.

Also, a bill (H. R. 1416) for the relief of the estate of Dr. James Harris Rogers; to the Committee on War Claims.

Also, a bill (H. R. 1417) granting a pension to Eudora McDonough; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1418) for the relief of the Fidelity & Deposit Co. of Maryland; to the Committee on Claims.

Also, a bill (H. R. 1419) for the relief of Daniel S. Schaffer Co. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 1420) for the relief of P. Jean des Garennes; to the Committee on Naval Affairs.

Also, a bill (H. R. 1421) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Mary C. Murphy, widow of Arthur I. Murphy, a former employee of the United States naval powder factory, Indianhead, Md.; to the Committee on Claims.

By Mr. GARBER: A bill (H. R. 1422) granting a pension to Annie R. Beswick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1423) granting a pension to Addie Foster; to the Committee on Pensions.

Also, a bill (H. R. 1424) granting an increase of pension to Cynthia E. Dillard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1425) granting an increase of pension to Mary C. Plunkett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1426) granting an increase of pension to Susan E. Boswell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1427) granting an increase of pension to Theodosia A. Isbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1428) for the relief of Eddie French; to the Committee on Military Affairs.

Also, a bill (H. R. 1429) for the relief of John M. Whitson; to the Committee on Military Affairs.

Also, a bill (H. R. 1430) for the relief of Frank Fanning; to the Committee on Military Affairs.

Also, a bill (H. R. 1431) for the relief of Charley Bokis; to the Committee on Military Affairs.

By Mr. GAVAGAN: A bill (H. R. 1432) extending the benefits of the emergency officers' retirement act to Napoleon B. Marshall; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 1433) granting a pension to Helen F. Brady; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1434) for the relief of Frances E. Eller; to the Committee on Claims.

Also, a bill (H. R. 1435) for the relief of Clara C. Talmadge; to the Committee on Claims.

By Mr. GOSS: A bill (H. R. 1436) for the relief of John Moriarty; to the Committee on Claims.

Also, a bill (H. R. 1437) to reimburse the William L. Gilbert Clock Co. for revenue erroneously paid; to the Committee on Claims.

Also, a bill (H. R. 1438) to correct the military record of Charles B. Harrison; to the Committee on Military Affairs.

Also, a bill (H. R. 1439) for the relief of Nicholas Parello; to the Committee on Military Affairs.

Also, a bill (H. R. 1440) granting an increase of pension to William E. Carpenter; to the Committee on Pensions.

Also, a bill (H. R. 1441) for the relief of Charles A. Muccino; to the Committee on Naval Affairs.

Also, a bill (H. R. 1442) granting six months' pay to Louis Soluri; to the Committee on Naval Affairs.

By Mr. HARDY: A bill (H. R. 1443) granting an increase of pension to Elizabeth R. Backus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1444) granting an increase of pension to Julia A. Hofflicker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1445) granting an increase of pension to Laura J. Pedrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1446) granting an increase of pension to Ellen Thompson; to the Committee on Invalid Pensions.

By Mr. HOGG of Indiana: A bill (H. R. 1447) granting a pension to Julia Clark; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 1448) for the relief of Will A. Helmer; to the Committee on War Claims.

Also, a bill (H. R. 1449) for the relief of Samuel Slis; to the Committee on Military Affairs.

By Mr. HOPKINS: A bill (H. R. 1450) for the relief of Carrie Childers; to the Committee on Claims.

Also, a bill (H. R. 1451) granting a pension to Mary Caroline Wilkerson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1452) granting an increase of pension to Clarissa J. Whitmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1453) granting an increase of pension to Julia A. Thomas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1454) granting a pension to Mary L. Trueblood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1455) granting a pension to Mary Susan Watkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1456) granting a pension to A. A. Shaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1457) granting an increase of pension to Matilda Statler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1458) granting an increase of pension to Laura A. Sims; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1459) for the relief of James H. Powers; to the Committee on Military Affairs.

Also, a bill (H. R. 1460) for the relief of Sarah G. Myers; to the Committee on Claims.

Also, a bill (H. R. 1461) for the relief of John Evans; to the Committee on Claims.

Also, a bill (H. R. 1462) for the relief of Albert S. Hall; to the Committee on Military Affairs.

Also, a bill (H. R. 1463) granting an increase of pension to Mary S. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1464) granting an increase of pension to Mary King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1465) granting an increase of pension to Mary J. Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1466) granting an increase of pension to Ida B. Graham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1467) granting an increase of pension to Lucina Morris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1468) granting an increase of pension to Martha A. Tiffany; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1469) granting an increase of pension to Elizabeth Anderton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1470) granting an increase of pension to Virginia Canon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1471) granting an increase of pension to Samantha M. Stiles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1472) granting an increase of pension to Susan J. McCown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1473) granting an increase of pension to Mattie B. Lawrence; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1474) granting an increase of pension to Eliza W. Horton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1475) granting an increase of pension to Sebee J. Rowley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1476) granting an increase of pension to Lucretia B. Bigsby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1477) granting an increase of pension to Nancy J. Ashley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1478) granting an increase of pension to Mary Swiggert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1479) granting an increase of pension to Mary C. Seeman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1480) granting an increase of pension to Hannah L. B. Quinn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1481) granting an increase of pension to Mary Toles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1482) granting an increase of pension to Martha Ellen Horn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1483) granting an increase of pension to Lucy J. Lyon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1484) granting an increase of pension to Clara B. Teegarden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1485) granting a pension to Elizabeth J. Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1486) granting a pension to Elizabeth Stout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1487) granting a pension to Ida Adamson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1488) granting an increase of pension to Sarah M. Sloan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1489) granting an increase of pension to Mary E. Galbreath; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1490) granting an increase of pension to Lucina Morris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1491) granting an increase of pension to Phebey T. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1492) granting a pension to Jane S. Murphy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1493) granting an increase of pension to Amanda J. Lusk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1494) granting a pension to John H. Kunkel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1495) granting an increase of pension to Patience Krishbaum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1496) granting a pension to Frank Kramer; to the Committee on Pensions.

Also, a bill (H. R. 1497) granting an increase of pension to Eliza Jenkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1498) granting an increase of pension to Mary F. June; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1499) granting an increase of pension to Alice Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1500) granting an increase of pension to Almeda Jenkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1501) granting an increase of pension to Minnie B. Sherman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1502) granting a pension to John W. Stephenson; to the Committee on Pensions.

Also, a bill (H. R. 1503) granting an increase of pension to Cora M. Stout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1504) granting a pension to Jane Salmons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1505) granting an increase of pension to Frances Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1506) granting an increase of pension to Sophia Pinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1507) granting a pension to Mary Catherine Peters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1508) granting an increase of pension to Martha A. Pine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1509) granting an increase of pension to Elizabeth J. Mumford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1510) for the relief of Mary B. Manley; to the Committee on Military Affairs.

Also, a bill (H. R. 1511) granting an increase of pension to Sarah C. Clutter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1512) granting a pension to Mary E. Downer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1513) granting a pension to Eldon L. Edwards; to the Committee on Pensions.

Also, a bill (H. R. 1514) granting a pension to William Fleming; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1515) granting an increase of pension to Eliza J. Gates; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1516) granting an increase of pension to Thana Hope; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1517) granting a pension to Elizabeth Hindman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1518) granting a pension to Jessie E. Ingraham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1519) granting an increase of pension to Carrie Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1520) granting an increase of pension to Edith King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1521) granting an increase of pension to Eva L. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1522) granting an increase of pension to Maria Berghoff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1523) granting a pension to Elizabeth J. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1524) for the relief of Joseph A. Voelker; to the Committee on Claims.

Also, a bill (H. R. 1525) for the relief of Bruce Bros. Grain Co.; to the Committee on Claims.

Also, a bill (H. R. 1526) making George W. Quinn eligible to receive the benefits of the civil service retirement act; to the Committee on Claims.

Also, a bill (H. R. 1527) for the relief of Joseph J. McMahon; to the Committee on Military Affairs.

Also, a bill (H. R. 1528) for the relief of William Earhart; to the Committee on Military Affairs.

Also, a bill (H. R. 1529) for the relief of Frederick White; to the Committee on Military Affairs.

Also, a bill (H. R. 1530) granting a medal of honor to Charles M. Ashbrook; to the Committee on Naval Affairs.

Also, a bill (H. R. 1531) granting a pension to John F. Archer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1532) granting an increase of pension to Lida Shaul; to the Committee on Invalid Pensions.

By Mr. HOUSTON of Hawaii: A bill (H. R. 1533) for the relief of Richard J. H. Farrar; to the Committee on Military Affairs.

Also, a bill (H. R. 1534) granting an increase of pension to Richard M. Aylward; to the Committee on Pensions.

By Mr. JAMES: A bill (H. R. 1535) granting a pension to Julia G. Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1536) to provide for the appointment of a military storekeeper; to the Committee on Military Affairs.

By Mr. JOHNSON of Missouri: A bill (H. R. 1537) granting a pension to Ursula J. Gott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1538) granting a pension to Doris Wehrs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1539) granting a pension to Jemima Woolery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1540) granting a pension to Sophia Brackmann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1541) granting an increase of pension to Ruth C. Lindsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1542) granting an increase of pension to Bettie J. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1543) granting a pension to Polk Stewart; to the Committee on Pensions.

By Mr. KENDALL: A bill (H. R. 1544) granting an increase of pension to Harriet Bryner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1545) granting an increase of pension to Susan Hoover; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1546) granting an increase of pension to Sarah A. Chisholm; to the Committee on Invalid Pensions.

By Mr. KETCHAM: A bill (H. R. 1547) granting a pension to Martha Buffington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1548) granting an increase of pension to Nancy L. Corwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1549) granting a pension to Ella F. Lane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1550) granting a pension to Flora May Combs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1551) granting a pension to Emma A. McDuffie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1552) for the relief of Charles Andrew Olis; to the Committee on Military Affairs.

Also, a bill (H. R. 1553) for the relief of Johana Armstrong; to the Committee on Claims.

Also, a bill (H. R. 1554) for the relief of G. Carroll Ross; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 1555) granting a pension to Ina Guptill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1556) granting an increase of pension to Katherine Barden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1557) for the relief of Daniel W. Seal; to the Committee on Military Affairs.

Also, a bill (H. R. 1558) for the relief of Edward M. Mattson; to the Committee on Naval Affairs.

Also, a bill (H. R. 1559) to grant a pension to Oswald J. Phenix; to the Committee on Pensions.

Also, a bill (H. R. 1560) granting a pension to Melissa Loucks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1561) for the relief of Henry Fischer; to the Committee on War Claims.

Also, a bill (H. R. 1562) to grant a pension to Claude C. Lease; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1563) for the relief of the heirs of Jean Baptiste Faribault and Pelagie Faribault, his wife; to the Committee on Claims.

Also, a bill (H. R. 1564) for the relief of the Cold Spring Brewing Co., of Cold Spring, Minn., a corporation; to the Committee on Claims.

Also, a bill (H. R. 1565) authorizing the disposition of certain lands in Minnesota; to the Committee on the Public Lands.

By Mr. LAGUARDIA: A bill (H. R. 1566) for the relief of Anna Faceina; to the Committee on Claims.

Also, a bill (H. R. 1567) to reimburse Dominic Fracapane for injuries sustained in an accident with a Government-owned motor truck; to the Committee on Claims.

By Mr. LARRABEE: A bill (H. R. 1568) granting a pension to Catherine Stout; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1569) granting a pension to Anna Barton; to the Committee on Invalid Pensions.

By Mr. LEWIS: A bill (H. R. 1570) granting a pension to Walter Clice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1571) granting a pension to Carrie Clice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1572) granting a pension to Georgana Layman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1573) granting a pension to Mazie Layman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1574) granting an increase of pension to Annie E. Santman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1575) granting an increase of pension to Tracy Huffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1576) granting an increase of pension to Sarah M. Flowers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1577) granting an increase of pension to Margaret A. Hanson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1578) granting a pension to Elizabeth Jane Barnhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1579) for the relief of Orville E. Clark; to the Committee on Military Affairs.

By Mr. LUCE: A bill (H. R. 1580) for the relief of M. Grace Murphy; to the Committee on Claims.

By Mr. McCLINTOCK of Ohio: A bill (H. R. 1581) granting an increase of pension to Emma Wiley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1582) granting an increase of pension to Sophia E. Wells; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1583) granting an increase of pension to Lucy Lambright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1584) granting an increase of pension to Adaline Lowry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1585) granting a pension to Araldo Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1586) granting a pension to Tom Teeters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1587) granting a pension to Ammon Barkman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1588) granting a pension to Jennie Shearer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1589) granting a pension to William Barkman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1590) granting a pension to Lee J. Bethel; to the Committee on Pensions.

By Mr. McFADDEN: A bill (H. R. 1591) granting a pension to Christina M. Rockwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1592) granting an increase of pension to Wildras Boothe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1593) for the relief of Oliver G. Johnson; to the Committee on Military Affairs.

Also, a bill (H. R. 1594) to correct the military record of Lemuel Horton; to the Committee on Military Affairs.

Also, a bill (H. R. 1595) to correct the military record of Edward M. Pierce; to the Committee on Military Affairs.

Also, a bill (H. R. 1596) for the relief of Francis B. McCloskey; to the Committee on Military Affairs.

Also, a bill (H. R. 1597) granting an increase of pension to Ellen Kintner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1598) granting an increase of pension to Jennie M. Kinnen Banner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1599) granting a pension to Ellen Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1600) granting a pension to Eva Louise Eberlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1601) granting an increase of pension to Louisa A. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1602) granting a pension to Edgar R. Wheeler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1603) granting a pension to Angeline Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1604) granting a pension to Anastasia Watts; to the Committee on Pensions.

Also, a bill (H. R. 1605) granting a pension to Harry Paul Rockwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1606) granting an increase of pension to Adelia Chilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1607) granting a pension to Clara Belle Rockwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1608) granting an increase of pension to Sarah E. Fox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1609) granting a pension to Emile Gardner Van Luvender; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1610) granting an increase of pension to Katherine Louise Watrous; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1611) granting a pension to Matie Patrey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1612) granting an increase of pension to Alice J. Schrader; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1613) granting an increase of pension to Antoynette Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1614) granting an increase of pension to Emma Corbin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1615) granting an increase of pension to Elizabeth Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1616) granting an increase of pension to Electa O. Hancock; to the Committee on Invalid Pensions.

By Mr. McLAUGHLIN: A bill (H. R. 1617) for the relief of John S. Abbott; to the Committee on Military Affairs.

Also, a bill (H. R. 1618) for the relief of Joseph W. Jones; to the Committee on Military Affairs.

By Mr. McREYNOLDS: A bill (H. R. 1619) granting a pension to Martha Wyatt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1620) granting a pension to Christine Francis Lewis; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 1621) granting a pension to Bertha Falk Garrett; to the Committee on Pensions.

Also, a bill (H. R. 1622) for the relief of Marion Eugian Sams; to the Committee on Naval Affairs.

Also, a bill (H. R. 1623) granting a pension to Ila J. Bishop; to the Committee on Pensions.

By Mr. MANLOVE: A bill (H. R. 1624) granting a pension to Mary J. Mayhew; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1625) granting a pension to Agnes P. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1626) granting an increase of pension to Julia R. Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1627) granting an increase of pension to Mary E. Norris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1628) granting an increase of pension to Harriet D. Osborne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1629) granting a pension to Mary E. Parnell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1630) granting an increase of pension Amanda Pharress; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1631) granting a pension to Mary A. Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1632) granting an increase of pension to Mary R. Ramsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1633) granting a pension to Mattie Randolph; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1634) granting a pension to Laura B. Riffee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1635) granting a pension to Martha E. Robbins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1636) granting a pension to Lula Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1637) granting a pension to Melissa P. Seneker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1638) granting an increase of pension to Freely M. Seward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1639) granting a pension to Sue E. Shipman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1640) granting an increase of pension to Martha J. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1641) granting a pension to Mary Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1642) granting a pension to Mary A. M. Sparks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1643) granting a pension to Ellen Theurer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1644) granting a pension to Tiney Vass; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1645) granting an increase of pension to Harriet Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1646) granting a pension to Ella Girton; to the Committee on Pensions.

Also, a bill (H. R. 1647) granting an increase of pension to John F. Graper; to the Committee on Pensions.

Also, a bill (H. R. 1648) granting a pension to Minnie Jones; to the Committee on Pensions.

Also, a bill (H. R. 1649) granting an increase of pension to Willis P. McCampbell; to the Committee on Pensions.

Also, a bill (H. R. 1650) granting an increase of pension to Rosa E. Myers; to the Committee on Pensions.

Also, a bill (H. R. 1651) for the relief of Leroy S. Kiger; to the Committee on Military Affairs.

Also, a bill (H. R. 1652) for the relief of Thomas Heard; to the Committee on Military Affairs.

Also, a bill (H. R. 1653) granting an increase of pension to Marian Tebbetts Banes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1654) granting an increase of pension to Addie Bass; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1655) granting an increase of pension to Mary E. Bonebrake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1656) granting a pension to Frank A. Boster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1657) granting an increase of pension to Priscilla N. Butler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1658) granting a pension to Nancy E. Cahoon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1659) granting an increase of pension to Anna Callahan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1660) granting an increase of pension to Lucy Cossairt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1661) granting a pension to Annie Davey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1662) granting a pension to Eliza Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1663) granting a pension to Mrs. James E. Douglas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1664) granting an increase of pension to Harriett Drowley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1665) granting an increase of pension to Nancy J. Edwards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1666) granting an increase of pension to Manda J. Estes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1667) granting an increase of pension to Mary M. Fipps; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1668) to carry out the findings of the Court of Claims in the case of Joseph C. Grissom; to the Committee on War Claims.

Also, a bill (H. R. 1669) granting an increase of pension to Missouri E. Griffith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1670) granting an increase of pension to Caroline Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1671) granting a pension to Angeline Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1672) granting a pension to Tennie Hembree; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1673) granting an increase of pension to Mary E. Hiles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1674) granting a pension to Alice Henry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1675) granting a pension to Martha J. Henry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1676) granting a pension to Sarah E. Hermanstorfer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1677) granting an increase of pension to Martha Hill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1678) granting an increase of pension to Hattie Hodges; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1679) granting a pension to Clarinda Holder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1680) granting a pension to Malissa Geer Holderby; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1681) granting an increase of pension to Serena Ivey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1682) granting a pension to Mary E. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1683) granting a pension to Dorothy B. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1684) granting an increase of pension to Lydia A. Keller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1685) granting an increase of pension to Virginia Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1686) granting a pension to John Craton McDaniel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1687) granting a pension to Belle Shanholtzer McGary; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1688) granting a pension to Asa McVay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1689) granting a pension to Ida Madden; to the Committee on Invalid Pensions.

By Mr. MARTIN of Massachusetts: A bill (H. R. 1690) granting an increase of pension to Julia E. Holley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1691) granting an increase of pension to Helen E. Cushman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1692) granting an increase of pension to Margaret Tobin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1693) granting an increase of pension to Emma Bassett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1694) for the relief of Charles Barry; to the Committee on Military Affairs.

Also, a bill (H. R. 1695) for the relief of Gaston M. Janson; to the Committee on Military Affairs.

Also, a bill (H. R. 1696) for the relief of William H. Connors; to the Committee on Military Affairs.

Also, a bill (H. R. 1697) for the relief of William Thibeault; to the Committee on Military Affairs.

Also, a bill (H. R. 1698) for the relief of James H. Wilbur; to the Committee on Military Affairs.

Also, a bill (H. R. 1699) for the relief of Eugene Malgieri; to the Committee on Naval Affairs.

Also, a bill (H. R. 1700) for the relief of Walter S. West; to the Committee on Naval Affairs.

Also, a bill (H. R. 1701) for the relief of William Gross; to the Committee on Naval Affairs.

Also, a bill (H. R. 1702) for the relief of Mary H. Jordan; to the Commitee on Claims.

Also, a bill (H. R. 1703) for the relief of John Leonard; to the Committee on Claims.

Also, a bill (H. R. 1704) to provide for the retirement of August Wolters as a first sergeant in the United States Army; to the Committee on Military Affairs.

By Mr. MEAD: A bill (H. R. 1705) for the relief of John Heinzenberger; to the Committee on Military Affairs.

Also, a bill (H. R. 1706) for the relief of Spencer Lorenzo Ward Carr; to the Committee on Military Affairs.

Also, a bill (H. R. 1707) granting a medal of honor to Frank J. Barcsykowski; to the Committee on Naval Affairs.

Also, a bill (H. R. 1708) granting an increase of pension to Susan A. Pitts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1709) for the relief of Burton Bowen; to the Committee on Naval Affairs.

Also, a bill (H. R. 1710) for the relief of Raymond C. Bogart; to the Committee on Naval Affairs.

By Mr. MICHENER: A bill (H. R. 1711) granting a pension to Georgiana Sweezey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1712) granting a pension to Willis Dudley Avery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1713) for the relief of James Aird; to the Committee on Claims.

Also, a bill (H. R. 1714) for the relief of Carl B. De Forest; to the Committee on Military Affairs.

Also, a bill (H. R. 1715) for the relief of Michael McCabe; to the Committee on Military Affairs.

Also, a bill (H. R. 1716) for the relief of Ralph W. Neelands; to the Committee on Military Affairs.

Also, a bill (H. R. 1717) for the relief of Abraham M. Auten; to the Committee on Military Affairs.

Also, a bill (H. R. 1718) for the relief of Second Lieut. Charles C. Sessions; to the Committee on Claims.

Also, a bill (H. R. 1719) granting a pension to Louis d'Orville Chabut; to the Committee on Pensions.

Also, a bill (H. R. 1720) for the relief of Vanrenslear VanderCook, alias William Snyder; to the Committee on Military Affairs.

By Mr. MOREHEAD: A bill (H. R. 1721) granting a pension to Emma B. Parker; to the Committee on Pensions.

Also, a bill (H. R. 1722) granting a pension to Pearl Rounds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1723) for the relief of Nettie B. Rush; to the Committee on Claims.

By Mr. NELSON of Missouri: A bill (H. R. 1724) granting a pension to Joseph G. Adams, alias Joseph G. Barnes; to the Committee on Pensions.

Also, a bill (H. R. 1725) granting a pension to Delilah E. Bear; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1726) granting a pension to Amanda Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1727) for the relief of Dosha L. Bass; to the Committee on Claims.

Also, a bill (H. R. 1728) granting a pension to Mary Jane Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1729) to provide for appointment of Sergt. Raymond J. Hanna, detached enlisted men's list, United States Army, now serving with Missouri National Guard, a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 1730) granting a pension to William James; to the Committee on Pensions.

Also, a bill (H. R. 1731) granting an increase of pension to Martha J. Jamison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1732) granting a pension to Margaret Kingery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1733) granting a pension to William M. Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1734) granting a pension to Amanda Napier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1735) granting a pension to Leslie H. Waters; to the Committee on Pensions.

By Mr. PARKER of New York: A bill (H. R. 1736) granting an increase of pension to Julia C. Woodard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1737) granting an increase of pension to Victoria Culver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1738) granting an increase of pension to Mary A. Hilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1739) granting an increase of pension to Sarah A. Coonradt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1740) granting an increase of pension to Ruth O. Corbett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1741) granting an increase of pension to Rena H. Luddy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1742) granting an increase of pension to Louise E. Van Norden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1743) granting an increase of pension to Mattie L. Bennett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1744) granting an increase of pension to Mary Maley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1745) granting an increase of pension to Dorleskia J. White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1746) granting an increase of pension to Clara A. Norris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1747) granting a pension to Mary Ella Holcomb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1748) granting a pension to Julia Coward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1749) granting an increase of pension to Rose J. Towner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1750) granting a pension to John Charles Inglee; to the Committee on Pensions.

Also, a bill (H. R. 1751) granting an increase of pension to Mary A. W. Barr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1752) granting an increase of pension to Mary A. Lake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1753) granting a pension to Laura B. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1754) granting an increase of pension to Nellie Jennings; to the Committee on Invalid Pensions.

By Mr. PERSON: A bill (H. R. 1755) for the relief of Edwin L. Menzer; to the Committee on Military Affairs.

Also, a bill (H. R. 1756) for the relief of Myrus Schofield; to the Committee on Military Affairs.

Also, a bill (H. R. 1757) for the relief of G. L. Ginger; to the Committee on Claims.

Also, a bill (H. R. 1758) for the relief of Edward A. Halliwill; to the Committee on Military Affairs.

Also, a bill (H. R. 1759) for the relief of Leslie E. Drake; to the Committee on Claims.

Also, a bill (H. R. 1760) to provide for the advancement on the retired list of the Army of Fred B. Hanchett, jr.; to the Committee on Military Affairs.

Also, a bill (H. R. 1761) granting an increase of pension to Harriett C. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1762) to correct the military record of Vern Howard Tefft; to the Committee on Military Affairs.

Also, a bill (H. R. 1763) granting a pension to Minnie Freeman Rose; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1764) granting a pension to Sarah J. Splane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1765) for the relief of Armand B. Bartholomew; to the Committee on the Public Lands.

Also, a bill (H. R. 1766) granting a pension to Robert Berg; to the Committee on Pensions.

By Mr. PITTENGER: A bill (H. R. 1767) for the relief of Pete Jelovac; to the Committee on Claims.

Also, a bill (H. R. 1768) for the relief of Alvina Hollis; to the Committee on Claims.

Also, a bill (H. R. 1769) for the relief of Joseph Watkins; to the Committee on Claims.

Also, a bill (H. R. 1770) for the relief of Senelma Wirkkula, also known as Selma Wirkkula; to the Committee on Claims.

Also, a bill (H. R. 1771) granting a pension to William Kiefer; to the Committee on Pensions.

Also, a bill (H. R. 1772) granting a pension to Anna V. Brower; to the Committee on Pensions.

Also, a bill (H. R. 1773) for the relief of Charles D. Jeronimus; to the Committee on Naval Affairs.

Also, a bill (H. R. 1774) granting a pension to Catherine Wilson; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 1775) granting a pension to Mary E. Turner; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 1776) granting a pension to Mary Herod; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1777) granting a pension to Martin E. Currey (with accompanying papers); to the Committee on Pensions.

Also, a bill (H. R. 1778) for the relief of John S. Shaw; to the Committee on Claims.

By Mr. SCHAFER: A bill (H. R. 1779) granting a pension to Ellen A. Van Hooser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1780) for the relief of the legal guardian of Nick Vasilzevic; to the Committee on Claims.

Also, a bill (H. R. 1781) for the relief of Steve Gibas; to the Committee on Military Affairs.

Also, a bill (H. R. 1782) for the relief of Ray Markey; to the Committee on Claims.

Also, a bill (H. R. 1783) for the relief of Magnus J. Sorensen; to the Committee on Naval Affairs.

Also, a bill (H. R. 1784) for the relief of Walter S. Bean; to the Committee on Military Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 1785) for the relief of Delora Freeland; to the Committee on Claims.

Also, a bill (H. R. 1786) for the relief of Arthur H. Teeple; to the Committee on Claims.

Also, a bill (H. R. 1787) for the relief of Anna B. McCaleb; to the Committee on Claims.

Also, a bill (H. R. 1788) for the relief of J. F. Hubbard; to the Committee on Claims.

Also, a bill (H. R. 1789) granting a pension to John H. Myer; to the Committee on Pensions.

Also, a bill (H. R. 1790) granting a pension to Leona J. Strickland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1791) granting a pension to Daniel R. Fruit; to the Committee on Pensions.

Also, a bill (H. R. 1792) granting a pension to Homer Bounds; to the Committee on Pensions.

Also, a bill (H. R. 1793) granting an increase of pension to Sarah J. Garthwait; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1794) granting an increase of pension to Hubert W. Wilson; to the Committee on Pensions.

Also, a bill (H. R. 1795) granting an increase of pension to Sarah A. Turner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1796) granting an increase of pension to Eva G. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1797) granting a pension to Frances M. Nelson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1798) granting a pension to Lizzie B. Stoner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1799) for the relief of Lynn Bros.' Benevolent Hospital; to the Committee on Claims.

Also, a bill (H. R. 1800) for the relief of William A. Kane; to the Committee on Military Affairs.

Also, a bill (H. R. 1801) for the relief of Mahlon E. Lantz; to the Committee on Military Affairs.

By Mr. SUTPHIN: A bill (H. R. 1802) authorizing preliminary examination and survey of Way Cake Creek, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 1803) authorizing the Court of Claims of the United States to hear and determine the claim of James Luker, sr.; to the Committee on Claims.

Also, a bill (H. R. 1804) for the relief of Frank Woodey; to the Committee on Naval Affairs.

Also, a bill (H. R. 1805) for the relief of Nicholas Mecca; to the Committee on Military Affairs.

Also, a bill (H. R. 1806) for the relief of M. Aileen Offerman; to the Committee on Claims.

Also, a bill (H. R. 1807) for the relief of the estate of Frederick A. Hillman; to the Committee on Claims.

Also, a bill (H. R. 1808) for the relief of the city of Perth Amboy, N. J.; to the Committee on Claims.

Also, a bill (H. R. 1809) granting an increase of pension to George M. Purdy; to the Committee on Pensions.

By Mr. TEMPLE: A bill (H. R. 1810) to authorize Austin H. Clark, of the United States National Museum, to accept certain decoration from the Danish Government; to the Committee on Foreign Affairs.

Also, a bill (H. R. 1811) to authorize Dr. Adam Boving, of the Bureau of Entomology, Department of Agriculture, to accept certain decoration from the Danish Government; to the Committee on Foreign Affairs.

Also, a bill (H. R. 1812) to authorize Dr. L. O. Howard, former Chief of the Bureau of Entomology, Department of Agriculture, to accept certain decorations from the French Government; to the Committee on Foreign Affairs.

By Mr. THATCHER: A bill (H. R. 1813) for the relief of Daniel Coakley; to the Committee on Claims.

Also, a bill (H. R. 1814) granting a pension to Effie L. Addis; to the Committee on Pensions.

Also, a bill (H. R. 1815) granting a pension to Millie Cowles; to the Committee on Pensions.

Also, a bill (H. R. 1816) granting a pension to Lucy Breeden; to the Committee on Pensions.

Also, a bill (H. R. 1817) for the relief of Frank P. Norton; to the Committee on Military Affairs.

Also, a bill (H. R. 1818) for the relief of William Hill; to the Committee on Military Affairs.

Also, a bill (H. R. 1819) for the relief of James A. A. Rodman; to the Committee on Military Affairs.

Also, a bill (H. R. 1820) for the relief of William H. Henry; to the Committee on Military Affairs.

Also, a bill (H. R. 1821) for the relief of John Bryson; to the Committee on Military Affairs.

Also, a bill (H. R. 1822) for the relief of Lonnie W. Cowles; to the Committee on Military Affairs.

Also, a bill (H. R. 1823) for the relief of James W. Myers; to the Committee on Military Affairs.

Also, a bill (H. R. 1824) for the relief of Alexander Blair; to the Committee on Military Affairs.

By Mr. THOMASON: A bill (H. R. 1825) for the relief of William M. Stoddard; to the Committee on Military Affairs.

Also, a bill (H. R. 1826) for the relief of Arnold C. Riley; to the Committee on Military Affairs.

Also, a bill (H. R. 1827) for the relief of Arthur De Witt Locke; to the Committee on Naval Affairs.

Also, a bill (H. R. 1828) for the relief of Jessie Taylor; to the Committee on Claims.

Also, a bill (H. R. 1829) for the rellief of Seth T. Fry; to the Committee on Military Affairs.

Also, a bill (H. R. 1830) for the relief of Matthew J. Isaac; to the Committee on Military Affairs.

Also, a bill (H. R. 1831) granting a pension to Lizzie Johnson; to the Committee on Pensions.

Also, a bill (H. R. 1832) granting a pension to Mary Holmack; to the Committee on Pensions.

Also, a bill (H. R. 1833) for the relief of M. S. Mellet; to the Committee on Claims.

Also, a bill (H. R. 1834) for the relief of Claude E. Dove; to the Committee on Claims.

Also, a bill (H. R. 1835) granting a pension to Margaret R. Frier; to the Committee on Invalid Pensions.

By Mr. THURSTON: A bill (H. R. 1836) granting a pension to Minnie Simmons; to the Committee on Pensions.

Also, a bill (H. R. 1837) granting a pension to Amanda Probasco; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1838) granting a pension to H. Emma Streepy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1839) granting an increase of pension to Melinda R. Probasco; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1840) granting a pension to Mary J. Waltenbaugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1841) granting a pension to Sarah J. Sheets; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 1842) for the relief of William H. Ames; to the Committee on Claims.

Also, a bill (H. R. 1843) for the relief of Capt. Asa G. Ayer; to the Committee on Claims.

Also, a bill (H. R. 1844) for the relief of William S. Bartlett; to the Committee on Claims.

Also, a bill (H. R. 1845) to place William H. Clinton on the retired list of the Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 1846) for the relief of John J. Corcoran; to the Committee on Claims.

Also, a bill (H. R. 1847) for the relief of Stephen J. Crotty; to the Committee on Military Affairs.

Also, a bill (H. R. 1848) for the relief of Samuel C. Davis; to the Committee on Claims.

Also, a bill (H. R. 1849) for the relief of John S. Dodge, otherwise known as Charles E. Leslie; to the Committee on Military Affairs.

Also, a bill (H. R. 1850) for the relief of Adolph Amilia Gathemann; to the Committee on Naval Affairs.

Also, a bill (H. R. 1851) for the relief of Thomas J. Harrington; to the Committee on Naval Affairs.

Also, a bill (H. R. 1852) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Mary A. McCourt; to the Committee on Claims.

Also, a bill (H. R. 1853) authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, retired, to chief boilermaker, retired; to the Committee on Naval Affairs.

Also, a bill (H. R. 1854) for the relief of Edward S. Ryan; to the Committee on Military Affairs.

Also, a bill (H. R. 1855) for the relief of Margaret Sloane; to the Committee on Claims.

Also, a bill (H. R. 1856) granting a pension to Elizabeth Rose Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1857) granting a pension to Stephen J. Crotty; to the Committee on Pensions.

Also, a bill (H. R. 1858) granting a pension to Agnes M. Jackman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1859) granting a pension to Addie E. Kittredge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1860) granting a pension to Mary A. C. Scales; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: A bill (H. R. 1861) for the relief of Irene Lungo; to the Committee on Claims.

Also, a bill (H. R. 1862) granting a pension to Mamie G. Poindexter; to the Committee on Pensions.

Also, a bill (H. R. 1863) granting a pension to Orlando Kildow; to the Committee on Pensions.

Also, a bill (H. R. 1864) for the relief of Alonzo Gilmore; to the Committee on Military Affairs.

Also, a bill (H. R. 1865) granting an increase of pension to Alice Woodson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1866) granting a pension to Margaret M. Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1867) granting an increase of pension to Ary J. Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1868) granting a pension to Lottie Vangundy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1869) granting a pension to Minnie Valentine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1870) granting an increase of pension to Catherine Summers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1871) granting a pension to Mary C. Storer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1872) granting an increase of pension to Harriet F. Skinnin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1873) granting an increase of pension to Eliza J. Simmers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1874) granting an increase of pension to Matilda M. Sidwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1875) granting an increase of pension to Bertie L. Santee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1876) granting a pension to Norma Roush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1877) granting an increase of pension to Hulda Patch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1878) granting an increase of pension to Mary E. Nutting; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1879) granting a pension to Caddie Nichols; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1880) granting a pension to Maud E. Morrow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1881) granting an increase of pension to Gilley Melotte; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1882) granting a pension to Stella Littlejohn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1883) granting an increase of pension to Mary A. Little; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1884) granting an increase of pension to Matilda Larimer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1885) granting a pension to Minnie Lacey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1886) granting an increase of pension to Susan Kennedy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1887) granting an increase of pension to Nettie Huffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1888) granting an increase of pension to Caroline Hogan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1889) granting a pension to Eliza McBroom Hoffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1890) granting a pension to John W. Hamilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1891) granting an increase of pension to Emily S. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1892) granting an increase of pension to Margaret J. Cutright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1893) granting a pension to Elizabeth Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1894) granting an increase of pension to Mary Briggs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1895) granting a pension to George W. Bowen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1896) granting an increase of pension to Sarah Amerine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1897) granting a pension to Alice M. Baker; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 1898) granting an increase of pension to Commodore P. Fuller; to the Committee on Pensions.

Also, a bill (H. R. 1899) granting an increase of pension to Eliza A. Callahan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1900) granting a pension to Frank Parish; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1901) granting an increase of pension to Mary O. Settle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1902) granting an increase of pension to Sarah Carl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1903) for the relief of Harrison Simpson; to the Committee on Claims.

Also, a bill (H. R. 1904) for the relief of Israel Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 1905) for the relief of Mary E. Dawley; to the Committee on Military Affairs.

Also, a bill (H. R. 1906) for the relief of James W. Kiplinger; to the Committee on Military Affairs.

Also, a bill (H. R. 1907) for the relief of Nolen N. Reynolds; to the Committee on Naval Affairs.

Also, a bill (H. R. 1908) granting a pension to Mary H. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1909) granting an increase of pension to Martha E. Worth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1910) granting an increase of pension to Emil Yates; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1911) granting an increase of pension to Laura E. Tansey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1912) granting an increase of pension to Catherine Palmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1913) granting a pension to Goly Weese; to the Committee on Pensions.

By Mr. WATSON: A bill (H. R. 1914) granting an increase of pension to Adelaide Manington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1915) granting an increase of pension to Mary A. Shelly; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 1916) granting a pension to Dartha C. Swihart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1917) granting an increase of pension to Lola Beebe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1918) granting a pension to William Bills; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1919) granting an increase of pension to Francena Brokaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1920) granting an increase of pension to Mariah Dry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1921) for the relief of Judd W. Hulbert; to the Committee on Claims.

Also, a bill (H. R. 1922) granting a pension to Earl Funk; to the Committee on Pensions.

Also, a bill (H. R. 1923) granting a pension to Mattie C. King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1924) granting an increase of pension to Jennie Raley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1925) for the relief of Charles Schillinger; to the Committee on Military Affairs.

Also, a bill (H. R. 1926) granting an increase of pension to Margaret E. Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1927) for the relief of Leonard L. Dilger; to the Committee on Military Affairs.

By Mr. WICKERSHAM: A bill (H. R. 1928) for the relief of Thomas H. Deal; to the Committee on Claims.

Also, a bill (H. R. 1929) to provide for a memorial to William H. Seward for his distinguished services; to the Committee on the Library.

Also, a bill (H. R. 1930) authorizing the Secretary of the Treasury to bestow a gold medal of honor, of such design as he may approve, upon Chief Boatswain Thomas A. Ross, of the United States Coast Guard station, Nome, Alaska; to the Committee on Military Affairs.

Also, a bill (H. R. 1931) for the relief of Ned Bishop; to the Committee on Claims.

Also, a bill (H. R. 1932) for the relief of Nellie Lamson; to the Committee on Claims.

By Mr. WOLFENDEN: A bill (H. R. 1933) for the relief of the Rakestraw-Pyle Co.; to the Committee on Claims.

Also, a bill (H. R. 1934) for the relief of Edward P. O'Neal; to the Committee on Military Affairs.

Also, a bill (H. R. 1935) for the relief of the Valley Forge Military Academy (Inc.); to the Committee on Military Affairs.

Also, a bill (H. R. 1936) for the relief of Sydney Thayer, jr.; to the Committee on Military Affairs.

Also, a bill (H. R. 1937) for the relief of Israel P. Clifford; to the Committee on Military Affairs.

Also, a bill (H. R. 1938) for the relief of Katherine G. Taylor; to the Committee on Claims.

By Mr. WOODRUFF: A bill (H. R. 1939) for the relief of Horace Payne; to the Committee on Military Affairs.

Also, a bill (H. R. 1940) granting an increase of pension to Catherine Hawley; to the Committee on Invalid Pensions.

By Mr. ADKINS: A bill (H. R. 1941) granting a pension to Henrietta Roland; to the Committee on Pensions.

By Mr. ALDRICH: A bill (H. R. 1942) for the relief of Mary P. Deane; to the Committee on Foreign Affairs.

Also, a bill (H. R. 1943) providing for an examination and survey of the harbor of refuge at Point Judith, R. I.; to the Committee on Rivers and Harbors.

By Mr. ARNOLD: A bill (H. R. 1944) granting an increase of pension to Harriet E. Tally; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1945) granting an increase of pension to Viola A. Shaw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1946) granting an increase of pension to Stanford A. Lasater; to the Committee on Pensions.

Also, a bill (H. R. 1947) granting an increase of pension to Clara E. Braden; to the Committee on Pensions.

Also, a bill (H. R. 1948) granting a pension to Sarah L. Calhoun; to the Committee on Invalid Pensions.

By Mr. AYRES: A bill (H. R. 1949) for the relief of Amos F. Westerfield; to the Committee on Military Affairs.

Also, a bill (H. R. 1950) for the relief of Lottie Bryant Steel; to the Committee on Claims.

Also, a bill (H. R. 1951) granting an increase of pension to Charles F. Harrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1952) granting an increase of pension to Catharine Mayer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1953) granting an increase of pension to Maria E. Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1954) granting an increase of pension to Margaret J. Kerr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1955) granting a pension to Susan E. Shelton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1956) granting an increase of pension to Martha J. Beal; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1957) granting a pension to Peoria Alice Mattox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1958) granting a pension to John D. Nite; to the Committee on Pensions.

Also, a bill (H. R. 1959) granting a pension to Truman A. Wedge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1960) granting a pension to Mattie J. Otis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1961) granting a pension to Joanna L. Canfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1962) for the relief of Noble Jay Hall; to the Committee on Claims.

Also, a bill (H. R. 1963) granting a pension to William A. Powers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1964) granting a pension to Sarah E. Goine; to the Committee on Invalid Pensions.

By Mr. BACON: A bill (H. R. 1965) for the relief of Matthew Grady; to the Committee on Military Affairs.

By Mr. BACHMANN: A bill (H. R. 1966) granting a pension to Edward E. McCamic; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1967) to provide for exclusion and expulsion of alien communists; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 1968) granting an increase of pension to Martha M. Founds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1969) granting an increase of pension to Elizabeth J. Bailey; to the Committee on Invalid Pensions.

By Mr. BEEDY: A bill (H. R. 1970) for the relief of John G. Edwards; to the Committee on Claims.

By Mr. BEERS: A bill (H. R. 1971) for the relief of Frick Co., Waynesboro, Pa.; to the Committee on Claims.

Also, a bill (H. R. 1972) granting an increase of pension to Mary E. Temple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1973) granting an increase of pension to Emma E. Clouser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1974) granting an increase of pension to Catherine Kern; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1975) granting an increase of pension to Martha J. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1976) granting an increase of pension to Mary A. Shindledecker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1977) granting an increase of pension to Anna Elizabeth Ripple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1978) granting an increase of pension to Margaret Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1979) granting an increase of pension to Emma Kerns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1980) granting an increase of pension to Annie E. Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1981) granting an increase of pension to Sadie E. Hollinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1982) granting an increase of pension to Margaret E. Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1983) granting an increase of pension to Barbara A. Bryson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1984) granting an increase of pension to Elizabeth Beasom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1985) granting an increase of pension to Susannah Long; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1986) granting an increase of pension to Jennie Clevenger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1987) granting an increase of pension to Mary A. Showers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1988) granting an increase of pension to Harriet Reichenbach; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1989) granting an increase of pension to Isabel Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1990) granting a pension to Sylvia I. Whiteman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1991) granting a pension to Mary J. Kime; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1992) granting a pension to Margaret E. Monsell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1993) granting a pension to Martha S. Bucher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1994) granting a pension to William Cloyd Fisher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 1995) granting a pension to John H. Hoover; to the Committee on Invalid Pensions.

By Mr. BLAND: A bill (H. R. 1996) for the relief of the heirs of Thomas G. Wright; to the Committee on War Claims.

Also, a bill (H. R. 1997) granting an increase of pension to Thomas A. Stacey; to the Committee on Pensions.

Also, a bill (H. R. 1998) granting an increase of pension to John T. Kiernan; to the Committee on Pensions.

Also, a bill (H. R. 1999) granting an increase of pension to Owen Gibbons; to the Committee on Pensions.

Also, a bill (H. R. 2000) granting a pension to Daniel Pierce; to the Committee on Pensions.

Also, a bill (H. R. 2001) granting a pension to Grace A. Coates; to the Committee on Pensions.

Also, a bill (H. R. 2002) granting a pension to Carl Johan Anderson; to the Committee on Pensions.

Also, a bill (H. R. 2003) granting a pension to Annie Wright; to the Committee on Invalid Pensions.

By Mr. CARDEN: A bill (H. R. 2004) for the relief of Harvey O. Willis; to the Committee on Military Affairs.

Also, a bill (H. R. 2005) granting a pension to Julia Lyon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2006) granting a pension to Jim Merideth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2007) granting a pension to George Merideth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2008) granting a pension to Christopher Osborne; to the Committee on Pensions.

Also, a bill (H. R. 2009) granting a pension to Arthur Pate; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2010) for the relief of Malcolm Allen; to the Committee on Military Affairs.

Also, a bill (H. R. 2011) granting a pension to Martha Kasinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2012) granting a pension to Charlotte A. Mercer; to the Committee on Pensions.

Also, a bill (H. R. 2013) for the relief of Pinkie Osborne; to the Committee on Claims.

Also, a bill (H. R. 2014) granting a pension to Mary E. Sutherland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2015) granting a pension to Jesse Burnett; to the Committee on Pensions.

Also, a bill (H. R. 2016) granting a pension to Ida Florence Kinney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2017) granting a pension to Gorda James; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2018) granting a pension to Galena B. Clark; to the Committee on Pensions.

Also, a bill (H. R. 2019) granting a pension to E. V. Farrell; to the Committee on Pensions.

Also, a bill (H. R. 2020) for the relief of Thomas S. Wells; to the Committee on Military Affairs.

By Mr. CARLEY: A bill (H. R. 2021) for the relief of Walter Hughes; to the Committee on Naval Affairs.

By Mr. CANFIELD: A bill (H. R. 2022) granting a pension to Emma M. Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2023) granting a pension to Lillian H. Harris; to the Committee on Pensions.

Also, a bill (H. R. 2024) granting an increase of pension to Mary E. Cannon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2025) granting an increase of pension to William H. Richter; to the Committee on Pensions.

Also, a bill (H. R. 2026) for the relief of the legal representatives of Cobb, Blasdell & Co.; to the Committee on War Claims.

Also, a bill (H. R. 2027) for the relief of the legal representatives of Gallus Kerchner, deceased; to the Committee on Claims.

Also, a bill (H. R. 2028) granting a pension to Thomas Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2029) granting a pension to Susie Cohorn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2030) granting a pension to Eugene Moody; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2031) granting a pension to Harry Dubs; to the Committee on Invalid Pensions.

By Mr. CELLER: A bill (H. R. 2032) for the relief of Max Hartenstein; to the Committee on Claims.

Also, a bill (H. R. 2033) for the relief of Theresa M. Shea; to the Committee on Claims.

Also, a bill (H. R. 2034) for the relief of the estate of Alvin C. Laupheimer; to the Committee on Claims.

Also, a bill (H. R. 2035) for the relief of Jay Jones; to the Committee on Claims.

Also, a bill (H. R. 2036) for the relief of Margaret B. Knapp; to the Committee on Claims.

Also, a bill (H. R. 2037) for the relief of Leon Schulman; to the Committee on Claims.

Also, a bill (H. R. 2038) for the relief of the heirs of Harris Smith; to the Committee on Claims.

Also, a bill (H. R. 2039) for the relief of Marcus G. Goldstein; to the Committee on Claims.

Also, a bill (H. R. 2040) for the relief of Edgar Sampson; to the Committee on Claims.

Also, a bill (H. R. 2041) for the relief of Samuel B. Schweitzer; to the Committee on Claims.

Also, a bill (H. R. 2042) for the relief of Hedwig Grassman Stehn; to the Committee on Claims.

Also, a bill (H. R. 2043) for the relief of Franklin L. Hamm; to the Committee on Claims.

Also, a bill (H. R. 2044) for the relief of Harry Gernler; to the Committee on Claims.

Also, a bill (H. R. 2045) for the relief of Frances O. Sperry; to the Committee on Claims.

Also, a bill (H. R. 2046) for the relief of Benjamin Stern, and Melville A. Stern and Benjamin Stern, as executors under the last will and testament of Louis Stern, deceased, and Arthur H. Hahlo, as executor under the last will and testament of Isaac Stern, deceased, all of New York City, N. Y., for compensation and in settlement of their damages and loss sustained by virtue of a lease, in writing, dated September 12, 1919, between the said parties and the United States of America, by Daniel C. Roper, Commissioner of Internal Revenue; to the Committee on Claims.

Also, a bill (H. R. 2047) for the relief of Charles Emelock; to the Committee on Naval Affairs.

Also, a bill (H. R. 2048) for the relief of John Louis Martin; to the Committee on Naval Affairs.

Also, a bill (H. R. 2049) for the relief of James E. Westcott; to the Committee on Military Affairs.

Also, a bill (H. R. 2050) for the relief of Harry D. Leuchtag; to the Committee on Military Affairs.

Also, a bill (H. R. 2051) for the relief of Ida Becker; to the Committee on Military Affairs.

Also, a bill (H. R. 2052) granting a pension to Margaret Drinen; to the Committee on Pensions.

Also, a bill (H. R. 2053) granting a pension to Martin J. Kaplan; to the Committee on Pensions.

Also, a bill (H. R. 2054) granting an increase of pension to John F. Kilbride; to the Committee on Pensions.

Also, a bill (H. R. 2055) granting an increase of pension to John Garvey; to the Committee on Pensions.

Also, a bill (H. R. 2056) granting an increase of pension to Margaret McLaughlin; to the Committee on Pensions.

By Mr. CHRISTOPHERSON: A bill (H. R. 2057) for the relief of Fred N. Dunham; to the Committee on Claims.

By Mr. CONNOLLY: A bill (H. R. 2058) for the relief of James Robinson; to the Committee on Naval Affairs.

Also, a bill (H. R. 2059) granting an increase of pension to Joseph Gasiorowski; to the Committee on Pensions.

Also, a bill (H. R. 2060) granting a pension to Ellen Hart; to the Committee on Pensions.

Also, a bill (H. R. 2061) granting a pension to Barbara Matthews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2062) granting a pension to Laura M. Hopwood; to the Committee on Pensions.

By Mr. COLTON: A bill (H. R. 2063) for the relief of Capt. Chester J. Dick; to the Committee on Claims.

Also, a bill (H. R. 2064) for the relief of Thomas J. Allen, jr.; to the Committee on Claims.

Also, a bill (H. R. 2065) for the relief of the Great Western Coal Mines Co.; to the Committee on Claims.

By Mr. CORNING: A bill (H. R. 2066) for the relief of Bertha Hymes Sternfeld; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 2067) for the relief of Staff Sergt. John S. Gould; to the Committee on Claims.

Also, a bill (H. R. 2068) granting an increase of pension to Catherine Long; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2069) for the relief of William P. Brady; to the Committee on Military Affairs.

Also, a bill (H. R. 2070) for the relief of Mary A. Ford; to the Committee on Claims.

Also, a bill (H. R. 2071) for the relief of Edward Beebe, otherwise known as John Doyle; to the Committee on Military Affairs.

Also, a bill (H. R. 2072) granting an increase of pension to Melissa Fitch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2073) granting an increase of pension to Mary Kearsing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2074) donating bronze trophy guns to the Cohoes Historical Society, Cohoes, N. Y.; to the Committee on Military Affairs.

By Mr. CONDON: A bill (H. R. 2075) for the relief of A. C. Messler Co.; to the Committee on War Claims.

By Mr. CORNING: A bill (H. R. 2076) authorizing the conveyance by quitclaim deed of the portion of the abandoned Erie Canal within the Watervliet Arsenal Reservation to the city of Watervliet, N. Y.; to the Committee on Military Affairs.

By Mr. COYLE: A bill (H. R. 2077) granting a pension to Rachel Rebecca Rohback; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2078) granting a pension to Susie Gamble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2079) granting an increase of pension to Howard L. Rader; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2080) granting an increase of pension to Ethel Sharp Griswold; to the Committee on Pensions.

Also, a bill (H. R. 2081) granting an increase of pension to Augusta J. Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2082) granting an increase of pension to Mary Ellen Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2083) for the relief of James Woodring; to the Committee on Military Affairs.

Also, a bill (H. R. 2084) for the relief of Col. Richard M. Cutts, United States Marine Corps; to the Committee on Claims.

Also, a bill (H. R. 2085) for the relief of James Dougherty; to the Committee on Military Affairs.

Also, a bill (H. R. 2086) for the relief of Francis Engler; to the Committee on Claims.

Also, a bill (H. R. 2087) for the relief of Col. Frank E. Evans, United States Marine Corps; to the Committee on Naval Affairs.

Also, a bill (H. R. 2088) for the relief of John J. Foley; to the Committee on Military Affairs.

Also, a bill (H. R. 2089) for the relief of John Gwillym; to the Committee on Military Affairs.

Also, a bill (H. R. 2090) for the relief of William Hammond; to the Committee on Claims.

Also, a bill (H. R. 2091) for the relief of Samuel Morrison; to the Committee on Military Affairs.

Also, a bill (H. R. 2092) for the relief of Jacob W. Moyer; to the Committee on Military Affairs.

Also, a bill (H. R. 2093) to further amend the act of March 4, 1925, as amended March 3, 1926, and April 6, 1926, and to amend the act of February 16, 1929, to further carry out the provisions of the award of the National War Labor Board of July 31, 1918, and the action of the War Department Claims Board of July 6, 1921, and for reimbursing the Bethlehem Steel Co. for additional compensation paid by it to certain of its employees in compliance with such award; to the Committee on Claims.

Also, a bill (H. R. 2094) to reimburse the school district of the city of Bethlehem, Pa., for sums advanced on project of the United States Housing Corporation; to the Committee on Claims.

Also, a bill (H. R. 2095) for the relief of Stephen George Bednar; to the Committee on Naval Affairs.

By Mr. CURRY: A bill (H. R. 2096) granting a pension to James E. Proctor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2097) to authorize the Secretary of War to donate two bronze cannons to the Veterans' Alliance of Vallejo, Calif.; to the Committee on Military Affairs.

Also, a bill (H. R. 2098) to authorize the Secretary of War to donate two bronze cannon to the city of Benicia, Calif.; to the Committee on Military Affairs.

By Mr. MOORE of Ohio: A bill (H. R. 2099) granting an increase of pension to Frances A. Shacklee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2100) granting an increase of pension to Lucinda J. King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2101) granting a pension to Narcissa Walter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2102) granting an increase of pension to Martha J. Marlott; to the Committee on Invalid Pensions.

By Mr. DICKINSON: A bill (H. R. 2103) for the relief of St. Ludgers Catholic Church of Germantown, Henry County, Mo.; to the Committee on War Claims.

Also, a bill (H. R. 2104) granting a pension to Mollie E. Shrier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2105) granting a pension to Martha Tremain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2106) granting an increase of pension to Effie Sullivan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2107) granting an increase of pension to Belle F. Shideler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2108) granting a pension to Polly Ann Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2109) granting a pension to Hattie Porter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2110) granting a pension to Mary E. Hays; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2111) granting a pension to Hanie Marshall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2112) granting a pension to Mary E. Burchett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2113) granting an increase of pension to Sarah M. Dickenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2114) granting a pension to Annie May Bartlett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2115) granting a pension to Margaret J. Allen; to the Committee on Invalid Pensions.

By Mr. EATON of Colorado: A bill (H. R. 2116) for the relief of Davis & Vance; to the Committee on Claims.

Also, a bill (H. R. 2117) for the relief of John O'Toole; to the Committee on Claims.

Also, a bill (H. R. 2118) for the relief of J. N. Gordon; to the Committee on Claims.

Also, a bill (H. R. 2119) for the relief of Frank T. Flenniken; to the Committee on Naval Affairs.

Also, a bill (H. R. 2120) granting a pension to Catherine S. Shean; to the Committee on Pensions.

Also, a bill (H. R. 2121) granting a pension to Rachel P. Malone; to the Committee on Pensions.

Also, a bill (H. R. 2122) granting a pension to James H. C. Brown; to the Committee on Pensions.

Also, a bill (H. R. 2123) granting a pension to Mary J. Edwards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2124) granting a pension to Josephine B. Bills; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2125) to provide for the advancement on the retired list of the Navy of Frederick L. Caudle; to the Committee on Naval Affairs.

By Mr. EVANS of California: A bill (H. R. 2126) for the relief of the Brookhill Corporation; to the Committee on Claims.

By Mr. EVANS of Montana: A bill (H. R. 2127) granting a pension to Thomas A. Chaffin; to the Committee on Pensions.

Also, a bill (H. R. 2128) granting a pension to James A. Chaffin; to the Committee on Pensions.

By Mr. FIESENGER: A bill (H. R. 2129) granting a pension to Grace Hagan; to the Committee on Pensions.

Also, a bill (H. R. 2130) for the relief of Myrtle Campbell; to the Committee on War Claims.

Also, a bill (H. R. 2131) granting a pension to Rosa Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2132) granting a pension to Fannie Stults; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2133) granting a pension to Nehemiah D. Minkler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2134) granting a pension to Grover Peoples; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2135) granting a pension to Charles F. Himmelberger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2136) granting a pension to Sarah Eagle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2137) granting an increase of pension to Edith Stickels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2138) granting an increase of pension to Lucretia C. Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2139) granting an increase of pension to Harmon E. Deck; to the Committee on Pensions.

Also, a bill (H. R. 2140) granting an increase of pension to Peter McKittrick; to the Committee on Pensions.

Also, a bill (H. R. 2141) for the relief of Harry Morganstern; to the Committee on Military Affairs.

Also, a bill (H. R. 2142) for the relief of Albert Zimmer; to the Committee on Military Affairs.

By Mr. FINLEY: A bill (H. R. 2143) granting a pension to Walter J. Shadoan; to the Committee on Pensions.

Also, a bill (H. R. 2144) granting a pension to Amanda Sumner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2145) granting an increase of pension to Charles Eversole; to the Committee on Pensions.

Also, a bill (H. R. 2146) for the relief of Larkin B. Walker; to the Committee on Claims.

By Mr. FITZPATRICK: A bill (H. R. 2147) granting an increase of pension to Cora A. Long; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2148) granting an increase of pension to Clara W. Barrett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2149) granting a pension to Alice J. Monahan; to the Committee on Pensions.

Also, a bill (H. R. 2150) granting a pension to Ernestine W. Voss; to the Committee on Pensions.

Also, a bill (H. R. 2151) for the relief of Pauline Fornabaio; to the Committee on Claims.

Also, a bill (H. R. 2152) granting a pension to Elizabeth Murray; to the Committee on Pensions.

Also, a bill (H. R. 2153) for the relief of Mary Cooper; to the Committee on Claims.

Also, a bill (H. R. 2154) for the relief of Caroline M. Hyde; to the Committee on Claims.

Also, a bill (H. R. 2155) for the relief of Leonora Simons; to the Committee on Claims.

Also, a bill (H. R. 2156) for the relief of William Robert Gibson; to the Committee on Naval Affairs.

Also, a bill (H. R. 2157) for the relief of Arthur I. Neville; to the Committee on Military Affairs.

Also, a bill (H. R. 2158) for the relief of Bernard Rothstein; to the Committee on Naval Affairs.

By Mr. FOSS: A bill (H. R. 2159) granting an increase of pension to Mary T. O'Malley; to the Committee on Pensions.

Also, a bill (H. R. 2160) granting an increase of pension to Addie J. Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2161) for the relief of Nelson E. Frissell; to the Committee on Claims.

Also, a bill (H. R. 2162) for the relief of Millie M. Hinman; to the Committee on War Claims.

Also, a bill (H. R. 2163) granting a pension to William Henry Coffey; to the Committee on Pensions.

Also, a bill (H. R. 2164) granting a pension to Margaret Bartlett; to the Committee on Pensions.

Also, a bill (H. R. 2165) granting a pension to Charles F. Barber; to the Committee on Pensions.

Also, a bill (H. R. 2166) granting a pension to Lucretia S. Smart; to the Committee on Pensions.

Also, a bill (H. R. 2167) for the relief of the Metropolitan Camp Goods Co.; to the Committee on Claims.

Also, a bill (H. R. 2168) for the relief of the widow of Warren V. Howard; to the Committee on Military Affairs.

Also, a bill (H. R. 2169) granting a pension to Cora N. Richards Stone; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2170) granting a pension to Florence G Combs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2171) for the relief of Louis Miner; to the Committee on Military Affairs.

Also, a bill (H. R. 2172) for the relief of William E. Bliss; to the Committee on Claims.

Also, a bill (H. R. 2173) granting a pension to Hinman E. Ingerson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2174) granting a pension to Mary E. Dane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2175) granting a pension to Abbie E. Rhoades; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 2176) providing for an examination and survey of Rock Harbor, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2177) providing for an examination and survey of the shore at Manomet Point, Plymouth Harbor, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2178) providing for an examination and survey of the shore at Gay Head, Mass.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2179) for the relief of John L. Mitchell; to the Committee on Pensions.

Also, a bill (H. R. 2180) granting a pension to Margaret White; to the Committee on Pensions.

Also, a bill (H. R. 2181) granting a pension to William W. Holmes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2182) granting an increase of pension to Bridget E. Williams; to the Committee on Pensions.

Also, a bill (H. R. 2183) granting a pension to Albert H. Lucas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2184) for the relief of John Kelley; to the Committee on Claims.

Also, a bill (H. R. 2185) for the relief of the estate of Marcellino M. Gilmette; to the Committee on Claims.

Also, a bill (H. R. 2186) for the relief of T. Perry Higgins; to the Committee on Claims.

Also, a bill (H. R. 2187) for the relief of Alfred M. Hilton; to the Committee on Claims.

Also, a bill (H. R. 2188) for the relief of Arthur K. Finney; to the Committee on Claims.

Also, a bill (H. R. 2189) for the relief of Elsie M. Sears; to the Committee on Claims.

Also, a bill (H. R. 2190) for the relief of Willie B. Cleverly; to the Committee on Claims.

Also, a bill (H. R. 2191) for the relief of Martis L. Foster; to the Committee on Claims.

Also, a bill (H. R. 2192) for the relief of Nellie F. Sherman; to the Committee on Claims.

Also, a bill (H. R. 2193) for the relief of John Thomas Simpkin; to the Committee on Naval Affairs.

Also, a bill (H. R. 2194) for the relief of Charles A. Gettys; to the Committee on Naval Affairs.

Also, a bill (H. R. 2195) for the relief of Joseph Paneuf; to the Committee on Military Affairs.

Also, a bill (H. R. 2196) for the relief of George F. Almond; to the Committee on Military Affairs.

By Mr. GILLEN: A bill (H. R. 2197) granting an increase of pension to Glenn Wisely; to the Committee on Pensions.

Also, a bill (H. R. 2198) granting an increase of pension to Martha J. Doty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2199) granting an increase of pension to Perlie R. Chambers; to the Committee on Pensions.

Also, a bill (H. R. 2200) granting a pension to John L. Leachman; to the Committee on Pensions.

Also, a bill (H. R. 2201) granting a pension to Clara Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2202) granting a pension to Rachel Monday; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2203) for the relief of Raymond Crosby; to the Committee on Claims.

Also, a bill (H. R. 2204) for the relief of George R. Stringer; to the Committee on Claims.

By Mr. GOLDSBOROUGH: A bill (H. R. 2205) to provide for the examination and survey of the channel in the southeast branch of Fox Creek, a tributary of Honga River, Dorchester County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2206) to provide for the examination and survey of waterway from Chesapeake Bay to Tangier Sound, on Smiths Island, Somerset County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2207) to provide for the examination and survey of Little Island Creek, a tributary of the Greater Choptank River, Talbot County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2208) to provide for the examination and survey of the channel in Little Creek, a tributary of Eastern Bay, in Queen Annes County, Md.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2209) granting a pension to Margaret R. Truitt; to the Committee on Pensions.

Also, a bill (H. R. 2210) granting a pension to Mary B. Sherwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2211) granting a pension to Alice M. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2212) granting a pension to Elizabeth B. Kemp; to the Committee on Pensions.

Also, a bill (H. R. 2213) for the relief of Harvey Collins; to the Committee on Naval Affairs.

Also, a bill (H. R. 2214) for the relief of Charlestown Sand & Stone Co., of Elkton, Md.; to the Committee on War Claims.

Also, a bill (H. R. 2215) for the relief of Charles Holding; to the Committee on Military Affairs.

Also, a bill (H. R. 2216) for the relief of Zedic N. Draper; to the Committee on Military Affairs.

Also, a bill (H. R. 2217) for the relief of the Bethel Cemetery Co., the Presbyterian Church, Harold S. Stubbs, George Morgan, Edward Stapp, William J. Howard, David J. Seacord, Mary L. McIntire, Emma E. Foard, Herbert C. Hannigan, Sisters of St. Baisl, Edward Bedwell, and Rachel A. Loveless; to the Committee on Claims.

Also, a bill (H. R. 2218) for the relief of Winfred G. Scott; to the Committee on Claims.

By Mr. GOSS: A bill (H. R. 2219) for the relief of Helen M. Crowley; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 2220) granting an increase of pension to Roy L. Colvin; to the Committee on Pensions.

Also, a bill (H. R. 2221) granting an increase of pension to Noah Harrell; to the Committee on Pensions.

Also, a bill (H. R. 2222) granting an increase of pension to Mary E. Whitlock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2223) granting an increase of pension to Laura A. Stuffle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2224) granting a pension to Thomas Atha; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2225) granting a pension to Homer J. Walton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2226) granting a pension to Nancy Ann Scribner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2227) granting a pension to Hattie McIntosh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2228) granting a pension to Nelle L. Axe; to the Committee on Pensions.

Also, a bill (H. R. 2229) granting a pension to Luther Hudson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2230) for the relief of William H. Byerly; to the Committee on Military Affairs.

By Mr. GRIFFIN: A bill (H. R. 2231) to provide for the appointment of Maurice D. Loewenthal as a warrant officer in the United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2232) granting a pension to Ida Sivin; to the Committee on Pensions.

Also, a bill (H. R. 2233) granting a pension to Elizabeth Agnes Axson; to the Committee on Pensions.

Also, a bill (H. R. 2234) for the relief of Gustav A. Ringelman; to the Committee on Naval Affairs.

Also, a bill (H. R. 2235) for the relief of Joseph McMullen; to the Committee on Naval Affairs.

Also, a bill (H. R. 2236) for the relief of George Price; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 2237) for the relief of Samuel David Singer; to the Committee on Naval Affairs.

Also, a bill (H. R. 2238) for the relief of Edward Bodeck; to the Committee on Claims.

Also, a bill (H. R. 2239) for the relief of the estate of Bridget McGrane; to the Committee on Claims.

Also, a bill (H. R. 2240) for the relief of Aaron Cohen; to the Committee on Military Affairs.

Also, a bill (H. R. 2241) for the relief of Patrick Collins; to the Committee on Military Affairs.

Also, a bill (H. R. 2242) for the relief of Matthew H. Moore; to the Committee on Military Affairs.

Also, a bill (H. R. 2243) for the relief of Michael F. Schroppel; to the Committee on Military Affairs.

Also, a bill (H. R. 2244) for the relief of Sidney Silverman; to the Committee on Military Affairs.

By Mr. HALL of Illinois: A bill (H. R. 2245) for the relief of Stella E. Whitmore; to the Committee on Claims.

Also, a bill (H. R. 2246) for the relief of John G. Dwyer; to the Committee on Military Affairs.

By Mr. HANCOCK of New York: A bill (H. R. 2247) to provide for the appointment as a warrant officer of the Regular Army of Sidney B. Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 2248) granting a pension to Joseph John Stevens; to the Committee on Pensions.

Also, a bill (H. R. 2249) granting a pension to George Van Arsdale; to the Committee on Pensions.

Also, a bill (H. R. 2250) granting a pension to Catherine Fulmer; to the Committee on Pensions.

Also, a bill (H. R. 2251) for the relief of John C. Allen; to the Committee on Military Affairs.

Also, a bill (H. R. 2252) granting an increase of pension to Elizabeth Canfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2253) for the relief of Edward V. Bryant; to the Committee on Claims.

Also, a bill (H. R. 2254) for the relief of Victor Oscar Gokey; to the Committee on Naval Affairs.

By Mr. HARLAN: A bill (H. R. 2255) granting a pension to Reubin Franklin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2256) granting an increase of pension to Janette Eskridge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2257) granting a pension to Millie Hudson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2258) granting an increase of pension to Catharine H. Oxley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2259) granting a pension to James McGuire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2260) granting a pension to Amanda Riddell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2261) granting an increase of pension to Mary Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2262) granting an increase of pension to Susan E. Raser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2263) granting a pension to Joseph L. Kirk; to the Committee on Pensions.

Also, a bill (H. R. 2264) granting a pension to Roy L. Glover; to the Committee on Pensions.

Also, a bill (H. R. 2265) granting a pension to Lafayette Bronson; to the Committee on Pensions.

Also, a bill (H. R. 2266) granting a pension to Marion A. Martin; to the Committee on Pensions.

Also, a bill (H. R. 2267) granting a pension to James F. Deal; to the Committee on Pensions.

Also, a bill (H. R. 2268) granting a pension to Nancy McCurdy; to the Committee on Pensions.

Also, a bill (H. R. 2269) granting a pension to Grace J. Turner; to the Committee on Pensions.

Also, a bill (H. R. 2270) granting a pension to James L. Mackley; to the Committee on Pensions.

Also, a bill (H. R. 2271) granting a pension to Hattie E. Young; to the Committee on Pensions.

Also, a bill (H. R. 2272) granting a pension to Mary A. Stuck; to the Committee on Pensions.

Also, a bill (H. R. 2273) granting a pension to Harry A. Nye; to the Committee on Pensions.

Also, a bill (H. R. 2274) granting a pension to Robert S. Kim; to the Committee on Pensions.

Also, a bill (H. R. 2275) granting a pension to John L. Mercer; to the Committee on Pensions.

Also, a bill (H. R. 2276) granting an increase of pension to Jackson G. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 2277) granting a pension to Henry Lewis; to the Committee on Pensions.

Also, a bill (H. R. 2278) granting a pension to Andrew Johnson; to the Committee on Pensions.

Also, a bill (H. R. 2279) granting a pension to Charles Odell; to the Committee on Pensions.

Also, a bill (H. R. 2280) granting a pension to Wheeler E. Adams; to the Committee on Pensions.

Also, a bill (H. R. 2281) granting a pension to Joseph Erlacher; to the Committee on Pensions.

Also, a bill (H. R. 2282) granting an increase of pension to Marion Thacker; to the Committee on Pensions.

Also, a bill (H. R. 2283) granting a pension to Fred Varner; to the Committee on Pensions.

Also, a bill (H. R. 2284) for the relief of Thomas T. Gessler; to the Committee on Naval Affairs.

Also, a bill (H. R. 2285) for the relief of Dock Leach; to the Committee on Military Affairs.

Also, a bill (H. R. 2286) for the relief of John F. Hatfield; to the Committee on Military Affairs.

Also, a bill (H. R. 2287) for the relief of James J. Haley; to the Committee on Military Affairs.

Also, a bill (H. R. 2288) for the relief of John H. Conner; to the Committee on Military Affairs.

Also, a bill (H. R. 2289) for the relief of Noah M. Banks; to the Committee on Military Affairs.

Also, a bill (H. R. 2290) for the relief of Thornton Bailey; to the Committee on Military Affairs.

Also, a bill (H. R. 2291) for the relief of Charles J. Naudascher; to the Committee on Military Affairs.

Also, a bill (H. R. 2292) for the relief of Thomas Carroll; to the Committee on Military Affairs.

Also, a bill (H. R. 2293) for the relief of Edward A. Burkett; to the Committee on Military Affairs.

Also, a bill (H. R. 2294) for the relief of C. A. Cates; to the Committee on Claims.

Also, a bill (H. R. 2295) for the relief of Eloise O'Loughlin; to the Committee on Claims.

Also, a bill (H. R. 2296) for the relief of Charles W. Dworack; to the Committee on Claims.

By Mr. HESS: A bill (H. R. 2297) for the relief of the David Gordon Building & Construction Co.; to the Committee on Claims.

By Mr. HOGG of Indiana: A bill (H. R. 2298) granting a pension to Emma C. Strouse; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2299) granting an increase of pension to Sarah E. Casebeer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2300) granting an increase of pension to Cora B. Sargent; to the Committee on Invalid Pensions.

By Mr. HOPE: A bill (H. R. 2301) granting a pension to Olieda Irene Hansen; to the Committee on Pensions.

Also, a bill (H. R. 2302) granting a pension to Susan Jane Painter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2303) for the relief of Sylvester P. Hill; to the Committee on Military Affairs.

By Mr. HOOPER: A bill (H. R. 2304) for the relief of John W. Barnum; to the Committee on Claims.

Also, a bill (H. R. 2305) for the relief of Myron L. Leutwein; to the Committee on Military Affairs.

Also, a bill (H. R. 2306) granting a pension to Elmer E. Laurence; to the Committee on Pensions.

Also, a bill (H. R. 2307) granting a pension to Harry M. Snow; to the Committee on Pensions.

By Mr. HUDDLESTON: A bill (H. R. 2308) to reimburse Braxton F. Hogan; to the Committee on Claims.

Also, a bill (H. R. 2309) for the relief of Jack Page; to the Committee on Military Affairs.

Also, a bill (H. R. 2310) granting a pension to Maria Overton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2311) granting an increase of pension to Jesse A. Baggett; to the Committee on Pensions.

Also, a bill (H. R. 2312) granting a pension to Daniel W. Tidmore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2313) granting a pension to Isaac R. Ensey; to the Committee on Pensions.

Also, a bill (H. R. 2314) granting a pension to Fred Tribble; to the Committee on Pensions.

Also, a bill (H. R. 2315) granting a pension to Charlotte Dean; to the Committee on Pensions.

Also, a bill (H. R. 2316) granting a pension to Catherine I. Thomas; to the Committee on Pensions.

Also, a bill (H. R. 2317) granting a pension to Jack Page; to the Committee on Pensions.

By Mr. HOWARD: A bill (H. R. 2318) for the relief of the Omaha Indians residing in school district No. 16, Thurston County, State of Nebraska; to the Committee on Indian Affairs.

Also, a bill (H. R. 2319) to investigate the claims of and to enroll certain persons, if entitled, with the Omaha Tribe of Indians; to the Committee on Indian Affairs.

Also, a bill (H. R. 2320) for the relief of Donald K. Warner; to the Committee on Claims.

Also, a bill (H. R. 2321) granting a pension to Lewis Garner; to the Committee on Pensions.

Also, a bill (H. R. 2322) granting an increase of pension to Martha Bell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2323) granting an increase of pension to Melissa Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2324) granting an increase of pension to Laura Penn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2325) granting an increase of pension to Mary A. Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2326) granting a pension to Jennie Spohn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2327) granting a pension to Henry Spohn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2328) granting an increase of pension to Lucy A. Whittemore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2329) granting an increase of pension to Emmaline E. Travis; to the Committee on Invalid Pensions.

By Mr. MORTON D. HULL: A bill (H. R. 2330) to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever, approved February 28, 1929, by including therein the name of Gustaf E. Lambert; to the Committee on Military Affairs.

Also, a bill (H. R. 2331) for the relief of Robert E. Beck, alias Rudolph E. Beck; to the Committee on Military Affairs.

Also, a bill (H. R. 2332) for the relief of Wilbur Rogers; to the Committee on Military Affairs.

Also, a bill (H. R. 2333) granting an increase of pension to Mary J. Swisher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2334) granting a pension to Mabel Jane Maher Boosey; to the Committee on Pensions.

Also, a bill (H. R. 2335) granting a pension to Ella F. Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2336) granting a pension to Annie Marie Swingle; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 2337) granting a pension to Leslie D. Hood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2338) granting an increase of pension to Caroline Rupe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2339) granting an increase of pension to Sarah Shoemaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2340) granting an increase of pension to Eva Barlow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2341) granting an increase of pension to Mary C. Arthur; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2342) granting an increase of pension to Elizabeth Board; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2343) granting an increase of pension to Eliza A. Black; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2344) granting an increase of pension to Adabelle Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2345) granting an increase of pension to Rose Brownstead; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2346) granting an increase of pension to Nancy J. Bryant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2347) granting an increase of pension to Lucy R. Burchfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2348) granting an increase of pension to Eva Calvert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2349) granting an increase of pension to Louisiana Butcher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2350) granting an increase of pension to Mary Clutts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2351) granting an increase of pension to Maria S. Carsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2352) granting an increase of pension to Mary Conaway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2353) granting an increase of pension to Julina Crabtree; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2354) granting an increase of pension to Mary C. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2355) granting an increase of pension to Mariam Daniels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2356) granting an increase of pension to Veturia H. Dugan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2357) granting an increase of pension to Rachel L. Ellis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2358) granting an increase of pension to California Farmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2359) granting an increase of pension to Melissa Endicott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2360) granting an increase of pension to Mary E. Gramm; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2361) granting an increase of pension to Elizabeth Harkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2362) granting an increase of pension to Jennie Hawk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2363) granting an increase of pension to Kate Matthews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2364) granting an increase of pension to Luella Lucas; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2365) granting an increase of pension to Carrie R. Mauck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2366) granting an increase on pension to Julia Purnell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2367) granting an increase of pension to Hattie Morris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2368) granting an increase of pension to Elizabeth F. Rader; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2369) granting an increase of pension to Catherine Ribel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2370) granting an increase of pension to Rebecca Saunders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2371) granting an increase of pension to Ella Shanks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2372) granting an increase of pension to Martha J. Stephenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2373) granting an increase of pension to Sophie M. Swigert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2374) granting an increase of pension to Maria Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2375) granting an increase of pensions to Caroline Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2376) granting an increase of pension to Adah Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2377) granting a pension to Hester White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2378) granting a pension to Samuel Warner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2379) granting a pension to Dora B. Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2380) granting a pension to Rosa Ralph; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2381) granting a pension to Magdalena Queens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2382) granting a pension to Warren McDaniels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2383) granting a pension to Priscilla Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2384) granting a pension to Susan Lovejoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2385) granting a pension to Nettie A. Lanier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2386) granting a pension to Alexander Lane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2387) granting a pension to Sarah J. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2388) granting a pension to Belle M. Hailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2389) granting a pension to Augusta Ruble; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2390) granting a pension to Chester Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2391) for the relief of Martin J. Hayes; to the Committee on Claims.

Also, a bill (H. R. 2392) granting an increase of pension to Elizabeth Russell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2393) granting a pension to James D. French; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2394) for the relief of Wade Dean; to the Committee on Claims.

Also, a bill (H. R. 2395) granting an increase of pension to Mary E. DeWitt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2396) granting a pension to Asenith E. Curry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2397) granting a pension to Luke Conerton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2398) granting an increase of pension to Florence Cordell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2399) granting a pension to Sib Sibert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2400) granting a pension to Harvey F. Cochran; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2401) granting a pension to Wilson Branch Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2402) granting a pension to Ella Carl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2403) granting a pension to Nola S. Butcher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2404) granting a pension to Emma Barrett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2405) granting a pension to Mary J. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2406) granting a pension to William Long; to the Committee on Pensions.

Also, a bill (H. R. 2407) granting a pension to Ida Alice Bricker Lewis; to the Committee on Pensions.

By Mr. KADING: A bill (H. R. 2408) granting a pension to Clara Gaffron; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2409) granting a pension to Emma Cummings; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2410) granting a pension to Emma Burgess Wing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2411) granting a pension to Benjamin Frederick Pabst; to the Committee on Pensions.

Also, a bill (H. R. 2412) granting an increase of pension to Frances Bryant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2413) granting an increase of pension to Susan A. Holden; to the Committee on Pensions.

Also, a bill (H. R. 2414) granting an increase of pension to Maryetta Beahm; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2415) granting an increase of pension to Emilie Feuerstake; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2416) granting an increase of pension to Dora Brickner; to the Committee on Invalid Pensions.

By Mr. KEMP: A bill (H. R. 2417) for the relief of Charles A. Holder; to the Committee on Claims.

Also, a bill (H. R. 2418) concerning the claim of Jacob Landry; to the Committee on the Public Lands.

Also, a bill (H. R. 2419) granting a pension to Dr. John B. Sewell; to the Committee on Pensions.

Also, a bill (H. R. 2420) granting an increase of pension to Harrison H. Bradford; to the Committee on Pensions.

Also, a bill (H. R. 2421) for the relief of Lucien Gautreau; to the Committee on Claims.

Also, a bill (H. R. 2422) for the relief of W. O. McDaniel; to the Committee on Claims.

Also, a bill (H. R. 2423) for the relief of Harrison H. Bradford; to the Committee on Military Affairs.

By Mr. KENDALL: A bill (H. R. 2424) for the relief of W. H. Bradford & Co. (Inc.); to the Committee on Claims.

By Mr. KINZER: A bill (H. R. 2425) granting an increase of pension to Katherine Baxter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2426) granting an increase of pension to Maggie H. Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2427) granting an increase of pension to Josephine Gabriel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2428) granting a pension to George Newton Groff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2429) granting an increase of pension to Sarah J. Lafferty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2430) granting an increase of pension to Annie Metzger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2431) granting an increase of pension to Anna B. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2432) granting an increase of pension to Emma J. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2433) granting an increase of pension to Johanna C. Nightingale; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2434) granting a pension to Sarah E. O'Bryan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2435) granting an increase of pension to Salinda Deitzler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2436) granting an increase of pension to Lydia A. Stuard; to the Committee on Invalid Pensions.

By Mr. KELLY of Illinois: A bill (H. R. 2437) for the relief of Alexander Poleski; to the Committee on Military Affairs.

Also, a bill (H. R. 2438) for the relief of George O. Kittell; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 2439) granting a pension to Paulinus G. Huhn; to the Committee on Pensions.

Also, a bill (H. R. 2440) granting a pension to Anna Hovey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2441) granting a pension to Eric Kronberg; to the Committee on Pensions.

Also, a bill (H. R. 2442) granting a pension to Mary Brown; to the Committee on Pensions.

Also, a bill (H. R. 2443) granting a pension to Minnie McPhail; to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 2444) for the relief of Marie Linsenmeyer; to the Committee on Claims.

Also, a bill (H. R. 2445) for the relief of Clarence R. Killion; to the Committee on Military Affairs.

Also, a bill (H. R. 2446) granting a pension to Mary Jane Willey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2447) granting a pension to Idora B. Stucker; to the Committee on Pensions.

Also, a bill (H. R. 2448) granting a pension to Elizabeth Spafford; to the Committee on Pensions.

Also, a bill (H. R. 2449) granting a pension to Anna M. Shumaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2450) granting a pension to Dora Robbins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2451) granting a pension to Anna Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2452) granting an increase of pension to Lydia J. Barton; to the Committee on Invalid Pensions.

By Mr. LEWIS: A bill (H. R. 2453) for the relief of Mary E. Roney; to the Committee on Claims.

By Mr. LICHTENWALNER: A bill (H. R. 2454) granting an increase of pension to Hannah A. Brittain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2455) for the relief of Joseph F. Gdaniec; to the Committee on Military Affairs.

Also, a bill (H. R. 2456) for the relief of Peter Weitzel; to the Committee on Military Affairs.

By Mr. MAPES: A bill (H. R. 2457) for the relief of Ernest Eppinga; to the Committee on Naval Affairs.

Also, a bill (H. R. 2458) granting a pension to Maud Cross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2459) granting an increase of pension to Alice Brayman; to the Committee on Pensions.

By Mr. MARTIN of Massachusetts: A bill (H. R. 2460) granting an increase of pension to Anne Elizabeth McMullen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2461) granting an increase of pension to Mary J. Staples; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2462) for the relief of Thelma Lucy Rounds; to the Committee on Claims.

By Mr. MARTIN of Oregon: A bill (H. R. 2463) for the relief of Charles Y. Wilson; to the Committee on Military Affairs.

Also, a bill (H. R. 2464) for the relief of Allan W. Hartman; to the Committee on Military Affairs.

Also, a bill (H. R. 2465) for the relief of John Andrew Ramsdell, jr.; to the Committee on Naval Affairs.

Also, a bill (H. R. 2466) for the relief of Capt. Lloyd S. Spooner, United States Army; to the Committee on Claims.

Also, a bill (H. R. 2467) for the relief of Leila McKay; to the Committee on Claims.

Also, a bill (H. R. 2468) for the relief of William Wannebo; to the Committee on Military Affairs.

Also, a bill (H. R. 2469) for the relief of Jacob Geres; to the Committee on Military Affairs.

By Mr. MEAD: A bill (H. R. 2470) for the relief of G. Elias & Bro. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 2471) for the relief of G. Elias & Bro. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 2472) granting a pension to Clara Nagel; to the Committee on Pensions.

By Mr. MILLER: A bill (H. R. 2473) granting a pension to Eugene H. Abington; to the Committee on Pensions.

Also, a bill (H. R. 2474) granting a pension to Gracie Marie Kent; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2475) for the relief of Ira N. Saffell; to the Committee on Military Affairs.

Also, a bill (H. R. 2476) for the relief of Arthur H. Taylor; to the Committee on Claims.

Also, a bill (H. R. 2477) for the relief of Hosea M. Jones; to the Committee on Military Affairs.

Also, a bill (H. R. 2478) for the relief of Silas B. Lawrence; to the Committee on Claims.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 2479) for the relief of Earl J. Babcock; to the Committee on Military Affairs.

Also, a bill (H. R. 2480) providing for the enrollment of William J. Cizek as a member of the Kiowa Indian Tribe of Oklahoma and providing for an allotment of land in the Kiowa, Comanche, and Apache Indian Reservations; to the Committee on Indian Affairs.

By Mr. MOREHEAD: A bill (H. R. 2481) making appropriation to restore water of high mineral content on land owned and controlled by the Federal Government; to the Committee on Claims.

Also, a bill (H. R. 2482) granting a pension to Ulysses Otto Holman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2483) granting a pension to Abbie Stuck; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 2484) granting a pension to Rose M. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2485) granting a pension to Florence E. Tripp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2486) granting a pension to Maud A. Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2487) granting an increase of pension to Abbie A. Rockwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2488) granting an increase of pension to Abbie H. Putnam; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2489) granting an increase of pension to Mary E. Stevenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2490) granting an increase of pension to Georgie A. Smiley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2491) granting an increase of pension to Emma D. Busher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2492) granting a pension to Adelaide L. France; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2493) granting a pension to Mary Jane Blackman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2494) granting an increase of pension to Julia E. Alcorn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2495) for the relief of Michael Breck; to the Committee on Military Affairs.

Also, a bill (H. R. 2496) for the relief of Joseph Dumas; to the Committee on Claims.

Also, a bill (H. R. 2497) granting an increase of pension to Frances A. Merchant; to the Committee on Invalid Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 2498) granting a pension to Effie L. Van Namee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2499) for the relief of George H. Stahl; to the Committee on Military Affairs.

Also, a bill (H. R. 2500) granting a pension to Martha J. Reese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2501) granting a pension to Clara A. Stuart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2502) granting an increase of pension to Jane Furgeson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2503) granting a pension to Eugene Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2504) granting an increase of pension to Emma L. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2505) granting an increase of pension to Edith Cole Colville; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2506) granting an increase of pension to Hannah E. Holbrook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2507) granting an increase of pension to Fannie V. Gunnell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2508) granting an increase of pension to Mary A. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2509) granting an increase of pension to Dora Peterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2510) granting an increase of pension to Gertrude Warren; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2511) granting an increase of pension to Frances Prosser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2512) granting an increase of pension to Catherine Burris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2513) granting an increase of pension to Minnie J. Hodge; to the Committee on Invalid Pensions.

By Mr. O'CONNOR: A bill (H. R. 2514) for the relief of the estate of Samuel Schwartz; to the Committee on Claims.

Also, a bill (H. R. 2515) granting a pension to Denis Keohane; to the Committee on Pensions.

Also, a bill (H. R. 2516) granting a pension to Juan Lopez; to the Committee on Pensions.

By Mr. PATMAN: A bill (H. R. 2517) for reimbursement of hospital expenses to Dr. W. A. Starkey, paid out by him on account of the hospitalization of his son, Paul M. Starkey, now deceased, who was a veteran of the late World War; to the Committee on Claims.

By Mr. PARKER of New York: A bill (H. R. 2518) granting a pension to Margaret M. Crane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2519) granting a pension to Patrick J. Whalen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2520) granting an increase of pension to Mary C. Hoyt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2521) granting an increase of pension to Flora E. Boocock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2522) granting an increase of pension to Mary H. Rogers; to the Committee on Invalid Pensions.

By Mr. PITTENGER: A bill (H. R. 2523) for the relief of William Kiefer; to the Committee on Military Affairs.

By Mr. PURNELL: A bill (H. R. 2524) granting an increase of pension to Jennie A. Barnett; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 2525) for the relief of Mrs. Harry E. Craven; to the Committee on Claims.

By Mr. RAMSPECK: A bill (H. R. 2526) to provide payment of six months' pay to Nell R. Swartz, widow of William R. S. Swartz, late field clerk, Quartermaster Corps, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2527) authorizing and directing the Secretary of War to appoint Master Sergt. Elmer Edward Wilson a warrant officer of the Regular Army; to the Committee on Military Affairs.

Also, a bill (H. R. 2528) for the relief of Newdigate Moreland Owensby; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 2529) for the relief of Emanuel V. Heidt; to the Committee on Military Affairs.

Also, a bill (H. R. 2530) for the relief of George Dacas; to the Committee on Claims.

Also, a bill (H. R. 2531) for the relief of Frank Wilkins; to the Committee on Claims.

Also, a bill (H. R. 2532) for the relief of Mrs. Pleasant Lawrence Parr; to the Committee on Claims.

Also, a bill (H. R. 2533) for the relief of Brooker T. Wilkins; to the Committee on Claims.

Also, a bill (H. R. 2534) for the relief of J. B. Hudson; to the Committee on Claims.

Also, a bill (H. R. 2535) for the relief of Ralph LaVern Walker; to the Committee on Claims.

Also, a bill (H. R. 2536) for the relief of Judson Stokes; to the Committee on Claims.

Also, a bill (H. R. 2537) for the relief of Annie Thompson Martin; to the Committee on Claims.

Also, a bill (H. R. 2538) granting a pension to William R. Minter; to the Committee on Pensions.

By Mr. REED of New York: A bill (H. R. 2539) granting an increase of pension to Maria C. Atherly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2540) granting an increase of pension to Lottie L. Day; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2541) granting an increase of pension to Francies M. Emery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2542) granting an increase of pension to Ellen Foster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2543) granting an increase of pension to Pauline Hartman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2544) granting an increase of pension to Elizabeth W. Ogden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2545) granting an increase of pension to Mercy S. Richards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2546) granting an increase of pension to Emma J. Rimback; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2547) granting an increase of pension to Helen Vreeland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2548) granting an increase of pension to Katherine L. Cushing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2549) for the relief of Fred Lewis Walters; to the Committee on Naval Affairs.

Also, a bill (H. R. 2550) granting an increase of pension to May F. Waite; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2551) granting an increase of pension to Jennie H. Squier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2552) granting an increase of pension to Lelia Walter Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2553) granting an increase of pension to Annette F. Corthell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2554) granting a pension to Kittie Grace Bozard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2555) granting a pension to Mary A. Chapin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2556) granting a pension to Evelyn C. Devereaux; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2557) granting an increase of pension to Candis M. Frank; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2553) granting a pension to Alice Hultberg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2559) granting a pension to Lizzie S. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2560) granting a pension to Bridget Shay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2561) granting a pension to Addie J. Wheeler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2562) granting a pension to Hannah M. Widdifield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2563) granting an increase of pension to Mary L. Wilson; to the Committee on Invalid Pensions.

By Mr. REILLY: A bill (H. R. 2564) granting a pension to Helen M. McCord; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2565) granting a pension to Hattie A. Lenhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2566) granting a pension to Lewis M. Larson; to the Committee on Pensions.

Also, a bill (H. R. 2567) granting a pension to Alvina Plant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2568) granting an increase of pension to Emelia Retzer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2569) granting a pension to Mathilda H. Byrnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2570) for the relief of Joseph Scharbonaugh; to the Committee on Military Affairs.

Also, a bill (H. R. 2571) for the relief of Frank Fowler; to the Committee on Military Affairs.

Also, a bill (H. R. 2572) for the relief of Maj. Lester L. Lampert; to the Committee on War Claims.

Also, a bill (H. R. 2573) granting an increase of pension to Emma Waldo; to the Committee on Invalid Pensions.

By Mr. RICH: A bill (H. R. 2574) for the relief of Walter E. Switzer; to the Committee on Claims.

Also, a bill (H. R. 2575) granting a pension to Carrie Bristol; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2576) granting a pension to Jacob B. Scheid; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2577) granting a pension to Abram Smith Reeder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2578) granting a pension to Lulu Maude Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2579) granting a pension to Anna L. Harman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2580) granting an increase of pension to Elizabeth L. Crist; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2581) granting an increase of pension to Kate L. Rodimer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2582) granting an increase of pension to Eva E. Mussina; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2583) granting an increase of pension to Margaret C. Huff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2584) granting an increase of pension to Emma M. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2585) granting an increase of pension to Willimina Rabuck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2586) granting an increase of pension to Laura E. Gerow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2587) granting an increase of pension to Elizabeth Hayes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2588) granting a pension to Michael Wolf; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2589) granting an increase of pension to Mary Jane Sherwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2590) granting an increase of pension to Mary E. Grange; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2591) granting a pension to Frank M. Peasley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2592) granting an increase of pension to Marietta Love; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2593) granting a pension to Fleming P. Trexler; to the Committee on Invalid Pensions.

By Mr. SANDERS of Texas: A bill (H. R. 2594) for the relief of the State National Bank of Wills Point, Tex.; to the Committee on Claims.

Also, a bill (H. R. 2595) for the relief of Frank W. Childress; to the Committee on Claims.

Also, a bill (H. R. 2596) for the relief of the Renaut heirs; to the Committee on Claims.

Also, a bill (H. R. 2597) for the relief of the Farmers & Merchants National Bank of Gilmer, Tex.; to the Committee on Claims.

Also, a bill (H. R. 2598) for the relief of the heirs of John V. Singer; to the Committee on War Claims.

Also, a bill (H. R. 2599) for the relief of Henry Dixon Linebarger; to the Committee on Naval Affairs.

Also, a bill (H. R. 2600) for the relief of John T. Kilgore; to the Committee on Military Affairs.

Also, a bill (H. R. 2601) for the relief of William Mathew Squires; to the Committee on Military Affairs.

By Mr. SCHNEIDER: A bill (H. R. 2602) granting an increase of pension to Anne Werner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2603) granting an increase of pension to Rosa Helms; to the Committee on Pensions.

Also, a bill (H. R. 2604) granting an increase of pension to Clara Rabe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2605) granting an increase of pension to Deborah Bacon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2606) for the relief of Edward Christianson; to the Committee on Claims.

By Mr. SMITH of Virginia: A bill (H. R. 2607) for the relief of Atha Malas; to the Committee on Claims.

Also, a bill (H. R. 2608) for the relief of J. W. Anderson; to the Committee on Claims.

Also, a bill (H. R. 2609) for the relief of Anna Volker; to the Committee on Claims.

Also, a bill (H. R. 2610) for the relief of Julia A. Reid; to the Committee on War Claims.

Also, a bill (H. R. 2611) for the relief of C. N. Knight, administrator of John Ridout Macgregor; to the Committee on War Claims.

By Mr. STRONG of Pennsylvania: A bill (H. R. 2612) granting an increase of pension to Margaret T. Work; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2613) granting an increase of pension to Rebecca C. Turney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2614) granting an increase of pension to Harriet R. Neal; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2615) granting an increase of pension to Mary E. McIntosh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2616) granting an increase of pension to Mary M. McDowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2617) granting an increase of pension to Elizabeth Madill; to the Committee on Pensions.

Also, a bill (H. R. 2618) granting an increase of pension to Eliza Mauk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2619) granting an increase of pension to Sarah J. King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2620) granting an increase of pension to Malinda Kane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2621) granting an increase of pension to Margaret A. Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2622) granting an increase of pension to Mary J. Fritz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2623) granting an increase of pension to Nellie Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2624) granting an increase of pension to Martha Fleming; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2625) granting a pension to George C. Brubaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2626) granting a pension to Millie Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2627) for the relief of Regina Hogan; to the Committee on Military Affairs.

By Mr. SULLIVAN of Pennsylvania: A bill (H. R. 2628) for the relief of Alfred J. Buka; to the Committee on Military Affairs.

Also, a bill (H. R. 2629) for the relief of Charles Antkowski; to the Committee on Naval Affairs.

Also, a bill (H. R. 2630) for the relief of the Allegheny Forging Co. arising from transactions with the Panama Canal; to the Committee on Claims.

Also, a bill (H. R. 2631) for the relief of the Alleghany Forging Co.; to the Committee on Claims.

Also, a bill (H. R. 2632) granting a pension to Mary Fogle; to the Committee on Invalid Pensions.

By Mr. SUMMERS of Washington: A bill (H. R. 2633) for the relief of William R. Cox; to the Committee on Claims.

Also, a bill (H. R. 2634) granting an increase of pension to Laura Cornwell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2635) granting a pension to Hattie J. Kingsland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2636) granting a pension to Robert E. Swingle; to the Committee on Pensions.

Also, a bill (H. R. 2637) granting an increase of pension to Emma W. Rice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2638) granting an increase of pension to Mary F. Beeson; to the Committee on Invalid Pensions.

By Mr. SUTPHIN: A bill (H. R. 2639) providing for the examination and survey of the channel in the Shrewsbury River, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2640) authorizing preliminary examination and survey of Cedar Run Creek, N. J.; to the Committee on Rivers and Harbors.

By Mr. SWANK: A bill (H. R. 2641) for the relief of John Hamilton; to the Committee on Military Affairs.

Also, a bill (H. R. 2642) for the relief of Robert Curren; to the Committee on Military Affairs.

Also, a bill (H. R. 2643) for the relief of John Box; to the Committee on Military Affairs.

Also, a bill (H. R. 2644) granting an increase of pension to Emily Donahoo; to the Committee on Pensions.

Also, a bill (H. R. 2645) granting a pension to Alzira O. Witt; to the Committee on Pensions.

Also, a bill (H. R. 2646) granting a pension to Mary E. Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2647) for the relief of John R. Thigpen; to the Committee on Military Affairs.

Also, a bill (H. R. 2648) for the relief of Thomas L. Essex; to the Committee on Military Affairs.

Also, a bill (H. R. 2649) for the relief of William Wilkerson Tate; to the Committee on Military Affairs.

Also, a bill (H. R. 2650) for the relief of George H. Holman; to the Committee on Military Affairs.

Also, a bill (H. R. 2651) granting an increase of pension to Mary Frame; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2652) granting an increase of pension to Lucy M. Chapman; to the Committee on Pensions.

Also, a bill (H. R. 2653) to extend the benefits of the employees' compensation act of September 7, 1916, to Maude R. Crawford, widow of William M. Crawford, a former special disbursing officer with the Indian office at Pawhuska, Okla.; to the Committee on Claims.

Also, a bill (H. R. 2654) for the relief of Frederick E. Dixon; to the Committee on the Post Office and Post Roads.

By Mr. SWANSON: A bill (H. R. 2655) granting a pension to George W. Baker; to the Committee on Pensions.

Also, a bill (H. R. 2656) for the relief of George W. Baker; to the Committee on Military Affairs.

Also, a bill (H. R. 2657) granting a pension to Jessie Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2658) granting a pension to Ellen Wornom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2659) granting a pension to Sarah E. Priestley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2660) granting a pension to Alice Bellville; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2661) granting a pension to Emma Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2662) granting a pension to John H. Epperson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2663) granting a pension to Delia Parmentier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2664) granting a pension to Ruth Anna Parker; to the Committee on Invalid Pensions.

By Mr. SWICK: A bill (H. R. 2665) granting an increase of pension to Susannah C. Whitmire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2666) granting an increase of pension to Catherine Schaffner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2667) granting an increase of pension to Adeline Hopkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2668) granting an increase of pension to Ida M. Steiner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2669) granting an increase of pension to Nancy J. Critchlow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2670) granting an increase of pension to Eliza A. McIver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2671) granting an increase of pension to Florence E. Moody; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2672) granting an increase of pension to Rebecca Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2673) granting an increase of pension to Keziah H. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2674) granting an increase of pension to Samantha N. Simpson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2675) granting an increase of pension to Alice E. Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2676) granting an increase of pension to Hannah M. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2677) granting an increase of pension to Ann J. Kennedy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2678) granting an increase of pension to Amanda Douglass; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2679) granting an increase of pension to Teresa Millward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2680) granting an increase of pension to Anna M. Stockburger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2681) granting an increase of pension to Mary M. Ralston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2682) granting an increase of pension to Matilda Tarno; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2683) granting an increase of pension to Minerva Griffiths; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 2684) to extend the benefits of the United States employees' compensation act to the widow and minor children of James P. Conway, deceased; to the Committee on Claims.

Also, a bill (H. R. 2685) to extend the benefit of the United States employment compensation act to Frank A. Smith; to the Committee on Claims.

Also, a bill (H. R. 2686) granting six months' pay to Annie Bruce; to the Committee on Naval Affairs.

Also, a bill (H. R. 2687) granting an increase of pension to Grace E. Todd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2688) granting an increase of pension to Lucille E. Hanigan; to the Committee on Pensions.

Also, a bill (H. R. 2689) granting a pension to Julia C. Benner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2690) granting a pension to Ingelow Johnson; to the Committee on Pensions.

Also, a bill (H. R. 2691) granting a pension to Lucy Edith Francis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2692) granting a pension to Glenni W. Arnett; to the Committee on Pensions.

Also, a bill (H. R. 2693) granting a pension to Cudleigh Andrews Clifford; to the Committee on Pensions.

Also, a bill (H. R. 2694) granting a pension to Willis A. Hone; to the Committee on Pensions.

Also, a bill (H. R. 2695) for the relief of David Albert Robeson; to the Committee on Naval Affairs.

Also, a bill (H. R. 2696) for the relief of Maude Rich Jones; to the Committee on War Claims.

Also, a bill (H. R. 2697) for the relief of Mrs. E. L. Babcock, mother and guardian of Nelson Babcock, a minor; to the Committee on Claims.

Also, a bill (H. R. 2698) for the relief of Arabella E. Bodkin; to the Committee on Claims.

Also, a bill (H. R. 2699) for the relief of Ned Anderson; to the Committee on Military Affairs.

Also, a bill (H. R. 2700) for the relief of certain stockholders of the Santa Ana Cooperative Sugar Co., of Santa Ana, Calif.; to the Committee on Claims.

Also, a bill (H. R. 2701) for the relief of Nelson M. Holderman; to the Committee on Military Affairs.

Also, a bill (H. R. 2702) for the relief of G. F. and E. M. Snyder; to the Committee on Claims.

Also, a bill (H. R. 2703) for the relief of Facunda Gonzales; to the Committee on Claims.

Also, a bill (H. R. 2704) for the relief of Charles Lamkin; to the Committee on Claims.

Also, a bill (H. R. 2705) for the relief of Emmett W. Southwick; to the Committee on Claims.

Also, a bill (H. R. 2706) for the relief of Hannah M. Gray; to the Committee on Military Affairs.

Also, a bill (H. R. 2707) for the relief of William Alexander Keys; to the Committee on the Public Lands.

By Mr. THOMASON: A bill (H. R. 2708) granting a pension to Zelpha E. Ebbersol; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2709) granting a pension to Maude Campbell; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 2710) for the relief of Thomas A. Ryland, also known as Thomas Ryland; to the Committee on Military Affairs.

Also, a bill (H. R. 2711) granting an increase of pension to Fred G. Pettigrew; to the Committee on Pensions.

By Mr. WEST: A bill (H. R. 2712) granting an increase of pension to Ellen L. Andrews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2713) granting an increase of pension to Addieline Cook; to the Committee on Invalid Pensions.

By Mr. WHITE: A bill (H. R. 2714) granting an increase of pension to Eliza D. Knowlton; to the Committee on Pensions.

Also, a bill (H. R. 2715) for the relief of Frank B. Niles; to the Committee on Claims.

Also, a bill (H. R. 2716) for the relief of Walter B. Mattimore; to the Committee on Military Affairs.

Also, a bill (H. R. 2717) for the relief of Jacob Santavy; to the Committee on Claims.

Also, a bill (H. R. 2718) granting a pension to Lucretia M. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2719) granting a pension to Lucinda Cable; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2720) granting an increase of pension to Mary Welever; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2721) granting an increase of pension to Susan Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2722) for the refund of $455.10 to be paid to Ida L. Randels, guardian of Meredith L. Randels, for premiums paid on a converted insurance policy; to the Committee on War Claims.

By Mr. WIGGLESWORTH: A bill (H. R. 2723) granting an increase of pension to John J. Duffy; to the Committee on Pensions.

Also, a bill (H. R. 2724) granting an increase of pension to Charles E. Surdan; to the Committee on Pensions.

Also, a bill (H. R. 2725) granting a pension to Arlotta M. Perkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2726) for the relief of Frances Macdonald; to the Committee on Claims.

Also, a bill (H. R. 2727) to extend the benefits of the employees' compensation act of September 7, 1916, to Carl G. Lindstrom, a former employee at the Watertown Arsenal, Watertown, Mass.; to the Committee on Claims.

By Mr. WOLVERTON: A bill (H. R. 2728) granting an increase of pension to George W. Kelley; to the Committee on Pensions.

Also, a bill (H. R. 2729) granting an increase of pension to Mary Connelly; to the Committee on Pensions.

Also, a bill (H. R. 2730) for the relief of Willard F. Holteen; to the Committee on Claims.

Also, a bill (H. R. 2731) for the relief of Elmer Leibfried; to the Committee on Naval Affairs.

Also, a bill (H. R. 2732) for the relief of Charles C. Flippen; to the Committee on Military Affairs.

Also, a bill (H. R. 2733) for the relief of Christy Gnazzo; to the Committee on Military Affairs.

Also, a bill (H. R. 2734) for the relief of James Taylor; to the Committee on Military Affairs.

Also, a bill (H. R. 2735) for the relief of Timothy J. Devine; to the Committee on Military Affairs.

Also, a bill (H. R. 2736) granting an increase of pension to Sarah G. Black; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2737) granting an increase of pension to Mary L. Kelter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2738) granting an increase of pension to Mary Anna Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2739) granting an increase of pension to Sarah C. Daisey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2740) granting an increase of pension to Rachel D. Day; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2741) granting an increase of pension to Lydia R. DuBois; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2742) granting an increase of pension to Elizabeth Fadeley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2743) granting an increase of pension to Carrie A. Eagin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2744) granting an increase of pension to Sophie M. Salfingere; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2745) granting an increase of pension to Martha Weiser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2746) granting a pension to Ozro McKnight; to the Committee on Pensions.

Also, a bill (H. R. 2747) granting a pension to Rebecca Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2748) granting an increase of pension to Margaret C. Lee; to the Committee on Invalid Pensions.

By Mr. YATES: A bill (H. R. 2749) granting a pension to William H. Johnson; to the Committee on Pensions.

By Mr. ADKINS: A bill (H. R. 2750) granting an increase of pension to Julia A. Fowler; to the Committee on Invalid Pensions.

By Mr. BACHMANN: A bill (H. R. 2751) granting a pension to Eliza Gawthrop; to the Committee on Invalid Pensions.

By Mr. BARBOUR: A bill (H. R. 2752) for the relief of Richard E. Grass, alias William Hartman; to the Committee on Military Affairs.

Also, a bill (H. R. 2753) for the relief of John H. D. Wherland, alias Henry Lowell; to the Committee on Military Affairs.

Also, a bill (H. R. 2754) granting a pension to George A. Tinney; to the Committee on Pensions.

Also, a bill (H. R. 2755) granting a pension to Stephen D. Graves; to the Committee on Pensions.

Also, a bill (H. R. 2756) granting a pension to Rye Fairbanks; to the Committee on Pensions.

Also, a bill (H. R. 2757) for the relief of Jack Schneider; to the Committee on Claims.

Also, a bill (H. R. 2758) for the relief of Dennis H. Sullivan; to the Committee on Military Affairs.

Also, a bill (H. R. 2759) granting a pension to Martha Welsher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2760) for the relief of Charles Barchard; to the Committee on Military Affairs.

Also, a bill (H. R. 2761) granting a pension to Robert Badgley; to the Committee on Pensions.

By Mr. BECK: A bill (H. R. 2762) to correct the status of George Chalmers Hunter; to the Committee on Naval Affairs.

Also, a bill (H. R. 2763) for the relief of Charles A. Thomas; to the Committee on Naval Affairs.

Also, a bill (H. R. 2764) for the relief of Joseph Pasquarello; to the Committee on Military Affairs.

Also, a bill (H. R. 2765) granting a pension to Emma Hendrickson; to the Committee on Pensions.

Also, a bill (H. R. 2766) granting a pension to Maurice Yudis; to the Committee on Pensions.

Also, a bill (H. R. 2767) to authorize Lieut. Col. David Riesman, Medical Reserve Corps, to accept from the Italian Government the Order of Knighthood of the Crown of Italy; to the Committee on Military Affairs.

Also, a bill (H. R. 2768) granting a pension to Mary Hoyt and seven dependent children; to the Committee on Pensions.

Also, a bill (H. R. 2769) for the relief of Nathan Markel; to the Committee on Military Affairs.

Also, a bill (H. R. 2770) for the relief of Margaret Thomkin; to the Committee on Military Affairs.

Also, a bill (H. R. 2771) to authorize the Secretary of the Navy to dedicate to the city of Philadelphia for street purposes a tract of land situate in the city of Philadelphia and State of Pennsylvania; to the Committee on Naval Affairs.

By Mr. BEERS: A bill (H. R. 2772) granting a pension to Mary Josephine Blain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2773) granting an increase of pension to Sarah Alice Hane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2774) granting an increase of pension to Katharine K. Burns; to the Committee on Invalid Pensions.

By Mr. BRITTEN: A bill (H. R. 2775) for the relief of Dr. Luis H. Debayle; to the Committee on Claims.

By Mr. BUTLER: A bill (H. R. 2776) for the relief of the estate of Thomas Bird, deceased; to the Committee on War Claims.

Also, a bill (H. R. 2777) for the relief of Wallace E. Ordway; to the Committee on Claims.

Also, a bill (H. R. 2778) for the relief of William B. Bouton; to the Committee on Military Affairs.

By Mr. CABLE: A bill (H. R. 2779) granting a pension to Alpha Cremean; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2780) granting a pension to Susan N. Cassel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2781) granting a pension to Peter B. Frey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2782) granting a pension to Sarah Anna Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2783) granting a pension to Mary Emerick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2784) granting a pension to Mary Luella Curtiss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2785) for the relief of John Otto Albright; to the Committee on Naval Affairs.

Also, a bill (H. R. 2786) granting a pension to Charles T. Dawson; to the Committee on Pensions.

Also, a bill (H. R. 2787) granting an increase of pension to Anna Freaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2788) granting an increase of pension to Caroline Kistner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2789) granting an increase of pension to Abbie Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2790) granting an increase of pension to Lucinda Lehman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2791) granting an increase of pension to Cecelia A. Burns; to the Committee on Pensions.

Also, a bill (H. R. 2792) for the relief of Flora Kammerer; to the Committee on Ways and Means.

By Mr. CARDEN: A bill (H. R. 2793) granting a pension to Esther V. Bennett; to the Committee on Invalid Pensions.

By Mr. CHASE: A bill (H. R. 2794) granting a pension to Wilo M. Close; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2795) for the relief of George H. Singer; to the Committee on Military Affairs.

Also, a bill (H. R. 2796) granting an increase of pension to Clara P. Rickard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2797) granting an increase of pension to Elizabeth Berger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2798) granting an increase of pension to Rebecca Shiffler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2799) granting an increase of pension to Mary Ann Wright; to the Committee on Invalid Pensions.

By Mr. CHIPERFIELD: A bill (H. R. 2800) granting an increase of pension to Georgie A. Ettinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2801) granting a pension to Addie Ellis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2802) for the relief of John J. Donohue; to the Committee on Military Affairs.

By Mr. COLE of Iowa: A bill (H. R. 2803) for the relief of John S. Stotts, deceased; to the Committee on Military Affairs.

By Mr. COLE of Maryland: A bill (H. R. 2804) for the relief of Philip F. Hambsch; to the Committee on Claims.

Also, a bill (H. R. 2805) granting a pension to Annie Cantwell; to the Committee on Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 2806) granting a pension to Gertrude Storck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2807) granting an increase of pension to Samaria C. Fischer; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 2808) for the payment to certain citizens of damages because of loss by fire of their property in the general mess building of the Pacific branch of the National Home for Disabled Volunteer Soldiers when said building was destroyed by fire on March 24, 1927; to the Committee on Claims.

By Mr. DISNEY: A bill (H. R. 2809) for the relief of Charles LeRoy estate; to the Committee on Claims.

Also, a bill (H. R. 2810) for the relief of William Sheldon; to the Committee on Claims.

Also, a bill (H. R. 2811) for the relief of C. W. Moonery; to the Committee on Claims.

By Mr. ENGLEBRIGHT: A bill (H. R. 2812) for the relief of William Estes; to the Committee on Military Affairs.

Also, a bill (H. R. 2813) for the relief of Charles Davis; to the Committee on Military Affairs.

Also, a bill (H. R. 2814) for the relief of Bernard McShane; to the Committee on Claims.

Also, a bill (H. R. 2815) for the relief of J. A. Perry; to the Committee on Claims.

Also, a bill (H. R. 2816) for the relief of Milton S. Merrill; to the Committee on Claims.

Also, a bill (H. R. 2817) for the relief of Andrew M. Dunlop; to the Committee on Claims.

Also, a bill (H. R. 2818) for the relief of Lew E. Wickes; to the Committee on Claims.

Also, a bill (H. R. 2819) granting a pension to Charles H. P. Tugwood; to the Committee on Pensions.

By Mr. ERK: A bill (H. R. 2820) for the relief of O. Evans Mikesell; to the Committee on Claims.

Also, a bill (H. R. 2821) for the relief of the W. F. Trimble & Sons Co. (Inc.); to the Committee on Claims.

By Mr. EVANS of California: A bill (H. R. 2822) granting a pension to Edith M. Cruise; to the Committee on Invalid Pensions.

By Mr. FIESINGER: A bill (H. R. 2823) awarding a medal of honor to Henry G. Mehling; to the Committee on Naval Affairs.

Also, a bill (H. R. 2824) granting an increase of pension to Gustave Mendel; to the Committee on Pensions.

By Mr. GOLDER: A bill (H. R. 2825) granting an increase of pension to Mary C. Paulhanus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2826) granting a pension to Emma E. Paxton; to the Committee on Pensions.

Also, a bill (H. R. 2827) granting a pension to Elenor Magee; to the Committee on Pensions.

Also, a bill (H. R. 2828) granting a pension to Florence May Comber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2829) granting a pension to Leonard J. Levi; to the Committee on Pensions.

Also, a bill (H. R. 2830) granting a pension to Peter Furlong; to the Committee on Pensions.

Also, a bill (H. R. 2831) for the relief of Alex Taylor; to the Committee on Naval Affairs.

Also, a bill (H. R. 2832) for the relief of Otto Donath; to the Committee on Naval Affairs.

Also, a bill (H. R. 2833) for the relief of Stanford Anderson; to the Committee on Naval Affairs.

Also, a bill (H. R. 2834) for the relief of Charles Geiger; to the Committee on Naval Affairs.

Also, a bill (H. R. 2835) for the relief of Albert A. J. Cohan; to the Committee on Military Affairs.

Also, a bill (H. R. 2836) for the relief of Frederick Geibig; to the Committee on Military Affairs.

Also, a bill (H. R. 2837) for the relief of Alvin Ernest Whaley; to the Committee on Naval Affairs.

Also, a bill (H. R. 2838) for the relief of John Edward Schoch; to the Committee on Naval Affairs.

Also, a bill (H. R. 2839) for the relief of Lieut. Commander Cornelius Dugan (retired); to the Committee on Naval Affairs.

Also, a bill (H. R. 2840) for the relief of Samuel Mazis; to the Committee on Military Affairs.

Also, a bill (H. R. 2841) for the relief of the owners of the steamship *Exmoor;* to the Committee on Claims.

Also, a bill (H. R. 2842) for the relief of James L. Park; to the Committee on Claims.

Also, a bill (H. R. 2843) to authorize Hon. Joseph Buffington to accept certain decorations and orders tendered him by the Kingdom of Italy and the Republic of Czechoslovakia; to the Committee on Foreign Affairs.

By Mr. HESS: A bill (H. R. 2844) for the relief of Elmo K. Gordon; to the Committee on Naval Affairs.

By Mr. HOLMES: A bill (H. R. 2845) granting an increase of pension to Mary A. Healy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2846) granting an increase of pension to Mrs. Frank A. Sparrowk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2847) granting an increase of pension to Susan L. Dean; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2848) granting an increase of pension to Ellen T. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2849) granting an increase of pension to Ella A. Boynton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2850) granting an increase of pension to Henrietta L. Whitney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2851) granting an increase of pension to Julia Dolan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2852) granting an increase of pension to Kate Snow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2853) granting an increase of pension to Mary E. Parker; to the Committee on Invalid Pensions.

By Mr. HORNOR: A bill (H. R. 2854) granting a pension to Sarah Ella Nay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2855) granting a pension to Anna King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2856) granting a pension to Mary J. Carr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2857) for the relief of Linda Hall; to the Committee on War Claims.

Also, a bill (H. R. 2858) granting an increase of pension to Nancy J. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2859) granting an increase of pension to Susan J. Waldo; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2860) granting an increase of pension to Margaret Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2861) granting an increase of pension to Elizabeth M. Schoonover; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2862) granting an increase of pension to Annie A. Moneypenny; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2863) granting an increase of pension to Frank C. Nelson; to the Committee on Pensions.

Also, a bill (H. R. 2864) granting an increase of pension to Frances E. Starkey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2865) granting an increase of pension to Sarah A. Nutter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2866) granting an increase of pension to Roderick P. Graves; to the Committee on Pensions.

Also, a bill (H. R. 2867) granting an increase of pension to Mary E. Hart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2868) granting an increase of pension to William G. Camp; to the Committee on Pensions.

Also, a bill (H. R. 2869) granting an increase of pension to Julia A. Duncan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2870) granting an increase of pension to Sarah A. Bush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2871) granting an increase of pension to Louisa Bunten; to the Committee on Invalid Pensions.

By Mr. HOUSTON of Hawaii: A bill (H. R. 2872) for the relief of the Dongji Investment Co. (Ltd.); to the Committee on Claims.

By Mr. MORTON D. HULL: A bill (H. R. 2873) granting a pension to Robert E. Beck, alias Rudolph E. Beck; to the Committee on Pensions.

By Mr. IGOE: A bill (H. R. 2874) for the relief of Alfred Henry Fales; to the Committee on Naval Affairs.

Also, a bill (H. R. 2875) for the relief of Joseph B. Seidenberg; to the Committee on Military Affairs.

By Mr. JAMES: A bill (H. R. 2876) granting a pension to Sarah R. Cole; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 2877) granting a pension to Eliza A. Waggoner; to the Committee on Invalid Pensions.

By Mr. JONES: A bill (H. R. 2878) for the relief of William S. Steward; to the Committee on Claims.

Also, a bill (H. R. 2879) granting a pension to Mary O. Jackson; to the Committee on Pensions.

By Mr. LAMNECK: A bill (H. R. 2880) granting a pension to Emmett Timmons; to the Committee on Pensions.

Also, a bill (H. R. 2881) granting a pension to Ossed W. Jasper; to the Committee on Pensions.

Also, a bill (H. R. 2882) granting a pension to Mattie Dolby; to the Committee on Pensions.

Also, a bill (H. R. 2883) granting a pension to Nancy White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2884) granting a pension to Mary Eskew; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2885) granting a pension to Mary J. Duling; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2886) granting a pension to Lusina Z. Michael; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2887) granting an increase of pension to Anna Hafey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2888) granting an increase of pension to Caroline Engelhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2889) granting an increase of pension to Charles Fuhr; to the Committee on Pensions.

Also, a bill (H. R. 2890) granting an increase of pension to George E. Partee; to the Committee on Pensions.

Also, a bill (H. R. 2891) granting an increase of pension to Kate Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2892) granting an increase of pension to Mary E. Dalgarn; to the Committee on Pensions.

Also, a bill (H. R. 2893) granting an increase of pension to Mary C. Reichard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2894) granting an increase of pension to Jane A. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2895) granting an increase of pension to Julia A. Love; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2896) granting an increase of pension to Emma Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2897) granting an increase of pension to Mary Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2898) granting an increase of pension to Martha R. Bebb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2899) granting an increase of pension to Rachel L. Engle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2900) granting an increase of pension to Mary Prugh; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2901) granting an increase of pension to Adaline Sniff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2902) granting an increase of pension to Mary Schutte; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2903) granting an increase of pension to Nina Rauch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2904) granting an increase of pension to Sarah J. Moody; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2905) granting an increase of pension to Emmeline B. Gilpin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2906) for the relief of Frank Raymond West; to the Committee on Naval Affairs.

Also, a bill (H. R. 2907) for the relief of Walter Sam Young; to the Committee on Naval Affairs.

Also, a bill (H. R. 2908) for the relief of Thomas Stokes; to the Committee on Military Affairs.

Also, a bill (H. R. 2909) for the relief of Bertha Barkhurst Gheen, widow of Harvey A. Barkhurst; to the Committee on Military Affairs.

Also, a bill (H. R. 2910) for the relief of Lawrence Fisher; to the Committee on Military Affairs.

Also, a bill (H. R. 2911) for the relief of Henry M. Burns; to the Committee on Military Affairs.

Also, a bill (H. R. 2912) for the relief of Albert N. Eichenlaub, alias Albert N. Oakleaf; to the Committee on Military Affairs.

Also, a bill (H. R. 2913) for the relief of Anna Stalnaker; to the Committee on Military Affairs.

Also, a bill (H. R. 2914) for the relief of Frank Ferst; to the Committee on Military Affairs.

Also, a bill (H. R. 2915) for the relief of Fred C. Blenkner; to the Committee on War Claims.

Also, a bill (H. R. 2916) for the relief of Kathryn Thurston; to the Committee on Claims.

Also, a bill (H. R. 2917) for the relief of Primo Tiburzio; to the Committee on Claims.

Also, a bill (H. R. 2918) for the relief of Daisy M. Avery; to the Committee on Claims.

Also, a bill (H. R. 2919) for the relief of Dorothy Marie O'Higgins; to the Committee on Claims.

Also, a bill (H. R. 2920) for the relief of John H. Mehrle; to the Committee on Claims.

Also, a bill (H. R. 2921) for the relief of Stella Williams; to the Committee on Claims.

Also, a bill (H. R. 2922) for the relief of Max M. Meyers; to the Committee on Military Affairs.

By Mr. LANKFORD of Georgia: A bill (H. R. 2923) for the relief of James Julian Flanders and Harriet B. Flanders; to the Committee on Claims.

Also, a bill (H. R. 2924) for the relief of Dr. Jefferson Wilcox; to the Committee on Claims.

By Mr. LANKFORD of Virginia: A bill (H. R. 2925) to provide for an examination and survey for increasing the anchorage grounds in Norfolk Harbor and Hampton Roads; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 2926) for the relief of R. K. Miller, J. M. Grigg, S. F. Gaylord, M. D. Boyce, William T. Bryan, Joel Duke, O. D. Hartman, M. C. Boyette, and C. C. Butler; to the Committee on Claims.

Also, a bill (H. R. 2927) for the relief of George M. Peed; to the Committee on Claims.

Also, a bill (H. R. 2928) for the relief of W. B. Fountain; to the Committee on Naval Affairs.

Also, a bill (H. R. 2929) for the relief of Ezra F. Gray, John J. Parker, and Otto O. Harcum; to the Committee on Claims.

Also, a bill (H. R. 2930) for the relief of James N. Hudson; to the Committee on Military Affairs.

Also, a bill (H. R. 2931) for the relief of Harry Simpson; to the Committee on Claims.

Also, a bill (H. R. 2932) granting a pension to Arthur Leonard Wadsworth, 3d; to the Committee on Pensions.

Also, a bill (H. R. 2933) granting an increase of pension to Mrs. A. W. Grant; to the Committee on Pensions.

By Mr. LICHTENWALNER: A bill (H. R. 2934) granting an increase of pension to Haneefa Boyer; to the Committee on Invalid Pensions.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 2935) for the relief of J. R. Reimer; to the Committee on Claims.

By Mr. MANLOVE: A bill (H. R. 2936) granting an increase of pension to Mary E. Fields; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2937) granting an increase of pension to Emma S. Rakestraw; to the Committee on Invalid Pensions.

By Mr. MARTIN of Oregon: A bill (H. R. 2938) for the relief of Joseph George O'Neil; to the Committee on Naval Affairs.

By Mr. MILLIGAN: A bill (H. R. 2939) granting a pension to Mary C. McKarin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2940) granting a pension to Edna A. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2941) granting a pension to Mary E. Kerns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2942) granting a pension to Mariah E. Groom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2943) granting a pension to Mary F. Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2944) granting a pension to Bessie Lancaster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2945) granting a pension to Susan Harder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2946) granting a pension to Adeline Emery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2947) granting an increase of pension to Nancy E. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2948) granting an increase of pension to Sarah A. Griffith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2949) granting an increase of pension to Nancy S. Glenn and a pension to her dependent son, Daniel F. Glenn; to the Committee on Invalid Pensions.

By Mr. MOORE of Kentucky: A bill (H. R. 2950) granting an increase of pension to James G. Pearl; to the Committee on Pensions.

Also, a bill (H. R. 2951) granting an increase of pension to Marelda Pennington; to the Committee on Pensions.

Also, a bill (H. R. 2952) granting a pension to Maxie Compton; to the Committee on Pensions.

Also, a bill (H. R. 2953) granting a pension to Louisa Sanders; to the Committee on Pensions.

Also, a bill (H. R. 2954) granting a pension to Sarah Ann B. Emry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2955) granting a pension to Lucinda Bratcher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2956) granting a pension to Belle Bratton Hood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2957) granting a pension to Sallie Day; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2958) granting a pension to Bettie Dillard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2959) granting a pension to Ellen Garrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2960) granting a pension to Jasper Y. Willoughby; to the Committee on Pensions.

Also, a bill (H. R. 2961) for the relief of R. A. Williams; to the Committee on Claims.

Also, a bill (H. R. 2962) for the relief of Charlie T. Annis; to the Committee on Military Affairs.

Also, a bill (H. R. 2963) for the relief of Mrs. Hugh A. Thomas; to the Committee on Claims.

By Mr. NOLAN: A bill (H. R. 2964) granting a pension to Silas Overmire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2965) granting a pension to Robert Templeton, alias Richard Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2966) for the relief of H. C. Fisher; to the Committee on Claims.

By Mr. PARKER of New York: A bill (H. R. 2967) granting an increase of pension to Mary C. Hoyt; to the Committee on Invalid Pensions.

By Mr. SULLIVAN of Pennsylvania: A bill (H. R. 2968) for the relief of Thomas M. Richardson; to the Committee on Military Affairs.

By Mr. TIMBERLAKE: A bill (H. R. 2969) for the relief of William F. Lively; to the Committee on Claims.

Also, a bill (H. R. 2970) granting a pension to Margaret M. Boardman; to the Committee on Pensions.

Also, a bill (H. R. 2971) granting an increase of pension to Chester R. Freeman; to the Committee on Pensions.

Also, a bill (H. R. 2972) granting an increase of pension to Anne E. Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2973) granting an increase of pension to Polly Tippetts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2974) granting an increase of pension to Louisa Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2975) granting an increase of pension to Ludwig Zugner; to the Committee on Pensions.

Also, a bill (H. R. 2976) granting a pension to Neil Douglas Bromley; to the Committee on Pensions.

Also, a bill (H. R. 2977) granting a pension to Lillian May Hendrickson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2978) for the relief of Russell H. Lindsay; to the Committee on Naval Affairs.

By Mr. VESTAL: A bill (H. R. 2979) granting an increase of pension to Clarisse E. Faris; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 2980) granting an increase of pension to Mary E. Porter; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 2981) granting a pension to Margaret E. Nesbit; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2982) granting a pension to Clara Enyeart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2983) granting a pension to Sarah Jane Austin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2984) granting a pension to Nellie J. Grim; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2985) granting a pension to Mary E. Wise; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2986) granting a pension to Patience Witherow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2987) granting an increase of pension to Jennie Webster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2988) granting an increase of pension to Mary C. Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2989) granting an increase of pension to Harriet B. Slater; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2990) granting an increase of pension to Anna B. Sheplar; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2991) granting an increase of pension to Hettie A. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2992) granting an increase of pension to Margaret Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2993) granting an increase of pension to Ada May; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2994) granting an increase of pension to Ellen Maurer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2995) granting an increase of pension to Sarah Lynn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2996) granting an increase of pension to Matilda Hensel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2997) granting an increase of pension to Margaret J. Duncan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 2998) granting an increase of pension to Elizabeth Blakley; to the Committee on Invalid Pensions.

By Mr. ANDRESEN: A bill (H. R. 2999) granting a pension to Robert B. Swenson; to the Committee on Pensions.

Also, a bill (H. R. 3000) granting a pension to Anna Mattson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3001) granting a pension to James A. Humphreys; to the Committee on Pensions.

Also, a bill (H. R. 3002) granting an increase of pension to Alice G. Parker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3003) granting an increase of pension to Henrietta Zenke; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3004) granting an increase of pension to Carrie S. Kenney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3005) granting an increase of pension to Friederika Bartels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3006) granting an increase of pension to Alice Leeson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3007) granting an increase of pension to Alphild E. Park; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3008) granting an increase of pension to Jennie A. Charlson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3009) granting an increase of pension to John J. Agnew; to the Committee on Pensions.

Also, a bill (H. R. 3010) granting an increase of pension to Catherine Weaver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3011) granting an increase of pension to Thomas G. Nesseth; to the Committee on Pensions.

Also, a bill (H. R. 3012) for the relief of Adam Weinacht; to the Committee on Military Affairs.

Also, a bill (H. R. 3013) for the relief of Thomas Parkins; to the Committee on Claims.

Also, a bill (H. R. 3014) for the relief of the heirs of John Booren, deceased; to the Committee on Claims.

Also, a bill (H. R. 3015) for the relief of W. F. Zimmermann; to the Committee on Claims.

Also, a bill (H. R. 3016) to provide for the carrying out of the award of the National War Labor Board of April 11, 1919, and the decision of the Secretary of War of date November 30, 1920, in favor of certain employees of the Minneapolis Steel & Machinery Co., Minneapolis, Minn.; of the St. Paul Foundry Co., St. Paul, Minn.; of the American Hoist & Derrick Co., St. Paul, Minn.; and of the Twin City Forge & Foundry Co., Stillwater, Minn.; to the Committee on War Claims.

By Mr. ANDREW of Massachusetts: A bill (H. R. 3017) granting a pension to Adga S. Plummer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3018) granting a pension to Lizzie E. Goodrich; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3019) granting a pension to Susie Fiedler; to the Committee on Pensions.

By Mr. BACHARACH: A bill (H. R. 3020) granting a pension to Adele Troutman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3021) granting a pension to Mary A. M. Lafferty; to the Committee on Pensions.

Also, a bill (H. R. 3022) granting a pension to Ida Herman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3023) granting an increase of pension to Florence L. Bright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3024) granting an increase of pension to Amanda Loper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3025) granting an increase of pension to Jane A. Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3026) granting an increase of pension to Leonie E. Fisher; to the Committee on Pensions.

Also a bill (H. R. 3027) granting an increase of pension to Sarah E. Hoffner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3028) for the relief of Rolando B. Moffett; to the Committee on Military Affairs.

Also, a bill (H. R. 3029) for the relief of William K. Lovett; to the Committee on Claims.

Also, a bill (H. R. 3030) for the relief of Elizabeth T. Cloud; to the Committee on Claims.

Also, a bill (H. R. 3031) for the relief of Robert Turner; to the Committee on Claims.

Also, a bill (H. R. 3032) for the relief of Frederick W. Peter; to the Committee on Claims.

Also, a bill (H. R. 3033) for the relief of Ida E. Godfrey and others; to the Committee on War Claims.

By Mr. BURDICK: A bill (H. R. 3034) for the relief of George W. Olney; to the Committee on Military Affairs.

Also, a bill (H. R. 3035) for the relief of James J. Scully; to the Committee on Military Affairs.

Also, a bill (H. R. 3036) for the relief of Florence Mahoney; to the Committee on Claims.

Also, a bill (H. R. 3037) for the relief of James J. Gianaros; to the Committee on Military Affairs.

Also, a bill (H. R. 3038) granting a pension to Emma S. Boutwell; to the Committee on Invalid Pensions.

By Mr. CABLE: A bill (H. R. 3039) granting an increase of pension to Henrietta V. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3040) for the relief of George Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 3041) granting a pension to Hannah M. Garver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3042) granting a pension to Mary E. Landis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3043) granting a pension to Jennie E. Key; to the Committee on Invalid Pensions.

By Mr. CLANCY: A bill (H. R. 3044) for the relief of Anthony Hogue; to the Committee on Claims.

Also, a bill (H. R. 3045) for the relief of Gustav Welhoelter; to the Committee on Claims.

By Mr. CRAIL: A bill (H. R. 3046) granting an increase of pension to William H. Baird; to the Committee on Pensions.

Also, a bill (H. R. 3047) granting an increase of pension to Thomas Berry; to the Committee on Pensions.

Also, a bill (H. R. 3048) granting an increase of pension to Lydia L. Brooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3049) granting an increase of pension to Evelyn G. Burrell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3050) granting an increase of pension to Harold A. Canon; to the Committee on Pensions.

Also a bill (H. R. 3051) granting an increase of pension to Mary E. Cheney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3052) granting an increase of pension to Mabel G. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3053) granting an increase of pension to Rebecca P. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3054) granting an increase of pension to William E. Devine; to the Committee on Pensions.

Also, a bill (H. R. 3055) granting an increase of pension to Isadora Filkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3056) granting an increase of pension to Belle C. Fisher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3057) granting an increase of pension to Mary E. Flood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3058) granting an increase of pension to Isabella N. Frye; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3059) granting an increase of pension to Mary I. Gates; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3060) granting an increase of pension to Florence H. Godfrey; to the Committee on Pensions.

Also, a bill (H. R. 3061) granting an increase of pension to Mont Graham; to the Committee on Pensions.

Also, a bill (H. R. 3062) granting an increase of pension to Joseph Guest; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3063) granting an increase of pension to Mary F. Holbrook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3064) granting an increase of pension to Sarah P. Huff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3065) granting an increase of pension to Marion Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3066) granting an increase of pension to Claud Martin; to the Committee on Pensions.

Also, a bill (H. R. 3067) granting an increase of pension to Michael J. Haggerty; to the Committee on Pensions.

Also, a bill (H. R. 3068) granting an increase of pension to May E. McCoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3069) granting an increase of pension to Jessie F. Loughridge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3070) granting an increase of pension to Dallas R. McClintock; to the Committee on Pensions.

Also, a bill (H. R. 3071) granting an increase of pension to Sterrett E. McNulty; to the Committee on Pensions.

Also, a bill (H. R. 3072) granting an increase of pension to Alexander Mendosa; to the Committee on Pensions.

Also, a bill (H. R. 3073) granting an increase of pension to Harry C. Miller; to the Committee on Pensions.

Also, a bill (H. R. 3074) granting an increase of pension to Emma W. Mitchell; to the Committee on Pensions.

Also, a bill (H. R. 3075) granting an increase of pension to Richard B. Norris; to the Committee on Pensions.

Also, a bill (H. R. 3076) granting an increase of pension to Jane Oliver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3077) granting an increase of pension to Elizabeth Parmelee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3078) granting an increase of pension to Arthur Plank; to the Committee on Pensions.

Also, a bill (H. R. 3079) granting an increase of pension to Gail E. Plunkett; to the Committee on Pensions.

Also, a bill (H. R. 3080) granting an increase of pension to Elizabeth Gates Perry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3081) granting an increase of pension to Samuel J. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3082) granting an increase of pension to Raymond B. Moore; to the Committee on Pensions.

Also, a bill (H. R. 3083) granting an increase of pension to Frank Rathmanner; to the Committee on Pensions.

Also, a bill (H. R. 3084) granting an increase of pension to Katherine L. Severance; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3085) granting an increase of pension to Maria Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3086) granting an increase of pension to Edgar G. Smale; to the Committee on Pensions.

Also, a bill (H. R. 3087) granting an increase of pension to Robert Trexler; to the Committee on Pensions.

Also, a bill (H. R. 3088) granting an increase of pension to Lucy Walter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3089) granting an increase of pension to Nellie Wilkinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3090) granting an increase of pension to Martha L. Woodward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3091) granting an increase of pension to Emma F. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3092) granting an increase of pension to Charles Wheatley; to the Committee on Pensions.

Also, a bill (H. R. 3093) granting a pension to Dolphus Adams; to the Committee on Pensions.

Also, a bill (H. R. 3094) granting a pension to Mae L. Armour; to the Committee on Pensions.

Also, a bill (H. R. 3095) granting a pension to Cruz Avery; to the Committee on Pensions.

Also, a bill (H. R. 3096) granting a pension to Ethel Aylesworth; to the Committee on Pensions.

Also, a bill (H. R. 3097) granting a pension to Harold G. Bates; to the Committee on Pensions.

Also, a bill (H. R. 3098) granting a pension to Albert M. Barden; to the Committee on Pensions.

Also, a bill (H. R. 3099) granting a pension to Henry Bell; to the Committee on Pensions.

Also, a bill (H. R. 3100) granting a pension to Henry Bell; to the Committee on Pensions.

Also, a bill (H. R. 3101) granting a pension to Frank R. Beaubien; to the Committee on Pensions.

Also, a bill (H. R. 3102) granting a pension to Julia Benner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3103) granting a pension to Mary H. Carpenter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3104) granting a pension to Major Blasdel; to the Committee on Pensions.

Also, a bill (H. R. 3105) granting a pension to James E. Boggs; to the Committee on Pensions.

Also, a bill (H. R. 3106) granting a pension to Ida A. Borthwick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3107) granting a pension to Emma S. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3108) granting a pension to Willis W. Carland; to the Committee on Pensions.

Also, a bill (H. R. 3109) granting a pension to Henry Clark; to the Committee on Pensions.

Also, a bill (H. R. 3110) granting a pension to Horace Burson; to the Committee on Pensions.

Also, a bill (H. R. 3111) granting a pension to Edward Butler; to the Committee on Pensions.

Also, a bill (H. R. 3112) granting a pension to Josephine M. Burke; to the Committee on Pensions.

Also, a bill (H. R. 3113) granting a pension to Christian F. Burke; to the Committee on Pensions.

Also, a bill (H. R. 3114) granting a pension to Arthur L. Brobst; to the Committee on Pensions.

Also, a bill (H. R. 3115) granting a pension to Joseph Boyle; to the Committee on Pensions.

Also, a bill (H. R. 3116) granting a pension to Stephen A. Collard; to the Committee on Pensions.

Also, a bill (H. R. 3117) granting a pension to Elizabeth E. Couch; to the Committee on Pensions.

Also, a bill (H. R. 3118) granting a pension to Dillon N. Coulston; to the Committee on Pensions.

Also, a bill (H. R. 3119) granting a pension to Austin Denham; to the Committee on Pensions.

Also, a bill (H. R. 3120) granting a pension to Bernard N. Daugherty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3121) granting a pension to Belle B. Craig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3122) granting a pension to James F. Dougherty; to the Committee on Pensions.

Also, a bill (H. R. 3123) granting a pension to Willis E. Dudley; to the Committee on Pensions.

Also, a bill (H. R. 3124) granting a pension to Charles S. Durbin; to the Committee on Pensions.

Also, a bill (H. R. 3125) granting a pension to Hattie E. Floyd; to the Committee on Pensions.

Also, a bill (H. R. 3126) granting a pension to Charles Foye; to the Committee on Pensions.

Also, a bill (H. R. 3127) granting a pension to Leon Francard; to the Committee on Pensions.

Also, a bill (H. R. 3128) granting a pension to Mary Ebersol; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3129) granting a pension to Anna Furman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3130) granting a pension to John Gallander; to the Committee on Pensions.

Also, a bill (H. R. 3131) granting a pension to Anton Gallman; to the Committee on Pensions.

Also, a bill (H. R. 3132) granting a pension to Elizabeth Getts; to the Committee on Pensions.

Also, a bill (H. R. 3133) granting a pension to William H. Garnett; to the Committee on Pensions.

Also, a bill (H. R. 3134) granting a pension to Charles Giltz; to the Committee on Pensions.

Also, a bill (H. R. 3135) granting a pension to Edward Gire; to the Committee on Pensions.

Also, a bill (H. R. 3136) granting a pension to T. F. Glass; to the Committee on Pensions.

Also, a bill (H. R. 3137) granting a pension to Walter Goulette; to the Committee on Pensions.

Also, a bill (H. R. 3138) granting a pension to Tryphena Grier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3139) granting a pension to Julia F. Goodhue; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3140) granting a pension to John Grosbush; to the Committee on Pensions.

Also, a bill (H. R. 3141) granting a pension to William Grover; to the Committee on Pensions.

Also, a bill (H. R. 3142) granting a pension to Frank Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3143) granting a pension to Katie A. Hoskinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3144) granting a pension to Clara C. Houk; to the Committee on Pensions.

Also, a bill (H. R. 3145) granting a pension to Bernard Howlett; to the Committee on Pensions.

Also, a bill (H. R. 3146) granting a pension to James E. Hughes; to the Committee on Pensions.

Also, a bill (H. R. 3147) granting a pension to Maria B. Hynes; to the Committee on Pensions.

Also, a bill (H. R. 3148) granting a pension to Cornelius S. Holcombe; to the Committee on Pensions.

Also, a bill (H. R. 3149) granting a pension to Dollie L. Hinkley; to the Committee on Pensions.

Also, a bill (H. R. 3150) granting a pension to Evangeline G. Henricksen; to the Committee on Pensions.

Also, a bill (H. R. 3151) granting a pension to Steve Hendrick; to the Committee on Pensions.

Also, a bill (H. R. 3152) granting a pension to Caroline Healy; to the Committee on Pensions.

Also, a bill (H. R. 3153) granting a pension to Frank B. Hayes; to the Committee on Pensions.

Also, a bill (H. R. 3154) granting a pension to Ernest G. Jaissle; to the Committee on Pensions.

Also, a bill (H. R. 3155) granting a pension to Presley T. Jenkins; to the Committee on Pensions.

Also, a bill (H. R. 3156) granting a pension to Mary Hutchins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3157) granting a pension to Sarah E. Jerome; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3158) granting a pension to Alice Jewett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3159) granting a pension to Annie B. King and her helpless and dependent daughter, Jean King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3160) granting a pension to Wesley B. Kingdon; to the Committee on Pensions.

Also, a bill (H. R. 3161) granting a pension to Catherine B. Kinkead; to the Committee on Pensions.

Also, a bill (H. R. 3162) granting a pension to Frank A. Kelley; to the Committee on Pensions.

Also, a bill (H. R. 3163) granting a pension to Robert A. Johnstone; to the Committee on Pensions.

Also, a bill (H. R. 3164) granting a pension to Frederick Johnson; to the Committee on Pensions.

Also, a bill (H. R. 3165) granting a pension to Charles H. Johns; to the Committee on Pensions.

Also, a bill (H. R. 3166) granting a pension to Robert M. Knipple; to the Committee on Pensions.

Also, a bill (H. R. 3167) granting a pension to Anna Kratzer; to the Committee on Pensions.

Also, a bill (H. R. 3168) granting a pension to Fred J. C. Kronfeld; to the Committee on Pensions.

Also, a bill (H. R. 3169) granting a pension to Joseph Laub; to the Committee on Pensions.

Also, a bill (H. R. 3170) granting a pension to William W. Lee; to the Committee on Pensions.

Also, a bill (H. R. 3171) granting a pension to John Lorenson; to the Committee on Pensions.

Also, a bill (H. R. 3172) granting a pension to John M. Lovelace; to the Committee on Pensions.

Also, a bill (H. R. 3173) granting a pension to John Malasi; to the Committee on Pensions.

Also, a bill (H. R. 3174) granting a pension to George A. McAmis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3175) granting a pension to Mary E. Leach; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3176) granting a pension to Richard H. McCarthy; to the Committee on Pensions.

Also, a bill (H. R. 3177) granting a pension to Chester McCauley; to the Committee on Pensions.

Also, a bill (H. R. 3178) granting a pension to Clyde O. McDaniel; to the Committee on Pensions.

Also, a bill (H. R. 3179) granting a pension to Carrie J. Mealey; to the Committee on Pensions.

Also, a bill (H. R. 3180) granting a pension to Hilton Miller; to the Committee on Pensions.

Also, a bill (H. R. 3181) granting a pension to Sam Mogi; to the Committee on Pensions.

Also, a bill (H. R. 3182) granting a pension to George A. Morgan; to the Committee on Pensions.

Also, a bill (H. R. 3183) granting a pension to Hiram E. Morrill; to the Committee on Pensions.

Also, a bill (H. R. 3184) granting a pension to Percy F. Mott; to the Committee on Pensions.

Also, a bill (H. R. 3185) granting a pension to Charley Mullikin; to the Committee on Pensions.

Also, a bill (H. R. 3186) granting a pension to William H. Neff; to the Committee on Pensions.

Also, a bill (H. R. 3187) granting a pension to Edward J. Neitzer; to the Committee on Pensions.

Also, a bill (H. R. 3188) granting a pension to William D. Noyes; to the Committee on Pensions.

Also, a bill (H. R. 3189) granting a pension to Thomas O'Brien; to the Committee on Pensions.

Also, a bill (H. R. 3190) granting a pension to Elizabeth Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3191) granting a pension to Alice Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3192) granting a pension to Julia C. Messamore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3193) granting a pension to Della Means; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3194) granting a pension to Ollie McGuire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3195) granting a pension to Mary Lawrence McDonald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3196) granting a pension to Ricketts J. Oder; to the Committee on Pensions.

Also, a bill (H. R. 3197) granting a pension to Jack A. Painter; to the Committee on Pensions.

Also, a bill (H. R. 3198) granting a pension to Ezekiel Palmer; to the Committee on Pensions.

Also, a bill (H. R. 3199) granting a pension to John Parent; to the Committee on Pensions.

Also, a bill (H. R. 3200) granting a pension to Sarah A. Patterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3201) granting a pension to Susay E. Otey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3202) granting a pension to Mary P. Paul; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3203) granting a pension to Stella Mae Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3204) granting a pension to Jessie Prentiss; to the Committee on Pensions.

Also, a bill (H. R. 3205) granting a pension to Irene M. Radclift; to the Committee on Pensions.

Also, a bill (H. R. 3206) granting a pension to Emma M. Pearson; to the Committee on Pensions.

Also, a bill (H. R. 3207) granting a pension to John Reynolds; to the Committee on Pensions.

Also, a bill (H. R. 3208) granting a pension to Robert Ricketts; to the Committee on Pensions.

Also, a bill (H. R. 3209) granting a pension to Fred V. Roberts; to the Committee on Pensions.

Also, a bill (H. R. 3210) granting a pension to Meyer George Robinson; to the Committee on Pensions.

Also, a bill (H. R. 3211) granting a pension to Olga Wolff Schwarz; to the Committee on Pensions.

Also, a bill (H. R. 3212) granting a pension to Laura A. Scott; to the Committee on Pensions.

Also, a bill (H. R. 3213) granting a pension to Elizabeth A. Shumway; to the Committee on Pensions.

Also, a bill (H. R. 3214) granting a pension to Wilhelmina Sigrist; to the Committee on Pensions.

Also, a bill (H. R. 3215) granting a pension to Shirley R. Slevin; to the Committee on Pensions.

Also, a bill (H. R. 3216) granting a pension to Clara Saint-Pierre; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3217) granting a pension to Eliza Spalding; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3218) granting a pension to Mary Rosentall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3219) granting a pension to Mina Riley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3220) granting a pension to Leona Parmelee Stahl; to the Committee on Pensions.

Also, a bill (H. R. 3221) granting a pension to Robert L. Stayton; to the Committee on Pensions.

Also, a bill (H. R. 3222) granting a pension to Norman Stephens; to the Committee on Pensions.

Also, a bill (H. R. 3223) granting a pension to Edward Stockton; to the Committee on Pensions.

Also, a bill (H. R. 3224) granting a pension to Arthur Sutcliffe; to the Committee on Pensions.

Also, a bill (H. R. 3225) granting a pension to Lottie Syzmanski; to the Committee on Pensions.

Also, a bill (H. R. 3226) granting a pension to Lloyd O. Taylor; to the Committee on Pensions.

Also, a bill (H. R. 3227) granting a pension to Mary A. Thomas; to the Committee on Pensions.

Also, a bill (H. R. 3228) granting a pension to Mary Steward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3229) granting a pension to Mattie Rowney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3230) granting a pension to George F. Thornton; to the Committee on Pensions.

Also, a bill (H. R. 3231) granting a pension to Charles H. Tubb; to the Committee on Pensions.

Also, a bill (H. R. 3232) granting a pension to Frank M. Van Dyke; to the Committee on Pensions.

Also, a bill (H. R. 3233) granting a pension to Silas F. Williams; to the Committee on Pensions.

Also, a bill (H. R. 3234) granting a pension to Dell V. Trisler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3235) granting a pension to Kate Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3236) granting a pension to W. S. Williams; to the Committee on Pensions.

Also, a bill (H. R. 3237) granting a pension to Sarah Wilson; to the Committee on Pensions.

Also, a bill (H. R. 3238) granting a pension to George W. Wise; to the Committee on Pensions.

Also, a bill (H. R. 3239) granting a pension to Nellie A. Woods; to the Committee on Pensions.

Also, a bill (H. R. 3240) granting a pension to Ella Young; to the Committee on Pensions.

Also, a bill (H. R. 3241) granting a pension to Dave Yettra; to the Committee on Pensions.

Also, a bill (H. R. 3242) granting a pension to Joseph A. Wright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3243) granting a pension to Susan McKay Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3244) for the relief of Carl Siele; to the Committee on Naval Affairs.

Also, a bill (H. R. 3245) for the relief of Harry Slavin; to the Committee on Military Affairs.

Also, a bill (H. R. 3246) for the relief of Clyde Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 3247) for the relief of Patrick H. H. Snodgrass; to the Committee on Military Affairs.

Also, a bill (H. R. 3248) for the relief of Edward W. Stewart; to the Committee on Military Affairs.

Also, a bill (H. R. 3249) for the relief of Walter Perry Story; to the Committee on Military Affairs.

Also, a bill (H. R. 3250) for the relief of Harry J. Thiessen; to the Committee on Military Affairs.

Also, a bill (H. R. 3251) for the relief of D. W. Thickstun; to the Committee on Military Affairs.

Also, a bill (H. R. 3252) for the relief of John Sanford Tillotson; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 3253) for the relief of Horatio S. Turrell, alias Horatio Seaward; to the Committee on Military Affairs.

Also, a bill (H. R. 3254) for the relief of Grover C. Van Nest; to the Committee on Military Affairs.

Also, a bill (H. R. 3255) for the relief of Grover C. Van Nest; to the Committee on Military Affairs.

Also, a bill (H. R. 3256) for the relief of Edgard S. Webb; to the Committee on Military Affairs.

Also, a bill (H. R. 3257) for the relief of Barney E. Wells; to the Committee on Military Affairs.

Also, a bill (H. R. 3258) for the relief of Joseph N. Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 3259) for the relief of Charles Wilson; to the Committee on Military Affairs.

Also, a bill (H. R. 3260) for the relief of George Woolsey; to the Committee on Military Affairs.

Also, a bill (H. R. 3261) for the relief of Earl A. Yeager; to the Committee on Military Affairs.

Also, a bill (H. R. 3262) for the relief of Harry Young; to the Committee on Military Affairs.

Also, a bill (H. R. 3263) for the relief of Carl F. Ziesmer; to the Committee on Military Affairs.

Also, a bill (H. R. 3264) for the relief of Joseph Zittle; to the Committee on War Claims.

Also, a bill (H. R. 3265) for the relief of W. J. Shirley; to the Committee on War Claims.

Also, a bill (H. R. 3266) for the relief of Jeremiah Sexton; to the Committee on Military Affairs.

Also, a bill (H. R. 3267) for the relief of Edwin Senior; to the Committee on Military Affairs.

Also, a bill (H. R. 3268) for the relief of Robert Clyde Scott; to the Committee on Military Affairs.

Also, a bill (H. R. 3269) for the relief of Harmon D. Ryus; to the Committee on Military Affairs.

Also, a bill (H. R. 3270) for the relief of Frederick Rupp; to the Committee on Military Affairs.

Also, a bill (H. R. 3271) for the relief of Kathleen Rives; to the Committee on Military Affairs.

Also, a bill (H. R. 3272) for the relief of George F. Reed; to the Committee on Military Affairs.

Also, a bill (H. R. 3273) for the relief of Fred Pruscha, alias Fred Cole; to the Committee on Military Affairs.

Also, a bill (H. R. 3274) for the relief of Clarence Oral Privitt; to the Committee on Military Affairs.

Also, a bill (H. R. 3275) for the relief of John B. Parsons; to the Committee on Military Affairs.

Also, a bill (H. R. 3276) for the relief of Isaac D. Parker; to the Committee on Military Affairs.

Also, a bill (H. R. 3277) for the relief of Henry W. Nicoson; to the Committee on Military Affairs.

Also, a bill (H. R. 3278) for the relief of Robert C. Nicholson; to the Committee on Military Affairs.

Also, a bill (H. R. 3279) for the relief of Walter W. Moore; to the Committee on Military Affairs.

Also, a bill (H. R. 3280) for the relief of Isaac Leon Morris; to the Committee on Naval Affairs.

Also, a bill (H. R. 3281) for the relief of Charles Nisbet Nicol; to the Committee on Naval Affairs.

Also, a bill (H. R. 3282) for the relief of Royal W. Robertson; to the Committee on Naval Affairs.

Also, a bill (H. R. 3283) for the relief of Leroy Wyman Ogden; to the Committee on Naval Affairs.

Also, a bill (H. R. 3284) for the relief of James Green Robinette; to the Committee on Naval Affairs.

Also, a bill (H. R. 3285) for the relief of Charles H. Rowe; to the Committee on Naval Affairs.

Also, a bill (H. R. 3286) for the relief of William Edward McComas; to the Committee on Naval Affairs.

Also, a bill (H. R. 3287) for the relief of Walter E. Sharon; to the Committee on Naval Affairs.

Also, a bill (H. R. 3288) for the relief of Joseph McDonnell; to the Committee on Military Affairs.

Also, a bill (H. R. 3289) for the relief of Charles McGee; to the Committee on Military Affairs.

Also, a bill (H. R. 3290) for the relief of Thomas F. McVeigh; to the Committee on Military Affairs.

Also, a bill (H. R. 3291) for the relief of Arden C. Miller; to the Committee on Military Affairs.

Also, a bill (H. R. 3292) for the relief of William Millar; to the Committee on Military Affairs.

Also, a bill (H. R. 3293) for the relief of Arthur D. Moore; to the Committee on Military Affairs.

Also, a bill (H. R. 3294) for the relief of Thomas Newton Miranda; to the Committee on Military Affairs.

Also, a bill (H. R. 3295) for the relief of Harry McCollister; to the Committee on Military Affairs.

Also, a bill (H. R. 3296) for the relief of James McCaffrey; to the Committee on Military Affairs.

Also, a bill (H. R. 3297) for the relief of John McBirney; to the Committee on Military Affairs.

Also, a bill (H. R. 3298) for the relief of Joseph W. Macnamara; to the Committee on Military Affairs.

Also, a bill (H. R. 3299) for the relief of Irving Levine; to the Committee on Military Affairs.

Also, a bill (H. R. 3300) for the relief of Elijah W. Leonard; to the Committee on Military Affairs.

Also, a bill (H. R. 3301) for the relief of Austin T. Larkin; to the Committee on Military Affairs.

Also, a bill (H. R. 3302) for the relief of Raymond Kleinberger; to the Committee on Military Affairs.

Also, a bill (H. R. 3303) for the relief of Harry J. Kennedy; to the Committee on Military Affairs.

Also, a bill (H. R. 3304) for the relief of Thomas E. Kelly; to the Committee on Military Affairs.

Also, a bill (H. R. 3305) for the relief of Earl E. Keen; to the Committee on Military Affairs.

Also, a bill (H. R. 3306) for the relief of Jacob Kaufman; to the Committee on Military Affairs.

Also, a bill (H. R. 3307) for the relief of Albert J. Jones; to the Committee on Military Affairs.

Also, a bill (H. R. 3308) for the relief of Frank Johnson; to the Committee on Military Affairs.

Also, a bill (H. R. 3309) for the relief of Arthur E. Johnson; to the Committee on Military Affairs.

Also, a bill (H. R. 3310) for the relief of Charles Johnson; to the Committee on Naval Affairs.

Also, a bill (H. R. 3311) for the relief of James Joseph Kain; to the Committee on Naval Affairs.

Also, a bill (H. R. 3312) for the relief of Walter Prince Keene; to the Committee on Naval Affairs.

Also, a bill (H. R. 3313) for the relief of Walter Fred Kirchoff; to the Committee on Naval Affairs.

Also, a bill (H. R. 3314) for the relief of Bendix Peter Jensen; to the Committee on Naval Affairs.

Also, a bill (H. R. 3315) for the relief of Axel Malstrom; to the Committee on Naval Affairs.

Also, a bill (H. R. 3316) for the relief of Matthew Joseph Horgan; to the Committee on Naval Affairs.

Also, a bill (H. R. 3317) for the relief of Sylvan M. Levy; to the Committee on Naval Affairs.

Also, a bill (H. R. 3318) for the relief of Leslie Irving Heuback; to the Committee on Naval Affairs.

Also, a bill (H. R. 3319) for the relief of Leo John Hoffman; to the Committee on Naval Affairs.

Also, a bill (H. R. 3320) for the relief of Elizabeth Seymour Hodgson; to the Committee on War Claims.

Also, a bill (H. R. 3321) for the relief of R. S. Howard Co. (Inc.); to the Committee on War Claims.

Also, a bill (H. R. 3322) for the relief of the Mack Copper Co., a corporation; to the Committee on War Claims.

Also, a bill (H. R. 3323) for the relief of Grace M. Schulze; to the Committee on War Claims.

Also, a bill (H. R. 3324) for the relief of Samuel R. Hull; to the Committee on Military Affairs.

Also, a bill (H. R. 3325) for the relief of Other Hornick; to the Committee on Military Affairs.

Also, a bill (H. R. 3326) for the relief of Arthur Jacobs; to the Committee on Military Affairs.

Also, a bill (H. R. 3327) for the relief of James D. Henderson; to the Committee on Military Affairs.

Also, a bill (H. R. 3328) for the relief of Joseph M. Hayden; to the Committee on Military Affairs.

Also, a bill (H. R. 3329) for the relief of Robert H. Hastie; to the Committee on Military Affairs.

Also, a bill (H. R. 3330) for the relief of James Hall; to the Committee on Military Affairs.

Also, a bill (H. R. 3331) for the relief of Hilbert R. Hall; to the Committee on Military Affairs.

Also, a bill (H. R. 3332) for the relief of Robert Gregory; to the Committee on Military Affairs.

Also, a bill (H. R. 3333) for the relief of Walter Goulette; to the Committee on Military Affairs.

Also, a bill (H. R. 3334) for the relief of Leslie E. George; to the Committee on Military Affairs.

Also, a bill (H. R. 3335) for the relief of Otto C. Fredericks; to the Committee on Military Affairs.

Also, a bill (H. R. 3336) granting to Edward Everett Sherrard a commission as captain in the Medical Corps, United States Army, as of July 1, 1918, and an honorable discharge as of November 11, 1918; to the Committee on Military Affairs.

Also, a bill (H. R. 3337) to authorize the presentation of the medal of honor to Bourland Winford, formerly private, Company E, Thirty-third Infantry, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 3338) to authorize the appointment of Q. M. Sergt. John Imhof, Quartermaster Corps, United States Army, retired, to grade of master sergeant on the retired list; to the Committee on Military Affairs.

Also, a bill (H. R. 3339) authorizing the President of the United States to make a posthumous award of a distinguished-flying cross to Maurice F. Graham, deceased, and to present the same to the widow and two children of the said Maurice F. Graham, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 3340) authorizing the Secretary of War to present a distinguished-service cross to Nick Dragas; to the Committee on Military Affairs.

Also, a bill (H. R. 3341) to authorize the appointment of Capt. M. M. Cloud, retired, to the grade of colonel, retired, with the pay of a major, in the United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 3342) authorizing the Secretary of War to award a congressional medal of honor to Henry M. Brinkerhoff; to the Committee on Military Affairs.

Also, a bill (H. R. 3343) to authorize the appointment of Staff Sergt. Charles Mingus, retired, United States Army, to master sergeant, retired, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 3344) to extend certain letters patent to the heirs of Oscar Morath; to the Committee on Patents.

Also, a bill (H. R. 3345) to renew and extend certain letters patent to Thomas M. McKee; to the Committee on Patents.

Also, a bill (H. R. 3346) for the relief of the heirs of John Buck; to the Committee on War Claims.

Also, a bill (H. R. 3347) for the relief of Edward Dietrich, a veteran of the World War; to the Committee on War Claims.

Also, a bill (H. R. 3348) to authorize the appointment of Joseph M. Berman to the grade of lieutenant commander, retired, in the United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 3349) to authorize the presentation of the congressional medal of honor to Richmond P. Hobson, formerly of the United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 3350) providing for the appointment of Chief Boatswain John J. Rochfort, with the rank of lieutenant, United States Navy, retired, to the office of lieutenant on the retired list of the Navy, and awarding him a congressional medal of honor; to the Committee on Naval Affairs.

Also, a bill (H. R. 3351) for the correction of the naval records of officers and sailors who served on the *St. Louis*, the *Harvard*, and the *Yale* during the Spanish War; to the Committee on Naval Affairs.

Also, a bill (H. R. 3352) for the relief of Harold G. Billings; to the Committee on Naval Affairs.

Also, a bill (H. R. 3353) for the relief of John Bedard; to the Committee on Naval Affairs.

Also, a bill (H. R. 3354) for the relief of Edward R. Daum; to the Committee on Naval Affairs.

Also, a bill (H. R. 3355) for the relief of William J. Dillon; to the Committee on Naval Affairs.

Also, a bill (H. R. 3356) for the relief of Robert Edward Doherty; to the Committee on Naval Affairs.

Also, a bill (H. R. 3357) for the relief of Harry C. Hall; to the Committee on the Civil Service.

Also, a bill (H. R. 3358) for the relief of certain officers of the United States Public Health Service; to the Committee on Claims.

Also, a bill (H. R. 3359) for the relief of Roland P. Bishop, William T. Bishop, and J. O. Koepfli, doing business under the firm name and style of Bishop & Co.; to the Committee on Claims.

Also, a bill (H. R. 3360) for the relief of Ida M. Schreiner; to the Committee on Claims.

Also, a bill (H. R. 3361) for the relief of David Fleming; to the Committee on Military Affairs.

Also, a bill (H. R. 3362) for the relief of Squire Estes; to the Committee on Military Affairs.

Also, a bill (H. R. 3363) for the relief of Joseph Gottlieb, to the Committee on War Claims.

Also, a bill (H. R. 3364) for the relief of Walter A. Ham; to the Committee on War Claims.

Also, a bill (H. R. 3365) for the relief of John H. Grout; to the Committee on Foreign Affairs.

Also, a bill (H. R. 3366) for the relief of the widow and five minor children of Arturo Guajardo; to the Committee on Foreign Affairs.

Also, a bill (H. R. 3367) for the relief of Charles H. Evans; to the Committee on Naval Affairs.

Also, a bill (H. R. 3368) for the relief of Robert Gatewood; to the Committee on Naval Affairs.

Also, a bill (H. R. 3369) for the relief of John Francis Halpin; to the Committee on Naval Affairs.

Also, a bill (H. R. 3370) for the relief of Abe Grossman; to the Committee on Naval Affairs.

Also, a bill (H. R. 3371) for the relief of Charles H. Earl; to the Committee on Naval Affairs.

Also, a bill (H. R. 3372) for the relief of Arthur L. Hawtrey; to the Committee on Naval Affairs.

Also, a bill (H. R. 3373) for the relief of Fireman's Fund Insurance Co.; to the Committee on Claims.

Also, a bill (H. R. 3374) for the relief of Lena E. Allen; to the Committee on Claims.

Also, a bill (H. R. 3375) for the relief of Laurin Gosney; to the Committee on Claims.

Also, a bill (H. R. 3376) for the relief of Mr. and Mrs. G. G. Gross; to the Committee on Claims.

Also, a bill (H. R. 3377) for the relief of Charles G. Johnson; to the Committee on Claims.

Also, a bill (H. R. 3378) for the relief of Vercy A. Leadbitter; to the Committee on Claims.

Also, a bill (H. R. 3379) for the relief of W. F. Nash; to the Committee on Claims.

Also, a bill (H. R. 3380) for the relief of Edwina R. Munchof; to the Committee on Claims.

Also, a bill (H. R. 3381) for the relief of A. E. Rhode; to the Committee on Claims.

Also, a bill (H. R. 3382) for the relief of Jettie K. Roe; to the Committee on Claims.

Also, a bill (H. R. 3383) for the relief of Peter Dunsmore; to the Committee on Military Affairs.

Also, a bill (H. R. 3384) for the relief of Joseph Drichter; to the Committee on Military Affairs.

Also, a bill (H. R. 3385) for the relief of Bogustas De Kartowski; to the Committee on Military Affairs.

Also, a bill (H. R. 3386) for the relief of David R. Davidson; to the Committee on Military Affairs.

Also, a bill (H. R. 3387) for the relief of Bernhard Henry Dahlke; to the Committee on Military Affairs.

Also, a bill (H. R. 3388) for the relief of John A. J. Darrah; to the Committee on Military Affairs.

Also, a bill (H. R. 3389) for the relief of Zora B. Custer; to the Committee on Military Affairs.

Also, a bill (H. R. 3390) for the relief of Frank N. Curtis; to the Committee on Military Affairs.

Also, a bill (H. R. 3391) for the relief of Martin Crowe; to the Committee on Military Affairs.

Also, a bill (H. R. 3392) for the relief of George Walter Cole; to the Committee on Military Affairs.

Also, a bill (H. R. 3393) for the relief of William M. Cavanaugh; to the Committee on Military Affairs.

Also, a bill (H. R. 3394) for the relief of Allen Carter; to the Committee on Military Affairs.

Also, a bill (H. R. 3395) for the relief of George F. Campbell; to the Committee on Military Affairs.

Also, a bill (H. R. 3396) for the relief of Richard T. Butler; to the Committee on Military Affairs.

Also, a bill (H. R. 3397) for the relief of Edwin G. Blanchard; to the Committee on Military Affairs.

Also, a bill (H. R. 3398) for the relief of Elton J. Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 3399) for the relief of Wilson G. Bingham; to the Committee on Military Affairs.

Also, a bill (H. R. 3400) for the relief of Webster Berry; to the Committee on Military Affairs.

Also, a bill (H. R. 3401) for the relief of Vito Basile; to the Committee on Military Affairs.

Also, a bill (H. R. 3402) for the relief of Thomas William Harry Ball; to the Committee on Military Affairs.

Also, a bill (H. R. 3403) for the relief of Harvey H. Anno; to the Committee on Military Affairs.

Also, a bill (H. R. 3404) for the relief of George W. Adams; to the Committee on Military Affairs.

By Mr. CROWE: A bill (H. R. 3405) granting a pension to James W. Spencer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3406) granting an increase of pension to Etta Noe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3407) granting an increase of pension to Ida I. Goldman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3408) granting a pension to Annie J. Henderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3409) granting an increase of pension to Katherine Carpenter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3410) granting a pension to Ama E. Nichols; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3411) granting a pension to William R. Cole, jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3412) granting a pension to Dolly Liese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3413) granting a pension to Viola Massey; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 3414) for the relief of Ellen N. Nolan; to the Committee on Claims.

Also, a bill (H. R. 3415) for the relief of Paul A. Fitzgerald; to the Committee on Claims.

Also, a bill (H. R. 3416) for the relief of Sidney C. Smith; to the Committee on Claims.

Also, a bill (H. R. 3417) for the relief of Florence E. Bulley; to the Committee on Claims.

Also, a bill (H. R. 3418) for the relief of Domenico Conte; to the Committee on Claims.

Also, a bill (H. R. 3419) for the relief of Dean Scott; to the Committee on Claims.

Also, a bill (H. R. 3420) for the relief of Joseph B. Lynch; to the Committee on Naval Affairs.

Also, a bill (H. R. 3421) for the relief of John F. Dean; to the Committee on Naval Affairs.

Also, a bill (H. R. 3422) for the relief of Michael F. Calnan; to the Committee on Naval Affairs.

Also, a bill (H. R. 3423) for the relief of Richard P. Proverb; to the Committee on Naval Affairs.

Also, a bill (H. R. 3424) for the relief of William James Scott; to the Committee on Naval Affairs.

Also a bill (H. R. 3425) for the relief of Ralph S. Alioti; to the Committee on Naval Affairs.

Also, a bill (H. R. 3426) for the relief of Robert J. White; to the Committee on Naval Affairs.

By Mr. EATON of Colorado: A bill (H. R. 3427) granting a pension to Ella W. McCoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3428) granting a pension to Mary J. Stearns; to the Committee on Pensions.

By Mr. EATON of New Jersey: A bill (H. R. 3429) granting an increase of pension to Sarah V. Sharp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3430) granting an increase of pension to Bella J. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3431) granting an increase of pension to Paul E. Stover; to the Committee on Pensions.

Also, a bill (H. R. 3432) granting a pension to Martha Hill; to the Committee on Pensions.

Also, a bill (H. R. 3433) for the relief of Theresa Alloway; to the Committee on Military Affairs.

Also, a bill (H. R. 3434) for the relief of Agnes M. Allsop; to the Committee on Claims.

Also, a bill (H. R. 3435) for the relief of Charles Somogi, sr.; to the Committee on Claims.

By Mr. EVANS of California: A bill (H. R. 3436) granting a pension to Silas F. Williams; to the Committee on Pensions.

Also, a bill (H. R. 3437) granting an increase of pension to Roxana M. Woodcock; to the Committee on Invalid Pensions.

By Mr. FIESINGER: A bill (H. R. 3438) granting a pension to Arthur Rothgeb; to the Committee on Pensions.

By Mr. FINLEY: A bill (H. R. 3439) granting a pension to Chester Hollin; to the Committee on Pensions.

By Mr. FISH: A bill (H. R. 3440) granting an increase of pension to Miranda C. Thompson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3441) granting an increase of pension to Clara A. Dekay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3442) granting an increase of pension to Emma Staples; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3443) granting an increase of pension to Cornelia J. Osborn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3444) granting an increase of pension to Martha A. Malone; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3445) for the relief of Charles P. Au; to the Committee on Military Affairs.

Also, a bill (H. R. 3446) for the relief of Louise Odenwalder Regan; to the Committee on Military Affairs.

Also, a bill (H. R. 3447) for the relief of Harrison S. Holmes; to the Committee on Naval Affairs.

By Mr. FLANNAGAN: A bill (H. R. 3448) for the relief of William Guy Craft; to the Committee on Military Affairs.

Also, a bill (H. R. 3449) for the relief of Dewey Tipton Jones; to the Committee on Naval Affairs.

By Mr. FULMER: A bill (H. R. 3450) granting an increase of pension to Charlie R. Saylor; to the Committee on Pensions.

Also, a bill (H. R. 3451) granting a pension to Harry L. Gibson; to the Committee on Pensions.

Also, a bill (H. R. 3452) granting a pension to Maggie R. Cooper; to the Committee on Pensions.

Also, a bill (H. R. 3453) granting a pension to Ella Elizabeth Ayers; to the Committee on Pensions.

Also, a bill (H. R. 3454) granting a pension to Mary Cornelia Carrol; to the Committee on Pensions.

Also, a bill (H. R. 3455) granting a pension to Olivia Keitt Murph; to the Committee on Pensions.

Also, a bill (H. R. 3456) granting a pension to Samuel R. Preston, jr.; to the Committee on Pensions.

Also, a bill (H. R. 3457) for the relief of the Ladies' Ursuline Community of Columbia, at Columbia, S. C.; to the Committee on War Claims.

Also, a bill (H. R. 3458) for the relief of the trustees of St. Stephen's Church of the Evangelical Lutheran Synod of South Carolina, of Lexington, S. C.; to the Committee on War Claims.

Also, a bill (H. R. 3459) for the relief of Leonard Theodore Boice; to the Committee on Military Affairs.

Also, a bill (H. R. 3460) for the relief of Caughman-Kaminer Co.; to the Committee on Claims.

Also, a bill (H. R. 3461) for the relief of Constance B. Shuler; to the Committee on Military Affairs.

Also, a bill (H. R. 3462) for the relief of the Washington Street Methodist Episcopal Church South, of Columbia, S. C.; to the Committee on War Claims.

Also, a bill (H. R. 3463) for the relief of Fletcher Hammond; to the Committee on Military Affairs.

Also, a bill (H. R. 3464) for the relief of George Fletcher Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 3465) for the relief of Richard A. Chavis; to the Committee on Military Affairs.

Also, a bill (H. R. 3466) for the relief of John H. LaFitte; to the Committee on Military Affairs.

Also, a bill (H. R. 3467) for the relief of David C. Jeffcoat; to the Committee on Claims.

Also, a bill (H. R. 3468) extending the time for consideration of application for retirement of Otis L. Sims under the emergency officers' retirement act; to the Committee on Military Affairs.

By Mr. LARRABEE: A bill (H. R. 3469) granting a pension to Sarah E. Gracey; to the Committee on Invalid Pensions.

By Mr. GARBER: A bill (H. R. 3470) for the relief of Herbert C. Robbins; to the Committee on Naval Affairs.

By Mr. GAVAGAN: A bill (H. R. 3471) granting an increase of pension to Emma Graham; to the Committee on Pensions.

By Mr. HALL of Illinois: A bill (H. R. 3472) granting a pension to Rule Talbott; to the Committee on Pensions.

Also, a bill (H. R. 3473) granting a pension to Della Healea, dependent mother of Robert C. Healea; to the Committee on Pensions.

By Mr. HALL of North Dakota: A bill (H. R. 3474) for the relief of Emory S. Hall; to the Committee on Claims.

By Mr. HOCH: A bill (H. R. 3475) for the relief of Catherine McLinden; to the Committee on War Claims.

By Mr. HOGG of Indiana: A bill (H. R. 3476) granting an increase of pension to Emma R. Gibford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3477) granting an increase of pensions to Eunice E. Waite; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3478) granting an increase of pension to Margaret C. Louthan; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 3479) to grant a pension to Caroline H. Sanders; to the Committee on Pensions.

Also, a bill (H. R. 3480) for the relief of the estate of Robert Garrard; to the Committee on Claims.

By Mr. KURTZ: A bill (H. R. 3481) granting an increase of pension to Peninnah Boose; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3482) granting an increase of pension to Christena Gibson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3483) granting an increase of pension to Emma J. Kinsel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3484) granting an increase of pension to Mary M. Keefer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3485) granting an increase of pension to Henrietta Mountain; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3486) granting an increase of pension to Mary McKee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3487) granting an increase of pension to Mariah Mock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3488) granting an increase of pension to Alice Paul; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3489) granting an increase of pension to Martha M. Poffenberger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3490) granting an increase of pension to Mary C. Spanogle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3491) granting an increase of pension to Barbara Weber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3492) granting an increase of pension to Margaret Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3493) granting an increase of pension to Rachel Corl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3494) granting an increase of pension to Amanda Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3495) granting an increase of pension to Emma L. Hicks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3496) granting an increase of pension to Freelove E. Bechtel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3497) granting an increase of pension to Lucy S. Lumedue; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3498) granting an increase of pension to Susan J. Kenney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3499) granting an increase of pension to Lizzie S. Feight; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3500) granting an increase of pension to Mary E. Mearkle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3501) granting an increase of pension to Laura B. Woy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3502) granting an increase of pension to Clara M. Murray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3503) granting an increase of pension to Mary E. Blymyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3504) granting an increase of pension to Marcilla Cassidy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3505) granting an increase of pension to Cora B. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3506) granting an increase of pension to Mary A. Bowser; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3507) granting an increase of pension to Mary E. Bigham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3508) granting a pension to Carrie M. Black; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3509) granting a pension to Cora M. Foster; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3510) granting a pension to Clara Crist; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3511) granting a pension to Anna Mary Bell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3512) granting a pension to John McKinney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3513) granting a pension to Henrietta McIntire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3514) granting a pension to Elizabeth C. Fox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3515) granting a pension to Elizabeth G. Hays; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3516) granting a pension to William S. Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3517) granting a pension to Eliza M. Buffington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3518) granting a pension to Mary C. Simon; to the Committee on Pensions.

Also, a bill (H. R. 3519) granting a pension to Irene Dick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3520) granting a pension to Rachel Ickes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3521) for the relief of John Burket; to the Committee on Military Affairs.

By Mr. LANHAM: A bill (H. R. 3522) for the relief of John DuBois; to the Committee on Military Affairs.

Also, a bill (H. R. 3523) for the relief of Harry W. Boyd; to the Committee on Military Affairs.

By Mr. LEA: A bill (H. R. 3524) granting a pension to Manford Josiah Butler; to the Committee on Pensions.

Also, a bill (H. R. 3525) granting a pension to Thomas J. Davis; to the Committee on Pensions.

Also, a bill (H. R. 3526) for the relief of the Chico-Westwood-Susanville Auto Stage Co., Chico, Calif.; to the Committee on Claims.

Also, a bill (H. R. 3527) for the relief of Berta C. Hughes; to the Committee on the Territories.

Also, a bill (H. R. 3528) for the relief of Paul Jelna; to the Committee on Military Affairs.

Also, a bill (H. R. 3529) for the relief of Joseph A. Keller; to the Committee on Military Affairs.

Also, a bill (H. R. 3530) for the relief of Paul Little; to the Committee on Military Affairs.

Also, a bill (H. R. 3531) for the relief of Grayson E. Pedigo; to the Committee on Military Affairs.

Also, a bill (H. R. 3532) for the relief of Edward McOmber; to the Committee on Military Affairs.

Also, a bill (H. R. 3533) for the relief of First Lieut. Frank Z. Pirkey; to the Committee on Military Affairs.

Also, a bill (H. R. 3534) for the relief of Levi Rodenberger; to the Committee on Military Affairs.

Also, a bill (H. R. 3535) for the relief of Joseph A. Stevenson; to the Committee on Military Affairs.

Also, a bill (H. R. 3536) for the relief of Viola Wright; to the Committee on Claims.

Also, a bill (H. R. 3537) for the relief of Anna Lueger; to the Committee on Claims.

Also, a bill (H. R. 3538) for the relief of Charles Walker; to the Committee on Military Affairs.

Also, a bill (H. R. 3539) for the relief of William Bartley; to the Committee on Naval Affairs.

Also, a bill (H. R. 3540) for the relief of Charles Beretta, Isidore J. Proulx, and John J. West; to the Committee on Claims.

By Mr. LICHTENWALNER: A bill (H. R. 3541) granting an increase of pension to Elizabeth J. Patrick; to the Committee on Invalid Pensions.

By Mr. McCLINTOCK of Ohio: A bill (H. R. 3542) granting an increase of pension to Christiana Fishley; to the Committee on Invalid Pensions.

By Mr. McFADDEN: A bill (H. R. 3543) granting a pension to Fred C. Vanderpool; to the Committee on Pensions.

Also, a bill (H. R. 3544) granting a pension to Leon P. Chesley; to the Committee on Pensions.

Also, a bill (H. R. 3545) granting an increase of pension to Adelia Chilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3546) granting an increase of pension to Lottie M. Fleming; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3547) granting an increase of pension to Sarah S. Blair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3548) granting an increase of pension to William H. Cooper; to the Committee on Pensions.

By Mr. McKEOWN: A bill (H. R. 3549) granting an increase of pension to Lucinda K. Duncan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3550) granting an increase of pension to Irene (or Rena) Tevis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3551) for the relief of Beryl Elliott; to the Committee on Claims.

By Mr. MAJOR: A bill (H. R. 3552) granting an increase of pension to Ann M. Stead; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3553) granting an increase of pension to Almera I. Chiles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3554) granting a pension to Frank B. Oatman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3555) granting a pension to Susan Brennan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3556) granting a pension to Sarah J. Clifton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3557) granting an increase of pension to Louisa J. Snodgrass; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3558) granting a pension to Agnes M. Sexton; to the Committee on Pensions.

Also, a bill (H. R. 3559) for the relief of Elizabeth Moncravie; to the Committee on Military Affairs.

Also, a bill (H. R. 3560) granting a pension to Sarah McWilliams; to the Committee on Invalid Pensions.

By Mr. MARTIN of Oregon: A bill (H. R. 3561) for the relief of Sophia A. Beers; to the Committee on Claims.

By Mr. NELSON of Maine: A bill (H. R. 3562) granting a pension to Maria B. Thompson; to the Committee on Invalid Pensions.

By Mr. NELSON of Wisconsin: A bill (H. R. 3563) granting an increase of pension to Margret Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3564) for the relief of Maynard F. Culver; to the Committee on Military Affairs.

By Mr. NOLAN: A bill (H. R. 3565) for the relief of the city of Minneapolis, Minn.; to the Committee on Claims.

By Mr. PEAVEY: A bill (H. R. 3566) for the relief of Oscar C. Olson; to the Committee on War Claims.

Also, a bill (H. R. 3567) for the relief of Harry A. Rutherford; to the Committee on Military Affairs.

Also, a bill (H. R. 3568) for the relief of Guy Goodin; to the Committee on War Claims.

Also, a bill (H. R. 3569) for the relief of Alta Crofoot; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3570) for the relief of Edward M. Steffenson; to the Committee on Claims.

Also, a bill (H. R. 3571) for the relief of Roy O. Steffenson; to the Committee on Claims.

Also, a bill (H. R. 3572) for the relief of Leon John Mahoney; to the Committee on Naval Affairs.

Also, a bill (H. R. 3573) granting a pension to Charlie J. Dupree; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3574) granting an increase of pension to Adeline Boldus; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3575) granting an increase of pension to Chester Wooton; to the Committee on Pensions.

By Mr. PARKER of New York: A bill (H. R. 3576) granting an increase of pension to Ella S. T. Witbeck; to the Committee on Invalid Pensions.

By Mr. RAMSPECK: A bill (H. R. 3577) for the relief of James M. Henry; to the Committee on Military Affairs.

Also, a bill (H. R. 3578) granting an increase of pension to Thomas C. Lacy; to the Committee on Pensions.

By Mr. REILLY: A bill (H. R. 3579) for the relief of Joseph Scharbonaugh; to the Committee on Military Affairs.

By Mr. SANDERS of New York: A bill (H. R. 3580) for the relief of Clara E. Wight; to the Committee on War Claims.

By Mr. SHANNON: A bill (H. R. 3581) giving jurisdiction to the Court of Claims to hear and determine the claim of the Cherokee Fuel Co.; to the Committee on Claims.

Also, a bill (H. R. 3582) for the relief of the Atchison, Topeka & Santa Fe Railway Co.; to the Committee on Claims.

Also, a bill (H. R. 3583) granting a pension to Belle Hill; to the Committee on Invalid Pensions.

By Mr. SINCLAIR: A bill (H. R. 3584) for the relief of R. Gilbertsen; to the Committee on Claims.

By Mr. SHREVE: A bill (H. R. 3585) granting an increase of pension to Mary Binney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3586) granting a pension to Marie Geiger; to the Committee on Pensions.

Also, a bill (H. R. 3587) granting an increase of pension to Arvilla Holmes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3588) granting an increase of pension to Anna M. Hull; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3589) granting an increase of pension to Alice D. Janes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3590) granting an increase of pension to Mary B. McDonald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3591) granting an increase of pension to Margaret Palmer; to the Committee on Invalid Pensions.

By Mr. SWICK: A bill (H. R. 3592) granting an increase of pension to Phœbe M. Rankin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3593) granting an increase of pension to Mary Rollman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3594) granting an increase of pension to Mary A. Graham; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 3595) granting an increase of pension to Agnes F. Townsend; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3596) granting an increase of pension to Mary E. Bliss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3597) granting an increase of pension to Euphina Nevenhuisen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3598) granting an increase of pension to Amanda Williams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3599) granting a pension to Abrum K. Cunningham; to the Committee on Pensions.

Also, a bill (H. R. 3600) granting a pension to Jennie Rounds Devoe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3601) for the relief of Arthur L. Hacykell; to the Committee on Naval Affairs.

Also, a bill (H. R. 3602) for the relief of Ralph E. Lewis; to the Committee on Naval Affairs.

Also, a bill (H. R. 3603) for the relief of Albert J. Fern; to the Committee on Naval Affairs.

Also, a bill (H. R. 3604) for the relief of Same Giacalone and Same Ingrande; to the Committee on Claims.

Also, a bill (H. R. 3605) for the relief of Alvah Homes Mitchell; to the Committee on Claims.

Also, a bill (H. R. 3606) for the relief of Richard M. Thompson; to the Committee on Claims.

Also, a bill (H. R. 3607) for the relief of Dr. M. M. Brayshaw; to the Committee on Claims.

Also, a bill (H. R. 3608) for the relief of Henrietta Seymour, widow of Joseph H. Seymour, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 3609) for the relief of Rossetta Laws; to the Committee on Military Affairs.

Also, a bill (H. R. 3610) for the relief of Malven A. Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 3611) for the relief of George Caldwell; to the Committee on Military Affairs.

Also, a bill (H. R. 3612) for the relief of George Walters; to the Committee on Military Affairs.

Also, a bill (H. R. 3613) for the relief of Cora A. Snyder; to the Committee on Military Affairs.

Also, a bill (H. R. 3614) for the relief of Laura Ann Noland; to the Committee on Military Affairs.

Also, a bill (H. R. 3615) for the relief of Charles A. Cobb; to the Committee on Military Affairs.

By Mr. TARVER: A bill (H. R. 3616) granting an increase of pension to Sarah E. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3617) granting an increase of pension to John A. Petty; to the Committee on Pensions.

Also, a bill (H. R. 3618) granting a pension to Pink Foster Sanders; to the Committee on Pensions.

Also, a bill (H. R. 3619) granting a pension to Mary J. Hobgood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3620) granting a pension to Nola Forrester; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3621) for the relief of D. F. Phillips; to the Committee on Claims.

Also, a bill (H. R. 3622) for the relief of the trustees of Mizpah Methodist Church South, located near Kingston, Ga.; to the Committee on War Claims.

Also, a bill (H. R. 3623) for the relief of St. James Episcopal Church, Marietta, Ga.; to the Committee on War Claims.

Also, a bill (H. R. 3624) for the relief of Minnie Hopkins; to the Committee on Naval Affairs.

Also, a bill (H. R. 3625) for the relief of Cora A. Bennett; to the Committee on Claims.

Also, a bill (H. R. 3626) for the relief of John I. Lowe; to the Committee on War Claims.

Also, a bill (H. R. 3627) for the relief of James Wallace; to the Committee on Military Affairs.

Also, a bill (H. R. 3628) for the relief of Paul I. Morris and Beulah Fuller Morris; to the Committee on Claims.

Also, a bill (H. R. 3629) for the relief of John B. Russell; to the Committee on Claims.

Also, a bill (H. R. 3630) for the relief of R. A. Chambers; to the Committee on Claims.

Also, a bill (H. R. 3631) for the relief of Addie Estell Colquitt; to the Committee on Claims.

Also, a bill (H. R. 3632) for the relief of the estate of Ambrose R. Tracy and his children; to the Committee on Claims.

Also, a bill (H. R. 3633) for the relief of Ada T. Finley; to the Committee on Claims.

Also, a bill (H. R. 3634) for the relief of Dr. A. J. Montgomery; to the Committee on Claims.

Also, a bill (H. R. 3635) for the relief of Nannie White; to the Committee on Naval Affairs.

Also, a bill (H. R. 3636) for the relief of F. P. Case; to the Committee on Military Affairs.

Also, a bill (H. R. 3637) granting a retirement annuity to W. A. Cody; to the Committee on the Civil Service.

By Mr. TURPIN: A bill (H. R. 3638) for the relief of Harold Heidel; to the Committee on Military Affairs.

Also, a bill (H. R. 3639) for the relief of Irene K. Harkness; to the Committee on Military Affairs.

Also, a bill (H. R. 3640) for the relief of David Guiney, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 3641) for the relief of Daniel E. Craig; to the Committee on Military Affairs.

Also, a bill (H. R. 3642) granting an increase of pension to Jennie Hoffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3643) granting an increase of pension to Catharine L. Jessop; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3644) for the relief of Lewis A. McDermott; to the Committee on Naval Affairs.

Also, a bill (H. R. 3645) for the relief of Joseph R. Redlhammer; to the Committee on Claims.

Also, a bill (H. R. 3646) for the relief of Leo Riley; to the Committee on Military Affairs.

Also, a bill (H. R. 3647) granting a pension to Mary Shoch; to the Committee on Pensions.

Also, a bill (H. R. 3648) for the relief of John P. Smith, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 3649) for the relief of Leroy Lester Weidow; to the Committee on Naval Affairs.

By Mr. VESTAL: A bill (H. R. 3650) granting an increase of pension to Alice McCoy; to the Committee on Invalid Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 3651) granting a pension to Joseph A. Daily; to the Committee on Pensions.

Also, a bill (H. R. 3652) granting a pension to William John Joseph Ferral; to the Committee on Pensions.

Also, a bill (H. R. 3653) for the relief of Mrs. George W. Robinson; to the Committee on Claims.

Also, a bill (H. R. 3654) for the relief of Emma L. Albrecht; to the Committee on Foreign Affairs.

By Mr. WEST: A bill (H. R. 3655) granting a pension to Anna R. Wright; to the Committee on Pensions.

By Mr. WOODRUFF: A bill (H. R. 3656) granting an increase of pension to Emilly Brown; to the Committee on Invalid Pensions.

By Mr. WYANT: A bill (H. R. 3657) granting an increase of pension to Eliza Painter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3658) granting an increase of pension to Elizabeth Might; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3659) granting an increase of pension to Maria E. Meals; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3660) granting an increase of pension to Abigail McCreery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3661) granting an increase of pension to Nancy A. Guyer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3662) granting an increase of pension to Salome Fyrer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3663) granting an increase of pension to Rebecca Bryan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3664) granting a pension to Melvia Shunk Stump; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3665) granting a pension to Anna M. Steiner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3666) granting a pension to Joseph Dixon Snodgrass; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3667) granting a pension to John M. Mears; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3668) granting a pension to Hannah B. Kelly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3669) granting a pension to John H. Gallena; to the Committee on Invalid Pensions.

By Mr. YON: A bill (H. R. 3670) for the relief of Robert E. Edgecumbe; to the Committee on Claims.

Also, a bill (H. R. 3671) for the relief of Alfred G. Simmons, jr.; to the Committee on Claims.

Also, a bill (H. R. 3672) for the relief of John W. Walthers; to the Committee on Claims.

Also, a bill (H. R. 3673) for the relief of St. Luke's Episcopal Church, Marianna, Fla.; to the Committee on Claims.

Also, a bill (H. R. 3674) providing for the examination and survey of Crooked Channel, Apalachicola Bay, Fla.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 3675) providing for the examination and survey of the Wakulla River, Fla.; to the Committee on Rivers and Harbors.

By Mr. ALLEN: A bill (H. R. 3676) granting an increase of pension to Julietta R. Moody; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3677) granting a pension to Mary Sage; to the Committee on Invalid Pensions.

By Mr. ALMON: A bill (H. R. 3678) to authorize the appointment of Roger Williams Autry as a second lieutenant, United States Army; to the Committee on Military Affairs.

By Mr. ANDRESEN: A bill (H. R. 3679) for the relief of relatives of certain officers and enlisted men of the United States military and naval forces killed in the Lake Denmark explosions July 10, 1926; to the Committee on Claims.

By Mr. ANDREWS of New York: A bill (H. R. 3680) for the relief of William Hayes; to the Committee on Claims.

Also, a bill (H. R. 3681) granting a pension to Richard J. Walsh; to the Committee on Pensions.

Also, a bill (H. R. 3682) granting an increase of pension to Agnes M. Earl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3683) granting an increase of pension to Ellen C. Humbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3684) granting an increase of pension to Anna Tucker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3685) for the relief of August A. Carminati; to the Committee on War Claims.

Also, a bill (H. R. 3686) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Mark D. Williams; to the Committee on Claims.

By Mr. ARENTZ: A bill (H. R. 3687) granting a pension to Daniel Nicholas Cuddy; to the Committee on Pensions.

Also, a bill (H. R. 3688) for the relief of Edward J. Webster; to the Committee on Military Affairs.

By Mr. BACON: A bill (H. R. 3689) authorizing the Secretary of the Treasury to pay certain claims the result of a fire in the Government ordnance plant at Baldwin, N. Y.; to the Committee on Claims.

Also, a bill (H. R. 3690) for the relief of Harry Francis King; to the Committee on Naval Affairs.

Also, a bill (H. R. 3691) for the relief of J. P. Moynihan; to the Committee on Claims.

Also, a bill (H. R. 3692) for the relief of Thomas Hannon; to the Committee on Claims.

Also, a bill (H. R. 3693) for the relief of William Knourek; to the Committee on Claims.

By Mr. BANKHEAD: A bill (H. R. 3694) for the relief of Ada B. (Gould) Gollan; to the Committee on Claims.

By Mr. BEERS: A bill (H. R. 3695) granting an increase of pension to Mary E. Fenicle; to the Committee on Invalid Pensions.

By Mr. BLANTON: A bill (H. R. 3696) for the relief of James R. Deeds; to the Committee on Military Affairs.

Also, a bill (H. R. 3697) for the relief of Walter G. Harrell; to the Committee on Military Affairs.

Also, a bill (H. R. 3698) granting a pension to G. C. Musgrove; to the Committee on Pensions.

Also, a bill (H. R. 3699) granting a pension to N. C. Brown; to the Committee on Pensions.

Also, a bill (H. R. 3700) granting a pension to Harvey T. McPeeters; to the Committee on Pensions.

Also, a bill (H. R. 3701) granting a pension to M. J. Lamb; to the Committee on Pensions.

Also, a bill (H. R. 3702) granting a pension to Mollie J. Hill; to the Committee on Pensions.

By Mr. BOLTON: A bill (H. R. 3703) granting compensation to Harriet M. MacDonald; to the Committee on War Claims.

Also, a bill (H. R. 3704) for the relief of Frederick G. Barker; to the Committee on Claims.

Also, a bill (H. R. 3705) to reimburse Machinist Frank H. Howell, United States Navy, retired, for emergency medical services; to the Committee on Claims.

Also, a bill (H. R. 3706) to pay to the Printz-Biederman Co., of Cleveland, Ohio, the sum of $741.40, money paid as duty on merchandise imported under section 308 of the tariff act; to the Committee on Claims.

Also, a bill (H. R. 3707) granting an increase of pension to Jane Wiley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3708) granting an increase of pension to Julia E. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3709) for the relief of Gertrude Skeel; to the Committee on Claims.

Also, a bill (H. R. 3710) for the relief of Samuel Davis; to the Committee on Naval Affairs.

Also, a bill (H. R. 3711) granting a pension to Jannie Bidlake; to the Committee on Invalid Pensions.

By Mr. BOWMAN: A bill (H. R. 3712) granting an increase of pension to Algeretta Shiere; to the Committee on Pensions.

Also, a bill (H. R. 3713) granting an increase of pension to Anne Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3714) granting an increase of pension to Mollie R. Crane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3715) granting an increase of pension to Elizabeth Gordon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3716) granting an increase of pension to Rebecca E. Sanders; to the Committee on Invalid Pensions.

By Mr. BOYLAN: A bill (H. R. 3717) for the relief of John J. Ronan; to the Committee on Military Affairs.

Also, a bill (H. R. 3718) to authorize full settlement for professional services rendered to an officer of the United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 3719) for the relief of Frank J. Farrish; to the Committee on Claims.

Also, a bill (H. R. 3720) for the relief of Anna Caporaso; to the Committee on Claims.

Also, a bill (H. R. 3721) for the relief of Charles Miller; to the Committee on Claims.

Also, a bill (H. R. 3722) for the relief of Thomas Gaffney; to the Committee on Military Affairs.

Also, a bill (H. R. 3723) granting a pension to Robert W. Tipping; to the Committee on Pensions.

By Mr. BRUNNER: A bill (H. R. 3724) for the relief of Charles Thomas; to the Committee on Claims.

By Mr. BUCHANAN: A bill (H. R. 3725) for the relief of the First National Bank of Brenham, Tex.; to the Committee on Claims.

Also, a bill (H. R. 3726) for the relief of the Farmers State Bank, Georgetown, Tex.; to the Committee on Claims.

Also, a bill (H. R. 3727) for the relief of Mary Elizabeth Fox; to the Committee on Claims.

By Mr. BUCKBEE: A bill (H. R. 3728) granting an increase of pension to Ida M. Brewer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3729) granting an increase of pension to Ruth E. Colvin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3730) for the relief of George W. Churchill; to the Committee on Military Affairs.

Also, a bill (H. R. 3731) granting an increase of pension to Francis Clyde Long; to the Committee on Pensions.

Also, a bill (H. R. 3732) granting an increase of pension to Mary A. Corwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3733) granting an increase of pension to Kate Lamb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3734) granting an increase of pension to Anna Milholland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3735) granting an increase of pension to Sabilla McDowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3736) for the relief of James Madison; to the Committee on Naval Affairs.

Also, a bill (H. R. 3737) granting an increase of pension to Minnie J. Miner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3738) authorizing the Secretary of War to award a congressional medal of honor to John E. Andrew; to the Committee on Military Affairs.

Also, a bill (H. R. 3739) for the relief of James Prien; to the Committee on Military Affairs.

Also, a bill (H. R. 3740) granting a pension to Beulah E. Nicholson; to the Committee on Pensions.

Also, a bill (H. R. 3741) for the relief of the heirs of Garrett Walsh, sr.; to the Committee on Claims.

Also, a bill (H. R. 3742) granting an increase of pension to Carrie M. Raymond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3743) granting an increase of pension to Agnes B. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3744) granting an increase of pension to Mary E. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3745) granting an increase of pension to Hattie K. Weir; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3746) granting an increase of pension to Mina B. York; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3747) granting an increase of pension to Leonora Andrews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3748) granting an increase of pension to Mary J. Pillsbury; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3749) granting a pension to Clara S. Hopple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3750) granting an increase of pension to Olive Newton; to the Committee on Invalid Pensions.

By Mr. BULWINKLE: A bill (H. R. 3751) granting an increase of pension to Henry G. Jones; to the Committee on Pensions.

Also, a bill (H. R. 3752) granting a pension to Mary E. Councill; to the Committee on Pensions.

Also, a bill (H. R. 3753) granting a pension to Ester Buchanan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3754) to provide for the advancement on the retired list of the Army of Vincent P. Rousseau; to the Committee on Military Affairs.

Also, a bill (H. R. 3755) granting an increase of pension to Benjamin F. Shelton; to the Committee on Pensions.

Also, a bill (H. R. 3756) for the relief of Elmer Wilson; to the Committee on Military Affairs.

Also, a bill (H. R. 3757) granting an increase of pension to Brack Wallace; to the Committee on Pensions.

By Mr. CABLE: A bill (H. R. 3758) granting an increase of pension to Effie Dean; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3759) granting an increase of pension to Maria Bigham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3760) granting an increase of pension to Sarah J. Weaver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3761) granting an increase of pension to Crescence Streib; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3762) granting an increase of pension to Esther D. Lynch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3763) granting an increase of pension to Mary E. Riley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3764) granting an increase of pension to Malinda M. Kistler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3765) granting a pension to Mary R. Dickman; to the Committee on Pensions.

Also, a bill (H. R. 3766) granting a pension to Effie P. Chiles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3767) for the relief of William H. Yockey; to the Committee on Claims.

Also, a bill (H. R. 3768) granting an increase of pension to Rachael E. Moberly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3769) granting an increase of pension to Margaret Solmire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3770) granting a pension to Mary Emerick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3771) granting a pension to Theresa Hauss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3772) granting a pension to Chester E. Stevenson; to the Committee on Pensions.

Also, a bill (H. R. 3773) granting a pension to George W. Boyd; to the Committee on Pensions.

Also, a bill (H. R. 3774) granting a pension to Thomas Eubank; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3775) for the relief of Eula K. Lee; to the Committee on Claims.

By Mr. CAMPBELL of Iowa: A bill (H. R. 3776) granting an increase of pension to Amanda E. Hummel; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 3777) granting a pension to Hattie B. Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3778) granting an increase of pension to Sarah J. Waggoner; to the Committee on Invalid Pensions.

By Mr. CARLEY: A bill (H. R. 3779) for the relief of Amos D. Carver, S. E. Turner, Clifford N. Carver, Scott Blanchard, P. B. Blanchard, James B. Parse, A. N. Blanchard, and W. A. Blanchard; to the Committee on Claims.

By Mr. CARTER of California: A bill (H. R. 3780) granting an increase of pension to Maria A. Vance; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3781) granting an increase of pension to Sarah M. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3782) granting a pension to Edward Myers; to the Committee on Pensions.

Also, a bill (H. R. 3783) granting a pension to Grace Walcott Fleming; to the Committee on Pensions.

Also, a bill (H. R. 3784) granting a pension to Della Rankin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3785) to place Sprague B. Wyman on the retired list of the United States Army as a captain; to the Committee on Military Affairs.

Also, a bill (H. R. 3786) extending the benefits of the emergency officers' retirement act to Harry C. Boyden; to the Committee on War Claims.

Also, a bill (H. R. 3787) for the retirement of Alfred Sorenson; to the Committee on Military Affairs.

Also, a bill (H. R. 3788) to authorize the appointment of James H. Larney a warrant officer, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 3789) authorizing Walter F. Winton, major in the United States Army, to accept the decoration of the Order of the Sun of Peru, tendered to him by the President of Peru; to the Committee on Foreign Affairs.

Also, a bill (H. R. 3790) for the relief of Arthur Richter; to the Committee on Claims.

Also, a bill (H. R. 3791) for the relief of Douglas B. Espy; to the Committee on Claims.

Also, a bill (H. R. 3792) for the relief of Eleanor K. Webber; to the Committee on Claims.

Also, a bill (H. R. 3793) for the relief of Frank R. Carpenter, alias Frank R. Carvin; to the Committee on Military Affairs.

Also, a bill (H. R. 3794) for the relief of Charles W. Langridge; to the Committee on Claims.

Also, a bill (H. R. 3795) for the relief of Harvey M. Hunter; to the Committee on Claims.

Also, a bill (H. R. 3796) for the relief of Joshua L. Bach; to the Committee on Claims.

Also, a bill (H. R. 3797) for the relief of Hugh Callahan; to the Committee on Military Affairs.

Also, a bill (H. R. 3798) for the relief of Herbert A. Mackey; to the Committee on Claims.

Also, a bill (H. R. 3799) for the relief of Arthur C. Pinson and Pearl Pinson; to the Committee on Claims.

Also, a bill (H. R. 3800) for the relief of Benjamin F. Jones; to the Committee on Military Affairs.

Also, a bill (H. R. 3801) for the relief of Robert Whitley Miller; to the Committee on Military Affairs.

Also, a bill (H. R. 3802) for the relief of Joseph H. Price; to the Committee on Military Affairs.

By Mr. CARTWRIGHT: A bill (H. R. 3803) granting a pension to Sarah A. Morris; to the Committee on Pensions.

Also, a bill (H. R. 3804) granting an increase of pension to Johannah Sweet; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3805) for the relief of Albert D. Castleberry; to the Committee on Military Affairs.

Also, a bill (H. R. 3806) granting a pension to Elizabeth Frances Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3807) granting a pension to Isabelle H. Redfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3808) for the relief of Phoebe Tedder; to the Committee on Military Affairs.

By Mr. CANFIELD: A bill (H. R. 3809) granting a pension to Laura E. McLaughlin; to the Committee on Invalid Pensions.

By Mr. CHRISTGAU: A bill (H. R. 3810) for the relief of M. N. Lipinski; to the Committee on Claims.

By Mr. CLAGUE: A bill (H. R. 3811) for the relief of Lela B. Smith; to the Committee on Claims.

Also, a bill (H. R. 3812) for the relief of the estate of Harry W. Ward, deceased; to the Committee on Claims.

Also, a bill (H. R. 3813) granting a pension to Emma Fleming; to the Committee on Invalid Pensions.

By Mr. CLARKE of New York: A bill (H. R. 3814) granting an increase of pension to Rachel A. Gallt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3815) granting an increase of pension to Adelia B. Folsom; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3816) granting an increase of pension to Sarah L. Salisbury; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3817) granting an increase of pension to Emma R. Pettie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3818) granting a pension to Mary A. Wands; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3819) granting a pension to Anna V. Peck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3820) granting a pension to Grace A. Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3821) granting a pension to Henry De Witt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3822) for the relief of Joseph Mossew; to the Committee on Claims.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 3823) granting a pension to Cordelia Stiles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3824) granting a pension to Etta B. Taylor; to the Committee on Pensions.

Also, a bill (H. R. 3825) for the relief of Thomas Parker; to the Committee on Military Affairs.

Also, a bill (H. R. 3826) granting an increase of pension to Lodema Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3827) granting an increase of pension to Mary A. Lindy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3828) granting an increase of pension to Rozillah Walters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3829) granting an increase of pension to Emma Sturdevant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3830) granting an increase of pension to Elizabeth C. Falconer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3831) granting an increase of pension to Elizabeth W. Barringer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3832) granting a pension to Emma V. Bateman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3833) granting a pension to Frederika Monstrom; to the Committee on Pensions.

Also, a bill (H. R. 3834) granting a pension to Bertha Branning; to the Committee on Pensions.

Also, a bill (H. R. 3835) authorizing the Secretary of War to award a congressional medal of honor to Lieut. Col. Frederic E. Windsor, and to place his name on "the Army and Navy medal of honor roll"; to the Committee on Military Affairs.

By Mr. COLLIER: A bill (H. R. 3836) to correct the Coast Guard record of Frank P. Barbour; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3837) for the relief of V. P. Johnson; to the Committee on Claims.

Also, a bill (H. R. 3838) for the relief of the estate of Mrs. Donnie Wright, deceased; to the Committee on Claims.

Also, a bill (H. R. 3839) for the relief of Leo C. Vollinger; to the Committee on Claims.

Also, a bill (H. R. 3840) for the relief of Oswald H. Halford, Hunter M. Henry, William C. Horne, Rupert R. Johnson, David L. Lacey, William Z. Lee, Fenton F. Rodgers, Henry Freeman Seale, Felix M. Smith, Edwin C. Smith, Robert S. Sutherland, and Charles G. Ventress; to the Committee on Claims.

Also, a bill (H. R. 3841) for the relief of Charles H. Penley; to the Committee on Claims.

Also, a bill (H. R. 3842) for the relief of the legal representative of Ann D. Halsey, deceased; to the Committee on War Claims.

Also, a bill (H. R. 3843) for the relief of the dependents of Max Grady Sullivan, deceased; to the Committee on Naval Affairs.

Also, a bill (H. R. 3844) for the relief of E. E. Carroll; to the Committee on Claims.

Also, a bill (H. R. 3845) for the relief of Charles L. Barber; to the Committee on Claims.

By Mr. CRAIL: A bill (H. R. 3846) for the relief of Floyd W. Washington; to the Committee on Military Affairs.

Also, a bill (H. R. 3847) for the relief of Henry T. Mitchell; to the Committee on Naval Affairs.

By Mr. CROSS: A bill (H. R. 3848) for the relief of Ed Symes and wife, Elizabeth Symes, and certain other citizens of the State of Texas; to the Committee on Claims.

By Mr. CULKIN: A bill (H. R. 3849) for the relief of W. Glenn Larmonth; to the Committee on Claims.

Also, a bill (H. R. 3850) for the relief of Frank D. Lowe; to the Committee on Claims.

Also, a bill (H. R. 3851) for the relief of Ward Bell; to the Committee on Claims.

Also, a bill (H. R. 3852) to authorize the erection on the battlefield of Sackets Harbor, N. Y., of a monument to Maj. Gen. Jacob Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 3853) for the relief of Westcott Chuck Co.; to the Committee on Claims.

Also, a bill (H. R. 3854) for the relief of Albert W. Wright; to the Committee on Claims.

Also, a bill (H. R. 3855) for the relief of Smith-Canastota (Inc.), successor to Bridge & Souter Co. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 3856) granting an increase of pension to Ellen McCarthy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3857) granting a pension to Dorothy King; to the Committee on Pensions.

Also, a bill (H. R. 3858) granting a pension to Cora Dawson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3859) granting a pension to Mary E. Riley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3860) granting a pension to Sarah Morgan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3861) granting an increase of pension to Cynthia A. Merrill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3862) granting an increase of pension to Catherine Grunert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3863) granting an increase of pension to Hannah A. Phelps; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3864) granting an increase of pension to Blanche A. Sheldon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3865) granting an increase of pension to Elizabeth Garnsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3866) granting a pension to Eliza C. Morehouse; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3867) granting a pension to Annie Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3868) granting an increase of pension to Ida M. Goodfellow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3869) granting a pension to Netti L. Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3870) granting an increase of pension to Laura Joles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3871) granting a pension to Ella Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3872) granting a pension to Jennie E. Bishop; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3873) granting an increase of pension to Bridget Owens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3874) granting a pension to May E. Parkhurst; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3875) granting an increase of pension to Francis M. Hayden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3876) granting a pension to Fred Poole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3877) granting a pension to Ella W. Putnam; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3878) granting an increase of pension to Sarah J. Adsit; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3879) granting a pension to Frances Hubbard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3880) granting a pension to Catherine Berrigan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3881) granting an increase of pension to Martha House; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3882) granting a pension to N. May Bush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3883) granting a pension to Almon O. Watson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3884) granting an increase of pension to Ellen M. Stowell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3885) granting a pension to Mary Maxon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3886) granting an increase of pension to Frances M. Hayden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3887) granting an increase of pension to Katie Ingersoll; to the Committee on Invalid Pensions.

By Mr. DAVENPORT: A bill (H. R. 3888) granting an increase of pension to Julia W. B. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3889) granting an increase of pension to Frances S. O'Connor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3890) granting an increase of pension to Amanda Onderdonk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3891) granting an increase of pension to Sophia M. A. Canfield; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3892) granting an increase of pension to Miranda L. Aldous; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3893) granting an increase of pension to Lottie E. Benson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3894) granting a pension to Mary Blair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3895) granting a pension to Helen Deets; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3896) granting a pension to Bella F. Osgood Kern; to the Committee on Pensions.

Also, a bill (H. R. 3897) granting a pension to Barbara Burnett; to the Committee on Invalid Pensions.

By Mr. DE PRIEST: A bill (H. R. 3898) authorizing the Secretary of the Treasury to refund to the so-called assistant directors in the public schools of the District of Columbia, divisions 10 to 13, all that portion of their salaries erroneously and illegally deducted and withheld under the provisions of the act of June 20, 1906; to the Committee on the District of Columbia.

Also, a bill (H. R. 3899) for the relief of Nellie Francis; to the Committee on Claims.

By Mr. DRANE: A bill (H. R. 3900) for the relief of Fitzhugh Lee Dantzler; to the Committee on Military Affairs.

Also, a bill (H. R. 3901) granting a pension to Mrs. Lura P. Markley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3902) granting a pension to Sarah M. Curry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3903) granting a pension to Frank H. Brown; to the Committee on Pensions.

By Mr. DRIVER: A bill (H. R. 3904) granting a pension to William E. Garrett; to the Committee on Pensions.

Also, a bill (H. R. 3905) for the relief of Maj. L. D. Worsham; to the Committee on Claims.

Also, a bill (H. R. 3906) for the relief of Rena Riggins; to the Committee on Military Affairs.

By Mr. DYER: A bill (H. R. 3907) granting a pension to Julia B. Goodrich; to the Committee on Invalid Pensions.

By Mr. EATON of Colorado: A bill (H. R. 3908) for the relief of Sheldon R. Purdy; to the Committee on the Post Office and Post Roads.

By Mr. EVANS of California: A bill (H. R. 3909) for the relief of Helen Patricia Sullivan; to the Committee on Claims.

Also, a bill (H. R. 3910) for the relief of the Pasadena Building and Loan Association, of Pasadena, Calif.; to the Committee on Claims.

Also, a bill (H. R. 3911) for the relief of the California Security Loan Corporation, of Pasadena, Calif.; to the Committee on Claims.

By Mr. FIESINGER: A bill (H. R. 3912) granting a pension to John Bettridge; to the Committee on Pensions.

By Mr. FITZPATRICK: A bill (H. R. 3913) for the relief of Patrick Charles O'Hara; to the Committee on Naval Affairs.

By Mr. FREEMAN: A bill (H. R. 3914) granting an increase of pension to Augusta E. Cutler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3915) granting an increase of pension to Eliza W. Parkhurst; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3916) granting an increase of pension to Harriet E. Huntley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3917) granting an increase of pension to Lucy A. Beckwith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3918) granting a pension to Alfarata Phillips; to the Committee on Invalid Pensions.

By Mr. FREE: A bill (H. R. 3919) for the relief of Stewart M. Crosgrove; to the Committee on Military Affairs.

Also, a bill (H. R. 3920) for the relief of Harry A. W. Lea; to the Committee on Military Affairs.

Also, a bill (H. R. 3921) for the relief of John Hoffman, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 3922) for the relief of Joseph N. Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 3923) granting a pension to Jennie Boyd Meigs; to the Committee on Pensions.

Also, a bill (H. R. 3924) granting an increase of pension to Thomas E. Cruess; to the Committee on Pensions.

Also, a bill (H. R. 3925) for the relief of William D. Grush; to the Committee on Military Affairs.

Also, a bill (H. R. 3926) for the relief of George W. Lea; to the Committee on Military Affairs.

Also, a bill (H. R. 3927) for the relief of William B. McLaren, alias Thomas John Kelly, alias Thomas Holden Scully; to the Committee on Naval Affairs.

Also, a bill (H. R. 3928) for the relief of Addie I. Tryon and Lorin H. Tryon; to the Committee on Claims.

Also, a bill (H. R. 3929) granting a pension to Martha M. Durfey; to the Committee on Invalid Pensions.

By Mr. FREAR: A bill (H. R. 3930) to retire Master Sergt. Paul R. Nelson with the rank and pay of captain; to the Committee on Military Affairs.

By Mr. FULBRIGHT: A bill (H. R. 3931) granting an increase of pension to Susie C. Battles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3932) granting a pension to Sophia Springer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3933) granting an increase of pension to Mary J. Abbott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3934) granting a pension to Mary E. Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3935) granting a pension to Stillman Garrett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3936) granting a pension to Isaac Bilyeu (Bilyew, Bylew); to the Committee on Invalid Pensions.

Also, a bill (H. R. 3937) for the relief of Joseph S. Somers; to the Committee on Claims.

Also, a bill (H. R. 3938) for the relief of Oda Herbert Plowman; to the Committee on Naval Affairs.

By Mr. FULLER: A bill (H. R. 3939) granting a pension to Harriet A. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3940) granting a pension to Sarah E. Turner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3941) granting a pension to Lutecia Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3942) granting a pension to Gabriel Patrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3943) granting a pension to Gemima Reeves; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3944) granting a pension to Lau Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3945) granting a pension to Lillie Siemiller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3946) granting a pension to Bettie A. Reese; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3947) granting a pension to Tandy A. Key; to the Committee on Pensions.

By Mr. FULMER: A bill (H. R. 3948) for the relief of Charles E. Kelley; to the Committee on Military Affairs.

Also, a bill (H. R. 3949) granting a pension to John H. Bishop; to the Committee on Pensions.

Also, a bill (H. R. 3950) to place Jesse C. Harmon on the retired list of the Marine Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 3951) to provide a preliminary examination of the Edisto River and its branches, South and North Edisto, S. C., with a view to the control of its floods; to the Committee on Flood Control.

By Mr. GARNER: A bill (H. R. 3952) granting a pension to L. Avant; to the Committee on Pensions.

Also, a bill (H. R. 3953) for the relief of the First State Bank & Trust Co., of Mission, Tex.; to the Committee on Claims.

Also, a bill (H. R. 3954) for the relief of Llewellyn B. Griffith; to the Committee on Military Affairs.

Also, a bill (H. R. 3955) authorizing the Secretary of War to convey to the city of Eagle Pass, Tex., certain land in Maverick County, Tex., comprising the abandoned military reservation at Camp Eagle Pass; to the Committee on the Public Lands.

By Mr. GASQUE: A bill (H. R. 3956) granting a pension to Samuel W. Mabrey; to the Committee on Pensions.

Also, a bill (H. R. 3957) granting an increase of pension to Grace Graves Herring; to the Committee on Pensions.

Also, a bill (H. R. 3958) for the relief of W. A. Frink; to the Committee on Claims.

By Mr. GIFFORD: A bill (H. R. 3959) granting an increase of pension to George I. Luce; to the Committee on Pensions.

Also, a bill (H. R. 3960) providing for an examination and survey of the harbor at Cuttyhunk, Mass.; to the Committee on Rivers and Harbors.

By Mr. GLOVER: A bill (H. R. 3961) for the relief of Catherine Bell; to the Committee on Claims.

By Mr. GOLDSBOROUGH: A bill (H. R. 3962) for the relief of Eleanor G. Goldsborough; to the Committee on Claims.

Also, a bill (H. R. 3963) to provide for the examination and survey of the harbor at Rock Hall, Kent County, Md.; to the Committee on Rivers and Harbors.

By Mr. GOSS: A bill (H. R. 3964) for the relief of Floyd W. Phillips; to the Committee on Military Affairs.

By Mr. GREENWOOD: A bill (H. R. 3965) granting an increase of pension to Nancy E. Bucher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3966) granting a pension to Verdie Osborn; to the Committee on Pensions.

Also, a bill (H. R. 3967) granting an increase of pension to Paulina E. Cooper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3968) granting an increase of pension to Belle Armel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3969) for the relief of John P. Leonard; to the Committee on Military Affairs.

Also, a bill (H. R. 3970) granting an increase of pension to Elizabeth J. Cunningham; to the Committee on Invalid Pensions.

By Mr. GUYER: A bill (H. R. 3971) granting a pension to Mary J. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3972) granting an increase of pension to Mary I. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3973) granting an increase of pension to Annie C. Eldridge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3974) granting an increase of pension to Sierra Garrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3975) granting an increase of pension to Clarissa J. Goldsberry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3976) granting an increase of pension to Cynthia Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3977) granting an increase of pension to Priscilla Ann Craine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3978) granting a pension to Jacob Lee Glenn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3979) granting a pension to Ruth P. Kerns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3980) granting a pension to Nettie B. Protzman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3981) granting a pension to Tenie Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3982) granting a pension to Almira West; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3983) granting a pension to Emma Zane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3984) granting a pension to Amanda M. Case; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3985) for the relief of the Smith-Leavitt Coal Co.; to the Committee on Claims.

Also, a bill (H. R. 3986) for the relief of the Smith-Leavitt Coal Co.; to the Committee on Claims.

Also, a bill (H. R. 3987) for the relief of R. K. Stiles & Co.; to the Committee on Claims.

By Mr. HARE: A bill (H. R. 3988) granting a pension to Annie Florence Coleman; to the Committee on Pensions.

Also, a bill (H. R. 3989) granting an increase of pension to Dora D. Walker; to the Committee on Pensions.

Also, a bill (H. R. 3990) for the relief of Cassie T. Culbertson; to the Committee on Claims.

Also, a bill (H. R. 3991) for the relief of John M. Tatum; to the Committee on Military Affairs.

Also, a bill (H. R. 3992) for the relief of Anna A. Hall; to the Committee on Claims.

Also, a bill (H. R. 3993) for the relief of Walter Couch; to the Committee on War Claims.

Also, a bill (H. R. 3994) for the relief of Arthur A. Burn, sr., and J. K. Ryland; to the Committee on Claims.

By Mr. HARLAN: A bill (H. R. 3995) for the relief of William W. Troy; to the Committee on Military Affairs.

Also, a bill (H. R. 3996) for the relief of Garrett M. Martin; to the Committee on Military Affairs.

Also, a bill (H. R. 3997) granting an increase of pension to Hillary J. Howard; to the Committee on Pensions.

Also, a bill (H. R. 3998) granting an increase of pension to James Corcoran; to the Committee on Pensions.

By Mr. HART: A bill (H. R. 3999) granting an increase of pension to Sophronia Austin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4000) granting a pension to Carl Kobis; to the Committee on Pensions.

Also, a bill (H. R. 4001) granting a pension to William Nelson Palmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4002) granting a pension to Electa E. Rockwell; to the Committee on Pensions.

Also, a bill (H. R. 4003) granting a pension to Edward Krause; to the Committee on Pensions.

By Mr. HAUGEN: A bill (H. R. 4004) granting a pension to Clara C. Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4005) granting a pension to Martha E. Jennings; to the Committee on Invalid Pensions.

By Mr. HOGG of Indiana: A bill (H. R. 4006) for the relief of Fred R. Hamilton; to the Committee on the Civil Service.

Also, a bill (H. R. 4007) granting an increase of pension to Malissa Bower; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4008) granting a pension to Anna Hyde; to the Committee on Pensions.

Also, a bill (H. R. 4009) for the relief of Dexter C. Fogel; to the Committee on Claims.

Also, a bill (H. R. 4010) granting a pension to Hester Zegenfus; to the Committee on Invalid Pensions.

By Mr. HOLLISTER: A bill (H. R. 4011) granting a pension to Richard N. Lykins; to the Committee on Pensions.

Also, a bill (H. R. 4012) granting a pension to Myrtle De Witte; to the Committee on Pensions.

Also, a bill (H. R. 4013) granting an increase of pension to Anna M. Parish; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 4014) granting a pension to Georganna Robbins; to the Committee on Invalid Pensions.

By Mr. HOPE: A bill (H. R. 4015) granting a pension to Joseph K. Bennett; to the Committee on Pensions.

By Mr. HOPKINS: A bill (H. R. 4016) granting a pension to Annie May Montgomery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4017) granting a pension to Margaret E. Lackey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4018) granting a pension to John H. Auxier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4019) granting an increase of pension to Susan Van Horn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4020) granting an increase of pension to Joanna Weekly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4021) granting an increase of pension to Mary A. J. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4022) granting an increase of pension to Frances Ross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4023) granting an increase of pension to Mary I. D. Bigley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4024) granting an increase of pension to Mary E. Boyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4025) for the relief of Ethel Perks; to the Committee on War Claims.

Also, a bill (H. R. 4026) for the relief of Bertha F. Wrisinger; to the Committee on Claims.

Also, a bill (H. R. 4027) for the relief of S. L. Claypole; to the Committee on Claims.

Also, a bill (H. R. 4028) for the relief of Erasmus J. Booth; to the Committee on Military Affairs.

By Mr. HORNOR: A bill (H. R. 4029) granting an increase of pension to Anzina L. Harper; to the Committee on Invalid Pensions.

By Mr. HOUSTON of Delaware: A bill (H. R. 4030) for the relief of George Clough, alias George Clow; to the Committee on Military Affairs.

Also, a bill (H. R. 4031) for the relief of Harry C. Saxton; to the Committee on Claims.

Also, a bill (H. R. 4032) for the relief of George E. Megee; to the Committee on Claims.

Also, a bill (H. R. 4033) granting an increase of pension to Maggie A. Louderbough; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4034) granting a pension to Delia R. Taney; to the Committee on Pensions.

Also, a bill (H. R. 4035) granting an increase of pension to Ella Slaughter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4036) extending the time for consideration of application for retirement of Douglas G. Stewart, under the emergency officers' retirement act; to the Committee on Naval Affairs.

Also, a bill (H. R. 4037) for the relief of Samuel LeRoy Layton; to the Committee on Claims.

Also a bill (H. R. 4038) for the relief of A. Randolph Holladay; to the Committee on Claims.

Also, a bill (H. R. 4039) for the relief of Herman H Bradford; to the Committee on War Claims.

Also, a bill (H. R. 4040) for the relief of Horace G Knowles; to the Committee on Claims.

By Mr. HOWARD: A bill (H. R. 4041) granting an increase of pension to Elizabeth C. Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4042) granting an increase of pension to Catherine Walters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4043) granting an increase of pension to Jennie Paniska; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4044) to investigate the claims of and to enroll certain persons if entitled with the Omaha Tribe of Indians; to the Committee on Indian Affairs.

By Mr. IGOE: A bill (H. R. 4045) for the relief of Carl L. Bernau; to the Committee on Military Affairs.

By Mr. JAMES: A bill (H. R. 4046) for the relief of Louis Vauthier and Francis Dohs; to the Committee on Military Affairs.

Also, a bill (H. R. 4047) granting a pension to Hannah C. McCarthy; to the Committee on Pensions.

By Mr. JOHNSON of Illinois: A bill (H. R. 4048) granting an increase of pension to Louisa S. Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4049) granting an increase of pension to Anna Flint; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4050) granting an increase of pension to Hattie A. Newcomer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4051) granting an increase of pension to Elizabeth Stimlee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4052) granting a pension to Anna Layton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4053) granting a pension to Ethel S. Ferguson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4054) for the relief of Laura B. Hayes; to the Committee on Claims.

Also, a bill (H. R. 4055) for the relief of Charles W. Nobis, Robert Bruce Irwin, Ralph Irwin, Vern Shelly, Charles W. Chapman, C. H. Jobe, Helen S. Cooper, Lizzie Jameson, Frank and Irene Jameson; to the Committee on Claims.

Also, a bill (H. R. 4056) for the relief of Emma Shelly; to the Committee on Claims.

Also, a bill (H. R. 4057) for the relief of Jeannette S. Jewell; to the Committee on Foreign Affairs.

Also, a bill (H. R. 4058) for the relief of James Cantlin, alias James Cantlion, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 4059) for the relief of Rosamond B. McManus; to the Committee on Claims.

Also, a bill (H. R. 4060) granting an increase of pension to Cornelia Shoemaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4061) granting an increase of pension to Elizabeth J. Howe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4062) granting an increase of pension to Minnie G. Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4063) granting a pension to Sadie M. Meik; to the Committee on Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 4064) for the relief of Sarah Maddocks Ferguson; to the Committee on Military Affairs.

Also, a bill (H. R. 4065) for the relief of Philip Lemieux; to the Committee on Military Affairs.

Also, a bill (H. R. 4066) for the relief of John James Mahoney; to the Committee on Military Affairs.

Also, a bill (H. R. 4067) for the relief of John Pitkanen; to the Committee on Claims.

Also, a bill (H. R. 4068) for the relief of Mrs. Frank G. Sanford; to the Committee on Claims.

Also, a bill (H. R. 4069) for the relief of Ralph Marion Viles; to the Committee on Naval Affairs.

Also, a bill (H. R. 4070) for the relief of Emanuel Wallin; to the Committee on the Public Lands.

Also, a bill (H. R. 4071) for the relief of W. A. Blankenship; to the Committee on Claims.

Also, a bill (H. R. 4072) for the relief of A. E. Clark; to the Committee on Claims.

Also, a bill (H. R. 4073) for the relief of George R. Wise; to the Committee on Naval Affairs.

Also, a bill (H. R. 4074) granting a pension to Emma D. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4075) granting a pension to Ida Doherty; to the Committee on Pensions.

Also, a bill (H. R. 4076) granting a pension to Mary A. Frisbee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4077) granting a pension to Mary Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4078) granting a pension to Lizzie A. Nellis; to the Committee on Pensions.

Also, a bill (H. R. 4079) granting a pension to Cecil S. Moore; to the Committee on Pensions.

Also, a bill (H. R. 4080) granting a pension to Frank Patterson; to the Committee on Pensions.

Also, a bill (H. R. 4081) granting a pension to Agnes O'Neill; to the Committee on Pensions.

Also, a bill (H. R. 4082) granting a pension to Rebecca Patterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4083) granting a pension to Charles M. Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4084) granting a pension to Bert T. Robinson; to the Committee on Pensions.

Also, a bill (H. R. 4085) granting a pension to Minnie A. Squires; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4086) granting a pension to Carrie E. Trafford; to the Committee on Pensions.

Also, a bill (H. R. 4087) granting a pension to Benjamin L. Swift; to the Committee on Pensions.

Also, a bill (H. R. 4088) granting a pension to Jennie M. Bonnell; to the Committee on Pensions.

Also, a bill (H. R. 4089) granting a pension to Harriett Ware; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4090) granting an increase of pension to Thomas P. Dunn; to the Committee on Pensions.

Also, a bill (H. R. 4091) granting an increase of pension to Mabel F. Coen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4092) granting a pension to Frances Ballard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4093) granting a pension to Mary C. Croman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4094) granting an increase of pension to Emily T. Burton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4095) granting an increase of pension to Jane Elizabeth Carr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4096) granting a pension to Eva M. Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4097) for the relief of John W. Arntson; to the Committee on Military Affairs.

Also, a bill (H. R. 4098) for the relief of Carl F. Hickman; to the Committee on Military Affairs.

By Mrs. KAHN: A bill (H. R. 4099) granting a pension to David Jacobi; to the Committee on Pensions.

Also, a bill (H. R. 4100) granting a pension to Iria T. Peck; to the Committee on Pensions.

Also, a bill (H. R. 4101) granting a pension to Harriet I. Van Camp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4102) for the relief of Thomas Mahoney; to the Committee on Naval Affairs.

Also, a bill (H. R. 4103) for the relief of Warren Burke; to the Committee on Naval Affairs.

Also, a bill (H. R. 4104) for the relief of Anna S. Carrigan; to the Committee on Foreign Affairs.

Also, a bill (H. R. 4105) for the relief of Nels D. Anderson; to the Committee on Claims.

Also, a bill (H. R. 4106) for the relief of Arthur H. Christern; to the Committee on Claims.

Also, a bill (H. R. 4107) for the relief of Patrick Collum; to the Committee on Naval Affairs.

Also, a bill (H. R. 4108) for the relief of Joseph L. Davis; to the Committee on Military Affairs.

Also, a bill (H. R. 4109) for the relief of Abram L. Gerson (Abe A. Gerson); to the Committee on Military Affairs.

Also, a bill (H. R. 4110) for the relief of William Kelley; to the Committee on Military Affairs.

Also, a bill (H. R. 4111) for the relief of Fred Peterson; to the Committee on Military Affairs.

Also, a bill (H. R. 4112) for the relief of Dave Price; to the Committee on Military Affairs.

Also, a bill (H. R. 4113) for the relief of Jacob Meyers; to the Committee on Claims.

Also, a bill (H. R. 4114) for the relief of Patrick Joseph Pierson; to the Committee on Naval Affairs.

Also, a bill (H. R. 4115) for the relief of Theodore Reynders; to the Committee on Naval Affairs.

Also, a bill (H. R. 4116) for the relief of the legal representatives of Owen Thorne, deceased; to the Committee on Claims.

Also, a bill (H. R. 4117) for the relief of Hamilton Stone Wallace; to the Committee on Military Affairs.

Also, a bill (H. R. 4118) for the relief of U. R. Webb; to the Committee on Claims.

Also, a bill (H. R. 4119) to authorize the appointment of John J. Dean, Medical Corps, as warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4120) providing for the advancement of Michael Holub on the retired list of the Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4121) providing for the appointment of Julia Johnston as a warrant officer, Quartermaster Corps, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4122) providing for the advancement on the retired list of the Army of Hunter Liggett, major general, United States Army, retired; to the Committee on Military Affairs.

Also, a bill (H. R. 4123) to authorize the appointment of First Sergt. John Rowland, retired, United States Army, to master sergeant, retired, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4124) providing for the appointment of Roderick R. Strong as a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4125) to authorize the appointment of Bert J. Zimmerman as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. KOPP: A bill (H. R. 4126) granting a pension to Elizabeth Smith; to the Committee on Pensions.

Also, a bill (H. R. 4127) granting a pension to Mary E. Burkett; to the Committee on Invalid Pensions.

By Mr. LAMBERTSON: A bill (H. R. 4128) for the relief of Edward Wilson; to the Committee on Military Affairs.

Also, a bill (H. R. 4129) for the relief of Mary Bogner; to the Committee on Claims.

Also, a bill (H. R. 4130) granting an increase of pension to Catherine E. Elliott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4131) granting a pension to Daniel Vanderslice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4132) granting a pension to Matilda Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4133) granting a pension to Mrs. J. L. Clinkinbeard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4134) granting a pension to Carlos G. Bostwick; to the Committee on Pensions.

Also, a bill (H. R. 4135) granting a pension to Velma Johnson; to the Committee on Pensions.

Also, a bill (H. R. 4136) granting a pension to Loren H. Lindsey; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 4137) granting an increase of pension to Matilda P. Dawson; to the Committee on Invalid Pensions.

By Mr. LEAVITT: A bill (H. R. 4138) granting increases of pension to Sarah E. Weekley and her dependent and helpless daughter, Fay B. Weekley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4139) granting a pension to James B. Mitchell; to the Committee on Pensions.

Also, a bill (H. R. 4140) granting a pension to Old Coyote; to the Committee on Pensions.

Also, a bill (H. R. 4141) granting a pension to May McGee; to the Committee on Pensions.

Also, a bill (H. R. 4142) for the relief of Robert Aaron; to the Committee on Military Affairs.

Also, a bill (H. R. 4143) for the relief of the Sherburne Mercantile Co.; to the Committee on Indian Affairs.

Also, a bill (H. R. 4144) for the relief of H. H. Lee; to the Committee on Claims.

Also, a bill (H. R. 4145) for the relief of Thomas C. LaForge; to the Committee on Indian Affairs.

Also, a bill (H. R. 4146) for the relief of G. Casman; to the Committee on Claims.

Also, a bill (H. R. 4147) for the relief of Halvor H. Groven; to the Committee on Claims.

Also, a bill (H. R. 4148) authorizing issuance of a patent in fee to Wilbur J. Scott for certain lands; to the Committee on Indian Affairs.

Also, a bill (H. R. 4149) authorizing the Secretary of the Interior to pay E. C. Sampson, of Billings, Mont., for services rendered to Crow Tribe of Indians; to the Committee on Indian Affairs.

Also, a bill (H. R. 4150) authorizing issuance of patents in fee to Benjamin Spottedhorse and Horse Spottedhorse for certain lands; to the Committee on Indian Affairs.

By Mr. LUDLOW: A bill (H. R. 4151) for the relief of Thomas B. Wikoff; to the Committee on Military Affairs.

Also, a bill (H. R. 4152) to correct the military record of Fant Warsham; to the Committee on Military Affairs.

Also, a bill (H. R. 4153) granting a pension to Eudora Washburn; to the Committee on Pensions.

Also, a bill (H. R. 4154) for the relief of Ruby F. Voiles; to the Committee on Claims.

Also, a bill (H. R. 4155) granting a pension to Charles Thompson; to the Committee on Pensions.

Also, a bill (H. R. 4156) granting a pension to Emma E. Smith; to the Committee on Pensions.

Also, a bill (H. R. 4157) granting an increase of pension to Laura Resoner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4158) granting an increase of pension to Sarah Maria Ryan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4159) for the relief of Claribel Moore; to the Committee on Claims.

Also, a bill (H. R. 4160) for the relief of Raymond D. Woods; to the Committee on Claims.

Also, a bill (H. R. 4161) for the relief of John Joseph Ames; to the Committee on Claims.

Also, a bill (H. R. 4162) for the relief of Homer J. Williamson; to the Committee on Claims.

Also, a bill (H. R. 4163) for the relief of Arthur Witte; to the Committee on Claims.

Also, a bill (H. R. 4164) granting a pension to Sarah E. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4165) for the relief of William Jesse Cosbey; to the Committee on Naval Affairs.

Also, a bill (H. R. 4166) to correct the military record of Lake B. Morrison; to the Committee on Military Affairs.

Also, a bill (H. R. 4167) granting an increase of pension to Mary Northcutt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4168) granting an increase of pension to Mary Ellen Oliver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4169) granting an increase of pension to Catharine D. Manning; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4170) granting a pension to John M. Phipps; to the Committee on Pensions.

Also, a bill (H. R. 4171) granting a pension to Kate Pash; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4172) for the relief of H. A. Wilson, W. B. Conner, and Charles E. Hilliard; to the Committee on Claims.

Also, a bill (H. R. 4173) granting a pension to Peter Olsen; to the Committee on Pensions.

Also, a bill (H. R. 4174) granting an increase of pension to John O. Allen; to the Committee on Pensions.

Also, a bill (H. R. 4175) granting an increase of pension to Iantha Bohall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4176) granting an increase of pension to Eliza B. Brooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4177) granting an increase of pension to Frances A. Bruce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4178) granting a pension to Ella Abner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4179) granting a pension to Flora Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4180) granting a pension to Mary Agnes Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4181) granting a pension to Elizabeth S. Boyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4182) granting a pension to Anna Brock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4183) for the relief of George R. Brown; to the Committee on Claims.

Also, a bill (H. R. 4184) for the relief of William G. Burress; to the Committee on Military Affairs.

Also, a bill (H. R. 4185) granting an increase of pension to Eulise Hubbard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4186) granting an increase of pension to Sally J. Hendrix; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4187) granting an increase of pension to Catherine B. Hawkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4188) granting an increase of pension to Martha E. McLellen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4189) granting an increase of pension to Nellie B. Hughett; to the Committee on Pensions.

Also, a bill (H. R. 4190) granting a pension to Sarah E. Jackson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4191) granting a pension to Ruth M. Hilkene; to the Committee on Pensions.

Also, a bill (H. R. 4192) granting a pension to Louis C. McKnight; to the Committee on Pensions.

Also, a bill (H. R. 4193) granting a pension to Annie Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4194) granting a pension to Sarah E. Lane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4195) granting a pension to Elmer B. Kaley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4196) granting a pension to Jesse C. Huey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4197) for the relief of Anna H. Jones; to the Committee on Claims.

Also, a bill (H. R. 4198) for the relief of Virgil H. Heise; to the Committee on Military Affairs.

Also, a bill (H. R. 4199) for the relief of Meta DeRene McLoskey; to the Committee on War Claims.

Also, a bill (H. R. 4200) for the relief of Theodore B. Marshall; to the Committee on Claims.

Also, a bill (H. R. 4201) authorizing the appointment and retirement as a captain, United States Army, of J. C. Lewis; to the Committee on Military Affairs.

Also, a bill (H. R. 4202) granting a pension to Jane Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4203) granting a pension to Julia Christison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4204) granting an increase of pension to Harry Carlyle; to the Committee on Pensions.

Also, a bill (H. R. 4205) granting a pension to Lawrence O. Darnell; to the Committee on Pensions.

Also, a bill (H. R. 4206) granting an increase of pension to Minnie Crum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4207) granting a pension to Callie J. Feaster; to the Committee on Pensions.

Also, a bill (H. R. 4208) granting an increase of pension to Clyde W. Duvall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4209) for the relief of George Fling; to the Committee on Military Affairs.

Also, a bill (H. R. 4210) for the relief of Chester A. Green; to the Committee on Military Affairs.

Also, a bill (H. R. 4211) for the relief of Harlie O. Hacker; to the Committee on Military Affairs.

Also, a bill (H. R. 4212) for the relief of Stanley Culver; to the Committee on Military Affairs.

Also, a bill (H. R. 4213) granting an increase of pension to Augusta M. Stratford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4214) granting an increase of pension to Clara L. Waggoner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4215) granting a pension to George E. Ryan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4216) granting a pension to Minnie S. Rushton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4217) granting a pension to John E. Mann; to the Committee on Pensions.

By Mr. MAGRADY: A bill (H. R. 4218) for the relief of Frank W. Trutt; to the Committee on Military Affairs.

Also, a bill (H. R. 4219) granting an increase of pension to Christiana Rodarmel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4220) for the relief of Wilfred J. Drey; to the Committee on Claims.

Also, a bill (H. R. 4221) granting an increase of pension to Margaret Carroll; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4222) granting a pension to Albert Dietz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4223) granting an increase of pension to Elizabeth Price; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4224) granting an increase of pension to Angeline Klinger; to the Committee on Invalid Pensions.

By Mr. McMILLAN: A bill (H. R. 4225) for the relief of George Rivers; to the Committee on Naval Affairs.

Also, a bill (H. R. 4226) for the relief of Joe G. McInerney; to the Committee on Naval Affairs.

Also, a bill (H. R. 4227) for the relief of T. Brooks Alford; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 4228) granting a pension to Dorace Ben Whitener; to the Committee on Pensions.

By Mr. MAAS: A bill (H. R. 4229) for the relief of May Dorwin; to the Committee on Claims.

Also, a bill (H. R. 4230) for the relief of Genevieve M. Heberle; to the Committee on Claims.

Also, a bill (H. R. 4231) for the relief of Austin G. Tainter; to the Committee on Claims.

Also, a bill (H. R. 4232) for the relief of Jens H. Larsen; to the Committee on Claims.

Also, a bill (H. R. 4233) for the relief of Enza A. Zeller; to the Committee on Claims.

Also, a bill (H. R. 4234) for the relief of Mrs. Lawrence Chlebek; to the Committee on Claims.

Also, a bill (H. R. 4235) for the relief of the Waterous Co.; to the Committee on Claims.

Also, a bill (H. R. 4236) for the relief of Nellie T. Francis; to the Committee on Claims.

By Mr. MANLOVE: A bill (H. R. 4237) granting a pension to Stillman Garrett; to the Committee on Invalid Pensions.

By Mr. MANSFIELD: A bill (H. R. 4238) granting an increase of pension to Adele Yates Taylor; to the Committee on Pensions.

By Mr. MAPES: A bill (H. R. 4239) for the relief of Charles R. Foote; to the Committee on Claims.

Also, a bill (H. R. 4240) granting an increase of pension to Frances A. Stringham; to the Committee on Invalid Pensions.

By Mr. MARTIN of Oregon: A bill (H. R. 4241) granting an increase of pension to Charles George Sullivan; to the Committee on Pensions.

Also, a bill (H. R. 4242) granting an increase of pension to Adelaide Weeks; to the Committee on Pensions.

Also, a bill (H. R. 4243) granting an increase of pension to Effee Eltinge; to the Committee on Pensions.

By Mr. MALONEY: A bill (H. R. 4244) for the relief of Mrs. G. A. Brennan; to the Committee on War Claims.

Also, a bill (H. R. 4245) for the relief of the Carbine-Harang Machinery & Supply Co. (Inc.); to the Committee on Claims.

Also, a bill (H. R. 4246) to authorize an appropriation for the relief of I. L. Lyons & Co.; to the Committee on Claims.

By Mr. MAY: A bill (H. R. 4247) placing John S. Cisco under the provisions of Public Law 506, as passed by the Seventieth Congress on May 24, 1928; to the Committee on the Judiciary.

Also, a bill (H. R. 4248) granting a pension to Troy Hill; to the Committee on Pensions.

Also, a bill (H. R. 4249) granting a pension to Andrew J. Shepherd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4250) granting a pension to Silas Fields; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4251) granting a pension to George Brewer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4252) granting a pension to Leonard Stanley; to the Committee on Pensions.

Also, a bill (H. R. 4253) granting a pension to Benjamin F. Kelly; to the Committee on Pensions.

Also, a bill (H. R. 4254) granting a pension to Navar Combs; to the Committee on Pensions.

Also, a bill (H. R. 4255) granting a pension to Granville Pearl Cornett; to the Committee on Pensions.

Also, a bill (H. R. 4256) granting a pension to Col. L. Stacy; to the Committee on Pensions.

Also, a bill (H. R. 4257) granting a pension to Elbert Newberry; to the Committee on Pensions.

By Mr. MEAD: A bill (H. R. 4258) granting a pension to Elizabeth Corkery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4259) granting a pension to Margaret Proctor; to the Committee on Pensions.

Also, a bill (H. R. 4260) granting a pension to Lena Daniels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4261) granting an increase of pension to Anne Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4262) for the relief of Samuel F. Freiert; to the Committee on Military Affairs.

By Mr. MILLARD: A bill (H. R. 4263) granting an increase of pension to Elizabeth H. Camp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4264) for the relief of Lieut. Col. H. H. Kipp, United States Marine Corps, retired; to the Committee on Claims.

By Mr. MILLIGAN: A bill (H. R. 4265) granting a pension to Harriett Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4266) granting an increase of pension to Mary A. A. Bushfield; to the Committee on Invalid Pensions.

By Mr. MONTAGUE: A bill (H. R. 4267) granting an increase of pension to Mary E. Stewart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4268) granting an increase of pension to Ida L. Gouldin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4269) for the relief of James T. Moore; to the Committee on Military Affairs.

Also, a bill (H. R. 4270) for the relief of Carroll K. Moran; to the Committee on Claims.

Also, a bill (H. R. 4271) for the relief of Roscoe McKinley Meadows; to the Committee on Naval Affairs.

Also, a bill (H. R. 4272) for the relief of the trustees of Ivey Memorial Chapel, Chesterfield County, Va.; to the Committee on War Claims.

Also, a bill (H. R. 4273) for the relief of Charles Brock Hughes; to the Committee on Naval Affairs.

Also, a bill (H. R. 4274) for the relief of Charles Hellyer; to the Committee on Claims.

Also, a bill (H. R. 4275) for the relief of Capt. Arthur S. Bell, Officers' Reserve Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 4276) for the relief of John Worthington; to the Committee on Claims.

Also, a bill (H. R. 4277) for the relief of Garland Theodore Wilkerson; to the Committee on Naval Affairs.

Also, a bill (H. R. 4278) for the relief of Douglas Solon Harmon; to the Committee on Naval Affairs.

Also, a bill (H. R. 4279) for the relief of N. W. Carrington and J. E. Mitchell; to the Committee on Claims.

Also, a bill (H. R. 4280) for the relief of Lieut. James Floyd Terrell, Medical Corps, United States Navy; to the Committee on Claims.

Also, a bill (H. R. 4281) authorizing the President to issue an appropriate commission and honorable discharge to Landon Randolph Mason; to the Committee on Military Affairs.

By Mr. MURPHY: A bill (H. R. 4282) granting an increase of pension to Nannie B. Kenty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4283) granting an increase of pension to Myra Bilyen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4284) granting an increase of pension to Avarilla C. Culler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4285) granting an increase of pension to Mary F. Gregg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4286) for the relief of John Ralston; to the Committee on Military Affairs.

By Mr. NELSON of Missouri: A bill (H. R. 4287) for the relief of R. W. Selvidge; to the Committee on Claims.

By Mr. NELSON of Wisconsin: A bill (H. R. 4288) granting a pension to Helen R. Pitney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4289) granting an increase of pension to Lucey E. Davis; to the Committee on Invalid Pensions.

By Mr. NOLAN: A bill (H. R. 4290) for the relief of William L. Dunlop; to the Committee on Claims.

By Mrs. OWEN: A bill (H. R. 4291) for the relief of Drewey M. McCawley; to the Committee on Claims.

Also, a bill (H. R. 4292) granting a pension to Annis C. Merithew; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4293) granting a pension to Lula Burroughs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4294) granting a pension to Mattie St. Clair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4295) for the relief of John Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 4296) granting an increase of pension to Rebecca Booth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4297) for the relief of Lieut. Commander E. M. Zacharias; to the Committee on Claims.

Also, a bill (H. R. 4298) granting a pension to Sarah E. Fenimore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4299) granting a pension to Elizabeth Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4300) granting a pension to Mabel L. Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4301) for the relief of Mrs. M. A. Riboud; to the Committee on Claims.

Also, a bill (H. R. 4302) granting an increase of pension to Bridget Sheppard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4303) granting a pension to Susan Bragg Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4304) granting a pension to Bessie Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4305) granting a pension to Charlotte R. Somerville; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4306) authorizing the President of the United States to present in the name of Congress a medal of honor to Glenn Hammond Curtiss; to the Committee on Military Affairs.

Also, a bill (H. R. 4307) for the relief of the Cumberland & Liberty Mills Co.; to the Committee on Claims.

Also, a bill (H. R. 4308) for the relief of Robert J. Rushing; to the Committee on Military Affairs.

Also, a bill (H. R. 4309) for the relief of Albert H. Jacobson; to the Committee on Claims.

Also, a bill (H. R. 4310) for the relief of W. R. McLeod; to the Committee on Claims.

Also, a bill (H. R. 4311) for the relief of Ralph McAlpin; to the Committee on Naval Affairs.

Also, a bill (H. R. 4312) for the relief of M. W. Hutchinson; to the Committee on Claims.

Also, a bill (H. R. 4313) for the relief of Nevin G. Nicholson; to the Committee on Military Affairs.

Also, a bill (H. R. 4314) granting a pension to Martin Alonzo Albury; to the Committee on Pensions.

Also, a bill (H. R. 4315) for the relief of John Houck; to the Committee on Military Affairs.

Also, a bill (H. R. 4316) granting a pension to Lida F. Holmes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4317) for the relief of Walter W. Johnston; to the Committee on Claims.

By Mr. PARKER of New York: A bill (H. R. 4318) to reinstate or place George L. Phillips on the retired list of the Navy; to the Committee on Naval Affairs.

By Mr. PARTRIDGE: A bill (H. R. 4319) providing for the examination and survey of Matinicus Harbor, Me.; to the Committee on Rivers and Harbors.

By Mr. PERKINS: A bill (H. R. 4320) granting an increase of pension to Lydia Springster; to the Committee on Pensions.

Also, a bill (H. R. 4321) granting an increase of pension to Catherine E. De Wolfe; to the Committee on Pensions.

By Mr. POLK: A bill (H. R. 4322) granting an increase of pension to Caroline Hazlebeck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4323) granting an increase of pension to Louise M. Watts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4324) granting an increase of pension to Sarah J. Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4325) granting an increase of pension to Mary J. Roush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4326) granting a pension to Ella Colvin; to the Committee on Invalid Pensions.

By Mr. HARCOURT J. PRATT: A bill (H. R. 4327) for the relief of Capt. Washington Irving Chambers, United States Navy, retired; to the Committee on Naval Affairs.

Also, a bill (H. R. 4328) for the relief of Charles Edward Bailey; to the Committee on Claims.

Also, a bill (H. R. 4329) for the relief of Alton B. Platner; to the Committee on Claims.

Also, a bill (H. R. 4330) granting a pension to Carrie Hadden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4331) granting an increase of pension to Melissa Valentine; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4332) granting an increase of pension to Phinia E. Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4333) granting a pension to Margaret Mary O'Brien; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4334) granting an increase of pension to Isabel Whitaker; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 4335) granting an increase of pension to Serena Keister; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4336) granting an increase of pension to Cynthia E. Ball; to the Committee on Invalid Pensions.

By Mr. RAGON: A bill (H. R. 4337) for the relief of Laura J. Clark; to the Committee on Claims.

Also, a bill (H. R. 4338) granting a pension to James E. Grogan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4339) granting a pension to Jack Fisk Hopkins; to the Committee on Pensions.

Also, a bill (H. R. 4340) for the relief of Robert B. Duffey; to the Committee on Military Affairs.

By Mr. RAINEY: A bill (H. R. 4341) granting an increase of pension to Liza Crabtree; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4342) granting an increase of pension to Anna E. Shoemaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4343) granting an increase of pension to Tabitha Rader; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4344) granting an increase of pension to Mary A. Nighswonger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4345) granting a pension to Ann Matthews; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4346) granting a pension to Minnie Winters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4347) granting a pension to Mary E. Ranson; to the Committee on Invalid Pensions.

By Mr. REID of Illinois: A bill (H. R. 4348) authorizing the Court of Claims to hear, determine, and render judgment upon the claim of Frederick Sedgwick against the United States; to the Committee on Claims.

Also, a bill (H. R. 4349) granting a pension to Marie Elise Morisette; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4350) for the relief of Arlington Peaslee; to the Committee on Military Affairs.

Also, a bill (H. R. 4351) for the relief of Edward Everett Harding; to the Committee on Naval Affairs.

Also, a bill (H. R. 4352) for the relief of Luke Francis Brennan; to the Committee on Naval Affairs.

Also, a bill (H. R. 4353) for the relief of Oscar Avery Bates; to the Committee on Naval Affairs.

Also, a bill (H. R. 4354) for the relief of Robert Emmet Cantillion; to the Committee on Military Affairs.

Also, a bill (H. R. 4355) for the relief of the Joliet National Bank, Commercial Trust & Savings Bank, and H. William, John J., Edward F., and Ellen C. Sharpe, of Joliet, Ill.; to the Committee on War Claims.

By Mr. ROMJUE: A bill (H. R. 4356) granting a pension to Ann E. Rickards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4357) granting a pension to Mary L. Bruner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4358) granting a pension to Alverna Jane Berryman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4359) granting a pension to Sarah Jane Clutter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4360) for the relief of Lemuel Simpson; to the Committee on Military Affairs.

By Mr. SEGER: A bill (H. R. 4361) for the relief of the United States Hammered Piston Ring Co.; to the Committee on Claims.

By Mr. SEIBERLING: A bill (H. R. 4362) granting an increase of pension to Mary Welker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4363) for the relief of Belle Ackerman, widow of Adam B. Ackerman, alias Adam B. Aunkerman; to the Committee on Military Affairs.

Also, a bill (H. R. 4364) for the relief of Charles N. Middleton; to the Committee on Military Affairs.

Also, a bill (H. R. 4365) granting an increase of pension to Elizabeth Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4366) granting a pension to Isabelle M. Lusk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4367) granting a pension to Effie Spencer; to the Committee on Invalid Pensions.

By Mr. SCHUETZ: A bill (H. R. 4368) for the relief of George W. McDonald; to the Committee on Military Affairs.

By Mr. SCHNEIDER: A bill (H. R. 4369) for the relief of Harry A. Prudome; to the Committee on Military Affairs.

By Mr. SIMMONS: A bill (H. R. 4370) granting an increase of pension to Melissa E. Burns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4371) granting a pension to Viola Harrell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4372) granting an increase of pension to Margaret J. Darr; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4373) granting an increase of pension to Sarah Haynes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4374) granting an increase of pension to Mary E. Wray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4375) granting a pension to Elizabeth Fosket; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4376) granting a pension to Mary J. Kimball; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4377) granting a pension to Frank Jarusek; to the Committee on Pensions.

Also, a bill (H. R. 4378) granting a pension to James C. Richardson; to the Committee on Pensions.

Also, a bill (H. R. 4379) granting a pension to John W. Bandy; to the Committee on Pensions.

Also, a bill (H. R. 4380) granting an increase of pension to Lydia Jane Brockway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4381) granting an increase of pension to Addie E. Ray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4382) granting an increase of pension to Margaret E. Cowan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4383) granting an increase of pension to Jane Blakely; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 4384) granting a pension to S. D. Maxon; to the Committee on Pensions.

Also, a bill (H. R. 4385) granting a pension to Mary Lea Reed; to the Committee on Pensions.

Also, a bill (H. R. 4386) granting a pension to Ann Wakeman; to the Committee on Pensions.

Also, a bill (H. R. 4387) granting a pension to Herbert Horsley; to the Committee on Pensions.

Also, a bill (H. R. 4388) granting a pension to William H. Upchurch; to the Committee on Pensions.

Also, a bill (H. R. 4389) granting an increase of pension to Patrick M. Shea; to the Committee on Pensions.

Also, a bill (H. R. 4390) for the relief of Melissa Isabel Fairchild; to the Committee on the Public Lands.

Also, a bill (H. R. 4391) for the relief of C. M. Williamson, Mrs. C. E. Liljenquist (administratrix), Lottie Redman, and H. N. Smith; to the Committee on Claims.

Also, a bill (H. R. 4392) for the relief of Lawrence J. Kessinger; to the Committee on Claims.

By Mr. SMITH of West Virginia: A bill (H. R. 4393) granting a pension to William B. Mullins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4394) granting a pension to John Wesley Smailes; to the Committee on Pensions.

Also, a bill (H. R. 4395) for the relief of Harry C. Anderson; to the Committee on Military Affairs.

Also, a bill (H. R. 4396) for the relief of James Johnson; to the Committee on Military Affairs.

Also, a bill (H. R. 4397) for the relief of B. W. Burnes; to the Committee on Claims.

Also, a bill (H. R. 4398) for the relief of Sallie Knight; to the Committee on Claims.

Also, a bill (H. R. 4399) granting an increase of pension to Nancy Rollyson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4400) granting an increase of pension to Mary Treadway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4401) granting a pension to Earnest H. Bays; to the Committee on Pensions.

Also, a bill (H. R. 4402) granting a pension to Julian D. Haynes; to the Committee on Pensions.

Also, a bill (H. R. 4403) for the relief of Richard H. Bowman; to the Committee on Military Affairs.

By Mr. SOMERS of New York: A bill (H. R. 4404) granting a pension to James Dillon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4405) for the relief of Jose O. Enslew; to the Committee on Claims.

Also, a bill (H. R. 4406) for the relief of Edna B. Erskine; to the Committee on Claims.

Also, a bill (H. R. 4407) for the relief of the Concrete Steel Co.; to the Committee on War Claims.

Also, a bill (H. R. 4408) for the relief of the estate of William Bardel; to the Committee on Claims.

Also, a bill (H. R. 4409) for the relief of Edward Brooks; to the Committee on Naval Affairs.

By Mr. STRONG of Kansas: A bill (H. R. 4410) granting a pension to Robert Eakin; to the Committee on Pensions.

Also, a bill (H. R. 4411) granting a pension to Hannah A. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4412) granting an increase of pension to John O. Lind; to the Committee on Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 4413) granting an increase of pension to Mary A. Widel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4414) granting a pension to Thomas N. Burris; to the Committee on Invalid Pensions.

By Mr. SWICK: A bill (H. R. 4415) granting an increase of pension to Asenath B. McCleary; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4416) granting an increase of pension to Lydia A. Balsiger; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 4417) granting an increase of pension to Elmira Daugherty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4418) granting an increase of pension to Reuben R. Romey; to the Committee on Pensions.

By Mr. VINSON of Georgia: A bill (H. R. 4419) for the relief of William T. Cain; to the Committee on Military Affairs.

Also, a bill (H. R. 4420) granting a pension to Hattie L. McDaniel; to the Committee on Pensions.

Also, a bill (H. R. 4421) for the relief of the Southern Railway Co.; to the Committee on Claims.

Also, a bill (H. R. 4422) granting a pension to Thomas J. Orr; to the Committee on Pensions.

Also, a bill (H. R. 4423) for the relief of H. M. Cawley; to the Committee on Claims.

Also, a bill (H. R. 4424) for the relief of Maj. A. H. Willis and Capt. William N. Skyles, Finance Department, United States Army, and Capt. Benjamin J. Holt, jr., retired; to the Committee on Military Affairs.

Also, a bill (H. R. 4425) granting six months' pay to Flossie Lemmonds; to the Committee on Military Affairs.

Also, a bill (H. R. 4426) granting a pension to James B. Newman; to the Committee on Pensions.

Also, a bill (H. R. 4427) granting six months' pay to H. M. Cawley; to the Committee on Military Affairs.

Also, a bill (H. R. 4428) granting a pension to Sarah V. Dent; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 4429) granting a pension to Robert Noble; to the Committee on Pensions.

Also, a bill (H. R. 4430) granting a pension to Pharis Johnson; to the Committee on Pensions.

Also, a bill (H. R. 4431) granting a pension to Jesse Johnson; to the Committee on Pensions.

Also, a bill (H. R. 4432) granting a pension to Ned Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4433) granting a pension to Louie B. Reibold and Louis Reibold, jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4434) granting a pension to Thomas Johnston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4435) granting a pension to Dora McCallister; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4436) granting a pension to Sarah Cordelia Adkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4437) granting a pension to Carrie Stidham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4438) granting a pension to Mima Turner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4439) granting a pension to Josephene Johns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4440) granting a pension to Mayme Heilman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4441) granting a pension to Alameda Jarrell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4442) granting an increase of pension to Rebecca Jane Gard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4443) granting an increase of pension to Lona B. Porter; to the Committee on Pensions.

Also, a bill (H. R. 4444) granting an increase of pension to William O. Scott; to the Committee on Pensions.

Also, a bill (H. R. 4445) granting an increase of pension to Elizabeth Hunt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4446) for the relief of Marion Ray; to the Committee on Military Affairs.

Also, a bill (H. R. 4447) for the relief of Loraine K. Scott; to the Committee on Military Affairs.

Also, a bill (H. R. 4448) for the relief of Robert Frayley; to the Committee on Military Affairs.

Also, a bill (H. R. 4449) for the relief of Charles D. Waldeck; to the Committee on Military Affairs.

Also, a bill (H. R. 4450) for the relief of William Adkins; to the Committee on Military Affairs.

Also, a bill (H. R. 4451) for the relief of Floyd Carpenter; to the Committee on Military Affairs.

By Mr. WEST: A bill (H. R. 4452) granting an increase of pension to Catherine Rodgers; to the Committee on Pensions.

By Mr. WHITLEY: A bill (H. R. 4453) for the relief of Pasquale Mirabelli; to the Committee on Claims.

Also, a bill (H. R. 4454) for the relief of the Security Trust Co. of Rochester, N. Y.; to the Committee on Claims.

Also, a bill (H. R. 4455) for the relief of John McMorrow; to the Committee on Military Affairs.

Also, a bill (H. R. 4456) for the relief of Charles H. Willis; to the Committee on Military Affairs.

Also, a bill (H. R. 4457) for the relief of Thomas Conlon; to the Committee on Military Affairs.

Also, a bill (H. R. 4458) for the relief of Frank C. Hartman; to the Committee on Military Affairs.

Also, a bill (H. R. 4459) granting an increase of pension to Alice E. Lisk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4460) granting an increase of pension to Martha A. Friz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4461) granting an increase of pension to Fidelia Yerden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4462) granting an increase of pension to Elizabeth F. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4463) granting an increase of pension to Elizabeth Prior; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4464) granting an increase of pension to Jennie Benjamin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4465) granting an increase of pension to Marilla Hutchinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4466) granting an increase of pension to Katherine Shaffer; to the Committee on Invalid Pensions.

By Mr. WIGGLESWORTH: A bill (H. R. 4467) granting an increase of pension to Jennie F. Seavey; to the Committee on Invalid Pensions.

By Mr. WOLCOTT: A bill (H. R. 4468) granting a pension to Richard H. Huss; to the Committee on Pensions.

Also, a bill (H. R. 4469) granting a pension to Kate Hess; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4470) granting a pension to Jane Davis; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 4471) for the relief of William H. Howe; to the Committee on Claims.

Also, a bill (H. R. 4472) granting a pension to Mary J. Bowen; to the Committee on Pensions.

Also, a bill (H. R. 4473) granting an increase of pension to Mary Shipps; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4474) granting a pension to Benjamin Harvey Britton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4475) granting a pension to Anna E. Rose; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4476) granting an increase of pension to Margaret J. Blessing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4477) granting an increase of pension to Rachel J. Carson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4478) granting a pension to Mary E. Troutman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4479) granting a pension to Nettie Oliver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4480) for the relief of John W. Siple; to the Committee on Military Affairs.

Also, a bill (H. R. 4481) for the relief of Catherine C. Schilling; to the Committee on Claims.

Also, a bill (H. R. 4482) for the relief of G. W. Gilkison; to the Committee on Military Affairs.

Also, a bill (H. R. 4483) for the relief of Francis B. Cornell; to the Committee on Military Affairs.

Also, a bill (H. R. 4484) to authorize the appointment of First Lieut. John W. Scott, resigned, to the grade of first lieutenant, retired, in the United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 4485) for the relief of Alfred A. Winslow; to the Committee on Claims.

Also, a bill (H. R. 4486) providing for the payment of the findings reported by the Court of Claims in favor of Timothy C. Harrington for extra time; to the Committee on Claims.

Also, a bill (H. R. 4487) for the relief of Crawford Miller; to the Committee on Claims.

Also, a bill (H. R. 4488) authorizing the Treasurer of the United States to pay Hattie McKelvey $1,786; to the Committee on Claims.

Also, a bill (H. R. 4489) for the relief of Allen A. North; to the Committee on Military Affairs.

Also, a bill (H. R. 4490) authorizing the appointment of Virgil T. Whitaker as a first lieutenant in the volunteer Marine Corps Reserve; to the Committee on Naval Affairs.

Also, a bill (H. R. 4491) to authorize the appointment of Maj. Warner A. Ross, retired, to the grade of major, retired, United States Army; to the Committee on Military Affairs.

By Mr. ALLGOOD: A bill (H. R. 4492) to provide for the construction of post-office buildings in all county seats in the United States, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. ALMON: A bill (H. R. 4493) to provide for the immediate payment to veterans of the present value of their adjusted-service certificates; to the Committee on Ways and Means.

Also, a bill (H. R. 4494) to amend the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4495) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Roads.

Also, a bill (H. R. 4496) to provide for extending during the present emergency the time of payment of loans made by Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. ARENTZ: A bill (H. R. 4497) for the construction of an irrigation dam on Walker River, Nev.; to the Committee on Indian Affairs.

By Mr. BACHMANN: A bill (H. R. 4498) to make permament certain temporary judgeships; to the Committee on the Judiciary.

Also, a bill (H. R. 4499) to extend the time in which applications may be made for the benefits of the disabled emergency officers' retirement act of May 24, 1928; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4500) to dispense with the necessity of setting out copies of instruments in indictments and informations; to the Committee on the Judiciary.

Also, a bill (H. R. 4501) to provide for references in law cases by consent of the parties and declaring the effect of such submission; to the Committee on the Judiciary.

Also, a bill (H. R. 4502) to provide that indictments and informations shall not be held sufficient for failure to lay the venue; to the Committee on the Judiciary.

Also, a bill (H. R. 4503) to provide for the appointment of an additional district judge for the western district of Missouri; to the Committee on the Judiciary.

Also, a bill (H. R. 4504) to provide for the appointment of two additional district judges for the southern district of New York; to the Committee on the Judicary.

Also, a bill (H. R. 4505) to provide for the appointment of two additional judges for the southern district of California; to the Committee on the Judiciary.

Also, a bill (H. R. 4506) to provide for the appointment of an additional district judge for the southern district of Texas; to the Committee on the Judiciary.

Also, a bill (H. R. 4507) to provide for the appointment of an additional district judge for the northern district of Georgia; to the Committee on the Judiciary.

Also, a bill (H. R. 4508) to provide for the appointment of an additional district judge for the eastern district of New York; to the Committee on the Judiciary.

By Mr. BACON: A bill (H. R. 4509) to exempt from taxation certain property of the National Society of Colonial Dames of America, District of Columbia; to the Committee on the District of Columbia.

By Mr. BANKHEAD: A bill (H. R. 4510) to provide for extending during the present emergency the time of payment of loans made by Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. BEAM: A bill (H. R. 4511) to prevent open conflict between State and Federal officers and to allay the present unrest of labor in every State of the Union, and to

amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 4512) to provide for the furnishing of surety bonds by national banks for the protection of depositors; to the Committee on Banking and Currency.

By Mr. BLACK: A bill (H. R. 4513) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BLANTON: A bill (H. R. 4514) to provide for the suspension of immigration of aliens into the United States; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4515) extending the limit of time within which Parramore Post, No. 57, American Legion, may construct its memorial building, and correcting street location; to the Committee on Public Buildings and Grounds.

By Mr. BOYLAN: A bill (H. R. 4516) to provide additional leave of absence to postal employees; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4517) to reclassify salaries of employees in the custodian service of the Treasury and Post Office Departments of the United States; to the Committee on the Civil Service.

By Mr. BRUNNER: A bill (H. R. 4518) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 4519) to admit to the United States and to extend naturalization privileges to alien veterans of the World War; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4520) to provide for the payment of compensation to World War veterans in certain cases; to the Committee on Ways and Means.

By Mr. BUCHANAN: A bill (H. R. 4521) to establish in the Department of the Interior a national reclamation-control service to provide aid to the States and their political subdivisions in the construction of improvements for the purpose of flood prevention, drainage, and irrigation, and for other purposes; to the Committee on Flood Control.

Also, a bill (H. R. 4522) to authorize the Secretary of Agriculture to make surveys of representative farm areas each year in each State for the purpose of obtaining and publishing information upon the economic condition of agriculture throughout the United States, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 4523) to promote improvement in the spinning quality of cotton grown in the United States, to secure the correlation and the most economical conduct of cotton and other researches, and for other purposes; to the Committee on Agriculture.

By Mr. BUCKBEE: A bill (H. R. 4524) to increase the balance to the credit of any one person in the postal-savings depository from $2,500 to $5,000; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4525) to repeal section 7 of the postal act approved May 29, 1928; to the Committee on the Post Office and Post Roads.

By Mr. BULWINKLE: A bill (H. R. 4526) to amend subsection 1 of section 24 of the Judicial Code (subsec. 1, sec. 41, U. S. C.); to the Committee on the Judiciary.

Also, a bill (H. R. 4527) to amend paragraph 6, section 98, of the Judicial Code (U. S. C., title 28, sec. 179), as amended, by providing two terms of court annually at Burnsville, in the western district of North Carolina; to the Committee on the Judiciary.

Also, a bill (H. R. 4528) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. BURCH: A bill (H. R. 4529) to provide for the acquisition by the United States of Red Hill, the estate of Patrick Henry; to the Committee on the Public Lands.

By Mr. CANNON: A bill (H. R. 4530) to prohibit the importation and interstate transportation of films or pictorial representation of certain crimes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER of California: A bill (H. R. 4531) to provide for plant and cereal patents; to the Committee on Patents.

Also, a bill (H. R. 4532) to amend subsection (d) of section 11 of the merchant marine act of June 5, 1920, as amended by section 301 of the merchant marine act of May 22, 1928; to the Committee on the Merchant Marine and Fisheries.

By Mr. CARTWRIGHT: A bill (H. R. 4533) providing for the purchase by the United States of the segregated coal and asphalt deposits in Oklahoma from the Choctaw and Chickasaw Tribes of Indians; to the Committee on Indian Affairs.

Also, bill (H. R. 4534) including dependent sisters within classes of persons entitled to automatic insurance under the war risk insurance act; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4535) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

Also, a bill (H. R. 4536) granting a pension to the regularly commissioned United States deputy marshals of the United States District Court for the Western District of Arkansas, including the Indian Territory, now the State of Oklahoma, and to their widows and dependent children; to the Committee on the Judiciary.

By Mr. COCHRAN of Missouri: A bill (H. R. 4537) to punish sending through the mails of certain threatening communications; to the Committee on the Post Office and Post Roads.

By Mr. COLE of Maryland: A bill (H. R. 4538) to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland; to the Committee on Military Affairs.

By Mr. COLLINS: A bill (H. R. 4539) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

Also, a bill (H. R. 4540) authorizing the Comptroller General to adjust and settle all claims for less than $1,000 from appropriations available for such purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. COLTON: A bill (H. R. 4541) to develop the grazing resources of the unreserved public lands, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 4542) to authorize the President to transfer, consolidate, and coordinate governmental activities affecting unreserved and reserved public lands, Indian lands, and resources and for other purposes; to the Committee on the Public Lands.

By Mr. CRAIL: A bill (H. R. 4543) excluding Filipinos from immigration to the United States; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4544) restricting immigration from Mexico to a quota basis; to the Committee on Immigration and Naturalization.

By Mr. CROSS: A bill (H. R. 4545) for the prevention and removal of obstructions and burdens upon interstate commerce in agricultural commodities by regulating transactions on commodity exchanges, putting a stop to short selling thereon, and for other purposes; to the Committee on Agriculture.

By Mr. CROSSER: A bill (H. R. 4546) to promote the safety of employees and travelers on the railroads and on the highways at grade crossings, compelling common carriers engaged in interstate commerce to inspect, test, repair, and maintain all signals, interlockings, highway-crossing devices, train control or stopping devices, centralized or remote-control systems, and their controlling factors, parts, or appliances used in regulating train or engine operation; to the Committee on Interstate and Foreign Commerce.

By Mr. DE PRIEST: A bill (H. R. 4547) making the 12th day of February of each year a legal holiday; to the Committee on the Judiciary.

By Mr. DIES: A bill (H. R. 4548) to suspend for a period of five years general immigration into the United States; to the Committee on Immigration and Naturalization.

By Mr. DRANE: A bill (H. R. 4549) for the erection of a memorial to the dead of the war between the United States of America and Spain; to the Committee on Rules.

By Mr. DRIVER: A bill (H. R. 4550) for the control of the destructive flood waters of the United States, and for other purposes; to the Committee on Flood Control.

By Mr. DYER: A bill (H. R. 4551) providing for a reclassification of watchmen, messengers, and laborers in the Postal and Railway Mail Service of the United States in three grades with increase in salary; to the Committee on the Post Office and Post Roads.

By Mr. FREAR: A bill (H. R. 4552) to provide for cooperation with the States and with municipal corporations for the relief of unemployment by extending Federal aid toward the construction of municipal improvements; to the Committee on the Judiciary.

By Mr. FREE: A bill (H. R. 4553) to reserve for public use rocks, pinnacles, reefs, and small islands along the seacoast of California; to the Committee on the Public Lands.

Also, a bill (H. R. 4554) to amend section 5 of the suits in admiralty act, approved March 9, 1920; to the Committee on the Judiciary.

By Mr. GASQUE: A bill (H. R. 4555) providing for the appointment of an additional district judge for South Carolina; to the Committee on the Judiciary.

Also, a bill (H. R. 4556) for erection of monument to Gen. Marquis de Lafayette; to the Committee on the Library.

Also, a bill (H. R. 4557) for the erection of a public building at Conway, S. C., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4558) for the erection of a public building at Kingstree, S. C., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4559) for the erection of a public building at Mullins, S. C., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

By Mr. GLOVER: A bill (H. R. 4560) for the further relief of farmers in the drought and/or storm-stricken areas of the United States; to the Committee on Agriculture.

Also, a bill (H. R. 4561) for the purchase of a site and the erection of a public building at Malvern, Hot Spring County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4562) for the purchase of a site and the erection of a public building at Star City, Lincoln County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4563) for the purchase of a site and the erection of a public building at McGehee, Desha County, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. GOODWIN: A bill (H. R. 4564) classifying employees according to their civil-service status; to the Committee on the Civil Service.

By Mr. HASTINGS: A bill (H. R. 4565) making an appropriation for improving the Arkansas River from Tulsa, Okla., to the point where it flows into the Mississippi River, for purposes of navigation; to the Committee on Appropriations.

Also, a bill (H. R. 4566) authorizing pensions for widows of honorably discharged soldiers of the Civil War; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4567) to authorize the establishment of an employment agency for the Indian Service; to the Committee on Indian Affairs.

Also, a bill (H. R. 4568) for the purchase of a site and erection of a public building thereon at Henryetta, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4569) to authorize an appropriation for the relief of the State of Oklahoma on account of roads and bridges damaged or destroyed by the recent flood; to the Committee on Roads.

Also, a bill (H. R. 4570) to provide for the construction of a military road at the United States cemetery at Fort Gibson, Okla.; to the Committee on Military Affairs.

Also, a bill (H. R. 4571) to provide for a duty on mineral oils; to the Committee on Ways and Means.

Also, a bill (H. R. 4572) to provide for the furnishing of bonds by National and State banks and trust companies which are members of the Federal reserve system for the protection of depositors; to the Committee on Banking and Currency.

By Mr. HILL of Alabama: A bill (H. R. 4573) to provide for the commemoration of the massacre at Fort Mims, in the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 4574) to provide for the commemoration of the siege of Spanish Fort, in the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 4575) to provide for the commemoration of Jackson Oak, in the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 4576) to provide for the commemoration of the siege of Blakely, in the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 4577) to extend hospital and home facilities to veterans of the Confederate Army and Navy; to the Committee on Military Affairs.

By Mr. HOGG of Indiana: A bill (H. R. 4578) granting commissions to postmasters of the fourth class on returned third and fourth class mail matter; to the Committee on the Post Office and Post Roads.

By Mr. HOPKINS: A bill (H. R. 4579) to provide for exclusion and expulsion of alien communists; to the Committee on Immigration and Naturalization.

By Mr. HOWARD: A bill (H. R. 4580) directing the extension of the time of payment of all outstanding installments on loans by the Federal land bank for a period of one year; to the Committee on Banking and Currency.

Also, a bill (H. R. 4581) to permit Santee Sioux Indian minor children to select unoccupied and vacant public lands in the State of Nebraska subject to homestead entry; to the Committee on Indian Affairs.

By Mr. HUDDLESTON: A bill (H. R. 4582) to authorize the issuance of bonds for the purpose of highway construction and to provide revenue for the retirement of such bonds; to the Committee on Ways and Means.

By Mr. IGOE: A bill (H. R. 4583) providing for the participation of the United States in A Century of Progress (the Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes; to the Committee on the Library.

Also, a bill (H. R. 4584) amending section 1 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 4585) to provide allowances for dependent widows, children, and parents of certain deceased World War veterans; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4586) to provide that loans to veterans upon their adjusted-service certificates may be made at any time after the issuance of the certificate, that no interest shall be charged upon such loans, and for other purposes; to the Committee on Ways and Means.

By Mr. JOHNSON of Washington: A bill (H. R. 4587) to regulate commerce between the United States and foreign countries in cedar lumber and cedar shingles; to the Committee on Ways and Means.

By Mrs. KAHN: A bill (H. R. 4588) for the relocation of United States Naval Academy; to the Committee on Naval Affairs.

Also, a bill (H. R. 4589) granting a special pension to officers and enlisted men who received the medal granted to those who participated in the Battle of Manila Bay, May 1, 1898; to the Committee on Pensions.

By Mr. KARCH: A bill (H. R. 4590) amending section 1, Title II, page 307, part 1, Forty-first United States Statutes at Large, and defining liquors and intoxicating liquors; to the Committee on the Judiciary.

Also, a bill (H. R. 4591) to repeal an act known as the agricultural marketing act; to the Committee on Agriculture.

By Mr. KELLY of Pennsylvania: A bill (H. R. 4592) to provide for the purchase or construction of buildings for

post-office stations, branches, and garages, and for other purposes; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4593) to establish the University of the United States; to the Committee on Education.

Also, a bill (H. R. 4594) to fix the rate of postage on publications mailed at the post office of entry for delivery at another post office within the postal district in which the headquarters or general business offices of the publisher are located; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4595) making an additional appropriation for mineral-mining investigations by the United States Bureau of Mines; to the Committee on Appropriations.

Also, a bill (H. R. 4596) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof; to the Committee on the Civil Service.

Also, a bill (H. R. 4597) to provide for recognition of heroism of members of the 1908–9 Peary Artic Club North Polar expedition, under command of Rear Admiral Robert E. Peary, United States Navy; to the Committee on the Library.

Also, a bill (H. R. 4598) to classify certain positions in the Railway Mail Service, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4599) to classify certain positions in the Railway Mail Service; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4600) to grant authority to the Postmaster General to enter into contracts for the transportation of mails by airship to foreign countries and insular and Territorial possessions of the United States for periods of not more than 10 years, and to pay for such service at fixed rates per pound, and for other purposes; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4601) to provide for the erection of an addition to the United States marine hospital at Pittsburgh, Pa., and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4602) granting equipment allowance to third-class postmasters; to the Committee on the Post Offices and Post Roads.

Also, a bill (H. R. 4603) to provide that the principal officer of each executive department shall attend certain sessions of the Senate and House of Representatives; to the Committee on Rules.

Also, a bill (H. R. 4604) to regulate certain transactions in securities in interstate commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. LAGUARDIA: A bill (H. R. 4605) to provide revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. LEAVITT: A bill (H. R. 4606) authorizing the creation of community grazing areas within the State of Montana; to the Committee on the Public Lands.

Also, a bill (H. R. 4607) to authorize the construction of trails, lookout stations, and telephone lines for the control and prevention of forest fires on lands belonging to the United States within certain townships in the State of Montana; to the Committee on Public Lands.

Also, a bill (H. R. 4608) to amend the act entitled "An act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm woodlots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economies, and related subjects, and for other purposes," by adding thereto a new section, to be numbered section 11; to the Committee on Agriculture.

Also, a bill (H. R. 4609) to provide for the construction of a reservoir at the Chain of Lakes, Milk River drainage, Montana; to the Committee on Irrigation and Reclamation.

By Mr. LONERGAN: A bill (H. R. 4610) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. LUDLOW: A bill (H. R. 4611) to amend section 309 of the World War veterans' act, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4612) to amend the act entitled "An act to amend the World War veterans' act, 1924, as amended," approved July 3, 1930; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4613) to amend the World War adjusted compensation act, as amended; to the Committee on Ways and Means.

By Mr. McKEOWN: A bill (H. R. 4614) to amend the act of February 8, 1875, entitled "An act levying a tax of 10 per cent per annum on every person, firm, association, other than national bank associations, and every corporation, State bank, or State banking association on the amount of their own notes used for circulation and paid out by them"; to the Committee on Ways and Means.

By Mr. McMILLAN: A bill (H. R. 4615) to authorize an appropriation for the purchase and erection of a monument of Maj. Gen. William Moultrie; to the Committee on Military Affairs.

Also, a bill (H. R. 4616) to establish a commercial airport for the District of Columbia; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4617) to authorize the Secretary of the Navy to proceed with the construction of certain public works at the navy yard, Charleston, S. C., and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 4618) to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes; to the Committee on Naval Affairs.

By Mr. MAY: A bill (H. R. 4619) to provide for an additional district judge for the eastern and western district of Kentucky, and to amend section 83 of the Judicial Code, as amended; to the Committee on the Judiciary.

By Mr. MICHENER: A bill (H. R. 4620) to authorize the registration of judgments, decrees, and orders rendered by any court of record of any State or of the United States in any other such court of record, and to prescribe the effect thereof; to the Committee on the Judiciary.

Also, a bill (H. R. 4621) to amend the act entitled "An act to regulate the manner in which property shall be sold under orders and decrees of any United States Courts," approved March 3, 1893; to the Committee on the Judiciary.

By Mr. MONTAGUE: A bill (H. R. 4622) authorizing the Director of the Census to publish the names of the heads of families as returned by each Federal census from 1800 to 1840, inclusive; to the Committee on the Census.

Also, a bill (H. R. 4623) for the extension and completion of the United States Capitol; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4624) to amend the Judicial Code by adding a new section to be numbered 274D; to the Committee on the Judiciary.

Also, a bill (H. R. 4625) to provide that the heads of the executive departments may occupy seats on the floor of the Senate and the House of Representatives; to the Committee on Rules.

By Mr. MONTET: A bill (H. R. 4626) to provide for the independence of the Philippine Islands; to enable its people to adopt a constitution, form a free and independent government, and for other purposes; to the Committee on Insular Affairs.

By Mr. NELSON of Maine: A bill (H. R. 4627) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. NOLAN: A bill (H. R. 4628) to prescribe the character of districts established for the election of Representatives in Congress therefrom; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mrs. OWEN: A bill (H. R. 4629) authorizing the Secretary of Agriculture to acquire toll bridges and maintain them as free bridges, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4630) to establish a department of home and child; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 4631) to authorize the establishment of a Coast Guard life-saving station on the coast of Florida at or in the vicinity of Canaveral Point; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4632) establishing a permanent submarine base; to the Committee on Naval Affairs.

By Mr. RANKIN: A bill (H. R. 4633) to provide allowances to widows and orphans of World War veterans; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4634) for the erection of a public building at Starkville, Oktibbeha County, Miss.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4635) for the erection of a public building at Amory, Monroe County, Miss.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 4636) to amend section 601 of the World War adjusted compensation act; to the Committee on Ways and Means.

By Mr. SABATH: A bill (H. R. 4637) to promote temperance and reduce crime in the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 4638) to prohibit communication of false information with respect to securities, in certain cases; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4639) to prohibit short sales of stock; to the Committee on the Judiciary.

Also, a bill (H. R. 4640) to amend the national prohibition act, as supplemented, in respect of the definition of intoxicating liquor; to the Committee on the Judiciary.

Also, a bill (H. R. 4641) appropriating $1,750,000 for Federal participation in A Century of Progress, Chicago, Ill., 1933; to the Committee on Appropriations.

Also, a bill (H. R. 4642) to provide revenue from the short sales of shares of stock, grain, wheat, cotton, or other allied agriculture commodities; to the Committee on Ways and Means.

Also, a bill (H. R. 4643) to reduce crime and general discontent and resentment on the part of law-abiding American people against the present intolerable conditions; relieve penitentiary and jail congestion, overcrowded court dockets; and to reduce taxation by the obtaining by the Government instead of bootleggers revenue from the sale of medicinal beer and wines under the eighteenth amendment and Volstead law; to the Committee on the Judiciary.

By Mr. SANDLIN: A bill (H. R. 4644) to amend and reenact section 762 of title 28 of the Code of the Laws of the United States of America (sec. 5, act of March 3, 1887, ch. 359, 24 Stat. 506) relative to suits against the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 4645) fixing the venue of suits against the United States for the recovery of internal-revenue taxes and penalties alleged to have been erroneously or illegally assessed or collected; to the Committee on the Judiciary.

Also, a bill (H. R. 4646) to provide for the commemoration of Fort Humbug, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4647) to provide for the commemoration of the Battle of Mansfield, in the State of Louisiana; to the Committee on Military Affairs.

By Mr. SCHNEIDER: A bill (H. R. 4648) to provide for the deportation of certain alien seamen, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. SMITH of Idaho: A bill (H. R. 4649) to repeal the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916 (39 Stat. 862), and acts amendatory thereof; to the Committee on the Public Lands.

Also, a bill (H. R. 4650) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation, and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 4651) to provide for the construction of a storage reservoir in the Snake River, in Swan Valley, Bonneville County, Idaho, to furnish a supplementary water supply and for flood control; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 4652) to provide for the construction of works for the storage of water to furnish a supplementary supply for irrigation projects, the protection and development of the streams, and flood control in the public-land States, and for other purposes; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 4653) for the rehabilitation of the Little Wood River project, north of Carey, Idaho; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 4654) to authorize the Secretary of the Interior to make engineering and economic investigations and studies of conditions on the Twin Falls-Salmon River irrigation projects, in Twin Falls County, Idaho; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 4655) to authorize the Secretary of the Interior to make engineering and economic investigations and studies of conditions on the Twin Falls-Oakley irrigation project, in Cassia County, Idaho; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 4656) for the rehabilitation of the Big Lost River project, Idaho; to the Committee on Irrigation and Reclamation.

By Mr. SMITH of West Virginia: A bill (H. R. 4657) to authorize the disposition of the naval ordnance plant, South Charleston, W. Va., and for other purposes; to the Committee on Naval Affairs.

By Mr. SUMMERS of Washington: A bill (H. R. 4658) authorizing an appropriation for the construction of a highway across the Yakima Indian Reservation, Wash.; to the Committee on Indian Affairs.

By Mr. TARVER: A bill (H. R. 4659) to provide for the commemoration of the Battles of Dalton, Cassville, New Hope Church, Resaca, and Ringgold, in the State of Georgia, and for the erection of markers along the Johnston-Sherman line of march in Georgia; to the Committee on Military Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 4660) to provide that preference shall be given to articles of cotton in the purchase of supplies and materials for the United States and the District of Columbia; to the Committee on Agriculture.

Also, a bill (H. R. 4661) to amend the United States cotton futures act of August 11, 1916, as amended, to provide for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by further regulating transactions on cotton-futures exchanges, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 4662) to authorize the erection of a United States Veterans' Bureau hospital in or near the city of Macon, Ga.; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4663) to provide aid for World War veterans and other persons in obtaining certain benefits provided by law; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4664) to provide that only such cord, twine, and string as is made of cotton shall be purchased for the use of the Post Office Department; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 4665) to abolish the Federal Farm Board and to authorize the Secretary of Agriculture to wind up its affairs; to the Committee on Agriculture.

By Mr. WILSON: A bill (H. R. 4666) to provide for the commemoration of Fort Beauregard, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4667) to provide for the commemoration of Fort Miro, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4668) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes," approved May 15, 1928; to the Committee on Flood Control.

By Mr. DICKSTEIN: A bill (H. R. 4669) to amend an act entitled "An act to regulate the sale of kosher meat in the District of Columbia"; to the Committee on the District of Columbia.

By Mr. DRANE: A bill (H. R. 4670) to provide for the commemoration of Fort Meade, in the State of Florida; to the Committee on Military Affairs.

Also, a bill (H. R. 4671) to provide for the commemoration of Fort Myers, in the State of Florida; to the Committee on Military Affairs.

Also, a bill (H. R. 4672) to provide for the commemoration of Dade's massacre in the State of Florida; to the Committee on Military Affairs.

Also, a bill (H. R. 4673) to provide for the commemoration of Fort Brooke, in the State of Florida; to the Committee on Military Affairs.

By Mr. DYER: A bill (H. R. 4674) to amend section 260 of the Judicial Code as amended; to the Committee on the Judiciary.

Also, a bill (H. R. 4675) to admit to the United States certain wives of American citizens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4676) to promote travel to and in the United States and its possessions, thereby promoting American business, and to encourage foreign travel in the United States; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4677) to amend the national prohibition act, as amended and supplemented, to exclude from the operation of the act liquors containing 2¾ per cent or less of alcohol by weight; to the Committee on the Judiciary.

By Mr. FULBRIGHT: A bill (H. R. 4678) to amend the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. GASQUE: A bill (H. R. 4679) granting pensions to certain soldiers, sailors, and marines of the World War, to certain widows, minor children, and helpless children of such soldiers, sailors, and marines, and for other purposes; to the Committee on Pensions.

By Mr. GOSS: A bill (H. R. 4680) to require contractors on public-building projects to name their subcontractors, material men, and supply men, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. HARE: A bill (H. R. 4681) to authorize payment of farm-loan mortgages with bonds issued by the mortgagee banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. JENKINS: A bill (H. R. 4682) to authorize the distribution of wheat for relief purposes; to the Committee on Agriculture.

By Mr. KADING: A bill (H. R. 4683) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 4684) to amend section 853 of the Revised Statutes, to increase printers' fees for publishing notices and orders; to the Committee on the Judiciary.

By Mrs. KAHN: A bill (H. R. 4685) providing retirement for persons who hold licenses as navigators or engineers who have reached the age of 64 years and who have served 25 or more years in the Army Transport Service; to the Committee on Military Affairs.

By Mr. KELLY of Illinois: A bill (H. R. 4686) to promote temperance and reduce crime in the United States; to the Committee on the Judiciary.

By Mr. KVALE: A bill (H. R. 4687) to provide for the commemoration of the Battle of Birch Coulee, in the State of Minnesota; to the Committee on Military Affairs.

Also, a bill (H. R. 4688) to amend sections 11 and 12 of the immigration act of 1924, as amended; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 4689) to assist by loans any person holding an honorable discharge from the military forces of the United States of America during the period of the World War; to the Committee on Ways and Means.

Also, a bill (H. R. 4690) to abolish capital punishment in the District of Columbia; to the Committee on the District of Columbia.

Also, a bill (H. R. 4691) to prevent corrupt practices in the nomination and election of President and Vice President of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 4692) to extend the Federal corrupt practices act to primary elections of Senators and Representatives; to the Committee on the Judiciary.

Also, a bill (H. R. 4693) to prevent the use of Federal official patronage in elections and prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends; to the Committee on the Judiciary.

Also, a bill (H. R. 4694) to extend the privileges of compensation and hospitalization to certain American citizens; to the Committee on World War Veterans' Legislation.

By Mr. LEAVITT: A bill (H. R. 4695) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Culbertson, Mont.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 4696) granting the consent of Congress to the State of Montana, or any political subdivisions or public agencies thereof, or any of them, to construct, maintain, and operate a free highway bridge across the Missouri River southerly from the Fort Belknap Indian Reservation at or near the point known and designated as the Power-Site Crossing, in the State of Montana; to the Committee on Interstate and Foreign Commerce.

By Mr. McSWAIN: A bill (H. R. 4697) to promote agricultural progress; to the Committee on Agriculture.

By Mr. MANSFIELD: A bill (H. R. 4698) to provide for the early completion of river and harbor projects now or hereafter authorized and adopted by Congress, including the connecting channels of the Great Lakes, and to authorize the issuance of bonds therefor; to the Committee on Ways and Means.

By Mr. MONTET: A bill (H. R. 4699) to provide for the commemoration of the Poste des Attakapas, in the State or Louisiana; to the Committee on Military Affairs.

By Mr. MOUSER: A bill (H. R. 4700) to amend the act of June 2, 1930, entitled "An act granting pensions and increase of pensions to certain soldiers, sailors, and nurses of the war with Spain, the Philippine insurrection, or the China relief expedition, and for other purposes"; to the Committee on Pensions.

Also, a bill (H. R. 4701) granting pensions and increase of pensions to widows, minor children, and helpless children of soldiers and sailors of the war with Spain, the Philippine insurrection, or the China relief expedition, and for other purposes; to the Committee on Pensions.

By Mr. OVERTON: A bill (H. R. 4702) to provide for the commemoration of the Battle of Yellor Bayou, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4703) to provide for the commemoration of the Battle of Mansura, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4704) to provide for the commemoration of military historic events which occurred at Burrs Ferry, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4705) to provide for the commemoration of the fort at Los Adais, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4706) to provide for the commemoration of the Battle of Pleasant Hill, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4707) to provide for the commemoration of the fort at Grand Ecore, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4708) to provide for the commemoration of Fort St. Jean Baptiste, in the State of Louisiana; to the Committee on Military Affairs.

By Mrs. OWEN: A bill (H. R. 4709) providing for the establishment of a term of the District Court of the United States for the Southern District of Florida at Orlando, Fla.; to the Committee on the Judiciary.

By Mr. RAGON: A bill (H. R. 4710) to amend the World War adjusted compensation act; to the Committee on Ways and Means.

By Mr. RICH: A bill (H. R. 4711) to reduce by 10 per cent the salaries, pay, and wages received from the United States during the calendar year 1932; to the Committee on Expenditures in the Executive Departments.

By Mr. TEMPLE: A bill (H. R. 4712) to establish a minimum area for the Shenandoah National Park, for administration, protection, and general development by the National Park Service, and for other purposes; to the Committee on the Public Lands.

By Mr. SMITH of Virginia: A bill (H. R. 4713) to amend subsection (a) of section 1 of an act entitled "An act for the acquisition, establishment, and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park, parkway, and playground system of the National Capital," approved May 29, 1930; to the Committee on Public Buildings and Grounds.

By Mr. SWING: A bill (H. R. 4714) authorizing the Secretary of the Navy to purchase a site for an auxiliary operating air base at Camp Kearney, near San Diego, Calif.; to the Committee on Naval Affairs.

Also, a bill (H. R. 4715) for the protection of the Palo Verde Valley, State of California, against injury or destruction by reason of Colorado River floods; to the Committee on Irrigation and Reclamation.

By Mr. ALMON: A bill (H. R. 4716) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for oher purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Roads.

By Mr. JENKINS: A bill (H. R. 4717) granting pensions and increase of pensions to certain soldiers, sailors, and nurses of the war with Spain, the Philippine insurrection, or the China relief expedition, and for other purposes; to the Committee on Pensions.

By Mr. JONES: A bill (H. R. 4718) to authorize loans to farmers of the United States for use in making payments on loans from Federal land banks; to the Committee on Agriculture.

By Mr. KELLY, of Pennsylvania: A bill (H. R. 4719) granting leaves of absence with pay to substitutes in the Postal Service; to the Committee on the Post Office and Post Roads.

By Mr. OLIVER of New York: A bill (H. R. 4720) to provide a judicial method of trying charges against postal employees; to the Committee on the Post Office and Post Roads.

By Mr. OVERTON: A bill (H. R. 4721) to provide for the commemoration of Fort DeRussy, in the State of Louisiana; to the Committee on Military Affairs.

Also, a bill (H. R. 4722) to provide for the commemoration of Fort Jesup, in the State of Louisiana; to the Committee on Military Affairs.

By Mr. WELCH of California: A bill (H. R. 4723) to authorize associations of employers in the District of Columbia to adopt a device to designate the products of the labor of their members, to punish illegal use or imitation of such device, and for other purposes; to the Committee on the District of Columbia.

Also, a bill (H. R. 4724) to confer to certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldfers' homes; to the Committee on Pensions.

Also, a bill (H. R. 4725) to place assayers in the classified civil service, and for other purposes; to the Committee on the Civil Service.

Also, a bill (H. R. 4726) to provide for the establishment, operation, and maintenance of foreign trade zones in ports of the United States; to the Committee on Ways and Means.

Also, a bill (H. R. 4727) for the inspection of vessels propelled by internal-combustion engines; to the Committee on the Merchant Marine and Fisheries.

By Mr. CHAPMAN: A bill (H. R. 4728) to amend subdivision (a) of section 400 and subdivision (a) of section 401 of the revenue act of 1926, reducing the amount of taxes on certain tobacco; to the Committee on Ways and Means.

By Mr. FREEMAN: A bill (H. R. 4729) to provide for the relinquishment by the United States of a certain tract of land to the borough of Stonington, in the county of New London, in the State of Connecticut; to the Committee on Interstate and Foreign Affairs.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 4730) authorizing the payment of a pension of $40 per month to all persons who have served 20 years or more as members of the Indian police at any agency in the United States of America; to the Committee on Pensions.

Also, a bill (H. R. 4731) to establish and maintain one or more pecan experiment stations, one located in the State of Oklahoma; to the Committee on Agriculture.

Also, a bill (H. R. 4732) to provide for suspending payments under loans made by Federal land banks; to the Committee on Banking and Currency.

Also, a bill (H. R. 4733) granting a pension to the regularly commissioned United States deputy marshals of the United States District Court for the Western District of Arkansas and the Eastern District of Texas, including the Indian Territory, now the State of Oklahoma, and to their widows and dependent children; to the Committee on Pensions.

By Mr. DARROW: A bill (H. R. 4734) for the relief of certain officers of the Dental Corps of the United States Navy; to the Committee on Naval Affairs.

By Mr. SMITH of West Virginia: A bill (H. R. 4735) to provide for the construction of a suitable approach to the Arlington Memorial Bridge connecting Lee Boulevard (route 711 of Virginia) with the memorial bridge; to the Committee on Roads.

Also, a bill (H. R. 4736) to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLCOTT: A bill (H. R. 4737) to further amend the World War adjusted compensation act; to the Committee on Ways and Means.

By Mr. BACHMANN: A bill (H. R. 4738) to incorporate the Disabled American Veterans of the World War; to the Committee on the Judiciary.

By Mr. BANKHEAD: A bill (H. R. 4739) for the promotion of the health and welfare of mothers and infants, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SWING: A bill (H. R. 4740) to regulate commerce between the United States and foreign countries in crude petroleum and all products of petroleum including fuel oil, and to limit the importation thereof, and for other purposes; to the Committee on Ways and Means.

By Mr. STEAGALL: A bill (H. R. 4741) to amend the Federal farm loan act, as amended, to provide for additional capital for Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. WILLIAMSON: A bill (H. R. 4742) to establish a department of national defense, to consolidate therein the

Department of War, and the Department of the Navy, and for other purposes; to the Committee on Expenditues in the Executive Departments.

By Mr. BANKHEAD: A bill (H. R. 4743) to amend an act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment; approved June 2, 1920, as amended; to the Committee on Education.

By Mr. BOWMAN: A bill (H. R. 4744) to provide for the commemoration of the Battle of Rich Mountain, in the State of West Virginia; to the Committee on Military Affairs.

Also, a bill (H. R. 4745) to provide for the commemoration of the Battle of Philippi, in the State of West Virginia; to the Committee on Military Affairs.

By Mr. CRISP: A bill (H. R. 4746) relating to the salaries of clerks of United States district courts, their deputies, and assistants who are appointed United States commissioners; to the Committee on the Judiciary.

By Mr. GARBER: A bill (H. R. 4747) to provide dependency allowances for widows, children, and parents of certain deceased World War veterans; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4748) to provide allowances for dependents of World War veterans during hospitalization of such veterans by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. LEAVITT: A bill (H. R. 4749) to grant general jurisdiction to the United States Court of Claims to hear and determine any claim of a tribe or band of Indians, with certain restrictions, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 4750) authorizing the President, through the Secretary of the Interior, to study, report, and recommend on a revision and codification of the statutes affecting the American Indians; to the Committee on Indian Affairs.

Also, a bill (H. R. 4751) granting pensions to Indians who rendered valuable service with the armed forces of the United States; to the Committee on Pensions.

Also, a bill (H. R. 4752) for establishment of the Waterton-Glacier International Peace Park; to the Committee on the Public Lands.

Also, a bill (H. R. 4753) to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 4754) providing for the construction and equipment of a hospital upon the Blackfeet Indian Reservation in the State of Montana; to the Committee on Indian Affairs.

Also, a bill (H. R. 4755) for the construction and equipping of a hospital on Crow Reservation; to the Committee on Indian Affairs.

Also, a bill (H. R. 4756) granting pensions to certain widows, minor children, and helpless children of certain soldiers, sailors, and marines of the World War; to the Committee on Pensions.

By Mr. REED of New York: A bill (H. R. 4757) to create a department of education, and for other purposes; to the Committee on Education.

By Mr. ARNOLD: A bill (H. R. 4758) granting an increase of pension to Anna M. Reddelein; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4759) granting a pension to Mary Jane Trailor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4760) for the relief of Caleb Kase; to the Committee on Military Affairs.

By Mr. BARTON: A bill (H. R. 4761) granting a pension to Nan A. Benson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4762) granting a pension to Frances E. Newton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4763) granting a pension to Ada Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4764) granting a pension to Emma Knight; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4765) granting a pension to Fred C. Nunn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4766) granting an increase of pension to Matilda J. Henderson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4767) granting a pension to William E. Newton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4768) granting an increase of pension to Hannah H. Maddux; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4769) granting an increase of pension to Jeritha Love Claxton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4770) granting a pension to Sherman King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4771) granting a pension to Joseph M. Cameron; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4772) granting an increase of pension to John W. Harmon; to the Committee on Pensions.

Also, a bill (H. R. 4773) for the relief of John Pierce; to the Committee on Military Affairs.

By Mr. BOYLAN: A bill (H. R. 4774) for the relief of Theodore Paul Harris; to the Committee on Naval Affairs.

By Mr. BRAND of Ohio: A bill (H. R. 4775) granting a pension to Carrie E. McGown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4776) granting a pension to Grace Lankester; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4777) granting an increase of pension to Mary A. Cozier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4778) granting an increase of pension to Anna Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4779) granting an increase of pension to Millie A. Washington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4780) granting an increase of pension to Flora Willhide; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4781) granting an increase of pension to Deborah Fent; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4782) granting an increase of pension to Susie A. Clifton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4783) granting an increase of pension to Dora A. Stephenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4784) granting an increase of pension to Mariah Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4785) granting an increase of pension to Sarah J. Ripley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4786) granting an increase of pension to Julia Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4787) granting an increase of pension to Mary C. Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4788) granting an increase of pension to Margaret Speakman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4789) granting an increase of pension to Kate Glover; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4790) granting an increase of pension to Belle Butters; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4791) granting an increase of pension to Louisa F. Byrd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4792) granting an increase of pension to Melissa McCaulla; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4793) granting an increase of pension to Elizabeth Raymond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4794) granting an increase of pension to Lavina Haines; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4795) granting an increase of pension to Anna B. Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4796) granting an increase of pension to Louisa D. Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4797) granting an increase of pension to Sabrina J. Acord; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4798) granting an increase of pension to Susan J. Bradford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4799) granting an increase of pension to Anna Van Camp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4800) granting an increase of pension to Elizabeth Pidgeon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4801) granting an increase of pension to Fannie J. Barber; to the Committee on Invalid Pensions.

By Mr. BRUNNER: A bill (H. R. 4802) granting a pension to Matteo Linguiti; to the Committee on Pensions.

By Mr. BUCHANAN: A bill (H. R. 4803) to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including Roger P. Ames among those honored by said act; to the Committee on Military Affairs.

By Mr. CAVICCHIA: A bill (H. R. 4804) granting an increase of pension to Agnes Drumgoold; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4805) granting an increase of pension to Ella Hatfield; to the Committee on Invalid Pensions.

By Mr. CARDEN: A bill (H. R. 4806) for the relief of George D. Hopper; to the Committee on Claims.

By Mr. CHAPMAN: A bill (H. R. 4807) for the relief of Henry T. Paton; to the Committee on Claims.

By Mr. CHASE: A bill (H. R. 4808) granting an increase of pension to Barbara Price; to the Committee on Invalid Pensions.

By Mr. CHINDBLOM: A bill (H. R. 4809) for the relief of William S. McWilliams; to the Committee on Military Affairs.

Also, a bill (H. R. 4810) for the relief of William J. McKenna; to the Committee on Military Affairs.

Also, a bill (H. R. 4811) for the relief of Kenneth A. Rotharmel; to the Committee on War Claims.

Also, a bill (H. R. 4812) granting a pension to Mayme Meyers; to the Committee on Pensions.

Also, a bill (H. R. 4813) for the relief of Paul D. May; to the Committee on Claims.

Also, a bill (H. R. 4814) for the relief of Paul G. Lorenz; to the Committee on Military Affairs.

By Mr. COLE of Maryland: A bill (H. R. 4815) for the relief of Thomas C. Belt; to the Committee on Military Affairs.

Also, a bill (H. R. 4816) granting a pension to Lloyd H. Lennon; to the Committee on Pensions.

By Mr. COLTON: A bill (H. R. 4817) placing John A. McAlister, jr., on the retired list of the Army as a lieutenant colonel; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 4818) for the relief of William Cavanaugh; to the Committee on Military Affairs.

Also, a bill (H. R. 4819) for the relief of Edward R. Dathe; to the Committee on Naval Affairs.

Also, a bill (H. R. 4820) granting a pension to James P. Frederickson; to the Committee on Pensions.

Also, a bill (H. R. 4821) granting an increase of pension to James Scanlon; to the Committee on Pensions.

Also, a bill (H. R. 4822) granting a pension to Rhoda E. Hottinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4823) for the relief of John W. Rosseau; to the Committee on Military Affairs.

By Mr. DELANEY: A bill (H. R. 4824) for the relief of John Edward Doherty; to the Committee on Naval Affairs.

Also, a bill (H. R. 4825) for the relief of James Arthur Tadlock; to the Committee on Naval Affairs.

By Mr. DICKSTEIN: A bill (H. R. 4826) for the relief of Henry A. Richmond; to the Committee on Claims.

Also, a bill (H. R. 4827) for the appointment of Achilles Basteyne as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. DIES: A bill (H. R. 4828) granting a pension to Samuel Harris; to the Committee on Pensions.

By Mr. DOMINICK: A bill (H. R. 4829) granting a pension to John H. Hamilton; to the Committee on Pensions.

Also, a bill (H. R. 4830) for the relief of John D. Keys; to the Committee on Military Affairs.

By Mr. DOUGLASS of Massachusetts: A bill (H. R. 4831) for the relief of Pietro Bruno; to the Committee on Claims.

Also, a bill (H. R. 4832) for the relief of Julia Hennessey; to the Committee on Claims.

Also, a bill (H. R. 4833) for the relief of Frank Baglione; to the Committee on Claims.

Also, a bill (H. R. 4834) to extend the benefits of the employers' liability act of September 7, 1916, to William L. Sullivan, or guardian; to the Committee on Claims.

Also, a bill (H. R. 4835) granting a pension to Mary E. Griggs; to the Committee on Invalid Pensions.

By Mr. DRANE: A bill (H. R. 4836) granting an increase of pension to Kathryn Farrar; to the Committee on Invalid Pensions.

By Mr. DYER: A bill (H. R. 4837) for the relief of Lang Gee; to the Committee on Claims.

By Mr. FREEMAN: A bill (H. R. 4838) for the relief of James J. Smith; to the Committee on Naval Affairs.

Also, a bill (H. R. 4839) granting an increase of pension to Milissa S. Franklin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4840) granting an increase of pension to Jane M. Fuller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4841) granting an increase of pension to Susan D. Prentis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4842) granting an increase of pension to Sarah A. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4843) granting an increase of pension to Florence C. Paine; to the Committee on Invalid Pensions.

Also a bill (H. R. 4844) for the relief of the Noank Shipyard (Inc.); to the Committee on Claims.

By Mr. FIESINGER: A bill (H. R. 4845) for the relief of R. A. Hunsiger; to the Committee on Claims.

By Mr. FREE: A bill (H. R. 4846) for the examination and survey of Half Moon Bay, Calif., particularly in and around Princeton-by-the-Sea, with a view of construction of a breakwater; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 4847) renewing patent to Arthur H. Coombs; to the Committee on Patents.

By Mr. GOLDER: A bill (H. R. 4848) for the relief of William Zeiss, administrator of William B. Reamy, survivor of Thomas Reaney and Samuel Archbold; to the Committee on War Claims.

Also, a bill (H. R. 4849) to authorize Ensign Howard F. Hozey, United States Naval Reserve, to accept certain decorations from the British Government; to the Committee on Foreign Affairs.

Also, a bill (H. R. 4850) renewing patent to George R. Carothers; to the Committee on Patents.

By Mr. GRANFIELD: A bill (H. R. 4851) granting a pension to Pauline McElhone; to the Committee on Pensions.

Also, a bill (H. R. 4852) granting a pension to Martha M. Pease; to the Committee on Invalid Pensions.

By Mr. HANCOCK of New York: A bill (H. R. 4853) granting a pension to Emma Lillis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4854) for the relief of George B. Marx; to the Committee on War Claims.

Also, a bill (H. R. 4855) granting an increase of pension to Elizabeth Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4856) granting an increase of pension to Matilda A. Button; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4857) granting an increase of pension to Malinda Staring; to the Committee on Invalid Pensions.

By Mr. HALL of Mississippi: A bill (H. R. 4858) for the relief of Mrs. J. A. Joullian; to the Committee on Claims.

Also, a bill (H. R. 4859) for the relief of Jeff Caperton and Lucy Virginia Caperton; to the Committee on Claims.

Also, a bill (H. R. 4860) for the relief of the Ingram-Day Lumber Co.; to the Committee on Claims.

By Mr. HARDY: A bill (H. R. 4861) granting an increase of pension to Sarah E. Pile; to the Committee on Invalid Pensions.

By Mr. HARE: A bill (H. R. 4862) granting a pension to Charles E. Gulledge; to the Committee on Pensions.

Also, a bill (H. R. 4863) for the relief of Dawson A. Bell; to the Committee on Military Affairs.

Also, a bill (H. R. 4864) for the relief of Gannie H. Daniels; to the Committee on Military Affairs.

Also, a bill (H. R. 4865) for the relief of Claud J. Adams; to the Committee on Military Affairs.

Mr. HASTINGS: A bill (H. R. 4866) granting a pension to Sabra Osage; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4867) granting an increase of pension to Mary A. Briggs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4868) for the relief of George E. Casey; to the Committee on Claims.

Also, a bill (H. R. 4869) for the relief of First Lieut. Lawrence G. Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 4870) for the relief of James Luther Hammon; to the Committee on Military Affairs.

Also, a bill (H. R. 4871) granting a pension to Sarah A. Mullen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4872) granting a pension to Harriett E. Whinery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4873) granting an increase of pension to Eulie Beedle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4874) granting an increase of pension to Rosa A. Keeth; to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 4875) granting a pension to Rhoda H. Lozier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4876) granting a pension to Clifford E. Mattson; to the Committee on Pensions.

Also, a bill (H. R. 4877) granting a pension to Jennie M. Sheard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4878) granting a pension to Lemuel T. Wilson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4879) granting a pension to Mary M. Ball; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4880) granting an increase of pension to Marietta V. Fox; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4881) granting an increase of pension to Catherine E. Mauts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4882) granting an increase of pension to Matilda A. Huerth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4883) granting an increase of pension to Melinda A. Heltzel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4884) for the relief of Jack Mattson; to the Committee on Claims.

By Mr. HESS: A bill (H. R. 4885) for the relief of Kenneth G. Gould; to the Committee on Claims.

Also, a bill (H. R. 4886) granting a pension to Emilie Kaiser; to the Committee on Invalid Pensions.

By Mr. HOLLISTER: A bill (H. R. 4887) for the relief of Lieut. Enoch Graf; to the Committee on Claims.

By Mr. HOLMES: A bill (H. R. 4888) granting a pension to Ethel M. Wilkinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4889) granting an increase of pension to Ella F. Bartlett; to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 4890) granting a pension to Mary L. Chrisope; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4891) granting an increase of pension to Drusa Trullinger; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 4892) for the relief of Frank P. Martin; to the Committee on Military Affairs.

By Mr. HORR: A bill (H. R. 4893) authorizing the President of the United States to present in the name of Congress to Clyde Pangborn and Hugh Herndon, jr., each a medal of honor; to the Committee on Military Affairs.

By Mr. JENKINS: A bill (H. R. 4894) granting a pension to Florence Kemp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4895) granting a pension to Luella Morgan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4896) granting an increase of pension to Lucinda A. Hulbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4897) granting an increase of pension to Sarah J. Collins; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 4898) authorizing Porter Bros. & Biffle and others to bring suit against the United States of America for loss and damage sustained through erroneous certification by the Bureau of Animal Industry; to the Committee on Claims.

Also, a bill (H. R. 4899) granting a pension to Otys Leonora Ross; to the Committee on Pensions.

Also, a bill (H. R. 4900) granting a pension to Charles S. Rose; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4901) granting an increase of pension to Catharine A. Best; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4902) granting an increase of pension to Cynthia A. Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4903) granting an increase of pension to Emeline Hamilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4904) granting an increase of pension to Alice Jordan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4905) granting an increase of pension to Jennie Beadle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4906) for the relief of Clifton C. Cox; to the Committee on Military Affairs.

Also, a bill (H. R. 4907) for the relief of Henry Winkler; to the Committee on Military Affairs.

Also, a bill (H. R. 4908) for the relief of Andrew J. Murphy, otherwise known as Andrew or A. Johnson; to the Committee on Military Affairs.

Also, a bill (H. R. 4909) for the relief of Fanny M. Crosby; to the Committee on Claims.

Also, a bill (H. R. 4910) for the relief of Gust J. Schweitzer; to the Committee on Claims.

Also, a bill (H. R. 4911) for the relief of Ralph E. Williamson for loss suffered on account of the Lawton, Okla., fire, 1917; to the Committee on Claims.

By Mr. JOHNSON of Missouri: A bill (H. R. 4912) for the relief of A. P. Beazley; to the Committee on Claims.

Also, a bill (H. R. 4913) for the relief of J. H. Campbell; to the Committee on Claims.

By Mr. KADING: A bill (H. R. 4914) granting a pension to Anna Jeremioson; to the Committee on Pensions.

Also, a bill (H. R. 4915) granting an increase of pension to Marie Siemers; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 4916) for the relief of William M. Barrett; to the Committee on Naval Affairs.

Also, a bill (H. R. 4917) for the relief of Patrick O'Brien; to the Committee on Naval Affairs.

Also, a bill (H. R. 4918) granting a pension to David Jacobi; to the Committee on Pensions.

Also, a bill (H. R. 4919) granting a pension to Harriet I. Van Camp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4920) granting a pension to Lena Bidderman; to the Committee on Pensions.

Also, a bill (H. R. 4921) to renew and extend certain letters patent to Rosa Schoenholz; to the Committee on Patents.

By Mr. KELLER: A bill (H. R. 4922) for the relief of Minnie and Ellen Barber; to the Committee on Claims.

By Mr. KELLY of Pennsylvania: A bill (H. R. 4923) to define promotion status of J. Earl McNanamy, lieutenant (junior grade), Chaplain Corps, United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 4924) for the relief of John M. Ruskai; to the Committee on Military Affairs.

Also, a bill (H. R. 4925) for the relief of John L. Friel; to the Committee on Claims.

Also, a bill (H. R. 4926) for the relief of Robert W. Bredin; to the Committee on Naval Affairs.

Also, a bill (H. R. 4927) for the relief of Alexander Miller; to the Committee on Military Affairs.

Also, a bill (H. R. 4928) for the relief of Emanuel R. McCusker; to the Committee on Military Affairs.

Also, a bill (H. R. 4929) for the relief of Walter A. Zinkham; to the Committee on Claims.

Also, a bill (H. R. 4930) for the relief of H. Bluestone; to the Committee on Claims.

Also, a bill (H. R. 4931) for the relief of the estate of Benjamin Braznell; to the Committee on Ways and Means.

Also, a bill (H. R. 4932) for the relief of John Buchanan; to the Committee on Military Affairs.

Also, a bill (H. R. 4933) for the relief of Irma S. Haller; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 4934) for the relief of Mary A. Cole; to the Committee on Claims.

Also, a bill (H. R. 4935) for the relief of James A. Davidson; to the Committee on Claims.

Also, a bill (H. R. 4936) for the relief of Edna Morris; to the Committee on Claims.

Also, a bill (H. R. 4937) for the relief of Emerson P. Cole; to the Committee on Claims.

By Mr. KLEBERG: A bill (H. R. 4938) for the relief of Russell & Tucker and certain other citizens of the States of Texas, Oklahoma, and Kansas; to the Committee on Claims.

By Mr. KNIFFIN: A bill (H. R. 4939) granting a pension to Josephine Hardesty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4940) granting a pension to John A. Ridenour; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4941) granting an increase of pension to Helen Ebright; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 4942) for the relief of William R. Eimers; to the Committee on Military Affairs.

Also, a bill (H. R. 4943) for the relief of Joseph C. Bailey; to the Committee on Military Affairs.

By Mr. KVALE: A bill (H. R. 4944) for the relief of Arthur W. DeFrate; to the Committee on Military Affairs.

Also, a bill (H. R. 4945) granting an increase of pension to Christine Pedderson; to the Committee on Invalid Pensions.

By Mr. LANKFORD of Georgia: A bill (H. R. 4946) granting a pension to Edward E. Sutton; to the Committee on Pensions.

By Mr. LEAVITT: A bill (H. R. 4947) for the relief of Charlotte Van Horn Hanson, widow of Charles W. Van Horn; to the Committee on Claims.

By Mr. LUDLOW: A bill (H. R. 4948) for the relief of certain newspapers for advertising services rendered the Public Health Service of the Treasury Department; to the Committee on Claims.

Also, a bill (H. R. 4949) granting a pension to William C. Marlowe; to the Committee on Pensions.

Also, a bill (H. R. 4950) granting a pension to Clara L. Seguin; to the Committee on Pensions.

Also, a bill (H. R. 4951) granting an increase of pension to Hannah Sims; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 4952) granting an increase of pension to Sarah E. Crooks; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 4953) granting an increase of pension to Minerva Wagner; to the Committee on Pensions.

Also, a bill (H. R. 4954) granting an increase of pension to Isabell Cory; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4955) granting an increase of pension to Cora L. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4956) granting an increase of pension to Katherine D. Gebhardt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4957) granting an increase of pension to Emma E. Kanzleiter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4958) granting an increase of pension to Mary J. Lett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4959) granting an increase of pension to Margaret C. Lloyd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4960) granting an increase of pension to Charlotte McMillen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4961) granting an increase of pension to Elizabeth Ovens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4962) granting an increase of pension to Mary A. Oswald; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4963) granting an increase of pension to Elizabeth Simpson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4964) granting an increase of pension to Rachel A. Updegraff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4965) granting an increase of pension to Sarah J. Underhill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4966) granting an increase of pension to Sarah M. Wade; to the Committee on Invalid Pensions.

By Mr. NORTON of Nebraska: A bill (H. R. 4967) granting a pension to Martha S. Wink; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4968) granting an increase of pension to Julia A. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4969) granting a pension to Lucy May Deming; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4970) granting a pension to Bert Brown Derby; to the Committee on Pensions.

Also, a bill (H. R. 4971) for the relief of Fred F. Koslowski; to the Committee on Military Affairs.

Also, a bill (H. R. 4972) for the relief of George P. Sterling; to the Committee on Military Affairs.

By Mrs. OWEN: A bill (H. R. 4973) for the relief of Lyman D. Drake, jr.; to the Committee on Claims.

Also, a bill (H. R. 4974) for the relief of John Christopher Bauman, jr.; to the Committee on Claims.

By Mr. PARSONS: A bill (H. R. 4975) granting an increase of pension to Amanda J. Lane; to the Committee on Invalid Pensions.

Also a bill (H. R. 4976) granting an increase of pension to Alfred Barker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4977) granting an increase of pension to Virginia F. Proudfit; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4978) granting an increase of pension to Cuma Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4979) granting a pension to Hannah D. Warren; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4980) granting a pension to Chester D. Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4981) granting a pension to Lydia M. Sisk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4982) granting a pension to Flossie M. Ramsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4983) granting a pension to Etta M. Gowdy; to the Committee on Invalid Pensions.

By Mr. POU: A bill (H. R. 4984) for the relief of J. R. Collie and Eleanor Y. Collie; to the Committee on Claims.

By Mr. RAMSPECK: A bill (H. R. 4985) granting a pension to George W. Crowder; to the Committee on Pensions.

By Mr. RANSLEY: A bill (H. R. 4986) granting a pension to John J. Connolley; to the Committee on Pensions.

Also, a bill (H. R. 4987) granting a pension to Alonzo B. Finch; to the Committee on Pensions.

Also, a bill (H. R. 4988) for the relief of John J. Connolley; to the Committee on Military Affairs.

Also, a bill (H. R. 4989) for the relief of James B. Connor; to the Committee on Claims.

Also, a bill (H. R. 4990) for the relief of William H. Stroud; to the Committee on Military Affairs.

Also, a bill (H. R. 4991) for the relief of John F. Llewelyn, alias John Fluellen; to the Committee on Military Affairs.

Also, a bill (H. R. 4992) for the relief of Christopher Cott; to the Committee on Military Affairs.

By Mr. RICH: A bill (H. R. 4993) granting an increase of pension to Mary L. Cole; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4994) granting an increase of pension to Ellen E. Miller; to the Committee on Invalid Pensions.

By Mr. SCHUETZ: A bill (H. R. 4995) granting a pension to Louis P. Szafranko; to the Committee on Pensions.

By Mr. SEGER: A bill (H. R. 4996) granting an increase of pension to Emma L. Long; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4997) granting an increase of pension to Sarah Roberts; to the Committee on Invalid Pensions.

By Mr. SHOTT: A bill (H. R. 4998) granting a pension to Elizabeth Frasher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4999) granting a pension to Lewis Plumley; to the Committee on Pensions.

Also, a bill (H. R. 5000) granting a pension to Frances Duty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5001) granting a pension to John D. Pearson; to the Committee on Pensions.

Also, a bill (H. R. 5002) granting a pension to Zattoo Adkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5003) granting a pension to Marion Litton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5004) for the relief of Capt. Lester S. Ostrander; to the Committee on Claims.

Also, a bill (H. R. 5005) for the relief of F. M. Peters and J. T. Akers; to the Committee on Claims.

By Mr. SMITH of Virginia: A bill (H. R. 5006) for the relief of the estate of James M. Catlett, deceased; to the Committee on War Claims.

Also, a bill (H. R. 5007) for the relief of Marie E. McGrath; to the Committee on Claims.

By Mr. STRONG of Kansas: A bill (H. R. 5008) granting a pension to Elsbeth S. Rennwanz; to the Committee on Pensions.

Also, a bill (H. R. 5009) granting an increase of pension to Cynthia Dale; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5010) granting an increase of pension to Agnes F. B. Overlander; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5011) for the relief of Roland Baldwin Estep; to the Committee on Naval Affairs.

By Mr. SWANK: A bill (H. R. 5012) granting a pension to Dorothy G. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 5013) granting a pension to Henry Winkler; to the Committee on Pensions.

By Mr. SWANSON: A bill (H. R. 5014) for the relief of Anthony Wade; to the Committee on Claims.

Also, a bill (H. R. 5015) granting a pension to Sarah Kirtley; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 5016) for the relief of Randolph F. Hunter; to the Committee on Military Affairs.

By Mr. TABER: A bill (H. R. 5017) granting a pension to Mary E. Whiting; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5018) granting a pension to Lydia E. Perkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5019) granting a pension to Lewis E. Gardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5020) granting an increase of pension to Addie Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5021) granting an increase of pension to Margaret A. Huff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5022) granting an increase of pension to Hattie B. Wade; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5023) granting an increase of pension to Ellen M. Field; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5024) granting an increase of pension to Mary J. A. White; to the Committee on Invalid Pensions.

By Mr. TEMPLE: A bill (H. R. 5025) granting an increase of pension to Eliza Hagan; to the Committee on Invalid Pensions.

By Mr. THATCHER: A bill (H. R. 5026) granting a pension to Ellanor Green; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 5027) for the relief of Adam Bischoff; to the Committee on Military Affairs.

Also, a bill (H. R. 5028) for the relief of Frank A. Forsland; to the Committee on Claims.

Also, a bill (H. R. 5029) granting an increase of pension to Mary E. Proper; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5030) granting an increase of pension to Ellen J. Mee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5031) granting an increase of pension to Mary E. Tucker; to the Committee on Invalid Pensions.

By Mr. WELCH of California: A bill (H. R. 5032) granting a pension to Matthew S. Scott; to the Committee on Pensions.

Also, a bill (H. R. 5033) granting a pension to William F. Buckley; to the Committee on Pensions.

Also, a bill (H. R. 5034) for the relief of Rawley Clay Allen; to the Committee on Naval Affairs.

Also, a bill (H. R. 5035) for the relief of Thomas Kelley; to the Committee on Naval Affairs.

Also, a bill (H. R. 5036) for the relief of Frank Bolt; to the Committee on Naval Affairs.

Also, a bill (H. R. 5037) for the relief of Cornelius F. J Howard; to the Committee on Naval Affairs.

Also, a bill (H. R. 5038) for the relief of W. A. Belard; to the Committee on Naval Affairs.

Also, a bill (H. R. 5039) for the relief of John C. McCann; to the Committee on Naval Affairs.

Also, a bill (H. R. 5040) for the relief of Carver A. Thomas; to the Committee on Military Affairs.

Also, a bill (H. R. 5041) for the relief of Patrick J. Sullivan; to the Committee on Military Affairs.

Also, a bill (H. R. 5042) for the relief of David I. Brown; to the Committee on Military Affairs.

Also, a bill (H. R. 5043) to authorize the appointment of Staff Sergt. Stephen Miller, retired, United States Army, to master sergeant, retired, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 5044) for the relief of Thomas H. Dowd; to the Committee on Military Affairs.

Also, a bill (H. R. 5045) for the relief of Mrs. J. O. Meyerink; to the Committee on Claims.

Also, a bill (H. R. 5046) for the relief of C. A. Betz; to the Committee on Claims.

Also, a bill (H. R. 5047) for the relief of the Yosemite Lumber Co.; to the Committee on Claims.

Also, a bill (H. R. 5048) for the relief of James E. Dethlefsen; to the Committee on Claims.

By Mr. WEST: A bill (H. R. 5049) granting an increase of pension to Cordelia A. Briggs; to the Committee on Pensions.

Also, a bill (H. R. 5050) granting an increase of pension to Sarah E. Bruner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5051) granting a pension to Margaret E. Pryce; to the Committee on Invalid Pensions.

By Mr. WICKERSHAM: A bill (H. R. 5052) to authorize the incorporated town of Juneau, Alaska, to use the funds arising from the sale of bonds in pursuance to the act of Congress of February 11, 1925, for the purpose either of improving the sewerage system of said town or of constructing permanent streets in said town; to the Committee on the Territories.

Also, a bill (H. R. 5053) for the relief of Clyde Sheldon; to the Committee on Claims.

By Mr. WIGGLESWORTH: A bill (H. R. 5054) for the relief of the International Manufacturers' Sales Co. of America (Inc.); to the Committee on Claims.

By Mr. WILLIAMS of Missouri: A bill (H. R. 5055) granting an increase of pension to Rachel A. McGee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5056) granting an increase of pension to Mary E. Ward; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 5057) for the relief of the Edward F. Gruver Co. (with accompanying papers); to the Committee on Claims.

By Mr. WRIGHT: A bill (H. R. 5058) for the relief of Mary F. Crim; to the Committee on Claims.

Also, a bill (H. R. 5059) for the relief of Mrs. Johnnie Schley Gatewood; to the Committee on Claims.

By Mr. WATSON: Joint Resolution (H. J. Res. 1) to create a commission to cooperate with the State of Pennsylvania and New Jersey in preparing plans for the construction of the Washington Crossing Memorial Bridge across the Delaware River; to the Committee on Rules.

By Mr. LaGUARDIA: Joint resolution (H. J. Res. 2) to authorize and direct an investigation, ascertainment, and report of and with respect to the short selling and the selling future delivery of commodities produced by the cultivation of the soil on boards of trade or exchanges, with the causes, methods, extent, and effect of the same; to the Committee on Rules.

Also, joint resolution (H. J. Res. 3) to authorize and direct an investigation, ascertainment, and report of and with respect to short selling of stocks, bonds, and/or other securities on stock exchanges, with the causes, methods, extent, and effect of the same; to the Committee on Rules.

Also, joint resolution (H. J. Res. 4) proposing an amendment to the Constitution of the United States giving Congress the power to regulate the manufacture, traffic in, or transportation of intoxicating liquors; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 5) to create a commission for the revision of the shipping laws of the United States; to the Committee on Rules.

Also, joint resolution (H. J. Res. 6) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

Also, joint resolution (H. J. Res. 7) providing for the national conference on uniform State labor and welfare laws; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 8) requesting the President to proclaim October 12 as Columbus Day for observance of the anniversary of the discovery of America; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 9) to create a board of medical survey; to the Committee on World War Veterans' Legislation.

By Mr. BRITTEN: Joint resolution (H. J. Res. 10) relating to the establishment of commodity quantity units for general use in merchandising after 1935; to the Committee on Coinage, Weights, and Measures.

By Mr. LEHLBACH: Joint resolution (H. J. Res. 11) proposing an amendment to the Constitution of the United States repealing the eighteenth amendment and vesting in the Congress certain powers to regulate intoxicating beverages; to the Committee on the Judiciary.

By Mr. ANDRESEN: Joint resolution (H. J. Res. 12) for the amendment of the acts of February 2, 1903, and March 3, 1905, as amended, to allow the States to quarantine against the shipment thereto or therein of livestock, including poultry, from a State or Territory or portion thereof where a livestock or poultry disease is found to exist, which is not covered by regulatory action of the Department of Agriculture, and for other purposes; to the Committee on Agriculture.

Also, joint resolution (H. J. Res. 13) proposing an amendment to the Constitution of the United States providing for ratification of proposed amendments to the Constitution of the United States by the people of the several States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 14) to provide for the printing with illustrations and bound in cloth 320,000 copies of the Special Report on the Diseases of Cattle; to the Committee on Printing.

Also, joint resolution (H. J. Res. 15) to provide for the printing with illustrations and bound in cloth 110,000 copies of the Special Report on the Diseases of the Horse; to the Committee on Printing.

By Mr. ANDREW of Massachusetts: Joint resolution (H. J. Res. 16) proposing an amendment to the Constitution and a mode of ratification thereof, to permit the people of the several States to vote upon the retention of prohibition in the Constitution; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 17) providing for the preparation for publication and publication of the important official records and maps relating to the participation of the military forces of the United States in the World War, and authorizing appropriations therefor; to the Committee on Military Affairs.

By Mr. ALDRICH: Joint resolution (H. J. Res. 18) proposing an amendment to the Constitution, amending the eighteenth amendment; to the Committee on the Judiciary.

By Mr. ESTEP: Joint resolution (H. J. Res. 19) designating June 14 each year Flag Day and a legal public holiday in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BACON: Joint resolution (H. J. Res. 20) proposing an amendment to the Constitution to amend the eighteenth amendment; to the Committee on the Judiciary.

By Mr. CELLER: Joint resolution (H. J. Res. 21) to amend the act of November 23, 1921, entitled "An act supplementary to the national prohibition act"; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 22) proposing an amendment to the eighteenth amendment of the Constitution of the United States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 23) to amend section 7, title II of the act of October 28, 1919, known as the national prohibition act, and to repeal the first paragraph of section 2 of the act of November 23, 1921, known as an act supplementary to the national prohibition act; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 24) to suspend the operation and enforcement of the national prohibition act, as amended, in any State of the Union which does not appropriate State funds to enforce prohibition; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 25) establishing a peace college; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 26) requesting the President to proclaim October 12 as Columbus Day for the observance of the anniversary of the discovery of America; to the Committee on the Judiciary.

By Mr. CLANCY: Joint resolution (H. J. Res. 27) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 28) to remove certain restrictions on physicians relative to medicinal liquors; to the Committee on the Judiciary.

By Mr. COCHRAN of Missouri: Joint resolution (H. J. Res. 29) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 30) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. COLLINS: Joint resolution (H. J. Res. 31) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 32) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. CRAIL: Joint resolution (H. J. Res. 33) authorizing the establishment and maintenance of a United States passport bureau at Los Angeles, Calif.; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 34) to amend the act of June 7, 1924, providing for the free transmission through the mails of certain publications for the blind; to the Committee on the Post Office and Post Roads.

By Mr. CRISP: Joint resolution (H. J. Res. 35) authorizing the National Masonic Memorial Association to erect and maintain a building upon the United States military reservation of Fort Benning, Ga.; to the Committee on Military Affairs.

By Mr. EATON of Colorado: Joint resolution (H. J. Res. 36) providing for the issuance of a special series of postage stamps illustrating the Mount of the Holy Cross in the State of Colorado; to the Committee on the Post Office and Post Roads.

By Mr. ERK: Joint resolution (H. J. Res. 37) designating the first United States narcotic farm to be established near Lexington, Ky., as the Stephen G. Porter Institute; to the Committee on Ways and Means.

By Mr. EVANS of Montana: Joint resolution (H. J. Res. 38) to require that public contracts provide for employment of resident laborers and mechanics and for payment of highest prevailing rates of wages; to the Committee on Labor.

By Mr. FRENCH: Joint resolution (H. J. Res. 39) to authorize the President to withdraw from operation of land

laws and from grazing except under special permit all areas within watersheds of reclamation projects; to the Committee on the Public Lands.

By Mr. FISH: Joint resolution (H. J. Res. 40) to establish a commission to be known as a commission on a national museum of engineering and industry; to the Committee on the Library.

By Mr. FULMER: Joint resolution (H. J. Res. 41) to authorize and direct the Secretary of Agriculture to provide additional facilities for the classification of cotton under the United States cotton futures act, and for the dissemination of market news information; to the Committee on Agriculture.

By Mr. GARBER: Joint resolution (H. J. Res. 42) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 43) to authorize the distribution of 60,000,000 bushels of surplus wheat for relief purposes; to the Committee on Agriculture.

Also, joint resolution (H. J. Res. 44) to suspend for a period of 10 years general immigration into the United States; to the Committee on Immigration and Naturalization.

By Mr. JOHNSON of Texas: Joint resolution (H. J. Res. 45) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. GOLDER: Joint resolution (H. J. Res. 46) proposing an amendment to the Constitution abolishing the immunity of Members of Congress for speeches and debates in either House; to the Committee on the Judiciary.

By Mr. GRIFFIN: Joint resolution (H. J. Res. 47) proposing an amendment to the Constitution of the United States providing for the meeting of the presidential and vice presidential electors, the method of counting the vote, and the method of selection of President and Vice President in certain contingencies; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 48) proposing an amendment to the Constitution of the United States giving the House of Representatives coordinate power in the ratification of treaties; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 49) proposing an amendment to the Constitution of the United States requiring submission of constitutional amendments to the direct vote of the people; to the Committee on the Judiciary.

By Mr. HOWARD: Joint resolution (H. J. Res. 50) directing the Interstate Commerce Commission to make certain changes in the rate structure of common carriers by reducing the rate from all interior points to points of exportation on shipments of wheat similar to those now carried on shipments of steel from interior points to points of exportation; to the Committee on Interstate and Foreign Commerce.

Also, joint resolution (H. J. Res. 51) authorizing and directing the Public Printer to print and mail copies of the daily issues of the CONGRESSIONAL RECORD to all public and parochial high schools in the United States; to the Committee on Printing.

By Mr. HOUSTON of Hawaii: Joint resolution (H. J. Res. 52) authorizing the Secretary of Agriculture to cooperate with the Territories of the United States under the provisions of sections 1 and 2 of the act of Congress entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor"; to the Committee on Agriculture.

By Mr. MORTON D. HULL: Joint resolution (H. J. Res. 53) providing that it shall be unlawful to export to a state that has violated the pact of Paris for the renunciation of war any articles of merchandise whatsoever, or to import from such state any articles of merchandise whatsoever, or to make loans to or grant credit to any such state or to the nationals thereof except as Congress may permit or upon the proclamation of the President that the aggression of such offending state has ceased; to the Committee on Foreign Affairs.

By Mr. JAMES: Joint resolution (H. J. Res. 54) to provide for the national defense by the creation of a corporation for the operation of the Government properties at and near Muscle Shoals, in the State of Alabama, to authorize the letting of the Muscle Shoals properties under certain conditions, and for other purposes; to the Committee on Military Affairs.

By Mr. JENKINS: Joint resolution (H. J. Res. 55) further restricting for a period of two years immigration into the United States; to the Committee on Immigration and Naturalization.

By Mr. JONES: Joint resolution (H. J. Res. 56) authorizing and directing the Secretary of Agriculture to establish and maintain a rate-adjustment division for the benefit of agriculture; to the Committee on Agriculture.

By Mr. KNUTSON: Joint resolution (H. J. Res. 57) authorizing the use of tribal funds belonging to the Chippewa Indians in the State of Minnesota to pay the expenses and compensation of their delegates sent to Washington in looking after their affairs; to the Committee on Indian Affairs.

Also joint resolution (H. J. Res. 58) stating whether coastwise traffic should be subjected to governmental regulation under the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. LAMNECK: Joint resolution (H. J. Res. 59) providing for payment of compensation for services of members of local draft boards who served also as clerks in their respective boards; to the Committee on Military Affairs.

By Mr. LEA: Joint resolution (H. J. Res. 60) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President and the filling of vacancies in the office of President; to the Committee on Election of President, Vice President, and Representatives in Congress.

Also, joint resolution (H. J. Res. 61) proposing an amendment to the Constitution of the United States providing for the amendment thereof; to the Committee on the Judiciary.

By Mr. LINDSAY: Joint resolution (H. J. Res. 62) declaring October 12 a legal public holiday, to be known as Columbus Day; to the Committee on the Judiciary.

By Mr. LINTHICUM: Joint resolution (H. J. Res. 63) authorizing and directing the Comptroller General of the United States to reopen, adjust, and settle the accounts of the city of Baltimore for advances made by the city in 1863 for the construction of works of defense, and for other purposes; to the Committee on the Judiciary.

By Mr. LUCE: Joint resolution (H. J. Res. 64) to make available to the Congress the services and data of the interstate legislative reference bureau; to the Committee on the Library.

By Mr. SINCLAIR: Joint resolution (H. J. Res. 65) authorizing the President to call an international conference of representatives of agricultural and farmers' organizations; to the Committee on Foreign Affairs.

By Mr. McKEOWN: Joint resolution (H. J. Res. 66) forbidding any official of any Federal land bank in foreclosure proceedings from issuing judgment on foreclosure until 12 months after date of such judgment; to the Committee on Banking and Currency.

By Mr. McSWAIN: Joint resolution (H. J. Res. 67) to promote the general welfare, to regulate commerce among the several States, and to create fiscal agencies for the Federal Government by authorizing a national emergency board and by defining its powers; to the Committee on Ways and Means.

By Mr. MARTIN of Oregon: Joint resolution (H. J. Res. 68) granting compensation to George Charles Walthers; to the Committee on Claims.

Also, joint resolution (H. J. Res. 69) authorizing an annual appropriation for the expenses of establishing and maintaining a United States passport bureau at Portland, Oreg., and Los Angeles, Calif.; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 70) authorizing the erection of a memorial building to commemorate the winning of the Oregon country for the United States; to the Committee on Public Buildings and Grounds.

By Mr. SINCLAIR: Joint resolution (H. J. Res. 71) for the relief of farmers in the drought and/or storm stricken areas of the United States; to the Committee on Agriculture.

By Mr. SNELL: Joint resolution (H. J. Res. 72) to permit the temporary entry into the United States, under certain conditions, of alien participants and officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad to be held in the United States in 1932; to the Committee on Immigration.

By Mr. SWING: Joint resolution (H. J. Res. 73) providing for the participation of the United States in a southwest exposition, to be held in 1937 in celebration of the completion of the Boulder Dam project; to the Committee on the Library.

By Mr. TIMBERLAKE: Joint resolution (H. J. Res. 74) authorizing the restoration of a limitation on the importation free of duty of Philippine sugar and the placing of a limitation on the importation free of duty of Philippine coconut oil; to the Committee on Ways and Means.

By Mr. JOHNSON of Washington: Joint resolution (H. J. Res. 75) further restricting immigration into the United States; to the Committee on Immigration and Naturalization.

By Mr. COLLIER: Joint resolution (H. J. Res. 76) renewing and extending patent numbered 601905 in favor of Walter L. Johnson and certain other persons; to the Committee on Patents.

By Mr. McMILLAN: Joint resolution (H. J. Res. 77) for the relief of Lelia Sneed Reuter; to the Committee on World War Veterans' Legislation.

By Mr. CRAIL: Joint resolution (H. J. Res. 78) declaring the intention of Congress to expend not less than $5,000,000,000 for necessary public improvements for emergency relief against unemployment; to the Committee on Expenditures in the Executive Departments.

By Mr. BLANTON: Joint resolution (H. J. Res. 79) authorizing and directing Federal land banks to suspend and withhold foreclosure of mortgages until December 31, 1932, where farmers are unable to make payment of interest or principal due, and to provide for redemption of any such lands foreclosed since April 1, 1930; to the Committee on Banking and Currency.

Also, joint resolution (H. J. Res. 80) to provide for the resumption of athletic relations between the United States Military Academy and the United States Naval Academy; to the Committee on Military Affairs.

Also, joint resolution (H. J. Res. 81) authorizing and directing the President to use and employ the Army, Navy, the Marine Corps, the militia of the several States, and the resources of the Government in suppressing all smuggling into the United States of intoxicating liquors, narcotics, and aliens, and to suppress the insubordinate rebellion now being waged by those in authority in several States and large cities of the United States against the fundamental laws of the Republic, to the end that the President may obey the Constitution of the United States by faithfully executing the laws; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 82) prohibiting officials of the United States from issuing permits to any diplomatic representative, secretary of embassy or legation, counselor of embassy or legation, military attaché, naval attaché, commercial attaché, consul, agent, commissioner, or special envoy of any foreign country accredited to and residing in the United States that would authorize any of them, or any member of their official family, to import into, transport within, possess, or dispense in the United States any intoxicating liquors for beverage purposes in violation of the eighteenth amendment to the Constitution of the United States and enforcement laws thereof; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 83) constituting it cause for impeachment and removal from office, and dishonorable discharge from the service, and discharge from Government employment, respectively, for any executive officer, member of the judiciary, Senator, Representative in Congress, officer or enlisted man in the Army, Navy, Marine Corps, and Coast Guard, or any employee of the Government of the United States to purchase intoxicating liquors from a "bootlegger" (as that term is commonly understood), or to manufacture, sell, or transport intoxicating liquors within, or to import the same into, the United States for beverage purposes, or to conspire with any person to violate the eighteenth amendment of the Constitution of the United States and laws passed in enforcement thereof; to the Committee on the Judiciary.

By Mr. BOYLAN: Joint resolution (H. J. Res. 84) to appoint a commission to make a study of proposed change in the printing of the CONGRESSIONAL RECORD; to the Committee on Rules.

Also, joint resolution (H. J. Res. 85) to consult the people upon the question of retaining or repealing the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

By Mr. BUCKBEE: Joint resolution (H. J. Res. 86) providing for the sale of postage stamps at other places than the post office or its branches, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. GOSS: Joint resolution (H. J. Res. 87) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 88) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. HASTINGS: Joint resolution (H. J. Res. 89) proposing an amendment to section 7, Article I, of the Constitution of the United States, permitting the President of the United States to disapprove any item or appropriation of any bill passed by Congress; to the Committee on the Judiciary.

By Mr. LONERGAN: Joint resolution (H. J. Res. 90) proposing an amendment to the Constitution of the United States repealing the eighteenth amendment and vesting in the Congress certain powers to regulate intoxicating beverages; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 91) to repeal the national prohibition act; to the Committee on the Judiciary.

By Mr. NORTON of Nebraska: Joint resolution (H. J. Res. 92) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. KARCH: Joint resolution (H. J. Res. 93) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. IGOE: Joint resolution (H. J. Res. 94) to repeal the national prohibition act; to the Committee on the Judiciary.

By Mrs. OWEN: Joint resolution (H. J. Res. 95) authorizing the Director of the Census to prepare and transmit to the several States lists of persons shown by the census of 1930 to be illiterate; to the Committee on the Census.

By Mr. PATTERSON: Joint resolution (H. J. Res. 96) to insure better enforcement of antitrust laws; to the Committee on the Judiciary.

By Mr. SPARKS: Joint resolution (H. J. Res. 97) proposing to amend the Constitution of the United States to exclude aliens in counting the whole number of persons in each State for apportionment of Representatives among the several States; to the Committee on the Judiciary.

By Mr. BEAM: Joint resolution (H. J. Res. 98) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. SABATH: Joint resolution (H. J. Res. 99) proposing an amendment to the eighteenth amendment of the Constitution; to the Committee on the Judiciary.

By Mr. RANKIN: Joint resolution (H. J. Res. 100) authorizing the Filipino people to adopt a constitution and providing for the withdrawal of the United States from the Philippine Islands and for the recognition of their independence; to the Committee on Insular Affairs.

By Mr. WOLVERTON: Joint resolution (H. J. Res. 101) granting the consent of Congress to a compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River Joint Commission and specifying the powers and duties thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. FREAR: Joint resolution (H. J. Res. 102) authorizing the President to call a conference of foreign governments; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 103) proposing an amendment of section 8, Article I, of the Constitution; to the Committee on the Judiciary.

By Mr. DIES: Joint resolution (H. J. Res. 104) for the relief of Tampico Marine Iron Works; to the Committee on Claims.

By Mr. KELLY of Illinois: Joint resolution (H. J. Res. 105) proposing an amendment to the eighteenth amendment of the Constitution; to the Committee on the Judiciary.

By Mr. LUDLOW: Joint resolution (H. J. Res. 106) to authorize the distribution of wheat from surplus Government stock to certain recognized relief agencies; to the Committee on Agriculture.

By Mr. TARVER: Joint resolution (H. J. Res. 107) for the renewal under certain conditions of loans made to farmers in the drought and/or storm stricken areas of the United States under Senate Joint Resolution 211, approved December 20, 1930; to the Committee on Agriculture.

By Mr. LEAVITT: Joint resolution (H. J. Res. 108) for the relief of farmers in the drought and/or storm stricken areas of the United States; to the Committee on Agriculture.

By Mr. COCHRAN of Missouri: Concurrent resolution (H. Con. Res. 1) providing for the investigation of toll bridges on the public highways and of ferries; to the Committee on Rules.

By Mr. SINCLAIR: Concurrent resolution (H. Con. Res. 2) to appoint a joint commission to investigate the subject of crop insurance; to the Committee on Rules.

By Mr. KELLER: Resolution (H. Res. 22) relating to the appointment of a committee on unemployment; to the Committee on Rules.

By Mr. CANNON: Resolution (H. Res. 23) investigating all operations and proceedings of the Federal Farm Board; to the Committee on Rules.

By Mr. BACON: Resolution (H. Res. 24) to amend Rule XIV of the Rules of the House of Representatives; to the Committee on Rules.

By Mr. CLANCY: Resolution (H. Res. 25) concerning the suspension of prohibition officers for wounding or killing innocent persons; to the Committee on the Judiciary.

By Mr. CRISP: Resolution (H. Res. 26) to amend Rule II by adding two additional paragraphs; to the Committee on Rules.

Also, resolution (H. Res. 27) amending paragraph 4 of Rule XIII; to the Committee on Rules.

Also, resolution (H. Res. 28) amending Rule XXVII providing a discharge rule; to the Committee on Rules.

Also, resolution (H. Res. 29) to amend paragraph 6 of Rule XXIV relating to the consideration of bills on the Private Calendar; to the Committee on Rules.

Also, resolution (H. Res. 30) to amend paragraph 8 of Rule XXIV; to the Committee on Rules.

Also, resolution (H. Res. 31) to amend paragraph 3 of Rule XIII; to the Committee on Rules.

Also, resolution (H. Res. 32) to amend paragraph 7 of Rule XXIV; to the Committee on Rules.

Also, resolution (H. Res. 33) to amend paragraph 45 of Rule XI; to the Committee on Rules.

Also, resolution (H. Res. 34) amending Rule XXVIII of the rules of the House of Representatives; to the Committee on Rules.

By Mr. EVANS of California: Resolution (H. Res. 35) authorizing the various departments and bureaus of the Federal Government to cooperate in all practical ways in facilitating the welcome and entry of the persons from foreign countries coming to participate in the Tenth International Olympiad, to be held in the city of Los Angeles, State of California, and the Third Olympic Winter Games, to be held at Lake Placid, in the State of New York, all in the year 1932; to the Committee on Foreign Affairs.

By Mr. HOPE: Resolution (H. Res. 36) authorizing an investigation of the Federal Farm Board; to the Committee on Rules.

By Mr. HOWARD: Resolution (H. Res. 37) for investigation of charges made by Chairman McFADDEN, of Banking and Currency Committee, regarding alleged control of the New York branch of the Federal reserve by international bankers; to the Committee on Rules.

By Mr. FREE: Resolution (H. Res. 38) to pay Mrs. Daniel Shea, widow of Daniel Shea, late an employee of the House, a sum equal to six months' salary and an additional sum of $250 for funeral expenses; to the Committee on Accounts.

By Mr. ARENTZ: Resolution (H. Res. 39) relative to the construction of a World War veterans' hospital in Nevada; to the Committee on World War Veterans' Legislation.

By Mr. NOLAN: Resolution (H. Res. 40) to make an investigation of the Federal Farm Board created under the agriculture marketing act; to the Committee on Rules.

By Mr. RANKIN: Resolution (H. Res. 41) authorizing the printing of 2,000 copies of the Soil Survey of Monroe County, Miss.; to the Committee on Printing.

Also, resolution (H. Res. 42) authorizing the printing of 2,000 copies of the soil survey of Lowndes County, Miss.; to the Committee on Printing.

By Mr. HOUSTON of Hawaii: Resolution (H. Res. 43) to amend Clause I of Rule XII of Jefferson's Manual; to the Committee on Rules.

By Mr. LUCE: Resolution (H. Res. 44) relative to the procurement of a marble bust of Nicholas Longworth; to the Committee on Accounts.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the Legislature of the State of Arizona, memorializing Congress to make legislation transferring to Arizona all public domain, reservations, etc., belonging to the United States within the borders of the State of Arizona; to the Committee on the Public Lands.

Memorial of the Sixteenth Legislature of the Territory of Hawaii, memorializing the Congress of the United States that the people of the Territory of Hawaii desire that said Territory shall become a State and be admitted into the Union on an equal footing with the original States; to the Committee on the Territories.

Memorial of the Legislature of the State of California, memorializing the Secretary of Agriculture to rescind his order of December 26, 1930, with regard to the labeling of food products containing corn sugar; to the Committee on Agriculture.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States that $100,000 of the Federal fund should be allotted to California for making an immediate survey of forest-insect conditions and for the control of forest insects where the survey shows the work to be most needed; to the Committee on Agriculture.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States to take steps to prevent the importation of products produced by Russian convict labor, and to that end place an embargo upon the importation of such products into the United States; to the Committee on Ways and Means.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States to enact legislation transferring the aforesaid lands now within naval petroleum reserve No. 2 from the jurisdiction of the Navy Department to the public domain under the jurisdiction of the Department of the Interior; to the Committee on the Public Lands.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States to appropriate sufficient money so that a sum of 5 cents per acre per year may be paid, in lieu of taxes, to the political subdivisions in which such lands belonging to the United States are situated; to the Committee on the Public Lands.

Memorial of the Legislature of the State of Wisconsin, commending the President of the United States for his efforts to aid in stabilizing the financial, and thus relieving the unemployment, situation confronting all people; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact appropriate legislation for the apprehension and punishment of all persons guilty of lynching in any part of the United States; to the Committee on the Judiciary.

Memorial of the Alaska Territorial Legislature, memorializing the Congress of the United States that the existing law be so amended by Congress as to permit the taking of salmon for fur-bearing animal feed; to the Committee on the Merchant Marine and Fisheries.

Memorial of the Alaska Territorial Legislature, memorializing the Congress of the United States to so amend the existing fisheries laws of Alaska as to permit the legislature to prescribe and define the apparatus and methods to be employed in the catching and taking of salmon in the waters of Alaska, and to give to the Territory full power and authority to administer the fisheries to that extent; to the Committee on the Merchant Marine and Fisheries.

Memorial of the Alaska Territorial Legislature, memorializing the Congress of the United States for the repeal of the Alaska bone dry law, and to make proper provision for the enforcement of the national prohibition act; to the Committee on the Judiciary.

Memorial of the Legislature of the State of South Carolina, memorializing the Congress of the United States to appropriate such amount as will be necessary to retire interest coupons falling due during the next 12 months on bonds issued by land banks and other governmental agencies; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Mississippi, memorializing the Congress of the United States to grant a moratorium of one year on the debts due by the farmers to the Government by virtue of the drought-relief loan and the seed and feed loan advanced farmers by said Government, and that said indebtedness due said Government be not due until one year after the date of the evidence of indebtedness held by the Government; to the Committee on Agriculture.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact a law making income from royalties on patents and copyrights taxable under State income tax laws; to the Committee on Patents.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to provide for the conscription of wealth in time of war; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact legislation providing for a 5-day working week throughout the Federal service; to the Committee on Labor.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact a law remitting the interest charge on soldiers' bonus; to the Committee on Ways and Means.

Memorial of the Legislature of the State of New York, memorializing the Congress of the United States to call a national constitutional convention to repeal Article XVIII of the Constitution of the United States; to the Committee on the Judiciary.

Memorial of the Legislature of the State of New York, memorializing the Congress of the United States to submit a referendum to the citizens of the various States; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Nevada, memorializing the Congress of the United States to place American agriculture on the basis of equality with other industries by providing an adequate system of credit, and that adequate legislation to that end be enacted; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of New York, memorializing the Congress of the United States for the enactment of legislation to aid the treatment of crippled children; to the Committee on Education.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States to increase the power of radio station KQW; to the Committee on the Merchant Marine and Fisheries.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States to make an emergency appropriation as a loan to the Federal reclamation fund; to the Committee on Irrigation and Reclamation.

Memorial of the Legislature of the State of Arizona, memorializing the Congress of the United States to revise the copper schedules of the tariff law so as to bring domestic copper into price alignment with other domestic commodities and specifying fair rates to protect the copper industry in Arizona and the United States; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Arizona, memorializing the Congress of the United States to enact such legislation as will effectually transfer to the State of Arizona all the public domain, reserve land, and all other lands belonging to the United States within the State of Arizona, including all surface and subsurface, mineral, and oil rights; to the Committee on the Public Lands.

Memorial of the Legislature of the State of Arizona, memorializing the Congress of the United States urging the cash retirement of bonus certificates for World War veterans; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Arizona, memorializing the Congress of the United States to authorize and appropriate the sum of $25,000 for the immediate establishment by the Biological Survey of the United States Department of Agriculture of a southwestern wild-life experiment station at or near the University of Arizona, Tucson, Ariz.; to the Committee on Agriculture.

Memorial of the Legislature of the State of Arizona, memorializing the Congress of the United States to set aside public lands of the United States in House Rock Valley in Arizona for establishing so-called House Rock Valley game refuge to maintain and conserve the herd of buffalo formerly owned by G. J. (Buffalo) Jones; to the Committee on Agriculture.

Memorial of the Legislature of the State of Arizona, memorializing the Congress of the United States to pass a joint resolution empowering and directing the President of the United States to declare an emergency embargo against further imports of foreign products from those countries which react so unfavorably on our already seriously depressed commercial fabric; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Colorado, memorializing the Congress of the United States to ratify the proposed amendment to the Constitution of the United States providing that Congress shall have power to limit, regulate, and prohibit the labor of persons under 18 years of age; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Minnesota, memorializing the Congress of the United States to pass the Shipstead-Mansfield bill for the adequate financing and speedy completion of the river and harbor projects heretofore adopted by Congress; to the Committee on Rivers and Harbors.

Memorial of the Legislature of the State of Maryland, memorializing the Congress of the United States to create a national military park on the battlefield of Monocacy, to commemorate the battle fought there on July 9, 1864; to the Committee on Military Affairs.

Memorial of the Legislature of the Territory of Hawaii, memorializing the Congress of the United States for an appropriation to construct a breakwater for the Mala Wharf at Lahaina, Hawaii; to the Committee on Rivers and Harbors.

Memorial of the Legislature of the Territory of Alaska, memorializing the Congress of the United States that the provisions of the Smith-Hughes Act of February 23, 1917, be extended to and made applicable in the Territory of Alaska; to the Committee on Education.

Memorial of the Legislature of the Territory of Alaska, memorializing the Congress of the United States that the Washington-Alaska military cable and telegraph system of the United States of America be retained and operated by the Signal Corps of the United States Army; to the Committee on Military Affairs.

Memorial of the Legislature of the Territory of Alaska, memorializing the Congress of the United States to appropriate sufficient funds to pay the salaries and a reasonable proportion of the expenses of two additional mining engineers and that the proper departmental executive officers be authorized and directed to assign and maintain such engineers in Alaska; to the Committee on Mines and Mining.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact legislation for aid to the extent of 10 cents per acre per year to States and the political subdivisions thereof maintaining county forests, such aid to be expended exclusively for carrying on forestry on publicly owned lands; to the Committee on Agriculture.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact legislation to prohibit the use of oleomargarine in Federal institutions and in the Army and Navy of the United States; to the Committee on Agriculture.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to provide for a nation-wide referendum on prohibition; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to amend the Federal income tax law so as to give credit for income-tax payments made to the several States; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Wisconsin, memoralizing the Congress of the United States to enact a Federal old age pension law; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact effective legislation to check the development of chain banking among national banks; to the Committee on Banking and Currency.

Memorial of the Legislature of the State of Wisconsin, memoralizing the Congress of the United States to submit an amendment to the Federal Constitution under which all judges will be elected by the people of the districts in which they serve, for terms of 10 years; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to refrain from enacting a law placing a tariff or embargo on crude petroleum and the refined products; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to effect the immediate repeal or modification of the eighteenth amendment to the Constitution of the United States and the abandonment of the policy of prohibition in lieu of voting increased appropriations for its enforcement; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to relieve the present depression and to bring work and business to millions by modifying the Volstead Act to permit the manufacture and sale of beer and wine; to the Committee on the Judiciary.

Memorial of the Legislature of the State of New Mexico memorializing the Congress of the United States to repeal those provisions relating to taxes lawfully assessed and levied, as set forth in said paragraphs a and b of section 4 of said chapter 331, volume 43, Statutes at Large, part 1; to the Committee on Indian Affairs.

Memorial of the Commonwealth of Massachusetts, memorializing the Congress of the United States, in accordance with Article V of the Constitution of the United States, to call a constitutional convention to amend or repeal the eighteenth article of amendment or to propose such an amendment of submission to the several States; to the Committee on the Judiciary.

Memorial of the Alaska Territorial Legislature, memorializing the Congress of the United States to enact a law to the effect that the Department of Commerce shall annually pay to the Territory of Alaska for the benefit of common-school funds therein a sum equal to 50 per cent of the amount received from the share of the United States in the operation of said seal fisheries; to the Committee on Ways and Means.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States to enact certain legislation now pending granting travel pay and allowance to certain soldiers of the Spanish-American War and Philippine insurrection who were discharged in the Philippines. To the Committee on Military Affairs.

Memorial of the Legislature of the State of South Dakota, memorializing the Congress of the United States, to effect such a treaty with Canada for the development of the international rapids section of the St. Lawrence River at the earliest possible date; to the Committee on Interstate and Foreign Commerce.

Memorial of the Legislature of the State of South Dakota, memorializing the Congress of the United States to cooperate with the State of South Dakota in the purchase of the Meridian highway bridge across the Missouri River at Yankton, S. Dak., so as to convert the same into a free bridge; to the Committee on Interstate and Foreign Commerce.

Memorial of the Legislature of the State of North Dakota, memorializing the Congress of the United States to enact the necessary preliminary legislation regarding the Great Lakes-St. Lawrence waterway; to the Committee on Interstate and Foreign Commerce.

Memorial of the Legislature of the State of North Dakota, memorializing the Congress of the United States to enact legislation either prohibiting the use of palm oil in the manufacture of oleomargarine or making any product manufactured with palm oil subject to the tax on colored oleomargarine in the event that the United States Commissioner of Internal Revenue shall not promptly reverse his ruling allowing palm oil to be used in the manufacture of oleomargarine and similar butter substitutes without the product subject to the tax on colored oleomargarine; to the Committee on Agriculture.

Memorial of the Legislature of the State of Montana, memorializing the Congress of the United States to pass and the President to approve House bill 9599, in order that the work of destroying predatory animals and suppressing rabies and tularemia among wild animals may be continued; to the Committee on Agriculture.

Memorial of the Legislature of the State of Montana, memorializing the Congress of the United States that they should enact legislation that will provide for the respective States and counties to assess the personal effects of employees residing on military reservations; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Utah, memorializing the Congress of the United States, protesting against the withdrawal from entry and against preventing

grazing on public lands in northwestern Arizona; to the Committee on Agriculture.

Memorial of the Legislature of the State of Utah, memorializing the Congress of the United States to pass and the President to approve Senate bill 4123, providing for refinancing drainage districts; to the Committee on Irrigation and Reclamation.

Memorial of the Legislature of the State of Minnesota, memorializing the Congress of the United States to enact that certain bill now pending before Congress relating to the use of public funds for the purchase of oleomargarine; to the Committee on Agriculture.

Memorial of the Legislature of the State of Maryland, memorializing the Congress of the United States to construct such a memorial that will further commemorate the public service of George Washington and Abraham Lincoln; to the Committee on the Library.

Memorial of the Legislature of the Territory of Alaska, memorializing the Congress of the United States that the proper legislation be passed to authorize the United States Army and Navy to establish adequate aviation stations and landing fields in Alaska; to the Committee on Military Affairs.

Memorial of the Alaska Territorial Legislature, memorializing the Congress of the United States that funds be provided for a comprehensive survey of the waters adjacent to the coast of Alaska from its southern boundary to the Arctic Ocean; to the Committee on the Merchant Marine and Fisheries.

Memorial of the Alaska Territorial Legislature, memorializing the Congress of the United States that an act be passed and signed by the President granting each person from Alaska who served in the military forces of the United States during the World War 160 acres of land, to be selected by the grantee from any open or unappropriated public lands now subject to homestead entry; to the Committee on the Public Lands.

Memorial of the Alaska Territorial Legislature, memorializing the Congress of the United States that the Grand Igloo of the Pioneers be granted the right and privilege of establishing local community canneries; to the Committee on the Merchant Marine and Fisheries.

Memorial of the Alaska Territorial Legislature memorializing the Congress of the United States that plans be prepared and funds secured to make a survey as soon as possible of the waters of southeastern and southwestern Alaska; to the Committee on the Merchant Marine and Fisheries.

Memorial of the Alaska Territorial Legislature memorializing the Congress of the United States that proper legislation be enacted to the end that the commissioners appointed for the various precincts in Alaska be paid a fixed salary; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Colorado memorializing the Congress of the United States of the state of progress that has been made in negotiations between the United States and the Dominion of Canada to bring about the inland seaway known as the St. Lawrence Waterway; to the Committee on Interstate and Foreign Commerce.

Memorial of the Commonwealth of Massachusetts memorializing the Congress of the United States with relation to the activities of the Federal Farm Board and its attempt to regulate the price of wool and mohair; to the Committee on Agriculture.

Memorial of the Republic of Ecuador, transmitting the text of a resolution of condolence on the death of Thomas Alva Edison voted on October 21, 1931, by the Ecuadorian Congress; to the Committee on Foreign Affairs.

Memorial of the General Assembly of Pennsylvania, memorializing the Congress of the United States to enact the proposed national registration law; to the Committee on Immigration and Naturalization.

Memorial of the General Assembly of the State of Arkansas, memorializing the Congress of the United States to enact legislation which will give relief to many thousands of destitute landowners of the Nation; to the Committee on Irrigation and Reclamation.

Memorial of the Gobierno Municipal De Oton of the Philippine Islands, memorializing the Congress of the United States to grant the Philippine Islands its immediate complete and absolute independence; to the Committee on Insular Affairs.

Memorial of the Legislature of the State of Illinois, memorializing the Congress of the United States that the Legislature of Illinois indorses the suggestion and plans of William Randolph Hearst to float a $5,000,000,000 prosperity loan; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Illinois, memorializing the Congress of the United States to enact necessary legislation establishing a national military park at Laclede, Mo., in honor of General Pershing; to the Committee on Military Affairs.

Memorial of the Legislature of the State of Illinois, memorializing the Congress of the United States to enact legislation to provide that the immediate cash payment to veterans of the World War of the cash surrender value of their adjusted compensation certificates; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Idaho, memorializing the Congress of the United States that an appropriation be made for the necessary work for the clearing of the Kootenai River in Boundary County, Idaho; to the Committee on Irrigation and Reclamation.

Memorial of the Legislature of the State of Idaho, memorializing the Congress of the United States requesting that investigation be made and proper legislation be enacted and appropriations of adequate funds be made by Congress to construct such flood dams and other works as will affect complete control of very damaging and destructive freshets; to the Committee on Flood Control.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact legislation making it possible for the workingman to be protected by unemployment insurance; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to promptly take measures for the increase of the tariff on butter, cheese, and eggs, to eliminate all destructive competition, which is a large factor in the ruinous prices now being paid for these products; to the Committee on Ways and Means.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact legislation for the regulation of the sale of intoxicating liquor similar to the liquor control laws of the Province of British Columbia, Canada; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to propose an amendment to the Constitution of the United States repealing the eighteenth amendment; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to pass appropriate legislation for the restoration of Fort Howard; to the Committee on Military Affairs.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to take necessary steps for the establishment of a national park embracing all of the Apostle Islands or so many of them as it may be deemed advisable to acquire; to the Committee on the Public Lands.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to grant Federal aid to abolish lynching; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to call a constitutional convention to amend or repeal the eighteenth amendment to the Constitution of the United States; to the Committee on the Judiciary.

Memorial of the Legislature of the State of Wisconsin, memorializing the Congress of the United States to reopen the date of the hunting season for migratory birds; to the Committee on Agriculture.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States to take steps to prevent the importation into the United States of products produced by Russian convict labor; to the Committee on Ways and Means.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States to enact legislation transferring certain oil lands in Kern County, Calif., from the jurisdiction of the Navy Department to the jurisdiction of the Department of the Interior; to the Committee on Naval Affairs.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States relating to accepting amendments of approach roads and toll-collection beetles and other forest insects; to the Committee on Agriculture.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States, to rescind the order of the Secretary of Agriculture with regard to the labeling of food products containing corn sugar; to the Committee on Agriculture.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States relative to accepting permit from the Government of the United States for the construction of approach roads and toll collection areas over certain rights of way leading to the Golden Gate bridge and relating to the retrocession by the Congress of the United States of jurisdiction over the said rights of way, approach roads, toll areas, bridge ends, and bridges; to the Committee on Interstate and Foreign Commerce.

Memorial of the Legislature of the State of California, memorializing the Congress of the United States relative to accepting amendments of approach roads and toll-collection areas over certain rights of way leading to the Golden Gate and relating to the retrocession by the Congress of the United States of jurisdiction over said rights of way as relocated and said toll areas, bridge ends, and bridge; to the Committee on Military Affairs.

Memorial of the General Assembly of the State of Delaware, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

Memorial of the Legislature of the State of Texas, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

Memorial of the Legislature of the State of Alabama, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

Memorial of the Legislature of the State of Pennsylvania, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

Memorial of the Legislature of the State of South Carolina, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

Memorial of the Congress of the Republic of Cuba, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

Memorial of the Senate of Porto Rico, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

Memorial of the Legislature of the State of South Carolina, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

Memorial of the Sixteenth Legislature of the Territory of Hawaii, expressing sorrow in the death of Mr. Longworth and extending sympathy to his bereaved family; to the Committee on Memorials.

By Mr. ADKINS: Senate Joint Resolution No. 23 of the Fifty-seventh General Assembly, State of Illinois, that the Seventy-second Congress of the United States be respectfully requested to enact necessary laws establishing a national military park at Laclede, Mo., in honor of General Pershing; to the Committee on Military Affairs.

Also, a memorial of the Illinois State Legislature, that the President of the United States and the Senate and House of Representatives of the present Congress be memorialized to enact legislation to provide for the immediate cash payment to veterans of the World War of the cash surrender value of their adjusted-compensation certificates issued under the World War adjusted compensation act; to the Committee on Military Affairs.

By Mr. CULLEN: Resolution recommending to the Congress of the United States the passage of legislation providing for the repeal of the eighteenth amendment of the Constitution of the United States, passed by the General Assembly of the State of Rhode Island and Providence Plantations, and approved by the governor on the 21st day of March, 1931; to the Committee on the Judiciary.

By Mr. JOHNSON of Texas: House concurrent resolution of the Texas Legislature petitioning the Federal Farm Board to withhold from the market all surplus grain and cotton acquired; to the Committee on Agriculture.

By Mr. JOHNSON of Washington: Petition of Warren Hull, of Hoquiam, Wash., to encourage single occupancy home building, especially in suburban and rural districts, and thereby to improve general living conditions and stimulate the employment of labor; to the Committee on Labor.

By Mr. O'CONNOR: Petition of the people of the State of New York, represented in the senate and assembly, to enact by proper and appropriate legislation measures requesting the legislatures of the various States to submit to the voters of their respective States at the next general election in the form of referenda the following questions: 1. Do you favor a repeal of the eighteenth (prohibition) amendment? 2. Do you favor a modification of the Volstead law to permit light wines and beer? 3. Do you favor a modification of the Volstead law so as to permit each State to define for itself what constitutes an intoxicating beverage? 4. Do you favor the continuance and strict enforcement of the eighteenth amendment and the Volstead law? To the Committee on the Judiciary.

Also, resolution of the State of Rhode Island and Providence Plantations in general assembly, recommending to the Congress of the United States the passage of legislation providing for the repeal of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1. Petition of the National Beauty and Barber Supply Dealers' Association, urging Congress to amend the Volstead Act; to the Committee on the Judiciary.

2. Petition of the National Beauty and Barber Supply Dealers' Association, opposing any form of sales tax; to the Committee on Ways and Means.

3. Petition of the City Council of the City of Chicago, Chicago, Ill., urging the Congress to enlarge and extend the facilities of the Government postal savings-bank system; to the Committee on the Post Office and Post Roads.

4. Petition of the city of Chelsea (Mass.) Board of Aldermen, favoring full payment by the United States Government of the World War veterans' bonus; to the Committee on Ways and Means.

5. Petition of the Farmers Educational and Cooperative Union of America, Billings, Mont., opposing State and National appropriations in aid of any educational institution wherein military training is enforced; to the Committee on Military Affairs.

6. Petition of the Montana Stockgrowers' Association, Helena, Mont., opposing the creation of new national parks, or additions to existing ones, throughout the West; to the Committee on the Public Lands.

7. Petition of the American Medical Association, Chicago, Ill., requesting that the proposed new building for the Surgeon General's library be located somewhere in the vicinity of the Library of Congress; to the Committee on Public Buildings and Grounds.

8. Petition of the office of Director Trade and Commerce Division, Birmingham, Ala., urging the opening up of all Government lands for homesteading as a permanent remover of the unemployment distress; to the Committee on the Public Lands.

9. Petition of the International Federation of Commercial Travelers' Insurance Organizations, Boston, Mass., opposing the Pullman surcharge tax; to the Committee on Interstate and Foreign Commerce.

10. Petition of the American Gold Star Pilgrimage, Group N, expressing gratitude to those responsible for their trip to France; to the Committee on Military Affairs.

11. Petition of Northern California Baptist Convention, opposing war, disregard for law observance in the United States, and efforts to undermine the foundations of the American Government; to the Committee on the Judiciary.

12. Petition of town of Bourne, Barnstable County, Mass., favoring the proposed World Disarmament Conference; to the Committee on Foreign Affairs.

13. Resolution No. 157 by the directors of the Golden Gate bridge and highway district, accepting a permit dated February 13, 1931, and granted by the Secretary of War to the Golden Gate bridge and highway district for the operation of certain State roads across the presidio of San Francisco military reservation and across the Fort Baker military reservation, Calif.; to the Committee on Interstate and Foreign Commerce.

14. Resolution No. 150 by the directors of the Golden Gate bridge and highway district, accepting a permit, dated February 13, 1931, and granted by the Secretary of War to the Golden Gate bridge and highway district, for the operation of certain State roads across the Presidio of San Francisco Military Reservation and across the Fort Baker Military Reservation, Calif.; to the Committee on Interstate and Foreign Commerce.

15. Petition of Dan Collello Association, favoring the return of the luxury tax as adopted as a war measure during the past World War, the income of said tax to be used for the unemployed and needy throughout this country; to the Committee on Ways and Means.

16. Petition of Pennsylvania State Hotel Association, in behalf of the modification of the national prohibition act; to the Committee on the Judiciary.

17. Petition of George A. Gager, Kearney, Nebr., urging that America keep free of European entanglements if possible; to the Committee on Foreign Affairs.

18. Petition of the Federal Motion Picture Council in America (Inc.), urging Congress to enact a law for the Federal supervision of motion pictures; to the Committee on Interstate and Foreign Commerce.

19. Petition of San Antonio Builders Exchange, expressing their sympathy to the bereaved family of the late Hon. Harry M. Wurzbach; to the Committee on Memorials.

20. Petition of the City and County Employees' Union of Milwaukee, Wis., urging that the Congress of the United States submit to conventions of the several States a resolution providing for the repeal of the eighteenth amendment; to the Committee on the Judiciary.

21. Petition of the National Pickle Packers Association, urging Congress to amend the Sherman antitrust law; to the Committee on the Judiciary.

22. Petition of the City of New York Board of Estimate and Apportionment, memorializing the Congress of the United States to cause to have a survey made as soon as possible by the United States engineer's office of that portion of Coney Island Creek lying between West Twenty-third Street and Shell Road; to the Committee on Rivers and Harbors.

23. Petition of the City Council of the City of Chicago, Ill., urging Congress to issue at once $5,000,000,000 in bonds to permit immediate building of vast public-improvement projects sorely needed for years; to the Committee on Ways and Means.

24. Petition of the American Legion, Department of the District of Columbia, protesting against any further reduction whatsoever in the national-defense forces; to the Committee on Military Affairs.

25. Petition of the Board of Home Mission and Church Extension of the Methodist Episcopal Church, urging Congress to create a department of education; to the Committee on Education.

26. Petition of the 15 Demandments League, an organization for the protection of the masses, urging Congress for consideration of their Demandment No. 16; to the Committee on Ways and Means.

27. Petition of citizens of the United States, urging Congress not to pass any bill prohibiting Sunday amusements, nor any other compulsory Sunday observance bill sponsored by the Lord's Day Alliance of America; to the Committee on Interstate and Foreign Commerce.

28. Petition of citizens of Chenango Bridge, N. Y., urging Congress to secure an early report of and prompt action upon the Sparks-Capper stop alien representation amendment; to the Committee on Immigration and Naturalization.

29. By Mr. ADKINS: Resolutions adopted by the chambers of commerce of cities near Chanute Field, Ill., urging that the Illinois delegation in Congress take steps to see that the Air Corps Technical School be permanently located where it now is at Rantoul, Ill., and that proper buildings be constructed as they are needed; to the Committee on Military Affairs.

30. By Mr. BOHN: Petition of members of Chippewa County Pomona Grange, No. 66, to make available a portion of the rental on leases of the power rights on the Sault Ste. Marie River; to the Committee on Interstate and Foreign Commerce.

31. By Mr. BOYLAN: Resolutions adopted at a conference of the officers of the trade-unions of Greater New York and Long Island conducted under the auspices of the Central Union Labor Council in the city of Brooklyn, November 30, 1931, for the modification of the Volstead Act; to the Committee on the Judiciary.

32. Also, resolution adopted at a meeting of the Steuben Society of America, favoring the repeal of the Volstead Act; to the Committee on the Judiciary.

33. Also, resolution adopted at a meeting of the Chamber of Commerce of New York State, favoring a reduction of taxes; to the Committee on Ways and Means.

34. By Mr. BRIGGS: Petition of Galveston County Bar Association, urging passage of legislation for the creation of an additional judgeship for the southern district of Texas; to the Committee on the Judiciary.

35. Also, resolution of Woman's Missionary Society of Anahuac Methodist Church, Anahuac, Tex., urging settlement of all international controversies by arbitration; to the Committee on Foreign Affairs.

36. By Mr. BRUNNER: Petition of the National Conference of Jewish Social Service, urging the President of the United States and the Congress of the United States to take such steps in the form of Federal emergency relief on a large enough scale to alleviate existing and future suffering, construction of public works, to stimulate and revive industry, etc.; to the Committee on Ways and Means.

37. Also, resolution of the Central Union Label Council of Greater New York, urging the United States Congress for a modification of the Volstead Act; to the Committee on the Judiciary.

38. Also, petition of the Medical Society of the County of Queens, including Long Island, N. Y., urging Congress to repeal the Volstead Act; to the Committee on the Judiciary.

39. Also, petition of Capital City Post, No. 225, American Legion, Albany, N. Y., advocating repeal of the eighteenth

amendment and, pending such repeal, the immediate amendment of the Volstead Act to permit the manufacture, sale, and consumption of light wines and beer; to the Committee on the Judiciary.

40. Also, memorial of the board of estimate and apportionment, city of New York, to the Congress of the United States, to have survey made as soon as possible by the United States engineer's office of that portion of Coney Island Creek lying between West Twenty-third Street and Shell Road, etc.; to the Committee on Rivers and Harbors.

41. Also, petition of the Woodhaven Democratic Club (Inc.), of Woodhaven, N. Y., urging Congress to enact such legislation as will permit the legal manufacture and sale of beer of an alcoholic content as high as that manufactured and sold before the so-called prohibition law went into effect, etc.; to the Committee on the Judiciary.

42. Also, brief and memorial of the United National Association of Post-Office Clerks of the United States to the Postmaster General and the Congress of the United States, appealing for annual and sick leave with pay for substitutes, 36 hours' work per week for substitutes, optional retirement after 30 years' service, and annuities for widows or legal dependents; to the Committee on the Post Office and Post Roads.

43. Also, petition of the Military Order of Foreign Wars of the United States, urging upon the President and Congress full support of the Reserve Officers' Training Corps to the end that the United States be prepared to defend itself and be enabled to preserve the peace of the world; to the Committee on Military Affairs.

44. Also, petition of the Steuben Society of America, for a repeal of the eighteenth amendment; to the Committee on the Judiciary.

45. By Mr. CRAIL: Petition of Frederick Ries, for the establishment of a national board of education; to the Committee on Education.

46. By Mr. CULLEN: Petition of American citizens of German origin assembled at Soldier Field, Chicago, Ill., the 14th of June, 1931, indorsing the Shipstead bill calling for the creation of a commission to establish the war guilt, which bill was pending in the last Congress; also urging the repeal of the national-origin clause of the immigration law and the repeal of the Volstead Act and the Jones law; to the Committee on the Judiciary.

47. Also, petition of Dallas Cotton Exchange, subscribing to and wholly approving the resolution adopted by the American Legion convention urging the prompt adoption of a measure which will secure a vote from the American people on legislation designed to amend the prohibition laws so as to make it possible to give the country what it unquestionably desires; to the Committee on the Judiciary.

48. Also, resolution of the New York Society Military and Naval Officers, World War, strongly opposing petition presented to the President of the United States by representatives of groups of college students to outlaw the compulsory feature of military training from American colleges and universities; to the Committee on Military Affairs.

49. Also, petition of the Pennsylvania State Hotel Association, urging the modification of the national prohibition act to permit of the manufacture and sale of beer and wine, and to pass the necessary legislation for submitting to the State the question of the repeal of the eighteenth amendment to the Constitution of the United States; to the Committee on the Judiciary.

50. Also, petition of the St. Louis Live Stock Exchange, urging that the books of the Federal Farm Board be subjected to an audit to enable the taxpayers to know whether it is solvent, and be it further resolved that the agricultural marketing act be repealed and that the business of the Farm Board be immediately liquidated, with the sole proviso that the wheat and cotton it now owns be held until such time as the wheat can be sold at $1 per bushel and cotton at 16 cents a pound; to the Committee on Agriculture.

51. Also, resolution of Flushing Hillcrest Taxpayers' Association for a Federal highway from Fort Tilden, N. Y., to the border of Connecticut; to the Committee on Roads.

52. Also, petition of the Merchant Tailors Society of the City of New York, expressing its disapproval of contemplated changes in the postal rates as recommended by Postmaster General Brown, and states that a saving more than sufficient to offset the existing deficit could be effected by the proper, efficient, and economical administration of the affairs of the postal department; to the Committee on the Post Office and Post Roads.

53. Also, petition of Russian Consolidated Mutual Aid Society of America, urging the adoption of Federal unemployment insurance and old-age pensions to aged workers; to the Committee on Pensions.

54. Also, petition of Brotherhood of Railroad Trainmen of the State of New York, protesting against a recent order of the officials of the Boston & Maine Railroad removing operations of that road from Rotterdam Junction to Mechanicville, N. Y.; to the Committee on Interstate and Foreign Commerce.

55. Also, petition of the United States Building and Loan League, declaring that importation of commodities produced within the boundaries of the Union of Socialist Soviet Republics is detrimental to the public interest and should be discontinued; to the Committee on Ways and Means.

56. Also, petition of the New England Air Reserve Officers' Association, an organization composed of reserve officers of the First Corps Area, United States Army, urging that remedial legislation be enacted to correct the deficiency now existing in regard to providing funds for the necessary amount of flying hours of the reserve personnel; that the inadequacy of this provision threatens to seriously undermine the efficiency of the said branch; to the Committee on Military Affairs.

57. Also, resolution of the Glass Bottle Blowers' Association of the United States and Canada, adopted at the annual wage conferences on July 20, 1931, giving its support to the work done by the Tariff Commission and the principle of the protective tariff for American industries and American labor; to the Committee on Ways and Means.

58. Also, petition of the Tri-Cities Labor Council, urging that the President and the Congress of the United States enact final legislation for the disposition of Muscle Shoals properties in accordance with the said intent and purposes of the original legislation, and that, in the disposition of said properties they be devoted primarily to the manufacture of fertilizer in completed form to be sold to the farmers of the Nation and thereby result in some relief to distressed agriculture; to the Committee on Agriculture.

59. Also, petition of the Allied Printing Trades Council of New York State in convention in the city of Niagara Falls, N. Y., July 30, 1931, declaring in favor of an amendment to the Volstead enforcement law to permit the manufacture of beer and light wines and their distribution and sale under reasonable regulations; to the Committee on the Judiciary.

60. Also, petition of the United States Junior Chamber of Commerce, urging the Tariff Commission of the United States to give special consideration and immediate attention to the condition which exists within the oil industry in the country, largely due to the importation of foreign crude oil and its refined products, and urges that this condition is remedied as soon as possible; to the Committee on Ways and Means.

61. Also, petition of New York Commandery, Military Order of Foreign Wars of the United States, indorsing the Reserve Officers' Training Corps in our colleges and universities as an essential and important part of our national-defense plan; to the Committee on Military Affairs.

62. Also, petition of American War Mothers, indorsing and pledging their support to the movement to have the proposed veterans' hospital in the State of Wyoming located at Thermopolis, Wyo.; to the Committee on World War Veterans' Legislation.

63. Also, petition of the Kings County, Brooklyn, N. Y., chapter of the American War Mothers, pledging their support to the movement to have the proposed veterans' hospital for the State of Wyoming located in Thermopolis, Wyo.; to the Committee on World War Veterans' Legislation.

64. Also, petition of New York State Federation of Labor, urging legislation to provide for amending the Volstead Prohibition Act so as to permit the manufacture and sale of beer containing 2.75 per cent of alcohol; to the Committee on the Judiciary.

65. Also, petition of board of directors of the Dallas Cotton Exchange, urging that the Federal Farm Board carry out a definite program to liquidate the stock of cotton held by or under the control of the board; to the Committee on Agriculture.

66. Also, petition of Capital City Post, No. 225, of the American Legion, Albany, N. Y., urging the repeal of the eighteenth amendment and, pending such repeal, the immediate amendment of the Volstead Act to permit the manufacture, sale, and consumption of light wines and beer; to the Committee on the Judiciary.

67. By Mr. DELANEY: Petition of William R. Moore, traffic manager, Rockwood & Co., of Brooklyn, N. Y., opposing excise tax on the products of the candy industry; to the Committee on Ways and Means.

68. Also, petition of A. W. Miles, treasurer of Best & Co., New York City, N. Y., opposing the increase in first-class mail; to the Committee on the Post Office and Post Roads.

69. Also, petition of H. Nelson Street, executive vice president, Retail Dry Goods Association, New York City, against the passage of legislation to increase in first-class mail; to the Committee on the Post Office and Post Roads.

70. Also, petition of S. F. Rothschild, of Abraham & Strauss (Inc.), against the increase in first-class mail; to the Committee on the Post Office and Post Roads.

71. Also, petition of Neil Petree, president of the James McCreery & Co., New York City, opposing the increase on first-class mail; to the Committee on the Post Office and Post Roads.

72. By Mr. EATON of Colorado: Memorial of the Colorado Highway Advisory Board, urging the passage of an act similar to the act of December 20, 1930, appropriating emergency Federal-aid funds equal to that of the emergency advance fund act, approved December 20, 1930; to the Committee on Roads.

73. By Mr. FITZPATRICK: Petition of the executive council of the Jewish Federation, of Yonkers, N. Y., relative to the inhuman treatment of Jews in Poland; to the Committee on Foreign Affairs.

74. By Mr. GARBER: Petition of the Twenty-eighth Annual Convention of the Oklahoma State Federation of Labor, indorsing the Wagner employment bills of the Seventy-first Congress; to the Committee on Labor.

75. Also, petition of Federal Employees' Union No. 401 of the National Federation of Federal Employees, protesting against any proposed wage cut; to the Committee on the Civil Service.

76. Also, petition of Western State Engineers, in regard to increase in the activities of the United States Geological Survey, commendation of the efforts of the administration to reach a settlement of the public-land question, and the attitude of the association with reference to proposed relief for irrigation and drainage districts; to the Committee on Irrigation and Reclamation.

77. By Mr. HALL of North Dakota: Petition of 73 citizens of Kulm, N. Dak., for such legislation as is necessary to grant the members of the National Farm Loan Associations a 3-year moratorium on mortgage indebtedness, said moratorium to apply only to bona-fide farmers having lived and operated said farms for one year or more years, and such suspended payments to be added to the end of the amortization period; also that such legislation be enacted to amend the Federal farm loan law so as to permit the sale of Federal Government bonds, proceeds of such sale to retire the present bonds and to refinance the Federal land banks by sale of bonds; to the Committee on Agriculture.

78. By Mr. HESS: Petition of various citizens of Cincinnati, Ohio, urging the enactment of certain legislation for the prevention of unemployment; to the Committee on the Judiciary.

79. By Mr. JOHNSON of Texas: Petition of County Judges' and Commissioners' Association of Texas, favoring increased Federal appropriation for public improvements, especially paved post roads; to the Committee on Roads.

80. Also, petition of 21 World War veterans of Freestone County, Tex., requesting legislation to liquidate the remainder of the adjusted-service certificates; to the Committee on Ways and Means.

81. By Mr. MAPES: Petition of James G. Horne, of Grand Rapids, Mich., and other ex-service men of the Danville (Ill.) National Home, urging immediate cash payment at full-face value of adjusted-compensation certificates, with all interest charges on pending loans against these certificates refunded by the Government to the holders thereof; to the Committee on Ways and Means.

82. By Mr. MOORE of Kentucky: Petition of citizens of Bowling Green and Franklin, Ky., urging pension legislation for relief of ex-slaves; to the Committee on Invalid Pensions.

83. By Mr. O'CONNOR: Resolutions of the officers of the Trade Union of Greater New York, petitioning Congress for the modification of the Volstead Act; to the Committee on the Judiciary.

84. Also, resolution of the Retail Dry Goods Association of New York City against increase in first-class postage rates; to the Committee on the Post Office and Post Roads.

85. Also, resolution of the committee of council of the New York Commandery, Military Order of Foreign Wars of the United States, indorsing the Reserve Officers' Training Corps; to the Committee on Military Affairs.

86. Also, resolutions of the Capital City Post, No. 225, American Legion of New York, commending the action of the American Legion in national convention at Detroit in seeking to obtain a referendum on prohibition and advocating the repeal of the eighteenth amendment and pending such repeal the immediate amendment of the Volstead Act to permit manufacture, sale, and consumption of light wines and beer; to the Committee on the Judiciary.

87. Also, resolution of the New York State Federation of Labor, adopted by the Sixty-eighth Annual Convention, indorsing action of labor's national committee for the modification of the Volstead Act; to the Committee on the Judiciary.

88. Also, resolution of the Board of Estimate and Apportionment of the city of New York, memoralizing Congress to cause to have a survey made as soon as possible by the United States engineer's office of that portion of Coney Island Creek lying between West Twenty-third Street and Shell Road, with a view to having the United States Government dredge a channel sufficiently wide and deep to accommodate vessels using the same, the lands to be dredged to be acquired by the city; to the Committee on Rivers and Harbors.

89. By Mr. PERSON: Resolution of the Antler Post, No. 334, American Legion, Detroit, Mich., protesting against reduction of naval strength; to the Committee on Naval Affairs.

90. By Mr. RUDD: Petition of the Capitol City Post, No. 225, American Legion, Albany, N. Y., favoring the repeal of the eighteenth amendment and, pending such repeal, the immediate amendment to the Volstead Act to permit the manufacture, sale, and consumption of light wines and beer; to the Committee on the Judiciary.

91. Also, petition of the Woodhaven Democratic Club (Inc.), of Woodhaven, Long Island, N. Y., favoring the repeal of the eighteenth amendment, pending such repeal, the immediate amendment to the Volstead Act to permit the manufacture, sale, and consumption of beer; to the Committee on the Judiciary.

92. Also, petition of Best & Co., of New York City, opposing increase rates in first-class postage; to the Committee on the Post Office and Post Roads.

93. Also, petition of James McCreery & Co., New York City, opposing increase first-class postal rates; to the Committee on the Post Office and Post Roads.

94. Also, petition of Retail Dry Goods Association, of New York, opposing increase first-class postage rates; to the Committee on the Post Office and Post Roads.

SENATE

WEDNESDAY, DECEMBER 9, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou who are the light of the minds that know Thee, the life of the souls that love Thee, and the strength of the wills that serve Thee, enlighten our eyes that we may see the evils that encompass our days, inflame our courage that with the prophets' scorn of fear we may denounce what Thy light hath revealed. Draw us out of the easy paths of acquiescence, out of the chill shadows of distrust, and bring us to that highway called the way of holiness, where the desert shall rejoice and blossom as the rose, where the parched ground shall become a pool and the thirsty lands springs of water, where the eyes of the blind shall be opened and the ears of the deaf shall be unstopped, where the ransomed of the Lord shall obtain joy and gladness and sorrow and sighing shall flee away. We ask it in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterdays' proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

SENATOR FROM ILLINOIS

Mr. GLENN. Mr. President, I desire to announce that the Hon. JAMES HAMILTON LEWIS, elected a Senator from the State of Illinois, is present and ready to take the oath of office.

The VICE PRESIDENT. The Senator elect will present himself at the Vice President's desk and receive the oath of office.

Mr. LEWIS, escorted by Mr. GLENN, advanced to the Vice President's desk; and the oath prescribed by law having been administered to him, he took his seat in the Senate.

LIST OF SENATORS BY STATES

Alabama.—Hugo L. Black and John H. Bankhead.
Arizona.—Henry F. Ashurst and Carl Hayden.
Arkansas.—Joseph T. Robinson and Mrs. Hattie Caraway.
California.—Hiram W. Johnson and Samuel M. Shortridge.
Colorado.—Charles W. Waterman and Edward P. Costigan.
Connecticut.—Hiram Bingham and Frederic C. Walcott.
Delaware.—Daniel O. Hastings and John G. Townsend, jr.
Florida.—Duncan U. Fletcher and Park Trammell.
Georgia.—William J. Harris and Walter F. George.
Idaho.—William E. Borah and John Thomas.
Illinois.—Otis F. Glenn and J. Hamilton Lewis.
Indiana.—James E. Watson and Arthur R. Robinson.
Iowa.—Smith W. Brookhart and L. J. Dickinson.
Kansas.—Arthur Capper and George McGill.
Kentucky.—Alben W. Barkley and M. M. Logan.
Louisiana.—Edwin S. Broussard and Huey P. Long.
Maine.—Frederick Hale and Wallace H. White, jr.
Maryland.—Millard E. Tydings and Phillips Lee Goldsborough.
Massachusetts.—David I. Walsh and Marcus A. Coolidge.
Michigan.—James Couzens and Arthur H. Vandenberg.
Minnesota.—Henrik Shipstead and Thomas D. Schall.
Mississippi.—Pat Harrison and Hubert D. Stephens.
Missouri.—Harry B. Hawes and Roscoe C. Patterson.
Montana.—Thomas J. Walsh and Burton K. Wheeler.
Nebraska.—George W. Norris and Robert B. Howell.
Nevada.—Key Pittman and Tasker L. Oddie.
New Hampshire.—George H. Moses and Henry W. Keyes.
New Jersey.—Hamilton F. Kean and W. Warren Barbour.
New Mexico.—Sam G. Bratton and Bronson Cutting.
New York.—Royal S. Copeland and Robert F. Wagner.
North Carolina.—Cameron Morrison and Josiah William Bailey.
North Dakota.—Lynn J. Frazier and Gerald P. Nye.
Ohio.—Simeon D. Fess and Robert J. Bulkley.
Oklahoma.—Elmer Thomas and Thomas P. Gore.
Oregon.—Charles L. McNary and Frederick Steiwer.
Pennsylvania.—David A. Reed and James J. Davis.
Rhode Island.—Jesse H. Metcalf and Felix Hebert.
South Carolina.—Ellison D. Smith and James F. Byrnes.
South Dakota.—Peter Norbeck and W. J. Bulow.
Tennessee.—Kenneth McKellar and Cordell Hull.
Texas.—Morris Sheppard and Tom Connally.
Utah.—Reed Smoot and William H. King.
Vermont.—Porter H. Dale and Warren R. Austin.
Virginia.—Claude A. Swanson and Carter Glass.
Washington.—Wesley L. Jones and C. C. Dill.
West Virginia.—Henry D. Hatfield and M. M. Neely.
Wisconsin.—Robert M. La Follette, jr., and John J. Blaine.
Wyoming.—John B. Kendrick and Robert D. Carey.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

CLAIMS AGAINST THE UNITED STATES

The VICE PRESIDENT laid before the Senate communications from the Comptroller General of the United States, transmitting, pursuant to law, reports and recommendations concerning claims against the United States in the following cases:

Orem Wheatley, Kenneth Blaine, and Joseph R. Ball; Van Camp Sea Food Co. (Inc.); Kenneth Carpenter; Lewis Semler; Joseph T. Ryerson & Son (Inc.); Schutte & Koerting Co.; Westinghouse Electric & Manufacturing Co.; J. G. Shelton; Adelphia Bank & Trust Co., of Philadelphia; B. F. Hart; Frank Spector; and Wilmot Castle Co., which communications were referred to the Committee on Claims.

REPORT OF FEDERAL POWER COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Power Commission, transmitting, pursuant to law, the annual report of the commission for the fiscal year ended June 30, 1931, including a statement showing permits and licenses issued, the parties thereto, the terms prescribed, the moneys received, and the names and compensation of members and employees of the commission, which, with the accompanying report, was referred to the Committee on Commerce.

JUDGMENTS OF COURT OF CLAIMS (S. DOC. NO. 6)

The VICE PRESIDENT laid before the Senate a communication from the chief clerk of the Court of Claims, transmitting, pursuant to law, a statement of judgments rendered by the Court of Claims for the year ended December 5, 1931, the amounts thereof, the parties in whose favor rendered, and a brief synopsis of the nature of the claims, which, with the accompanying statement, was referred to the Committee on Appropriations and ordered to be printed.

CLAIM OF NORTH AMERICAN DREDGING CO.

The VICE PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, informing the Senate that the case of the North American Dredging Co. versus United States was dismissed by the court on June 1, 1931, for want of jurisdiction, which was referred to the Committee on Claims.

ANNUAL REPORT OF FEDERAL FARM BOARD

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Farm Board, transmitting, pursuant to law, the second annual report of the board covering its operations during the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on Agriculture and Forestry.

REPORT OF BELLEAU WOOD MEMORIAL ASSOCIATION

The VICE PRESIDENT laid before the Senate a communication from the honorary president of the Belleau Wood Me-

morial Association, transmitting, pursuant to law, a report of the association for the year ended December 31, 1930, which, with the accompanying report, was referred to the Committee on Military Affairs.

USELESS PAPERS IN FEDERAL RADIO COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Radio Commission, transmitting, pursuant to law, a report of papers in the Federal Radio Commission which are not needed in the transaction of the current business of the commission and have no permanent value or historical interest, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. COUZENS and Mr. SMITH as the members of the committee on the part of the Senate.

REPORTS OF SECRETARY OF THE INTERIOR

The VICE PRESIDENT laid before the Senate communications from the Secretary of the Interior, transmitting, pursuant to law, reports, which were referred to the Committee on Public Lands and Surveys, as follows:

A report of an investigation as to the desirability and practicability of establishing the Apostle Islands National Park in Wisconsin;

A report continuing in force beyond the 20-year period certain leases within the Little Buffalo Basin gas fields, Wyoming; and

A report continuing in force beyond the 20-year period certain leases within the Kettleman North Dome Association.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of the superintendent of St. Elizabeths Hospital for the fiscal year ended June 30, 1931, showing in detail the receipts and expenditures for all purposes in connection with the said institution, which, with the accompanying report, was referred to the Committee on the District of Columbia.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of the administration of the war minerals relief act, including receipts and disbursements for the year ended November 30, 1931, which, with the accompanying report, was referred to the Committee on Mines and Mining.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report showing the cost and other data with respect to Indian irrigation projects as compiled to the end of the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on Indian Affairs.

ANNUAL REPORT OF THE SECRETARY OF THE TREASURY

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, his annual report on the state of the finances for the fiscal year ended June 30, 1931, which was referred to the Committee on Finance.

PETITIONS AND MEMORIALS

Mr. FESS presented a petition of sundry citizens of the State of Ohio, praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented resolutions adopted by the National Grange at Madison, Wis., relative to its marketing, tariff, land, and tax policies and monetary stabilization, which were referred to the Committee on Agriculture and Forestry.

Mr. BINGHAM presented a resolution adopted by the Supreme Court of the Foresters of America, at Boston, Mass., favoring a modification or repeal of the national prohibition amendment, which was referred to the Committee on the Judiciary.

Mr. WALCOTT presented the petition of Local Union No. 115, United Brotherhood of Carpenters and Joiners of America, of Bridgeport, Conn., praying for the modification of the national prohibition act so as to permit the manufacture of light wines and beer, which was referred to the Committee on the Judiciary.

He also presented petitions of the Broadview Community Church, of Hartford; the North Greenwich Congregational Church, of Greenwich; and of sundry citizens of Waterbury, Meriden, Madison, East River, New Haven, Hamden, Glastonbury, Addison, Manchester, Bridgeport, Hartford, Rockville, Canton Center, South Manchester, West Hartford, Plainville, East Hartford, Granby, Bloomfield, Wilson, Union, Woodstock, Hewett City, Norwich, East Haven, West Haven, and Greenwich, all in the State of Connecticut, praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

Mr. FLETCHER presented the following memorial of the Legislature of the State of Florida, which was referred to the Committee on Appropriations.

House Memorial 2 (by Mr. McKenzie, of Putnam) to the Congress of the United States requesting legislation for an appropriation for the relief of fruit and vegetable growers of Florida for losses incurred during the campaign for the eradication of the Mediterranean fly

Whereas the State of Florida suffered irreparable damage as a result of the campaign waged for the eradication of the Mediterranean fly not only financially but in many other respects; and

Whereas because of the strict quarantine enforcement and the stringent rules adopted the growers of citrus fruits and vegetables and produce generally were unable to ship or to otherwise market their products; and

Whereas in many instances fruit and vegetables were ordered destroyed by order of the Federal agents at the expense of the growers; and

Whereas in many other instances fruit trees were destroyed at the behest of the aforesaid Federal agents and inspectors; and

Whereas it has heretofore been the policy of the Federal Government to reimburse, in part at least, owners of property for losses incurred in campaigns seeking to eradicate certain pests and diseases: Therefore be it

Resolved by the Legislature of the State of Florida, That the Congress of the United States be, and it is hereby, respectfully urged and requested to act favorably upon proposed legislation for an appropriation sufficient to reimburse, in part at least, those growers of fruits and vegetables and other produce who directly suffered losses by destruction of property or otherwise by action of Federal inspectors or agents, in the fly-eradication campaign waged in Florida during the years of 1929 and 1930.

Resolved further, That a duly certified copy of this memorial be forwarded to the proper officials of the United States Government at Washington, D. C., and that a certified copy be also forwarded to Senators DUNCAN U. FLETCHER and PARK M. TRAMMELL, and Representatives RUTH BRYAN OWEN, HERBERT J. DRANE, R. A. GREEN, and THOMAS YON.

Approved by the governor May 27, 1931.

STATE OF FLORIDA,
OFFICE OF SECRETARY OF STATE.

I, R. A. Gray, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of House Memorial No. 2, as passed by the Legislature of the State of Florida, regular session 1931, as shown by the enrolled memorial on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 7th day of August, A. D. 1931.

[SEAL.] R. A. GRAY,
Secretary of State.

Mr. FLETCHER also presented the following memorials of the Legislature of the State of Florida, which were referred to the Committee on Commerce:

House Memorial 1

Whereas the great majority of the citizens of the United States either directly or indirectly pay taxes for the support of the Federal Government; and

Whereas citizens traveling upon Federal highways are greatly inconvenienced by being required to pay for the privilege of passing over toll bridges on Federal highways: Therefore be it

Resolved by the Legislature of the State of Florida, That the Congress of the United States of America be, and hereby is, memorialized to pass the necessary legislation looking to the investigation and survey of the toll bridges on Federal highways throughout the United States with a view to making such toll bridges free; be it

Resolved further, That United States Senators FLETCHER and TRAMMELL and Representatives OWEN, DRANE, GREEN, and YON are hereby most earnestly requested to extend their efforts toward the

accomplishment of the purpose of this memorial, and that the secretary of state of the State of Florida be directed to transmit a copy of this memorial under the great seal of the State to the President of the United States, to the United States Congress, and to Florida's Senators and Representatives in Congress.

Approved by the governor May 15, 1931.

STATE OF FLORIDA,
OFFICE OF SECRETARY OF STATE.

I, R. A. Gray, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of House Memorial No. 1 as passed by the Legislature of the State of Florida, regular session 1931, as shown by the enrolled memorial on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 7th day of August, A. D. 1931.

[SEAL.] R. A. GRAY,
Secretary of State.

Senate Memorial 17, to the Congress of the United States of America, asking that the actual survey of the cross-Florida canal route, to connect the Gulf Intracoastal Waterway with the Atlantic Intracoastal Waterway, and the Gulf of Mexico with the Atlantic Ocean, be requested of the War Department by Congress, and authorized that said survey and selection of the most feasible route across the peninsula of Florida for a sea-level, or lock, combined barge and ship canal may be made at the earliest possible date, and construction proceed as soon as the State of Florida conveys the right of way and necessary land, free of cost to the United States, said canal being necessary as an aid to the development and expansion of the American merchant marine, and to extend the services of the Government barge line to the Atlantic States, and for the national defense

Whereas the construction by the Government of a sea-level, or lock, combined barge and ship canal across the peninsula of Florida is necessary as an aid to the development and expansion of the American merchant marine, and to extend the services of the Government Barge Line to all Atlantic Coast States, as well as to enable inland barges to carry balanced freight to the permanent benefit of more than 30 States; and ships in coastwise and foreign trade can save time, fuel, and insurance, by the use of such a canal connecting the Gulf of Mexico and the Atlantic Ocean and the Gulf Intracoastal Waterway with the Atlantic Intracoastal Waterway; and

Whereas the Atlantic intracoastal waterway is now practically completed, and the Gulf intracoastal waterway is now open as far east as Mobile, Ala., and the Pensacola-Mobile Canal will be completed by the year 1933; and

Whereas it is important to the United States, as well as to Florida, that the actual field survey of the several routes mentioned in the river and harbor act approved July 3, 1930, be made without unnecessary delay, and that the most feasible route be determined by the engineers of the War Department and adopted; that said canal be completed in the shortest time possible, for the benefit of the United States, and as an aid to the development and expansion of the American merchant marine, and for the national defense: Therefore be it

Resolved by the Legislature of the State of Florida, That the Senators and Representatives from the State of Florida in the Congress of the United States of America be, and they are hereby, respectfully requested and urged to make every effort to have the survey and selection of the cross-Florida Canal made at the earliest possible date, and construction proceed as soon as the State of Florida has conveyed the right of way and necessary land, free of cost, to the United States.

Be it further resolved, That the secretary of state of the State of Florida be requested to furnish to each of the Senators and Representatives aforesaid a copy of this memorial, and that he also send a copy of this memorial to the President of the United States, the Secretary of the Navy, and the Secretary of War.

Approved by the governor May 23, 1931.

STATE OF FLORIDA,
OFFICE OF SECRETARY OF STATE.

I, R. A. Gray, secretary of state of the State of Florida, do hereby certify that the above and foregoing is a true and correct copy of Senate Memorial No. 17, as passed by the Legislature of the State of Florida, regular session 1931, as shown by the enrolled memorial on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 7th day of August, A. D. 1931.

[SEAL.] R. A. GRAY,
Secretary of State.

Mr. BINGHAM presented the following joint resolutions of the Legislature of the Territory of Hawaii, which were referred to the Committee on Territories and Insular Affairs:

TERRITORY OF HAWAII,
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution 2 of the Session Laws of Hawaii, 1931, of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory to be affixed.

Done at the capitol, in Honolulu, this 22d day of May, A. D. 1931.

[SEAL.] RAYMOND C. BROWN,
Secretary of the Territory of Hawaii.

Joint resolution memorializing the Congress of the United States of America to refund to the Territory of Hawaii $200,000 advanced by said Territory toward the cost of the development of Nawiliwili Harbor, in the Territory of Hawaii

Whereas by the river and harbor act of March 2, 1919, the development of Nawiliwili Harbor, County of Kauai, Territory of Hawaii, was authorized by the Congress as a Federal project, provided that the county of Kauai or other agency would deposit to the credit of the Secretary of War in some bank in the Territory of Hawaii to be designated by him the sum of $200,000, said sum to be expended by the Secretary of War in the prosecution of said development work, which said sum was contributed by the Territory of Hawaii and spent for the construction of the breakwater at Nawiliwili; and

Whereas it has been the policy of the Federal Government, where harbor developments in the Territory of Hawaii are authorized by Congress, to construct all breakwaters and perform all the necessary dredging outside of the pierhead line with Federal funds, the Territory in turn to construct all terminal improvements and other necessary dredging inside of the pierhead line with Territorial funds; and

Whereas it was found after the construction of the Federal breakwater that the harbor was still unsafe and unsuitable for terminal development, causing the Territory of Hawaii, at an additional expense to the said Territory of $300,000, to construct a retaining wall or secondary breakwater in order properly to protect the wharf areas from the sea action; and

Whereas the Territory of Hawaii has at the present time expended or obligated out of Territorial funds for the development of Nawiliwili Harbor upward of three-quarters of a million dollars; and

Whereas the improved Nawiliwili Harbor is of tremendous value to the United States Navy, not only in time of emergency but also at the present time; and

Whereas the Territory of Hawaii has demonstrated its good faith in the Nawiliwili Harbor project and has advanced $200,000 for the construction of the Nawiliwili breakwater wall, a project essentially Federal in its nature, and has expended, in addition thereto, upward of half a million dollars on said harbor: Now, therefore

Be it enacted by the Legislature of the Territory of Hawaii, That the Congress of the United States of America is hereby formally requested, through the Delegate to Congress from the Territory of Hawaii, to appropriate and repay to the Territory of Hawaii the said sum of $200,000, heretofore advanced by the said Territory of Hawaii as hereinabove set forth.

Approved this 14th day of March, A. D. 1931.

LAWRENCE M. JUDD,
Governor of the Territory of Hawaii.

TERRITORY OF HAWAII,
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution No. 3 of the Session Laws of Hawaii, 1931, of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory to be affixed. Done at the capitol, in Honolulu, this 22d day of May, A. D. 1931.

[SEAL.] RAYMOND C. BROWN,
Secretary of the Territory of Hawaii.

Joint resolution memorializing the Congress of the United States of America to amend subdivision (c) of section 13 of the immigration act of 1924, as amended by the act of Congress of June 13, 1930

Whereas by the act of Congress of June 13, 1930, amending subdivision (c) of section 13 of the immigration act of 1924 a preference is apparently given to the Chinese wives of United States citizens, married prior to the approval of said immigration act of 1924, over wives of other nationalities ineligible to citizenship; and

Whereas it is but fair and just that all such wives be placed upon an equal footing with respect to admission to the United States: Now, therefore,

Be it enacted by the Legislature of the Territory of Hawaii, That the Congress of the United States of America is hereby requested to amend said subdivision (c) of section 13 of the immigration act of 1924, as amended by said act of Congress of June 13, 1930, by striking out the word "Chinese," appearing therein, and to that end the said Congress is hereby requested to adopt and pass that certain bill, being H. R. 13257, Seventy-first Congress, second session, entitled "A bill relative to the admission under the immigration laws of wives of American citizens."

Approved this 16th day of March, A. D. 1931.

LAWRENCE M. JUDD,
Governor of the Territory of Hawaii.

TERRITORY OF HAWAII,
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution No. 4 of the session laws of Hawaii, 1931, of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory to be affixed. Done at the capitol, in Honolulu, this 22d day of May, A. D. 1931.

[SEAL.] RAYMOND C. BROWN,
Secretary of the Territory of Hawaii.

Joint resolution memorializing the Congress of the United States of America to amend section 534 of title 48 of the United States Code (sec. 69 of the Hawaiian organic act) relating to the appointment, powers, and duties of the secretary of the Territory of Hawaii, so as to provide for the appointment of an acting secretary of the Territory of Hawaii during the absence or illness of the secretary

Be it enacted by the Legislature of the Territory of Hawaii, That the Congress of the United States of America be, and it hereby is, requested to amend section 534 of title 48 of the United States Code (sec. 69 of the Hawaiian organic act) relating to the appointment, powers, and duties of the secretary of the Territory of Hawaii, by adding, after the end of said section, the following provision:

"He may, with the approval of the governor, designate some other officer of the government of the Territory of Hawaii to act during his temporary absence from the Territory or during his illness. Such designation and approval shall be in writing and shall be filed in the office of the governor, and a copy thereof, certified by the governor, shall be filed with the Secretary of the Interior at Washington. Such person so designated shall, during the temporary absence or illness of the secretary, be known as the acting secretary of the Territory of Hawaii, and shall have and exercise all the powers and duties of the secretary, except those provided for by section 535 of title 48 of the United States Code, but shall not be entitled to any additional compensation while so acting: *Provided, however,* That the secretary shall be responsible and liable on his official bond for all acts done or performed by the person designated to act in his absence or illness as herein prescribed."

Approved this 18th day of March, A. D. 1931.

LAWRENCE M. JUDD,
Governor of the Territory of Hawaii.

TERRITORY OF HAWAII,
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution No. 5 of the Session Laws of Hawaii, 1931, of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory to be affixed.

Done at the capitol in Honolulu this 22d day of May, A. D. 1931.

[SEAL.] RAYMOND C. BROWN,
Secretary of the Territory of Hawaii.

Joint resolution memorializing the Congress of the United States of America to enact a law authorizing appropriations for the construction of a highway in the Hawaiian Islands

Whereas on September 27, 1921, and for a purely nominal consideration, the trustees under the will and of the estate of James Campbell, deceased, deeded to the United States sufficient land for a roadway from Honouliuli to Schofield Barracks, upon the understanding that construction of such road would commence as soon as possible, the Federal Government agreeing to keep said road open to the general use of the public; and

Whereas construction of said road has not to date been either started or provided for, although it is and has been urgently needed; and

Whereas there was introduced in the Seventy-first Congress of the United States by the Delegate to Congress from Hawaii, a bill (H. R. 6792) the purpose of which was to authorize the appropriation of $363,000 for the construction of said highway between Schofield Barracks and Honouliuli, on the Island of Oahu, to be constructed under such conditions as should be determined by the Secretary of War; and

Whereas final consideration of said bill was prevented by the final adjournment and expiration of the Seventy-first Congress: Now, therefore,

Be it enacted by the Legislature of the Territory of Hawaii, That the Congress of the United States of America is hereby formally requested to enact a law substantially identical with said H. R. 6792, Seventy-first Congress, authorizing the appropriation of said sum of $363,000 for the construction of said highway from Schofield Barracks to Honouliuli, on the Island of Oahu, to be constructed under such conditions as shall be determined by the Secretary of War.

Approved this 27th day of March, A. D. 1931.

LAWRENCE M. JUDD,
Governor of the Territory of Hawaii.

TERRITORY OF HAWAII,
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution No. 6 of the Session Laws of Hawaii, 1931, of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory to be affixed.

Done at the capitol, in Honolulu, this 22d day of May, A. D. 1931.

[SEAL.] RAYMOND C. BROWN,
Secretary of the Territory of Hawaii.

Joint resolution requesting the Secretary of War of the United States of America to direct the completion of the Kaunakakai Harbor dredging project

Whereas the wharfage facilities and improvements at Kaunakakai Harbor, Molokai, can not be utilized to the fullest extent by reason of the insufficient depth of the channel approach thereto; and

Whereas it is highly desirable and will be of great convenience to shipping at said port to have such a channel dredged; and

Whereas the improvement program of the United States Board of Engineers for Rivers and Harbors contemplates the dredging of Kaunakakai Harbor at some indefinite future date: Now, therefore,

Be it enacted by the Legislature of the Territory of Hawaii, That the Secretary of War of the United States of America is respectfully requested to direct the Chief of Engineers, in charge of river and harbor improvements, to undertake and complete the dredging of Kaunakakai Harbor, Molokai, as soon as practicable.

Approved this 8th day of April, A. D. 1931.

LAWRENCE M. JUDD,
Governor of the Territory of Hawaii.

TERRITORY OF HAWAII,
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution No. 8 of the Session Laws of Hawaii, 1931, of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof I have hereunto set my hand and caused the great seal of the Territory to be affixed.

Done at the capitol, in Honolulu, this 22d day of May, A. D. 1931.

[SEAL.] RAYMOND C. BROWN,
Secretary of the Territory of Hawaii.

Joint resolution requesting the Congress of the United States of America to provide financial assistance to the Territory of Hawaii for the segregation, care, maintenance, and treatment therein of persons afflicted or suspected of being afflicted with leprosy

Whereas ever since its inception the Territory of Hawaii has expended yearly large sums of money in the segregation, care, maintenance, and treatment of persons afflicted or suspected of being afflicted with leprosy and in efforts to eradicate said disease; and

Whereas by the act of Congress of March 3, 1905 (33 Stat. L. 1009), an appropriation was made by the United States for the establishment of a hospital station and laboratory of the Public Health and Marine Hospital Service of the United States for the study of the methods of transmission, cause, and treatment of leprosy at Kalawao, Island of Molokai, in said Territory, for the purpose of assisting said Territory in the segregation, care, and treatment of leprous persons, and the eradication of said disease, such appropriation being upon condition that the Territory deed to the United States in perpetuity certain lands as a site for such hospital station and laboratory; and

Whereas, by proclamation of the governor of said Territory, dated June 28, 1905, the Territory, pursuant to the requirements of said act of Congress of March 3, 1905, transferred in perpetuity to the United States certain lands at said Kalawao containing an aggregate area of 640 acres, for use by the Public Health and Marine Hospital Service of the United States for the purposes stated in said act of Congress of March 3, 1905; and

Whereas said Public Health and Marine Hospital Service proceeded to erect buildings and improvements upon said lands for said purposes, but soon found it impracticable to maintain a separate institution thereat for the care and treatment of leprous persons and in some years abandoned the same, and said lands theretofore conveyed to the United States and all improvements thereon were finally, by quitclaim deed of the Secretary of the Treasury of the United States, pursuant to an act of Congress approved September 21, 1922 (42 Stat. L. 995), reconveyed to said Territory, to be administered at its own expense; and

Whereas said Territory has therefore borne the entire burden of segregating, treating, and caring for leprous persons in its jurisdiction up to the present time except for a station at Kalihi Receiving Hospital, at Honolulu, known as the United States Leprosy Investigation Station, administered by the United States Public Health Service; and

Whereas by the act of Congress of February 3, 1917 (39 Stats. L. 872), the United States Public Health Service was authorized to establish a Federal home for the care and treatment of all leprous persons in the United States who should present themselves for treatment thereat and of any leprous persons who might be consigned thereto by the proper health authorities of any State, Territory, or the District of Columbia, to be treated and cared for at the expense of the United States; and

Whereas pursuant to said last-mentioned act a home for the care and treatment of persons afflicted with leprosy was estab-

lished at Carville in the State of Louisiana and has ever since been maintained thereat by the United States Public Health Service at the expense of the United States and said United States Public Health Service has received and maintained and treated thereat leprous persons from various States and Territories, but has never been called upon by the Territory of Hawaii to receive, maintain, or treat thereat leprous patients from said Territory; and

Whereas the expense of segregating, treating, and caring for leprous persons has constituted and still constitutes a heavy burden upon the people and limited resources of the Territory of Hawaii so that said Territory has been and is unable to undertake the most effective and modern program possible for the treatment of such persons and the eradication of said disease; and

Whereas the Territory, by treating and caring for all leprous persons therein, has saved and is saving to the Government of the United States the expense of transporting to and treating and maintaining at said Carville all of said leprous persons, liability for which the Territory is authorized to transfer to said United States Government under the provisions of said act of Congress of February 3, 1917; and

Whereas said Territory is still desirous, in so far as its resources permit, to continue to segregate, treat, and care for its own citizens or residents afflicted or suspected of being afflicted with said disease, and to continue its efforts to eradicate said disease, but is in need of financial assistance in order adequately to do so: Now, therefore,

Be it enacted by the Legislature of the Territory of Hawaii, That the Congress of the United States of America be, and it hereby is, requested to provide for adequate financial assistance to the Territory of Hawaii by the United States Government to enable said Territory properly and adequately to continue to segregate, treat, and care for leprous persons therein and to continue its efforts to stamp out said disease; and to that end the said Congress is hereby requested to provide for the payment yearly to said Territory of a per diem for each person afflicted or suspected of being afflicted with leprosy treated and/or cared for by said Territory during such year equal to the per diem expended by the United States Public Health Service in the care and treatment of each patient at said home for the care and treatment of leprous persons at Carville aforesaid, and to enact into law a bill substantially in the form of that hereto attached and made a part hereof, entitled "A bill to provide Federal aid for the Territory of Hawaii in the segregation, care, maintenance, and treatment of persons afflicted or suspected of being afflicted with leprosy therein and in the eradication of said disease."

"A bill to provide Federal aid for the Territory of Hawaii in the segregation, care, maintenance, and treatment of persons afflicted, or suspected of being afflicted, with leprosy therein, and in the eradication of said disease

"*Be it enacted, etc.*, That the Secretary of the Treasury shall, as soon as may be after the 1st day of July of each year commencing with and following the year 1932, pay to the treasurer of the Territory of Hawaii out of any money in the Treasury not otherwise appropriated, a sum of money equal to the average amount expended per patient per diem during the preceding fiscal year by the United States Public Health Service at Carville in the State of Louisiana in the care and treatment of leprous persons, multiplied by the product of (1) the average number per day of persons afflicted, or suspected of being afflicted, with leprosy treated and/or cared for in leprosariums and/or hospitals maintained by said Territory for such purposes during such preceding fiscal year, and (2) the number of days in such preceding fiscal year. All amounts so paid shall be deposited by the Territorial treasurer in a special fund and shall be expended in such manner as may be directed from time to time by the legislature of the Territory in the segregation, care, maintenance, and treatment of persons in said Territory afflicted, or suspected of being afflicted, with leprosy and/or for the construction, repair, maintenance, improvement, furnishing and/or equipping of leprosariums and/or hospitals and/or other facilities for the care, maintenance, and treatment of such persons.

"SEC. 2. The governor of said Territory shall, as soon as may be after the end of each fiscal year, submit to the Secretary of the Treasury a detailed statement showing the number of persons afflicted or suspected of being afflicted with leprosy treated and/or cared for during each day of such year in any leprosariums and/or hospitals maintained for such purposes by said Territory and the average number of such persons so treated and/or cared for per day during such year.

"The United States Public Health Service shall also submit to the Secretary of the Treasury, as soon as may be after the end of each fiscal year, a statement showing in such detail as the Secretary of the Treasury may require the average amount per patient per diem expended at Carville in the care and treatment of leprous persons as aforesaid.

"The Secretary of the Treasury may also require the governor of said Territory and/or the United States Public Health Service to furnish such further pertinent information as he shall deem necessary for the purpose of determining the amounts payable to said Territory from time to time under this act.

"SEC. 3. This act shall take effect upon its approval."

Approved this 18th day of April, A. D. 1931.

[SEAL.] LAWRENCE M. JUDD,
Governor of the Territory of Hawaii.

TERRITORY OF HAWAII.
OFFICE OF THE SECRETARY.

This is to certify that hereto attached is a true and correct copy of Joint Resolution No. 9 of the Session Laws of Hawaii, 1931, of the Legislature of the Territory of Hawaii, the original of which is on file in this office.

In witness whereof, I have hereunto set my hand and caused the great seal of the Territory of Hawaii to be affixed.

Done at the capitol of Honolulu this 22d day of May, A. D. 1931.

[SEAL.] RAYMOND C. BROWN,
Secretary of the Territory of Hawaii.

Joint resolution memorializing the Congress of the United States of America to provide for the issuance, by the Bureau of Immigration of the Department of Labor, of certificates of citizenship to all persons residing in the Territory of Hawaii who are citizens of the United States and who apply for such certificates and present due proof of such citizenship

Whereas, through the cooperation of the Bureau of Immigration of the Department of Labor of the United States, provision has been made by said bureau for the issuance, to citizens of the United States in the Territory of Hawaii who are about to travel to continental United States and/or other portions of the world, of certificates of citizenship for the purpose of facilitating travel by such persons; and

Whereas such action on the part of said bureau has been and is greatly appreciated by the people of the Territory of Hawaii and has assisted and is assisting in alleviating the hardships heretofore imposed upon citizens of the Territory of Hawaii and of the United States, particularly those of oriental ancestry, in traveling to other portions of the United States and of the world; but

Whereas such certificates are not issued unless and until the applicants therefor contemplate traveling to other portions of the United States or the world within the near future and persons who do not so contemplate such travel are unable to secure such certificates, and there is danger, in the case of citizens not contemplating such travel, that the necessary proof of their birth in the Hawaiian Islands or other facts necessary to establish their citizenship in the United States will be lost by death or removal from the Territory of Hawaii of witnesses who can testify to such facts or otherwise; and

Whereas due to the large number of persons of oriental or Polynesian ancestry in the Hawaiian Islands born therein or otherwise entitled to citizenship in the United States and to the historical background of said islands, the conditions in said islands relating to the necessity for the certification of the citizenship of such persons are unique and require special treatment, due to their unusual character; and

Whereas the certification of the citizenship of such persons, upon due application and proof being made therefor, regardless of the presence or absence of intention on the part of such persons to travel in the immediate future, is a matter of vital importance to the young citizens, particularly those of oriental ancestry in the Territory of Hawaii, and if provided for will tend to produce greater security and satisfaction in such citizenship and will tend to create better and more loyal citizens of the United States; Now, therefore,

Be it enacted by the Legislature of the Territory of Hawaii, That the Congress of the United States of America be, and it hereby is, urgently requested to provide, by appropriate and adequate legislation, for the certification of the citizenship of all persons residing in the Territory of Hawaii who are citizens of the United States and who apply for such certification to the Bureau of Immigration of the Department of Labor of the United States and furnish due proof of such citizenship, regardless of the presence or absence of any intention on the part of such applicants to travel in the immediate future.

That duly authenticated copies of this joint resolution be transmitted to the Delegate to Congress from Hawaii, the Secretary of the Interior, and the Secretary of Labor of the United States, and each of the two Houses of the Congress of the United States of America.

Approved this 22d day of April, A. D. 1931.

[SEAL.] LAWRENCE M. JUDD,
Governor of the Territory of Hawaii.

Mr. BLAINE presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to make at once adequate appropriations to give employment to the millions of unemployed workmen of the country, which was referred to the Committee on Appropriations. (See resolutions printed in full when laid down by the Vice President on December 8, 1931, p. 52, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to enact effective legislation to check the development of chain banking among national banks, which was referred to the Committee on Banking and Currency. (See resolution printed in full when laid down by the Vice President on December 8, 1931, pp. 52–53, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to promptly enact

legislation providing for a 5-day working week throughout the Federal service, which was referred to the Committee on Civil Service. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 53, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to enact legislation for the protection of the working man by unemployment insurance, which was referred to the Committee on Education and Labor. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 53, CONGRESSIONAL RECORD.)

He also laid before the Senate a joint resolution of the Legislature of Wisconsin, memorializing the President and the Congress to take immediate steps for the completion of the Great Lakes-St. Lawrence waterway, which was referred to the Committee on Foreign Relations. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 53, CONGRESSIONAL RECORD.)

He also presented a resolution of the Legislature of Wisconsin, memorializing the Congress to enact legislation for the expenditure of moneys appropriated by the Federal Government for Indian relief through State agencies, which was referred to the Committee on Indian Affairs. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 53, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, favoring the establishment of a national park embracing the Apostle Islands, which was referred to the Committee on Public Lands and Surveys. (See resolution printed in full when laid lown by the Vice President on December 8, 1931, p. 54, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to provide for the conscription of wealth in time of war, which was referred to the Committee on Military Affairs. (See resolution printed in full when laid down by the Vice President December 8, 1931, p. 54, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to pass appropriate legislation for the restoration of Fort Howard, which was referred to the Committee on Military Affairs. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 54, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to enact legislation to prohibit the use of oleomargarine in Federal institutions and in the Army and Navy, which was referred to the Committee on Agriculture and Forestry. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 54, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to enact legislation for the public operation and development of Muscle Shoals, which was referred to the Committee on Agriculture and Forestry. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 55, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of the State of Wisconsin, relating to Federal aid for forestry, which was referred to the Committee on Agriculture and Forestry. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 55, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of the State of Wisconsin, relating to the opening date of the hunting season for migratory birds, which was referred to the Committee on Agriculture and Forestry. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 55, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to amend the Federal income tax law so as to give credit for income-tax payments made to the several States, which was referred to the Committee on Finance. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 55, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to refrain from passing a law placing a tariff or embargo on crude petroleum and the refined products thereof, which was referred to the Committee on Finance. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 56, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to enact a law making income from royalties on patents and copyrights taxable under State income tax laws, which was referred to the Committee on Finance. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 56, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, relating to an increase in the tariff on butter, cheese, and eggs, which was referred to the Committee on Finance. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 56, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to remit interest charges on veterans' bonus certificates, which was referred to the Committee on Finance. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 56, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, commending President Hoover for his debt-moratorium proposal, which was referred to the Committee on Finance. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 56, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to propose an amendment to the Constitution of the United States repealing the eighteenth amendment, which was referred to the Committee on the Judiciary. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 57, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress, pursuant to Article V of the Constitution, to call a convention for the purpose of either amending or repealing the eighteenth amendment to the Constitution, which was referred to the Committee on the Judiciary. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 57, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to enact legislation for the regulation of the sale of intoxicating liquor similar to the liquor-control laws of the Province of British Columbia, Canada, which was referred to the Committee on the Judiciary. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 57, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin relating to the so-called Wickersham report on prohibition and favoring the immediate repeal or modification of the eighteenth amendment of the Constitution and the abandonment of the policy of prohibition in lieu of voting increased appropriations for its enforcement, which was referred to the Committee on the Judiciary. (See resolution printed in full when laid down by the Vice President on December 8, 1931, pp. 57–58, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to relieve the present depression and to bring work and business to millions of people by modifying the Volstead Act so as to permit the manufacture and sale of beer and wine, which was referred to the Committee on the Judiciary. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 58, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to pass a Federal antilynching law, which was referred to the Committee on the Judiciary. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 58, CONGRESSIONAL RECORD.)

He also presented a joint resolution of the Legislature of Wisconsin, memorializing the Congress to grant Federal aid in the abolition of lynching, which was referred to the Committee on the Judiciary. (See resolution printed in full when laid down by the Vice President on December 8, 1931, p. 58, CONGRESSIONAL RECORD.)

He also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on the Judiciary:

STATE OF WISCONSIN.

Joint resolution relating to the election of Federal judges

Whereas all Federal judges are appointed for life and are subject to removal only through impeachment and for grave crimes and misdemeanors; and

Whereas the experience in this State has demonstrated that an elective judiciary with a limited term increases rather than weakens the prestige of the judiciary and increases the confidence which the people have in the courts without impairing the quality of the judges: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to submit an amendment to the Federal Constitution under which all judges will be elected by the people of the districts in which they serve for terms of 10 years; be it further

Resolved, That properly attested copies of this resolution be sent to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. BLAINE also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Education and Labor:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to provide work and wages for the unemployed

Whereas it is human labor, both intellectual and physical, which mined all the gold, silver, metals, and coal; cleared the land for production; cultivated all the products; brought forth the evolution from the hut to the skyscraper; built all the machinery of the world; and provides all with food, shelter, and clothing; and

Whereas the labor conditions are so shaping themselves in the United States that private industries are no longer able to employ all the labor that is, and will be, displaced by machinery, and it will therefore become the duty of the United States Government to absorb all surplus labor, regardless of the causes of unemployment; and

Whereas neither the President of the United States or the governors of the several States nor the commissions or committees they have appointed can relieve the want and misery that prevails on account of unemployment; and

Whereas the demands on the banners of the unemployed for "work or wages" can not be satisfied unless the Government provides work and wages, which would bring a wave of business prosperity and would forever remove poverty caused by unemployment: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to promptly make provisions for the employment by the United States Government of all surplus labor; be it further

Resolved, That a copy of of this resolution be sent to United States Senators BLAINE and LA FOLLETTE and to each of the Congressmen from the State of Wisconsin.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. BLAINE also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Pensions:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact a Federal old age pension law

Whereas approximately 6,000,000 persons in the United States are above 65 years of age, and at least 2,000,000 of this number are supported by public or private charity or by relatives; and

Whereas the great majority of these aged persons are people of sterling character and worth who have been reduced to dependency by misfortunes and the meagerness of the wages they received during the productive period of their life; and

Whereas no less than 38 foreign countries, including all large civilized countries except the United States, have enacted nationwide old age pension laws under which all aged persons are given pensions sufficient to support them without in any manner pauperizing them; and

Whereas in the absence of Federal legislation in this country a considerable number of States and counties have enacted old age pension laws to accord more humane treatment to aged dependents, but such laws are not only financially burdensome to the States and counties but do not meet the entire problem, which is nation-wide and should be dealt with through Federal legislation: Therefore, be it

Resolved by the senate (the assembly concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to enact a Federal old age pension law along the lines of the old age pension laws which have been passed by Wisconsin and other States; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of Congress of the United States and to each Wisconsin Member thereof.

CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.
HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.

Mr. BLAINE also presented a resolution of the Common Council of the City of Milwaukee, Wis., favoring a proposed "prosperity bond issue" of $5,000,000,000, as proposed by William Randolph Hearst, for the relief of the economic and unemployment situation, which was referred to the Committee on Banking and Currency.

He also presented resolutions of the National Farm Loan Association and the Kiwanis Club, both of New Richmond, Wis., favoring a 3-year moratorium on mortgage indebtedness to members of the National Farm Loan Association, and amendment of the Federal farm loan law so as to permit sale of Government bonds to retire the present bonds and refinance Federal land banks, assuring the borrower a lower rate of interest, which were referred to the Committee on Banking and Currency.

He also presented the petition of the Polish White Eagle Society, Group No. 704, of the Polish National Alliance of America, at Kenosha, Wis., praying for the immediate cash redemption of soldiers' compensation certificates, which was referred to the Committee on Finance.

He also presented a resolution of the City and County Employees' Union, of Milwaukee, Wis., favoring the submitting by Congress to conventions of the several States, as provided for in the Constitution, of a resolution looking to the repeal of the eighteenth amendment and also the liberalization and modification of the prohibition laws, etc., which was referred to the Committee on the Judiciary.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALCOTT:

A bill (S. 1) to provide emergency financing facilities for banks and other financial institutions, and for other purposes; to the Committee on Finance.

By Mr. SHORTRIDGE:

A bill (S. 2) to regulate the migration of certain citizens of the Philippine Islands to the United States (with an accompanying paper); to the Committee on Immigration; and

A bill (S. 3) to regulate commerce between the United States and foreign countries in crude petroleum and fuel oil and all distillates obtained from petroleum, including kerosene, benzine, naphtha, gasoline, paraffin, and paraffin oil; to the Committee on Commerce.

By Mr. FESS:

A bill (S. 4) to amend the radio act of 1927, as amended; to the Committee on Interstate Commerce.

By Mr. COPELAND:

A bill (S. 5) to regulate commerce in firearms; to the Committee on Interstate Commerce.

A bill (S. 6) for the relief of the Union Ferry Co., owners of the ferryboat *Montauk;* to the Committee on Claims.

By Mr. KING:

A bill (S. 7) to provide for the deportation of certain alien seamen, and for other purposes; to the Committee on Immigration.

A bill (S. 8) to extend the powers of the Commissioners of the District of Columbia;

A bill (S. 9) authorizing the assessor of the District of Columbia to testify in condemnation proceedings;

A bill (S. 10) authorizing the Commissioners of the District of Columbia to designate an officer to represent the District government on the floor of the Senate and House of Representatives;

A bill (S. 11) relating to the release of real-estate mortgages and deeds of trust in the District of Columbia;

A bill (S. 12) to authorize the Commissioners of the District of Columbia to pay certain claims against the District of Columbia;

A bill (S. 13) to regulate foreclosure of mortgages and deeds of trust in the District of Columbia; and

A bill (S. 14) to amend chapter 15 of the Code of Law for the District of Columbia, relating to the condemnation of land for public use; to the Committee on the District of Columbia.

A bill (S. 15) granting certain lands to the city of Provo, Utah, to protect the watershed of the water-supply system of said city;

A bill (S. 16) to establish a branch of the Interior Department at Salt Lake City, Utah, and to transfer to such branch certain bureaus and offices of the Interior Department;

A bill (S. 17) granting certain unreserved and unappropriated public lands to the several States;

A bill (S. 18) to amend sections 2325 and 2326 of the Revised Statutes prescribing the method of obtaining patent to mining claims; and

A bill (S. 19) relating to the granting of permits and leases under the general leasing act of February 25, 1920, as amended; to the Committee on Public Lands and Surveys.

A bill (S. 20) to extend the time of payment of certain construction charges assessed against the lands within the Strawberry Valley irrigation project in the State of Utah; to the Committee on Irrigation and Reclamation.

A bill (S. 21) to amend sections 23, 25, and 28 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909, and for other purposes; and

A bill (S. 22) to provide compulsory licenses for unused patents; to the Committee on Patents.

A bill (S. 23) to enable the people of the Philippine Islands to adopt a constitution and to form a free and independent government, and for other purposes; to the Committee on Territories and Insular Affairs.

A bill (S. 24) appropriating $25,000 for the construction and maintenance of sanitary facilities in the forest reserves in the State of Utah;

A bill (S. 25) making an appropriation for fuel research work by the Bureau of Mines at Salt Lake City, Utah; and

A bill (S. 26) to appropriate $60,000 for the extension of the water system at Fort Douglas, Utah; to the Committee on Appropriations.

A bill (S. 27) to repeal the act entitled "An act to authorize the President to detail officers and enlisted men of the United States Army, Navy, and Marine Corps to assist the governments of the Latin American Republics in military and naval matters," approved May 19, 1926; and

A bill (S. 28) to establish a Department of National Defense, and for other purposes; to the Committee on Military Affairs.

A bill (S. 29) granting a pension to Eliza Beagley; and

A bill (S. 30) to amend the act approved March 3, 1927, entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes"; to the Committee on Pensions.

A bill (S. 31) to provide for certain public buildings in the State of Utah; to the Committee on Public Buildings and Grounds.

A bill (S. 32) to provide for the establishment and maintenance, under the Bureau of Mines, of a research station at Salt Lake City, Utah; to the Committee on Mines and Mining.

A bill (S. 33) to amend the Judicial Code by adding a new section, to be numbered 274D; to the Committee on the Judiciary.

A bill (S. 34) to provide for review of the action of consular officers in refusing immigration visas; to the Committee on Immigration.

By Mr. ODDIE:

A bill (S. 36) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; to the Committee on Post Offices and Post Roads.

A bill (S. 37) to prohibit the importation of any article or merchandise from the Union of Soviet Socialist Republics; to the Committee on Finance.

A bill (S. 38) providing for the exchange of lands within the limits of railroad grants and within the exterior limits of stock driveways; and

A bill (S. 39) to amend section 1 of the act of June 7, 1924, entitled "An act for the relief of settlers and town-site occupants of certain lands in the Pyramid Lake Indian Reservation in Nevada, and for other purposes"; to the Committee on Public Lands and Surveys.

A bill (S. 40) for the construction of a reservoir in the Little Truckee River, Calif., and for such dams and other improvements as may be necessary to impound the waters of Webber, Independence, and Donner Lakes, and for the further development of the water resources of the Truckee River;

A bill (S. 41) to provide for an examination and survey to determine the feasibility of irrigation development in the Humboldt River watershed in the State of Nevada; and

A bill (S. 42) for the construction of an irrigation dam on Walker River, Nev.; to the Committee on Irrigation and Reclamation.

A bill (S. 43) to amend an act entitled "An act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor," approved June 4, 1924; to the Committee on Agriculture and Forestry.

A bill (S. 44) to authorize the acquisition of a site and the erection of a Federal building at Sparks, Nev.;

A bill (S. 45) to authorize the acquisition of a site and the erection of a Federal building at Ruth, Nev.;

A bill (S. 46) to authorize the remodeling of the building occupied by the United States mint and assay office at Carson City, Nev.; and

A bill (S. 47) to authorize the acquisition of a site and the erection of a Federal building at Lovelock, Nev.; to the Committee on Public Buildings and Grounds.

A bill (S. 48) for the relief of Robert Whitley Miller; and

A bill (S. 49) for the relief of Edward J. Webster; to the Committee on Military Affairs.

A bill (S. 50) for the relief of George W. Campbell; to the Committee on Claims.

By Mr. HALE:

A bill (S. 51) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties; to the Committee on Naval Affairs.

A bill (S. 52) to correct the military record of Alexander W. Goodreau; to the Committee on Military Affairs.

A bill (S. 53) for the relief of Oscar R. Hahnel; to the Committee on Claims.

A bill (S. 54) granting an increase of pension to Jane M. Ford (with accompanying papers);

A bill (S. 55) granting an increase of pension to James D. Wilder (with accompanying papers);

A bill (S. 56) granting an increase of pension to Margaret F. Stockell (with accompanying papers);

A bill (S. 57) granting an increase of pension to Melinda S. S. Dunbar (with accompanying papers);

A bill (S. 58) granting a pension to Lillian M. Johnson (with accompanying papers);

A bill (S. 59) granting an increase of pension to Ida H. Stinson (with accompanying papers);

A bill (S. 60) granting an increase of pension to Mary J. McLaughlin (with accompanying papers);

A bill (S. 61) granting a pension to Nellie B. Leighton (with accompanying papers);

A bill (S. 62) granting an increase of pension to Margaret A. Kollock (with accompanying papers);

A bill (S. 63) granting a pension to Warren A. Small (with accompanying papers);

A bill (S. 64) granting a pension to Helen L. Marsh (with accompanying papers);

A bill (S. 65) granting an increase of pension to Mary I. Weir (with accompanying papers);

A bill (S. 66) granting an increase of pension to Annie P. Hall (with accompanying papers);

A bill (S. 67) granting a pension to Hannah Collins (with accompanying papers);

A bill (S. 68) granting a pension to William M. Forrest (with accompanying papers);

A bill (S. 69) granting a pension to Almeda Crosby (with accompanying papers);

A bill (S. 70) granting a pension to Ora M. Ripley (with accompanying papers);

A bill (S. 71) granting a pension to Lewis W. Robertson (with accompanying papers); and

A bill (S. 72) granting a pension to Roy M. Osborne; to the Committee on Pensions.

By Mr. MOSES:

A bill (S. 73) granting a pension to Ira J. Patterson;

A bill (S. 74) granting an increase of pension to Adele Y. Taylor;

A bill (S. 75) granting an increase of pension to Marinda E. Anthoine;

A bill (S. 76) granting an increase of pension to Frances M. Tripp;

A bill (S. 77) granting a pension to Eliza Manzer (with accompanying papers);

A bill (S. 78) granting a pension to Joseph Dion (with accompanying papers);

A bill (S. 79) granting an increase of pension to Jennie L. Fisher (with accompanying papers);

A bill (S. 80) granting a pension to Mary M. Wallace (with accompanying papers);

A bill (S. 81) granting an increase of pension to Josephine L. Webber (with accompanying papers); and

A bill (S. 82) granting an increase of pension to Susan Dadmun (with accompanying papers); to the Committee on Pensions.

A bill (S. 83) for the relief of Margaret Crotty; and

A bill (S. 84) for the relief of Abraham Green; to the Committee on Claims.

A bill (S. 85) to correct the military record of J. F. Johnston;

A bill (S. 86) for the relief of Ira J. Patterson; and

A bill (S. 87) for the relief of John W. Warren; to the Committee on Military Affairs.

A bill (S. 88) to authorize the Postmaster General to investigate the conditions of the lease of the post-office garage in Boston, Mass., and to readjust the terms thereof;

A bill (S. 89) to authorize the construction and use of underground pneumatic-tube service;

A bill (S. 90) to increase the salaries of certain postmasters of the first class;

A bill (S. 91) to amend the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes," approved February 28, 1925;

A bill (S. 92) authorizing the purchase and maintenance of passenger-carrying automobiles for use at post offices having gross receipts of $1,000,000 or more;

A bill (S. 93) to amend the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, as amended and supplemented, and for other purposes; and

A bill (S. 94) to amend the act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes; to the Committee on Post Offices and Post Roads.

A bill (S. 95) to amend the second paragraph of section 6 of the civil service retirement act of May 29, 1930 (relating to persons retired for disability); to the Committee on Civil Service.

By Mr. CAPPER:

A bill (S. 96) to amend the grain futures act; to the Committee on Agriculture and Forestry.

A bill (S. 97) to protect trade-mark owners, distributors, and the public against injurious and uneconomic practices in the distribution of articles of standard quality under a distinguishing trade-mark, brand, or name; and

A bill (S. 98) to repeal section 15a of the act to regulate commerce, as amended by section 422 of the transportation act, 1920; to the Committee on Interstate Commerce.

A bill (S. 99) to amend section 8 of the act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913;

A bill (S. 100) to amend section 586c of the act entitled "An act to amend subchapter 1 of chapter 18 of the Code of Laws for the District of Columbia, relating to degree-conferring institutions," approved March 2, 1929;

A bill (S. 101) to provide for the discontinuance of the use as dwellings of buildings situated in alleys in the District of Columbia, and for the replatting and development of squares containing inhabited alleys, in the interest of public health, comfort, morals, safety, and welfare, and for other purposes; and

A bill (S. 102) to amend subsection (a) of section 1 of an act entitled "An act for the acquisition, establishment, and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park, parkway, and playground system of the National Capital," approved May 29, 1930; to the Committee on the District of Columbia.

A bill (S. 103) for the relief of Joseph C. Shaw; and

A bill (S. 104) for the relief of Frederick Roland Hickey; to the Committee on Finance.

A bill (S. 105) authorizing the President to appoint H. T. Meyers a lieutenant commander, Dental Corps, United States Navy; to the Committee on Naval Affairs.

A bill (S. 106) for the relief of Arlie W. Langford;

A bill (S. 107) for the relief of John J. Delaney;

A bill (S. 108) for the relief of Zachara T. Edwards; and

A bill (S. 109) for the relief of Fred P. Steiger; to the Committee on Military Affairs.

A bill (S. 110) for the relief of Viola Addis;

A bill (S. 111) for the relief of Rosa E. Plummer;

A bill (S. 112) for the relief of William Schick; and

A bill (S. 113) for the relief of the First National Bank of Ottawa, Kans. (with accompanying papers); to the Committee on Claims.

A bill (S. 114) granting a pension to Earl Cline;

A bill (S. 115) granting an increase of pension to Susannah Powers (with accompanying papers);

A bill (S. 116) granting an increase of pension to Mary C. Stewart (with accompanying papers);

A bill (S. 117) granting a pension to Frances Winston (with accompanying papers);

A bill (S. 118) granting a pension to Sarah Hagar Lewis Butler (with accompanying papers);

A bill (S. 119) granting a pension to Charles E. Mann (with accompanying papers);

A bill (S. 120) granting a pension to Myrtle G. Geoffroy (with accompanying papers);

A bill (S. 121) granting a pension to Drusilla Mikesell (with accompanying papers); and

A bill (S. 122) granting a pension to Richard P. Melton (with accompanying papers); to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 123) to amend the agricultural marketing act, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 124) providing for a 5-day work week for certain Government employees; to the Committee on Civil Service.

A bill (S. 125) to abolish the gold standard, to establish the value of the dollar, and for other purposes; and

A bill (S. 126) to provide for the establishment of Federal cooperative banks and a Federal cooperative reserve system, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 127) prohibiting persons making short sales of stock or agricultural commodities from using the mails and from engaging in interstate or foreign commerce; to the Committee on Interstate Commerce.

A bill (S. 128) granting a pension to James H. Wadsworth (with accompanying papers);

A bill (S. 129) granting an increase of pension to Mrs. Sabina C. T. Fox (with accompanying papers);

A bill (S. 130) granting a pension to Mrs. Pearl F. Warren (with accompanying papers);

A bill (S. 131) granting an increase of pension to Mary S. Malnburg (with accompanying papers);

A bill (S. 132) granting a pension to Mary F. Robbins;

A bill (S. 133) granting a pension to Evy Elliott; and

A bill (S. 134) granting a pension to Orpha Blanche Thompson; to the Committee on Pensions.

By Mr. HATFIELD:

A bill (S. 135) to authorize the disposition of the naval ordnance plant, South Charleston, W. Va.; to the Committee on Naval Affairs.

A bill (S. 136) to provide for cooperation with the several States in the care, treatment, education, vocational guidance and placement, and physical rehabilitation of crippled children, and for other purposes; to the Committee on Education and Labor.

A bill (S. 137) to establish a term of the United States Circuit Court of Appeals at Huntington, W. Va.; to the Committee on the Judiciary.

A bill (S. 133) for the relief of Henry C. Perrine; to the Committee on Military Affairs.

A bill (S. 139) to extend benefits under the World War veterans' act, 1924, as amended, to the dependents of the late Leonidas B. Linger;

A bill (S. 140) to extend certain benefits to Robert Smith Watson and William La Velle Watson; and

A bill (S. 141) to authorize the erection of a United States Veterans' Bureau hospital in northern West Virginia; to the Committee on Finance.

A bill (S. 142) for the purchase of a site and the erection of a public building at Welch, McDowell County, W. Va.; to the Committee on Public Buildings and Grounds.

A bill (S. 143) making Nancy J. Litman eligible to receive the befits of the civil service retirement act; and

A bill (S. 144) granting a retirement annuity to T. C. McGowan; to the Committee on Civil Service.

A bill (S. 145) for the relief of Aaron Angle;

A bill (S. 146) for the relief of Martin L. Chandler;

A bill (S. 147) for the relief of Joseph E. Meyers;

A bill (S. 148) for the relief of James Johnson;

A bill (S. 149) for the relief of William Homer Johnson;

A bill (S. 150) for the relief of John M. Moore;

A bill (S. 151) for the relief of Willie G. Chapman; and

A bill (S. 152) for the relief of James Evans; to the Committee on Military Affairs.

A bill (S. 153) for the relief of George L. Stone (with accompanying papers);

A bill (S. 154) for the relief of Amy Harding;

A bill (S. 155) for the relief of John B. Canter;

A bill (S. 156) to confer jurisdiction on the Court of Claims to determine and render judgment on the claim of John T. Adkins, deceased;

A bill (S. 157) for the relief of Sarah Ann Coe;

A bill (S. 158) for the relief of Mrs. Charles L. Reed; and

A bill (S. 159) for the relief of R. B. Miller; to the Committee on Claims.

A bill (S. 160) granting a pension to Charles E. Conner;

A bill (S. 161) granting a pension to Lewis Plumley;

A bill (S. 162) granting a pension to Belle Brown;

A bill (S. 163) granting a pension to Elza Wright;

A bill (S. 164) granting an increase of pension to Susan J. Waldo;

A bill (S. 165) granting a pension to Robert Melvin Palmer (with accompanying papers);

A bill (S. 166) granting an increase of pension to James W. Ashby;

A bill (S. 167) granting a pension to Henry E. Liepmann;

A bill (S. 168) granting a pension to Ulysses G. Snodgrass;

A bill (S. 169) granting a pension to Hannah C. Oliver;

A bill (S. 170) granting a pension to Zattoo Adkins;

A bill (S. 171) granting a pension to certain persons held as slaves on January 1, 1863;

A bill (S. 172) granting a pension to Mary Chapman; and

A bill (S. 173) granting an increase of pension to Mary L. Frey; to the Committee on Pensions.

By Mr. COSTIGAN:

A bill (S. 174) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes; to the Committee on Commerce.

By Mr. SHIPSTEAD:

A bill (S. 175) to provide for the early completion of river and harbor projects now or hereafter authorized and adopted by Congress, including the connecting channels of the Great Lakes, and to authorize the issuance of bonds therefor; to the Committee on Commerce.

By Mr. HEBERT:

A bill (S. 176) to amend and consolidate the acts respecting copyright and to permit the United States to join the Convention of Berne for the Protection of Literary and Artistic Works; to the Committee on Patents.

A bill (S. 177) granting a pension to Amasa P. Taber;

A bill (S. 178) granting an increase of pension to Mary E. McVee (with accompanying papers);

A bill (S. 179) granting a pension to James Francis Feeley (with accompanying papers); and

A bill (S. 180) granting a pension to Edward Francis Bailey; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 181) relating to personal-injury suits by seamen; to the Committee on Commerce.

A bill (S. 182) to amend section 213, act of March 4, 1909 (Criminal Code, title 18, sec. 336, U. S. C.), affixing penalties for use of mails in connection with fraudulent devices and lottery paraphernalia; to the Committee on Post Offices and Post Roads.

A bill (S. 183) to provide for the appointment of an additional district judge for the southern district of Texas;

A bill (S. 184) to amend the national prohibition act by prohibiting the purchase of intoxicating liquor for beverage purposes;

A bill (S. 185) to amend section 29, Title II, of the national prohibition act; and

A bill (S. 186) to amend section 33, Title II, of the national prohibition act; to the Committee on the Judiciary.

A bill (S. 187) to authorize the Secretary of War to grant a right of way for street purposes upon and across the San Antonio Arsenal, in the State of Texas; to the Committee on Military Affairs.

A bill (S. 188) for the relief of Tampico Marine Iron Works; to the Committee on Claims.

By Mr. HARRISON:

A bill (S. 189) for the relief of Orville E. Clark; to the Committee on Military Affairs.

A bill (S. 190) granting a pension to Emmerline Valentine;

A bill (S. 191) granting a pension to Lawrence M. Norton; and

A bill (S. 192) granting a pension to Ronald P. Hartfield; to the Committee on Pensions.

A bill (S. 193) for the relief of the heirs or legal representatives of Charles Johnson and Kate Johnson;

A bill (S. 194) for the relief of Jeff Davis Caperton and Lucy Virginia Caperton;

A bill (S. 195) for the relief of the Ingram-Day Lumber Co.; and

A bill (S. 196) for the relief of the owners of the late American schooner *Three Marys;* to the Committee on Claims.

By Mr. DICKINSON:

A bill (S. 197) to restore and maintain the level of wholesale commodity prices; to the Committee on Banking and Currency.

A bill (S. 198) to authorize the President of the United States to appoint an additional judge of the District Court of the United States for the State of Iowa; to the Committee on the Judiciary.

A bill (S. 199) granting a pension to Jermima E. Trowbridge; to the Committee on Pensions.

By Mr. SMITH:

A bill (S. 200) to place Jesse C. Harmon on the retired list of the Marine Corps; to the Committee on Naval Affairs.

A bill (S. 201) granting the consent of Congress to the State of South Carolina to construct, maintain, and operate a bridge across the Waccamaw River; to the Committee on Commerce.

A bill (S. 202) to provide for advances by Federal land banks to certain borrowers from such banks, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. HOWELL:

A bill (S. 203) supplementing the national prohibition act for the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 204) providing for the subscription on behalf of the United States to the capital stock of Federal land banks; to the Committee on Banking and Currency.

A bill (S. 205) to amend the interstate commerce act, as amended; to the Committee on Interstate Commerce.

A bill (S. 206) to recognize the high public service rendered by Dr. A. S. Pinto and the bravery displayed by him in connection with the discovery of the cause and means of transmission of yellow fever;

A bill (S. 207) to correct the military record of James L. Pate; and

A bill (S. 208) for the relief of Samuel Goozee; to the Committee on Military Affairs.

A bill (S. 209) granting an increase of pension to Mary Willoughby Osterhaus; and

A bill (S. 210) granting a pension to Jane Staud; to the Committee on Pensions.

A bill (S. 211) to provide for the settlement of claims against the United States on account of property damage, personal injury, or death;

A bill (S. 212) for the relief of Messrs. Short, Ross, Shaw, and Mayhood;

A bill (S. 213) authorizing adjustment of the claim of Kenneth Carpenter;

A bill (S. 214) authorizing adjustment of the claim of Joseph T. Ryerson & Son (Inc.);

A bill (S. 215) authorizing adjustment of the claim of Schutte & Koerting Co.;

A bill (S. 216) authorizing adjustment of the claim of the Adelphia Bank & Trust Co.;

A bill (S. 217) authorizing adjustment of the claim of J. G. Shelton;

A bill (S. 218) authorizing adjustment of the claim of the Westinghouse Electric & Manufacturing Co.;

A bill (S. 219) authorizing adjustment of the claims of Orem Wheatley, Kenneth Blaine, and Joseph R. Ball;

A bill (S. 220) authorizing adjustment of the claim of the Van Camp Sea Food Co. (Inc.);

A bill (S. 221) authorizing adjustment of the claim of the Wilmot Castle Co.;

A bill (S. 222) authorizing adjustment of the claim of B. F. Hart;

A bill (S. 223) authorizing adjustment of the claim of Frank Spector;

A bill (S. 224) authorizing adjustment of the claim of Lewis Semler;

A bill (S. 225) for the relief of Dr. J. B. Potts;

A bill (S. 226) for the relief of Thomas J. Pryor;

A bill (S. 227) for the relief of Peterson-Colwell (Inc.);

A bill (S. 228) for the relief of Weymouth Kirkland and Robert N. Golding;

A bill (S. 229) for the relief of Don C. Fees;

A bill (S. 230) for the relief of Don C. Fees;

A bill (S. 231) for the relief of Juan Francisco Rivas;

A bill (S. 232) for the relief of Benjamin Gonzales;

A bill (S. 233) for the relief of Miguel Pascual, a Spanish subject and resident of San Pedro de Macoris, Santo Domingo;

A bill (S. 234) to authorize credit in the disbursing account of Eckley C. Guerin;

A bill (S. 235) for the relief of Enriqueta Koch v. de Jeanneret;

A bill (S. 236) for the relief of Hunter P. Mulford;

A bill (S. 237) for the relief of Mary Weaselhead Yellow Owl;

A bill (S. 238) to provide for the settlement of damage claims arising from the construction of the Petrolia-Fort Worth gas pipe line;

A bill (S. 239) for the relief of John L. Summers, disbursing clerk, Treasury Department, and for other purposes;

A bill (S. 240) for the relief of Dr. C. A. Falk and the St. Joseph Hospital, both of Eureka, Calif.;

A bill (S. 241) for the relief of Donald K. Warner;

A bill (S. 242) for the relief of William Louis Pitthan;

A bill (S. 243) for the relief of S. F. Stacher;

A bill (S. 244) to allow credits in the accounts of certain disbursing officers of the Bureau of War Risk Insurance, Federal Board for Vocational Education, and United States Veterans' Bureau (now Veterans' Administration);

A bill (S. 245) for the relief of Arthur C. Bingel;

A bill (S. 246) for the relief of Galen E. Lichty;

A bill (S. 247) for the relief of the Western Electric Co. (Inc.);

A bill (S. 248) authorizing adjustment of the claim of the David Gordon Building & Construction Co.;

A bill (S. 249) authorizing adjustment of the claim of William T. Stiles;

A bill (S. 250) authorizing adjustment of the claim of the Sun Shipbuilding & Dry Dock Co.;

A bill (S. 251) authorizing adjustment of the claim of the estate of Thomas Bird, deceased;

A bill (S. 252) authorizing adjustment of the claim of Johnson & Higgins;

A bill (S. 253) authorizing adjustment of the claim of Francis B. Kennedy;

A bill (S. 254) authorizing adjustment of the claim of the Chicago, North Shore & Milwaukee Railroad Co.;

A bill (S. 255) authorizing adjustment of the claim of the B. & O. Manufacturing Co.;

A bill (S. 256) authorizing adjustment of the claim of Madrigal & Co., Manila, P. I.;

A bill (S. 257) authorizing adjustment of the claim of the Baltimore branch of the Federal Reserve Bank of Richmond;

A bill (S. 258) authorizing adjustment of the claim of H. E. Hurley;

A bill (S. 259) authorizing adjustment of the claim of the Public Service Coordinated Transport of Newark, N. J.;

A bill (S. 260) authorizing adjustment of the claim of the Potomac Electric Power Co. of Washington, D. C.; and

A bill (S. 261) authorizing adjustment of the claims of John T. Lennon and George T. Flora; to the Committee on Claims.

By Mr. LA FOLLETTE:

A bill (S. 262) to provide for assisting the several States and their political subdivisions in meeting the expense of emergency-relief activities, and to provide for the relief of the unemployed; to the Committee on Manufactures.

By Mr. WALCOTT and Mr. HAWES:

A bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply, and for other purposes; to the Select Committee on Conservation of Wild Life Resources.

By Mr. TRAMMELL:

A bill (S. 264) providing that the members of the Interstate Commerce Commission shall be appointed from different sections of the United States, and that not more than one member shall be appointed from any one State; to the Committee on Interstate Commerce.

A bill (S. 265) to establish a dairy and livestock experiment station in Florida; and

A bill (S. 266) to provide for an investigation and report of losses resulting from the campaign for the eradication of the Mediterranean fruit fly; to the Committee on Agriculture and Forestry.

By Mr. HARRIS:

A bill (S. 267) to provide for extending for a period of one year the time of payment of loans made by Federal land banks, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 268) to amend subdivision (c) of section 4 of the immigration act of 1924 as amended; to the Committee on Immigration.

A bill (S. 269) to amend the third subdivision of section 14 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1880, and for other purposes," approved March 3, 1879; to the Committee on Post Offices and Post Roads.

A bill (S. 270) for the relief of Harry E. Jesse; to the Committee on Claims.

By Mr. CAREY:

A bill (S. 271) to provide for the storage for diversion of the waters of the North Platte River and construction of the Saratoga reclamation project; to the Committee on Irrigation and Reclamation.

By Mr. BLACK:

A bill (S. 272) relating to loans to veterans upon their adjusted-service certificates; to the Committee on Finance; and

A bill (S. 273) to provide for extending the time of payment of certain installments of loans made by Federal land banks, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. WHEELER:

A bill (S. 274) authorizing the erection of a memorial to the Lewis and Clark Expedition at Three Forks, Mont.; to the Committee on the Library.

A bill (S. 275) authorizing the purchase and installation of a mechanical fish screen on the Sun River Canal, in the State of Montana; to the Committee on Commerce.

A bill (S. 276) for the construction and equipment of a hospital on Crow Indian Reservation;

A bill (S. 277) defining and regulating power sites upon the Blackfeet Indian Reservation, in the State of Montana; and

A bill (S. 278) for the relief of Charles Parshall, Fort Peck Indian allottee, of the Fort Peck Reservation, Mont.; to the Committee on Indian Affairs.

A bill (S. 279) to excuse certain persons from residence upon homestead lands during 1929, 1930, and 1931 in the drought-stricken areas; to the Committee on Public Lands and Surveys.

By Mr. STEIWER:

A bill (S. 280) providing for the subscription on behalf of the United States to the capital stock of Federal land banks; to the Committee on Banking and Currency.

By Mr. McGILL:

A bill (S. 281) for the relief of William S. Cook; to the Committee on Military Affairs.

By Mr. CUTTING:

A bill (S. 282) relating to the granting of prospecting permits for oil and gas under the general leasing act of February 25, 1920, as amended; to the Committee on Public Lands and Surveys.

By Mr. TOWNSEND:

A bill (S. 283) to provide for conveyance of a certain strip of land on Fenwick Island, Sussex County, State of Delaware, for roadway purposes; to the Committee on Commerce.

A bill (S. 284) for the relief of William B. Thompson;

A bill (S. 285) for the relief of Alfred L. Hudson; and

A bill (S. 286) for the relief of Ida C. Buckson, executrix of E. C. Buckson, deceased; to the Committee on Claims.

By Mr. FESS:

A bill (S. 287) to compensate Harriet C. Holaday; to the Committee on Foreign Relations.

A bill (S. 288) for the relief of Etta May Ward (with accompanying paper); to the Committee on Military Affairs.

A bill (S. 289) placing the office of collector of customs for customs district No. 41, at Cleveland, Ohio, under the civil service; to the Committee on Civil Service.

A bill (S. 290) to establish a memorial to Theodore Roosevelt in the National Capital; to the Committee on the Library.

A bill (S. 291) for the relief of Frank B. Niles, former collector of internal revenue; to the Committee on Claims.

A bill (S. 292) granting a pension to Rosa Webb;

A bill (S. 293) granting a pension to Sarah J. Jones (with accompanying papers);

A bill (S. 294) granting a pension to Sarah J. Ripley (with accompanying papers);

A bill (S. 295) granting a pension to Mattie J. Price (with accompanying papers);

A bill (S. 296) granting an increase of pension to Harriet C. Church (with accompanying papers);

A bill (S. 297) granting an increase of pension to Mary A. Cline (with accompanying papers);

A bill (S. 298) granting an increase of pension to Mary Jane Corsen (with accompanying papers);

A bill (S. 299) granting a pension to John William Duff (with accompanying papers);

A bill (S. 300) granting an increase of pension to Mary Currier (with accompanying papers);

A bill (S. 301) granting an increase of pension to Margaret Cottrill (with accompanying papers);

A bill (S. 302) granting a pension to Hattie G. Kennedy (with accompanying papers);

A bill (S. 303) granting a pension to Catherine Deaver (with accompanying papers);

A bill (S. 304) granting an increase of pension to Flora A. Irwin (with accompanying papers); and

A bill (S. 305) granting an increase of pension to Margaret D. Haines (with accompanying papers); to the Committee on Pensions.

By Mr. HAWES:

A bill (S. 306) to create an executive department of the Government to be known as the Department of Conservation; to the Select Committee on Conservation of Wild-Life Resources.

A bill (S. 307) to amend the interstate commerce act, being "An act to regulate commerce," as amended July 29, 1906; April 13, 1908; June 13, 1910; February 17, 1917; March 2, 1917; May 29, 1917; August 10, 1917; and February 28, 1920, by providing a more adequate system of regulation for the railroads of the United States through an extension of the Interstate Commerce Commission and the creation of seven regional commissions to cooperate with and assist the Interstate Commerce Commission in the performance of its duties, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 308) to require bonds of prohibition agents and inspectors;

A bill (S. 309) to amend the national prohibition act, as supplemented, to conform with the eighteenth constitutional amendment by limiting the prohibition to intoxicating liquors for beverage purposes;

A bill (S. 310) to amend the national prohibition act, as supplemented, to conform with the eighteenth constitutional amendment by permitting the use of alcoholic liquors for medicinal purposes; and

A bill (S. 311) to amend the Federal corrupt practices act, 1925, approved February 28, 1925, by prohibiting the acceptance of certain contributions, and for other purposes; to the Committee on the Judiciary.

A bill (S. 312) for the relief of Toberman Grain Co., successors to Toberman, Mackey & Co., St. Louis, Mo.; and

A bill (S. 313) for the relief of certain newspapers for advertising services rendered the Public Health Service of the Treasury Department; to the Committee on Claims.

A bill (S. 314) to amend the national prohibition act, as amended and supplemented, in respect of the definition of intoxicating liquor; to the Committee on the Judiciary.

A bill (S. 315) for the relief of Lemuel Simpson; and

A bill (S. 316) for the relief of Frank Merritt (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 317) granting an increase of pension to Francis W. Mudd;

A bill (S. 318) granting a pension to Mary J. Hahn (with accompanying papers);

A bill (S. 319) granting a pension to Mollie C. Miller (with accompanying papers);

A bill (S. 320) granting a pension to Herman Reissenbigler (with accompanying papers);

A bill (S. 321) granting an increase of pension to Sarah F. Waid (with accompanying papers); and

A bill (S. 322) granting a pension to Andrew J. Lowe (with accompanying papers); to the Committee on Pensions.

By Mr. BULKLEY:

A bill (S. 323) granting compensation to Harriet M. MacDonald; to the Committee on Finance.

A bill (S. 324) for the relief of Junius A. Bandy; and

A bill (S. 325) to correct the military record of Frank A. Post; to the Committee on Naval Affairs.

A bill (S. 326) for the relief of Julia Kerr O'Bleness;

A bill (S. 327) to reimburse the estate of Mary Agnes Roden;

A bill (S. 328) for the relief of Martin J. Hayes; and

A bill (S. 329) for the relief of Beatrice I. Manges; to the Committee on Claims.

A bill (S. 330) for the relief of Edward I. Burg;

A bill (S. 331) to correct the military record of Leslie D. Callahan;

A bill (S. 332) to correct the military record of Samson Davis;

A bill (S. 333) for the relief of Edward Delaney;

A bill (S. 334) for the relief of George Evans;

A bill (S. 335) for the relief of Dock Leach;

A bill (S. 336) for the relief of Charles J. Naudascher;

A bill (S. 337) for the relief of Homer D. Neimeister;

A bill (S. 338) for the relief of John Ralston;

A bill (S. 339) for the relief of Michael Patrick Sullivan;

A bill (S. 340) for the relief of Edward Tomlinson; and

A bill (S. 341) to correct the military record of Robert Williamson; to the Committee on Military Affairs.

A bill (S. 342) granting an increase of pension to Melise Wise;

A bill (S. 343) granting an increase of pension to Tabitha Alkire;

A bill (S. 344) granting an increase of pension to Josephine Wilson;

A bill (S. 345) granting an increase of pension to Margaret E. Wells;

A bill (S. 346) granting an increase of pension to Jane West;

A bill (S. 347) granting a pension to Osten L. Smith;

A bill (S. 348) granting a pension to Chester Shartzer;

A bill (S. 349) granting an increase of pension to Mary Roby;

A bill (S. 350) granting an increase of pension to Kate Ann McGinnis;

A bill (S. 351) granting an increase of pension to Sarah N. Houseman;

A bill (S. 352) granting a pension to James Forsha;

A bill (S. 353) granting a pension to Edward Brennenstuhl; and

A bill (S. 354) granting an increase of pension to Roscoe W. Barker; to the Committee on Pensions.

By Mr. GLENN:

A bill (S. 355) providing for the participation of the United States in A Century of Progress (the Chicago World's Fair Centennial Celebration), to be held at Chicago, Ill., in 1933, authorizing an appropriation therefor, and for other purposes; to the Committee on the Library.

A bill (S. 356) for the relief of Wilbur Rogers;

A bill (S. 357) for the relief of Joseph Duncan Smedberg;

A bill (S. 358) for the relief of Charles W. Lingle;

A bill (S. 359) for the relief of Arch Boyles; and

A bill (S. 360) for the relief of Edward A. Burkett; to the Committee on Military Affairs.

A bill (S. 361) for the relief of Mary E. Stebbins (with accompanying papers);

A bill (S. 362) for the relief of the First National Bank of Marissa, Marissa, Ill.;

A bill (S. 363) for the relief of Nannie Swearingen;

A bill (S. 364) for the relief of Louis Alfano;

A bill (S. 365) for the relief of John S. Goehe (with accompanying papers);

A bill (S. 366) for the relief of Dr. Luis H. DeBayle (with accompanying papers);

A bill (S. 367) for the relief of Paul D. May; and

A bill (S. 368) for the relief of Joliet National Bank, Commercial Trust & Savings Bank, and H. William, John J., Edward F., and Ellen C. Sharpe; to the Committee on Claims.

A bill (S. 369) granting an increase of pension to Almera I. Chiles (with accompanying papers);

A bill (S. 370) granting an increase of pension to Ann M. Stead (with accompanying papers);

A bill (S. 371) granting a pension to Eugene T. Wolldridge;

A bill (S. 372) granting a pension to Charles E. Ballard (with accompanying papers);

A bill (S. 373) granting a pension to Nellie Vance (with accompanying papers);

A bill (S. 374) granting a pension to Willard W. Nims (with accompanying papers);

A bill (S. 375) granting a pension to John T. Kemp (with accompanying papers);

A bill (S. 376) granting a pension to Agnes M. Sexton (with accompanying papers);

A bill (S. 377) granting a pension to J. S. Clyde Baldwin (with accompanying papers);

A bill (S. 378) granting an increase of pension to Elizabeth Caulk (with accompanying papers);

A bill (S. 379) granting a pension to Leo Charles Foreman (with accompanying papers);

A bill (S. 380) granting an increase of pension to Mary J. Goodson (with accompanying papers);

A bill (S. 381) granting a pension to Bert Hillis (with accompanying papers);

A bill (S. 382) granting an increase of pension to Elzira Darnell (with accompanying papers);

A bill (S. 383) granting a pension to John G. Smith (with accompanying papers);

A bill (S. 384) granting an increase of pension to Eliza J. Young (with accompanying papers);

A bill (S. 385) granting a pension to Thomas Wright (with accompanying papers);

A bill (S. 386) granting an increase of pension to Charles Diesron (with accompanying papers); and

A bill (S. 387) granting an increase of pension to David C. McDonald (with accompanying papers); to the Committee on Pensions.

By Mr. COUZENS:

A bill (S. 388) for the relief of James A. Bibby; to the Committee on Naval Affairs.

By Mr. NORBECK:

A bill (S. 389) for the relief of farmers in the drought and/or storm stricken areas of the United States; to the Committee on Agriculture.

By Mr. DAVIS:

A bill (S. 390) to transfer Schuylkill County from the eastern to the middle district of Pennsylvania; to the Committee on the Judiciary.

A bill (S. 391) granting an increase of pension to Margaret Campion;

A bill (S. 392) granting a pension to Robert Shantz;

A bill (S. 393) granting a pension to Etta Taylor;

A bill (S. 394) granting a pension to Sadie A. Fry;

A bill (S. 395) granting a pension to John E. Crane;

A bill (S. 396) granting a pension to Jacob Franklin Dale; and

A bill (S. 397) granting a pension to Alice McCoy; to the Committee on Pensions.

A bill (S. 398) for the relief of Albert A. Taney; and

A bill (S. 399) for the relief of Henry A. Hart; to the Committee on Military Affairs.

A bill (S. 400) for the relief of Joseph M. McCullough; to the Committee on Finance.

By Mr. AUSTIN:

A bill (S. 401) granting a pension to Frederick D. Ranney; to the Committee on Pensions.

A bill (S. 402) for the relief of Nelson King; to the Committee on Military Affairs.

By Mr. WALSH of Montana:

A bill (S. 403) for the relief of Bessie Marshall Whitcomb;

A bill (S. 404) for the relief of Charles Callender;

A bill (S. 405) for the relief of Edward T. Moran; and

A bill (S. 406) to correct the military record of William McCormick; to the Committee on Military Affairs.

A bill (S. 407) for the relief of Stella M. Musselman;

A bill (S. 408) for the relief of James F. Coyle;

A bill (S. 409) for the relief of Guy Clatterbuck;

A bill (S. 410) authorizing the Court of Claims to investigate and determine the facts in connection with the claim of the First National Bank of Billings, Mont.;

A bill (S. 411) for the relief of George N. Paige;

A bill (S. 412) for the relief of Frank B. Hawley;

A bill (S. 413) for the relief of William F. Brockschmidt; and

A bill (S. 414) for the relief of Josephene M. Scott; to the Committee on Claims.

A bill (S. 415) granting an increase of pension to Johanna McElliott; and

A bill (S. 416) granting a pension to Ruth H. Cameron; to the Committee on Pensions.

By Mr. BINGHAM:

A bill (S. 417) to provide a government for American Samoa;

A bill (S. 418) to extend the admiralty laws of the United States of America to the Virgin Islands; and

A bill (S. 419) to amend section 319 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909; to the Committee on Territories and Insular Affairs.

A bill (S. 420) to authorize enlisted men of the Coast Guard to count service in the Marine Corps for the purposes of longevity pay; and

A bill (S. 421) to provide for the air marking of certain Government buildings; to the Committee on Commerce.

A bill (S. 422) to regulate the use and sale of wood alcohol; and

A bill (S. 423) to enable physicians to prescribe malt liquors for medicinal purposes; to the Committee on the Judiciary.

A bill (S. 424) to amend section 5 of the act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900; and

A bill (S. 425) to authorize enlargement of the Veterans' Bureau hospital in the State of Connecticut; to the Committee on Finance.

A bill (S. 426) regulating the use of appropriations for the military and nonmilitary activities of the War Department;

A bill (S. 427) authorizing appropriations for the construction of a highway in the Hawaiian Islands;

A bill (S. 428) to provide for the payment of awards by the Patents and Design Board;

A bill (S. 429) for recognizing aviation accomplishments;

A bill (S. 430) for the relief of Leslie E. Babcock; and

A bill (S. 431) authorizing the Secretary of War to acquire lands in the vicinity of the Washington Airport and to construct a roadway thereon; to the Committee on Military Affairs.

A bill (S. 432) granting permission to Harold I. June to transfer to the Fleet Reserve of the United States Navy; and

A bill (S. 433) to authorize the posthumous award of a distinguished-flying cross to Eugene B. Ely; to the Committee on Naval Affairs.

A bill (S. 434) to amend the immigration act of 1924; and

A bill (S. 435) to amend section 4 of the immigration act of 1924, as amended; to the Committee on Immigration.

A bill (S. 436) to amend the national prohibition act, as amended and supplemented, in respect to the definition of intoxicating liquor; to the Committee on Manufactures.

A bill (S. 437) to require contractors on public building projects to name their subcontractors, material men, and supply men, and for other purposes; to the Committee on Education and Labor.

A bill (S. 438) granting a pension to Julia Schultz (with accompanying papers); to the Committee on Pensions.

By Mr. METCALF:

A bill (S. 439) for the relief of A. C. Messler Co. (with accompanying papers); to the Committee on Claims.

A bill (S. 440) for the relief of Lillian G. Frost; to the Committee on Foreign Relations.

A bill (S. 441) granting an increase of pension to S. Audella Burdick;

A bill (S. 442) granting an increase of pension to E. Addie Wood;

A bill (S. 443) granting an increase of pension to Sally A. I. Francis;

A bill (S. 444) granting an increase of pension to Sarah Flier (with accompanying papers);

A bill (S. 445) granting an increase of pension to Florence A. Bowman (with accompanying papers);

A bill (S. 446) granting an increase of pension to Charlotte E. Patt (with accompanying papers);

A bill (S. 447) granting an increase of pension to Delphine K. Shepardson (with accompanying papers);

A bill (S. 448) granting an increase of pension to Fanny L. Johnson (with accompanying papers);

A bill (S. 449) granting an increase of pension to Sarah Kenyon; and

A bill (S. 450) granting an increase of pension to Emma F. Simpson (with accompanying papers); to the Committee on Pensions.

By Mr. THOMAS of Idaho:

A bill (S. 451) to provide for the construction of a storage reservoir in the Snake River in Swan Valley, Bonneville County, Idaho, to furnish a supplementary water supply for irrigation projects and for flood control;

A bill (S. 452) to authorize the Secretary of the Interior to make engineering and economic investigations and studies of conditions on the Twin Falls-Oakley irrigation project in Cassia County, Idaho;

A bill (S. 453) to authorize the Secretary of the Interior to make engineering and economic investigations and studies of conditions on the Twin Falls-Salmon River irrigation project in Twin Falls County, Idaho, and for other purposes;

A bill (S. 454) for the rehabilitation of the Little Wood River project, north of Carey, Idaho;

A bill (S. 455) for the rehabilitation of the Big Lost River project, Idaho; and

A bill (S. 456) to provide for the construction of works for the storage of water to furnish a supplementary supply for irrigation projects, the protection and development of the streams and for flood control in the public-land States, and for other purposes; to the Committee on Irrigation and Reclamation.

A bill (S. 457) authorizing an addition to the Cache National Forest, Idaho; to the Committee on Agriculture and Forestry.

A bill (S. 458) for the relief of C. M. Williamson, Mrs. C. E. Liljenquist, administratrix, Lottie Redman, and H. N. Smith; to the Committee on Claims.

By Mr. REED:

A bill (S. 459) to incorporate the American Gold Star Mothers; to the Committee on the Judiciary.

A bill (S. 460) to give war-time commissioned rank to retired enlisted men; and

A bill (S. 461) to amend the act entitled "An act to give war-time rank to retired officers and former officers of the Army, Navy, Marine Corps, and/or Coast Guard of the United States," approved June 21, 1930, so as to give class B officers of the Army the benefits of such act; to the Committee on Military Affairs.

A bill (S. 462) for the relief of certain officers of the Dental Corps of the United States Navy; to the Committee on Naval Affairs.

(By request.) A bill (S. 463) for the relief of Adelaide Biddle Stark;

A bill (S. 464) for the relief of the Allegheny Forging Co.;

A bill (S. 465) for the relief of William H. Holmes;

A bill (S. 466) for the relief of Allegheny Forging Co.;

A bill (S. 467) to authorize the Court of Claims of the United States to hear and determine the claim of Samuel W. Carter; and

A bill (S. 468) for the relief of the estate of Benjamin Braznell; to the Committee on Claims.

A bill (S. 469) granting a pension to Thomas W. Johnston (with accompanying papers);

A bill (S. 470) granting an increase of pension to Mandilla Nitchman (with accompanying papers);

A bill (S. 471) granting an increase of pension to Annie Holliday (with accompanying papers);

A bill (S. 472) granting an increase of pension to Martha Stonesifer (with accompanying papers);

A bill (S. 473) granting an increase of pension to Florence E. Moseley (with accompanying papers); and

A bill (S. 474) granting a pension to William Johnson (with an accompanying paper); to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 475) to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; and

A bill (S. 476) for the relief of certain purchasers of lots in Harding Townsite, Fla.; to the Committee on Public Lands and Surveys.

A bill (S. 477) for the relief of Walter J. Bryson Paving Co.; and

A bill (S. 478) for the relief of Cicero A. Hilliard; to the Committee on Claims.

A bill (S. 479) authorizing the modification of certain contracts for the sale of surplus military reservations; and

A bill (S. 480) for the relief of Peter C. Hains, jr.; to the Committee on Military Affairs.

By Mr. WHITE:

A bill (S. 481) to amend the radio act of 1927, approved February 23, 1927, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 482) relating to the carriage of goods by sea;

A bill (S. 483) to amend section 4580 of the Revised Statutes of the United States respecting the liability of vessels for the care of seamen guilty of certain offenses;

A bill (S. 484) to define more clearly the authority of consular officers of the United States in certain respects; and

A bill (S. 485) to amend section 4581 of the Revised Statutes of the United States to provide more adequately for the discharge, maintenance, and repatriation of seamen in foreign ports; to the Committee on Commerce.

A bill (S. 486) conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the 4-masted auxiliary bark *Quevilly* against the United States, and for other purposes;

A bill (S. 487) for the relief of Herbert G. Black, owner of the schooner *Oakwoods*, and Clark Coal Co., owner of the cargo of coal on board said schooner;

A bill (S. 488) for the relief of Dr. W. H. Parsons; and

A bill (S. 489) for the relief of Earl Bedford Tracy; to the Committee on Claims.

A bill (S. 490) granting a pension to Blanche L. Preble;

A bill (S. 491) granting a pension to George N. Butler;

A bill (S. 492) granting an increase of pension to Laura E. Young; and

A bill (S. 493) granting a pension to Benjamin F. Howatt; to the Committee on Pensions.

By Mr. GEORGE:

A bill (S. 494) to provide for inspection and grading of tobacco by experts from the Department of Agriculture, and for other purposes; to the Committee on Agriculture.

A bill (S. 495) to limit the time for bringing suit on the bonds of clerks of United States district courts;

A bill (S. 496) to establish a retirement and disability service for clerks, deputy clerks, and clerical assistants of the United States circuit courts of appeals, and clerks, deputy clerks, and clerical assistants of the district courts of the United States; and

A bill (S. 497) relating to the salaries of clerks of United States district courts, their deputies and assistants, who are appointed United States commissioners; to the Committee on the Judiciary.

A bill (S. 498) to provide for the collection and publication of statistics of peanuts and peanut oil by the Secretary of Agriculture, and for other purposes; to the Committee on Agriculture.

A bill (S. 499) authorizing the erection by the National Masonic Memorial Association of a memorial building at Fort Benning, Ga.; to the Committee on Military Affairs.

A bill (S. 500) granting an increase of pension to Myrtle Pounds Williams; to the Committee on Pensions.

A bill (S. 501) for the relief of the New York & Baltimore Transportation Line; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 502) authorizing an appropriation to enable the Secretary of Agriculture to cooperate with the experiment station of the Panhandle Agricultural and Mechanical College, located at Goodwell, Okla.; and

A bill (S. 503) providing for the improvement and extension of the game-breeding and refuge areas in the Wichita National Forest and Game Preserve in the State of Oklahoma, and authorizing appropriations therefor; to the Committee on Agriculture.

A bill (S. 504) authorizing the District Court of the United States for the Eastern District of Oklahoma to hear and

determine certain claims of the Seminole Nation or Tribe of Indians; to the Committee on the Judiciary.

A bill (S. 505) for the relief of Walter S. Rodgers; to the Committee on Finance.

A bill (S. 506) granting an increase of pension to Karl Lowry;

A bill (S. 507) granting an increase of pension to Charles Morse;

A bill (S. 508) granting a pension to Isabelle H. Redfield;

A bill (S. 509) granting an increase of pension to Katie F. Finch;

A bill (S. 510) granting a pension to Sarah E. Langston;

A bill (S. 511) granting a pension to Catherine A. Miller;

A bill (S. 512) granting a pension to Rose Wiedman;

A bill (S. 513) granting a pension to Sarah Hammons;

A bill (S. 514) granting a pension to Eva Diven; and

A bill (S. 515) to grant increased pensions to certain survivors of the Indian wars; to the Committee on Pensions.

A bill (S. 516) for the relief of J. H. Baker;

A bill (S. 517) for the relief of Fanny M. Crosby;

A bill (S. 518) for the relief of Beryl Elliott;

A bill (S. 519) for the relief of A. W. Holland;

A bill (S. 520) for the relief of Charles B. Johnson;

A bill (S. 521) for the relief of Blanche E. Little, individually and as assignee of Alice T. Johnson and Andrew W. Little;

A bill (S. 522) for the relief of David E. Jones;

A bill (S. 523) for the relief of Elisha H. Long;

A bill (S. 524) for the relief of N. B. Payne;

A bill (S. 525) for the relief of William Sheldon;

A bill (S. 526) for the relief of George E. Casey;

A bill (S. 527) for the relief of Elizabeth Casteel; and

A bill (S. 528) for the relief of Porter Bros. & Biffle and certain other citizens; to the Committee on Claims.

A bill (S. 529) for the relief of Guy Swan; to the Committee on Naval Affairs.

A bill (S. 530) for the relief of John R. Thigpen (with accompanying papers);

A bill (S. 531) for the relief of Walter P. Hagan;

A bill (S. 532) for the relief of Jacob Amberg;

A bill (S. 533) for the relief of Sidney M. Blackburn;

A bill (S. 534) for the relief of John Hamilton;

A bill (S. 535) to correct the military record of James Luther Hammon;

A bill (S. 536) for the relief of George H. Holman;

A bill (S. 537) for the relief of William A. Hynes;

A bill (S. 538) for the relief of John Martin;

A bill (S. 539) for the relief of Emma Page;

A bill (S. 540) for the relief of Lucius K. Osterhout;

A bill (S. 541) for the relief of William G. Phelps;

A bill (S. 542) for the relief of Denton L. Sims;

A bill (S. 543) for the relief of William Smith; and

A bill (S. 544) for the relief of Henry Winkler; to the Committee on Military Affairs.

By Mr. VANDENBERG:

A bill (S. 545) relating to the security required of banks acting as depositories of postal savings funds; to the Committee on Post Offices and Post Roads.

A bill (S. 546) to amend the seventh paragraph of section 13 of the Federal reserve act, as amended (relating to advances to member banks on their promissory notes); and

A bill (S. 547) to amend the second paragraph of section 16 of the Federal reserve act, as amended (relating to collateral securing Federal reserve notes); to the Committee on Banking and Currency.

A bill (S. 548) to amend section 268 of the Judicial Code; to the Committee on the Judiciary.

A bill (S. 549) authorizing the Smithsonian Institution to purchase certain relics from Hannibal Allen Hopkins; to the Committee on the Library.

A bill (S. 550) for the relief of Lewis Marion Hall; to the Committee on Naval Affairs.

A bill (S. 551) for the relief of Blanch Broomfield; and

A bill (S. 552) for the relief of Anna W. Dennert; to the Committee on Claims.

A bill (S. 553) granting an increase of pension to Marie Piatt Wilson; and

A bill (S. 554) granting a pension to Wesley H. Crockett; to the Committee on Pensions.

By Mr. HULL:

A bill (S. 555) to repeal the so-called flexible tariff provision; to the Committee on Finance.

A bill (S. 556) to extend the times for commencing and completing the construction of a bridge across the Elk River at or near Kelso, Tenn.;

A bill (S. 557) granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the French Broad River on the Dandridge-Newport road in Jefferson County, Tenn.; and

A bill (S. 558) granting the consent of Congress to the Highway Department of the State of Tennessee to construct a bridge across the French Broad River on the proposed Morristown-Newport road between Jefferson and Cocke Counties, Tenn.; to the Committee on Commerce.

By Mr. PATTERSON:

A bill (S. 559) to provide for the appointment of an additional district judge for the western district of Missouri; and

A bill (S. 560) to make permanent the additional offices of district judge created for the eastern and western districts of Missouri; to the Committee on the Judiciary.

A bill (S. 561) relating to fraudulent voting at certain congressional elections; to the Committee on Privileges and Elections.

By Mr. GOLDSBOROUGH:

A bill (S. 562) to regulate leaves of absence of employees of the navy yards, gun factories, naval stations, and arsenals of the United States Government; to the Committee on Civil Service.

A bill (S. 563) for the relief of George T. Johnson & Sons;

A bill (S. 564) for the relief of the Charlestown Sand & Stone Co., of Elkton, Md.; and

A bill (S. 565) for the relief of the B. & O. Manufacturing Co.; to the Committee on Claims.

A bill (S. 566) for the relief of William H. Lloyd, jr.; and

A bill (S. 567) to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. certain tracts of land situate in the county of Harford and State of Maryland; to the Committee on Military Affairs.

A bill (S. 568) granting a pension to Medora E. Bailey (with accompanying papers); and

A bill (S. 569) granting a pension to Elizabeth E. Caskey (with accompanying papers); to the Committee on Pensions.

A bill (S. 570) to exempt from taxation certain property of the National Society of the Colonial Dames of America, in the District of Columbia; and

A bill (S. 571) for the relief of Jennie Bruce Gallahan; to the Committee on the District of Columbia.

By Mr. JONES:

A bill (S. 572) to provide that the United States shall cooperate with the States in promoting the general health of the rural population of the United States and the welfare and hygiene of mothers and children; and

A bill (S. 573) granting the consent of Congress for the construction of a bridge across Clarks Fork River, near Ione, Pend Oreille County, in the State of Washington; to the Committee on Commerce.

A bill (S. 574) for the relief of Kitsap County, in the State of Washington;

A bill (S. 575) authorizing appropriations for purchase of additional water supply for Yakima Indian Reservation, Wash.; and

A bill (S. 576) authorizing an appropriation for the construction of a highway across the Yakima Indian Reservation, in the State of Washington; to the Committee on Indian Affairs.

A bill (S. 577) authorizing the enlargement of the site for the immigration station at Seattle, Wash.; to the Committee on Public Buildings and Grounds.

A bill (S. 578) giving preference to honorably discharged members of the Philippine Constabulary in making civil appointments; and

A bill (S. 579) placing assayers under the civil service, and for other purposes; to the Committee on Civil Service.

A bill (S. 580) to authorize the Secretary of the Navy to proceed with the construction of a machine-shop building at the United States navy yard, Puget Sound, Wash.; to the Committee on Naval Affairs.

A bill (S. 581) granting an increase of pension to Ann Carman (with accompanying papers);

A bill (S. 582) granting an increase of pension to Lillian I. Bartlett (with accompanying papers);

A bill (S. 583) granting an increase of pension to John S. Monahan (with accompanying papers); and

A bill (S. 584) granting an increase of pension to Jasper N. McClain (with accompanying papers); to the Committee on Pensions.

A bill (S. 585) for the relief of the Lake Chelan reclamation district; to the Committee on Claims.

(By request.) A bill (S. 586) amending the interstate commerce act by adding a new section, to be known as section 28; to the Committee on Interstate Commerce.

By Mr. McKELLAR:

A bill (S. 587) for the relief of Erite Jones and Melissa Williams;

A bill (S. 588) to amend the World War veterans' act, 1924; and

A bill (S. 589) providing insurance relief for certain World War soldiers; to the Committee on Finance.

A bill (S. 590) for the relief of Raymond Nelson Hickman; and

A bill (S. 591) relative to retired pay to Rear Admiral J. K. Robinson; to the Committee on Naval Affairs.

A bill (S. 592) interpreting the construction to be placed upon the words "child" and "children" as used in certain sections of the acts approved May 18, 1920, June 10, 1922, and June 1, 1926;

A bill (S. 593) authorizing the President of the United States to appoint Sergt. Alvin C. York as a captain in the United States Army and then place him on the retired list;

A bill (S. 594) to amend an act entitled "An act to amend an act entitled 'An act for making further and more effectual provisions for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920;

A bill (S. 595) for the relief of W. C. Redman;

A bill (S. 596) to equalize the promotion list of the Regular Army;

A bill (S. 597) relative to discharges of certain soldiers and sailors who served in the war with Germany;

A bill (S. 598) authorizing the President to appoint J. H. S. Morison to the position and rank of major, Medical Corps, in the United States Army;

A bill (S. 599) to correct the military record of Thomas H. Nolley; and

A bill (S. 600) authorizing the acquisition of land and suitably marking the site of the Battle of Franklin, Tenn.; to the Committee on Military Affairs.

A bill (S. 601) authorizing the acquiring of sites and the erection of post-office buildings;

A bill (S. 602) for the purchase of a post-office site and the erection thereon of a suitable public building at Dickson, Tenn.;

A bill (S. 603) for the purchase of a post-office site and the erection thereon of a suitable public building at Manchester, Tenn.;

A bill (S. 604) to provide for the acquisition of a site and the erection thereon of a public building at Ripley, Tenn.;

A bill (S. 605) to provide for the acquisition of a site and the erection thereon of a public building at Trenton, Tenn.;

A bill (S. 606) to provide for the acquisition of a site and the erection thereon of a public building at Milan, Tenn.; and

A bill (S. 607) for the purchase of a post-office site and the erection thereon of a suitable public building at Brownsville, Tenn.; to the Committee on Public Buildings and Grounds.

A bill (S. 608) for the relief of certain Tennessee landowners along the Tennessee River;

A bill (S. 609) for the relief of Meyer Morris;

A bill (S. 610) for the relief of the Anderson-Tully Co.;

A bill (S. 611) for the relief of the city of Bristol, Tenn.;

A bill (S. 612) for the relief of Harlow S. Dixon and Sophia Hunter Dixon;

A bill (S. 613) for the relief of Mrs. O. K. Joplin;

A bill (S. 614) for the relief of Eureka Cotton Mills;

A bill (S. 615) to carry into effect the findings of the Court of Claims in matter of the claim of the Overton Hotel Co.;

A bill (S. 616) for the relief of John J. Tatum;

A bill (S. 617) for the relief of Franklin Lodge, No. 4, Independent Order of Odd Fellows, of Franklin, Tenn.;

A bill (S. 618) for the relief of Charles Whitaker; and

A bill (S. 619) for the relief of the legal representatives of Enoch Ensley, deceased; to the Committee on Claims.

A bill (S. 620) to pay money-order cashiers the same compensation as postal cashiers;

A bill (S. 621) to repeal section 7 of the postal act, approved May 29, 1928; and

A bill (S. 622) allowing credit to postal and substitute postal employees for time served in the Army, Navy, or Marine Corps of the United States; to the Committee on Post Offices and Post Roads.

A bill (S. 623) providing for the payment by the Government of attorneys' fees in certain suits growing out of governmental insurance policies issued to service men or ex-service men; to the Committee on Finance.

A bill (S. 624) to safeguard the distribution and sale of articles, commonly known as antifreeze, in interstate and foreign commerce; to the Committee on Interstate Commerce.

A bill (S. 625) declaring the Obey River, in the State of Tennessee, a nonnavigable stream;

A bill (S. 626) to amend an act entitled "An act to create a Federal Power Commission; to provide for the improvement of navigation, the development of water power, the use of the public lands in relation thereto; and to repeal section 18 of the river and harbor appropriation act, approved August 8, 1917, and for other purposes," which act was approved June 10, 1920, and for other purposes;

A bill (S. 627) to amend the act entitled "An act for the control of floods of the Mississippi River and its tributaries, and for other purposes," approved May 15, 1928, in respect of lands overflowed or damaged by reason of the construction of levees;

A bill (S. 628) relative to ocean mail contracts; and

A bill (S. 629) authorizing an appropriation for the establishment of a fish-cultural station at Reelfoot Lake, in Obion County, Tenn.; to the Committee on Commerce.

A bill (S. 630) relative to the acquisition of oil lands by foreign governments; and

A bill (S. 631) for the relief of Alice M. A. Damm; to the Committee on Foreign Relations.

A bill (S. 632) for the erection of tablets or markers and the commemoration of Camp Blount and the Old Stone Bridge, Lincoln County, Tenn.;

A bill (S. 633) to erect a monument to the memory of Gen. William Campbell in Smythe County, Va.;

A bill (S. 634) authorizing an appropriation to aid the State of Tennessee in the erection of a monument to James Lewis; and

A bill (S. 635) for the erection of tablets or markers at Camp Blount, Lincoln County, Tenn.; to the Committee on the Library.

A bill (S. 636) to incorporate the International Association of Rotary Clubs, and for other purposes;

A bill (S. 637) to amend section 259 of the Judicial Code;

A bill (S. 638) to amend subsection 3 of section 3220 of the Revised Statutes, as amended, relating to claims for refunds of taxes;

A bill (S. 639) to amend section 725 of the Revised Statutes to provide a jury trial in cases of contempt committed outside the presence of the court;

A bill (S. 640) to amend section 648 of the Revised Statutes regulating the procedure in civil and criminal cases triable by jury;

A bill (S. 641) to amend section 250 of the Code of the United States (Judicial Code, sec. 145) by adding a new section (sec. 4); and

A bill (S. 642) to amend the corrupt practices act by extending the same to candidates for nomination and election to the offices of Representative and Senator in the Congress of the United States, and for other purposes; to the Committee on the Judiciary.

A bill (S. 643) to authorize the creation of organized rural communities to demonstrate methods of reclamation and benefits of planned rural development; to the Committee on Agriculture and Forestry.

A bill (S. 644) authorizing negotiations and providing for the construction, maintenance, and operation of an interoceanic canal over Nicaraguan territory, and for other purposes; to the Committee on Interoceanic Canals.

A bill (S. 645) granting an increase of pension to Elizabeth Painter Menoher; to the Committee on Pensions.

A bill (S. 646) prohibiting the Public Utilities Commission of the District of Columbia from fixing rates of fare for the street-railway companies in the District of Columbia at rates in excess of those stipulated in their charters; and

A bill (S. 647) to repeal section 8 of the District of Columbia appropriation act approved March 4, 1913, as amended, creating the Public Utilities Commission of the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 648) granting pensions and increase of pensions to certain soldiers, sailors, and nurses of the war with Spain, the Philippine insurrection, or the China relief expedition, and for other purposes;

A bill (S. 649) granting a pension to Harry G. Brockus (with accompanying papers); and

A bill (S. 650) granting a pension to John W. Riley (with accompanying papers); to the Committee on Pensions.

A bill (S. 651) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; and

A bill (S. 652) to extend the civil service to the Library of Congress; to the Committee on Civil Service.

By Mr. BYRNES:

A bill (S. 653) to abolish the Federal Farm Board, to provide for the discontinuance of surplus-control operations under the agricultural marketing act, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. TRAMMELL:

A bill (S. 654) providing for a survey of the natural oyster beds in the waters within the State of Florida; to the Committee on Commerce.

By Mr. ASHURST:

A bill (S. 655) declaring December 26, 1931, to be a legal holiday in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 656) for the relief of Henry M. Ismond; to the Committee on Naval Affairs.

A bill (S. 657) for the relief of Jeremiah C. Baisley; to the Committee on Military Affairs.

A bill (S. 658) authorizing an appropriation for the construction of a bridge and approaches thereto across the Colorado River in the vicinity of Parker, Ariz.; to the Committee on Indian Affairs.

A bill (S. 659) for the relief of William J. Ryan, chaplain, United States Army; and

A bill (S. 660) for the relief of Hamilton Grounds; to the Committee on Claims.

A bill (S. 661) granting a pension to Willard Fisk Bluett (with accompanying papers);

A bill (S. 662) granting an increase of pension to Edward M. Foltz;

A bill (S. 663) granting a pension to Thomas M. Tingren;

A bill (S. 664) granting a pension to Mary K. Taylor;

A bill (S. 665) granting a pension to Antonio Valderrama; and

A bill (S. 666) granting a pension to Thomas C. Bentley; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 667) for the relief of Henrietta G. Ward;

A bill (S. 668) for the relief of the H. L. Bracken Cylinder Grinding Co.;

A bill (S. 669) for the relief of Chester J. Dick;

A bill (S. 670) for the relief of the estate of John Scowcroft;

A bill (S. 671) for the relief of Joseph H. Wilson;

A bill (S. 672) for the relief of the Utah Fuel Co.;

A bill (S. 673) for the relief of John A. Fox;

A bill (S. 674) for the relief of the sureties and indemnitors of William Roberts, Oren Burke, and Ralph Myers, and of Lilly J. Roberts, as administratrix of William Roberts, deceased;

A bill (S. 675) for the relief of Ernest Mowrey;

A bill (S. 676) for the relief of Rodney C. Allred, Eli J. Clayson, James Trinnaman, jr., Ruel Evans, and Ernest Henley;

A bill (S. 677) for the relief of the Bennion Livestock Co.;

A bill (S. 678) for the relief of Zion's Cooperative Mercantile Institution; and

A bill (S. 679) for the relief of the Great Western Coal Mines Co.; to the Committee on Claims.

A bill (S. 680) to authorize the addition of certain lands to the Manti National Forest;

A bill (S. 681) providing for the sale of certain public lands to the city of Provo, Utah;

A bill (S. 682) granting certain public lands to the State of Utah for reservoir purposes;

A bill (S. 683) to amend section 13, chapter 431, of an act approved June 25, 1910 (36 Stat. L. 855), so as to authorize the Secretary of the Interior to issue trust and final patents on lands withdrawn or classified as power or reservoir sites, with a reservation of the right of the United States or its permittees to enter upon and use any part of such land for reservoir or power-site purposes; and

A bill (S. 684) to authorize the Secretary of War to secure for the United States title to certain private lands contiguous to and within the Militia Target Range Reservation, State of Utah; to the Committee on Public Lands and Surveys.

A bill (S. 685) providing for the release of certain Government liens on lands in irrigation projects; to the Committee on Irrigation and Reclamation.

A bill (S. 686) to suspend the requirements of annual assessment work on mining claims during the assessment years 1931 and 1932;

A bill (S. 687) to provide for the erection of a Federal mineral-industry building at Salt Lake City, Utah; and

A bill (S. 688) authorizing and directing the Secretary of the Treasury to enter into a contract or contracts for the erection and completion of a plant suitable for the investigations of the Bureau of Mines in Salt Lake City, Utah; to the Committee on Mines and Mining.

A bill (S. 689) to create an establishment to be known as the National Archives, and for other purposes;

A bill (S. 690) for the purchase of a site and the erection of a public building at St. George, Utah;

A bill (S. 691) for the purchase of a post-office site at Mount Pleasant, Utah;

A bill (S. 692) to create an establishment to be known as the National Archives, and for other purposes; and

A bill (S. 693) to provide for the selection of sites for public buildings outside of the District of Columbia; to the Committee on Public Buildings and Grounds.

A bill (S. 694) to authorize the sale of interest in lands devised to the United States under the will of Sophie Chanquet;

A bill (S. 695) authorizing additional hospital and domiciliary facilities for veterans of all wars;

A bill (S. 696) to authorize the settlement of the indebtedness of the German Reich to the United States on account of the awards of the Mixed Claims Commission, United

States and Germany, and the costs of the United States army of occupation;

A bill (S. 697) to authorize reimbursement of Dr. B. W. Black, formerly a commissioned officer of the United States Public Health Service, for travel performed subsequent to June 7, 1924, under orders of the Secretary of the Treasury issued prior to that date; and

A bill (S. 698) to amend an act authorizing the incorporation of the Smithsonian Institution; to the Committee on Finance.

A bill (S. 699) to amend the merchant marine act, 1928, as amended, in respect of ocean mail contracts; to the Committee on Commerce.

A bill (S. 700) to amend paragraph (3) and repeal paragraph (4) of section 15 of the interstate commerce act, as amended;

A bill (S. 701) to provide for the compromise and settlement of claims held by the United States of America arising under the provisions of section 210 of the transportation act, 1920, as amended; and

A bill (S. 702) to amend the interstate commerce act, as amended, to permit common carriers to give free carriage or reduced rates to State commissions exercising jurisdiction over common carriers; to the Committee on Interstate Commerce.

A bill (S. 703) for the relief of Edwin Rodman; and

A bill (S. 704) to authorize the President, by and with the advice and consent of the Senate, to appoint Lieut. Joseph I. Porter to the Medical Corps of the Navy, in the grade of assistant surgeon, rank of lieutenant (junior grade); to the Committee on Naval Affairs.

A bill (S. 705) granting a pension to Sarah E. Draper (with accompanying papers);

A bill (S. 706) granting a pension to Elisha H. Davis (with accompanying papers);

A bill (S. 707) granting a pension to Sarah B. Ellison (with accompanying papers);

A bill (S. 708) granting a pension to Celestia Snow Gardner (with accompanying papers);

A bill (S. 709) granting a pension to Martha E. Kennard;

A bill (S. 710) granting a pension to Jane B. Muir;

A bill (S. 711) granting a pension to Alma S. Kendall;

A bill (S. 712) granting a pension to Peter C. Peterson;

A bill (S. 713) granting a pension to Caroline H. Adams;

A bill (S. 714) granting an increase of pension to Joseph J. Meyers;

A bill (S. 715) granting a pension to Emma A. Empey; and

A bill (S. 716) granting a pension to Neils Sandberg; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 717) to provide for the establishment and development of American air-transport services overseas, to encourage construction in the United States by American capital of American airships and other aircraft for use in foreign commerce, and other purposes;

A bill (S. 718) authorizing a survey of Coquille River, Oreg.;

A bill (S. 719) authorizing a survey of Columbia River from Tongue Point to the sea;

A bill (S. 720) authorizing the Secretary of War to extend the services and operations of the Inland Waterways Corporation to certain inland water ways and water routes;

A bill (S. 721) authorizing a preliminary examination and survey of Alsea Bay, in the State of Oregon;

A bill (S. 722) authorizing an appropriation of $50,000 for the purchase of the compilation of place names of William G. Steel;

A bill (S. 723) authorizing a preliminary examination and survey of the Yamhill River, Oreg.;

A bill (S. 724) authorizing a preliminary examination and survey of the mouth of the Columbia River;

A bill (S. 725) to provide for preliminary examination and survey to be made of Tillamook Bay and entrance;

A bill (S. 726) granting the consent of Congress to the Sunset Investment Co. to construct, maintain, and operate a dam to retain tidal waters in Inner Depoe Bay, Lincoln County, Oreg.;

A bill (S. 727) granting the consent of Congress to the State of Oregon and the Haynes Slough Drainage District to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into Haynes Slough, Coos Bay, Coos County, Oreg.;

A bill (S. 728) granting the consent of Congress to the State of Oregon and the Beaver Slough Drainage District to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into Beaver Slough, Coquille River, Coos County, Oreg.;

A bill (S. 729) granting the consent of Congress to the State of Oregon and the Larson Slough Drainage District to construct, maintain, and operate a dam and dike to prevent the flow of tidal waters into Larson Slough, Coos Bay, Coos County, Oreg.;

A bill (S. 730) to provide for preliminary examination and survey to be made of the Willamette River and its tributaries, Oregon, with a view to providing a navigable channel from Eugene to Springfield;

A bill (S. 731) for the improvement for fishing purposes of Siltcoos and Takenitch Lakes in the State of Oregon;

A bill (S. 732) establishing a fund for the propagation of salmon in the Columbia River district; and

A bill (S. 733) to amend section 6 of the act entitled "An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes," approved June 30, 1918, to allow retirement of officers and employees of the Lighthouse Service at the age of 65 after 25 years of service; to the Committee on Commerce.

A bill (S. 734) to provide for the acquisition of certain timberlands and the sale thereof to the State of Oregon for recreational and scenic purposes;

A bill (S. 735) to authorize the sale of certain lands to the city of Portland for the protection of the sources of its water supply;

A bill (S. 736) to aid in the establishment of State parks;

A bill (S. 737) to reconvey to the State of Oregon all right, title, and interest of the United States in and to Sand Island, near the mouth of the Columbia River, in the State of Oregon, reserving to the United States the right to the perpetual use of the said land for military purposes;

A bill (S. 738) authorizing the sale of a certain tract of land in the State of Oregon to the Klamath Irrigation District;

A bill (S. 739) authorizing the Secretary of the Interior to convey certain lands to the county of Douglas, Oreg., for park purposes;

A bill (S. 740) authorizing the Secretary of the Interior to grant a patent of certain lands to Truman H. Ide;

A bill (S. 741) relating to the proof of occupancy and possession of public lands, and for other purposes; and

A bill (S. 742) authorizing the adjustment of the boundaries of the Siuslaw National Forest, in the State of Oregon, and for other purposes; to the Committee on the Public Lands.

A bill (S. 743) to provide for the construction of the Deschutes project in Oregon, and for other purposes; and

A bill (S. 744) for the rehabilitation of the Stanfield project, Oregon; to the Committee on Irrigation and Reclamation.

A bill (S. 745) authorizing the erection of a memorial to the Lewis and Clark Expedition at Seaside, Oreg.; and

A bill (S. 746) authorizing an appropriation of $1,000 for the purchase of certain scrapbooks of William G. Steel; to the Committee on the Library.

A bill (S. 747) for the relief of Edward M. Brown; and

A bill (S. 748) for the relief of Frederick R. Sparks; to the Committee on Civil Service.

A bill (S. 749) to authorize the issuance of a special series of stamps commemorative of the one hundredth anniversary of the Old Oregon Trail; to the Committee on Post Offices and Post Roads.

A bill (S. 750) to prohibit the broadcasting of lotteries by radio; to the Committee on Interstate Commerce.

A bill (S. 751) to authorize the distribution to persons admitted to citizenship of the patriotic poster entitled "Look the Truth in the Face"; to the Committee on Immigration.

A bill (S. 752) for the relief of Marinius M. Londahl;

A bill (S. 753) for the relief of Capt. Lloyd S. Spooner, Service Company, Fourth Infantry, United States Army;

A bill (S. 754) for the relief of Lester D. Petteys;

A bill (S. 755) authorizing the appointment of Henry W. Hall, jr., as a second lieutenant in the Regular Army;

A bill (S. 756) for the relief of officers and enlisted men of volunteer organizations mustered into service for the war with Spain and who were held to service in the Philippine Islands after the ratification of the treaty of peace, April 11, 1899;

A bill (S. 757) to amend an act entitled "An act authorizing the Secretary of War to grant the use of the Coos Head Military Reservation, in the State of Oregon, to the cities of Marshfield and North Bend, Oreg., both being municipal corporations, for park purposes;

A bill (S. 758) for the relief of James R. Chapman;

A bill (S. 759) authorizing the President to appoint Richard R. Middlebrooks a second lieutenant in the United States Infantry; and

A bill (S. 760) for the relief of John W. Beck; to the Committee on Military Affairs.

A bill (S. 761) to aid in the maintenance of engineering experiment stations in connection with the colleges established in the several States under the provisions of an act approved July 2, 1862, and of the acts supplemental thereto;

A bill (S. 762) to enable coordinated Federal effort to meet emergencies caused by forest-destroying insects and diseases;

A bill (S. 763) to extend the provisions of the forest exchange act to lands adjacent to the national forests in the State of Oregon;

A bill (S. 764) to increase the proportion of the annual receipts from national forests to be paid to the States for the benefit of the public schools and public roads;

A bill (S. 765) authorizing and directing the Secretary of Agriculture to investigate all phases of crop insurance;

A bill (S. 766) to extend the provisions of the forest exchange law to certain lands adjacent to the Cascade National Forest in Oregon;

A bill (S. 767) authorizing appropriations for the construction and maintenance of improvements necessary for protection of the national forests from fire, and for other purposes;

A bill (S. 768) to amend the migratory bird treaty act with respect to bag limits and more effectively to meet the obligations of the United States under the migratory-bird treaty;

A bill (S. 769) to make the regulations of the Secretary of Agriculture relating to fire trespass on the national forests applicable to lands the title to which revested in the United States by the act approved June 9, 1916 (39 Stat. 218) and to certain other lands known as the Coos Bay Wagon Road lands;

A bill (S. 770) to amend the Alaska game law;

A bill (S. 771) to provide for the consideration of wild-life conservation in connection with the construction of public works or improvement projects;

A bill (S. 772) to authorize the Secretary of Agriculture to sell the Morton nursery site, in the county of Cherry, State of Nebraska; and

A bill (S. 773) to facilitate the use and occupancy of national-forest lands for purposes of residence, recreation, industry, and commerce; to the Committee on Agriculture and Forestry.

A bill (S. 774) granting a pension to Julia Whalen;

A bill (S. 775) to confer certain benefits on certain persons who served under the jurisdiction of the Quartermaster General;

A bill (S. 776) granting a pension to Jesse D. Walker;

A bill (S. 777) granting an increase of pension to Esther Ann Hill Morgan (with accompanying papers);

A bill (S. 778) granting a pension to Charles P. Hagely (with accompanying papers);

A bill (S. 779) granting a pension to Sarah M. Yoder (with accompanying papers);

A bill (S. 780) granting pensions and increase of pensions to certain widows of certain soldiers, sailors, and marines of the Civil War;

A bill (S. 781) granting a pension to Edith Corbit (with accompanying papers);

A bill (S. 782) granting an increase of pension to Harriet A. Pelton (with accompanying papers);

A bill (S. 783) granting an increase of pension to Elmer J. Allard (with accompanying papers);

A bill (S. 784) granting a pension to Julia McBride (with accompanying papers);

A bill (S. 785) granting a pension to Mary Ellen Clark (with accompanying papers); and

A bill (S. 786) granting a pension to Roy L. Darling (with accompanying papers); to the Committee on Pensions.

A bill (S. 787) authorizing an appropriation for the construction of a marine hospital at Portland, Oreg.;

A bill (S. 788) for the relief of Herman Edward Rohwer;

A bill (S. 789) for the relief of W. C. Milligan; and

A bill (S. 790) for the relief of Oliver Victor Riessbeck; to the Committee on Naval Affairs.

A bill (S. 791) for the relief of Clarence J. Burris;

A bill (S. 792) for the relief of Nancy Catherine McBride;

A bill (S. 793) for the relief of Mildred F. Evans and W. A. Evans;

A bill (S. 794) granting an increase of compensation to Tryphosa E. Abrams;

A bill (S. 795) to remit the duty on machinery imported by the State of Oregon for the use of the State flax industry; and

A bill (S. 796) to authorize the erection and equipment of a United States Veterans' Bureau hospital at Klamath Falls, Oreg.; to the Committee on Finance.

A bill (S. 797) for the relief of Thomas M. Hopkins;

A bill (S. 798) for the relief of William Gladstone Steel;

A bill (S. 799) for the relief of Warren Construction Co.;

A bill (S. 800) for the relief of Ellingson & Groskopf (Inc.);

A bill (S. 801) for the relief of F. J. Goodenough;

A bill (S. 802) for the relief of Homer Harrington;

A bill (S. 803) for the relief of Walter Haeper;

A bill (S. 804) for the relief of J. C. Glover;

A bill (S. 805) for the relief of La Roy Young;

A bill (S. 806) for the relief of Michael E. Gaffney;

A bill (S. 807) for the relief of the next of kin of Fred H. Hazard;

A bill (S. 808) for the relief of S. N. Kempton;

A bill (S. 809) for the relief of O. E. Brooks;

A bill (S. 810) for the relief of Josephine R. Briggs;

A bill (S. 811) for the relief of Sophia A. Beers;

A bill (S. 812) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon the claim of Claude H. Glenn;

A bill (S. 813) for the relief of Ethel Glover;

A bill (S. 814) for the relief of Lincoln County, Oreg.;

A bill (S. 815) for the relief of the Fischer Flouring Mills, of Silverton, Oreg.;

A bill (S. 816) for the relief of E. H. Flagg;

A bill (S. 817) granting compensation to George Walthers;

A bill (S. 818) for the relief of the estates of Edwin G. Scott, Clyde R. Dindinger, and Ralph R. Fraley;

A bill (S. 819) for the relief of Robert Wilson;

A bill (S. 820) for the relief of John H. Lindstrom;

A bill (S. 821) for the relief of Theodor Knudson;

A bill (S. 822) for the relief of Mrs. Charles D. Kicher; and

A bill (S. 823) for the relief of Thomas Bilyeu; to the Committee on Claims.

A bill (S. 824) conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands, nations, or tribes of Indians residing in the State of Oregon;

A bill (S. 825) authorizing the enrollment of certain Indians residing in the State of Oregon;

A bill (S. 826) conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands or tribes of Indians residing in the State of Oregon; and

A bill (S. 827) authorizing the Secretary of the Interior to appraise tribal property of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. WALSH of Massachusetts:

A bill (S. 828) granting compensation to David Samuel Goldstein; and

A bill (S. 829) granting compensation to Philip R. Roby; to the Committee on Finance.

A bill (S. 830) for the relief of Marino Ambrogi;

A bill (S. 831) for the relief of Francisco M. Belda;

A bill (S. 832) for the relief of David Wade Cameron;

A bill (S. 833) for the relief of Charles Coates;

A bill (S. 834) for the relief of Michael F. Clark;

A bill (S. 835) for the relief of William H. Connors;

A bill (S. 836) for the relief of Edward T. Costello;

A bill (S. 837) for the relief of Stephen Crotty;

A bill (S. 838) for the relief of John C. Daley;

A bill (S. 839) for the relief of Joseph Faneuf;

A bill (S. 840) for the relief of William H. Fleming;

A bill (S. 841) for the relief of Arthur B. Giroux;

A bill (S. 842) for the relief of Joseph Gorman;

A bill (S. 843) for the relief of Frank P. Hoyt;

A bill (S. 844) for the relief of John Jakmauh;

A bill (S. 845) for the relief of Gaston M. Janson;

A bill (S. 846) for the relief of Thomas F. Kenney;

A bill (S. 847) for the relief of Hector J. Langelier;

A bill (S. 848) for the relief of Albert A. Marquardt;

A bill (S. 849) for the relief of Thomas J. McDonald;

A bill (S. 850) for the relief of Michael J. Moran;

A bill (S. 851) for the relief of Hector H. Perry;

A bill (S. 852) for the relief of Henry Poole;

A bill (S. 853) for the relief of William H. Rouncevill;

A bill (S. 854) for the relief of Patrick J. Sullivan;

A bill (S. 855) for the relief of William Ray Taplin;

A bill (S. 856) for the relief of William Thibeault;

A bill (S. 857) for the relief of Robert H. Wilder;

A bill (S. 858) to provide for the retirement of August Wolters as a first sergeant in the United States Army; and

A bill (S. 859) for the advancement on the retired list of the Army of certain enlisted men; to the Committee on Military Affairs.

A bill (S. 860) for the relief of William Girard Joseph Bennett;

A bill (S. 861) for the relief of Arthur William Buckley;

A bill (S. 862) for the relief of Michael F. Calnan;

A bill (S. 863) for the relief of Edgar Joseph Casey;

A bill (S. 864) for the relief of Thomas Edward Connors;

A bill (S. 865) for the relief of Charles F. Dalton;

A bill (S. 866) for the relief of Thomas Francis Donoghue;

A bill (S. 867) for the relief of Frank D. Evans;

A bill (S. 868) for the relief of Edward A. Everett;

A bill (S. 869) for the relief of Patrick E. Farrelly;

A bill (S. 870) for the relief of William Edward Fitzgerald;

A bill (S. 871) for the relief of John Henry Fouhey;

A bill (S. 872) for the relief of Ray Funcannon;

A bill (S. 873) for the relief of Adolph Amilia Gathemann;

A bill (S. 874) for the relief of Ralph Martin George;

A bill (S. 875) for the relief of James Thomas Healy;

A bill (S. 876) for the relief of Gilbert Dennison Huntington;

A bill (S. 877) for the relief of Casimir Kaczorowski;

A bill (S. 878) for the relief of Dominick Edward Lepore;

A bill (S. 879) authorizing the Secretary of the Navy to advance on the retired list of the Navy David J. Mahoney, retired, to chief boilermaker, retired;

A bill (S. 880) for the relief of Eugene Nicolis Malgieri;

A bill (S. 881) for the relief of Thomas Joseph Malloy;

A bill (S. 882) for the relief of Edward Joseph Manning;

A bill (S. 883) for the relief of Albert Alexander Mathieson;

A bill (S. 884) for the relief of Napoleon Moran;

A bill (S. 885) for the relief of George Whittier Morse;

A bill (S. 886) for the relief of Elmer Lester Prew;

A bill (S. 887) for the relief of John W. Reardon;

A bill (S. 888) for the relief of Alvin Reaman Schmidt;

A bill (S. 889) for the relief of Samuel Stacey;

A bill (S. 890) for the relief of Francis Benedict Skiffington;

A bill (S. 891) for the relief of A. B. Thomas;

A bill (S. 892) for the relief of George William Thompson;

A bill (S. 893) for the relief of Bert Ward; and

A bill (S. 894) directing the retirement of acting assistant surgeons of the United States Navy at the age of 64 years; to the Committee on Naval Affairs.

A bill (S. 895) for the relief of William H. Ames;

A bill (S. 896) for the relief of Jessie Price Apple;

A bill (S. 897) to carry out the findings of the Court of Claims in the case of the Atlantic Works, of Boston, Mass.;

A bill (S. 898) for the relief of Capt. Asa G. Ayer;

A bill (S. 899) granting compensation to Abigail R. Bailey;

A bill (S. 900) for the relief of Anne K. Clark;

A bill (S. 901) for the relief of Warren J. Clear;

A bill (S. 902) for the relief of Willie B. Cleverly;

A bill (S. 903) for the relief of John J. Corcoran;

A bill (S. 904) for the relief of Elizabeth B. Dayton;

A bill (S. 905) for the relief of Edmund Glover Evans;

A bill (S. 906) for the relief of the International Manufacturers' Sales Co. of America (Inc.);

A bill (S. 907) for the relief of Edith N. Lindquist;

A bill (S. 908) for the relief of Edwin C. Jenney, receiver;

A bill (S. 909) for the relief of M. Grace Murphy;

A bill (S. 910) for the relief of Dean Scott;

A bill (S. 911) for the relief of Elsie M. Sears;

A bill (S. 912) for the relief of Simpson Bros. Corporation;

A bill (S. 913) for the relief of Tom Small; and

A bill (S. 914) for the relief of Katherine R. Theberge; to the Committee on Claims.

A bill (S. 915) granting a pension to Jennie B. Southwick;

A bill (S. 916) granting a pension to Emma J. Moore;

A bill (S. 917) for the relief of George E. Kenson;

A bill (S. 918) granting a pension to Henry Frank;

A bill (S. 919) granting a pension to Susie Fiedler;

A bill (S. 920) granting a pension to Mary C. Daly;

A bill (S. 921) granting an increase of pension to Mary S. Conant (with an accompanying paper);

A bill (S. 922) granting an increase of pension to Susan M. Crockett (with accompanying papers);

A bill (S. 923) granting an increase of pension to Ida May Cunningham (with accompanying papers);

A bill (S. 924) granting a pension to Beatrice E. Duke (with accompanying papers);

A bill (S. 925) granting a pension to Jennie S. Fountain (with accompanying papers);

A bill (S. 926) granting an increase of pension to Herbert W. Leach (with accompanying papers);

A bill (S. 927) granting an increase of pension to Lucy N. Teel (with accompanying papers); and

A bill (S. 928) granting a pension to Bridget A. Whittle (with accompanying papers); to the Committee on Pensions.

By Mr. NORRIS:

A bill (S. 929) relating to the taking of depositions in cases arising under section 19 of the World War veterans' act, 1924, as amended;

A bill (S. 930) to amend section 109 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, and for other purposes;

A bill (S. 931) to amend a part of section 1 of the act of May 27, 1908, chapter 200, as amended (U. S. C., title 28, sec. 592);

A bill (S. 932) to amend an act entitled "An act to make persons charged with crimes and offenses competent witnesses in United States and Territorial courts," approved March 16, 1878, with respect to the competency of husband and wife to testify for or against each other;

A bill (S. 933) to amend section 1025 of the Revised Statutes of the United States;

A bill (S. 934) to authorize the appointment of law clerks for the justices of the Court of Appeals of the District of Columbia;

A bill (S. 935) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes;

A bill (S. 936) to abolish bailiffs and criers in the United States courts and to provide for the performance of their duties by United States marshals and their deputies, and for other purposes;

A bill (S. 937) to amend the first paragraph of section 24 of the Judicial Code;

A bill (S. 938) to amend section 229 of the Judicial Code;

A bill (S. 939) to limit the jurisdiction of district courts of the United States;

A bill (S. 940) to provide against misuse of official badges, identification cards, and other insignia designed for the use of public officers; and

A bill (S. 941) relating to the review of cases tried in the district courts of the United States without a jury; to the Committee on the Judiciary.

A bill (S. 942) authorizing the Secretary of the Treasury of the United States to refund to the Farmers' Grain Co. of Omaha, Nebr., income taxes illegally paid to the United States Treasurer;

A bill (S. 943) for the relief of John Herink;

A bill (S. 944) for the relief of the Lebanon Equity Exchange, of Lebanon, Nebr.; and

A bill (S. 945) for the relief of the Fairmont Creamery Co., of Omaha, Nebr.; to the Committee on Claims.

A bill (S. 946) to authorize the issuance of bonds for the purpose of highway construction and to provide revenue for the retirement of such bonds; and

A bill (S. 947) to refund the duty on a carillon of bells imported for the First Plymouth Congregational Church, Lincoln, Nebr.; to the Committee on Finance.

A bill (S. 948) for the relief of Charles H. Craig; to the Committee on Military Affairs.

A bill (S. 949) granting a pension to Leo P. Thomas;

A bill (S. 950) granting a pension to Frank Swartz;

A bill (S. 951) granting a pension to George W. Powell;

A bill (S. 952) granting a pension to Margaret R. Johnson;

A bill (S. 953) granting a pension to Susan Wittwer;

A bill (S. 954) granting a pension to Canzada Pierce;

A bill (S. 955) granting a pension to Charles R. Bailey;

A bill (S. 956) granting a pension to John Edward Hamilton;

A bill (S. 957) granting a pension to Rosilla Brunk; and

A bill (S. 958) granting an increase of pension to Emma C. Nichols; to the Committee on Pensions.

By Mr. STEIWER:

A bill (S. 959) relating to the improvement of the Willamette River between Oregon City and Portland, Oreg., to the Committee on Commerce.

A bill (S. 960) to amend section 3 of the act entitled "An act granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes," approved March 3, 1927; to the Committee on Pensions.

A bill (S. 961) to amend section 201 of the World War veterans' act, 1924, as amended, to provide allowances to widows and orphans of certain veterans; to the Committee on Finance.

A bill (S. 962) for the relief of Clatsop County, Oreg.; to the Committee on Claims.

A bill (S. 963) to repeal the limitation on the filling of a vacancy occurring in the office of senior circuit judge for the ninth judicial circuit; to the Committee on the Judiciary.

A bill (S. 964) authorizing and directing the Secretary of Agriculture to investigate all phases of taxation in relation to agriculture; to the Committee on Agriculture and Forestry.

A bill (S. 965) for the relief of Alfred O. Huestis; and

A bill (S. 966) for the relief of Jacob S. Silverman; to the Committee on Military Affairs.

A bill (S. 967) for the relief of the American Bonding Co. of Baltimore;

A bill (S. 968) for the relief of certain employees of the Forest Service, Department of Agriculture;

A bill (S. 969) for the relief of Leila McKay;

A bill (S. 970) for the relief of Wallace E. Ordway; and

A bill (S. 971) for the relief of Milburn Knapp; to the Committee on Claims.

A bill (S. 972) to make available to the Congress the services and data of the Interstate Legislative Reference Bureau; to the Commitee on the Library.

A bill (S. 973) authorizing the construction of a canal for the diversion within the city of Klamath Falls, Oreg., of the main canal of the Klamath project; to the Committee on Irrigation and Reclamation.

A bill (S. 974) granting a pension to Alfred L. Chapman (with accompanying papers);

A bill (S. 975) granting a pension to Charlie Ladrow (with accompanying papers);

A bill (S. 976) granting a pension to Edward W. Foye (with accompanying papers);

A bill (S. 977) granting a pension to John Henry Harper (with accompanying papers);

A bill (S. 978) granting a pension to D. C. Curl (with accompanying papers);

A bill (S. 979) granting a pension to Mansil A. Beagle (with accompanying papers);

A bill (S. 980) granting an increase of pension to Wesley Adcock (with accompanying papers);

A bill (S. 981) granting a pension to John L. Hammack (with accompanying papers);

A bill (S. 982) granting a pension to Samuel W. Lowe (with accompanying papers);

A bill (S. 983) granting a pension to Alexander Malcolm (with accompanying papers);

A bill (S. 984) granting a pension to Alfred Mendenhall (with accompanying papers);

A bill (S. 985) granting a pension to Willie E. Oliver (with accompanying papers);

A bill (S. 986) granting a pension to O. F. Payne (with accompanying papers);

A bill (S. 987) granting an increase of pension to Hugh E. Wylie (with accompanying papers);

A bill (S. 988) granting a pension to Myrtle J. Buzan (with accompanying papers);

A bill (S. 989) granting a pension to George W. Newman (with accompanying papers); and

A bill (S. 990) granting an increase of pension to Edmond A. Hart (with accompanying papers); to the Committee on Pensions.

By Mr. TYDINGS:

A bill (S. 991) to amend section 4 (a) of the immigration act of 1924, as amended by Public Resolution No. 61, Seventieth Congress; and

A bill (S. 992) relating to the residence requirements for naturalization purposes of alien wives of members of the Diplomatic and Consular Service of the United States and wives of other employees of the United States Government stationed abroad; to the Committee on Immigration.

A bill (S. 993) to provide for certain payments to the widows and children of policemen and firemen of the District of Columbia whose deaths result from injury suffered or disease contracted in line of duty; to the Committee on the District of Columbia.

A bill (S. 994) to establish a national board of painting and sculpture and to provide for an annual competition for American painters and sculptors; to the Committee on the Library.

A bill (S. 995) authorizing the President to order Maj. E. P. Duval before a retiring board for a hearing of his case, and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation;

A bill (S. 996) to readjust the pay of certain commissioned personnel of the Army;

A bill (S. 997) to amend an act entitled "An act placing certain noncommissioned officers in the first grade," approved March 3, 1927;

A bill (S. 998) to authorize and direct the appointment of Levin Milton Price as a first lieutenant, United States Army;

A bill (S. 999) to amend chapter 2515 of the acts of the Fifty-ninth Congress, providing for the retirement of noncommissioned officers, petty officers, and enlisted men of the Army, Navy, and Marine Corps of the United States;

A bill (S. 1000) for the relief of George F. Conlee; and

A bill (S. 1001) to authorize the Chief of Engineers of the Army to enter into agreements with local governments adjacent to the District of Columbia for the use of water for purposes of fire fighting only; to the Committee on Military Affairs.

A bill (S. 1002) to correct the status of George Chalmers Hunter;

A bill (S. 1003) for the relief of Capt. Jacob M. Pearce, United States Marine Corps;

A bill (S. 1004) for the relief of Paymaster Charles Robert O'Leary;

A bill (S. 1005) for the relief of Clarence Joseph Deutsch;

A bill (S. 1006) authorizing the President to restore Lieut. Commander William H. Porter, United States Navy, to a place on the list of lieutenant commanders of the Navy, to rank next after Lieut. Commander George B. Wilson, United States Navy;

A bill (S. 1007) adjusting the salaries of the Naval Academy Band;

A bill (S. 1008) for the relief of Clayton Demarest, jr.;

A bill (S. 1009) for the relief of George Edwin Godwin;

A bill (S. 1010) for the relief of Charles Daniel Anderson, ex-chief machinist's mate, United States Navy, and Horace H. Goodell, ex-yeoman, third class, United States Navy;

A bill (S. 1011) for the relief of William E. B. Grant;

A bill (S. 1012) authorizing Frank E. La Cauza to accept the decoration of officer of the Order of the Crown of Italy; and

A bill (S. 1013) for the relief of William H. Purkins; to the Committee on Naval Affairs.

A bill (S. 1014) for the relief of Mary Robinson;

A bill (S. 1015) for the relief of Marion Von Bruning (née Marion Hubbard Treat), and others;

A bill (S. 1016) for the relief of the estate of Alvin C. Laupheimer;

A bill (S. 1017) for the relief of Mary Kress, Myer Toor, and Theresa Toor;

A bill (S. 1018) for the relief of Matthew Edward Murphy;

A bill (S. 1019) for the relief of George F. Jones;

A bill (S. 1020) for the relief of Hans Herman Rudolph;

A bill (S. 1021) for the relief of Joseph J. Baylin;

A bill (S. 1022) for the relief of John W. Disney and Bertha A. B. Disney;

A bill (S. 1023) for the relief of George B. Moore;

A bill (S. 1024) to carry out the provisions of the Court of Claims in the case of Martha J. Briscoe, widow of John A. Briscoe;

A bill (S. 1025) for the relief of John Edward Flowers;

A bill (S. 1026) for the relief of Emma Gregory;

A bill (S. 1027) for the relief of William Zeiss, administrator of William B. Reaney, survivor of Thomas Reaney and Samuel Archbold;

A bill (S. 1028) for the relief of W. Stanley Gorsuch;

A bill (S. 1029) to extend the benefits of the employees' compensation act of September 7, 1916, to Dora M. Jeffery;

A bill (S. 1030) for the relief of John A. Pierce;

A bill (S. 1031) for the relief of the E. J. Codd Co. of Baltimore City (Inc.);

A bill (S. 1032) for the relief of Richard Riggles; and

A bill (S. 1033) for the relief of certain persons formerly having interests in Baltimore and Harford Counties, Md.; to the Committee on Claims.

A bill (S. 1034) to amend the act of March 3, 1915, by extending to the widows or dependents of naval officers and enlisted men who die and to enlisted men who are disabled as a result of submarine accidents the same pensions as are allowed in the case of aviation accidents; to the Committee on Pensions.

A bill (S. 1035) to amend section 1 of an act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; to the Committee on Patents.

(By request.) A bill (S. 1036) to give status of an enlisted man in the Navy of the United States and an honorable discharge therefrom to John Peter Jens Duhn, an operative in naval intelligence of the Navy Department from December 1, 1916, until March 1, 1919, and for hospitalization and medical treatment; to the Committee on Naval Affairs.

By Mr. DILL:

A bill (S. 1037) to amend the radio act of 1927, approved February 23, 1927, and for other purposes; to the Committee on Interstate Commerce.

A bill (S. 1038) for the relief of H. M. Thatcher; to the Committee on Claims.

By Mr. WALSH of Montana:

A bill (S. 1039) establishing additional land offices in the States of Montana, Oregon, South Dakota, Idaho, New Mexico, Colorado, and Nevada;

A bill (S. 1040) authorizing the issuance to Margaret McCreanor of a patent for certain lands; and

A bill (S. 1041) to provide for the issuance of permits for the construction of pipe lines for the importation into the United States of natural or artificial gas; to the Committee on Public Lands and Surveys.

By Mr. CONNALLY:

A bill (S. 1042) for the prevention and removal of obstructions and burdens upon interstate commerce in agricultural commodities by regulating transactions on commodity exchanges, putting a stop to short selling thereon, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. WALSH of Montana:

A bill (S. 1043) to confer upon the States of Montana, Wyoming, and Idaho the right to tax, for State and county purposes, persons, copartnerships and corporations, and their property within that portion of the Yellowstone National Park which lies within the boundary lines of said States;

A bill (S. 1044) authorizing the issuance to Wesley A. Howard of a patent for certain lands; and

A bill (S. 1045) authorizing the issuance of a patent to certain lands in the State of Montana to Florence Kerr Facey; to the Committee on Public Lands and Surveys.

A bill (S. 1046) authorizing the payment of certain sums to Roosevelt County, Mont.; to the Committee on Post Offices and Post Roads.

A bill (S. 1047) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Historical Society of Montana, for preservation and exhibition, the silver service which was in use on the gunboat, No. 9, *Helena;* to the Committee on Naval Affairs;

A bill (S. 1048) to provide for producers and others the benefit of official tests to determine protein in wheat for use in merchandising the same to the best advantage, and for acquiring and disseminating information relative to protein in wheat, and for other purposes; and

A bill (S. 1049) for the relief of L. R. Smith; to the Committee on Agriculture and Forestry.

A bill (S. 1050) providing that Indians and other persons on Indian reservations and superintendencies shall be subject to certain State or Territorial laws, and for other purposes; and

A bill (S. 1051) to extend to certain Indians and their widows and dependent relatives the benefits of the pension laws relating to the Indian wars; to the Committee on Indian Affairs.

A bill (S. 1052) relating to pardons;

A bill (S. 1053) to supplement the act of June 30, 1906, creating the United States Court for China;

A bill (S. 1054) relating to foreign judgments;

A bill (S. 1055) to amend the Penal Code;

A bill (S. 1056) granting immunity to certain witnesses;

A bill (S. 1057) to further the administration of justice in the Federal courts;

A bill (S. 1058) repealing various provisions of the act of June 15, 1917, entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes" (40 Stat. L. 217);

A bill (S. 1059) to incorporate the Disabled American Veterans of the World War; and

A bill (S. 1060) relative to assumption of risks of employment; to the Committee on the Judiciary.

By Mr. McGILL:

A bill (S. 1061) for the relief of Leo Glenn Cress; to the Committee on Naval Affairs.

A bill (S. 1062) for the relief of Jesse W. Bixler;

A bill (S. 1063) for the relief of Richard M. West;

A bill (S. 1064) for the relief of Frederick H. Pollman; and

A bill (S. 1065) for the relief of William P. Flynn; to the Committee on Military Affairs.

A bill (S. 1066) for the relief of Eliza Sturgess; and

A bill (S. 1067) for the relief of Agnes M. Angle; to the Committee on Claims.

A bill (S. 1068) granting an increase of pension to Susannah Powers;

A bill (S. 1069) granting an increase of pension to Mary C. Atwood;

A bill (S. 1070) granting a pension to William H. Owen;

A bill (S. 1071) granting a pension to Spencer Graham;

A bill (S. 1072) granting a pension to R. Elijah Wilson;

A bill (S. 1073) granting an increase of pension to Will Barker;

A bill (S. 1074) granting a pension to Otis H. Dorsett;

A bill (S. 1075) granting a pension to Charles Lee;

A bill (S. 1076) granting a pension to James McGinnies;

A bill (S. 1077) granting a pension to Mary E. Pratt;

A bill (S. 1078) granting a pension to Charles DuW. Stewart;

A bill (S. 1079) granting an increase of pension to Abbie L. Provine;

A bill (S. 1080) granting an increase of pension to Annie C. Dewing;

A bill (S. 1081) granting a pension to Angeline Toland;

A bill (S. 1082) granting a pension to Ellen Belle Coffland;

A bill (S. 1083) granting a pension to Catherine M. Whittam;

A bill (S. 1084) granting a pension to Helen Moody; and

A bill (S. 1085) granting a pension to Cindarilla Kelsey; to the Committee on Pensions.

By Mr. SWANSON:

A bill (S. 1086) to provide for the construction of a suitable approach to the Arlington Memorial Bridge connecting Lee Boulevard (Route 711 of Virginia) with the Memorial Bridge; to the Committee on the Library.

A bill (S. 1087) to incorporate the United States Civil Legion; to the Committee on the Judiciary.

A bill (S. 1088) for the relief of Cornelia Claiborne; to the Committee on Foreign Relations.

A bill (S. 1089) to establish a minimum area for Shenandoah National Park, for administration, protection, and general development by the National Park Service, and for other purposes; to the Committee on Public Lands and Surveys.

A bill (S. 1090) for the relief of the Norfolk Southern Railroad Co.;

A bill (S. 1091) for the relief of C. H. Beasley & Bro. (Inc.);

A bill (S. 1092) to extend the benefits of the employees' compensation act of September 7, 1916, to Solomon J. Oliver;

A bill (S. 1093) for the relief of A. W. Kliefoth; and

A bill (S. 1094) for the relief of the Seaboard Wharf & Warehouse Co. (Inc.); to the Committee on Claims.

A bill (S. 1095) for the relief of Roy W. Farrell; and

A bill (S. 1096) for the relief of N. D'A. Drake; to the Committee on Naval Affairs.

A bill (S. 1097) to authorize and direct the appointment of Levin Milton Price as a first lieutenant, United States Army;

A bill (S. 1098) authorizing the President to order William H. Sage, jr., before a retiring board for a hearing of his case and upon the findings of such board determine whether or not he be placed on the retired list with the rank and pay held by him at the time of his resignation; and

A bill (S. 1099) to provide for the appointment of William J. Farrell as a warrant officer, United States Army; to the Committee on Military Affairs.

A bill (S. 1100) granting a pension to Ida R. Rison; and

A bill (S. 1101) granting a pension to Florence Sharp Grant; to the Committee on Pensions.

A bill (S. 1102) to extend the times for commencing and completing the construction of a bridge across the Potomac River at or near Dahlgren, Va.; to the Committee on Commerce.

A bill (S. 1103) to extend the benefits of the World War veterans' act, 1924, and acts amendatory thereof, to Thomas Beverly Campbell; to the Committee on Finance.

By Mr. NEELY:

A bill (S. 1104) for the relief of Mrs. Charles L. Reed; and

A bill (S. 1105) for the relief of Beulah Ball; to the Committee on Claims.

A bill (S. 1106) for the relief of Henry Hensley;

A bill (S. 1107) for the relief of William K. Snodgrass; and

A bill (S. 1108) for the relief of Luther D. Hanna; to the Committee on Military Affairs.

A bill (S. 1109) granting an increase of pension to Louisa A. Worthington;

A bill (S. 1110) granting an increase of pension to Frank Spradling;

A bill (S. 1111) granting a pension to Matilda Anderson;

A bill (S. 1112) granting a pension to Cale Stinnett;

A bill (S. 1113) granting an increase of pension to Beatrice J. Rose;

A bill (S. 1114) granting a pension to William J. Smith;

A bill (S. 1115) granting a pension to Harry F. Fields;

A bill (S. 1116) granting a pension to Fred Yoss;

A bill (S. 1117) granting a pension to Roy Wilcox;

A bill (S. 1118) granting an increase of pension to Blanche Welker;

A bill (S. 1119) granting a pension to Mary C. Turner;

A bill (S. 1120) granting a pension to Nettie Thaxton;

A bill (S. 1121) granting a pension to Martha Summerfield;

A bill (S. 1122) granting an increase of pension to Elizabeth S. Snider;

A bill (S. 1123) granting a pension to Allie Selick;

A bill (S. 1124) granting a pension to Susan J. Samples;

A bill (S. 1125) granting a pension to Nancy Reedy;

A bill (S. 1126) granting a pension to Minerva Jane Queen;

A bill (S. 1127) granting an increase of pension to Nimshi Nuzum;

A bill (S. 1128) granting a pension to James C. Neff;

A bill (S. 1129) granting a pension to Joseph J. McNeal;

A bill (S. 1130) granting an increase of pension to William C. Milliner;

A bill (S. 1131) granting an increase of pension to Valeria Middleton;

A bill (S. 1132) granting a pension to John Wesley Meredith;

A bill (S. 1133) granting a pension to Carrie B. Martin;

A bill (S. 1134) granting a pension to Ellen Knight;

A bill (S. 1135) granting a pension to Margaret Kingery;

A bill (S. 1136) granting an increase of pension to Mathias Kennedy;

A bill (S. 1137) granting an increase of pension to Caspar Hartmann;

A bill (S. 1138) granting an increase of pension to Mollie E. Gribble;

A bill (S. 1139) granting an increase of pension to James H. French;

A bill (S. 1140) granting a pension to Lilla Elder;

A bill (S. 1141) granting a pension to Mary J. Church;

A bill (S. 1142) granting a pension to Sallie J. Fossit;

A bill (S. 1143) granting a pension to Archie Flynn;

A bill (S. 1144) granting an increase of pension to Virginia Dodd;

A bill (S. 1145) granting an increase of pension to Frank Deloe;

A bill (S. 1146) granting a pension to Ernest W. Dean;

A bill (S. 1147) granting a pension to George W. Criss;

A bill (S. 1148) granting a pension to Edna R. Carr;

A bill (S. 1149) granting a pension to James C. Blackwell;

A bill (S. 1150) granting an increase of pension to Horace V. Andrews;

A bill (S. 1151) granting a pension to William Nire Metz; and

A bill (S. 1152) granting a pension to Charles L. Hickman; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 1153) to provide for the incorporation of credit unions within the District of Columbia;

A bill (S. 1154) authorizing the Secretary of the Treasury to refund to the so-called assistant directors in the public schools of the District of Columbia, divisions 10–13, all that portion of their salaries erroneously and illegally deducted and withheld under the provisions of the act of June 20, 1906; and

A bill (S. 1155) to establish a board of indeterminate sentence and parole for the District of Columbia and to determine its functions, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 1156) for the relief of Lyda F. Foster;

A bill (S. 1157) for the relief of Catherine McLinden; and

A bill (S. 1158) for the relief of Cordelia Evangeline Mitchell; to the Committee on Finance.

A bill (S. 1159) for the relief of James E. Gilleece, alias James E. Gilleese;

A bill (S. 1160) for the relief of John Hamilton; and

A bill (S. 1161) to correct the military record of William H. Ray; to the Committee on Military Affairs.

A bill (S. 1162) granting an increase of pension to Tulula V. M. Bortsfield;

A bill (S. 1163) granting an increase of pension to Mary White;

A bill (S. 1164) granting a pension to Ella A. Linsea;

A bill (S. 1165) granting an increase of pension to Mary Ross;

A bill (S. 1166) granting a pension to Bridget Striegel;

A bill (S. 1167) granting a pension to Charles S. Sutton (with accompanying papers);

A bill (S. 1168) granting a pension to Martha E. Schoonover (with accompanying papers);

A bill (S. 1169) granting an increase of pension to Lizzie C. Dickson (with accompanying papers);

A bill (S. 1170) granting an increase of pension to Sarah A. Bolton (with accompanying papers);

A bill (S. 1171) granting an increase of pension to Florence E. Wilbur (with accompanying papers);

A bill (S. 1172) granting an increase of pension to Samantha A. Mundell (with accompanying papers);

A bill (S. 1173) granting an increase of pension to Martha J. Morgan (with accompanying papers);

A bill (S. 1174) granting a pension to William G. Hill (with accompanying papers);

A bill (S. 1175) granting a pension to Amos Long (with accompanying papers);

A bill (S. 1176) granting a pension to George G. Gribben (with accompanying papers); and

A bill (S. 1177) granting a pension to Frank C. Clifford (with accompanying papers); to the Committee on Pensions.

By Mr. DILL:

A bill (S. 1178) for the relief of Herman Wulff;

A bill (S. 1179) authorizing the appointment and retirement as a major, United States Army, of Harold L. Coffin; and

A bill (S. 1180) for the relief of Robert B. Early; to the Committee on Military Affairs.

A bill (S. 1181) granting a pension to William H. Rader;

A bill (S. 1182) granting a pension to Walter J. Taylor;

A bill (S. 1183) granting an increase of pension to Mary Ella Flores;

A bill (S. 1184) granting a pension to Ellen Thomas;

A bill (S. 1185) granting a pension to Charles L. O'Hara;

A bill (S. 1186) granting a pension to Della B. Ammons (with accompanying papers);

A bill (S. 1187) granting a pension to Lee A. Smith (with accompanying papers);

A bill (S. 1188) granting a pension to Clinton Pickrel (with accompanying papers);

A bill (S. 1189) granting a pension to Arminda C. Shook (with accompanying papers);

A bill (S. 1190) granting a pension to Lucy Lesher (with accompanying papers);

A bill (S. 1191) granting a pension to Ellen Blodgett (with accompanying papers);

A bill (S. 1192) granting a pension to Andrew J. Shaw (with accompanying papers);

A bill (S. 1193) granting a pension to Thomas Lamb (with accompanying papers);

A bill (S. 1194) granting an increase of pension to Lillie Randall (with accompanying papers); and

A bill (S. 1195) granting a pension to Ellen Giard (with accompanying papers); to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 1196) authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims, and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have or claim to have against the United States, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 1197) to liquidate and refinance agricultural indebtedness and to encourage and promote agriculture, commerce, and industry by establishing an efficient credit system through which the unjust and unequal burdens placed upon agriculture during the period of price fixing and deflation may be lightened by providing for the liquidation and refinancing of farm mortgages and farm indebtedness at a reduced rate of interest through the Federal farm loan system, the Federal reserve banking system, and the postal savings depository system, and creating a board of agriculture to supervise the same; to the Committee on Agriculture and Forestry.

A bill (S. 1198) granting a pension to Mary Perry (with accompanying papers); to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 1199) to amend section 24 of the trading with the enemy act, as amended; to the Committee on Finance.

A bill (S. 1200) to establish a commission to be known as a Commission on a National Museum of Engineering and Industry; to the Committee on Education and Labor.

A bill (S. 1201) to extend section 8 of the food and drugs act of June 30, 1906, as amended, to the false or deceptive advertising of drugs; to the Committee on Agriculture and Forestry.

A bill (S. 1202) providing for the closing of barber shops on Sunday in the District of Columbia; and

A bill (S. 1203) to exempt from taxation certain property of the National Society United States Daughters of 1812 in the District of Columbia; to the Committee on the District of Columbia.

A bill (S. 1204) to reduce passport fees, and for other purposes; and

A bill (S. 1205) for the relief of Edith Tolerton Lathrop; to the Committee on Foreign Relations.

A bill (S. 1206) to amend the act of March 4, 1911 (ch. 239, 36 Stat. L. 1267), as amended; to the Committee on Naval Affairs.

A bill (S. 1207) granting an increase of pension to Helen K. Snowden;

A bill (S. 1208) granting a pension to Bessie G. Radliff;

A bill (S. 1209) granting a pension to Mary E. McElheney;

A bill (S. 1210) granting a pension to Carl M. Toepper;

A bill (S. 1211) granting a pension to Joseph F. Sourek;

A bill (S. 1212) granting a pension to Vincent San Filipo; and

A bill (S. 1213) granting a pension to Anna McNamara; to the Committee on Pensions.

A bill (S. 1214) to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy;

A bill (S. 1215) for the relief of Lucile A. Abbey;

A bill (S. 1216) for the relief of the owner of the barge *Mary M;*

A bill (S. 1217) to extend the benefits of the employees' compensation act of September 7, 1916, to Edward McCloskey, a former employee of the Puget Sound Navy Yard (with accompanying papers);

A bill (S. 1218) for the relief of the city of New York;

A bill (S. 1219) for the relief of G. Elias & Bro. (Inc.); and

A bill (S. 1220) for the relief of G. Elias & Bro. (Inc.); to the Committee on Claims.

By Mr. KEYES:

A bill (S. 1221) to provide for the world-wide extension of education by the cooperation of national governments; to the Committee on Education and Labor.

A bill (S. 1222) for the extension and completion of the United States Capitol; to the Committee on Public Buildings and Grounds.

By Mr. SMOOT:

A bill (S. 1223) placing John A. McAlister, jr., on the retired list of the Army as a lieutenant colonel; to the Committee on Military Affairs.

A bill (S. 1224) to authorize the Secretary of the Interior to convey certain buildings in Coalville, Utah, to the Summit County Fair Association, Utah; to the Committee on Public Lands and Surveys.

A bill (S. 1225) to increase the cost of public building at Eureka, Utah; and

A bill (S. 1226) for the purchase of a post-office site at Tremonton, Utah; to the Committee on Public Buildings and Grounds.

A bill (S. 1227) for the relief of David Thygerson; to the Committee on Claims.

By Mr. GLENN:

A bill (S. 1228) authorizing the Court of Claims to hear, determine, and render judgment upon the claim of Frederick Sedgwick against the United States; to the Committee on Claims.

By Mr. HULL:

A bill (S. 1229) to require the discoloration of poisons which resemble commonly used foodstuffs; to the Committee on Agriculture and Forestry.

By Mr. BINGHAM:

A bill (S. 1230) granting a pension to Helen H. Taft; to the Committee on Pensions.

By Mr. JONES:

A joint resolution (S. J. Res. 1) proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia; to the Committee on the Judiciary.

By Mr. WALSH of Massachusetts:

A joint resolution (S. J. Res. 2) to authorize the erection of a monument to Queen Isabella; to the Committee on the Library.

By Mr. FRAZIER:

A joint resolution (S. J. Res. 3) proposing an amendment to the Constitution of the United States prohibiting war; to the Committee on the Judiciary.

By Mr. GOLDSBOROUGH and Mr. BINGHAM:

A joint resolution (S. J. Res. 4) to provide for the naming of Montgomery Blair Circle; to the Committee on the District of Columbia.

By Mr. THOMAS of Oklahoma:

A joint resolution (S. J. Res. 5) to require contractors and subcontractors engaged on public construction work to give preference to local labor and materials; to the Committee on Education and Labor.

By Mr. HATFIELD:

A joint resolution (S. J. Res. 6) to amend section 5 of the joint resolution relating to the National Memorial Commission, approved March 4, 1929; to the Committee on the Library.

By Mr. WALSH of Montana:

A joint resolution (S. J. Res. 7) for the amendment of the acts of February 2, 1903, and March 3, 1905, as amended, to allow the States to quarantine against the shipment thereto, therein, or through of livestock, including poultry, from a State or Territory or portion thereof where a livestock or poultry disease is found to exist, which is not covered by regulatory action of the Department of Agriculture, and for other purposes; to the Committee on Agriculture.

By Mr. TYDINGS:

A joint resolution (S. J. Res. 8) authorizing and directing the Comptroller General of the United States to reopen, adjust, and settle the accounts of the city of Baltimore for advances made by the city in 1863 for the construction of works of defense, and for other purposes; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 9) for the establishment of a commission for the construction of a Washington-Lincoln Memorial Gettysburg Boulevard connecting the present Lincoln Memorial in the city of Washington with the battlefield of Gettysburg, in the State of Pennsylvania; to the Committee on the Library.

By Mr. DILL:

A joint resolution (S. J. Res. 10) for the relief of Earl A. Ross; and

A joint resolution (S. J. Res. 11) for the relief of Frank P. Ross; to the Committee on Public Lands and Surveys.

By Mr. CAPPER:

A joint resolution (S. J. Res. 12) proposing to amend the Constitution of the United States to exclude aliens in counting the whole number of persons in each State for apportionment of Representatives among the several States; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 13) to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. NORRIS:

A joint resolution (S. J. Res. 14) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 15) to provide for the national defense by the creation of a corporation for the operation of the Government properties at and near Muscle Shoals, in the State of Alabama; to authorize the letting of the Muscle Shoals properties under certain conditions, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. SMOOT:

A joint resolution (S. J. Res. 16) to provide for appropriate military records for persons who, pursuant to orders, reported for military duty, but whose induction or commission into the service was not, through no fault of their own, formally completed on or prior to November 11, 1918, and for other purposes; to the Committee on Military Affairs.

A joint resolution (S. J. Res. 17) authorizing the postponement of the date of maturity of the principal of the indebtedness of the French Republic to the United States in respect of the purchase of surplus war supplies;

A joint resolution (S. J. Res. 18) providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; and

A joint resolution (S. J. Res. 19) designating the first United States narcotic farm to be established near Lexington, Ky., as the Stephen G. Porter Institute; to the Committee on Finance.

A joint resolution (S. J. Res. 20) tendering the thanks of Congress to Maj. Gen. Ulysses G. McAlexander and to the officers and men under his command on July 15, 1918, for

conspicuous gallantry and heroic conduct in the Second Battle of the Marne; to the Committee on Military Affairs.

By Mr. McKELLAR:

A joint resolution (S. J. Res. 21) authorizing an appropriation for establishing and erecting a memorial to the pioneers who crossed the Great Smoky Mountains in the early history of the country, building a memorial highway from the Great Smoky Mountains National Park to the city of Knoxville, Tenn., and for other purposes; to the Committee on the Library.

A joint resolution (S. J. Res. 22) authorizing and directing the Comptroller General to investigate and reexamine the account between the United States and the State of Tennessee with respect to cotton seized in the Civil War period and to advances and expenditures made by such State for military purposes during the War of 1812–1815, etc.; to the Committee on the Judiciary.

By Mr. McNARY:

A joint resolution (S. J. Res. 23) to provide for refunding to the State of Oregon tariff duties paid on an Etrich 2-preparing machine, type "V"; to the Committee on Finance.

A joint resolution (S. J. Res. 24) authorizing an annual appropriation for the expense of establishing and maintaining United States passport bureaus at Portland, Oreg., and Los Angeles, Calif.; to the Committee on Foreign Relations.

A joint resolution (S. J. Res. 25) authorizing the erection of a memorial building to commemorate the winning of the Oregon country for the United States; to the Committee on the Library.

A joint resolution (S. J. Res. 26) to amend section 6 of the migratory bird conservation act, approved February 18, 1929;

A joint resolution (S. J. Res. 27) to coordinate the fiscal business of the United States Department of Agriculture and the Alaska Game Commission in Alaska, and for other purposes; and

A joint resolution (S. J. Res. 28) authorizing appropriations for the establishment and maintenance of an agricultural experiment station in American Samoa; to the Committee on Agriculture and Forestry.

By Mr. BINGHAM:

A joint resolution (S. J. Res. 29) to provide for the naming of Blair Circle; to the Committee on the District of Columbia.

A joint resolution (S. J. Res. 30) to authorize the posthumous presentation to Raoul Lufbery of a congressional medal of honor; to the Committee on Military Affairs.

A joint resolution (S. J. Res. 31) proposing an amendment to the Constitution of the United States; and

A joint resolution (S. J. Res. 32) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

A joint resolution (S. J. Res. 33) to authorize the President to award gold medals to Wiley Post and Harold Gatty in recognition of their achievement in making an airplane flight around the world in less than nine days; to the Committee on Commerce.

A joint resolution (S. J. Res. 34) to extend the provisions of sections 19 and 20 of the rivers and harbors act, approved March 3, 1899, to the navigable waters of the Virgin Islands;

A joint resolution (S. J. Res. 35) authorizing the President to reorganize the administration of the insular possessions; and

A joint resolution (S. J. Res. 36) to change the name of the island of Porto Rico to "Puerto Rico"; to the Committee on Territories and Insular Affairs.

FEDERAL HOME-LOAN DISCOUNT BANKS

Mr. WATSON. Mr. President, I introduce a bill to create Federal home loan discount banks, to provide for the supervision thereof, and for other purposes, and at the same time I ask unanimous consent to insert in the RECORD a statement from the President regarding the measure.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 35) to create Federal home-loan discount banks, to provide for the supervision thereof, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

The statement is as follows:

THE PRESIDENT'S STATEMENT

NOVEMBER 13, 1931.

I shall propose to Congress the establishment of a system of home-loan discount banks for four purposes:

1. For the present emergency purpose of relieving the financial strains upon sound building and loan associations, savings banks, deposit banks, and farm-loan banks that have been giving credit through the medium of small mortgage loans upon urban and farm properties used for homes. Thereby to relieve pressures upon home and farm owners.

2. To put the various types of institutions loaning on mortgage in a position to assist in the revival of home construction in many parts of the country and with its resultant increase in employment.

3. To safeguard against the repetition of such experiences in the future.

4. For the long-view purpose of strengthening such institutions in the promotion of home ownership, particularly through the financial strength thus made available to building and loan associations.

The immediate credit situation has for the time being in many parts of the country restricted severely the activities of building and loan associations, deposit banks including country banks and savings departments, and savings banks and farm loan companies in such a fashion that they are not only not able to extend credit through new mortgages to home and farm owners, but are only too often unable to renew mortgages or give consideration to those in difficulty, with resultant great hardships to borrowers and a definite depreciation of real-estate values in the areas where such pressures exist.

A considerable part of our unemployment is due to stagnation in residential construction. It is true there has been some overbuilding in certain localities in the boom years. But even in these localities the inevitable need is obscured by the tendency of the population to huddle temporarily due to unemployment. The real need steadily accumulates with increasing population and will become evident and insistent as we come out of the depression. The high importance of residential construction as a matter of employment is indicated by the fact that more than 200,000 individual homes are erected annually in normal times, which, with initial furnishing, contribute more than two billions to our construction and other industries. This construction has greatly diminished. Its revival would provide for employment in the most vital way. As a people we need at all times the encouragement of home ownership, and a large part of such action is only possible through an opportunity to obtain long-term loans payable in installments. It is urgently important, therefore, that we provide some method for bringing into continuing and steady action the great facilities of such of these great national and local loaning concerns as have been under pressure and should provide against such difficulties in the future.

The farm-mortgage situation presents many difficulties to which this plan would give aid.

I have consulted with representatives of the various groups granting credit on mortgage loans for the home and farm as well as Government officials and other economic agencies, and as a practical solution from the various needs and the various ideas advanced I propose the following general principles for the creation of an institution for such purpose:

(a) That there be established 12 home-loan discount banks (if necessary), one in each Federal reserve district, under the direction of a Federal home-loan board.

(b) The capital of these discount banks shall be initially of minimum of five to thirty million, as may be determined by the Federal board upon the basis of the aggregate of such mortgage loans and probable needs of the particular district.

(c) The proposed discount banks to make no initial or direct mortgages, but to loan only upon the obligations of the loaning institutions secured by the mortgage loans as collateral so as to assure and expand the functioning of such institutions.

(d) Building and loan associations, savings banks, deposit banks, farm-loan banks, etc., may become members of the system after they have satisfied the conditions of qualifications and eligibility that may be fixed by the Federal board.

(e) The mortgage loans eligible for collateral shall not exceed $15,000 each and shall be limited to urban and farm property used for home purposes.

(f) The maximum amount to be advanced against the mortgage collateral not to exceed more than 50 per cent of the unpaid balance on unamortized or short-term mortgage loans, and not more than 60 per cent of the unpaid balance of amortized long-term mortgages, and no advance to be made on mortgages in default. Such loans are to be made on the basis that there are sound appraisals of the property upon which such mortgages have been made. In other words, given sound appraisals there will be advanced in the case of short-term or unamortized loans 25 per cent of the appraisal, and in case of amortized long-term loans 30 per cent of the appraised value of the property.

(g) The discount banks, as their needs require from time to time, to issue bonds or short-term notes to investors to an amount not to exceed in the aggregate twelve times the capital of the issuing bank. The bonds of these discount banks would be thus secured by the obligations of the borrowing institutions, the mortgages deposited as collateral against such obligations and the capital of the discount banks. These bonds to be acceptable for security for Government and postal deposits. The result would be a bond of high grade as to quality and security.

(h) If the aggregate initial capital of the discount banks should in the beginning be fixed at $150,000,000, it would be possible for the 12 banks to finance approximately something over $1,800,000,000 of advance to the borrowing institutions, which could be further expanded by increase in their capital.

(i) It is proposed to find the initial capital stock for the discount banks in much the same way, in so far as is applicable, as the capital was found for the Federal reserve banks—that is, that an organization committee in each district should first offer the capital to the institutions which would participate in the service of the bank. And, as was provided in respect to the Federal reserve banks, if the initial capital is not wholly thus provided it should be subscribed by the Federal Government; and, further, somewhat as was provided in the case of the Federal land banks, other institutions using the facilities of the discount banks should be required to purchase from time to time from the Government some proportionate amount of its holdings of stock if there be any. In this manner any Government capital will gradually pass over to private ownership, as was the case in the Federal land banks.

The above details of the proposal are put forward as suggestions in order to give clarity to the central idea rather than as inflexible conclusions. The whole plan would necessarily be subject to the action of Congress, and many parts of it will no doubt need development.

There is no element of inflation in the plan, but simply a better organization of credit for these purposes.

This proposed institution does not in any way displace the National Credit Association, which occupies an entirely different field of action.

WITHDRAWAL OF PAPERS—WILLIAM C. GRAY

Mr. TYDINGS. Mr. President, I ask unanimous consent that certain papers in the case of William C. Gray, covered by Senate bill 3562, of the Seventy-first Congress, be released from the files of the Senate so they may be returned back to Mr. Gray.

The VICE PRESIDENT. Was there an unfavorable report?

Mr. TYDINGS. There was not.

The VICE PRESIDENT. That order will be made.

WICKERSHAM COMMISSION

Mr. MOSES. Mr. President, I have received a letter from one of the attachés of the Wickersham Commission setting forth certain facts in connection with the investigation made by that commission which did not reach the commission in time to be included in the report as printed under order of the Senate. I ask unanimous consent that the letter and accompanying statement may be printed in the RECORD.

The VICE PRESIDENT. Without objection it is so ordered.

The letter and statement are as follows:

FRAMINGHAM, MASS., *September 18, 1931.*

MY DEAR SENATOR MOSES: In November, 1929, we were asked by the National Commission on Law Observance and Enforcement to undertake a study of the organization, personnel, and methods employed by the Federal Government in the enforcement of the national prohibition act. A report covering this assignment was completed in draft form in July, 1930, and a limited edition printed for the confidential use of the commissioners. Subsequent to the submission of this original draft an opportunity was afforded for a careful rechecking of all statistics developed in the course of this study. Minor errors were adjusted, and whereas at the time the original draft was completed it was possible to obtain only preliminary estimates for the fiscal year ending June 30, 1930, it later became possible to use the official published statistics appearing in the annual departmental reports submitted to Congress at the opening of the third session.

These adjustments, corrections, and additional studies were before the commission when it prepared its Report on the Enforcement of the Prohibition Laws of the United States, issued January 7, 1931 (H. Doc. No. 722), and certain of these revised statistics were incorporated therein. Three of the additional studies were placed before the commission as formal supplemental statements, but the statistical addenda consisted of informal memoranda presented at various times during the commission's deliberations on the prohibition question, and this material was not presented in report form prior to the signing of House Document No. 722.

On February 26 the Senate ordered the printing of the data submitted by the commission in response to Senate Resolutions 423 and 463. Included in this data is the original draft of the report prepared by us, together with supplemental statements 1, 2, and 3. The additional statistical studies were not included because they were not formally "before the commission" when it made its report, and hence not technically within the terms of the Senate resolutions.

Since this material is to appear as a public document it is deemed important that the revised statistics available to the commission when it made its report, and partially incorporated therein, should also be made public through official channels.

We are, therefore, attaching hereto for the information of the Senate a full statement of the adjustments made in the course of the revision.

Very truly yours,

HENRY S. DENNISON.
ALBERT E. SAWYER.

FEDERAL PROHIBITION ENFORCEMENT—A REPORT TO THE NATIONAL COMMISSION ON LAW OBSERVANCE AND ENFORCEMENT

(Prepared under the direction of Henry S. Dennison by Albert E. Sawyer—Addenda—Prepared prior to January 1, 1931)

Part I

The tables on pages 183 and 184 are revised to include the 1930 statistics.

Firms having permits to produce ethyl alcohol

[Showing amounts produced in calendar year 1929 and fiscal year 1930]

(Page 183)

	Calendar year 1929			Fiscal year ending June 30, 1930		
	Plants	Proof gallons	Per cent	Plants	Proof gallons	Per cent
United States Industrial Alcohol Co	7	56,997,653.40	27.41	7	51,970,213.80	26.92
Publicker Commercial Alcohol Co	2	29,794,375.80	14.32	2	32,050,572.20	16.60
American Commercial Alcohol Corporation	5	24,167,975.80	11.62	5	21,357,722.84	11.06
Eastern Alcohol Corporation	1	21,551,348.00	10.36	1	20,359,778.50	10.50
Rossville Commercial Alcohol Corporation	6	21,106,780.93	10.15	6	18,875,613.00	9.78
American Solvents & Commercial Corporation	5	19,386,970.40	9.32	5	15,883,902.00	8.23
General Industrial Alcohol Co	3	9,366,077.70	4.50	3	6,975,242.90	3.61
Pennsylvania Sugar Co	1	9,072,778.40	4.36	1	8,049,251.30	4.17
Syrup Products Co	1	5,622,239.07	2.70	1	5,378,819.29	2.79
Commercial Solvents Corporation	2	4,902,123.84	2.36	2	4,693,259.27	2.43
Puerto Rico Distilling Co	1	2,116,366.10	1.02	1	1,966,111.30	1.02
Fleischman Co	2	1,893,814.58	.91	2	2,011,883.91	1.04
Carbide & Carbon Chemical Corporation[1]				1	1,373,990.30	.71
Red Star Yeast & Products Co	1	452,794.80	.22	1	491,607.80	.25
Prima Co	1	288,603.30	.14	1	268,559.10	.14
Anheuser Busch (Inc)	1	183,870.70	.09	1	172,550.60	.09
Los Angeles Brewing Co	1	147,825.38	.07	1	156,920.50	.08
Atlas Brewing Co	1	143,123.50	.07	1	160,422.20	.08
Theodore Hamm Brewing Co	1	124,999.10	.06	1	125,838.90	.07
Calumet Yeast & Grain Products Corporation	1	112,601.96	.05	1	131,964.60	.07
California Packing Corporation	1	112,119.25	.05	1	117,669.25	.06
Stanwix Products Corporation	1	95,885.32	.05	1	96,666.35	.05
Rainier Brewing Co	1	86,891.90	.04	1	89,383.50	.05
Joseph Schlitz Beverage Co	1	80,613.50	.04	1	76,051.70	.04
Schoenhofen Co	1	63,309.18	.03	1	63,504.99	.03
Adam Scheidt Brewing Co	1	53,045.10	.03	1	57,008 80	.03
Union Solvents Corporation				1	30,010.10	.02
Miller High-Life Co	1	29,227.50	.01	1	22,773.90	.01
Adolph Coors Co	1	23,123.16	.01	1	19,619.95	.01
Ethyl Products Corporation				1	5,477.20	[2]
National Grain & Yeast Co				1	4,962.64	[2]
Western Products Co	1	21,044.62	.01	1	None.	
Power Gas & Oil Co	1	None.		1	None.	
Total	53	207,997,582.29	100.00	[3] 57	[4] 193,037,352.69	99.99

[1] This company produces synthetic ethyl alcohol.
[2] Less than 0.01 per cent.
[3] The above are not all classified as industrial-alcohol plants.
[4] Actual production (commissioner's report for 1930 shows deposits in warehouse, production at plants without warehouse, and production in Porto Rico separately).

The tables on pages 190, 191, and 192 are revised to include the 1930 statistics.

A consolidation of various statistics incident to the distribution of intoxicating liquors[1]

[Statement in million-gallon units—proof gallons]

(Pages 190, 191, and 192)

	1930	1929	1928	1926	1925	1922	1917	1910	1907
Ethyl alcohol withdrawn for denaturation	181.6	182.7	159.6	191.6	148.9	59.5	93.7	10.6	3.0
Withdrawn pure:									
Scientific use	[2]1.4	1.3	1.1	.9	.9	.6	(?)	(?)	(?)
Government use	.8	.9	1.1	.8	.9	.5	(?)	(?)	(?)
Vinegar plants	1.6	1.5	1.6	3.8	3.2	1.6	(?)	(?)	(?)
Exported	.1			.1	.1	3.1	(?)	(?)	(?)
Tax paid—									
Medicinal preparations unfit for beverage use	(3)	5.2	4.9	5.2	5.3	7.3	(4)	(4)	(4)
Medicinal preparations fit for beverage use	(3)	.05	.05	.06	.06	.26	(4)	(4)	(4)
Antiseptic solutions	(3)	.12	.14	.18	.24	1.04	(4)	(4)	(4)
Food products, flavoring extracts, and sirups	(3)	2.93	2.99	2.94	2.68	3.32	(4)	(4)	(4)
Used in laboratory	(3)	.20	.14	.12	.12	.33	(4)	(4)	(4)
Amount used by hospitals and physicians	(3)	.20	.18	.13	.10		(4)	(4)	(4)
Other uses	(3)	.2	.2	.17		4.05	(4)	(4)	(4)
Total tax paid	8.2	8.9	8.6	8.8	8.5	16.3	71.0	55.4	71.3

[1] Consolidated from Statistics Concerning Intoxicating Liquors, 1930.
[2] This figure includes scientific, hospital, and educational use.
[3] Figures for 1930 not yet available.
[4] No statistics.

[Statement in thousand-gallon units]

	1930	1929	1928	1926	1925	1922
PROOF GALLONS						
Other distilled spirits (whisky, rum, gin, and brandy)	821	995	790	669	622	826
Denatured	393	1,222	343	678	562	94
Used in fortification of wine	295	511	93	250	596	4,284
Exported	1,420	1,568	1,576	1,870	1,794	803
WINE GALLONS						
Tax-paid withdrawals:						
Medicinal preparations unfit for beverage use	(5)	23	45	89	70	50
Medicinal preparations fit for beverage use	(5)	None.	None.	None.	None.	None.
Antiseptic preparations	(5)	None.	None.	None.	None.	None.
Food products, etc	(5)	48	55	47	33	16
Hospitals	(5)	22	23	31	30	
Physicians	(5)	70	67	59	57	
Others (homeopathists, dentists, veterinarians, etc., negligible).						

[5] Figures for 1930 not yet available.

[Statement in thousand-gallon units—proof gallons]

Still wines	Not over 14 per cent			14–21 per cent		
	1929	1925	1921	1929	1925	1921
Removed tax paid	561	1,889	4,193	2,443	2,927	2,158
Withdrawn for export	36	5	35	0.4	0.8	5.8
Removed for distilling material	6,894	2,937	3,636	37	47	6
Removed for manufacture of vinegar	249	111		133		
Used for amelioration and sweetening	786	268		47	16	
Used for fortifying	4,664	2,329	5,344			
Used in blending	1,016	1,945	724	1,918	1,216	1,492

Cereal beverages (distribution not a problem of governmental control).

Add the following information to the table on page 194:

June 30, 1930

Specially denatured permits issued	3,744
Gallons used	49,200,000
Average amount used per permit	13,151

(Figures for 1930 appear on page 94, table 68, column 6, of Annual Report of Commissioner of Prohibition. For the preceding years see corresponding references to the Annual Reports.)

(Page 195)

Insert the following revised tables:

GROUP I.—*Difficult and uneconomical to renature*

[Statement in thousands of gallons, wine gallons]

	Fiscal year 1930	Fiscal year 1929	Fiscal year 1928
1	7,399	9,044	7,787
3a	740	820	734
13a	1,435	1,593	1,365
23a	3,365	4,140	2,284
28	605	528	251
32	1,097	1,225	1,151
37	769	715	596
38b	225	207	118
45	47	26	20
Total	15,682	18,298	14,306

GROUP II.—*Occasionally renatured*

	Fiscal year 1930	Fiscal year 1929	Fiscal year 1928
18	8,074	8,300	7,250
35a	917	788	747
Total	8,991	9,088	7,997

GROUP III.—*Readily susceptible to manipulation*

[Statement in thousands of gallons, wine gallons]

	Fiscal year 1930	Fiscal year 1929	Fiscal year 1923
2b	13,305	13,889	12,143
4	1,252	1,318	1,285
12a	133	288	1,096
39	88	159	227
39a	400	548	689
39b	2,362	3,014	2,823
39c	344	347	303
40	2,262	2,786	2,616
4a[1]	1,097	3,183	107
Total	21,243	25,532	21,414

[1] Formula changed Jan. 1, 1930. Amount reported in 1929–1930 by months as follows:

July	304,425
August	254,916
September	55,274
October	82,437
November	134,945
December	142,417
January	77,472
February	1,552
March	2,468
April	21,589
May	10,352
June	9,531

GROUP IV.—*Miscellaneous*

	Fiscal year 1930	Fiscal year 1929	Fiscal year 1928
	[1] 1,704	[1] 1,538	[1] 1,656
Total	47,720	54,456	45,073

[1] This figure is approximate.

(Page 201)

It is important to add the word "wholesale" when referring to druggists in the second paragraph on this page. It is the wholesale druggists who were able to abuse the alcohol privilege for the reason that they were allowed to withdraw pure ethyl alcohol for manufacturing purposes.

(Page 203)

The caption Cereal Beverages was inadvertently omitted between the second and third paragraphs on this page. The matter in the third paragraph has no relation to the problem of sacramental wine, but is confined solely to the problem of cereal beverages.

PART II

The following insert replaces the tables appearing on pages 23, 24, 25, and 26.

(Pages 23, 24, 25, and 26)

A correct statement of the total number of persons appointed and separated from the service during the fiscal years is indicated. The personnel is divided into four principal groups, namely, enforcement, clerical, administrative, and legal. The classification in each case is made as of the date of appointment and does not take into consideration changes in the status of the individual occurring during incumbency. For this reason a computation derived from these figures showing total persons employed on June 30, 1930, does not necessarily conform to the classification of employees as of that date.

The figures set out in the table below exclude narcotics field force and clerks exclusively assigned to Narcotic Division:

Fiscal year	Enforcement		Clerical		Administrative		Legal	
	In	Out	In	Out	In	Out	In	Out
1920	1,753	241	790	89	24	2	4	
1921	1,321	1,461	445	265	17	13	3	1
1922	2,287	1,224	465	273	42	17	9	1
1923	956	1,379	457	318	6	21	18	4
1924	536	609	288	248	7	7	10	4
1925	942	561	287	367	2	7	13	6
1926	1,065	1,235	418	430	29	21	26	26
1927	1,408	981	455	304	17	12	40	32
1928	804	1,026	365	272	13	11	13	21
1929	1,300	871	327	281	9	5	15	15
1930	698	646	275	263	2	4	11	12

From these figures may be derived the following computation:

ENFORCEMENT

Fiscal year	Appointments	Separations	Number added during fiscal year	Number deducted during fiscal year	Total in at end of fiscal year	Turnover	Ratio of turnover to total in, end of year
1920	1,753	241	1,512		1,512	241	15.94
1921	1,321	1,461		140	1,372	1,321	96.28
1922	2,287	1,224	1,063		2,435	1,224	50.27
1923	956	1,379		423	2,012	956	47.51
1924	536	609		73	1,939	536	27.64
1925	942	561	381		2,320	561	24.18
1926	1,065	1,235		170	2,150	1,065	49.53
1927	1,408	981	427		2,577	981	38.06
1928	804	1,026		222	2,355	804	34.14
1929	1,300	871	429		2,784	871	31.29
1930	698	646	52		2,836	646	22.78

CLERICAL

1920	790	89	701		701	89	12.70
1921	445	265	180		881	265	30.08
1922	465	273	192		1,073	273	25.44
1923	457	318	139		1,212	318	26.24
1924	288	248	40		1,252	248	19.81
1925	287	367		80	1,172	287	24.48
1926	418	430		12	1,160	418	36.03
1927	455	304	151		1,311	304	23.19
1928	365	272	93		1,404	272	19.37
1929	327	281	46		1,450	281	19.38
1930	275	263	12		1,462	263	17.99

ADMINISTRATIVE AND LEGAL

1920	28	2	26		26	2	7.69
1921	20	14	6		32	14	43.75
1922	51	18	33		65	18	27.70
1923	24	25		1	64	24	37.50
1924	17	11	6		70	11	15.71
1925	15	13	2		72	13	18.05
1926	55	47	8		80	47	58.75
1927	57	44	13		93	44	47.31
1928	26	32		6	87	26	29.88
1929	24	20	4		91	20	22.00
1930	13	16		3	88	13	14.77

BUREAU OF PROHIBITION AS A WHOLE, EXCLUSIVE OF NARCOTICS DIVISION

Fiscal year	Appointments	Separations	Number added during fiscal year	Number deducted during fiscal year	Total in at end of fiscal year	Turnover	Ratio of turnover to total in, end of year
1920	2,571	332	2,239		2,239	332	14.83
1921	1,786	1,740	46		2,285	1,740	76.15
1922	2,803	1,515	1,288		3,573	1,515	42.40
1923	1,437	1,722		285	3,288	1,437	43.70
1924	841	868		27	3,261	841	25.79
1925	1,244	941	303		3,564	941	26.40
1926	1,538	1,712		174	3,390	1,538	45.37
1927	1,920	1,329	591		3,981	1,329	33.38
1928	1,195	1,330		135	3,846	1,195	31.07
1929	1,651	1,172	479		4,325	1,172	27.10
1930	986	925	61		4,386	925	21.09

NARCOTICS FIELD FORCE

1920	156	5	151		151	5	3.31
1921	38	37	1		152	37	24.34
1922	50	41	9		161	41	25.47
1923	35	39		4	157	35	22.29
1924	31	35		4	153	31	20.26
1925	201	78	123		276	78	28.26
1926	49	63		14	262	49	18.70
1927	34	45		11	251	34	13.55
1928	34	47		13	238	34	14.29
1929	23	28		5	233	23	9.87

BUREAU OF PROHIBITION AS A WHOLE

1920	2,727	337	2,390		2,390	337	14.10
1921	1,824	1,777	47		2,437	1,777	72.92
1922	2,853	1,556	1,297		3,734	1,556	41.67
1923	1,472	1,761		289	3,445	1,472	42.73
1924	872	903		31	3,414	872	25.54
1925	1,445	1,019	426		3,840	1,019	26.54
1926	1,587	1,775		188	3,652	1,587	43.46
1927	1,954	1,374	580		4,232	1,374	32.47
1928	1,229	1,377		148	4,084	1,229	30.09
1929	1,674	1,200	474		4,558	1,200	26.33
1930	986	925	61		4,619	925	20.03

(Pages 23, 24, 25, and 26)

Insert Tables D in place of Tables 1, 2, 3, and 4.

(Page 39)

Insert following tables:

TABLE 5.—*An analysis of 2,302 members of the prohibition field force as of April 30, 1930, showing year of appointment*

Year	Total, calendar year	Total, fiscal year
1919	20	6
1920	90	79
1921	102	38
1922	126	162
1923	63	90
1924	99	76
1925	185	118
1926	184	161
1927 [1]	242	284
1928	390	283
1929	575	659
1930 (to Apr. 30)	202	322
	2,278	2,278
No date given	24	24
Total	2,302	2,302

[1] The civil service laws were applied to this force Apr. 1, 1927; 62 of this group were appointed from Jan. 1 to Apr. 1, 1927. Therefore, a total of 931 were appointed prior to Apr. 1, 1927, and 1,347 after Apr. 1, 1927, the appointment date of 24 being unknown.

TABLE 5a

Enforcement personnel	Appointed prior to Jan. 1, 1927	Per cent of 2,302	Appointed after Jan. 1, 1927	Per cent of 2,302
Agents	384	16.68	1,034	44.91
Investigators	66	2.87	35	1.52
Special agents	59	2.56	140	6.08
Total	509	22.11	1,209	52.51
Permit personnel: Inspectors, pharmacists, chemists, and others	218	9.47	153	6.65
Administrative and legal personnel: Administrators, assistant and deputy administrators, attorneys	142	6.17	71	3.09
Total	869	37.75	1,433	62.25

(Page 41)

Insert the following:

The discussion of the Budget, which begins on page 41, our report, second volume, was based on preliminary information and estimates. The table on page 18 of the commission's report represents the result of subsequent corrections when the official 1930 figures were available. In the second paragraph, page 41, the statement that "Congress appropriated $2,400,000 to the Internal Revenue Bureau" should be corrected to read, "Congress appropriated $3,000,000 to the Internal Revenue Bureau."

In the same paragraph the statement that "Of these amounts the expenditures were as follows:

Internal Revenue	$2,339,781.10
Department of Justice	25,740.99
Total	2,365,522.09"

should be corrected to read:

"Internal Revenue	$2,939,781.10
Department of Justice	25,740.99
Total	2,965,522.09"

The following footnotes should be added to page 41:

9. These figures are taken from an annual publication of the Treasury Department "Combined Statement of Receipts, Disbursements, Balances, etc., of the United States" and represent balances of each appropriation adjusted as of June 30, 1930, except as noted.

10. Includes $800,000 transferred to war revenue for the enforcement of Title I of the national prohibition act.

On page 42 the figures for the fiscal year ending June 30, 1923, should be revised as follows:

	Appropriated	Expended for current operations	Disability and retirement fund	Unexpended
Prohibition	$8,500,000.99			
Narcotics	750,000.00	$8,941,671.89	$52,718.60	$255,610.50
Total	9,250,000.99	8,941,671.89	52,718.60	255,610.50

On page 45 the figures for the fiscal year ending June 30, 1928, should be revised as follows:

	Appropriated	Expended for current operations	Disability and retirement fund	Unexpended
Prohibition	$11,990,965.00			
Narcotics	1,329,440.00	$12,938,622.49	None.	$381,782.51
Total	13,320,405.00	12,938,622.49	None.	381,782.51

And in the following paragraph the figure $381,782.51 should replace $377,312.11 as unexpended balance.

On page 46, second volume, our report, the figures for the fiscal year ending June 30, 1929, should be revised as follows:

	Appropriated	Expended for current operations	Disability and retirement fund	Unexpended
Prohibition	$11,988,650.00	$13,311,329.17	None.	$6,820.83
Narcotics	1,329,500.00			
Total	13,318,150.00	13,311,329.17	None.	6,820.83
Deficiency appropriation	433,910.00	333,910.00	None.	[1] 100,000.00
Total	13,752,060.00	13,645,239.17	None.	106,820.83

[1] Estimated.

12. This is the amount shown in the Annual Report of the Commissioner of Prohibition for 1930, page ——, as expended, and includes commitments outstanding and unpaid June 30, 1930.

The figures for the fiscal year ending June 30, 1930, were officially closed at the following amounts:

	Appropriated	Expended for current operations	Disability and retirement fund	Unexpended
Prohibition	$12,088,740.00			
Narcotics	1,611,260.00			
Total	13,700,000.00			
Deficiency appropriation	1,285,744.00	$14,948,799.89	None.	$36,944.11
Total	14,985,744.00	14,948,799.89	None.	36,944.11

13. Subject to adjustment.

14. Subject to adjustment.

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Insert after the second paragraph on this page the following additional comments:

"Before taking up the analysis of the present force of the Bureau of Prohibition it is well to note certain facts regarding the effect of the act of March 3, 1927, upon the force transferred under its terms. The act became effective on April 1, 1927, and on that date the bureau consisted of about 4,000 employees (storekeeper-gaugers and narcotics force excluded). Thirteen hundred employees were already under civil service in clerical positions. The act, therefore, affected about 2,700 employees and required them to qualify under civil service laws or leave the service on October 1, six months later.

"The great majority of positions in the new bureau were filled by competitive examinations, but a substantial number of administrative and professional jobs were filled by noncompetitive examinations. Nine hundred and ninety-one, or 37 per cent of the 2,700 persons in service April 1, 1927, eventually secured a civil-service status, either by competitive or noncompetitive examination. Of this number 133 failed the first competitive examination but succeeded in the second or by virtue of an appeal. The 1,700 persons who were unsuccessful in securing a civil-service status by any of these means remained in service until replaced by those regularly appointed from the civil-service register. A substantial number of this group remained in service until late in the fiscal year 1929. On April 30, 1930, 81 temporary ineligibles remained on the rolls.

"Of the 2,700 in service and affected by the law on April 1, 1927, 858, or approximately 32 per cent, secured civil-service status as a result of competitive examination in the first examination; 133, or approximately 5 per cent, secured civil-service status as a result of the second competitive examination (December 15, 1928) or by appeal or noncompetitive examination. Of the 991 who thus eventually secured status 869 were in service April 30, 1930, and 745 remained on December 1, 1930.

"Of the 1,700 who failed on both examinations and did not succeed in an appeal or noncompetitive examination but 81 were in service April 30, 1930."

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A more complete analysis of the personnel files of the Bureau of Prohibition makes it possible to present the following detailed study of the dismissals for cause.

The following is a tabulation of the dismissals for cause, classifying them as to cause:

	Total cases, from February, 1920, to January, 1930	Cases in fiscal year 1930
1. Acceptance of gratuities	11	0
2. Assault	4	0
3. Collusion and conspiracy [1]	94	9
4. Contempt of court	4	0
5. Dereliction of duty [2]	111	6
6. Disclosing confidential information	26	1
7. Embezzlement	3	1
8. Extortion, bribery, or soliciting money	258	6
9. False pretences (issued worthless checks)	3	0
10. False statement on application	13	0
11. Falsification of expense accounts	101	1
12. Good of the service	112	9
13. Illegal disposition of liquor and other property	72	4
14. Intoxication and misconduct [3]	443	32
15. Manslaughter	3	0
16. Misuse of firearms	14	0
17. Perjury or subornation	10	0
18. Political activity	6	0
19. Resigned with prejudice	5	3
20. Robbery of warehouses	1	0
21. Submission of false reports	37	1
22. Theft	46	0
23. Unsatisfactory service and insubordination	183	8
24. Violation of national prohibition act	44	4
Total	1,604	85

[1] This covers such cases as conspiracy to violate the national prohibition act, to extort bribes from violators, to defraud the United States Government, etc.

[2] This classification includes failure to report violations of the national prohibition act, leaving guard duty without permission, etc.

[3] Misconduct covers such matters as immorality, arrest for speeding, gambling, fighting, creating disturbance, etc.

STATEMENT BY FORMER SENATOR FRANCE

Mr. TYDINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a short statement by former Senator Joseph Irwin France, entitled "Direct Road to Freedom."

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

DIRECT ROAD TO FREEDOM

All true believers in self-government must now realize the failure of President Hoover's misnomered noble experiment on prohibition.

From the moral standpoint it has been demonstrated to be most highly immoral, breeding hypocrisy, lawlessness, and degeneracy.

From the economic standpoint it has proven most ruinous.

The moral, legal, and economic angles of this question all demonstrate the urgent necessity of the earliest possible cessation of this most ignoble experiment.

How can this best be accomplished? By the earliest possible repeal of the Volstead Act, with no other congressional-legislation substitute in place thereof.

Such action would leave the eighteenth amendment a dead letter, inoperative because infringements of same while illegal under the Constitution would not be criminal and could not be penalized.

At the next national election following the appeal of the Volstead Act a questionnaire should be submitted to the people direct in every congressional district, not to legislatures or conventions, whether they desired a continuation of the eighteenth amendment or its repeal.

By this plan only can a mandate direct from the people be ascertained.

In those States where the people's mandate favors the repeal of the eighteenth amendment action by the political machinery so wisely provided by our forefathers for the enactment or repeal of constitutional amendments would be tremendously accelerated, as undoubtedly legislatures in those States would feel in honor bound to carry out the mandate of the people to repeal and legislatures in those States voting against the repeal would similarly feel in honor bound to obey such a mandate.

The activity of the bootlegger and racketeer would immediately cease.

Every State in the Union would probably enact legislation prohibiting the return of the saloon but protecting the sanctity of the home and the right of the individual to enjoy the personal liberty guaranteed by our forefathers under the Constitution.

This, in my opinion, is the simplest and only direct method by which this most vexed question can be settled.

MASS PRODUCTION AND THE DISTRIBUTION OF WEALTH

Mr. BLAINE. Mr. President, I desire to ask unanimous consent to have inserted in the RECORD an article by Mr. Eugene A. Cox, a distinguished lawyer of the State of Idaho, and a keen student of economics. The article is entitled "Mass Production and the Distribution of Wealth," and is based upon facts disclosed by the income-tax returns on file in the Treasury Department.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

The following definition of mass production is attributed to Mr. Henry Ford in the thirteenth edition of the Encyclopædia Britannica:

"The term "mass production" is used to describe the modern method by which great quantities of a single standardized commodity are manufactured. As commonly employed, it is made to refer to the quantity produced, but its primary reference is to method. In several particulars the term is unsatisfactory. Mass production is not merely quantity production, for this may be had with none of the requisites of mass production. Nor is it merely machine production, which also may exist without any resemblance to mass production. Mass production is the focussing upon a manufacturing project of the principles of power, accuracy, economy, system, continuity, and speed. The interpretation of these principles, through studies of operation and machine development and their coordination, is the conspicuous task of management. And the normal result is a productive organization that delivers in quantities a useful commodity of standard material, workmanship, and design at minimum cost. The necessary, precedent condition of mass production is a capacity, latent or developed, of mass consumption, the ability to absorb large production. The two go together, and in the latter may be traced the reason for the former."

More briefly, mass production is the making of standardized products by methods which carefully calculate and coordinate all production factors to the ends of cheapness and speed. It is sustained by selling methods which calculate and capitalize all the factors which make people want to possess these standardized products and give up other satisfactions to obtain them. It is making things and selling things under ingeniously contrived pressures. Its operations are governed and directed by estimates of profit. Its success depends upon the maintenance of equilibrium between output and demand.

According to the consensus of opinion, that equilibrium is now upset and overproduction has resulted. Mr. Ford, however, denies the possibility of overproduction. He says that industry can never catch up with continually expanding human wants. But this statement ignores the fact that consumption is not measured by desire but by purchasing power; and industry can and does at times turn out more goods than people can buy.

Mr. J. A. Hobson, in Rationalization and Unemployment, explains the phenomenon of overproduction in substantially this fashion:

Industry develops fields of profitable production. Plants crowd into these fields, and the owners of industry, lured by profits and anticipating continuing markets, take too much of the income for dividends and for the improvement and expansion of plants in order to increase production and pay out too little income in wages in order to sustain consumption. Hence production outruns buying power and overproduction results. The condition thus proceeds out of a miscalculation on the part of capital in the application of income, and will recur at intervals as long as the profit motive remains without adequate check.

This domination by capital is an incident of machine industry. As machines replace men the contribution of capital to production becomes greater, and the contribution of labor becomes less. The progressive replacement of men by machines produces a constant surplus of labor. Sharpened competition for jobs results, and the maintenance of trade-unions strong enough for successful collective bargaining is well-nigh impossible. Highly organized capital dominates poorly organized labor.

Where industry functions behind high tariff walls the domestic market is monopolized through the organization of combinations, mergers, and trusts. Capital is then in position to levy toll upon consumers as well as upon labor. Unfair prices and inequitable wages combine to expand the gains of capital, and a tendency toward the centralization of wealth at the expense of laborers and consumers develops. Human nature being what it is, this tendency will remain inherent in the system so long as the profit motive governs and capital is in position to fix wages and prices.

The foregoing is a summary of some important tendencies of the present economic system as seen by some of the economists. It is assumed that there is a tendency toward the centralization of wealth, but this assumption is vigorously denied. If the existence of a tendency toward centralization can be proved, the view here outlined will be measurably confirmed. The issue is one of fact to be resolved by competent evidence.

The very mass and multiplicity of relevant evidence make the inquiry a herculean task. To examine the whole field is well-nigh impossible. But if there is a tendency toward centralization, that tendency should be reflected in incomes, and the Federal statistics of income, fortunately, provide a field where the evidence is relevant, authentic, and may be reduced to manageable proportions.

The verified returns of income present conditions for a large sample and cross section of the whole population. In examining these statistics it must be remembered that each year reflects in the main the condition of the preceding year. It must also be remembered that the laws governing the returns have been changed from time to time and that the statistics reflect these changes in the law as well as changes in economic conditions.

The changes in the law prevent the figures for some years from being exactly comparable with the figures of other years, but where the statistics disclose trends which originated before the laws were changed and continue after the laws were changed it must be assumed, in the absence of some other explanation, that these trends reflect changing economic conditions among the people.

For the purpose of this inquiry the most important changes in the law are the amendment effective January 1, 1924, raising the minimum for returns of married persons from $2,000 to $2,500, and the amendment effective January 1, 1925, by which the minimum for returns of unmarried persons was raised from $1,000 to $1,500 and for married persons from $2,500 to $3,500. By these changes large numbers of small returns were eliminated, and the aggregate income reported in the lower brackets was reduced. But the number of such small returns and the aggregate income reported in the lower brackets continued to decline after the law was changed. Hence the amendments do not account for a trend which continued steadily without regard to changes in the law. The changes in the law give the trend a sharp accentuation and present the appearance of a more rapid movement than actually occurred. But the trend is real and may be traced despite the changes in the law.

Having these things in mind let us inquire first what proportions of the people make income returns to the Federal Government. Bear in mind that we are dealing with the net income of individual citizens. We are not concerned with taxation, and we are assuming for the present that corporate earnings will ultimately appear in the incomes of individuals, and that a study of the incomes of the individual citizens will disclose the condition of the people who file income returns and furnish the basis for an inference as to the condition of all classes.

The following table shows the total number of individual returns filed for 1928 up to August 31, 1929, by people reporting incomes of $10,000 or less, and the percentage which this group bears to the whole population, the number of persons reporting incomes in excess of $10,000, and the percentage which this group bears to the total population, the number of persons not making any returns of income, and the percentage which this nonreporting group bears to the whole population:

Table I

Class	Number	Per cent
$10,000 or less	3,675,603	3.0
Over $10,000	375,366	.3
Not reporting (estimated)	116,000,000	96.7
Total	120,050,969	100.0

The table shows that for 1928, 3 per cent of the population, being 3,675,603 in number, reported incomes of $10,000 or less. About one-third of 1 per cent of the total population, being 375,366 in number, reported incomes in excess of $10,000. The balance of the people, numbering about 116,000,000, made no returns.

In the nonreporting group are most of the women and children, who even in prosperous times would not ordinarily be in receipt of individual incomes. But since there are about 60,000,000 adults in the United States and about 27,000,000 families, it is manifest that the nonreporting group also includes the overwhelming bulk of business, professional, and working people.

The next table covers the years 1921 to 1928, inclusive. In this table the returns are divided into three groups, those reporting incomes of $10,000 or less, those reporting incomes from $10,000 to $50,000, and those reporting incomes of over $50,000. The numbers in each group in each year are shown, and by tracing any one of the groups through the successive years it will appear whether that group is increasing or decreasing.

Table II

Year	Income class			Total
	Under $10,000	$10,000 to $50,000	Over $50,000	
1921	6,489,817	161,290	11,069	6,662,176
1922	6,584,643	186,807	16,031	6,787,481
1923	7,471,760	209,927	16,634	7,698,321
1924	7,109,980	238,277	21,531	7,369,788
1925	3,844,033	296,500	30,518	4,171,051
1926	3,803,773	304,217	30,102	4,138,092
1927	3,755,850	312,202	33,695	4,101,547
1928	3,675,603	332,738	42,618	4,050,959

Table II shows that the group reporting incomes of $10,000 or less has decreased nearly 50 per cent between 1921 and 1928; that the group reporting incomes of $10,000 to $50,000 has increased over 100 per cent; and that the group reporting incomes of more than $50,000 has increased nearly 300 per cent. The change in the group with incomes of $10,000 or less is affected by changes in the law, but this group continued to diminish during the years 1925 to 1928, when there were no changes in the law. The growth in the groups with incomes above $10,000 is not attributable to any change in the law, but reflects an economic situation.

In his report for 1928, the Secretary of the Treasury called attention to the startling increase from 1922 to 1927 in the groups with the larger incomes, saying:

"The rate of increase rises sharply for each higher income class. In the class from $50,000 to $100,000 the increase is 135 per cent; from $100,000 to $300,000, 279 per cent; and for $300,000 and over, 547 per cent.

"Similar results are shown for corporation returns, the rate of increase in the number of returns being greatest for the higher income classes. For the classes between $50,000 and $1,000,000 the increase ranges from 90 to 98 per cent. For returns showing net (corporate) income between $1,000,000 and $5,000,000 the increase was 92 per cent; and for $5,000,000 and over, 206 per cent. The total net income reported by individuals having net incomes of $5,000 and over increased during this period from $6,362,000,000 to $13,228,000,000; that is, 108 per cent; and for the several higher income classes the rate of increase (in income, not in number) ranges from 139 per cent to 651 per cent. For individuals with net incomes of $300,000 and over the net income increased from $154,000,000 reported on returns filed during 1922 to $1,153,000,000 on returns filed in 1927."

Had the Secretary spoken a year later, using the most recent statistics of the department, his statement would have been more startling. In 1927 individuals with net incomes of $300,000 and more numbered 1,988 and received, according to the figures just quoted, $1,153,000,000. In 1928 the same class numbered 3,187 individuals and received $2,385,651,000. This class increased in one year 55 per cent in numbers and 106 per cent in aggregate income.

The people who make up the bulk of the population work for a living. Wages, salaries, individual business, and partnerships furnish about 70 per cent of their income, as can be determined from the tables showing the sources of income by classes published by the Bureau of Internal Revenue. Let us inquire how income from these sources has fared.

The next table shows what percentage of the total reported income in each year was received from earned income, that is, from wages, salaries, businesses, and partnerships of individuals. Changes in the law as well as changes in the condition of the people are reflected in this table, but a trend is apparent and can be traced despite the changes in the law.

Table III

	1922	1923	1924	1925	1926	1927	1928
	Per cent	*Per cent*	*Per cent*	*Per cent*	*Per cent*	*Per cent*	*Per cent*
Wages and salaries	55.05	46.04	46.04	38.55	39.27	38.98	36.01
Business	11.42	16.08	16.08	14.59	14.04	12.54	11.54
Partnership	5.74	6.12	6.12	7.23	6.81	6.70	6.81
Total	72.22	70.42	68.24	60.37	60.12	58.22	54.36

Table III shows that in 1922 the specified items of earned income were 72 per cent of the total reported income and that in 1928 the same items were only 54 per cent of the total reported. In 1921 the items of earned income amounted to 75 per cent of the total reported income, so that Table III discloses a trend which had developed nine years ago and has continued in operation.

While the three items of earned income have been relatively declining let us now consider what has happened in the same interval to the principal items of unearned income. These principal items are profits from sales of stocks, bonds, and other capital assets and dividends from corporations.

Table IV shows the percentage of these items of unearned income to the total income in each year.

Table IV

	1922	1923	1924	1925	1926	1927	1928
	Per cent	*Per cent*	*Per cent*	*Per cent*	*Per cent*	*Per cent*	*Per cent*
Profits from sales of capital assets	3.98	3.99	5.12	11.61	9.35	11.05	16.80
Dividends	10.71	10.65	10.99	13.71	15.76	16.24	15.45
Total	14.69	14.65	16.11	25.32	25.11	27.29	32.25

Tables III and IV considered together disclose that from 1922 to 1928 the items of earned income as compared with the total income decreased about 25 per cent, and in the same interval the items of unearned income increased relatively over 100 per cent. In the division of the unearned income between the two groups those with incomes of $10,000 or less received about 20 per cent and the group with incomes over $10,000 received about 80 per cent, as can be determined from the tables showing the sources of income by classes published by the Bureau of Internal Revenue.

Tables III and IV taken together disclose that the kind of income ordinarily received by people with small incomes has been relatively decreasing and that the kind of income from which people with large incomes benefit has been relatively increasing. Both tables are affected by changes in the law, but the trends develop and continue regardless of these changes. The next table shows how the total reported income has been divided between the larger and the smaller groups, how much money each group has received in each year, and what per cent of the total each group has received in each year from 1921 to 1928.

Table V

Incomes of $10,000 or less			Incomes of over $10,000	
Amount received	Per cent	Year	Amount received	Per cent
$15,594,000,000	80	1921	$3,973,000,000	20
16,174,000,000	75	1922	5,162,000,000	25
18,811,000,000	75	1923	5,965,000,000	25
18,896,000,000	70	1924	6,760,000,000	30
12,580,000,000	58	1925	7,314,000,000	42
12,570,000,000	57	1926	9,388,000,000	43
12,200,000,000	54	1927	10,370,000,000	46
12,156,000,000	−50	1928	12,469,000,000	+50
Net loss over 1921 $3,438,000,000			Net gain over 1921 $8,496,000,000	

In 1921 the aggregate net income reported by all individuals was $19,577,000,000. In 1928 such income was $24,625,000,000, a gain for the whole reporting group in the sum of $5,058,000,000. But in 1928 the group with incomes of $10,000 or less received $3,438,000,000 less than in 1921, and the group with incomes of more than $10,000 received $8,496,000,000 more than in 1921. The gain of the group with large incomes is approximately equal to the total gain in reported net income for all classes plus the total loss for the group with small incomes. In 1928, as the table shows, 0.3 of 1 per cent of the people received more than half the total reported income. This table is also affected by changes in the law but the trend can be traced despite these changes.

The returns of income do not reflect all of the gains of the groups with large incomes. This is due in part to the greater care and skill employed in making out the returns of large incomes, and in part to the fact that certain real gains are not counted as income under our system of taxation. Thus between the years 1922 and 1927 stock dividends aggregating $7,217,000,000 were declared by American corporations, and about 80 per cent of these dividends were received by the groups having incomes in excess of $10,000. Other gains not counted as income are secured through exchanges of stock upon consolidations and mergers and the conversion of corporate obligations into stock pursuant to options contained in such obligations. Such gains have probably exceeded the total of stock dividends.

INVESTIGATION OF BANK TRANSACTIONS IN FOREIGN BONDS

Mr. JOHNSON. Mr. President, I offer the following resolution and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 19), as follows:

Resolved, That the Finance Committee of the Senate be, and it is hereby, authorized, empowered, and directed to investigate the sale, flotation, and allocation by banks, banking institutions, corporations, or individuals of foreign bonds or securities in the United States; and particularly to investigate and ascertain—

(a) Whether or not any banks, banking institutions, corporations, or individuals engaged in the banking business in the

United States have as representatives or fiscal agents of any foreign governments, or otherwise, sold, floated, or allocated in the United States securities, evidences of indebtedness, or bonds of any foreign government; and if so, at what prices such securities, bonds, or other evidences of indebtedness have been sold or allocated and what sums, if any, have been received by the individual, corporation, or bank so selling or allocating as percentage, bonus, remuneration, or commission for such sale or allocation.

(b) The amount of foreign governmental securities, bonds, or other evidences of indebtedness held by banks, corporations, or individuals doing a banking business in the United States, or by the Federal reserve banks or board, including those securities, bonds, or other evidences of indebtedness issued not only by foreign governments but by foreign governmental subdivisions and banks of issue and foreign municipalities, together with the names of the owners or holders of such foreign securities, bonds or other evidences of indebtedness, the time and manner of acquisition, and the prices paid therefor.

(c) The amount of foreign securities or bonds or other evidences of indebtedness issued by foreign industrial associations or corporations owned or held by banks or corporations or individuals doing a banking business in the United States, together with the names of the holders thereof and the manner and circumstances of their acquisition.

(d) The terms and conditions upon which all of the said securities, bonds, or other evidences of indebtedness have been acquired, and the amounts paid therefor by any of the said banks owning or holding them.

This investigation shall be made at the earliest possible moment, and the Finance Committee at the conclusion thereof shall report its findings to the Senate, the said report and said investigation to be the basis of any legislation deemed necessary relating to the said subject matter.

For the purposes of this resolution, the said committee, or any duly authorized subcommittee thereof, is hereby authorized and empowered to hold hearings and to sit and act at such times and at such place or places as it may deem necessary; to employ clerical and other assistants; to require by subpœna or otherwise the attendance of witnesses, and the production of books, papers, and documents; to administer such oaths and to take such testimony as the said committee, or any subcommittee thereof, may deem necessary, and to do such other acts as the said committee or subcommittee may deem essential in the matter of the said investigation.

The said committee, or a subcommittee authorized by it, may employ stenographic services to report the said hearings, the cost of said stenographic services shall not be in excess of 25 cents per 100 words.

The chairman of the committee, or any member thereof, may administer oaths to witnesses. Every person who, having been summoned as a witness by authority of said committee or subcommittee, willfully makes default, or who having appeared refuses to answer any question pertinent to the investigation hereby authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

Mr. JOHNSON. For obvious reasons and because the information is essential in legislation that soon will come before us, I ask unanimous consent for the immediate consideration of the resolution.

Mr. SMOOT. Mr. President, if it were not against the law I would have no objection at all, but the law itself requires that this class of resolutions must go to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. That is the law and the rule of the Senate.

Mr. JOHNSON. I quite understand that, but I have asked in the resolution no appropriation at all.

Mr. WATSON. Mr. President, so far as I could catch the text of the resolution I am not objecting to it. I do ask, however, that it go over until to-morrow.

Mr. JOHNSON. Mr. President, if the Senator will pardon me——

Mr. WATSON. Certainly; I yield.

Mr. JOHNSON. If the resolution is to go over until to-morrow and the objection is made requiring its presentation to the Committee to Audit and Control the Contingent Expenses of the Senate, I would prefer, because of the limitations of time and the necessity for haste to make the investigation, that it go to the Committee to Audit and Control, with the understanding that it will be reported back to-morrow one way or the other.

Mr. WATSON. To which I have no objection.

Mr. FESS. Will the Senator yield?

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Ohio?

Mr. JOHNSON. I yield.

Mr. FESS. The practice has been when there is submitted a resolution of this character, which must go to the Committee to Audit and Control the Contingent Expenses of the Senate, to send it first to the committee that has jurisdiction of the subject matter, and if that committee recommends it, then it goes to the Committee to Audit and Control the Contingent Expenses of the Senate, because that committee has no power to go into the merits of such a resolution. That has been the practice we have been observing.

Mr. SMOOT. I will leave it to the decision of the Chair.

The VICE PRESIDENT. Under the practice both courses have been pursued, but it is the general practice to refer such a resolution first to the Committee to Audit and Control the Contingent Expenses of the Senate unless a motion to the contrary is made. The Chair will therefore refer the resolution to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. JOHNSON. May I inquire if that is essential when no money is appropriated from the contingent fund of the Senate?

The VICE PRESIDENT. It is essential, because the resolution makes a charge on the contingent fund of the Senate.

Mr. JOHNSON. It is not so made by the resolution.

The VICE PRESIDENT. There is a provision in the resolution for the employment of a stenographer at not to exceed 25 cents a hundred words.

Mr. JOHNSON. The resolution authorizes the employment of a stenographer; that is quite true; but I have no doubt that the committee has the power now to employ a stenographer. However, I do not care to quibble about the matter, and, if the Senator asks that the resolution go to the Committee to Audit and Control the Contingent Expenses of the Senate, I am willing that it shall go to that committee and have it reported back to-morrow.

Mr. KING. Mr. President, will the Senator yield for a moment?

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Utah?

Mr. JOHNSON. I yield.

Mr. KING. Let me inquire of the Senator whether he has included in his resolution the purchases, if there be any—and I think there have been—by investment trusts. As I understand the resolution it is limited to bankers, and I was wondering if the Senator intended to include investment trusts. I think that he should, if he will pardon the suggestion.

Mr. JOHNSON. I should be very glad to include investment trusts. I thought that I had made the resolution sufficiently broad to include everything, but perhaps the Senator is correct in his statement.

COMMITTEE TO AUDIT AND CONTROL CONTINGENT EXPENSES

Mr. WATSON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WATSON. The resolution of the Senator from California [Mr. JOHNSON], which was read to the Senate a few moments ago, was referred by the Chair—and I think quite appropriately—to the Committee to Audit and Control the Contingent Expenses of the Senate. Of course, the committee on committees on this side and the committee on committees on the other side have not reported the members of that committee. At the present time there are two Republican members and one Democratic member, there being a vacancy on each side. My inquiry is whether or not, the Senate being a continuing body, the Committee to Audit and Control the Contingent Expenses of the Senate now in existence can take jurisdiction of that question?

The VICE PRESIDENT. Paragraph 2 of Rule XXV provides as follows:

The said committees shall continue and have the power to act until their successors are appointed.

Mr. WATSON. I thank the Chair.

Mr. ROBINSON of Arkansas. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Arkansas?

Mr. WATSON. I yield to the Senator from Arkansas.

Mr. ROBINSON of Arkansas. I have no disposition to delay action on the resolution of the Senator from California. I suggest to him, however, that it is not competent for the Senate to bind a committee to report immediately, or to-morrow, unless it adopts a resolution instructing the committee so to report. In other words, a tacit agreement on the part of the Senators who are present here to-day that the resolution should be reported to-morrow probably might result practically in effectuating such action; but, of course, the object of referring a resolution to a committee is to give the committee an opportunity to consider it. So I am going to suggest that the Democratic vacancy be filled—and I have in mind the Senator who is to be assigned to that committee from this side of the Chamber—by the appointment of the Senator from South Carolina [Mr. BYRNES]. The Senator from Wyoming [Mr. KENDRICK] is already a member of the committee. I ask unanimous consent that the Senator from South Carolina [Mr. BYRNES] be assigned to the minority vacancy on the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. McNARY. Mr. President, I am not prepared, as the chairman of the Senate committee on committees, to make a similar request at this time on behalf of the majority; indeed, it does not touch the point at all. The question whether the committee can legally function under the rules is not bound up in the number of members on the committee, in my opinion.

I have no quarrel with the ruling the Chair made a moment ago with respect to the committee being a continuing one; but, Mr. President, the contingent fund is involved here, and the Senator from California is asking that certain sums be charged against that fund, namely, the cost of reporting a proposed hearing. I want to ask, Mr. President, can that be done unless this committee is organized in the Seventy-second Congress and before the usual resolution is adopted permitting the committee to make charges upon the contingent fund?

The VICE PRESIDENT. The resolution, if agreed to, will authorize a charge by the committee as a continuing committee; and, under the rule adopted by the Senate at the last session, the committee is authorized to continue to perform its duties until its successors are appointed.

Mr. McNARY. I have great respect for the opinion of the Chair in matters of this kind, but recently I ran counter to that proposition. Some preliminary hearings were to be held before the Senate Committee on Agriculture and Forestry; men from all over the country were in attendance; and it became a matter of importance for me to determine whether the expenses of any of these men could be paid and whether a stenographer or reporter could be employed. I took the matter up with Mr. Pace, the disbursing officer, and, after he conferred with the Senate legislative drafting counsel, I was informed that a charge on that fund could not be made until the Congress convened, the committee was reorganized, and a resolution was adopted by this body permitting a charge against the contingent fund. I mention that, Mr. President, lest the Senator from California may find himself embarrassed by only a partial decision.

Mr. FLETCHER. Mr. President, may I suggest that the rules provide that this committee has jurisdiction and can act. It is not the committee that makes a charge against the contingent fund, but it is the action of the Senate after a resolution shall have been reported. The committee has authority to go into the subject and make a report to the Senate. Then, when the report is made, it is for the Senate to say whether the expense shall be incurred.

The VICE PRESIDENT. The Chair will state that the resolution as offered provides for payment, and therefore must be referred to the committee.

Mr. McNARY subsequently said: Mr. President, I ask unanimous consent to submit a proposal. Early in the session to-day an important resolution, submitted by the Senator from California [Mr. JOHNSON], was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. While the committee on committees is not able at this time to make its report, it has decided upon the chairman and membership of that committee, and selected the Senator from Delaware [Mr. TOWNSEND] for the chairmanship. I ask unanimous consent at this time that the Senate may act upon the nomination of the Senator from Delaware to be chairman of the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. ROBINSON of Arkansas. I have no objection.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

LABOR, HOUSING, AND SANITARY CONDITIONS AT HOOVER DAM

Mr. ASHURST. I offer a resolution and ask, after it shall have been read, that it may be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 22), as follows:

Resolved, That the Committee on Irrigation and Reclamation, or a duly authorized subcommittee thereof, is authorized to make a complete investigation with respect to labor conditions prevailing in the construction of the Hoover Dam (Arizona-Nevada) with particular reference to the wage scale being paid to workmen on the project, and living conditions, housing conditions, working conditions, and sanitary conditions under which employees are working. The said committee, or any duly authorized subcommittee thereof, shall report to the Senate as soon as practicable the results of its investigations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic service to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. ASHURST. I ask unanimous consent to speak for two minutes on the resolution.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Arizona will proceed.

Mr. ASHURST. The resolution which I have asked to have referred to the Committee to Audit and Control the Contingent Expenses of the Senate provides that the Committee on Irrigation and Reclamation, or a subcommittee thereof, shall proceed to the Hoover Dam, formerly called the Boulder Dam, and there conduct an investigation respecting labor conditions, the housing conditions of labor, the wage scale, and the sanitary conditions in connection with the construction of the project.

There will be some opposition to the object of the resolution, though not in the Senate, but I believe the Senate of the United States, having committed itself to such an enormous enterprise, which is going to cost scores of millions of dollars, should make this investigation in order to ascertain if there be any abuses.

It is well known that every member of the Committee on Irrigation and Reclamation except myself was in favor of the construction of that project. I am willing to trust the membership of the Senate Committee on Irrigation and Reclamation, and shall be content with whomsoever shall be designated to serve on the subcommittee. I would be pleased to see the Senators from California and the Senators from Nevada serve on the committee to investigate labor conditions there, so much confidence have I in their intellectual integrity. I hope the Committee to Audit and Control will favorably report the resolution to the Senate at an early date.

The VICE PRESIDENT. Without objection, the resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

PREPARATION OF APPROPRIATION BILLS

Mr. THOMAS of Oklahoma. I submit a concurrent resolution and ask that it be read for the information of the Senate.

The VICE PRESIDENT. Let the resolution be read.

The Chief Clerk read the concurrent resolution (S. Con. Res. 1), as follows:

Resolved by the Senate (the House of Representatives concurring), That in the preparation of the several appropriation bills the respective Committees and Subcommittees on Appropriations be, and they are hereby, authorized and requested to follow the procedure herein outlined:

1. Each regular appropriation bill shall be prepared to embrace and carry only essential and nonavoidable items.

2. All items for equipment, repairs, extensions, and new construction shall be placed in a separate and special bill to be known as an emergency relief bill.

3. Funds for the purpose of meeting the cost of such equipment, repairs, extensions, and new construction, as estimated for and as appropriated, shall be raised by a special issue and sale of bonds to be known as emergency relief bonds.

Mr. THOMAS of Oklahoma. Mr. President, for the time being I ask unanimous consent that the concurrent resolution lie upon the table; and at a more appropriate time I shall call for its consideration.

The VICE PRESIDENT. The concurrent resolution will lie upon the table and be printed.

ANNA JARVIS

Mr. HULL submitted the following concurrent resolution (S. Con. Res. 2), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved by the Senate (the House of Representatives concurring), That there shall be paid out of the contingent funds of the Senate and House of Representatives to Anna Jarvis, widow of Grant Jarvis, late an employee of the Joint Committee on Internal Revenue Taxation, a sum equal to six months of his compensation as such employee, one-half of said sum to be paid by the Senate and one-half by the House, and an additional amount, not exceeding $250, to defray the funeral expenses of said Grant Jarvis shall be paid by the House.

INVESTIGATION OF RAILROAD PROBLEMS

Mr. COUZENS submitted the following concurrent resolution (S. Con. Res. 3), which was referred to the Committee on Interstate Commerce:

Whereas many railroads are involved in grave financial difficulties and all the railroads have sought a 15 per cent increase in freight rates; and

Whereas there is a movement now in progress to reduce the wages of all railway employees, although it appears that approximately 500,000 normally necessary railway employees are now unemployed and many thousands of others have only part-time employment, and that the present earnings of a large percentage of the employed railway workers are less than the amount necessary for a decent livelihood; and

Whereas responsible representatives of the railroads have indicated that financial assistance of the Federal Government will be sought in order to maintain the operations of many railroads, and to avoid further impairment of transportation service and further deferment of necessary maintenance with the resulting increase of unemployment; and

Whereas an emergency exists requiring that a coordinated program be developed immediately to preserve continuous and efficient railroad transportation and to avoid the imposition of intolerable burdens upon either the necessary investment or the necessary labor required to maintain this essential public service; and

Whereas there is no single agency of the Government authorized to develop such a program, or charged with full responsibility for determining the extent to which Government aid can and should be extended to meet all the needs of the present emergency: Therefore, be it

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be composed of the chairman, the ranking majority member, the ranking minority member, and the next ranking minority member of the Committee on Interstate Commerce of the Senate, and the chairman, the ranking majority member, the ranking minority member, and the next ranking minority member of the Committee on Interstate and Foreign Commerce of the House of Representatives. The committee is authorized and directed to make a general investigation and study of all matters affecting the operations of common carriers by railroad subject to the interstate commerce act, with a particular view to determining to what extent the Federal Government can aid during the present emergency in preserving continuous and efficient transportation service by railroad, in alleviating the financial difficulties in which many such carriers are involved, in relieving the distress of the unemployed railroad workers, and in preventing further unemployment among such workers. The committee shall report to the Congress from time to time during the first session of the Seventy-second Congress the results of such investigation and study, together with its recommendations for necessary remedial legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places during the first session of the Seventy-second Congress; to employ such experts and clerical, stenographic, and other assistants; to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the committee.

PRINTING REVISED EDITION OF SENATE MANUAL

Mr. MOSES. Mr. President, I offer a resolution which I ask may be read and for which I shall ask immediate consideration.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 20), as follows:

Resolved, That the Committee on Rules be, and is hereby, directed to prepare a revised edition of the Senate Rules and Manual for the use of the Seventy-second Congress, and that 2,500 additional copies be printed for the use of the committee, of which 300 copies shall be bound in full morocco and tagged as to contents.

Mr. MOSES. I now ask unanimous consent for the immediate consideration of the resolution.

There being no objection, the resolution was considered and agreed to.

REINSTATEMENT OF OIL-PROSPECTING PERMITS

Mr. KING submitted the following resolution (S. Res. 21), which was referred to the Committee on Public Lands and Surveys:

Resolved, That upon the request of any party whose application for an oil-prospecting permit which had been filed prior to and including the 12th day of March, 1929, and which application had been canceled by the Secretary of the Interior as of said date, said Secretary of the Interior shall reinstate such permit as of the date of its cancellation: *Provided*, That such request, in writing, shall be filed with the Secretary of the Interior within 90 days after the passage of this act.

PROPOSED RECOGNITION OF PHILIPPINE INDEPENDENCE

Mr. KING submitted the following resolution (S. Res. 23), which was referred to the Committee on Foreign Relations:

Whereas the Congress of the United States, by the act approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands and to provide a more autonomous government for those islands," vested in the Philippine Legislature, created by said act, general legislative power with respect to the Philippines, in order that by the use and exercise of popular franchise and governmental powers the people of the Philippines might become prepared to assume the responsibilities and enjoy the privileges of complete independence; and

Whereas the Congress of the United States in said act expressly declared that it was the purpose of the Government of the United States to withdraw its sovereignty from the Philippine Islands and to recognize the independence of the islands as soon as a stable government should have been established therein; and

Whereas in conformity with the provisions of said act a stable government, founded upon principles of political liberty and upon popular franchise, has been erected in the Philippine Islands and is exercising political powers therein, subject only to the authority vested in the Governor General of the Philippines and other officials appointed by the President of the United States, and certain supervisory powers exercised by the Secretary of War, and the right of appeal to the Supreme Court of the United States from final judgments and decrees of the supreme court of the Philippine Islands: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President enter into negotiations with the powers having territorial interests in the Pacific, or adjacent thereto, for the purpose of concluding a treaty or treaties whereby said powers agree to recognize the Philippine Islands as an independent state, and covenant to respect the political independence and territorial integrity of such Philippine state, when the same shall have been established and so declared by the United States.

SPECIAL ASSISTANT CLERK TO THE LIBRARY COMMITTEE

Mr. FESS submitted the following resolution (S. Res. 24), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the Library of the Senate is hereby authorized to employ a special assistant clerk during the Seventy-second Congress, to be paid at the rate of $2,220 per annum out of the contingent fund of the Senate.

HEARINGS BEFORE THE COMMITTEE ON THE LIBRARY

Mr. FESS submitted the following resolution (S. Res. 25), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the Library, or any subcommittee thereof, is hereby authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

PROPOSED CHANGE IN NAME OF PENSION COMMITTEE

Mr. BROOKHART submitted the following resolution (S. Res. 26), which was referred to the Committee on Rules:

Resolved, That so much of paragraph 1 of Rule XXV of the Standing Rules of the Senate as reads "Committee on Pensions, to consist of 11 Senators" is amended to read as follows:

"Committee on Veterans' Affairs, to consist of 13 Senators, to which shall be referred all legislation and other matters relating to pensions, Government life insurance, and death or disability compensation, hospitalization, and allowances of persons in the military or naval service of the United States and their beneficiaries, and all legislation and other matters relating to the National Home for Disabled Volunteer Soldiers and its branches."

PROPOSED RULE RELATIVE TO RIVER AND HARBOR BILLS

Mr. VANDENBERG submitted the following resolution (S. Res. 27), which was referred to the Committee on Rules:

Resolved, That the standing rules of the Senate be, and they are hereby, amended by adding after Rule XX a new rule relating to river and harbor projects, as follows:

"RULE XXI. When a rivers and harbors authorization bill is pending a point of order may be made against the authorization of any project in any form not formally recommended to the Congress in an official report of the Board of Engineers for Rivers and Harbors."

PROPOSED BROADCASTING OF SENATE PROCEEDINGS

Mr. HOWELL submitted the following resolution (S. Res. 28), which was referred to the Committee on Rules:

Resolved, That a special select committee of three Senators, to be appointed by the President of the Senate, is authorized and directed to investigate the practicability of broadcasting proceedings of the United States Senate, and to report to Congress as soon as practicable the results of such investigation.

HEARINGS BEFORE THE COMMITTEE ON CLAIMS

Mr. HOWELL submitted the following resolution (S. Res. 29), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Claims, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

EMPLOYEES AND COMPENSATION AT NAVY YARDS

Mr. HOWELL submitted the following resolution (S. Res. 30), which was referred to the Committee on Naval Affairs:

Resolved, That the Secretary of the Navy be, and is hereby, requested to afford the following information:

1. What was the average daily number of civil employees on the pay roll, with the average daily pay and total annual pay for the last fiscal year, at the following navy yards: Portsmouth, N. H., Boston, Brooklyn, Norfolk, Philadelphia, Charleston, Mare Island, and Puget Sound? To include naval hospitals in or near yards?

2. What was the maintenance and improvement cost at each of the navy yards in question—that is, cost of water-front dredging, piers, sea walls, buildings, ways, grounds, etc.; in fact, all charges for improvements and maintenance and new shop machinery? To include naval hospitals in or near the navy yards in question.

3. Inasmuch as two navy yards are apparently sufficient to maintain the greater part of the United States Fleet (battleships, plane carriers, and large submarines) on the Pacific, could not the yards on the Atlantic coast be reduced from six to two without impairing the fleet upkeep? In the event of such a reduction, what two yards on the Atlantic coast does the Navy Department feel should be retained?

FUNERAL EXPENSES OF THE LATE SENATOR MORROW

Mr. KEAN submitted the following resolution (S. Res. 31), which was referred to the Committee to Audit and Control and Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Dwight W. Morrow, late Senator from the State of New Jersey, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

MARY L. TOMLIN

Mr. TRAMMELL submitted the following resolution (S. Res. 32), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Mary L. Tomlin, widow of Robert R. Tomlin, late clerk to Senator PARK TRAMMELL, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE COMMITTEE ON MANUFACTURES

Mr. LA FOLLETTE submitted the following resolution (S. Res. 33), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Manufactures or any subcommittee thereof be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee or any subcommittee thereof may sit during the sessions or recesses of the Senate.

B. FLOYE GAVIN

Mr. HAYDEN submitted the following resolution (S. Res. 34), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to B. Floye Gavin, daughter of Christian A. Taylor, late additional clerk in the office of Senator CARL HAYDEN, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

KATHERINE C. M'GEE

Mr. BRATTON submitted the following resolution (S. Res. 35), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Katherine C. McGee, mother of Ruth E. McGee, late an assistant clerk in the office of Senator SAM G. BRATTON, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE APPROPRIATIONS COMMITTEE

Mr. JONES submitted the following resolution (S. Res. 36), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Appropriations, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

EXPENSES OF SPECIAL COMMITTEE INVESTIGATING THE CONSERVATION OF WILD-ANIMAL LIFE

Mr. WALCOTT submitted the following resolution (S. Res. 37), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the special committee authorized and directed by Senate Resolution No. 246, on April 17, 1930, to investigate the conservation of wild-animal life hereby is authorized to expend in furtherance of such purposes $10,000 in addition to the amounts heretofore authorized.

INVESTIGATION OF AGRICULTURAL CREDIT SITUATION

Mr. CAREY offered the following resolution (S. Res. 38), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Banking and Currency of the Senate, or any duly authorized subcommittee thereof, is hereby authorized and directed to make a general study and investigation of the agricultural credit situation and of the Federal instrumentalities which are concerned with supervising and making loans and advances to farmers for agricultural purposes, and to submit a report thereon to the Senate as soon as practicable, together with its recommendations for remedial legislation.

For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Seventy-second Congress until the final report is submitted, to employ such clerical and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony, and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed $15,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

TRAVEL EXPENSES OF CLERKS TO SENATORS AND THE VICE PRESIDENT

Mr. BINGHAM submitted the following resolution (S. Res. 39), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate is authorized and directed to pay from the contingent fund of the Senate to the secretary, or to one assistant secretary of the Vice President, or of any Senator, who in the course of his official duties is required to travel from Washington, D. C., to the legal residence of the Senator and return, a sum to cover the cost of such travel, which shall be calculated on a basis of 8 cents a mile by the most direct and customary route: *Provided*, That such travel shall not exceed one round trip for any regular, extra, or special session of Congress: *Provided further*, That such payment shall be made only upon certification by the Vice President or by the Senator by whom the secretary or assistant secretary is employed that the travel was requisite and necessary in the discharge of his official duties.

HEARINGS BEFORE THE COMMITTEE ON MILITARY AFFAIRS

Mr. REED offered the following resolution (S. Res. 40), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Military Affairs, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

NOBLE M. CLARK

Mr. REED submitted the following resolution (S. Res. 41), which was ordered to lie over under the rule:

Resolved, That the Sergeant at Arms hereby is authorized and directed to continue the employment of Noble M. Clark as a messenger in accordance with the provisions of Senate Resolution No. 72, agreed to July 14, 1911.

PROPOSED INVESTIGATION OF FEDERAL FARM BOARD

Mr. NORRIS submitted the following resolution (S. Res. 42), which was referred to the Committee on Agriculture and Forestry:

Resolved, That the Committee on Agriculture and Forestry be, and it is hereby, authorized and directed to make a thorough and complete investigation of the activities and operations of the Federal Farm Board created by the agricultural marketing act approved June 15, 1929.

In connection with such investigation and as a part thereof, said committee shall likewise make a complete investigation of all exchanges in the continental United States dealing in any of the commodities over which the Federal Farm Board, by said act, is given any jurisdiction or control. The said committee shall ascertain the relationship between such exchanges and the operations of said board.

The said committee shall likewise, in addition to the general investigation, specifically inquire into the organization of any stabilization corporations and the organization of any other corporations or subsidiaries organized by said board. It shall ascertain whether, in the organization of any corporation by said board, such corporation was advisable or necessary, and whether the operation of said Federal Farm Board under said act could or could not have been better performed if, instead of organizing an independent corporation to act as sale or purchasing agent or in any other capacity, the services of existing cooperative organizations could not have been more properly utilized.

The committee shall likewise ascertain whether the said Federal Farm Board in its activities under said act has been, within the meaning and intent of said act, unjust to any existing cooperative organization, and whether said board has been guilty of any practices which tend to injure the operation or the activities of any existing cooperative organization.

The committee shall also ascertain whether, in the buying and selling of any of the products dealt in by said board by virtue of said act, its activities were advisable or necessary; or whether the trading in the buying, selling, and storing of grain, cotton, and other products was carried on in accordance with the intent of said act. The committee shall also ascertain what, if any, losses have been or will probably be sustained by any of the activities of said board or any other corporation organized by said board under said act.

The committee shall likewise ascertain whether any of the exchanges or boards of trade or other organizations privately owned and privately controlled, dealing in any of the products mentioned in said act, have in any way interfered with or hampered, wrongfully or unjustly, the activities of said board in carrying out the provisions of said act.

The said committee, after making such investigation, shall report to the Senate what legislation, if any, should be passed by Congress in the premises.

Said committee is hereby authorized, in the performance of its duties, to sit at such times and places, either in the District of Columbia or elsewhere, as it deems necessary or proper. It is specifically authorized to require the attendance of witnesses by subpœna or otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, clerical, and other assistants; and to employ stenographers at a cost not exceeding 25 cents per 100 words.

Said committee is hereby specifically authorized to act through any subcommittee authorized to be appointed by said committee or by the chairman thereof. The chairman of said committee or the chairman or any member of any subcommittee appointed hereunder may administer oaths to witnesses and sign subpœnas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee or who appears and refuses to answer questions pertinent to said investigation shall be punished as prescribed by law.

The expenses of said investigation, not exceeding in the aggregate $50,000, shall be paid from the contingent fund of the Senate on vouchers signed by the chairman of the committee or the chairman of any subcommittee.

EXEMPTION OF FARMERS' COOPERATIVE ORGANIZATIONS UNDER REVENUE ACTS

Mr. NORRIS submitted the following resolution (S. Res. 43), which was referred to the Committee on Agriculture and Forestry:

Whereas a large number of controversies have arisen between various farmers' cooperative organizations in different parts of the country with the officials of the Bureau of Internal Revenue regarding the exemption features of the present revenue act as applied to farmers' cooperative organizations (sec. 231, par. 12, act of 1926, and a similar paragraph in the 1928 act); and

Whereas it is claimed by representatives of various farmers' cooperative organizations that the officials of the Internal Revenue Bureau are guilty of acts of intimidation against officers and employees of various farmers' cooperative organizations in that said officers and employees have been, through threats and otherwise, induced to sign affidavits and make statements concerning the financial operations of said cooperative organizations by which the said officers and employees have been frequently induced to pay taxes against such organizations when, as a matter of fact, no tax is or was due under the law; and

Whereas it is claimed on the part of the officials of farmers' cooperative organizations that the Internal Revenue Bureau is not fairly administering the tax-exemption feature of the laws which apply to such organizations but is compelling the officials of such organizations to pay taxes which have been illegally assessed; and

Whereas it is claimed by the officials of such cooperative organizations that instructions have been given these associations at variance with and contrary to the exemption features of the revenue acts governing the taxable status of farmers' cooperative organizations by which a large number of said cooperative organizations have been misled as to their legal rights and have not made claim to exemptions when, as a matter of fact, they were entitled to such exemption under the law: Therefore be it

Resolved—

(1) That the Committee on Agriculture and Forestry be, and it is hereby, authorized and directed to investigate the entire question of the exemption of farmers' cooperative organizations under the various revenue acts and ascertain whether or not the officials of the Internal Revenue Bureau have been guilty of any unfair or illegal practices in regard to the exemption features of the revenue acts as they apply to farmers' cooperative organizations.

(2) That the committee ascertain specifically whether or not the officials of the Internal Revenue Bureau have been unjust or unfair

in their attempt to enforce the said revenue acts as against such farmers' cooperative organizations.

(3) That the committee ascertain whether or not the intent and spirit of the revenue act has been fairly and judicially enforced in regard to the exemption features in said law applying to farmers' cooperative organizations.

(4) That the committee ascertain whether or not such farmers' cooperative organizations have received the full benefit of the exemptions for such organizations provided for in the law, and, if they have not received such benefit, has the same been brought about by any dereliction, inefficiency, or illegal acts of any of the officials of said bureau.

Said committee is hereby authorized, in the performance of its duties, to sit at such times and places, either in the District of Columbia or elsewhere, as it deems necessary or proper. It is specifically authorized to require the attendance of witnesses by subpœna or otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, clerical, and other assistants; and to employ stenographers at a cost not exceeding 25 cents per 100 words.

Said committee is hereby specifically authorized to act through any subcommittee authorized to be appointed by said committee or by the chairman thereof. The chairman of said committee or the chairman or any member of any subcommittee appointed hereunder may administer oaths to witnesses and sign subpœnas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee or who appears and refuses to answer questions pertinent to said investigation shall be punished as prescribed by law.

The expenses of said investigation, not exceeding in the aggregate $5,000, shall be paid from the contingent fund of the Senate on vouchers signed by the chairman of the committee or the chairman of any subcommittee.

All hearings before said committee shall be public.

DISPOSAL OF SEWAGE FROM THE DISTRICT OF COLUMBIA

Mr. SWANSON submitted the following resolution (S. Res. 44), which was referred to the Committee on the District of Columbia:

Resolved, That the Surgeon General of the United States Public Health Service is requested to make an investigation of conditions resulting from the present method of disposing of sewage from the District of Columbia in the Potomac River with a view to determining (1) the extent to which such disposal constitutes a menace to public health and an annoyance to the residents along the river, and destroys the fish and oysters in such river or makes them unfit for human consumption, and (2) whether there is a more suitable method of disposing of such sewage, and if so, the estimated cost thereof. The Surgeon General shall report to the Senate as soon as practicable the results of such investigation, together with his recommendations.

INVESTIGATION OF POSTAL CONDITIONS IN TENNESSEE

Mr. McKELLAR submitted the following resolution (S. Res. 45), which was referred to the Committee on Post Offices and Post Roads:

Resolved, That the Committee on Post Offices and Post Roads, or any subcommittee thereof, is hereby authorized and directed to make an investigation of postal conditions, postal appointments, and postal employees in the State of Tennessee, and to ascertain whether or not charges of political activity or of enforced contributions from postal employees or other practices hurtful to the service have been carried on in said State.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, to employ such experts and clerical, stenographic, and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $1,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

ENFORCEMENT OF ANTITRUST LAWS

Mr. McKELLAR submitted the following resolution (S. Res. 46), which was referred to the Committee on the Judiciary:

Whereas the President of the United States in his message to the Congress on December 2, 1930, among other things, recommended as follows: "I recommend that the Congress institute an inquiry into some aspects of the economic working of these laws," meaning the antitrust laws; and

Whereas the President again said in this same message, "I therefore suggest that an inquiry be directed especially to the effect of the workings of the antitrust laws in these particular fields to determine if these evils can be remedied without sacrifice of the fundamental purpose of these laws"; and

Whereas the conditions of depression and unemployment in the United States are generally believed to be in a considerable measure due to the combinations, mergers, chain organizations, interlocking directorates, holding companies, price or cost fixing associations, financial-foundation associations, and uniform controls of business, banking, manufacturing, and commercial corporations of almost every kind and description; and

Whereas it is desirable not only to carry out the President's recommendations but to have an investigation of the operation and enforcement of the antitrust laws generally; and

Whereas it is the opinion of many that very numerous organizations, price or cost fixing associations, combinations, mergers, chain organizations, interlocking directorates, holding companies, financial-foundation associations, and uniform controls are in violation of the Sherman antitrust laws and the Clayton antitrust laws: Now, therefore, be it

Resolved, That the Committee on the Judiciary of the Senate, or any duly appointed subcommittee thereof, is hereby authorized and directed to hold hearings and to investigate and report to the Senate at the earliest practicable moment—

First. Whether or not the "interpretation of the antitrust laws by the courts, the changes in business, especially in the economic effects upon these enterprises closely related to the use of the natural resources of the country" require a change in said antitrust laws.

Second. Whether or not the Sherman antitrust laws and the Clayton antitrust laws, and any other antitrust law on the Federal statute books are being violated, and if they are being violated to what extent is the Department of Justice prosecuting the same; whether or not they are prosecuting some violators and not prosecuting other violators; whether they are compromising or adjusting and making terms with some violators by consent court decrees, opinions, or otherwise; and if some violators are not being prosecuted by the department, why the same are not being prosecuted.

Third. Whether or not in any cases brought by the Government against alleged trusts orders or decrees have been agreed upon by the Department of Justice permitting such illegal combinations to continue when claimed to be used only for the purpose of creating credit protection; and the committee will return as full a list of such cases as possible and report all information concerning such cases in which said laws have been modified by consent decrees if such has been done.

Fourth. Whether or not the Department of Justice has rendered any opinion, written or verbal, expressed or implied, to any illegal price or cost fixing association, gentlemen's-agreement association, credit-protection association, or any other organization having similar purposes that the proposed acts of such associations would or would not constitute a violation of the antitrust laws; and the committee will report all the pertinent facts relative thereto.

Fifth. Whether or not there is now in existence any understanding or agreement between said associations, or any of them, and the Department of Justice relative to the enforcement by the said department, or partial enforcement by the said Department of Justice, of the antitrust laws of the United States.

Sixth. Whether or not the existence of any such combinations, mergers, chain organizations, interlocking directorates, price or cost fixing associations, financial-foundation associations, holding companies, chain banks, or uniform controls or combinations, if any such are found, have interfered with or are now interfering with or stifling free competition or are bringing about monopoly.

Seventh. The committee, after making such investigation and reporting its findings of fact and its conclusions, will make such recommendations as it may deem fit and proper looking to the repeal, in whole or in part, of said antitrust laws as recommended by the President or the retention of such laws or the strengthening of such laws, and especially as to the strict enforcement of such laws.

For the purpose of this resolution the said committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings in Washington or elsewhere in the United States, to sit and act at such times and places either while Congress is in session or at any recess thereof, to employ expert counsel, to employ other experts and clerical, stenographic, or other assistance; to require by subpœna or otherwise the attendance of such witnesses and the production of books, papers, and documents as the committee may deem necessary, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable, to the end that the fullest investigation, report, and recommendations may be had.

The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per hundred words, the cost of expert counsel shall not be in excess of $25,000, and the cost of the entire inquiry shall not exceed the sum of $50,000, and shall be paid from the contingent fund of the Senate upon vouchers reported by the chairman.

INVESTIGATION OF SALES OF UNITED STATES SHIPS

Mr. McKELLAR submitted the following resolution (S. Res. 47), which was referred to the Committee on Commerce:

Resolved, That a special committee of five Senators, to be appointed by the President of the Senate, is authorized and directed to make a thorough investigation into all the acts and doings of the United States Shipping Board and Merchant Fleet Corporation, and especially into the question of sales of ships by the board, the prices secured, the terms under which ships have been sold, the character and responsibility of the purchasers, the

change in terms, the sale of ships to combinations of shipping interests, if such sales have been made, and all other facts relating to the conduct of the board and of the Emergency Fleet Corporation.

For the purposes of this resolution such committee or any duly authorized subcommittee thereof is authorized to hold hearings, to sit and act at such times and places during the sessions and recesses of the Senate until its report is submitted, to employ such experts and clerical, stenographic, and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

INVESTIGATION OF AIR AND OCEAN MAIL CONTRACTS, ETC.

Mr. McKELLAR submitted the following resolution (S. Res. 48), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Whereas charges have been openly made in the Senate of improper sea mail contracts in Senate Document No. 210, Seventy-first Congress, entitled "The Truth About the Postal Contracts"; and

Whereas a reply has been made by the Shipping Board and still further charges have been made and published in the RECORD; and

Whereas charges have also been made in reference to postal air mail contracts; and

Whereas the use of mail tubes, especially from airports, has been a matter of consideration by the Senate; and

Whereas by action of the Postmaster General the Interstate Commerce Commission has before it a proposal to increase by $7,000,000 the parcel-post rates; and

Whereas under the post-office building program few buildings in the smaller towns are being erected: Now, therefore, be it

Resolved, That the Committee on Post Offices and Post Roads, or any duly elected subcommittee thereof elected by the full committee, is hereby authorized to investigate during the present session of Congress or any recess thereof, to hold hearings at such times and places as such committee may deem proper, and investigate fully the questions:

1. Of all air mail contracts.
2. Of all ocean mail contracts.
3. Of the use of mail tubes in cities, including the transmission of mail from airports to post offices.
4. Of the necessity or expediency of increasing rates on parcel post or other kind of mail matter.
5. Also the question of erecting buildings in small towns.

And the said committee will report its findings to the present session of Congress.

For the purposes of this resolution the committee, or any duly elected subcommittee thereof, elected as aforesaid, is authorized to hold hearings, to sit and act at such times and places, to employ such experts and clerical, stenographic, and other assistance, to require by subpœna or otherwise the attendance of such witnesses, and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services in reporting such hearings shall not exceed 25 cents per hundred words. The expenses of the committee, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

DEALINGS OF FEDERAL FARM BOARD WITH COTTON SITUATION

Mr. McKELLAR submitted the following resolution (S. Res. 49), which was ordered to lie on the table:

Whereas in hearings held before the Appropriations Committee of the Senate evidence was offered showing that the prices of farm products have constantly declined since the institution of the Farm Board; and

Whereas it developed in those hearings that the Farm Board was backing cooperative associations in cotton, which associations were not entirely responsible financially; that only four of them were responsible financially; and

Whereas it developed that the Farm Board had taken over through cotton stabilization corporations 1,300,000 bales of cotton which, in the opinion of all witnesses, constitutes a menace to the price of cotton in the particular way in which it is now being held; and

Whereas it was shown that the cost of handling cotton by the cooperative associations was as great or greater than it was under the former system of dealing with this product; and

Whereas it developed in said hearings that the cotton cooperative associations were using funds secured from the Government with which to buy cotton futures and to engage in speculation on the cotton market; and

Whereas it happens that an actual corner was created nearly a year ago in the cotton market, requiring several thousand bales of cotton which had already been shipped abroad to be returned to America to meet such speculative situation; and

Whereas it is admitted on all sides that the Federal Government already has a loss in the dealings of the Farm Board on the cotton market of something like $45,000,000: Now, therefore, be it

Resolved, That the Vice President shall, and he is hereby authorized to, name a committee of five Senators, which committee shall investigate the subject of the Farm Board's dealings with the entire cotton situation, such committee being hereby authorized and empowered to sit in recess at such times and places as it may fix and report its findings to the present session of Congress.

For the purposes of this resolution the committee is authorized to hold such hearings, to sit and act at such times and places, to employ such experts and clerical, stenographic, and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $20,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

MEMPHIS VETERANS' HOSPITAL NO. 88

Mr. McKELLAR submitted the following resolution (S. Res. 50), which was ordered to lie on the table:

Resolved, That the Administrator of Veterans' Affairs is hereby requested and directed to furnish the Senate with reports of the various investigators of the Memphis Veterans' Hospital No. 88 made during the year 1931 in reference to conditions at said hospital.

Resolved further, That the Administrator of Veterans' Affairs report to the Senate the entire cost of the addition to the said Hospital No. 88 and the probable cost of what remains to be done if the hospital has not yet been finished.

PROPOSED INVESTIGATION OF TAX REFUNDS

Mr. McKELLAR submitted the following resolution (S. Res. 51), which was ordered to lie on the table:

Resolved, That a select committee of five Senators be appointed by the Vice President to investigate the subject of tax refunds involving claims for taxes of $50,000 or over. For the purpose of this resolution the committee is authorized to sit during the recess of the Congress, to employ such clerical, stenographic, or other assistance as may be necessary, to require the attendance of such witnesses and the production of such documents and papers as it deems fit, to administer oaths, to take testimony of witnesses, and to make its report to the next session of the Senate, in December, 1932. The expenses of such committee shall not exceed $10,000 and shall be paid out of the contingent fund of the Senate.

LOANS ON ADJUSTED-COMPENSATION CERTIFICATES

Mr. McKELLAR submitted the following resolution (S. Res. 52), which was ordered to lie on the table:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to report to the Senate at the earliest practicable moment the number of adjusted-compensation certificates on which the Treasury has lent money since the 4th of March, 1929, and also the number of soldiers who have asked for loans on such certificates.

AIR MAIL CONTRACTS

Mr. McKELLAR submitted the following resolution (S. Res. 53), which was ordered to lie on the table:

Resolved, That the Postmaster General be, and he is hereby, requested and directed to furnish to the Senate at the earliest practicable moment the following information:

1. A list of the various air mail contracts made for carrying air mail in the United States proper, such list to show the date of the contract, the name of the contractee, the mileage of the contract, the amount of compensation, the route of the contract, and the amounts of mail in pounds of each class carried under each contract. If a space contract has been entered into, give reasons for entering into such space contracts.

2. The same information in reference to all contracts handled by the department for the carriage of mails to foreign countries by air mail.

3. State whether the domestic contracts are uniform, and if so, furnish a copy of the contract entered into. If they differ, point out the differences in such contracts or furnish copies of same.

4. If the contracts for foreign air mail are uniform, furnish a copy of the uniform contracts and if they differ, point out the differences in such contracts.

5. The number and names of the corporations carrying air mail for the Government, the number and names of corporations bidding on contracts and whose bids were rejected, and give copies of all rejected bids.

6. The number of routes and the mileage of each which has been extended since the passage of the Watres Act and the additional schedules.

7. A map of the United States showing the location and mileage of all routes now being used and showing the main routes and extensions, differentiating the same by markings showing the main routes and extensions on said map seperately.

8. Give the names of the officers and the attorneys of each aircraft company carrying mails, together with the names of the board of directors of each company. If any contract is controlled

by a holding company or companies, furnish the same information as to holding companies.

9. Finally, a tabulated statement concerning all these contracts, showing, among other things, the number of bids received, and the amount of each bid, and the reasons for rejecting same if such bids were rejected, the bid accepted, the changes made in the contract by extension or otherwise, the amounts paid per mile, the amount of space, the number of pounds for the transportation of mail under original contracts and the changes or extensions, the payments made to the various aircraft carriers and including the method of payment, and the amounts of appropriation and the amount expended out of said appropriation, and, finally, any other information pertinent to these contracts available in your office.

OCEAN MAIL CONTRACTS

Mr. McKELLAR submitted the following resolution (S. Res. 54), which was ordered to lie on the table:

Resolved, That the Postmaster General be, and he is hereby, requested and directed to furnish to the Senate at the earliest practicable moment the following information:

1. A list of the various ocean mail contracts made with steamship companies for carrying ocean mail, such list showing the date of the contract, the name of the contractee, the mileage of the contract, the amount of compensation, the route of the contract, the amounts of mail in pounds of each class carried under said contract, and if a space contract has been entered into the amount of space purchased and paid for, and give reasons for entering into such space contracts.

2. The amounts of compensation which would have been paid under preexisting ocean rates.

3. State whether such contracts are uniform with each mail-ship company; and if so, furnish a copy of the contract entered into. If the several contracts differ, point out the differences in such contracts or furnish copies of each of same.

4. The number and names of the corporations carrying ocean mail for the Government, whether the said companies are organized under a State or national law or organized under the laws of foreign countries. If such companies or any of the same are owned or controlled by foreign steamship companies or other holding companies, then give the names of such owning, holding, or controlling company with the names of the board of directors of each contracting company and of each holding, controlling, and operating company.

5. The names of any other steamship company bidding on contracts and the bids of which were rejected; the amounts of such rejected bids, and the reason for rejecting such bids, if such were rejected.

6. The number of routes and the mileage of each now carrying mails. The amounts in pounds of each of the four classes of mail carried by such steamships and the amount paid by the Government for same.

7. An ocean map showing the route and mileage of all foreign mail and showing the name of the company carrying each.

8. Give the names and officers and attorneys of each steamship company carrying mail together with the board of directors of each company.

9. Finally a tabulated statement concerning all these contracts, showing, among other things, the number of bids received, the amount of each bid and the reasons for acceptance or rejection of same, the bids accepted, the changes made in the contracts of any steamship company if changes have been made, the amounts paid per mile, the amount of space, the number of pounds for transportation by each steamship under the original contracts and the changes or extensions of contracts, the payments actually made to various mail-carrying ocean carriers, including the method of payment and the amounts of appropriation and the amounts actually expended out of said appropriation, and finally any other information pertinent to these contracts available in your office.

OVERDUE FEDERAL FARM LOANS

Mr. McKELLAR submitted the following resolution (S. Res. 55), which was ordered to lie on the table:

Resolved, That the Federal farm bank be and is hereby requested and directed to report to the Senate at the earliest possible moment the number of farm loans held by the farm loan bank and now in arrears, giving the same by States and the percentage of loans in each State now in arrears.

HEARINGS BEFORE THE COMMITTEE ON RULES

Mr. MOSES submitted the following resolution (S. Res. 56), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Rules, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

PAULINE L. WATTS

Mr. McNARY submitted the following resolution (S. Res. 57), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay, out of the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1932, to Pauline L. Watts, widow of William Watts, late elevator operator in the Senate Office Building, a sum equal to one year's compensation at the rate at which such William Watts was receiving compensation by law at the time of his death, such sum to be considered inclusive of funeral expenses and all other expenses.

THE BUDGET

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Chief Clerk read as follows:

To the Congress of the United States:

I have the honor to transmit herewith the Budget of the United States for the fiscal year ending June 30, 1933. The receipts and expenditures shown in detail in the Budget are summarized in the following statement:

Summary of receipts and expenditures (exclusive of postal revenues and postal expenditures paid from postal revenues)

	1933	1932	1931
General fund receipts	$2,473,515,772.00	$2,204,257,200.00	$3,103,336,105.16
Special fund receipts	103,014,430.00	34,621,600.00	86,303,975.14
Total, general and special fund receipts	2,576,530,202.00	2,238,878,800.00	3,189,640,080.30
General fund expenditures	3,889,223,050.00	4,284,411,800.00	3,987,148,133.52
Special fund expenditures	107,449,400.00	77,428,000.00	104,515,774.89
Total, general and special fund expenditures	3,996,672,450.00	4,361,839,800.00	4,091,663,908.41
Excess of general and special fund expenditures over general and special fund receipts	1,420,142,248.00	2,122,961,00 (0	902,023,828.11
Excess of trust fund receipts over trust fund expenditures	3,192,800.00	277.31 (0	
Excess of trust fund expenditures over trust fund receipts			693,016.96
Total, excess of expenditures	1,416,949,448.00	2,122,683,685.00	902,716,845.07

From this statement it will be seen that, in spite of an estimated increase of over $337,000,000 in receipts for next year and an estimated reduction in expenditures of more than $365,000,000, a large excess of expenditures is still indicated for the fiscal year 1933 under present laws. This condition requires that I make, in accordance with section 202 of the Budget and accounting act, recommendations to Congress for new taxes, loans, or other appropriate action to meet the estimated deficiency. My recommendations appear later in this message.

1932

For the fiscal year ending June 30, 1932, the receipts, originally estimated at $3,956,000,000, are now expected to fall of realization because of the severity of the depression and will fall below the estimates by $1,717,000,000. The principal elements entering into this decline in revenues are income-tax receipts, $1,140,000,000; customs receipts, $202,000,000; miscellaneous internal-revenue receipts, $132,000,000; and postponement of payments of principal and interest on the foreign debt, $247,000,000.

Expenditures are expected to increase over the original estimates by $437,000,000. This is the net difference between many items of increase and decrease. The principal increases, in part due to subsequent legislation, include added benefits to veterans, $135,000,000; speeding up of public works to aid unemployment, $160,000,000; Federal Farm

Board revolving loan fund, $80,000,000; interest on the public debt, $24,000,000; postal deficit, $81,000,000; and settlements under the war claims act, $37,000,000. There are many other individual items of increase over the expenditures estimated a year ago which would materially swell the total of increases. Rigid reduction of expenses elsewhere supplemented by decreases in public-debt expenditures on account of the moratorium and smaller tax refunds than were originally estimated serve to offset the total increases. These changes in receipts and expenditures indicate a deficit of $2,123,000,000 which includes statutory debt retirement or a probable net debt increase of $1,711,000,000.

1931

For the fiscal year ending June 30, 1931, the actual receipts fell short of those estimated a year ago by $516,000,000. The principal elements in this falling off were internal revenue and customs receipts which, together, account for $506,000,000. The actual expenditures exceeded those estimated for the year by $207,000,000, and may be attributed to the special legislation calling for emergency drought relief and increased public works to relieve unemployment, coupled with the advance payment of $112,000,000 to the adjusted-service certificate fund, offset in part by reductions and economies in other directions. The net result was a deficit of $902,000,000, which included $440,000,000 for statutory debt retirement, or a net increase in the debt of $462,000,000, plus additional cash in the Treasury of $153,000,000, or a total debt increase of $615,000,000.

TAXES

We are now face to face with a situation where for a time the current revenues of the Government under our existing laws have fallen below the amounts required to meet the absolutely necessary expenses. This brings the question directly before us of the course that shall be pursued. As already stated the deficit for the fiscal year 1931 is $902,000,000 and the estimated deficits for 1932, $2,123,000,000, and 1933, $1,417,000,000, or a total of $4,442,000,000, which, after deducting statutory debt redemptions and increased cash in the Treasury, show for these three fiscal years a total probable net increase in the national debt of $3,247,000,000. Rightly or wrongly, our tax system is very largely based upon business profits and in consequence is subject to great variables.

We can not maintain public confidence nor stability of the Federal Government without undertaking some temporary tax increases. It is obviously impossible to impose a degree of taxation which will balance the Budget for the current fiscal year. We should endeavor by increase of taxes and rigid curtailment of expenditures to balance the Budget for the next fiscal year except to the extent of the amount required for statutory debt retirements. We should assure its balance, including statutory debt retirements, for the fiscal year following.

I recommend that Congress provide for an increase in taxation for a definite limited period and upon the general plan of taxation which existed under the revenue act of 1924 with such changes as may be appropriate in the light of altered conditions. The Secretary of the Treasury has prepared recommendations along these lines which he will present at the proper time. It is proposed that this increase shall be definitely terminated in two years from next July. This plan, it is estimated, will realize $920,000,000 next year and thus meet the above conditions of balancing the Budget for the fiscal year 1933 except for the statutory debt retirement. It would balance the Budget including debt retirement in the fiscal year beginning July 1, 1933. It would provide about $390,000,000 for the current year, leaving us with the necessity of borrowing an amount which will represent a net increase in the public debt by about $1,320,000,000.

The plan of approximately reenacting the revenue act of 1924 has the great advantage that the Government is equipped by experience with similar legislation for its systematic and economical collection. The public has paid such taxes in the past and has found them not intolerable and has found that they do not prevent increased prosperity. By providing a definite date for termination of the temporary increase it will allow taxpayers to look forward to definite relief.

I further recommend that Congress inquire into the economic effect of the provisions of the present law relating to capital gains and losses.

APPROPRIATIONS

The estimates of appropriations recommended in this Budget for the fiscal year 1933, to carry out the financial program recommended above, are summarized in the following statement showing increases or decreases as compared with actual appropriations for the current fiscal year:

	Estimates, 1933	Increases	Decreases
Legislative establishment:			
Senate	$3,241,564.00		$7,728.00
House of Representatives	8,177,374.00		6,238.00
Architect of the Capitol	4,257,415.00		5,401,007.00
Botanic Garden	231,022.00	$57,140.00	
Library of Congress	2,489,777.00		72,305.00
Government Printing Office	3,274,000.00		20,000.00
Miscellaneous	185,050.00		3,000.00
Total, legislative establishment	21,856,202.00	57,140.00	5,510,278.00
Executive Office	429,380.00		43,000.00
Independent establishments:			
American Battle Monuments Commission	400,000.00	95,750.00	
Arlington Memorial Bridge Commission	1,000,000.00		
Board of Mediation	169,865.00		18,320.00
Board of Tax Appeals	635,000.00		18,640.00
Bureau of Efficiency	199,940.00		330.00
Civil Service Commission	1,542,720.00		115,622.00
Commission of Fine Arts	9,775.00		
Employees' Compensation Commission	4,986,926.00	255,946.00	
Federal Board for Vocational Education	10,285,405.00	199,425.00	
Federal Farm Board	1,880,000.00		100,020,000.00
Federal Oil Conservation Board	17,500.00		2,500.00
Federal Power Commission	362,020.00	43,550.00	
Federal Radio Commission	431,360.00		34,020.00
Federal Reserve Board	1,692,800.00	83,600.00	
Federal Trade Commission	1,266,500.00		495,266.00
General Accounting Office	4,290,820.00		6,800.00
George Rogers Clark Sesquicentennial Commission	500,000.00		300,000
George Washington Bicentennial Commission	452,230.00	114,035.00	
Interstate Commerce Commission	9,661,410.00		2,251,063.00
Mount Rushmore National Memorial Commission	25,000.00	25,000.00	
National Advisory Committee for Aeronautics	1,012,310.00		38,760.00
National Capital Park and Planning Commission			4,000,000.00
Personnel Classification Board	195,116.00		23,734.00
Porto Rican Hurricane Relief Commission			1,000,000.00
Protecting interests of the United States in oil leases and oil lands			60,000.00
Public Buildings and Public Parks of the National Capital	4,701,575.00		1,092,042.00
Public Buildings Commission	125,000.00		
Smithsonian Institution	1,259,964.00	44,340.00	
Supreme Court Building Commission	2,000,000.00		1,750,000.00

	Estimates, 1933	Increases	Decreases
Independent establishments—Continued.			
Tariff Commission	$1,150,500.00		$89,500.00
United States Geographic Board	11,678.00	$1,000.00	
U. S. Shipping Board and Merchant Fleet Corporation	423,270.00		36,982,730.00
Veterans' Administration	1,072,064,527.00	124,624,649.00	
Total, Executive Office and independent establishments	1,233,182,591.00	125,487,495.00	148,342,327.00
Department of Agriculture	197,454,976.00		49,828,154.00
Department of Commerce	44,719,304.00		9,615,926.00
Department of the Interior	70,627,152.33		14,667,954.40
Department of Justice	53,900,364.00	2,671,163.00	
Department of Labor	14,488,397.00		505,803.00
Navy Department	343,000,000.00		17,101,593.00
Post Office Department:			
Postal Service payable from postal revenues	658,724,487.00	12,240,710.00	
Postal deficiency payable from Treasury	155,000,000.00		40,000,000.00
State Department	16,714,071.89		1,792,234.45
Treasury Department	293,735,857.00	24,798,440.00	
War Department, including Panama Canal	423,940,302.00		36,138,348.00
District of Columbia	47,331,919.00		1,640,719.00
Total, ordinary, including Postal Service	3,464,675,623.22	165,254,948.00	325,143,336.85
Reduction in principal of the public debt:			
Sinking fund	426,489,600.00	14,718,300.00	
Other redemptions of the debt	70,313,878.00	70,138,878.00	
Principal of the public debt	496,803,478.00	84,857,178.00	
Interest on the public debt	640,000,000.00	35,000,000.00	
Total, including Post Office Department and Postal Service	4,601,479,101.22	285,112,126.00	325,143,336.85
Deduct Postal Service payable from postal revenues	658,724,487.00	12,240,710.00	
Total, payable from the Treasury	3,942,754,614.22	272,871,416.00	325,143,336.85
Annual appropriations	2,657,011,886.22		156,807,584.85
Permanent appropriations	1,285,742,728.00	104,535,664.00	
Total	3,942,754,614.22	104,535,664.00	156,807,584.85

The bare comparison between appropriations proposed for the next fiscal year and those made for the current fiscal year, as shown in the above statement, fails to present a true picture of Government operations to the extent that in neither year do these appropriations represent the full amount available for expenditure, due largely to continuing appropriations from previous years. It is necessary to consider total expenditures in order to arrive at a true comparison between the two years. That comparison is given in the opening paragraph of this message and shows that the expenditures for 1933 are estimated at $365,000,000 less than those for the current fiscal year.

In framing this Budget I have proceeded on the basis that the estimates for 1933 should ask for only the minimum amounts which are absolutely essential for the operation of the Government under existing law, after making due allowance for continuing appropriations. The appropriation estimates for 1933 reflect a drastic curtailment of the expenses of Federal activities in all directions where a consideration of the public welfare would permit it. Even with such reductions in the estimates of appropriations the anticipated receipts under existing law, as stated above, will be $1,417,000,000 short of the amount needed to meet Federal expenditures, including statutory debt retirement.

In viewing our financial requirements for 1933 the fact should not be overlooked that of the total of $3,942,000,000 of the estimates of appropriations payable from the Treasury contained in this Budget, $1,285,000,000 is represented by permanent definite and indefinite appropriations which by law are automatically made each year without further action by the Congress. Taking into consideration that in addition to this sum of $1,285,000,000 of permanent definite and indefinite appropriations there are other expenditures of the nature of fixed charges amounting to approximately $1,000,000,000 for which annual estimates of appropriations must be submitted, there is in reality an area of only about $1,700,000,000 of the total of $3,942,000,000 presented in this Budget which is available for consideration in seeking means to curtail our expenditures.

SHIPPING BOARD

The estimates for the Shipping Board for 1933 show a decrease from the appropriations for 1932 of $36,972,000. This is due mainly to the fact that no further appropriation is needed at this time for the construction loan fund for which $35,000,000 was appropriated in 1932, it being contemplated that the unexpended balance of that appropriation, together with repayments of loans and sales receipts transferred to the fund, will be sufficient to meet expenditures from the fund during 1933. For the shipping fund for which $1,970,000 was appropriated in 1932, no estimate for a further appropriation is being presented, as it is expected that the operating loss for 1933, which is estimated at about $5,250,000, can be met by utilizing cash balances and reserves.

VETERANS' ADMINISTRATION

There is requested in this Budget a total of slightly more than $1,072,000,000 for the Veterans' Administration, compared with a total appropriation for 1932 of approximately $947,000,000. About $21,000,000 of each of these amounts pertains to the civil service retirement and disability fund and is not properly chargeable to the annual cost of caring for our veterans, which thus becomes $926,000,000 for 1932 and $1,051,000,000 for 1933. Comparison of these amounts indicates on its face a net increase of $125,000,000 for 1933. However, it is now known that additional appropriations will be required for the fiscal year 1932 to the approximate amount of $260,000,000, of which $200,000,000 is to meet obligations due to the increase in the loan value of adjusted-service certificates and $60,000,000 to meet the requirements for military and naval compensation, Army and Navy pensions, and aid to State and Territorial homes for disabled veterans.

Taking these supplemental requirements for 1932 into consideration, the above indicated net increase of $125,000,000 becomes a net decrease of approximately $135,000,000. This net decrease, however, is due largely to the adjusted-service certificate fund requirements, which are $162,000,000 less for 1933. If the adjusted-service certificate fund be excluded from both 1932 and 1933, the estimates for 1933 represent an ultimate net increase over 1932 of $27,000,000. This amount is the net difference between several items of increase and decrease. The principal item of increase is found in military and naval compensation, which is up $42,000,000. Resulting from the increase in hospital and domiciliary facilities, the cost of administration, medical, hospital, and domiciliary services shows an increase of $4,460,000, and there is a further increase of $1,527,000 in the item for hospital and domiciliary facilities. Offsetting these increases is

a decrease of $9,000,000 in Army and Navy pensions, $4,500,000 in military and naval insurance, and $7,762,000 in the Government life-insurance fund.

AGRICULTURE

The estimates for the Department of Agriculture for 1933 carry approximately $49,800,000 less than the appropriations for 1932. This decrease is accounted for in part by the fact that the 1932 appropriations contained $22,000,000 for seed loans and agricultural relief for which no estimate is required for 1933. There is a further reduction of $20,000,000 in the 1933 estimates from the 1932 appropriations for Federal-aid roads and forest roads and trails, as the regular programs for these works under existing authorizations were advanced to that extent in 1931 and 1932 by the funds made available in the emergency construction appropriations. The balance of the decrease is reflected in a reduction of $1,750,000 in the estimate for the acquisition of additional forest lands and $4,800,000 for other activities of the department.

TREASURY DEPARTMENT

The estimates for practically all of the organization units in the Treasury Department for the fiscal year 1933 are less than the appropriations for 1932, the notable exception being an increase of $57,400,000 in the items for the construction of new Federal buildings authorized and now in some stage of development and for the operation and maintenance of completed buildings. The principal items of decrease are $26,000,000 for refunding internal-revenue taxes illegally collected, funds now available for this purpose being considered sufficient for the fiscal year 1933; $3,200,000 for the Coast Guard, due principally to the completion of its programs for the construction of buildings and vessels; $934,000 for customs administration, as a result of falling receipts; and $512,000 for the Public Health Service, due principally to nonrecurring expenditures for equipping new hospitals and quarantine stations.

The prospective operations under permanent indefinite appropriation items in the fiscal year 1933 will be largely in excess of the current year. To provide for interest on our enlarged public debt, $35,000,000 additional will be required. Public-debt retirements required to be made from ordinary receipts will require $85,000,000 additional for the purposes of the cumulative sinking fund, receipts from foreign governments to be applied to debt retirements, and retirements from franchise-tax receipts from Federal reserve banks.

BUILDINGS

The Federal public building program authorized by the act of May 25, 1926, as amended, is being advanced in a marked degree in furtherance of the movement for the relief of the unemployed. The total authorizations now amount to $620,000,000 in addition to the amounts authorized for certain old projects specifically brought into the program by the original act and amounting to upwards of $9,000,000. Of the total amount authorized $190,000,000 is for land and buildings in the District of Columbia. Moreover, at places where abandoned sites and buildings are sold the proceeds are to be applied against the cost of the new project. The estimated sale value of sites and buildings to be so replaced amounts to approximately $69,000,000 and about $6,700,000 has been realized from such sales up to the present time.

In accordance with the provisions of the legislation above referred to specific authorizations have been made for 817 projects at limits of cost aggregating $466,800,000. Under authority of these authorizations obligations have been incurred, up to June 30, 1931, amounting to $175,560,000, of which $73,633,000 were incurred in the fiscal year 1931. It is expected that obligations to be incurred in the fiscal year 1932 will amount to $155,000,000, and if this is brought about there will be a balance of over $136,000,000 available for obligation in the fiscal year 1933. It is apparent, therefore, that specific authorizations for individual projects already made are sufficient to carry the construction program through the fiscal year 1933.

To finance the projects which have been specifically authorized, on the basis of providing for maturing obligations, appropriations aggregating $207,030,000 have been made. The total expenditures thereunder to the close of the fiscal year 1931 amounted to $117,890,000, leaving an unexpended balance of $89,140,000, and it is estimated that $140,000,000 additional will be required to meet payments which will become due up to the close of the fiscal year 1933. To provide the additional funds which will be necessary to meet payments to the close of the fiscal year 1932 a supplemental estimate for $20,000,000 will be transmitted to Congress for consideration in connection with the first deficiency bill, and $120,000,000 is included in this Budget for payments to be made in the fiscal year 1933.

In addition to the building program referred to above, additional appropriations aggregating $28,680,000 have been made for the purchase of land in the District of Columbia. The expenditures thereunder to the close of the fiscal year 1931 amounted to $22,569,000, leaving an unexpended balance of $6,111,000 available for subsequent purchases. Additional appropriations under this authorization are not required at this time.

The War Department is also carrying forward a building program for the housing of military personnel, for hospitals, utilities, and administration activities, and for technical buildings for the Air Corps made necessary by the need for replacing World War temporary construction and to provide generally for the increase in the pre-war strength of the Regular Army, including the expansion of the Air Corps. There has already been appropriated $89,311,000 which, with the contract authorization of not to exceed $3,000,000 contained in the War Department appropriation act for 1932, practically exhausts the authorizations so far granted by law for continuing the program. The estimates for 1933 carry $2,250,000 to meet obligations under the contract authorization of $3,000,000. For the Panama Canal the estimates for 1933 provide $700,000 for new buildings and structures.

For the Veterans' Administration this Budget provides $12,877,000 for additional hospital and domiciliary facilities. Of this amount, $10,877,000 is covered by the authorization of $20,877,000 provided by the act approved March 4, 1931, leaving $5,000,000 yet to be appropriated thereunder, and $2,000,000 is for completing the authorizations contained in the acts approved June 21, 1930, and July 3, 1930, for the erection of two national soldiers' homes, one in the South and one in the Northwest.

For the Navy Department, estimates aggregating $4,337,000 are included in the Budget to provide for hospitals, barracks, shop buildings, hangars, storehouses, etc.

For the Interior Department, a total of $1,815,200 is provided for new buildings, of which $642,510 is for the Indian Service, $312,700 for the National Park Service, and $860,000 for Howard University.

The estimates for the District of Columbia provide $3,818,500 for various buildings, including $1,600,000 for continuing the construction of the municipal center, $1,491,000 for school buildings, $490,000 for hospitals, and $237,500 for other purposes.

The estimates for the Department of Justice provide $962,000 for construction at the various penitentiaries and the industrial reformatory; for completion of the United States Southwestern Reformatory at El Reno, Okla., and the United States Hospital for Defective Delinquents at Springfield, Mo., $1,850,000 and $1,250,000, respectively; for Federal jails, $100,000; and for the National Training School for Boys, Washington, D. C., $124,000; a total of $4,286,000.

For the Department of State, $450,000 is provided to continue the acquisition of sites and buildings and the initial furnishing of buildings for the use of diplomatic and consular establishments and other agencies of the United States in foreign countries.

The total amount provided in this Budget for the procurement of sites and the construction of buildings is, therefore, $150,534,000—a very large increase over normal activities in this direction.

NATIONAL DEFENSE

The estimates for national defense under the War and Navy Departments for 1933 aggregate $644,650,000 as com-

pared with the appropriations for 1932 for this purpose totaling $695,691,000, a decrease of $51,041,000. These amounts exclude all items of a nonmilitary nature.

The net decrease for the War Department amounts to $33,952,000. This is due mainly to the fact that owing to lowered commodity costs there will be carried forward into 1933 large stocks of subsistence, clothing, and other supplies, and to a decrease in the present estimates from the appropriations for 1932 of funds to carry forward the Army building program. The postponement of other projects where practicable without serious detriment to the maintenance, operation, and training of the Army has also been a material factor in effecting reductions in the estimates for 1933.

Provision is made in these estimates for average active strength of 12,000 commissioned officers, 924 warrant officers, and 118,750 enlisted men of the Regular Army, and 6,500 enlisted men of the Philippine Scouts; for an actual average strength of 185,000 officers and men of the National Guard; for the training of 20,722 members of the Organized Reserves for varying periods; for the enrollment and instruction of 127,565 students in Reserve Officers' Training Corps units in schools and colleges and the training of 7,200 of this number in 42 camps; and for 30 days' attendance at citizens' military training camps of 37,500 trainees. With one or two very minor exceptions these strengths are the same as those provided for 1932.

For the Navy Department the items contained in the estimates for purposes of national defense for 1933 amount to $342,606,000. The comparable amount appropriated for 1932 is $359,694,000. This indicates a decrease under 1932 of $17,088,000. This decrease includes $15,000,000 for ordinary maintenance and operating expenses of the fleet and the shore establishment, $8,000,000 for shore projects, and $7,150,000 for construction of new ships. It provides an increase of $15,000,000 for modernization of battleships. The items for ordinary maintenance and operation of the fleet and shore establishments provide for maintaining during 1933 an average of 79,700 enlisted men of the Navy, the same as provided for 1932, and an average of 15,343 enlisted men of the Marine Corps as against 17,500 men provided for 1932. Under these estimates no fighting vessels will be decommissioned and no navy yards or training stations will be closed. Other decreases in requirements are due in part to the continuation of the so-called "rotation plan" for the employment of vessels, recently adopted by the Navy Department, which lends itself to both economy and efficiency in fleet operations, and in part to reduced costs of supplies and materials.

The estimates of $31,400,000 for the construction of new vessels, compared with the appropriation of $38,550,000 for 1932, indicates a decrease of $7,150,000. This, however, is a facial decrease only. When the cash balances to be carried forward from prior years, and the amount to be made available by transfer from the naval supply account fund, are taken into consideration, the total that will be available for ship construction in 1933 is estimated at $57,000,000. The availability for 1933 exceeds in amount the expenditures for ship construction in any one of the last 10 years. The expenditures in 1923 were $46,682,000; 1924, $41,697,000; 1925, $34,022,000; 1926, $25,250,000; 1927, $27,430,000; 1928, $36,935,000; 1929, $46,760,000; 1930, $49,872,000; 1931, $37,944,000; and for 1932 are estimated at $53,000,000. The amount available for 1933 will provide for normal progress in construction of every vessel now authorized by law and permitted under treaty restrictions except six destroyers the laying down of which has been postponed and, in addition, for beginning construction of one more 8-inch-gun cruiser in January, 1933, which is the earliest date permitted under the terms of the London treaty.

RIVERS AND HARBORS AND FLOOD CONTROL

The estimate for the annual appropriation for the maintenance and improvement of existing river and harbor works contained in this Budget is in the same amount as was appropriated for 1932, namely, $60,000,000. The emergency appropriations made last December for public works with a view to increasing employment contained $22,500,000 for rivers and harbors, which is in addition to the annual appropriations of $55,000,000 for 1931 and $60,000,000 for 1932. Viewed alone, this advance in the program would indicate that some reduction from $60,000,000 would be justified in the estimate for 1933. This, however, is not the case, as the Government has given tentative assurances as to early dates of fulfillment which will require the full amount of the appropriation requested for 1933.

For flood control the 1933 estimates of annual appropriations are $3,000,000 less than the appropriations for 1932, this difference being the amount of the emergency appropriation made last December.

The total of the estimates contained in this Budget for rivers and harbors (including maintenance and operation of Dam No. 2, Muscle Shoals) and flood control is $104,182,000, of which $70,142,000 is for rivers and harbors and $34,040,000 for flood control. The total of $104,182,000 includes $10,537,000 to meet the requirements under authorizations of law covering permanent specific and indefinite appropriations, advances, and contributions for rivers and harbors and flood-control work.

RETIREMENT FUNDS

Pending a revaluation of the civil service retirement and disability fund, the estimate contained in this Budget for the financing of the Government's liability to the fund calls for the same amount as was appropriated for 1932, $20,850,000. For the Foreign Service retirement and disability fund, however, the estimate contained in this Budget is $416,000, as against an estimate and appropriation of $215,000 for 1932. This increase is based upon an actuarial valuation recently made by the Bureau of Efficiency and clearly indicates that the Government's liability to the fund was substantially increased by the act approved February 23, 1931. That act, however, continues without change the provision contained in the act of May 24, 1924, that the aggregate appropriations to meet the Government's liability under the retirement fund should at no time exceed the aggregate total of the contributions of the Foreign Service officers theretofore made, and accumulated interest thereon. While the estimate of $416,000 for 1933 may be made without exceeding the limitation contained in this provision, the restrictions thereof will preclude appropriations for 1934 in excess of about $322,000, and for subsequent fiscal years in excess of about $178,000 based on the present pay roll of the Foreign Service officers. Federal contributions of these amounts will be totally inadequate to maintain the solvency of the retirement fund.

The continuation in the act of February 23, 1931, of this restrictive provision indicates clearly that it was not the intention of Congress in the enactment of that law to confer additional retirement benefits upon Foreign Service officers which would prevent the solvency of the retirement fund being maintained by Federal contributions equal to, but not exceeding in the aggregate, the total of the contributions of the Foreign Service officers and accumulated interest on such contributions. The recent actuarial valuation, however, shows conclusively that some further legislative action will be necessary if we are to maintain the solvency of the Foreign Service retirement and disability fund. The Secretary of State is aware of this situation and will make appropriate recommendation to the Congress during the present session.

UNEXPENDED BALANCES

Last year in submitting the Budget for 1932 I called attention to the fact that in the preparation of the estimates of appropriations I had refrained from recommending that the requirements for 1932 be met in part by a reappropriation or extension of the availability of unexpended balances of appropriations for the then current or prior fiscal years. In making appropriations for the fiscal year 1932 Congress concurred in this change in policy, and I am therefore submitting the estimates of appropriations for 1933 on the same basis. I mention this because efforts for

such economy as would be consistent with the public welfare have resulted in unexpended balances, both actual for last year and estimated for this year, which would have made it possible substantially to reduce the amount of direct appropriations requested in many of the estimates contained in this Budget had the old practice been continued. This reduction would have totaled about $70,000,000.

CONCLUSION

We have recently closed one fiscal year and are now advanced into another year where the depression in business has resulted, on the one hand, in a heavy falling off in receipts and, on the other hand, in large Federal expenditures to provide work to assist in the relief of unemployment.

The welfare of the country demands that the financial integrity of the Federal Government be maintained. This is a necessary factor in the rebuilding of a sound national prosperity. This Budget, with its recommended reductions in appropriations and increases in revenues, presents a definite program to this end involving three steps—first, a material reduction in the anticipated deficit for the current fiscal year; second, a relation between receipts and expenditures for the fiscal year 1933 which will avoid a further increase in the public debt during that year; and third, a balanced budget for 1934.

To carry out this program it is important to emphasize the fact that we are now in a period where Federal finances will not permit of the assumption of any obligations which will enlarge the expenditures to be met from the ordinary receipts of the Government.

I am confident that the Congress realizes this situation and will give it full consideration in passing upon matters which may contemplate any such additions to our spending program. To those individuals or groups who normally would importune the Congress to enact measures in which they are interested, I wish to say that the most patriotic duty which they can perform at this time is to themselves refrain and to discourage others from seeking any increase in the drain upon public finances.

HERBERT HOOVER.

DECEMBER 7, 1931.

The VICE PRESIDENT. The message will be printed and referred to the Committee on Appropriations.

ELECTION OF PRESIDENT PRO TEMPORE

Mr. SHEPPARD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk (Harvey A. Welch) called the roll, and the following Senators answered to their names:

Ashurst	Dale	Kean	Sheppard
Austin	Davis	Kendrick	Shipstead
Bailey	Dickinson	Keyes	Shortridge
Bankhead	Dill	King	Smith
Barbour	Fess	La Follette	Smoot
Bingham	Fletcher	Lewis	Steiwer
Black	Frazier	Logan	Swanson
Blaine	George	McGill	Thomas, Idaho
Borah	Glass	McKellar	Thomas, Okla.
Bratton	Glenn	McNary	Townsend
Brookhart	Goldsborough	Metcalf	Trammell
Broussard	Gore	Morrison	Tydings
Bulkley	Hale	Moses	Vandenberg
Bulow	Harris	Neely	Wagner
Byrnes	Harrison	Norbeck	Walcott
Capper	Hastings	Norris	Walsh, Mass.
Caraway	Hatfield	Nye	Walsh, Mont.
Carey	Hawes	Oddie	Waterman
Connally	Hayden	Patterson	Watson
Coolidge	Hebert	Pittman	Wheeler
Copeland	Howell	Reed	White
Costigan	Hull	Robinson, Ark.	
Couzens	Johnson	Robinson, Ind.	
Cutting	Jones	Schall	

The VICE PRESIDENT. Ninety-three Senators have answered to their names. A quorum is present. The Chair desires to state that there is no unfinished business, and if there be no objection——

Mr. ROBINSON of Arkansas. Yes; there is unfinished business, Mr. President.

The VICE PRESIDENT. Not until 2 o'clock; and, if there be no objection, the Chair will lay the unfinished business before the Senate at this time.

Mr. ROBINSON of Arkansas. I supposed that was the regular order.

The VICE PRESIDENT. The unfinished business is the election of a President pro tempore, and on that question the clerk will call the roll.

Mr. WALSH of Montana. Will the Chair state the matter which is before the Senate?

The VICE PRESIDENT. The question is on electing a President pro tempore of the Senate. There are two nominations and other Senators have been voted for. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. METCALF (when his name was called). On this vote I have a pair with the Senator from Kentucky [Mr. BARKLEY]. If present, he would vote for Senator PITTMAN; and were I permitted to vote, I should vote for Senator MOSES.

Mr. MOSES (when his name was called). My pair with the senior Senator from Nevada [Mr. PITTMAN] is a continuing one and therefore I withhold my vote.

Mr. PITTMAN (when his name was called). I withhold my vote for the reason stated by the Senator from New Hampshire.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is detained at his home on account of illness. Being unable to obtain a transfer, I withhold my vote. If permitted to vote, I should vote for Senator MOSES.

The roll call having been concluded, it resulted as follows:

FOR SENATOR PITTMAN—43

Ashurst	Coolidge	Hayden	Sheppard
Bailey	Copeland	Hull	Smith
Bankhead	Costigan	Kendrick	Swanson
Black	Dill	King	Thomas, Okla.
Bratton	Fletcher	Lewis	Trammell
Broussard	George	Logan	Tydings
Bulkley	Glass	McGill	Wagner
Bulow	Gore	McKellar	Walsh, Mass.
Byrnes	Harris	Morrison	Walsh, Mont.
Caraway	Harrison	Neely	Wheeler
Connally	Hawes	Robinson, Ark.	

FOR SENATOR MOSES—32

Austin	Glenn	Keyes	Smoot
Barbour	Goldsborough	McNary	Steiwer
Bingham	Hale	Norbeck	Townsend
Carey	Hastings	Oddie	Vandenberg
Dale	Hatfield	Patterson	Walcott
Davis	Hebert	Reed	Waterman
Dickinson	Johnson	Schall	Watson
Fess	Kean	Shortridge	White

FOR SENATOR NORRIS—6

Blaine	Frazier	La Follette	Nye
Cutting	Howell		

FOR SENATOR JONES—5

Brookhart	Couzens	Norris	Thomas, Idaho
Capper			

FOR SENATOR CAPPER—1

Jones

FOR SENATOR LA FOLLETTE—1

Shipstead

The VICE PRESIDENT. On this vote 43 votes have been cast for Senator PITTMAN, 32 for Senator MOSES, 6 for Senator NORRIS, 5 for Senator JONES, 1 for Senator CAPPER, and 1 for Senator LA FOLLETTE. Total number of votes cast, 88; necessary for a choice, 45; no Senator having received a majority of the vote, there is no choice, and the Secretary will again call the roll.

The Chief Clerk proceeded to call the roll.

Mr. METCALF (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. MOSES (when his name was called). At the expense of repetition, I speak of my pair and withhold my vote.

Mr. PITTMAN (when his name was called). I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as on the preceding ballot, I withhold my vote.

The roll call having been concluded, it resulted as follows:

FOR SENATOR PITTMAN—43

Ashurst	Coolidge	Hayden	Sheppard
Bailey	Copeland	Hull	Smith
Bankhead	Costigan	Kendrick	Swanson
Black	Dill	King	Thomas, Okla.
Bratton	Fletcher	Lewis	Trammell
Broussard	George	Logan	Tydings
Bulkley	Glass	McGill	Wagner
Bulow	Gore	McKellar	Walsh, Mass.
Byrnes	Harris	Morrison	Walsh, Mont.
Caraway	Harrison	Neely	Wheeler
Connally	Hawes	Robinson, Ark.	

FOR SENATOR MOSES—32

Austin	Glenn	Keyes	Smoot
Barbour	Goldsborough	McNary	Steiwer
Bingham	Hale	Norbeck	Townsend
Carey	Hastings	Oddie	Vandenberg
Dale	Hatfield	Patterson	Walcott
Davis	Hebert	Reed	Waterman
Dickinson	Johnson	Schall	Watson
Fess	Kean	Shortridge	White

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—6

Borah	Capper	Norris	Thomas, Idaho
Brookhart	Couzens		

FOR SENATOR CAPPER—1

Jones

The VICE PRESIDENT. On this ballot 43 votes have been cast for Senator PITTMAN, 32 for Senator MOSES, 7 for Senator NORRIS, 6 for Senator JONES, and 1 for Senator CAPPER. Total number of votes cast, 89; necessary for a choice, 45. No Senator having received a majority, there is no selection, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. METCALF (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. MOSES (when his name was called). Once more, Mr. President, I announce my pair and withhold my vote.

Mr. PITTMAN (when his name was called). I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. In his absence I withhold my vote. If permitted to vote, I should vote for Senator MOSES.

The roll call having been concluded, it resulted as follows:

FOR SENATOR PITTMAN—43

Ashurst	Coolidge	Hayden	Sheppard
Bailey	Copeland	Hull	Smith
Bankhead	Costigan	Kendrick	Swanson
Black	Dill	King	Thomas, Okla.
Bratton	Fletcher	Lewis	Trammell
Broussard	George	Logan	Tydings
Bulkley	Glass	McGill	Wagner
Bulow	Gore	McKellar	Walsh, Mass.
Byrnes	Harris	Morrison	Walsh, Mont.
Caraway	Harrison	Neely	Wheeler
Connally	Hawes	Robinson, Ark.	

FOR SENATOR MOSES—32

Austin	Glenn	Keyes	Smoot
Barbour	Goldsborough	McNary	Steiwer
Bingham	Hale	Norbeck	Townsend
Carey	Hastings	Oddie	Vandenberg
Dale	Hatfield	Patterson	Walcott
Davis	Hebert	Reed	Waterman
Dickinson	Johnson	Schall	Watson
Fess	Kean	Shortridge	White

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—6

Borah	Capper	Norris	Thomas, Idaho
Brookhart	Couzens		

FOR SENATOR CAPPER—1

Jones

The VICE PRESIDENT. On this vote Senator PITTMAN has received 43 votes, Senator MOSES 32 votes, Senator NORRIS 7 votes, Senator JONES 6 votes, and Senator CAPPER 1 vote. No Senator having received a majority, there is no selection, and the Secretary will again call the roll.

The legislative clerk proceeded to call the roll.

Mr. METCALF (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). Again announcing my general pair with the junior Senator from Mississippi [Mr. STEPHENS], I withhold my vote.

The roll call having been concluded, it resulted as follows:

FOR SENATOR PITTMAN—43

Ashurst	Coolidge	Hayden	Sheppard
Bailey	Copeland	Hull	Smith
Bankhead	Costigan	Kendrick	Swanson
Black	Dill	King	Thomas, Okla.
Bratton	Fletcher	Lewis	Trammell
Broussard	George	Logan	Tydings
Bulkley	Glass	McGill	Wagner
Bulow	Gore	McKellar	Walsh, Mass.
Byrnes	Harris	Morrison	Walsh, Mont.
Caraway	Harrison	Neely	Wheeler
Connally	Hawes	Robinson, Ark.	

FOR SENATOR MOSES—32

Austin	Glenn	Keyes	Smoot
Barbour	Goldsborough	McNary	Steiwer
Bingham	Hale	Norbeck	Townsend
Carey	Hastings	Oddie	Vandenberg
Dale	Hatfield	Patterson	Walcott
Davis	Hebert	Reed	Waterman
Dickinson	Johnson	Schall	Watson
Fess	Kean	Shortridge	White

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—6

Borah	Capper	Norris	Thomas, Idaho
Brookhart	Couzens		

FOR SENATOR CAPPER—1

Jones

The VICE PRESIDENT. On this vote Senator PITTMAN received 43 votes, Senator MOSES 32, Senator NORRIS 7, Senator JONES 6, and Senator CAPPER 1. The total number of votes cast was 89. The number necessary for choice is 45. No Senator having received a majority of the votes cast, there is no election.

ADJOURNMENT

Mr. WATSON. Mr. President, I move that the Senate adjourn, the adjournment being until to-morrow at 12 o'clock.

The motion was agreed to; and the Senate (at 2 o'clock and 10 minutes p. m.) adjourned until to-morrow, Thursday, December 10, 1931, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 9, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, offered the following prayer:

O Lord of life and light, do Thou hear us as we pray, for Thou art our refuge. When the foundations of the earth are being removed and the firmament is melting, the children of men will still be lifting their appealing souls to Thee as "The Rock of Ages." Let us so work and love and live that our fellow men shall bless Thy holy name forever; there is no ambition that can claim a more glorious destiny. Do Thou invest our hearts and minds with Thy love and wisdom and hold them safe against the assaults of all evil. Grant, O God, that the mission of representative government may be fulfilled by adherence to a sturdy ideal of rugged justice—granting to all men the right to work and win a fair share of the good things of life. Work in us and carry forward to a fine development all the processes by which the Republic is to live. In the name of the world's Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed the following resolutions:

Senate Resolution 8

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. MATHEW V. O'MALLEY, late a Representative from the State of New York.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 9

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. SAMUEL C. MAJOR, late a Representative from the State of Missouri.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 10

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. GEORGE S. GRAHAM, late a Representative from the State of Pennsylvania.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 11

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. BIRD J. VINCENT, late a Representative from the State of Michigan.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 12

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. FLETCHER HALE, late a Representative from the State of New Hampshire.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 13

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES G. EDWARDS, late a Representative from the State of Georgia.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 14

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. ERNEST R. ACKERMAN, late a Representative from the State of New Jersey.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 15

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. HARRY M. WURZBACH, late a Representative from the State of Texas.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 16

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JAMES B. ASWELL, late a Representative from the State of Louisiana.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 17

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES A. MOONEY, late a Representative from the State of Ohio.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

Senate Resolution 18

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. NICHOLAS LONGWORTH, late Speaker of the House of Representatives of the Sixty-ninth, Seventieth, and Seventy-first Congresses.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now adjourn.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

JOHN SEVIER

Mr. BYRNS. Mr. Speaker, I hold in my hand a copy of the proceedings which were held in Statuary Hall under orders of the House on April 19, 1931, when the State of Tennessee presented a statue of its first governor, Hon. John Sevier, to the United States.

I ask unanimous consent that this copy of the proceedings shall be inserted in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BYRNS. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following copy of the proceedings which were held in Statuary Hall under orders of the House on April 19, 1931, when the State of Tennessee presented a statue of its first governor, Hon. John Sevier, to the United States, with Mrs. Joseph Hayes Acklen, State regent of Tennessee, Daughters of the American Revolution, presiding.

The proceedings are as follows:

Overture by the United States Marine Band.

INVOCATION BY THE REV. RUFUS W. WEAVER, D. D., OF WASHINGTON

Almighty God, gathered in this place made sacred by many notable events in our national history, we invoke Thy gracious benediction. We acknowledge Thee as the source of every good and perfect gift and thank Thee that Thou hast bestowed upon us and all the American people Thy manifold blessings. We thank Thee for the institutions we possess, whose establishment was made possible for us by the devotion of our fathers. They were inspired and guided by Thy Spirit in their heroic endeavor to transform this wilderness into a happy land with all the benefits of a Christian civilization. To-day our thoughts are dwelling appreciatively upon our heritage. We lift up our hearts to Thee in deepest gratitude. As we review the history of our people we find many evidences of Thy providential care. As we place in this hall where are assembled the bronze and marble figures of men eminent in our national life one of Tennessee's greatest heroes we pray that there may come to us and to all the people of this Nation a new appreciation of the sacrifices made by our fathers and a new devotion to Thee because of Thy providential care and unmerited love to us as a people. Grant that there may be given to us divine grace so that we may dedicate ourselves to a truer and nobler patriotism in which we will recognize Thy divine sovereignty over the nations of men. Bless, we pray Thee, those who shall participate in these exercises and grant that through the ministry of this hour not only shall the memory of one man's great devotion to his country's cause be impressed upon us but that his patriotic spirit may permeate all who are citizens of our Nation. These blessings we ask in the name of our Lord and Saviour, Jesus Christ. Amen.

INTRODUCTORY REMARKS BY THE PRESIDING OFFICER, MRS. JOSEPH HAYES ACKLEN

It is a privilege for the sons and daughters of Tennessee to come together to-day to place in the Hall of Fame in their Nation's Capitol the statue of Tennessee's first governor, John Sevier, the beau chevalier, the gallant soldier, the hero of Kings Mountain.

John Sevier is but one of a galaxy of great men that Tennessee has given to our Nation. Here stands our mighty Jackson, who forever settled the question of American independence; James K. Polk, who gave an empire to his country, sleeps in the shadow of our capitol in Nashville; while our Davy Crockett wrote his name in letters of flame on the walls of the Alamo; and grim Sam Houston became the governor of two States; while the gray-eyed man of destiny, William Walker, led his half-clad force to the presidency of a foreign nation.

These tall men gave to our State the name of "Volunteer," and we are proud of all that it signifies. Tennessee stretches like a varicolored ribbon through the center of our Union from where her plains roll down to meet the Father of the Waters through the fertile basin of middle Tennessee on to the sun-kissed peaks of east Tennessee, where John Sevier summoned his mountain men to march to victory and Kings Mountain.

His was not only the ability of a warrior but he was a statesman and possessed rare judgment and knowledge of men. To his comrades he was "Nolichucky Jack," and when they heard his battle cry, "Here they are! Come on, boys," there were no laggards.

To-day we are happy to honor his name and to place this son of Tennessee among this distinguished company of men representing the great of our land.

It is my privilege to present to you the president of the Tennessee Historical Society, Judge John H. DeWitt, who will represent the Governor of Tennessee in presenting this statue to the United States Government. Judge DeWitt.

ADDRESS OF PRESENTATION OF THE STATUE, BY HON. JOHN H. DEWITT, JUDGE OF THE TENNESSEE COURT OF APPEALS AND PRESIDENT OF THE TENNESSEE HISTORICAL SOCIETY, REPRESENTING THE GOVERNOR OF TENNESSEE

Mr. Secretary, Madam Chairman, ladies, and gentlemen, to-day we crown with an everlasting homage this illustrious pioneer who built a great Commonwealth. The life of John Sevier spanned the period of settlement from the Alleghenies to the Mississippi. His was the largest part in establishing a State in a beautiful country into which others might come and enjoy the sweets of peace and prosperity. It was his stupendous contribution to our civilization. For 40 years he gave his life to the service of his country and in that service died.

Upon me as the appointed representative of the Governor of Tennessee there devolves the high privilege of presenting this statue of John Sevier to stand for all time in Statuary Hall as the symbol of a great soul and the reminder of a wonderful career. In this very hall in which John Sevier sat for four years as a lawmaker, casting every vote as a true patriot amid the terrible crisis of war, his image will remain as that of one justly classed among the great of all the Nation who are here represented in marble or in bronze. The people of the State of Tennessee have, by expression in the public acts of her general assembly, set forth their homage to their great hero and first governor by providing that his statue be placed here in companionship with that of her other immortal, Andrew Jackson.

The torch of history lights the shadowy ways of the present and opens to our discernment the courses of things yet to come. History is "the rival of time, the depository of great actions, the witness of the past, the example of the present, the monitor to the future." It is only by the true interpretation and preservation of the lives of those who have chiefly made the State and the Nation—their ideals of liberty, of government, of enlightened society, of individual character—that our history and our ideal destiny can be understood; and in that sense it is true that "history is the essence of innumerable biographies." It is upon these principles that the State of Tennessee erects this statue in commemoration of the hero and statesman who was the chieftain of her people in the era of her beginnings, in an age demanding the greatest courage and self-sacrifice, in a primitive period that is now Homeric in our historical perspective and our patriotic esteem. It is because this great leader was the sure protector of his people, never failing them in direst crises, always saving them without heed of his own ease or safety; because his leadership made possible the establishment of a great Commonwealth and opened the way for the civilization of the Southwest; and because his was a life of long and invaluable devotion to the service of his country without real pecuniary reward, that his name and memory are dear especially to Tennesseans and are revered by all who love liberty, appreciate courage, and believe in patriotism.

Out of the valley of Virginia came John Sevier as a young man, with wife and little children, in the providence of God to become the beloved leader and successful defender of the first settlement of English-speaking people west of the Alleghenies. He was an aggressive pioneer. The people among whom he cast his lot were sturdy settlers who had bravely revolted against oppressive government and moved into the wilderness beyond the mountains. They were motivated by an intense longing for freedom. They saw large opportunity for economic independence in those fair lands to which they went. For more than 20 years their lives were in danger from the implacable savages, and during the Revolution they were threatened with destruction by the resolute British. Yet they did not quail. Never were a people more desperate with courage, never were they more sustained by the perfect confidence of a wise leadership. Primitive as they were, they had faith that their destiny was the development of a great civilization. They depended upon the providence of the Almighty, yet exerted their own powers of body and will to the very farthest. They shed their blood, endured captivity and privation, and maintained their homes and communities by overcoming all hardships. They followed Sevier time after time to the punishment of murderous Indians in order that their lives might be saved. They sent their stoutest men under Sevier, Shelby, and Campbell to the glorious victory at Kings Mountain. They fought under Sevier with Marion and Greene. They did a noble part in the war for American independence. Of them and their leader the words of a great Athenian may be fitly said:

"Those undoubtedly must be owned to have the greatest souls who, most acutely sensible of the miseries of war and the sweets of peace, are not hence in the least deterred from facing danger."

Sacrifice is the law of life and progress. It is the principle of salvation. Faith and courage are the sustaining elements of life and civilization. It was through the exercise of these supreme qualities that peace came at last to those, our forefathers. Thousands of settlers joined them from the older Commonwealths. They erected a State upon the broad principles of democracy and ordered liberty. They chose with unanimity as their first governor the outstanding hero of their struggles, the avatar of the spirit which had animated them through all their darkest years. He had not only led them in battle but always to victory. He had served in the First Congress as the first Member from the region west of the Alleghenies. He had served in the Senate of North Carolina and as Governor of the abortive State of Franklin. He had served as a member of the Territorial Council under Governor Blount. He practiced an adroit diplomacy with the mother State, with the wily Spaniards to the southwest, and with the hostile Cherokees. He labored with much success toward the relief of economic distress, for opening avenues of trade, and finding markets for the products of husbandry and industry. His course during all the 12 years of his service as governor was carefully directed to the accomplishment of these ends and the proper development of the infant Commonwealth. The fruits of his wise and patriotic devotion are a heritage to his people to this day.

At the close of his long governorship our hero did not abate his devotion and service. He was a State senator and then for the remainder of his life he was a Member of the National House of Representatives. He died in the wilderness of Alabama while serving as a commissioner to settle troublesome issues of boundary lines with the Creek Indians.

Great in his limited field of public life, Sevier was also splendid in his domestic life. He had a large plantation in the beautiful valley of the Nolichucky, which was a marvel of comfort, convenience, and generous hospitality. He owned large tracts of other lands and engaged in schemes for their development, but he died comparatively poor. It was because his life was devoted first of all to the service of his country. He was the father of 18 children and his many descendants have rendered illustrious service along all the avenues of life.

Of Sevier as a military leader the historian Phelan said: "His rule of tactics was extreme caution in the absence or concealment of the enemy, reckless impetuosity in their presence." His customary battle order, "Here they are! Come on boys, come on!" serves to stir one's pulse with its implication of the furious onset with the leader foremost in the fray. Of his personal traits the same historian also said: "To his men he evinced that suave cordiality and well-judged familiarity characteristic of all the great captains of the world. His enthusiasm, his personal daring, his resolute quickness, his knightly disposition, made him the idol of his soldiers and his neighbors. His tenderness to his wife and his generosity to his children were proverbial. His house was always open, and nearly all of his expeditions against the Indians were partly at his own expense or the expense of his family. He was popularly known as 'Nolichucky Jack,' and the grim mountaineers worshiped him with an extravagance of adoration. His chief claim to a high order of ability is justified by his clear vision of the needs of his people and of the future requirements of the State whose greatness he foresaw. To say that he was in his sphere a statesman of the first order of ability, and that as a warrier he was excelled by none who engaged in the same mode of warfare, and that he never lost a battle, claims for him a high place among the great men of the world. Only he acted on a small stage.

Tennesseans have ever been noted as a people of courage and conviction. They have been lovers of liberty and self-government. They have stood shoulder to shoulder on innumerable battlefields and shed their blood for their convictions. The spirits of John Sevier and Andrew Jackson and a host of other heroes have passed to them from one generation to another. They are true Americans and such they will remain.

"Everywhere, in the sweat of the long day, in the hand that places beam on beam, behind the plow and the eye that marks the straight new road, in the mine and the mill and the workshop, the father's work goes on from son to son. Of such is immortality."

Mr. Secretary, representing the governor and in behalf of the people of the State of Tennessee, I present to the President of the United States, through you as his representative, for its Hall of Fame this statue of a great pioneer of the old Southwest, a great soldier, a constructive statesman, but greater still, this statue of a courageous and unselfish man.

(Unveiling of the statue by Embree Hoss Headman, of Haddonfield, N. J., and Fenton Allen Gentry, of Chattanooga, Tenn., descendants of John Sevier.)

REMARKS BY EMBREE HOSS HEADMAN

I unveil this statue to the continued glory of the Volunteer State and the undying fame of her first governor. To have such an unparalleled honor makes this the greatest day of my life. May we, his descendants who remain in Tennessee and those of us who go to other States and countries, carry on for untold ages his spirit of patriotism, his ideals of citizenship, his honor, and his courage.

REMARKS BY FENTON ALLEN GENTRY

There is little I can add to the splendid tribute to this great man, but I am glad of the opportunity to express my appreciation of the privilege and pleasure of participating in this ceremony. In behalf of the younger men of the Southwest I wish to add my recognition and theirs of the honor and glory of John Sevier, whose far-seeing statesmanship, courage, patriotism, and sacrifice helped to make possible the country of which Tennessee is a great Commonwealth, and whose glorious record of 35 victories out of 35 battles should endear him permanently to the youth of the land. May he always be held, as he deserves, high in the grateful and affectionate esteem of those whose well-being and freedom he did so much to make an enduring reality.

ADDRESS OF ACCEPTANCE OF THE STATUE, IN BEHALF OF THE UNITED STATES GOVERNMENT, BY THE HON. F. TRUBEE DAVISON, ASSISTANT SECRETARY OF WAR

The War Department is deeply appreciative of the invitation to participate in the unveiling of this memorial to Gen. John Sevier, whose illustrious record as a soldier and as a statesman is an inspiration to those familiar with his exceptionally outstanding achievements.

There are some men who through their courage, wisdom, and initiative write chapters in the life of their country which lift the ordinary man out of the rut of the commonplace and spur him on to simulate those who blazed the trail along which this Nation has marched to liberty and greatness. Among the men who dedicated their lives to the blazing of that trail the name of John Sevier shines with a brightness that will never fade or be forgotten.

General Sevier lived to the allotted age of 70 and every one of his adult years was devoted to public service and constructive patriotic effort. General Sevier was a soldier; but he was more than that. He was a member of that small but chosen group whose spiritual courage and unselfish zeal made them tireless crusaders in the cause of progress—not for themselves but for all. He was a statesman, but his statesmanship was not of the kind that found expression in oratory. It was rather that of the pioneer who builds an empire in the wilderness and, once more, not for himself but for posterity.

We can not but be thrilled by the story of courage and unselfish effort that is the life of John Sevier. I vision those early days on the eastern fringe of the Mississippi Valley, which in 1773 was the threshold of the West, where, persecuted by the British and harried by Indians, he and his family, friends, and neighbors—hardy and fearless men and women grouped into a frontier community—laid the foundation for what is now the great State of Tennessee.

Almost from the very day he arrived in the Watauga community on the Holston River, Sevier took an active part in the affairs of the settlement. He was a young man, still under 30, and yet he was elected one of the five judges who administered the law.

Prior to the time Sevier migrated with his family from Virginia—he married at 17—he had had considerable military experience in the Indian wars, in which he served with rank of captain, and it was through this experience, combined with a natural gift for strategy, that he won signal military honors.

There were but few occasions, from the early seventies to as late as 1793, when Sevier was not in the field. Between 1777 and 1781, for instance, he participated in 35 battles and never lost one. His leadership at Kings Mountain was outstanding. Between 1781 and 1784 he waged at least half a dozen brilliant campaigns against the Indians in his effort to push forward and make secure the new empire he helped to erect.

Indeed, John Sevier was a great soldier but a man who took his sword in hand to construct and not to destroy and what the soldier won the statesman improved. It was he who drew the petition asking that the frontier country in which he lived be annexed to North Carolina. This accomplished, he was the first to represent that district in the provincial congress and one of the framers of the first constitution of North Carolina. Later—from 1796, when Tennessee became a State, until 1801—he was the first Governor of Tennessee and served three terms. He was major general of the militia from 1801 to 1803, when he was reelected governor—this time to serve until 1810. The following two years he was a member of the State senate, resigning in 1811 to go to Washington as a Member of Congress, where he was of singular service as a member of the Military Affairs Committee during the war with England. He was, in fact, offered a general's commission but declined it on account of his advanced age.

In 1815 President Monroe appointed Sevier to head a commission authorized to make a survey in Alabama for the purpose of defining the lines of the Creek Indians. The office was accepted, and he started on his last campaign. He died near Fort Decatur on the Tallapoosa River on September 24, 1815, one day after his seventieth birthday.

I have given but a brief outline of a career devoted to exceptional patriotic service and of a life crammed with the romance that most of us succeed in finding only in books. In paying him tribute, let me quote what a great American of later day—President Roosevelt—said of him:

"Sevier was a gentleman by birth and breeding. * * * To the end of his days he was an interested and intelligent observer of men and things, both in America and Europe. He corresponded on intimate and equal terms with Madison, Franklin, and other of our most polished statesmen. * * * Sevier was a very handsome man, reputed during his life the very handsomest in Tennessee. He was tall, fair-skinned, blue-eyed, brown haired, of slender build, with erect, military carriage and commanding bearing. * * * From his French forefathers he had inherited a gay, pleasure-loving temperament that made him the most charming of companions. His manners were polished and easy, and he had great natural dignity."

Such was John Sevier, the man whose memorial we are unveiling to-day, and whose deeds, acts, and thoughts can best be summarized by saying that he was in truth a gentleman, statesman, a patriot, and a soldier.

The early history of any community is generally the most important, because the initial influences inevitably carry on through the decades that follow and leave an indelible imprint. Sevier's vigorous and effective personality and constructive leadership have unquestionably been dominating factors in the glorious history of the Commonwealth of which he was the first governor. Primarily for that reason not only the sons and daughters of Tennessee are eternally indebted to him but likewise the Nation as a whole.

The Star-Spangled Banner, by the Marine Band.

Words of greeting were delivered by Mrs. Lowell Fletcher Hobart, president-general of the National Society, Daughters of the American Revolution.

TRIBUTE TO JOHN SEVIER BY DR. FLORA MYERS GILLENTINE, HONORARY STATE REGENT OF TENNESSEE AND HISTORIAN-GENERAL OF THE NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

Fame is clearly a woman. Her favors are often bestowed with a partiality born of the heart rather than reason. Tennessee is the proud mother of three Presidents—three whose plaudits rang even beyond national borders in a day when the radio was not; three noted for resolution and deed, for temerity and tenacity, for principle and punch. Polk was the architect of Manifest Destiny; Johnson the hammered unyielding bulwark of a beaten minority; Jackson the vibrant voice of a new democracy that despised artificiality and practiced a real political equality. These were stalwart, achieving sons, worthy of the pride of any mother. Yet there was an elder son to whom Tennessee owed more than to any of these, for 'twas he whose devoted and mainly unsung labors made their careers possible. Even to this day the Nation as a whole has remained almost as unaware of his stirring deeds, his resolute and straight-thinking statesmanship, as of his favorite Mount Pleasant sleeping in the sequestered shadows of the Great Smokies.

He was, like Jackson, an adopted son, a Huguenot-sired Virginian of dash, courtesy, charm, and courage, who was at his best where difficulties thickened and self-reliance was man's sole assistance. Not long ago I heard a commencement orator beseeching a group of present-day American graduates to "consider the banana; the moment it leaves the bunch it gets skinned." John Sevier was no such American. He never needed to cling to the "bunch." He was capable of looking out for himself and others, though the country about him swarmed with unfigurative skinners, red and real. Naturally, therefore, he turned to the frontier. Where Washington, 13 years his senior, dreamed of western settlements, Sevier made them, developed them, defended them. Potent and impatient, he burned with a zeal that brooked no stay from the mere accident of youth. At the age of 19 he was planting the town of New Market in the Shenandoah Valley. Eight years later, already an experienced town builder, he was in the Watauga settlements, at once attracting note as the potential architect of a broader community.

At Watauga, in 1772, life was notably simple. It was soon discovered that, among the complexities of civilization left behind, was included even a theoretical government. A settlement supposed to be—in that day when not every child imbibed an adequate knowledge and sampling of geography from a dust-collecting rumble seat—in that day a settlement intended to be in Virginia turned out to be in the no man's land of North Carolina, where tyrannical Tryon and rough Regulators were engaged in making a none too attractive land less habitable. They might not be expected to drop their feud to extend the blessings of such civil authority to a transmontane infant community, even though there were tarheel sons among the squatters. Meanwhile the original Americans, real owners of the soil, betokened an embarrassingly earnest interest in the activities of the newcomers and in manner more potent than words openly urged their return to more settled sections.

Abandonment to some is a calamity. To these Americans it was a challenging opportunity. From it was born the Watauga Association, the first completely free government drawn up by an all-native American community "by the free consent of every individual" given in a great town meeting. Prominent in the achievement of this, and among the five commissioners honored with the task of translating consent into control, was John Sevier, thus an "elder" though still under 30.

His daring defense of the community against the Indians was pursued with a vigor which soon established him as a power with them, whether in council or conflict. Through outsmarting them in the employment of their own favorite weapon of surprise attack, through an unmatchable celerity of movement even in their own familiar country, and the threading of trails deemed impassable even by red men, he developed an efficiency in Indian warfare which was, by 1790, to win him a brigadier generalship over the eastern part of the territory south of the Ohio and ultimately the praise of no less an authority than Theodore Roosevelt as the "most renowned Indian fighter of the Southwest"—the scene, be it remembered, of the activities of no less potent a rival than Andrew Jackson. Death found him still on their trail—on a mission from the Nation to the Cherokees.

When the notes of the Liberty Bell penetrated to the quiet valleys of the upper Tennessee the infant communities, with enthusiastic acclaim, became Washington district. As one of the bearers of a petition for their incorporation into North Carolina, where they might play a more active part, Sevier threaded the mountains in 1776. The petition granted, the riflemen from Washington County played a brilliant part in the war in the South. 'Twas largely they who won Kings Mountain, Sevier commanding the right wing in that engagement. Though there was neither a tent nor a bayonet in any of the western divisions, they had outmarched and outfought the King's Own under the capable, wily Ferguson and contributed to the flickering colonial cause confidence as well as victory. Victory brought to Sevier a difficult personal conflict between popularity and justice. Emulating the

style of the British irregulars over whom they had won, the frontiersmen chose 30 commissioned redcoats to furnish forth a vengeful hanging bee. Twenty-one owed their lives to the peremptory orders of Sevier and Shelby, who spurned to become mere rivals of the British in butchery, and checked the executions by their sullen followers after nine of the chosen captives had tasted the virtues of their own oft-prescribed hempen treatment.

Other days of testing were ahead. For Washington County peace proffered more perils than war. North Carolina in 1784 ceded the territory to Congress to comply with the conditions under which Maryland had ratified the Articles of Confederation. Thereupon, in Washington County, North Carolina government ceased. Congress, exhausted with confabs over existing problems, made no haste to seek control over additional ones. Again the frontiersmen acted. August 23, 1784, at Jonesboro, a convention of which Sevier was made president, decided, against his advice it is reported, upon meeting congressional neglect and Carolinian abandonment by the erection of a separate State. Thus was born the State of Franklin, of which Sevier was chosen governor. This post he loyally served for some four years, tenaciously holding, at the request of his neighbors, against North Carolinian attempts at reclaiming a government against whose establishment he had advised. When the inevitable happened, and Franklin, unrecognized and unadmitted by Congress, bowed to North Carolina's power in 1788, he was arrested for treason. He easily escaped from prison, however, and the formalities having been satisfied was not further molested despite the machinations of malicious neighbors. In fact, it is a measure of the man that he was permitted to sit in the North Carolina Senate as representative of the section he had led against the State's authority after simply taking an oath of allegiance. He was big enough to live down the charge of treason. More significant is it that he was brave enough to dare it when duty and his neighbors' need demanded it.

Sevier's status as a North Carolinian was short lived. In 1790 a stronger Congress—that of the present Union—accepted the receded Washington County, and John Sevier's services as representative were transferred to the National Capital where he appeared as the Delegate for the Territory of Tennessee.

The full measure of Tennessee's trust in his probity and prudence was revealed six years later when the Territory became the State of Tennessee and claimed John Sevier as its first governor. Its satisfaction with its choice was testified by his reelection for a second term, and then a third. With him it was three times and out, but out for only the two years necessary to qualify him for another series of three successive terms. Not even yet content that he should lay down public burdens, the Volunteer State drafted him two years later for service in the House of Representatives in Washington, a mandate he was still bearing when death overtook him at 70, the active agent of an enlarged but confiding public centering at the Nation's Capital.

It is fitting that Tennessee should again send him as her representative here. Once he represented her interests effectively. To-day he represents her ideals of the kind of manhood, statesmanship, public servant she delights to honor. His may constitute a not wholesome exhibit here in the days of greedy blocs and legislationless—I was about to say lawless—congressional sessions. John Sevier was a simple, direct, daring but prudent frontiersman who faced life to do, not merely to obstruct; one far more interested in the definite potentialities of doing than in the vague possibilities of "being done."

Tennessee contributes in this statue of John Sevier far more than a tribute to her first governor and her loyal servant. She contributes a man of national mold and significance, a builder in an era of foundation laying, a man more fruitful than many of his more broadly blazoned contemporaries. He was a giant who overstepped the mountains and planted homes in the heart of America. Contemporaneously with Boone he threaded the Alleghanies, but while Boone remained essentially a track finder, Sevier became a State maker. He was a typical pioneer of the better sort, inheriting a dash of French audacity and Virginian culture, and combining with it the militancy of an Andrew Jackson and the persistence of an Andrew Johnson, while demonstrating a constructive statesmanship enjoyed by neither. Frontiersman, Indian fighter, patriot, statesman, man, a leading volunteer of the Volunteer State, John Sevier may well stand proudly among the Nation's great.

"That man proclaims himself true son
Whose kinship rests on what he's done.
By such a test we now revere
As Tennessee's good John Sevier,
And place him 'mongst the Nation's great,
Who blazed our path and built out State."

Selection, "Tennessee," by the Marine Band.

Presentation of guests: Mrs. R. S. Boyd, regent of John Sevier Chapter, Daughters of the American Revolution; Mrs. Samuel Arnell, regent of Bonny Kate Chapter, Daughters of the American Revolution.

Presentation of the sculptors of the statue, Mrs. Belle Kinney Scholz and her husband, Mr. L. F. Scholz.

Presentation of wreaths for the statue.

America, by the Marine Band.

PRAYER, BY REV. JAMES I. VANCE, D. D., PASTOR OF THE FIRST PRESBYTERIAN CHURCH OF NASHVILLE, TENN. (DESCENDANT OF CAPT. ROBERT SEVIER, WHO WAS MORTALLY WOUNDED AT KINGS MOUNTAIN)

Almighty God, to whom be all praise, we Tennesseans have come to place, amid the figures in this hall of undying fame, the face and form of a man who rode into the West and flew the flag of freedom and adventure under which rallied the men who built into statehood the first organized form of representative government beyond the Blue Ridge; who gallantly led the little line which built a wall of courage between the log cabins of the frontier and the tomahawks of the savages; who later became the first governor of our Commonwealth, and whose blood and deeds mix and mingle in all that stirring history and heroism and achievement that paints the winning of the West.

We thank Thee for such a figure in the forefront of our beloved State as John Sevier. As the people from this and other lands pass through this hall and gaze on this statue, may they sense some of the wild and easy daring of a man who never feared the face of foes. As our children and our children's children parade this hall in the long coming years, may the name of "Nolichucky Jack" shed a luster of romance and renown on the growing line.

As we recount the battles that won the war of independence, may Sevier and the Kings Mountain men kindle patriotism and strengthen faith. May the chance to live dangerously never lose its charms for Tennessee. May the stern note of duty never find our hearts hesitant nor our souls slow to respond, and as we face the tasks of to-day and the problems of to-morrow, may those bronze and marble shades of our immortal dead keep us high-minded and unafraid.

In the name of the Father and of the Son and of the Holy Ghost. Amen.

BIOGRAPHICAL SKETCH

By John H. DeWitt, pesident of the Tennessee Historical Society

John Sevier, Commonwealth builder and Revolutionary hero; born in Rockingham County, Va., September 23, 1745.

His father, Valentine Sevier, son of a Huguenot refugee, originally named Xavier, came from London to Baltimore, married Joanna Goode, and settled in Rockingham County. The son John attended schools at Fredericksburg and Staunton. He conducted a store in Dunmore (now Shenandoah) County and traded with the Indians. In 1761 he was married to Sarah Hawkins, who bore to him 10 children. He established a store and there laid out the village of New Market, Va. Reports concerning the land to the southwest circulated in the valley. The Seviers determined to move to that frontier, willing to pay the price in hardship for the benefits from the cheap lands on the Watauga. In 1772 John Sevier was appointed by the colonial governor, Lord Dunmore, as a captain in the Virginia line; but the lure led him to the country where the great drama of his life was to be performed. He made a visit to the Watauga settlements. He was chosen one of the commissioners of government of the Watauga Association, and he was a member of the first court established to maintain order in the settlement. He was afterwards the clerk of the court. In 1773, with his father and brothers, he removed permanently to what is now northeastern Tennessee. For three years he lived on the north side of the Holston in the Keywood settlement. In 1776 he moved his family to the Watauga, near the present location of Elizabethton.

Henceforth John Sevier was the unfailing leader and protector of those settlements. For over 20 years they were in peril from murderous Indians. During the Revolution they were menaced by British and Tories. Those settlements were the very cradle of southwestern civilization. For 40 years the life of John Sevier was devoted to the service of his people and country. His people gave to him the first place in their hearts and always the primacy in leadership. To him they unfailingly turned in the darkest crises, and they were never unrewarded. Sevier's personal characteristics made him popular with his friends and neighbors, and his success in office was due to his good sense, his affability, and his devotion to the public welfare. The historian Haywood said that he "was endowed by nature with those rare qualities which make the possessor in all places and with all people an object of attention and a depository of their confidence—qualities which can not be kept from observation." The historian Ramsey said: "He was fluent, colloquial, and gallant—frolicsome, generous, and convivial—well informed rather than well read. Of books he knew little. Men he had studied well and accurately. Oral communications had been the source of his mental culture and his knowledge. He was impulsive, but his impulses were high and honorable. * * * He was without pride—if that feeling is not one of the ingredients that constitute a laudable ambition—for he was ambitious, not of anything low or ignoble; he was ambitious of fame, character, distinction, and achievement."

That year of 1776 became a turning point in the career of John Sevier. He assisted John Carter and James Robertson in managing the defense of Watauga Fort against the elaborate efforts of the Cherokees to destroy this and all the other over-mountain settlements. It was during an attack upon the Watauga Fort that Sevier rescued from the Indians the woman who later became his second wife, Catherine Sherrill.

In that same year Sevier was one of the representatives of the Washington district in the Provincial Congress of North Carolina. He was elected by that body as lieutenant colonel of the Washington district. He was chosen and served in the convention which framed the first constitution of the State of North Carolina. For some time he lived as a farmer and owner of a water mill 5 miles from Jonesboro, but finally he removed to a large plantation—"Plum Grove"—in the beautiful valley of the Nolichucky River, in Washington County. There he built a comfortable log residence and dispensed a generous hospitality. He became familiarly known as "Nolichucky Jack."

But the terrible Indian warfare continued. All along the frontier from Georgia to Pennsylvania the Cherokees and the Chickamaugas committed depredations. Sevier and his frontier soldiers served with Col. Evan Shelby on a most successful expedition down the Holston and the Tennessee Rivers to the Chickamauga towns near Lookout Mountain. They killed about 40 Indians, burned their towns, destroyed their corn and every other article of provision, and drove away their great stocks of cattle. Such methods were necessary for peace and preservation of the white settlements. The Indians were then unable seriously to menace the settlements until they took advantage of the absence of the "overmountain men" on the Kings Mountain expedition in the fall of 1780.

In 1780 Sevier was commissioned by Gov. Abner Nash colonel commandant of Washington County. In that year, his wife having died, he was married to Catherine Sherrill, known affectionately as "Bonny Kate" in Tennesse history. Of this union eight children were born.

When the British and Tories, under Major Ferguson, were overrunning western North Carolina and threatening to invade the "overmountain" country, Sevier joined with Colonels Campbell and Isaac Shelby in assembling the heroic frontiersmen at Sycamore Shoals and planning the expedition to do battle with Ferguson and his men. Sevier commanded a regiment on the long, toilsome march through the mountainous wilderness. In the Battle of Kings Mountain, on October 7, 1780, he and his sturdy band were first and foremost in the charge on the left wing of the patriot army. He contributed vitally to that glorious victory which marked the turning of the tide of the American Revolution. But he did not rest on this illustrious record.

On the return march from Kings Mountain, Sevier had to deal with a threatened outbreak from the Cherokees in the absence of so many men and guns from the frontier. He had reached home just in time to repel the savage invaders. Without a day's rest he set on foot another expedition.

Placing himself at the head of about 100 men, he set out in advance of other troops who were assembling. It was according to his method of bold, swift dashes. On the third day they encountered a large force of Indians near Boyds Creek and by bold charges achieved a decisive victory without one of their number being even wounded. This battle of Boyds Creek was considered as one of the best fought battles in the border war of Tennessee. The prompt collection of troops and rapid expedition under Sevier saved the frontier from a bloody invasion. Being joined by other forces, Sevier proceeded further into the country of the Cherokees, burned their towns, devastated their fields, and effected a treaty of peace with them.

In 1781 Sevier responded to the call of Gen. Nathanael Greene, led his regiment to South Carolina, and served with Marion until the British were driven to the lines of Charleston.

In 1782 the implacable Chickamaugas began again their work of murder and depredation. Sevier led an expedition against them to the Coosa River, destroyed their towns, killed all their warriors they could find, and returned home. He never hesitated to pursue such destructive warfare when the lives of his people and the existence of the settlements were imperiled. Only by such methods could peace be attained. They caused the Indians each time to move to other lands. Sevier, as no other western leaders did, employed the method of using mounted riflemen in small, well-organized bodies, making rapid and telling movements.

In 1784 Sevier was appointed brigadier general of Washington district by the Legislature of North Carolina. When, because of inability of North Carolina to afford governmental protection to the "overmountain" people, the independent State of Franklin was established, Sevier became its first and only governor, 1785–1788. When that government fell he was arrested for treason, but was never tried, and his disabilities were removed. He was elected to the North Carolina Senate. He was elected and he served as a Member of the First Congress of the United States—the first Congressman west of the Alleghanies. In 1791 he was appointed by President Washington as brigadier general for the Washington district of the territory south of the Ohio. He led in 1793 a punitive expedition as far as Etowah, in Georgia, against the Cherokees and Creeks, with the result that they were never again a menace to the settlements in Tennessee. It is the tradition that he fought in 35 battles and skirmishes, and in all of them was victorious. His battle order was always:

"Here they are! Come on, boys, come on!"

In 1796 Sevier became the first Governor of Tennessee. He was governor for six terms—1796–1801, 1803–1809. In 1802 he served as a commissioner to run the boundary line between Virginia and Tennessee. In 1809 he served as a State senator from Knox County, Tenn. From 1811 until his death he was a member of the United States Congress. He was a faithful adherent of the Madison administration in all the second war with Great Britain.

General Sevier died on September 24, 1815, near Fort Decatur, Ala., where, while a Member of Congress, he was serving as a commissioner appointed by President Madison to fix the Creek Indian boundary according to treaty. In 1889 his remains were removed and reinterred in the grounds of the courthouse at Knoxville, and a graceful marble shaft was erected above his grave.

John Sevier was an outstanding pioneer leader who met with perfect courage every duty, who conquered the wilderness, overcame the deadly foes of his people, and fashioned the State. He was a hero in an age of heroes. His long and illustrious service was rendered peculiarly to his beloved Tennessee, and it opened the way to the settlement and development of the Southwest.

JOHN H. DEWITT,
President of the Tennessee Historical Society.

MEMBERSHIP OF STANDING COMMITTEES

Mr. COLLIER. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

RESOLUTION SUBMITTED BY MR. COLLIER

House Resolution 45

Resolved, That the following Members be, and they are hereby, elected members of the following-named standing committees of the House, to wit:

Appropriations: Joseph W. Byrns, of Tennessee (chairman); James P. Buchanan, of Texas; Edward T. Taylor, of Colorado; William B. Oliver, of Alabama; Anthony J. Griffin, of New York; John N. Sandlin, of Louisiana; W. A. Ayres, of Kansas; Ross A. Collins, of Mississippi; William W. Hastings, of Oklahoma; William C. Wright, of Georgia; Clarence Cannon, of Missouri; Clifton A. Woodrum, of Virginia; William W. Arnold, of Illinois; John J. Boylan, of New York; Tilman B. Parks, of Arkansas; Charles L. Abernethy, of North Carolina; Lewis Douglas, of Arizona; Louis Ludlow, of Indiana; William J. Granfield, of Massachusetts; Thomas L. Blanton, of Texas; and Michael J. Hart, of Michigan.

Accounts: Lindsay C. Warren, of North Carolina (chairman); John J. Cochran, of Missouri; La Fayette L. Patterson, of Alabama; Effiegene Wingo, of Arkansas; and Mell G. Underwood, of Ohio.

The resolution was agreed to.

CALENDAR WEDNESDAY

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that Calendar Wednesday be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MESSAGE FROM THE PRESIDENT

The SPEAKER laid before the House a message from the President, which was read by the Clerk.

(See Senate proceedings of this day for message of the President, page 221.)

Mr. BYRNS. Mr. Speaker, I move that the message be referred to the Committee on Appropriations and ordered printed.

The motion was agreed to.

Mr. RAINEY. Mr. Speaker, at this point I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the President's message; and prior to making the motion I wish to make an announcement. I am instructed by the gentleman from Illinois [Mr. ARNOLD], Democratic-caucus chairman, to announce that there will be a Democratic caucus in this room to-day at 4 o'clock. Therefore at 4 o'clock I shall move that the committee rise and the House adjourn until to-morrow, and if there are other gentlemen who wish to address the House, they will be heard to-morrow.

I think of nothing of importance that will be presented to the House for the balance of this week. There is no reason why gentlemen who live in near-by cities could not go home.

Mr. SNELL. Will the gentleman yield?

Mr. RAINEY. I yield.

Mr. SNELL. Do I understand it is definitely understood that the time is to be controlled one-half by the gentleman from Illinois [Mr. RAINEY] and one-half by myself during this debate?

Mr. RAINEY. Yes, sir.

Mr. SNELL. No matter how long it requires?

Mr. RAINEY. Yes; no matter how long it requires.

Mr. CELLER. Will the gentleman allow me to prefer a unanimous-consent request before he puts his motion?

Mr. RAINEY. Yes.

POSTAL SAVINGS SYSTEM

Mr. CELLER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD on the subject of the Postal Savings System.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. CELLER]?

There was no objection.

Mr. CELLER. Mr. Speaker, the total volume of money in circulation in the United States the middle of October, 1931, was $5,494,000,000. This was $974,000,000 larger than a year earlier, which means that over $1,000,000,000 of currency had been "sleeping," i. e., had been hoarded and lying idle. Mistrust of our bankers had kept this money out of banks and put it into mattresses, tin boxes, trunks, privies, barns, stoves, and socks.

Thus, roughly speaking, one-fifth of all our outstanding currency becomes sterile and unproductive. Our hoarded "sleeping" dollars mean $10 each in credit made unavailable to business. Ten billion dollars of credit is thus lost to trade.

Happily, in this crisis, our Postal Savings System has been of great help. It has rescued and awakened much of this sleeping money. The timid mistrust our banks, but have confidence in Uncle Sam as the president, chairman, board, cashier, and Pooh-Bah of that great thrift agency, the Postal Savings System.

During October, 1931, postal-savings deposits increased about $66,000,000. By the middle of November, 1931, the Post Office Department had approximately 800,000 depositors in its Postal Savings System, and about $575,000,000 in deposits, a new high. In June, 1930, the deposits were but $175,000,000 and the number of depositors 466,000.

After these deposits are received by the Postal Savings System they are redeposited in local qualified banks, and in many cases in the very banks from which they were withdrawn, or which were avoided, because of lack of confidence.

Thus over half a billion dollars of this hoarded money is again put into circulation, and in this way the Postal Savings System brings to light for the uses of trade and industry vast sums of money otherwise secreted and lost.

Many curious stories, all full of human interest, are told concerning the timid souls who bring forth from ingenious hiding places their money and place it in postal savings. From the reports of postmasters and also from authentic news items the following have been gleaned.

From an Eastern State comes this statement:

Quite recently a man signified his intention of opening an account by unrolling a sack and dumping its contents, bills amounting to $5,800, on the desk. When informed that the maximum amount legally acceptable was $2,500, but that a like amount could be deposited in his wife's name, he replied: "No got wife; put in all or none." I further explained that if he must put it all in, I would go down to our bank with him. To this he replied, "No; no bank, never!" That man is to-day wandering about the streets with that amount of money on his person waiting until Uncle Sam will accept it all.

In one case an ill-kempt alien came to the window and placed on the counter a bundle of bills so soiled and so foul smelling that the nature of the cache was quite obvious.

From the far West:

An elderly gentleman of foreign birth, wishing to open a postal-savings account, brought in $1,000, comprised principally of silver dollars and half dollars, which he had been keeping under his mattress in a bag. This had become so bulky that it interfered with his comfort in sleeping.

Another case reported by the same postmaster revealed the fact that a depositor had died intestate, leaving no known heirs. A deputy coroner was appointed administrator and immediately made an extensive search in the shack where the man had lived, finding valuable papers as well as some money beneath the wall paper, which was composed of several thicknesses of newspaper.

A postmaster in a large metropolis reports:

A ship's carpenter for a large refining company presented a number of 10 and 20 dollar bills, amounting to $1,000, which he abstracted from both his socks. The bills were old, wet, and oily. Upon questioning him as to their condition, the information was elicited that he had been on an oil boat for the past two years and had not touched any port in that time long enough to deposit the money, which he had hidden on the boat for fear of its being stolen. A look of peace and contentment overspread his countenance when advised that the two $500 postal-savings certificates being presented to him were of no value to anyone but him, for then he realized that his money was at last in a safe place.

In another instance in the same city a dime saved was $80 found. Joseph was a thrifty soul and found that using a piece of gas pipe in place of a 10-cent hammer materially increased his postal-savings account. After having used this pipe for some time his glance was caught by an obstruction in the pipe, which, upon being poked out into the open, proved to be eight $10 bills of the 1907 issue.

From a southern city:

I had a postal-savings transaction with an old man 64 years of age who runs a small grocery. He had five shoe boxes full of the old, large-size currency amounting to nearly $5,000, and from the moldy odor of it I would judge that it had been buried under the ground. This old man claimed that this money represented a lifetime's savings. It was tied up in little bundles of all denominations with ordinary sewing cotton thread. Of course, under the regulations I was not allowed to take but $2,500 of it.

A further contribution from the same postmaster tells of a Chinaman who wanted to deposit a sum greatly in excess of the authorized amount and when advised that the postal savings could only take $2,500 in his name, he said, "That is all light, I will bling another name." He left the office and in about an hour brought another Chinaman with him who deposited the remainder of the money in his name.

A lady came to my window one morning to have the Postal Savings System explained to her. She was afraid of banks and wasn't sure about the post office being the safest place in the world as she had never deposited any money before. She gave her age as 52. For seven years her "safe-deposit vault" was her bosom, but she had heard of so many people being knocked on the head and robbed that she was getting uneasy and therefore decided to put her money in a safer place. After being assured that not even her husband would ever find out that she had money deposited here, she presented $700 in big, old-fashioned bills.

From the Northwest:

Two men entering the office of the State rural credit commissioner desiring to make deposits of $1,900 and $500 fished the first-named sum out of a section of an inner tube. The other man abstracted a $100 bill from each of five pockets. Tin cans and old boxes, as well as locations on the prairie, are used by many who are fearful that banking has not returned to a stable basis.

A lady living in a large southern city discovered one day that $48 she had placed in a coffee pot had disappeared. Police are looking for one of her roomers, who is missing.

The life's savings of a 71-year-old widow were hoarded in tobacco cans hidden between the ceiling rafters where she could keep her eye on them. Thieves ransacked her home and the savings are among the things missing. A small panel in the ceiling, apparently installed for future use as a ventilator, was the door through which she reached the tobacco cans in their hide-out. And so her savings of 30 years have disappeared for good.

At a post office in the far South a feeble old man, easing his way up to the postal-savings window, inquired, "Cap, is this the place you leave your money?" After being assured that it was, he emptied the contents of two fruit jars which were filled with silver and currency that he wanted to leave at the post office. The clerk noticed a lot of dirt mixed in with the money in the jars, and when questioned the old man replied, "Yes, sir; I had it buried, but I got afraid and dug it up to bring it here and leave it with you; I knew it was safer here."

This from a northern city:

"Ouch! Wow! * * *," etc. "I did not know that I was so near to that blowtorch!" wailed the busy plumber as he felt of his overalls where his hip pocket used to be. "That envelope I had in my pocket is burned to a frazzle and I had $200 in cash in it besides a postal-savings certificate of deposit for $100."

The cash was a total loss; the certificate of deposit was renewed without expense to the plumber.

From an Eastern State:

A man named "Less" is less $575. He hid $75 in a stove. His wife started a fire. He hid $500 in a hay mow. The barn burned down.

A certain man's sock didn't have a foot in it but it "walked away" and with it went $232. The owner, having no trust in banks and finding no security in the corners of his home, entrusted his savings to the care of an old sock, first making sure that it was free from holes. Yesterday, wishing to reassure himself as to the safety of his nest egg, he discovered that the sock, money and all, had disappeared into thin air.

A widow with her life's hoarding of $5,775, which she kept in two trunks, awoke to the realization that the trunks and their contents had been removed during her absence. She said: "I

didn't want to keep my money in the bank because I can't read or write and I didn't want to tell strangers how much money I had, so I just kept it in the trunks. I didn't dream of anyone carrying the trunks out and I knew they couldn't unlock them."

Not having heard from her brother in eight years and knowing that he had had a Postal Savings account in a certain northern city, a young lady living in the South solicited the aid of local officials in that service. They learned that he had served in the United States Army during the World War and quickly located him in Washington, D. C., his address being forwarded to the sister

The curious tale of a mainstay tells how an 81-year-old lady sewed $20,000 in her corset for safe-keeping. The corset became lost among some papers which were promptly collected by the trash man. After tracing the regular routine of the trash man detectives found the fortune and the corset and returned both to the aged woman. This sum represented her life's earnings, together with an inheritance she received at the death of her brother.

From South Dakota:

A bond salesman who had made a $2,300 deal with a farmer found some reluctance as to specific payment. He suggested a check would be all right, but the farmer insisted he would have to go some distance for the money. To assure completion of the deal the salesman agreed to transport his customer. After a drive into the open country the farmer ordered a halt. Crawling through a wire fence, he made deductions from post locations, dug away the snow, and uncovered a bag of money, from which he took the cash to make the payment.

From Florida:

Attired in the commonest clothing, driving a mule, and leading a decrepit horse, an old man of 78 passed through the city yesterday. The director of the animal-rescue league noticed the condition of the two animals and the police held the old man for investigation while the horse and mule were treated. The judge found the old man had committed no other offense than driving the aged animals. "The rescue league can take care of them," said the judge, "but something should be done for this poor old man." It was then that the officer introduced five $100 bills and a $20 bill as funds the old man was carrying on his person. "Case discharged, and take that old man to the post office and have him place the money in the Postal Savings," ordered the judge.

From Tennessee:

One depositor called at the window, requesting to be shown a room where he could disrobe in order to get his money which he had in a belt worn around his waist. This belt he had made himself and kept the money in it for six months, sleeping with it all the time. Working in a logging camp, he considered this rather risky. When he finally got to his belt and opened it there was $2,300 in it, and the odor was so strong one could hardly stand to count it.

From Missouri:

On the day following the fire last December which partially destroyed a wing of the White House, a lady called at the postal-savings window and very nervously asked if the destruction of the records in the White House fire had in any way jeopardized her postal-savings account.

From New York State, my State—in fact, from Brooklyn, where the very able postmaster, Albert E. Firman, presides:

In one case a whole family came in—papa, mama, and an old-style family ranging from baby in arms to boys and girls in their teens. The money for deposit was quite a tidy sum, made up almost exclusively of small bills, which were all very badly stained and terribly dirty. The odor was as bad as the discoloration. It was found that the family had been with a construction gang living in the outskirts and that the money had been buried in a can under a stone in a country water-closet. You see, they were transferring their wealth from one place of deposit to another.

A man came to one of our windows and disgorged $500 for a new account. The money was so black with coal dust as to be almost unrecognizable. It had to be brushed off and cleaned up before it could be got into shape. By the time this was done the window ledge looked like a coal bin, and it had to be scrubbed before the ordinary routine could be resumed. It developed that the depositor was a peddler of coal and had hidden his money beneath the coal in his cellar.

A depositor who proved to be an iceman came in to open an account, and, when he spread his money out, the stench was so bad that it had to be aired before it could be handled. On inquiry, it was found that the man had the money concealed in an old horse collar kept where he stabled his horse. On opening the stable the day he made his deposit, he found the horse was chewing up the old collar and within a few moments would have gotten away with the money. You see, occasionally some good does come out of evil.

One depositor used to bring in his money, and it was found to be very cold. Inquiries elicited that he was a butcher and kept the money in his ice box.

A peanut vender used to come to the postal-savings window every day. He spoke broken English, but his difficulty in this respect was more than counterbalanced by the whistle on his cart, which he left in front of the office, blowing full blast, so that it could be heard a block away. A good advertisement, you see, for our postal-savings bank. When asked why he came daily, he explained that it was to have the United States Government protect his money.

An old Italian woman brought in some money to open an account. It was found to be saturated with oil. She said she had been saving the money up in an old olive-oil tin in which she had hidden it for safety. A friend had persuaded her to open a postal-savings account.

A Porto Rican laborer applied for an account and handed in a bundle of 250 one-dollar bills, a few two's, and a five. The money was so rusty, rough, and sandy that the denominations were almost indistinguishable. The man was at first reluctant to explain the condition of the money, but finally said that his father had it buried in Porto Rico. A couple of weeks later he came in again with over $300 of the same kind, explaining that it was the balance of the buried money. He was satisfied that the postal-savings bank was a safer place for his money than burial.

A couple of foreigners, man and wife, speaking very broken English, came to open a joint account for $500. When told that this could not be done they bickered a while between themselves in their native tongue and finally the husband agreed to deposit the money in his wife's name. The wife took from her shopping bag $100 in silver, of which $70 was rolled in paper and the balance loose. Then the husband started emptying his pockets. He had money in every one of them; not a pocket was missed. Some of the bills were folded, others rolled. It formed a pile on the counter and when opened up and counted it amounted to $400. The clerk gasped at the heap. The man, in his broken English, said: "This a very good country; we only here nine months."

From Arkansas:

In one instance a depositor of foreign extraction presented a $1,000 bill of the old size. The clerk remarked on its excellent condition and that it did not appear to have been worn by use. The depositor replied that he knew the bill had not been used for 10 years, as he had had it for that length of time.

From Alabama:

One busy Saturday morning an old southern "mammy" came into the lobby with a market basket on her arm. It was covered with a clean rag and seemed to be very heavy. She came stealthily to the window and whispered: "Mistus, I wants you all to put up dis change for me." Thinking she had a basket of eggs and her "change" was tied up in a bandana as usual, the postmaster was dismayed to see her uncover the basket and disclose a peck of coins—some discolored, some so old the date was undecipherable, some old 3-cent pieces, and many big copper cents. It was all in coins and there were very few dollars, mostly dimes, quarters, nickles, and pennies. She said she had been saving it for 20 years hidden in the middle of her "straw tick," but that she was "gittin' old" and knew we would take care of it till it was needed for her "buryin'."

We have one old negro man who for years has brought $1 every Monday morning. He always says: "I's de one who always puts and never takes." He will have a very respectable funeral.

From Washington State:

One of our depositors, a spiritualist reader, presented $1,000 in $5 and $10 gold pieces upon two widely separated occasions. It was easily discernible that these gold pieces had been in "dirt," and after tactful conversation it was revealed that their hiding place had been old flower pots, such as used to adorn the average "front room." She had evidently had a message from a guiding spirit that Uncle Sam was safer than the old flower pots to which she trusted her gold for a long period of years.

Another woman, middle-aged, had confided in her sweetheart that her money, which some day was to be shared with him, was buried in the back yard. One evening, after a lover's quarrel in which Sir Galahad saw his share fading away, he stole stealthily to the buried treasure and took his promised half, leaving her share in the earth. Going down town, he called the woman and informed her of the transaction. The next day the Postal Savings gained a new depositor and the back yard lost one.

From South Carolina:

An elderly lady called at the office and presented $600 with the request that it be deposited to her credit. While counting the money, the clerk detected a strong odor of cabbage and asked why it smelled so strongly of cabbage, to which the woman replied: "It ought to, because I had it buried in the cabbage patch."

In another instance a lady called to deposit $1,500. The money had a musty smell, something like burnt wood, and the clerk remarked that it must have gone through fire at some time. The depositor replied that she had it buried in the yard, but the house burned down and the spot where the money was buried was covered with the burnt wood. Being in dread of this happening again, she decided to put it in a safer place.

From Oklahoma:

Recently an old fellow deposited with the post office $2,500 of the $4,200 which he had kept hidden in a hollow tree.

From District of Columbia:

A man of means, at the ripe age of 78, ceased putting faith in banks, where he had deposited his savings for years. He drew $17,000 from a banking institution in $1,000 notes. These he

placed in a milk bottle, enclosing it in turn in a piece of terra-cotta pipe, and burying the whole near his lonely house in the suburbs. Returning one day about dusk from a conference with his lawyers, he saw that dirt near his cache had been freshly turned, and he investigated. The $17,000 was gone. He called in the police. It was their turn to be amazed when, asked if he had any more money about the premises, he drew from various niches and crannies another $11,000. He accounted for $2,500 more by saying that he had placed it in the safe-keeping of a friend soon after discovering the robbery. Questioned as to why he had shifted his money from a safe repository to the "back yard" bank, he said he was afraid a court might order it attached.

From Illinois:

A carpenter forgot to remove the $800, his life's savings, which he had pinned to his shirt before sending it to a Chinese laundry. When he went to ask for it, the Chinaman only said, "No savvy."

From Missouri:

A trusting woman selected the family Bible as a hiding place for $40. When she returned from an absence, she found that burglars had visited her home and the money was gone.

The general idea of the deposit of savings with post offices for safe-keeping seems to have originated in England in 1807, and was finally adopted and made operative in that country in 1861. Upon the recommendation of Mr. Gladstone, the man who proposed the plan adopted in 1861—a Mr. Charles W. Sikes—was knighted in recognition of his services to the nation. The plan in England was a success immediately.

In the United States the original suggestion for the establishment of such a plan seems to have been made by a patron of the post office at Pittsburgh, Pa., to the postmaster at that place, then Mr. S. V. von Bonnhorst. This suggestion was transmitted by that postmaster to Mr. A. N. Zevely, who was then the Third Assistant Postmaster General, in a letter dated December 20, 1861.

During the next 10 years the increasing demand for such depositories gained considerable strength and the plan was recommended to Congress by Postmaster General John A. J. Creswell in 1871 during the Presidency of Ulysses S. Grant.

The enactment of appropriate postal savings laws was subsequently advocated by eight Postmasters General and by Presidents Theodore Roosevelt and William Howard Taft. The idea was also advocated in the political campaign of 1908 in the platforms of both the Republican and the Democratic Parties.

The very first bill introduced in Congress upon the subject apparently was a bill introduced on December 18, 1873, during the first session of the Forty-third Congress by Hon. Horace Maynard, a Representative from Tennessee. This was an exhaustive bill covering about 18 pages in the printed form, but the Committee on Banking and Currency made an adverse report on the bill and nothing was done with it.

About 80 bills were introduced in succeeding Congresses between 1873 and 1910 relating to the establishment of facilities for postal-savings deposits by the public, and approval by the press and the public was expressed in increasing degree from year to year until the latter year.

During the Sixty-first Congress, following the political campaign of 1908, in which both major parties advocated postal-savings legislation, Senator Thomas H. Carter, of Montana, introduced a Senate bill which, after passage by both the Senate and the House of Representatives as a nonpartisan measure, was approved by President William Howard Taft on June 25, 1910.

Thus, after an agitation which was carried on for about 50 years, Congress enacted a measure which provided a means whereby savings of the people could be deposited for safe-keeping and interest earning in designated post offices of the country. In that legislative act confidence was a corner-stone incentive by which deposits were encouraged, for which Congress provided that "the faith of the United States is solemnly pledged to the payments of the deposits made in postal-savings depository offices." This fundamental provision remains to-day unchanged on the statute books in its original form.

In the legislative act a board of trustees was designated to administer the postal-savings transactions. This board consisted of the Postmaster General, the Secretary of the Treasury, and the Attorney General, all of whom were to serve ex officio, and the board was authorized to designate such post offices as it might select to become postal-savings depositories.

The Postal Savings System did not actually get into operation until January, 1911, but in his annual report to Congress for the year ending June 30, 1911, the Postmaster General, Mr. Frank H. Hitchcock, stated:

An important event of the year was the successful organization of the Postal Savings System. On January 3, 1911, depositories were opened experimentally at a single post office in each one of the 48 States and Territories. After a careful test for four months at these offices the system was rapidly extended.

Later he stated in this same annual report:

Postal-savings deposits have kept pace with the extension of the system. Amounting at the end of the first month to only $60,252 in the 48 experimental offices, they increased in a half year to $679,310, and now, after 11 months of operation, have reached a total of $11,000,000.

It is interesting to note that during the period from January 1, 1930, to June 30, 1930, there was deposited over one hundred and four times as much as was deposited during the period from January 3, 1911, to June 30, 1911. This tremendous increase in volume of new deposits attracted to the Postal Savings System certainly indicates a healthy attitude on the part of the public toward their Postal Savings System after only 20 years operation in this country.

The Director of the Postal Savings System, Mr. W. T. S. Rollins, has grown old in the service. He is a genial, intelligent, and able official. Through his hands have streamed millions of savings without the loss of a penny. In fact, he has kept the money wisely and safely invested, all to the advantage of the patrons of the system. When asked where the volume of new depositors come from and whether the system competes with existing banking institutions, he replied that, far from competing with the existing banks, he redeposits in those banks the money that the frightened citizenry withdraws from them. Rollins is ably assisted by William N. Pearson as assistant director. Both are splendidly guided by Third Assistant Postmaster General Frederic A. Tilton.

While banks were failing all over the country and a veritable avalanche of funds came out of other banks, it was the Postal Savings System that salvaged much of the money withdrawn by the frightened and the timid. The Postal Savings System operates primarily in the field of latent capital and unproductive wealth, since it operates with moneys beyond the reach of the business world. Through this distinctively American system dormant dollars are again placed in the channels of trade.

One interesting bit of information indicated in the annual report of the board of trustees for the fiscal year ending June 30, 1930, is that the regional slumps in the balance on deposit in the New England States, the Middle Atlantic States, the Mountain States, and the Territorial areas were influenced somewhat by immigration restrictions, since the savings of thrifty but distrustful aliens placed in the Postal Savings System had tended to stem the tide of millions of dollars flowing to foreign shores. This regional slump in the areas mentioned amounted to a total decrease of $1,626,318, which was also due somewhat to postwar conditions, higher interest rates in commercial fields, and other lesser factors. This decrease in the areas designated was more than offset by the increase which was recorded in other areas of the country.

At the close of the fiscal year ending June 30, 1931, postal-savings funds which had been intrusted by the public to post-office depositories had been placed in the marts of trade through redeposit, under the safeguards required by the postal savings act, in 4,175 banks. Of these, 2,818 were national banks and 1,357 were State banks or banks under State supervision. These banks, for the purpose of security for the use of these postal-savings funds, had pledged to the Department of the Treasury acceptable bonds, as required by the postal savings act, the value of which equaled or ex-

ceeded the amount of funds placed with the banks as interest-bearing deposits.

The Postal Savings System showed a net profit for the fiscal year ending June 30, 1930, of $135,862.92, after there had been deducted departmental and Postal Service expenses amounting to $1,426,243.92.

FACTS CONCERNING THE HUNGER MARCH ON THE NATIONAL CAPITAL ON THE OPENING OF CONGRESS

Mr. FISH. Will the gentleman yield for me to make a unanimous-consent request?

Mr. RAINEY. I yield.

Mr. FISH. Mr. Speaker, I ask unanimous consent to print in the RECORD some remarks made by me over the radio last Saturday night.

Mr. BANKHEAD. Mr. Speaker, I rise to a question of order. At the beginning of the proceedings of a new session we have fallen into the practice of gentlemen going down into the well of the House to present personal requests and things like that. The general membership of the House can not hear them. I trust the Speaker will enforce the rule by requesting gentlemen, when making these requests, to stand back in the body of the Hall so that the membership can hear what is going on.

Mr. SNELL. I think that is a wise suggestion.

The SPEAKER. May the Chair make a few remarks concerning that? It is the opinion of the Chair that the practice of coming down into the well of the House in order to attract the attention of the Chair is improper. It tends to confusion. It does not give the membership in the rear of the Hall opportunity to hear the requests. So the Chair thinks he will adopt the practice of not recognizing gentlemen who seek recognition from the well of the House. The Chair thinks this will finally stop the practice.

Is there objection to the request of the gentleman from New York [Mr. FISH]?

There was no objection.

Mr. FISH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following remarks made by me over the radio last Saturday night:

Fellow Americans, I intend to divide my remarks this evening into three parts: First, a discussion of the hunger march, its origin, and purposes; second, a brief statement of the principles and aims of the communists in the United States; and third, I will offer what I consider as constructive suggestions, to furnish work for the unemployed and provide foodstuffs and necessities for the hungry and needy unemployed citizens during this world-wide depression.

There is nothing new in a hunger march on Washington. Back in 1894 General Coxey, now mayor of Massillon, Ohio, led an army of unemployed to the National Capital to demand a Government bond issue of $500,000,000 to provide work for the unemployed on roads and other public construction. Coxey's Army, so called, was composed of American citizens seeking work for the unemployed and did not advocate the destruction of our economic system or the overthrow of our republican form of government.

The national hunger march, converging on Washington from a number of the large industrial centers of the country and expected to concentrate at Washington on Monday, is entirely different in composition and purpose from any of the hunger marches of the past. The present army was organized by the communists and led by communists, and does not represent the unemployed American wage earners or their welfare. It is a communist gesture aimed to stir up dissatisfaction with our economic system and form of government, and arouse a revolutionary spirit among the unemployed.

It is a typical communist gathering, composed of revolutionary agitators, both black and white, who care nothing about affording actual relief to the unemployed, but seek to exploit the suffering and misery among our needy unemployed citizens for communist and revolutionary purposes. It should be clearly understood that the whole hunger march from beginning to end is communist-organized and probably inspired or directly ordered by the Communist Internationale at Moscow.

Mr. William Green, the president of the American Federation of Labor, told me personally and most emphatically only yesterday that the American Federation of Labor repudiated any connection whatever with the hunger march or its purposes.

The fact is that a very high percentage of the marchers or truck paraders are either members of the Communist Party or in sympathy with the communist principles. The various communist district organizers in Chicago, Detroit, Cleveland, Pittsburgh, New York, and Philadelphia have been busy for the past two months making preparations for the hunger march and enlisting as many as possible of the local communists to join in the big motor-truck parade on the National Capital.

My main purpose in accepting the invitation to speak over radio station WJSV is to make clear to the American people that the national hunger march is a communist demonstration, and not in the interest of American labor. There may be a few misguided or uninformed unemployed that have been duped into joining the big parade without knowledge of its communistic aims, but even those could not stay with it for many hours without finding out its main purpose is to sow seeds of class hatred, atheism, and world revolution.

The communists are the most skilled propagandists in the world, and seize on every opportunity for mass demonstrations against existing institutions and governments. It is safe to say that in the entire army of truck marchers there will be few, if any, other than communists, radical socialists, or extreme radicals who hate our traditions, our ideals, our principles of government, and the American flag, and seek the overthrow of our republican form of government by force and violence. It consists of the same group, but on a much larger scale, as the communist demonstration held at the opening of the last Congress, under the fictitious head of "National Conference for the Protection of the Foreign Born."

The actual organizers of the converging communists, under the camouflage of national hunger marchers, are the Communist Party of the United States, and three of its strongest auxiliaries, the Trade Union Unity League, Workers International Relief, and the International Labor Defense League, all communist led and organized, and communist to the core.

The demands of the communist hunger marchers are purposely made so extravagant that no Member of Congress would consider even introducing such proposals, such as unemployment insurance to jobless workers equal to their full pay during the entire period of unemployment.

The fact is that the communists are not interested in unemployment relief, but seek to discredit President Hoover's organization for unemployment relief, and the anticipated efforts of the Congress to provide work by additional Government construction and foodstuffs if private charity and municipal and State aid fails.

If the communist hunger marchers are sincere, and want to accomplish results for the needy unemployed in America, let them cease their extravagant, impossible, and revolutionary demands and get behind a $2,000,000,000 bond issue for roads, waterways, Federal buildings, and other public works. American labor is not asking for charity or unemployment insurance, but for a job and the right to work and earn a living at substantial wages. There are no more loyal or patriotic citizens in the United States than the free American wage earners, and they have no use for communism, revolutionary radicalism, or any form of foreign dictatorship, under which they would lose their civil rights and liberties and become disfranchised slaves to an autocratic and tyrannical government.

The committee of the House of Representatives to investigate communist propaganda and activities in the United States, of which I was chairman, reached the conclusion that there were between five and six hundred thousand communists or communist sympathizers in the United States; and that two-thirds were aliens, 20 per cent naturalized citizens and about 10 per cent native-born citizens, black or white.

The so-called communist hunger marchers will contain a large percentage of foreign born, who will be most vociferous in their assaults upon our economic system, the Congress, and the President of the United States. If these alien communists do not like our ways of doing things, our laws, our free institutions, and our form of government, let them go back home where they can enjoy the oppressive laws, the pitiful wage scale, and the lack of freedom of speech that they have been accustomed to in the past in their native countries. But if they insist on continuing to spew forth hatred of our ideals, traditions, principles of government, and urge the overthrow of our form of government by force and violence, then they should be deported from the United States.

These alien communists are not afraid of our police, courts, or jails; the only thing that they are afraid of is to be deported back home. The Department of Labor will be presented with a made-to-order opportunity to find out how many of these alien communists paraders have entered the United States illegally. All those who are here in violation of the law should be deported, and any of those aliens who advocate violence, in violation of existing law, should also be arrested and promptly deported.

I want to take this occasion to earnestly appeal to the sound common sense of all American citizens, and particularly to members of the American Legion and Veterans of Foreign Wars, not to provoke disturbances or interfere with the constitutional rights of American citizens to freedom of speech, freedom of assembly, and of petition. No matter how drastically we may disagree with communist doctrines, nothing would help their cause more than to make martyrs of them and give them the publicity they seek by refusing them their constitutional rights. It is most important that they be not interfered with or attacked, and that they be given adequate police protection.

If they are afforded an opportunity to blow off steam and make their ridiculous demands upon Congress, the whole communist demonstration will degenerate into a complete fiasco; but if either beaten up by the police or the citizens, it would tend to create sympathy where none exists and give undeserved publicity to a handful of communist marchers.

The police of the city of Washington and the Capitol police are adequate to preserve order and to handle a thousand communists, and should refrain from using force or violence, unless compelled

to by overt acts of the communists themselves. Open violence on the part of the communists will, of course, be met with violence on the part of the officers of the law, whose duty is to uphold law and order, and in doing so will be upheld by the American people.

My advice, however, is to give the communists ample opportunity to walk and talk themselves out and to allow them to present a petition to both branches of the Congress without molestation, unless they insist on violating existing laws and regulations or resort to violence in the first instance.

I know that there are many legionnaires just spoiling for a good fight, and to those I appeal for restraint and not to help the communist paraders by creating either sympathy or publicity for them. Let us give them all the rights which in their own country they would not accord to their opponents.

I am not an alarmist, and do not anticipate a revolution from the communists in the United States to-morrow at dawn, the next day, or the next year. The Regular Army, the National Guard, American Legion, and Veterans of Foreign Wars could, using a Russian word, "liquidate" all the communists in the United States in a few weeks time if they should start a revolution in this country. They will not make any such attempt, as they know what would happen to them, and they are far too skilled as propagandists to destroy themselves without any chance of success.

The following are extracts from the Daily Worker, the central organ of the Communist Party of the United States: "The national hunger march continues according to schedule, with all four columns moving from point to point like a military maneuver, etc. * * * The Daily Worker has succeeded in reaching enough workers so that the masses in towns all over the United States are rallying to the national hunger march."

Column 1 is composed of communist delegates from New England, Boston, Providence, New Haven, and New York; Column 2 is from Buffalo, Rochester, Syracuse, Binghamton, and Scranton. These two columns join at Philadelphia. Column 3, from Chicago, Detroit, Toledo, Cleveland, and Youngstown, and column 4, which is the smallest, with about 60 delegates, from the Far West, St. Louis, Indianapolis, Cincinnati, and Columbus, join at Pittsburgh. Probably not more than 1,000 communist delegates will assemble at their proposed conference in Washington to-morrow evening to elect a committee to present their demands to the Congress and to the President on Monday afternoon.

Herbert Benjamin, the national field organizer of the Washington arrangements committee for the national hunger march, is also a field secretary out of New York City for the Workers' International Relief, a branch of the Communist or Red Internationale of Labor Unions, with headquarters at Moscow. There is no question but that he is one of the active leaders in the communist movement in the United States, and like all other communist leaders takes his orders from Moscow and apparently glories in it.

In view of the proposed demands by the communist hunger marchers upon Congress, I believe the time is opportune for the American people to make their views known to the Congress and urge the enactment by the new Congress of proper legislation to combat the spread of communism in the United States.

I would suggest that those radio listeners who are interested in this issue, which is one of the most important and far reaching affecting the civilization of the world, should write to their Members of Congress for House Report No. 2290, containing in less than a hundred pages the report and recommendations of the House committee appointed to investigate communist activities and propaganda in the United States, which is interesting and gives a complete and concise report on communism.

Among the principle recommendations are the following, which I hope the radio audience will support by letters and resolutions to their respective Representatives and Senators in the Congress.

1. Enlarging the authority of the Bureau of Investigation of the Department of Justice, for the purpose of investigating and keeping in constant touch with the revolutionary propaganda and activities of the communists in the United States.

2. Strengthening the immigration laws to prevent the admission of communists into the United States, and providing for the immediate deportation of all alien communists.

3. Enforcement of the provisions of the tariff act of 1930, section 307, prohibiting the importation of goods produced or manufactured in part or in whole by forced labor.

This last recommendation aims to protect free American labor from ruinous competition with the forced labor in Soviet Russia, paid 20 cents a day.

The House committee was convinced that the surest and most effective way of combating the spread of communism in the United States is to give the fullest possible publicity to the fundamental principles and aims of communists, which are the same throughout the world, as they are not likely to prove acceptable to any considerable number of American citizens, unless camouflaged by other extraneous issues such as protection for the foreign born or unemployment insurance.

The political and economic aims of the communists in Moscow, Berlin, Paris, London, New York, Chicago, Los Angeles, Tokyo, and Pekin are the same, and all take their orders from the Communist Internationale, with headquarters at Moscow, and obey them implicitly and are apparently proud of giving allegiance to the red flag and the Soviet Union.

The following is a definition of communism, a world-wide political organization advocating: (1) Hatred of God and of all religious beliefs; (2) destruction of private property and inheritance; (3) promotion of the bitterest kind of class hatred; (4) using the Communist Internationale to stir up revolutionary propaganda and incite strikes, riots, sabotage, and industrial unrest; (5) destruction of all civil rights and liberties, such as freedom of speech, of the press, and of assembly, and the promotion of class or civil war; and (6) in order to attain the ultimate and final objective by means of the establishment of a dictatorship of the proletariat with a soviet form of government and a world capital at Moscow.

The answer to the communist hunger marchers and other communists is that the Federal Government does not propose to let American citizens starve in case of failure of private charity, whether it costs $50,000,000 or $500,000,000, to provide foodstuffs for the needy unemployed. We are the richest nation in the world and have an overabundance of wheat, coal, oil, and lumber, and will see to it that American citizens neither starve nor freeze during this period of world-wide depression. However, every citizen has a clear-cut duty to give according to his means, and to give until it hurts, if necessary, to relieve the distress and starvation among our people. There is more truth than fiction in the old proverb that charity begins at home.

It is true that we are in the midst of a world-wide depression which affects millions of American wage earners and causes distress and dread throughout the land. It is an appalling and almost inconceivable fact that there are 5,000,000 unemployed in the United States, with the probability that there will be several additional millions before the winter is over. Those unemployed must be assured that no member of their family will be permitted to starve or suffer from the rigors of our climate during the winter months in this country of ours with an overabundance of wheat and other foodstuffs. We must destroy the fear of insecurity by serving notice definitely and conclusively, no matter what the cost may be, that an ample supply of foodstuffs will be furnished all unemployed American wage earners during this emergency.

In the last session of Congress I introduced a resolution that wheat held in storage by the Federal Government should be turned over to the Red Cross to be processed into flour and distributed by the various charitable organizations throughout the United States. The Federal Stabilization Board owns 200,000,000 bushels of wheat, and all of this, if necessary, should be made available to the Red Cross without delay.

It is the prime function of the Government to provide for the safety, happiness, and security of its people. I have no patience with any other philosophy of government, or any attempt to hide behind the Federal Constitution. If private charity is not sufficient to carry the burden and provide for the hungry and clothe and house the destitute, then it is clearly the duty of the Federal, State, and municipal governments to contribute their full share and assume their proper responsibilities. Failure of the Federal Government in this crisis not to exact its utmost efforts to help relieve the suffering and misery would be a fatal indictment against the administration at Washington, and even against our republican form of government, and would be the beginning of the end of capitalism.

I am opposed to the unemployment dole, which tends to destroy individual incentive, which has been the main cause of the wonderful development of the United States. The financial dole has wrought ruin and disaster to the economic stability of Germany and England.

The appropriation of $500,000,000 by the last Congress for public buildings was a step in the right direction, but it should be trebled by the Congress that meets on Monday. An additional billion or more dollars should be made available immediately for the construction of highways, public buildings, and waterways, and other needed improvements and public works.

Labor is not asking for a dole but an opportunity to work. This opportunity must be afforded, even if it takes a $2,000,000,000 bond issue. There can be no return to prosperity in the United States until labor is employed at substantial wages and has a buying power commensurate with their needs. Prosperity can not be obtained by decrees or resolutions. The big issue in the United States to-day is the ways and means of providing jobs for the 5,000,000 unemployed. Charity is not the answer, but work is, and it must be provided by the Federal, State, and municipal governments.

Let us have faith in America and in the capacity, intelligence, and patriotism of our people and our Government to solve all our economic problems as they have in the past, for the best interests and welfare of the American people, free from communism, socialism, or Fascism. Let us have faith in ourselves and in our democratic institutions. For the past 50 years our wage earners have been the best paid, the best housed, the best fed, the best clothed, and the most contented in the world. The Congress and the various State legislatures for many years have been correcting abuses that have crept into our economic system by enactment of laws governing the conditions and hours of labor, passing employers liability laws, and now providing old-age pensions. Civilization is confronted with the solution of economic problems far more serious than at any time since we obtained our independence as a nation. I wholeheartedly commend the declaration of the Pope in behalf of social and industrial justice, and in favor of a more equitable distribution of wealth. It is our manifest duty to see that industrial justice and human rights prevail in these United States. If our country is worth dying for in time of war, it must be worth living for in time of peace.

When the Declaration of Independence was written by Thomas Jefferson there were few, if any, republics in the world. Rule by the divine right of kings was the accepted form of government.

A representative system of government, based on the consent of the governed, was a new departure and regarded as revolutionary. Even when Lincoln made his immortal Gettysburg speech that a government of the people, by the people, and for the people shall not perish from the earth, there were still few republics in the world. Since then monarchies have been toppling over right and left, and republics have come into being, based on our principles of government.

Nevertheless, communists, socialists, pink intellectuals, radical college professors, and a smattering of Protestant ministers have combined to denounce our economic system as being antiquated and loaded down with abuses and evils, and that our Government is corrupt and democracy a failure. These visionaries, without any experience in business or government, find everything wrong in America and everything beautiful in Soviet Russia, or in some form of temporary foreign dictatorship.

Let us rededicate ourselves to the proposition that a government of the people, by the people, and for the people shall not perish from this earth. Let us reaffirm our belief in our republican form of government, because it is the soundest, fairest, most honorable, and best form of government ever devised by the mind of man. Let us cherish it and defend it against all our enemies both from within and without, and serve notice that we do not propose to substitute communism, socialism, or Fascism for our republican form of government, which is the best on earth.

HON. PETER J. DOOLING

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a short address I made with reference to the work and life of a former Member of this House, my predecessor, Peter J. Dooling.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BOYLAN]?

There was no objection.

Mr. BOYLAN. Mr. Speaker, ladies and gentlemen of the House, it is my sad duty to announce the death on October 18, 1931, in New York City, of a distinguished former Member of the House, the Hon. Peter J. Dooling. Congressman Dooling preceded me in representing the fifteenth congressional district of New York.

He was born in the city of New York and educated in its public schools. At an early age he took an active interest in public affairs, and affiliated himself with the Democratic Party. As a very young man he was appointed chairman of the county committee in his assembly district. This position he held during his entire life, and at the time of his death he was also chairman of the executive committee of the Democratic Party in the county of New York.

His native city early recognized his ability as an organizer and executive. As a reward for the services he rendered his party he was chosen for public honors. He was appointed court officer in the court of general sessions, serving from January 1, 1887, to December 1, 1889. Elected a member of the board of aldermen of New York City, serving from January 1, 1891, to December 31, 1892. Appointed deputy clerk of the court of special sessions, serving from April 15, 1893, to June 30, 1895. Appointed commissioner of the aqueduct commission and served from January 4, 1898, to May 18, 1898. Appointed deputy commissioner of the department of water supply, gas, and electricity. Served from May 9, 1898, to December 31, 1901. Elected to the Senate of the State of New York and served from January 1, 1903 to December 31, 1905. Elected county clerk of the county of New York and served from January 1, 1906, to December 31, 1909.

He was elected Representative in Congress from the fifteenth congressional district of New York in November, 1912, and served in the Sixty-third, Sixty-fourth, Sixty-fifth, and Sixty-sixth Congresses. During his term of service in the House he was a member of the following committees: Expenditures in the War Department, Merchant Marine and Fisheries, and the Committee on Insular Affairs.

In the Sixty-fifth Congress he was appointed chairman of the Committee on Expenditures in the War Department. In the Sixty-third Congress he was appointed on a committee by the Speaker to attend the memorial exercises at the Brooklyn Navy Yard in honor of the men of the Navy and Marine Corps who lost their lives at Vera Cruz, Mexico.

During his entire congressional service he took a particular and personal interest in bettering the condition of Federal employees. He worked indefatigably for the reclassification act for postal employees, the increase of their compensation, and the betterment of their general working conditions.

At the end of his congressional service he was appointed sheriff of New York County by Governor Smith, serving from January 1, 1924, to December 31, 1924. On January 1, 1926, Mayor Walker appointed him commissioner of purchase and he served in that capacity until his death, October 18, 1931.

During his whole public service, extending over a period of 44 years, he was ever zealous to help his fellow man. In fact, the greatest memorial that he leaves behind him is the kind remembrance in the hearts of the men, women, and children of the city of New York of the services he rendered them. Too often kind deeds performed by public men are soon forgotten, but our friend always felt that somewhere or somehow compensation would come as a reward for his years of toil and service for others.

His was a generous nature, making the misfortune of others his very own, and by his helping hand removing their cares and distress. There is no doubt that the record of his works has been written on an imperishable scroll, the summation of which is that he was charitable; that he was kind; that he was generous. The world is better because he lived, for his deeds and the good example he gave and the lesson of his life will live on, and in the days to come will serve as a model which youth may well strive to emulate.

Peace and death's beauty to his heart to-day,
Who is not dead, but only gone away
To sleep a little, as a child who goes,
When twilight folds the petal of the rose.

NOMINATION OF HON. JOHN N. GARNER FOR SPEAKER

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to have printed in the RECORD an address delivered by my colleague [Mr. SUMNERS of Texas] placing in nomination before the Democratic caucus the name of Hon. JOHN N. GARNER, of Texas.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JOHNSON of Texas. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address of Hon. HATTON W. SUMNERS, of Texas, before the Democratic caucus, nominating Hon. JOHN N. GARNER, of Texas, for the Speakership. The address is as follows:

Mr. Chairman and members of the Democratic caucus, two and three-quarters years ago we met in this Chamber for the purpose of effecting party organization for the last Congress. We numbered only 165 Democrats. The Republicans had elected 266 members. We had met one of the most disastrous defeats in our party history. On that occasion we chose the Hon. JOHN N. GARNER to be our leader and our candidate for Speaker. We were then at the beginning of Mr. Hoover's administration, the last of the Harding-Coolidge-Hoover triumvirate to occupy the Presidency. That triumviate had been placed in power 13 years ago, Mr. Harding as President, Mr. Coolidge as Vice President, and Mr. Hoover a member of the Cabinet. I shall not mention the remainder of the Cabinet. Some are with us yet. Some have gone one place and some another.

Upon the death of Mr. Harding, Mr. Coolidge was moved from the Vice Presidency into the Presidency, first by the Constitution and then by election. Mr. Coolidge did not choose to run and Mr. Hoover was promoted from the Cabinet to the Presidency. He had been elected by a tremendous electoral and popular majority. The fate of the Democratic Party in no small degree rested upon those 165 men and women constituting the small Democratic minority who were then assembled in this Chamber. They were not unmindful of their responsibility. They were not unmindful of the peril to the country, which they felt was involved in the continuation of the policies which had begun with the Harding administration, continued without interruption, and would probably continue during the Hoover administration. There was no levity on that occasion. It was a serious hour. Already the buying power of agriculture was becoming paralyzed. That fact carried an ominous threat to the whole economic structure, which selfish interest was too blind to see and the party in power either too subservient or too incompetent to deal with. May I quote from what was said on that occasion. To stand now where we stood then and look down the intervening time should help to bring back the sense of duty and renew the strong purpose which was ours then and which inspired us during the Congress to do battle, hopelessly in the minority though we were, for what we conceived to be the interest of the people in the country. On that occasion it was said:

"Whether the Democratic Party shall come again to power depends upon whether in this time of as great need as this Nation ever had it can and will respond with a vigilant, aggressive, courageous party organization, following in solidarity a wise and effective leadership, in the protection of the rights and opportunities of the average man, and in the protection of legitimate private interests against the inevitable consequences of the abusive exercise of the power, financial and political, of great groups which now dominate in this country.

"With a rapidity unequaled in the economic and governmental history of the world we are moving toward those conditions and positions from which heretofore those who have moved without exception have been driven back in disastrous defeat."

The great Republican majority would not be warned, not by my words on that occasion but by the lessons of history. We have reached now the destination toward which their policies have given direction and now they can not even offer security to the great combinations of political and economic power whose every wish has been their will. In blind subservience they have brought these interests to the brink with every sort of economic danger in front and every sort of political danger threatening them from the rear. While that is their position millions of people walk hungry and unemployed in the midst of as bountiful a contribution as nature can make toward the happiness and contentment of a people. In the midst of this confusion wrought during the past 13 years and rising above the din of crashing fortunes are the questions, Can we preserve a democracy in government if we destroy democracy in opportunity? Can we preserve political liberty if we destroy economic freedom? Will this modern feudalism in business and industry fostered during these 13 years not bring to us results comparable to those which in the history of our ancestors were incident to the establishment of the old feudalism?

These are not idle questions. The rapidity with which the little men—the yeomanry of business and of industry, the independent farmer, and the workingman—who want to live as free men have a right to live and are willing to let others live free men have a right to live, the rapidity with which they are being driven out or subjugated can not fail to arouse the apprehensive attention of all thoughtful people.

The idea that prosperity comes from above is absurd. The idea that we can have economic stability, much less a free government, with a few great economic overlords to whom the masses of the people owe economic and political fealty is absurd. Yet that very condition has been developing in this country during the past 13 years with the acquiescence, if not with the actual encouragement, of those who have controlled the policies of the party in power.

No country can prosper or can escape punishment when in its fundamental policies it violates the basic natural laws which govern human society. The development of human beings is more important in the scheme of nature than is the development of business.

The average man must have a champion of his rights. The public interest requires it; the public safety requires it; the preservation of our institutions requires it. That champion will be either the Democratic Party, conservatively progressive, which while protecting the legitimate rights of private property will hold pride and greed and thirst for power within safe bounds, safe for the opportunity and economic liberty of the people; or the people, goaded to desperation and made irresponsible by the loss of responsibility, with their ballots will seize the powers of government and with those powers will break through the barriers erected to protect special interests and sweep on far beyond, leav- widespread chaos in the wake. That is not a prophecy; it is not an opinion expressed—it is a statement of that which is historically established as the consequences which flow naturally and inevitably out of such a condition from such a cause.

The teachers in the new school of economic philosophy guiding the present administration and opposing the Democratic Party which stands in the middle position will not be able, when the inevitable reaction comes, to protect those whom it is now guiding to their destruction.

The Democratic Party is friend to the legitimate interest of private property, great or small, but it does not yield the right to make economically unfree the people of a great nation.

The Democratic Party would protect the legitimate interest of private property against the folly of these economic leaders, who are bringing the whole structure into danger.

At such a time and in such a situation, the Nation's interest, the security of private property, and the economic safety and political peace of the people challenge the Democratic Party to the greatest possible solidarity, to the greatest possible contribution of real statesmanship, and to produce its wisest leadership. Mr. Chairman, in response to that challenge by authority and direction of the Texas delegation, I nominate for selection as your candidate for Speaker of the House of Representatives of the Seventy-second Congress our great leader, the Hon. JOHN N. GARNER, of Texas.

THE PRESIDENT'S MESSAGE

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that when the House resolves itself into the Committee of the Whole House on the state of the Union for the consideration of the President's message that the time of debate shall be equally divided and controlled by myself and the gentleman from New York [Mr. SNELL].

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. RAINEY]?

There was no objection.

Mr. RAINEY. Mr. Speaker, I now move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the President's message.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the President's message, with Mr. LOZIER in the chair.

Mr. RAINEY. Mr. Chairman, I yield 30 minutes to the gentleman from Alabama [Mr. HUDDLESTON]. [Applause.]

Mr. HUDDLESTON. Mr. Chairman, I hold that in a time such as this it is in accordance with the principles both of humanitarianism and of sound public policy that we should adopt as a slogan, "No honest American should be allowed to starve." [Applause.]

A year ago I introduced a bill providing for direct Federal relief for those in acute distress. It is not worth while to recount much of what subsequently transpired upon that subject. The President predicted that the depression would be over by the middle of 1931 and that any measures for relief should be limited to that time. The National Red Cross declined to administer any funds which might be appropriated for the purpose, and probably between one and the other the majority of the people of the country became convinced that such a measure was unnecessary. The bill was not passed.

A year has gone. Millions of our fellow citizens continue to walk the streets of our industrial cities without employment. In millions of American homes the shadow of starvation and despair looms darker than even a year ago. I have returned with a measure similar to that which I offered last year. Again I have offered a bill for direct Government aid for those who may be in distress. The bill authorizes an appropriation of $100,000,000 for administration by the President, and provides that he may disburse it either in the form of food or of money, may cooperate with States and communities, may utilize existing organizations, and may create additional organizations as he may desire in its administration, and may disburse it either by gifts or by loans to those in need. In short, the bill gives the President the widest latitude in the administration of this fund.

PRESIDENT'S MESSAGE CLEAR IN ONE RESPECT

I heard the reading of the President's message on yesterday with deep disappointment but not with much surprise. In many respects I found it most confusing and muddy. In one particular I found the message distressingly clear. It was the pronouncement upon Federal relief for those in distress. He declared explicitly in opposition to direct or indirect Government aid. Whatever may be said of the President's lack of clarity and lack of purpose and of plan, no one can criticize the definiteness of his expression upon that subject. The President's message may be uncertain in other respects, but one thing is certain, and that is he is determined that none of the funds of the Federal Government shall be used in the relief of the multitude of our fellow citizens who are starving.

This is an attitude which the President holds toward the individual only. He has no such opposition to aid for distressed business of any kind. He would aid agriculture. He would aid the railroads. He would give a dole to the holders of real-estate securities. He would come to the rescue of banks having frozen credits. He would use public funds to relieve industry and business generally. I think we may fairly say of all kinds of businesses that in the President they have a friend who is willing to use for their relief and rehabilitation the vast powers of the Federal Government and the resources of the Federal Treasury. He is even willing to aid the peoples of foreign countries. He has granted a moratorium to Germany, an action which will

inevitably lead eventually to the cancellation of our European debts of some twelve billions.

MILLIONS FOR DISTRESSED BUSINESS, NOT A CENT FOR THE STARVING

With hundreds of millions the President would come to the rescue of the bondholders of the land banks, to the succor of the commercial banks, to the support of the railroads, and to the aid of industry of one kind and another. To these interests he would open the Treasury, but to starving men, women, and children he would not give a red cent. [Applause.]

I thank the President for his definition of a "dole." The dictionaries are all wrong; at last he has set us right. At last we know what a "dole" is. Last year his message left us in uncertainty. Then his impression seemed to be that any form of governmental aid is a dole, and that it was within the exclusive province of private charity to relieve distress. He has now receded from that position. He is now perfectly willing that the States, counties, and municipalities may use public funds for the distressed, and that kind of relief, he says, is not a dole. It is only when you take money out of the United States Treasury that it becomes a "dole." It is a "dole" only when granted to the hungry and not when given to banks, industries, and business in distress. This is presidential logic in 1931.

I am happy to be able to find one expression in the President's message with which I can agree. He pays a compliment to the spirit of the people. They have, indeed, been patient. They have met their responsibilities as citizens with a high degree of devotion. The rich, generally speaking, have met their responsibilities. Many of them, with incomes decimated to the vanishing point, have contributed with liberality to public charity. Here I pay a tribute to the wealthier classes in my own city for the splendid manner in which they have responded.

The rich have met their responsibilities. They have contributed liberally to charitable causes. The poor have been patient. Oh, amazing has been their patience in the hour of their suffering. Men have walked the streets naked to the elements and hungry, and knowing that their families were at home suffering for food. They have had too much pride and self-respect to call upon their fellow citizens for private charity. They have faced it out. They have endured it with fortitude. There has been little disorder, practically no pillaging, and small expression of political discontent.

WAR AGAINST STARVATION AND DESPAIR

Our country is at war, an awful war, a war as appalling and involving as much suffering as any war this country has ever engaged in. This war is not against a foreign foe but against a domestic enemy. That enemy is starvation, ruin, and despair. These brave soldiers in this war have borne themselves with fidelity and patriotism, and with a devotion which might well compare with the heroism of any soldier who ever fell upon his country's battlefield. [Applause.]

We had a demonstration here the other day by a few misguided radicals, the hunger marchers. They were not in the least representative of the great body of the American people. They did not speak for them. Gentlemen sometimes stand before the House and raise the bugaboo of the red flag. I want to say, Mr. Chairman, that there has never been a finer proof of the soundness in principle of the average American heart and of patriotism and devotion to the principles of American government and of individualism than our people have shown during the past 12 months. [Applause.]

If there be those so timorous and so lacking in confidence in their fellow citizens that they have feared for American institutions, let them be reassured. America will not go communist. America will not be driven, even by starvation, to go communist. [Applause.]

NEW FAITH IN INDIVIDUALISM

The thoughtful American sees in the present situation added proof of the validity of the system of individualism. His faith is higher to-day than ever before. He recognizes that the ills from which we suffer are not inherent in our economic system. He knows that the evils which afflict us are due not to any fault in our system but to abuses of our system. He recognizes in this situation that we are reaping the harvest of the collectivism which you gentlemen of the Republican side of the aisle have sown with your special group favors and group discriminations; your collectivism of the protective system and of aid to agriculture upon the specious theory that as you prefer a special group some of the benefit will leak down and inure to the common advantage; with your collectivism of subsidies to shipping and aviation which you have granted, and so through all your policies.

Now we gather the fruit of your false philosophy. Now the harvest is ripe. It is a harvest of suffering from the abuse of individualism and of the cankers and excresences which you have fostered upon it. [Applause.]

The thoughtful American would not try to remedy this situation by rushing on to rash experiments in a new and more radical collectivism. He would return rather to the purity of individualism, in which there should be some real chance for private initiative and for individual effort upon a fairly equal basis. [Applause.] He would destroy the monopolies which you have fostered. He would strike down the trade barriers which you have built up. He would scatter by lawful and legitimate means the vast concentrations of wealth which it has been your pride to encourage. He would return to a time when real individualism and real democracy would have opportunity.

NO INCREASE IN PUBLIC WORKS

The President is firm in his position that the Federal Government should do nothing for the benefit of the poor and suffering. He even seems now to have gone back upon his former idea that some of the slack should be taken up by a system of public works. I listened to his message attentively. I was unable to find in it anything which encouraged me to believe that the President would approve liberal appropriations for public works. He refers to what has been done during the past year, and says—

> That expenditures on these works during this calendar year will reach about $780,000,000.

He also says that—

> Through this increased construction and through the maintenance of a full complement of Federal employees, and through services to veterans, it is estimated that the Federal taxpayer is now directly contributing to the livelihood of 10,000,000 of our citizens.

The implication is strong that he does not favor any increase; that he is not willing to embark on any new projects; that he purposes to confine public works to the projects which have already been started.

Following what I have just read from the message I find a sentence that gives me some pause. He says:

> We must avoid burdens upon the Government which will create more unemployment in private industry than can be gained by further expansion of employment by the Federal Government.

I am just a plain, blunt man and not highly literate, so it is small wonder that I was unable to gather any sense out of that sentence. [Laughter.] But I have asked some of my friends who have more acquaintance with language and languages, and find that they are as hopelessly hobbled as I am. Frankly, I do not know what it means. It looks to me like he comes out of the same hole that he went in and that it does not mean anything. [Laughter.]

HOW MAY ABSENTEE OWNERS BE CALLED TO DUTY

The President insists that the Federal Government owes no duty to those who are suffering for food. Then I ask, How are communities which have been exploited by those who reside in distant States, and who have derived the profits out of the labor and resources of such communities—how are they to get at these absentee owners and make them do their duty by their idle workers whom they have abandoned to starvation? [Applause.]

I do not know any better illustration of what I am talking about than the situation in my home city. I live in an industrial city of some 260,000 population. The employment situation there is unspeakably bad. In February last the charitable organizations of my city fed about 25,000 people. In July of this year they fed between 12,000 and 13,000 of

our people. The other day our city administration decided, as a matter of unemployment relief, they would dig a little canal out of some funds which they could use for that purpose. They advertised for 750 laborers at $2 a day to do the work of digging—dirty drudgery and hard labor—and over 12,000 men registered for these $2-a-day jobs.

RELIEF FOR BIRMINGHAM'S DISTRESSED

My city is an industrial city. A great part of the wealth which is originated there is siphoned into distant communities and is appropriated by stockholders and bondholders who live in distant financial centers. Ours is a young city in which there is very little accumulated capital. This fall we set about raising a community fund. We set our goal at $700,000. It was a high goal. Conditions were so bad that few believed that we could reach it. I am proud to tell you that we reached our objective and went over it and secured subscriptions for $750,000. [Applause.]

But even that considerable sum will go only a little way toward taking care of those who are suffering. Those who were able to give gave until it hurt. They went down to the very bottoms of their pockets and contributed to the utmost. But what will $750,000 do toward feeding 25,000 to 40,000 starving people even for two or three months during the winter?

The charitable unit which disburses the part of this fund allocated to family relief has a schedule. They give from two and a half to four dollars a week to a family. Think of that. The average family consists of 4.3 persons. They have to live for a whole week on that pitiful sum, with nothing additional for rent, nothing for clothing, nor for fuel; it is barely enough to keep body and soul together.

Measured by our ability, we responded nobly—we subscribed up to the high-water mark of what we were able to do. You can not wonder, my friends, at my emotion, how deeply I am stirred by this situation. I am ashamed to discuss it in detail. I would leave something to your imagination.

The State is not in a situation to help. Uncle Sam can help, but the man at Uncle Sam's helm will not help. [Applause.] He hears our cry unmoved. Starving women and children appeal to him in vain, his answer is, "A dole for business, more time to pay for Germany, but not a cent for you."

PUTS AS GREAT BURDEN ON THE POOR AS ON THE RICH

It is a gross injustice to hold that each little locality should care for its own distressed, for it puts the same burden on the poorest community as on the richest—indeed, a much larger burden than it places on those of the rich community. Where the communities are poor those in need are much greater in proportion, and yet those who can give are fewer and are less able to respond.

I think also of the poorer rural communities, many of them without organization and without arrangements to care for those who may be in need. There nothing is to be done. Neither Government nor State nor county nor private charity is to come to the relief of those who are in want, and only the grim hand of death shall ease their sufferings.

I have told you of my own city and what a splendid sacrifice the people there have made; we are going to continue to make every sacrifice possible. We are going to do our best by our brethren who are starving, for we recognize them as our brethren.

But this point I can not fail to comment upon. In taking the collections for our chest the response which was made came from local parties, the absentee owners of numerous businesses from their offices in distant financial centers heard our pleas in vain.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. RAINEY. Mr. Chairman, I yield 15 minutes more to the gentleman from Alabama.

Mr. HUDDLESTON. Mr. Chairman, our streets were full of those whom they had discharged from their jobs. They were full of those from whom these absentee owners had derived profits during the time of prosperity. They had siphoned the surplus out of our community, taken it away to spend it elsewhere, and now when the business ceased to be profitable they had closed up the doors, abandoned the enterprise, and thrown their employees upon public charity. We called upon them, we pleaded with them for help, and they gave us no favorable reply.

I CONDEMN NOT THE MEN BUT THEIR PRINCIPLES

I do not criticize them. It is not for me to criticize any man nor any concern for what they may give to charity. Each has his own peculiar problems; no man knows where the other man's shoe pinches. I am not condemning them. I do but condemn the principles of those in authority who are determined that we shall have no remedy against them. I call attention to this situation to indicate that there is no means by which you can get at these absentees for their fair share for the relief of the unemployed for whom they are responsible unless the Federal Government will interpose its strong arm and through a system of taxation take away some of their profits and return it to the care of those whom they have left starving.

I shall call attention to some of these concerns. My city is a big railroad center. Nine railroads come there, and it has been one of the most profitable centers for them in all the railroad world. It has now become unprofitable. Men have been thrown out of work by the thousands, out of the shops and off the trains. Yet these railroad systems have not contributed as much as one red copper for the relief of those whom they have thrown out of work.

Let us consider Mr. Gifford's company, the American Telephone & Telegraph Co., which owns the telegraph and the telephone systems which siphon out of my community every cent they can through the extortionate charges of a monopoly—Mr. Gifford, the President's choice, is head of the committee for relief of unemployment. Oh, these corporations can all say that they are public utilities and are not permitted to give their money for local relief. That is a good alibi for a soulless legal entity, the corporation, but it is not an alibi for Mr. Gifford.

It is no alibi for the men who own the stocks and bonds of these railroad companies and these telephone and telegraph monopolies. They are owned at a distance—in Chicago, New York, Baltimore, abroad—I do not know where, but I do know that we are too poor to own them there in my city.

These men living in distant communities no doubt with a fine glow of self-approval contribute to their local community chests. No doubt they do, and, as I said, I am not criticizing them, but not a single individual among all these absentees contributed as much as one cent to our community chest. They contribute perhaps to feed the unfortunate needy in their home communities, but they have left their own former employees in my city helpless and undone.

SOME CONCERNS WHICH FAILED TO HELP

Here is the Firestone Tire & Rubber Co. with a business in my town. They did not give a cent. Here is the Garlock Packing Co. with a business there. They did not give a cent. Here is the Independent Pneumatic Tool Co. They did not give a cent. Here is the Mack Motor Truck Corporation with a local branch, and they did not give a cent. Then here is the Pan-American Petroleum Corporation. They did a business in my town last year of about $180,000. They have dozens of filling stations there, but when we asked them to help feed some of those fellows whose old broken-down Fords they had supplied with gas, they refused to give us a penny. Here is the Louisiana Oil Co. and the Shell Petroleum Corporation and the Sinclair Refining Co., and here is our old friend, John D., of the Standard Oil. The Standard Oil does an annual business in my city of about $900,000. They have hundreds of filling stations. They are one of the siphons that I spoke about, drawing out the quarters and the dollars, taking it as they can get it, but returning nothing whatever for charity.

Then here is the Texas Co. It seems to me that I have heard that concern was owned by a gentleman very

prominent in the Government, but I do not care to indulge in personalities.

Mr. HOWARD. What is his other name?

Mr. HUDDLESTON. His name is "the Texas Co." That is his stage name, and let him rest unknown to fame except as "the Texas Co." He did a business last year in my town of $480,000. I have not the exact figures on these oil concerns; I have computed them from the amount of taxes, based on sales of gas, that the city collected from their filling stations. He did $480,000 of business there and he did not give a cent to relieve the suffering of the starving. I spoke of the Western Union, and now I refer to that genial enterprise known as the Westinghouse Electric Co., that levies a tax upon practically every citizen in my town. They gave us nothing.

Henry Ford did not give a cent. General Motors did not give a cent. So I might go on through this list, but my stomach will not stand that I go farther with this recital.

THEY DRAW OUR SUBSTANCE, THEN LEAVE US TO STARVE

The great mortgage companies have loans in my town amounting probably to more than a couple of hundred millions. They are collecting interest on it when they can. If they had good sense they would try to build up the community so that they could get their money back. They are drawing this interest from nearly everybody, for everybody there has a mortgage on him. That is what makes us so poor. We have to pay so much interest. We have to pay out so much money to these financiers and money lenders. They are drawing this money all the time; it is a constant tax which no man may avoid. And now that our people are starving, they will not give us a penny.

And now I apostrophize:

"How, then, Mr. President, in your august opinion and in the light of the advice of those who surround you, may we, starving as we are, get at these people who have profited at our expense in time of prosperity and who would now abandon us to despair?" [Applause.]

If any Member has an answer to that, I hope he will give it now.

Speaking on the state of the Union and expressing my opinion, I should say it is bad, and one of the worst things about it is that we have a man in charge of the Government who is more interested in the pocketbooks of the rich than he is in the empty bellies of the poor. [Applause.]

And now I come back to where I started. It is sound from the standpoint of humanationism; it is a sound principle of government to guide our action in a time of desperate emergency that "no honest American should be allowed to starve." [Applause.]

My bill is as follows:

A bill authorizing an appropriation for the relief of destitution in the United States

Be it enacted, etc., That the sum of $100,000,000 is hereby authorized to be appropriated, to be available until July 1, 1933, to the President of the United States for the relief of persons residing in the United States who may be in need of the necessaries of life.

SEC. 2. In disbursing the said sum the President shall have authority to use and employ such agencies as he may create for that purpose or as may already exist, and may cooperate with organizations, States, counties, and municipalities upon such terms and conditions as he may deem best, and may disburse same either as gifts or loans of money or of supplies to the beneficiaries.

Mr. RAINEY. I yield to the gentleman from Nebraska [Mr. HOWARD] such time as he may desire.

Mr. HOWARD. Mr. Chairman, ladies, and gentlemen, I almost regret at this moment that my record of the years has been a record of opposition to the commission form of government. Were it not so, I might probably now introduce a resolution looking to the creation of a new commission, a commission which would be authorized and directed to make a survey, to consult seers and seeresses, to consult clairvoyants, and every other charlatan on the earth, and then come back and report to this House, if it could, the meaning of several of the meaningless paragraphs in the message read to this House yesterday from the hand of our President. [Laughter and applause.]

Mr. Chairman, in the absence of that report, being wholly unable, because of the paucity of my own learning to understand very much of the message, I now, with your permission, turn from an unhappy subject to one fraught with happiness and with beauty. Living now in Washington is a beautiful character, a native of Alabama, a man who on many occasions has written such delightful lines regarding men and measures here in the Capital City that he has now almost reached the point where he is hailed as unofficial poet laureate of the United States of America. I refer to Mr. Horace Carlisle, of Alabama. I know many of the Members of the House are familiar with the man and with his writings.

That great soul has recently written a marvelously beautiful and true tribute to the memory of that wonderful man who but a little while ago was our Speaker and our friend. At the very opening of the House the other day I asked unanimous consent that I might have the privilege to address the House for a moment for the purpose of presenting to the Speaker, and through him to the House, an engrossed copy splendidly framed for adorning the wall of the lobby of the House; an engrossed copy of those lines by Carlisle, in tribute to our loved and our lost former Speaker.

I asked permission then to do so. I now, because of the infirmity of my own speech for the moment, am going to ask the Clerk of the House to read these lines, and then I am going to ask the House to receive this, the most beautiful word tribute that I have known among the thousands as having been paid to that wonderful, that beautiful character, who was with us so long, and who has been lost a while.

Mr. Chairman, I ask the Clerk to read for me, if you please, these lines by Carlisle.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

NICHOLAS LONGWORTH

"No sex is spared, no age exempt,"
But when Death's angel calls
A silent stillness strikes the heart—
The spirit and the body part—
And time's fixed curtain falls—
And then, from out the friendless gloom
There comes the casket, then the tomb.

But when a man like LONGWORTH dies,
And passes from the earth,
Along hope's unseen way, alone,
Out into faith's divine unknown,
We realize his worth.
The great of earth—search where we will—
Have, after death, grown greater still.

When LONGWORTH, just as Congress closed,
In words that touched us then—
In words so masterfully meek—
Said to us: "I may never speak
From this platform again,"
The bravest of us held our breath—
But never dreamed we of his death.

When Speaker LONGWORTH breathed his last,
The Nation lost a star—
Deep sorrow shrouded every State
Throughout the stricken forty-eight
When LONGWORTH crossed the bar.
Though great in life, we know he will,
In history, grow greater still.

Mr. HOWARD. Mr. Chairman, through you I now desire to present this engrossed copy of these lines to our Speaker, and through him to be presented to the House to adorn a section of the lobby, of his own selection. [Applause.]

Mr. PURNELL. May I ask the majority leader if it is his intention to permit us to sandwich in speeches as they are given on his side with speeches from our side?

Mr. RAINEY. Certainly. Yes, sir. I think it would be better.

Mr. PURNELL. Very well. Then I yield 15 minutes to the gentleman from Maine [Mr. BEEDY].

Mr. BEEDY. Mr. Chairman, ladies and gentlemen of the committee, on Monday of this week I saw the gentlemen on the right side of this Chamber take over the leadership of the House. I rejoiced in that they had the wisdom to elect as Speaker a man who enjoys the respect of us all. In my heart I wished them success in the wise conduct of public affairs with which they are now intrusted in this branch of the Congress. I know that many on this side entertained the same sentiment. To-day I confess that I was amazed

and somewhat disappointed to find that the majority party had given the floor in this first hour available for the discussion of public questions to a man who would commit his party to the principle that it is the legitimate function of Government to go into the Public Treasury and take out money contributed to the support of Government by millions of our people and give it to a particular group which for the moment is in need. [Applause.] From that proposition, my friends, to which you gentlemen of the majority, judging by the enthusiasm of your applause, have acceded, we on this side of the House beg leave to dissent. Would you commit this Government to a policy of following those who gathered here on Monday to storm this Capitol, to those who would have entered this Chamber and advocated the immediate receipt of doles from the Federal Treasury? By your acquiescence in this first speech of the session from your side it is apparent that this is true. Let me inquire: Is there a man upon this side of the Chamber who now wishes to rise and dissent from committing his party to that kind of policy? If so, let him rise.

Very well, then, the issue is clean-cut. The majority party in the House of Representatives to-day would commit the Government to the principle of a dole.

Mr. LAMNECK. Not I.

Mr. BEEDY. One man rises in dissent, the gentleman from Ohio. [Laughter and applause.]

Mr. UNDERHILL, Mr. OLIVER of Alabama, and Mr. SIROVICH rose.

Mr. BEEDY. I will yield to the gentleman from Massachusetts.

Mr. UNDERHILL. In other words, this great Democratic Party has abandoned entirely the principles of Jefferson, its founder, for the principles of Karl Marx. [Applause.]

Mr. BEEDY. Let us be perfectly fair. There are men upon this side of the Chamber who do not, I am sure, accept the principles of Karl Marx in their entirety, but they have here acquiesced in one of the underlying principles of the Marxian philosophy, and that is, that it is the function of government to take from the General Treasury a dole for needy people. I now yield to the gentleman from Alabama.

Mr. OLIVER of Alabama. Knowing the gentleman as I do, I hardly think that the cheapness of his demagogic inquiry is creditable to him. [Applause.]

Mr. BEEDY. I regret very much that my friend should have employed the phraseology which he has. I think that perhaps when he thinks it over, he too will regret it. I think the only fair thing which I can do for this majority party which sat here and applauded the speech of the gentleman from Alabama [Mr. HUDDLESTON]; for this majority party which gave the opportunity of making its first speech to the gentleman from Alabama [Mr. HUDDLESTON] who they knew was to speak upon his $100,000,000 dole bill, was to give its Members the opportunity of disavowing entire agreement with him. Now, if it is unfair to give men of your party a chance to disavow the dole doctrine, then I plead guilty to your accusation of having indulged in cheap demagogy, of having been unfair.

Mr. OLIVER of Alabama. I thought the gentleman from Maine belonged to that class of statesmen who always felt that when they entertained a difference with another Member the dignified thing to do was to state facts in support of their position, and never did I suspect that the gentleman from Maine would resort to the demagogic practice which we so often hear on the hustings, namely, the asking of a question such as he did to which he never really expected an answer.

Mr. BEEDY. Let me ask the gentleman a question. Is it not a fact that your party has the responsibility for procedure in this Chamber as the majority party? Yes or no? That is the first fact I stated.

Mr. OLIVER of Alabama. I did not rise for the purpose of entering into an argument with the gentleman or answering questions.

Mr. BEEDY. I do not yield any further.

Mr. OLIVER of Alabama. But I wish to characterize properly what I believe to be the true character of your inquiry.

Mr. BEEDY. I do not yield further. The gentleman suggests that I ought to state facts. I stated that the majority party gave the opportunity to make its first speech to a man who it knew was an advocate of the dole. I said that you apparently approved his speech by receiving it with enthusiastic applause. I then gave those who might not accede to the gentleman's speech in its entirety an opportunity to disavow that portion which dealt with a dole, and only one man had the political courage to stand up and make a disavowal. No other man has yet done so. [Applause.]

Mr. SIROVICH. Will the gentleman yield for a question?

Mr. BEEDY. Yes.

Mr. SIROVICH. Since the gentleman has been selected as the spokesman of the Republican side——

Mr. BEEDY. The gentleman does me too much honor.

Mr. SIROVICH. I give the gentleman that honor. Would the gentleman be kind enough to let the American people know, as one of their Representatives, what he would send back as a message to millions of men and women who are starving, willing to work at anything that you could give them, but who have not work and have not food and are starving in their homes? How would the gentleman treat them?

Mr. BEEDY. In the first place, I would reach down in my own pocket and subscribe to the community drives to the limit of my ability.

Mr. SIROVICH. They did that in Alabama.

Mr. BEEDY. All right; that is the first thing to do. The next thing I would do would be to join with the gentleman from Alabama in indicting great corporations who have refused to take from their treasuries, when there were surpluses, money to be given to the poor and needy in time of national extremity.

Mr. SIROVICH. He indicted them.

Mr. BEEDY. And I would also join with one of the recognized leaders of the gentlemen on this side of the Chamber, a man for whom I have great respect because of his public utterances, Governor Ritchie, who stands on the doctrine of State rights, the right of each State to care for its poor. Governor Ritchie has not been heard to advocate the giving of a dole by the Federal Government. [Applause.]

Now, let us be fair to the President of the United States. The statement has been made that the President has gone to the rescue and aid of the bankers, but has not done one thing for the poor and the starving. This assertion was made and was greeted with applause by our Democratic friends. Let us be fair about that.

Did the President advocate that the Federal Government go into the Treasury and give money to any private banks? Certainly not. He advocated that the bankers themselves get together and from their own resources make up a pool of $500,000,000, which could be used how? Principally to strengthen the savings banks of this Nation in which are deposited the hard-earned savings of millions of laboring men. The President was striving to give such banks added security. Thus he would stabilize financial institutions and serve the millions who toil.

Is there, I ask you, a more constructive suggestion that could have been made in this day and time? If so, what is it?

Now, ladies and gentlemen of the House, I can not speak for my party, but as I talk with individual Members I conclude that we on this side of the Chamber stand ready in this day of stress to join with you, who have accepted the responsibilities of leadership in this House, in any constructive legislation which you may propose. However, we can not commit ourselves, nor shall we vote for a radical departure from the doctrines of Jefferson and the great leaders of your party, from what I take to be the stand of conservative, intelligent leaders in your party to-day; we shall not agree that the Federal Government ought properly either to attempt to compel an individual or a business con-

cern to do charity or to go into the Federal Treasury and distribute funds to the needy in the way of charity. We do not consider it a legitimate function of government. Yet our President and every man in this Chamber has just as much feeling for the poor and the needy in this hour of distress as has my friend from Alabama [Mr. HUDDLESTON]. I know he is sincere in his expressions in that regard.

I am sorry my good friend from Alabama [Mr. OLIVER] thinks I have been unfair in what I have said. I am about to yield back the remainder of my time. Before doing so, I want to say that I shall leave the matter of my fairness to the judgment of the House. This is the first time in more than 10 years on this floor that I have been accused of being cheap or unfair. I regret that charge very much. [Applause.]

Mr. PURNELL. Mr. Chairman, I now yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. UNDERHILL. Mr. Chairman, it is with the idea that I might possibly bring to a better degree of understanding and harmony the thought of this Congress or of this body that I take the floor.

I regret demagoguery on the part of anyone, but those who were carried off their feet on this side of the House by the sophistry and sob stuff of the gentleman from Alabama [Mr. HUDDLESTON] know full well that it is characteristic of all of his speeches that demagoguery should play the greater part in them. I do not believe the bulk of the Democratic Party, either here or elsewhere, subscribes to his particular doctrine, nor do I believe he speaks for the party. I have too much regard and respect for this great party, which by following the teachings and the example of their great leaders of the past have contributed to the progress and advancement of this Nation fully as much—and I do not consider myself disloyal when I say this—as the Republican Party. It is because they have followed such teachings that they have been great. It is because they have sacrificed, where sacrifice has been necessary, partisanship in order to stand by patriotism.

I believe I am a much better Democrat, a much better Jeffersonian Democrat, than the gentleman who recently addressed you.

Why should we wait until one is dead to pay tribute to a man, to his fairness, his ability, his undoubted interest, and his honesty, as my friend HOWARD did to-day to our late lamented Speaker? If there was any probability—and God hope that there is not—that the President of the United States should be taken from us to-morrow, there is hardly a man on this side of the House who would not pay a tribute to his honesty, to his integrity, to his efforts to rehabilitate the Nation. They would not indulge in partisan utterances or insinuation or innuendo against him or his policies or his principles.

So why can we not get together at this particular crisis in our country's history? Why can we not lay down a program? If you do not like the program or policies of the President of the United States as enunciated in his message, instead of personal attack or criticism offer something as a substitute for them; but let it be along lines that you and your forefathers in the past adopted and followed and not along lines or demands of those who were out in the plaza on Monday last. [Applause.]

Mr. GREENWOOD. Mr. Chairman, I yield five minutes to the gentleman from Alabama [Mr. OLIVER].

Mr. OLIVER of Alabama. Mr. Chairman, the House is now meeting in the Committee of the Whole for the purpose of permitting individual Members on both sides of the aisle to express their individual views relative to the President's message. I do not understand that anyone claims the right to speak for either of the great parties, and certainly the majority party has commissioned no individual Member to speak for it.

So far as this side of the aisle is concerned, it has been announced in a very positive way that the President's message will be carefully studied, and that a statement will be publicly announced later as to a legislative program which this side of the aisle will propose and endeavor to enact. [Applause.]

I was surprised that the gentleman from Maine [Mr. BEEDY], whom I have held in high regard, after announcing that he interpreted a speech made by a Member on this side as favoring a Government dole, and that since such Member was permitted to make the first speech, he assumed he spoke for the majority party on that subject, and then, without any semblance of propriety, he propounded to this body of intelligent men, large in number, that cheap demagogic question that we so often hear on the stump before large, mixed crowds, "Do you or not? Answer yes or no." Then he sought, to my astonishment, to construe the silence that followed as an acquiescence in the conviction of his pronouncement and interpretation. [Applause.] We once had a self-styled statesmen whom our people in Alabama often heard and who indulged in that kind of campaign speech, but he has long ago been discarded, and my friend from Maine was the last man who I thought would try to ape him by propounding such a question to this intelligent body of his colleagues. [Applause.]

Mr. BEEDY. Inasmuch as the gentleman has referred to me, will he allow me to ask him whether he approves of the dole or agrees with the sentiments that I tried to express?

Mr. OLIVER of Alabama. I suggest that the gentleman put his questions one at a time.

Mr. BEEDY. That is my question.

Mr. OLIVER of Alabama. I understand the question the gentleman would like me to answer is whether I favor a dole. I say, no. [Applause.]

Mr. BEEDY. Fine.

Mr. OLIVER of Alabama. Permit me to say further that you will not find many Members of this Chamber, in my opinion, who favor any kind of dole unless they become convinced that notwithstanding the very serious and distressing conditions that now obtain in our country your party now in control of the Senate and of the executive branch of the Government is unwilling to cooperate in providing employment for honest men who are destitute and willing to work. Then extreme and undesirable measures may have to be taken. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Chairman, the gentlemen of the press complain that they are unable to hear distinctly what is said when a Member speaks from the well of the House. I am going to speak from this position in the hope that they will hear what I say and will tell the country that the keynote speech of this political debate, made by a Democrat presumably selected and approved by the Democratic leader, was put forward in defense of the principles enunciated by communistic orators on the Plaza in front of this building on Monday. I hope that the gentlemen of the press will let the country know what the keynote speech said. I do not desire to indulge in any colloquy with the gentleman from Alabama [Mr. OLIVER], but I would point out to him that his party can not avoid the responsibility for what his leader did in advancing the dole as the first thing to be laid before the United States as the program of the Democratic Party. [Applause on the Republican side.]

I yield back the remainder of my time.

Mr. PURNELL. Mr. Chairman, I yield five minutes to the gentleman from South Dakota [Mr. JOHNSON].

Mr. JOHNSON of South Dakota. Mr. Chairman, ladies, and gentlemen, during the 16 years I have been a Member of the House with the gentleman from Alabama [Mr. HUDDLESTON] I recall the fact with much pleasure that it has been very seldom I have agreed with him on a matter of legislation. [Applause.] But I have always entertained the kindest personal regard for him. For many years I have thought that every Member of this body had a right to express himself as to what he thought and that he had a right to vote as he pleased, but whenever a man assumes

leadership of the party, then that moment he makes his party responsible.

As little as I have agreed with the gentleman from Alabama as the years have gone on, I can agree with some of his speech to-day. I can agree with him as to his statement as to his own irresponsibility and I can agree with him certainly that the distinguished and able leader from Illinois [Mr. RAINEY] did not have the slightest idea what the gentleman from Alabama [Mr. HUDDLESTON] was going to say when he put him forward to lead this attack against the Republican policies and the Republican administration. [Applause.] Because if he had had such idea as to what the gentleman would say, he would certainly have read some of the previous RECORDS, the RECORDS of ancient Congresses when the gentleman from Alabama [Mr. HUDDLESTON] made exactly the same sort of an attack against other Presidents of the United States from the time of Woodrow Wilson down to date. The gentleman from Alabama led that same sort of attack against the distinguished and able President Woodrow Wilson, and had some of the few gentlemen who have been political accidents in the late campaign read the RECORD, I do not think they would have so loudly applauded the gentleman from Alabama. He has made a specialty of attacking every governmental policy and every President during the 16 years he has been a Member of this body.

For instance, I recall a time back in August, 1916, when I listened to one of the same sort of speeches, but that was before the gentleman from Alabama had been picked as a leader by the new Democratic organization. At that time, as shown by page 13207 of the RECORD, he made a characteristic speech against the Wilson administration.

He said:

> I protest against conscription; I protest against it as un-American. I protest against the way by which this measure was passed. I protest against such a thing being done without the people of this country being consulted. We have departed from our ideals. We have departed with the things which are consistent with American institutions, and we have done it ignorantly and blindly. We have not been fully advised of what we were doing. As one who has only recently entered the House I protest against such methods. I protest against such a departure from our ideals.

He was then protesting against the Wilson administration, and he has been protesting everything ever since that time that was, in my judgment, consistent with the ideals of good government.

Yet two years later his attacks were made again. Mr. Wilson was in the conduct of a war. He was trying to win that war, and in those times, during the war when this country was suffering and needed cooperation on the Republican side and needed it just as the present President needs it to-day, without the injection of politics in it, this Republican side joined with him and gave him support. [Applause.] At that time the gentleman from Alabama was making the same sort of a speech as he made to-day. I find on page 129 of the CONGRESSIONAL RECORD of February 8, 1918, another characteristic speech about the Wilson administration. At that time he used almost the same words he uses to-day in attacking the present great President of the United States. He said:

> Students of public affairs see more clearly every day the rise and activities of a dangerous faction in our country. Every day it becomes more apparent that there is a small but powerful group of our citizens who are dissatisfied with old-fashioned Americanism and who long for a change in our national life and institutions, which would give new birth and security to effete ideals and caste systems which, having run their course in Europe, are now about to be there rejected and cast out. This group is dissatisfied with America as the land of democracy, of equality, and of opportunity and would make it over along the lines of their disordered dreams.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. PURNELL. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. JOHNSON of South Dakota. Yet to-day we have him as the new leader on the Democratic side. Frankly, I feel sorry for anybody who tries to lead the Democratic side during the next year, because it is the most disorganized group politically that has ever yet been disorganized. [Applause.] This new leader will still be making the same charges. And, you know, it is rather interesting to me to hear the gentleman from Alabama invoking the shades of Lincoln and talking about what Lincoln would do. I do not think that Lincoln or the present President would do what Grover Cleveland did, although he probably did right at that time, when he called out the National Guard and the troops. I know the present President would not do it, because he said definitely—though I am not quoting him accurately but in substance, because I do not have his exact remarks before me—that no American citizen will ever be permitted to starve in this period of depression. That no one would be permitted to starve.

Mr. MANLOVE. And that no American citizen has starved.

Mr. JOHNSON of South Dakota. And that no American has starved, and that is exactly true. [Applause.] I have grave doubt about your Democratic leadership, because the Democrats will be like an army; and you can not make an army out of a disorganized mob going in different directions, thinking different things, and having different equipment. But if you do succeed in making an army out of it and will follow the suggestions of the President of the United States, Mr. Hoover, our people will not starve; and in anything looking toward that end you will get the cooperation of this side, just as it gave cooperation to President Wilson at a time when there was a complete Democratic administration. [Applause.]

This demonstration of Democratic leadership in these times of distress is rather illustrative of what will happen during the rest of the session. I think the Democratic Party to-day ought to get busy and organize the committees and get to work, instead of putting a group of men on the floor of the House to attack the President of the United States and make all sorts of accusations against every branch of the Government.

The present situation, in so far as the Nation is concerned, is much as it was in 1918 when we had foreign difficulties. The situation to-day is not the fault of the present administration, because it would have been the same had Al Smith or anybody else been elected. It is because of a world-wide condition and depression, and through it all the present President has done much that has been helpful and of great advantage to the Nation. More than $100,000,000 has been collected through private sources; and if more is necessary, as stated by the present President, you will find a unanimous vote on this side of the House. The Republican side of the House will be glad to join with President Hoover in seeing that no American citizen is starving or will be permitted to starve. It seems to me you should be willing to quit talking and commence the enactment of the necessary legislation. [Applause.]

Mr. RAINEY. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. MCKEOWN]. [Applause.]

Mr. MCKEOWN. Mr. Chairman and gentlemen of the committee, of course if the Republican Party has nothing more to talk about during this entire session than to pick out some man like our friend HUDDLESTON, who is one of the best-informed men in this House on either side upon the question of government—if that is all you are going to do, you are going to be in bad shape.

I want to say to the gentleman from South Dakota [Mr. JOHNSON] that it is true the Republicans went along with the administration during the course of the war, but after the armistice was signed, in November, 1918—if the Democrats on this side do not give Mr. Hoover any more support than you gave Mr. Wilson, God save Mr. Hoover and the American people.

Mrs. KAHN. Will the gentleman yield?

Mr. MCKEOWN. Certainly I will yield.

Mrs. KAHN. The gentleman certainly does not question Julius Kahn's support of President Wilson? [Applause.]

Mr. MCKEOWN. I want to say for the benefit of Mr. Kahn that he was loyal when he was in the minority. I never heard a question raised touching his support of the

President at all during his entire service. He was a great man, but I do not ascribe the qualities that he possessed to other leaders who are known in this House and whose attitude is well known.

Mr. JOHNSON of South Dakota. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. JOHNSON of South Dakota. Did the gentleman from Alabama [Mr. HUDDLESTON] support Mr. Wilson so strongly during that time? [Laughter and applause.]

Mr. McKEOWN. The gentleman from Alabama always spoke his mind and never paraded his patriotism. He has been a consistent Democrat. He is a good Member of this House. You can get up here and laugh and talk about the Democrats not being solid and all that kind of stuff, but the American people to-day want to know where is that prosperity around the corner that you have been talking about. They have looked for it so long that they have even lost the corner. [Laughter and applause.]

I want to ask you something else. We have been asked to provide for the people of this country. What has the Republican Party done in this respect? You have put a little money down here in a public-building program and the program has been moving so slowly that everybody would starve to death while waiting for you to build the buildings.

There are thousands of unemployed in your own districts, and the only thing you say is, "Put your money into the community chests and take care of your own people."

There is no use for us to get up here and wrangle around about a situation that is so serious, and you gentlemen know the situation is serious. You know there has to be some constructive, financial legislation enacted in this country. Here we are with $4,000,000,000 in circulation, which is less money per capita than there was over 12 years ago. What we want to do is to increase the per capita circulation in this country. This can be done, and the Democrats on this side will propose a program that will carry out this purpose; and if you men favor it, then come along with us.

Mr. CHINDBLOM. What will that program be?

Mr. McKEOWN. Well, sir, it will be a good one when it comes. [Laughter and applause.]

Mr. CHINDBLOM. Will it be paper or silver or what?

Mr. McKEOWN. I will tell the gentleman that it will not be hot air like we have been getting from the Republican side. We will have some real relief. We are not going to talk about it; we are going to give you a chance to join us in putting it into effect.

My friends, we hear the proposition advanced now that we have got to support the President. Of course, we will support the President in any emergency when we think the President is right. We have always done this, and will do so in the future; but, gentlemen, I am going to tell you now that we do not propose in advance to underwrite the presidential campaign platform for the next Republican convention. We will go along on the things that will relieve the people of this country, and there will be many measures offered here.

You gentlemen talk about the dole. I say here now that every man in this country who is able and well is entitled to have a job, but there are a million men in this country that do not work when there is work, and for my part I am in favor of giving every man a job and making every man that ought to work go to work in this country.

You say that you can not handle this proposition. It can be handled by giving labor to the unemployed; but when you pour out money to men without giving them labor, you are demoralizing the whole country [applause], and the longer a man stays out of a job the harder it is going to be to get him to go back to work. I am criticizing the Republican administration for its failure to put these men to work as soon as possible.

What do you propose to do in order to put these men to work in the present emergency? The State of Oklahoma will have to put its own men to work.

What is your program? What do you offer as a solution? If you say public works, then you have to speed up on the building of these public buildings, and this is only a small per cent of the building program of the country.

The President has presented a plan with respect to home-building banks. Home ownership is the foundation of a nation. While the President is advocating relief for urban home owners, the Federal land banks are taking homes from farmers and putting them in the section lines. I have protested, and what did they say? They said they were going to foreclose their mortgages when they did not pay, and yet at the same time they urge us to vote for a moratorium for foreign people in foreign countries.

I have protested to the Federal land banks that this ought to be stopped and that the mortgages on these homes should not be foreclosed and the men driven out of doors, but that they should be given a chance. I know a man who has met all his payments for 15 years, but this year he can not meet his interest. We wrote the Federal land bank and asked them to give this man a stay and let the matter go over another year, stating that he would pay additional interest on his loan. They refused absolutely to do this.

Gentlemen, this Congress ought to immediately provide some way by which this can be stopped. You are talking here about helping unemployment, and at the same time a part of the administration is putting men out on the section lands and adding to the unemployment; and then you say we are to go down into our pockets and help feed these men that you are taking from places where they could feed themselves.

My friends, it would not take 30 minutes for the President of the United States to issue an order to these men to stop this proceeding.

All right. Here is what is the matter with your banking system to-day in this country. You have got only four billions of currency in circulation and you are entitled to twelve billions under the best authority upon economics.

[Here the gavel fell.]

Mr. RAINEY. Mr. Chairman, I yield the gentleman five minutes more.

Mr. MANLOVE. Will the gentleman yield?

Mr. McKEOWN. I yield.

Mr. MANLOVE. Is it not a fact that the Federal land banks do business with the money that they receive from the sale of bonds which are owned by private individuals all over the country?

Mr. McKEOWN. Yes; the United States Government put up the first capital and pays the salaries of the officials of the land bank's board.

Mr. MANLOVE. And all the money comes from the sale of the bonds owned by these individuals and the officials of the banks have to take care of these bond owners all over the United States?

Mr. McKEOWN. Oh, it is well known that they sacrifice the land for one-half of its value.

Mr. MANLOVE. I regret that it is necessary to foreclose, but is it not necessary?

Mr. McKEOWN. I will tell you how they work it. When the farmer fails to pay here is what they do. They go around the neighborhood and find some fellow who has got money in the bank and sell it to him for half of what the debt is and take the rest out of the farmers' association. Then they buy their own bonds.

Mr. MANLOVE. Can the gentleman cite an instance where the officials of the Federal land banks have gone out and sold the mortgage for one-half of what it was worth?

Mr. McKEOWN. I say they sell the man out after they close down. They go to some one and say, "Give me $5,000 for this farm, which is worth probably $10,000."

Mr. MANLOVE. Is it not a fact that the land banks loan this money by a local committee of your own citizens?

Mr. McKEOWN. Yes. I will tell you what they do. The local committee makes the loan and then the inspector comes down and finds that John Smith can not pay and they go to some one who has got money in the bank and say,

"Give me $5,000 for this good farm." And the balance comes out of the farmers' association.

Mr. MANLOVE. I am not complaining about the gentleman's argument, and it is rather a bad situation. If the gentleman has any constructive suggestion I believe gentlemen on this side of the aisle will cooperate with him in that direction.

Mr. McKEOWN. On the first day of the session of the last Congress I introduced a bill to stay execution for one year and to-day I am introducing another bill to stay execution or foreclosure for 12 months.

Mr. MANLOVE. Are you providing that the Federal Government shall take care of the bondholders?

Mr. McKEOWN. They can take care of them if they want to, and you have the recommendation of the President to take care of them. The bankers of this country need some relief from the arbitrary dictation on the part of these men who are sent around to examine them. They go into a bank and tell the banker he has to charge this or that paper off, no matter whether it is right to take it out or not. Of coure, a lot of discretion should be used, but when the bank examiner comes down to examine a bank in Colorado or Oklahoma and finds there farm paper and he says without any excuse or explanation that the banker has to take that farm paper out and that he ought to put his money in bonds in New York, the banker has no recourse, he has to do it. It is right that a bank examiner should have a lot of power to keep banks going straight, but it was never intended that the banking system should be put in the hands of Wall Street, where they can dictate and tell bankers what they must invest in.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. PURNELL. Mr. Chairman, I yield the gentleman one minute more in order that I may ask him a question to clear the record up. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. PURNELL. The name of Mr. Julius Kahn, a former beloved Member of this House, has been brought into this debate. The gentleman was here, as several of us were at the time, and I ask him whether it is not the fact that it was Julius Kahn, a Republican, who led the President's fight on the floor of this House.

Mr. McKEOWN. That is true.

Mr. PURNELL. From the Military Affairs Committee. And that he did it because another gentleman, who was chairman of that committee, coming from Alabama, refused to do it.

Mr. McKEOWN. Yes; that is true.

Mr. PURNELL. Mr. Chairman, I yield five minutes to the gentleman from Connecticut [Mr. TILSON].

Mr. TILSON. Mr. Chairman, we have had a rather unusual exhibition here to-day, one which I fear will carry little encouragement to the country as to what it may expect from the party which has just taken over the control of this House. We have had put forward here to-day as the first champion of the party now in power in the House a man who has sounded a keynote. He says that his utterances are his own sentiments, but they were very heartily applauded on the Democratic side, which warrants the fear that those sentiments find lodgement in other minds as well as in that of the gentleman who uttered them.

This keynote speech of the gentleman from Alabama [Mr. HUDDLESTON] has been so thoroughly answered by those who have spoken from the Republican side that it really needs no further answer. In fact, the gentleman's speech has been torn to shreds and tatters. There is just one fragment of it left which has not been referred to on the Republican side, and I have taken this brief time to call the attention of the House to it.

Much has been said here to-day in regard to fairness. We have heard reiterated the sentiment—let us be fair with the public and with one another. It is my desire now to be perfectly fair to my friends on the opposite side, but the gentleman from Alabama was not fair to the President in one statement which thus far has not been answered from the Republican side.

Of course, I can not recall from memory the gentleman's exact words, but after asserting that the President is determined that no power of the Government shall be used for the relief of those who are starving, he declares that the President has no such opposition to aid for business. The gentleman avers that the President would aid agriculture, he would aid the railroads, he would give a dole to building and loan associations and to real-estate adventurers. He accuses the President of being willing to place at the disposal of industry and business the vast powers of the Government and the resources of the Federal Treasury, but unwilling to aid the poor and needy. Hearing the gentleman, one would think the President contemplates taking billions from the Treasury to be handed over to business corporations or to foreign nations. The gentleman closes this portion of his speech with an impassioned charge against the President substantially as follows: With his hundreds of millions he would come to the aid of the land banks, to the aid of commercial banks, to the aid of the railroads, and to the aid of industry of one kind or another. To these interests he would give millions, but for the starving women and children he would not give a red cent. And then there followed great applause on the Democratic side. The gentleman well knows that any aid given or contemplated to any bank, railroad, loan association, or anyone else, is for the sake of the millions of those who are employed by or have their savings invested in these institutions and because of the tragic consequences that would follow their collapse or failure.

The most unfair portion of the gentleman's accusation, however, is that which attempts to characterize the President as one who regards material things only but remains cold and indifferent to human suffering. I need but direct the attention of both sides of this chamber to the record of the man who is now President of the United States before he came to that high office.

Who was it who undertook to organize the charity of the world, to collect the money and to administer relief to the starving women and children of Belgium? It was Herbert Hoover. [Applause.] Later, when they were starving in Poland, Rumania, Serbia, Russia, and Germany, who again marshaled the heart of the charitable world, organized the collection of funds, and administered relief? It was Herbert Hoover. Later still, when there was a great disaster in our own fair Southland in the Delta of the Mississippi, when people were flooded out of their homes, were suffering deprivation, and hunger, so that there was necessity for organizing and administering relief to them, who was it who caused $20,000,000 to be raised and was sent there to administer the relief? It was the man who was known by the people of the United States to have the heart, the soul, and the executive ability to organize and handle that situation. It was the then Secretary of Commerce, now the President of the United States, Herbert Hoover. [Applause on the Republican side.] When we consider that this man has devoted a number of the best years of his life to the service of feeding destitute and starving women and children in stricken countries, our own included, we must realize that it comes with ill grace for anyone to charge him with lacking compassion for the poor and needy. Listen to this heart throb from his brief radio address from Fort Monroe on October 18 last:

> No governmental action, no economic doctrine, no economic plan or project can replace the God-imposed responsibility of the individual man and woman to their neighbors. That is a vital part of the very soul of the people. If we shall gain in this spirit from this painful time, we shall have created a greater and more glorious America. The trial of it is here now. It is a trial of the heart and conscience of individual men and women.

Does this sound like the utterance of the heartless caricature drawn by the gentleman from Alabama? So I say the remarks of the gentleman from Alabama portraying the President of the United States as a hard, sordid, soulless man, unwilling to contribute in any way to the relief of the distressed, is grossly unfair, to say the least. [Applause on the Republican side.]

Mr. RAINEY. I yield five minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, it had not been my intention or expectation to participate in any wise in the program of debate upon this occasion, but some subjects have been injected into it that justify, in my opinion, a short response upon the part of a Representative of the majority side. I am sure that my distinguished and able colleague from Alabama [Mr. HUDDLESTON] has been very much pleased and gratified that the expression of his views on this occasion have been received with such distinguished importance by his critics upon the minority side.

If he were a vain man, which he is not, he might be justified in some show of egotism by the concentrated fire he has drawn from some of the big guns on the Republican front.

Although he needs no defense at my hands, although his brilliant intellect, his capacity for mental analysis, his understanding of the real fundamentals of political philosophy as conceived by him, are recognized as preeminent, even by you gentlemen on that side, I assert that what he has said, in principle, needs no defense from any Democrat in this House. [Applause.]

Although you gentlemen undertook to distort, to misinterpret—in the opinion of the country—the fact that he employed one specific argument with reference to some measures of relief for the distressed and poverty-stricken and hopeless people in this country by using the word "dole"; although you very unfairly and unjustly attempt to present to the country the proposition that he had, by mere coincidence, been granted time to speak upon this side and thereby became the spokesman on this side, yet, in my deliberate opinion, when the basic propositions expressed by my colleague in his speech are analyzed and understood by the people of this country who are really and tragically suffering on account of the mistakes of the Republican leadership and Republican principles in this country for the last 10 years, they will applaud, in essence, the propositions laid down by the gentleman from Alabama [Mr. HUDDLESTON]. He only undertook to assert some of the broad fundamental propositions that have always had the adherence and support of the Democratic Party, and he was well within his rights. He was assuming an entirely logical attitude, consistent with the historical position of the Democratic Party, when he was calling your attention to the fact that this country needs, in purpose and in action, a revival of some of the old-fashioned, time-tested, simple principles announced by Thomas Jefferson and carried into effect by Andrew Jackson, Grover Cleveland, and Woodrow Wilson. [Applause.]

It is a significant thing that although the Republican Party ever since the Civil War has had practically exclusive control of this Government, with a few exceptions, it so administered affairs in this country when given a long and uninterrupted reign of authority, it so misconceives the real principles of government for a free people, that when the results of its long tenure of authority are realized by the American people they inevitably revert to the principles and to the security of the Democratic faith. [Applause.]

My friend the distinguished gentleman from South Dakota [Mr. JOHNSON] referred to the Democratic Party in its present attitude, as a disorganized party. It seems to me that that was a very thoughtless description upon the part of my distinguished friend, for if he had given it consideration for a moment with respect to his own organization, not only nationally but in the House and in the Senate, he would have realized that if there ever has been in recent times a political organization in America that was bankrupt in leadership, decimated in following, without chart or compass for the future, it is the present Republican Party. [Applause.]

The gentleman from South Dakota speaks of our organization as though we were a disorganized mob; yet I point to the fact that in every preliminary caucus that the Democratic Party has had since this Congress was called into session, although we recognize honest differences of opinion in our ranks on many economic and social problems, every action we have taken with respect to the future government of the country as administered through the House of Representatives has been by unanimous vote. [Applause.]

Speaking of disorganization, you have a very distinguished President and a very distinguished Vice President. I say to you that that Vice President of yours is one of the most canny politicians in America. Looking forward to 1932, from the standpoint of organization and probable results, he long debated whether he would ask his party to renominate him for Vice President of the United States or whether he should go back to Kansas and ask his people to send him back to the Senate. After going to Kansas, so we are informed, he held a solemn inquest on the possibilities of the Republican corpse in that State being revived, and he seems to have this conclusion: "Well, we are going to be beaten anyway in the next national election, and I would rather have the honor of being politically interred with Mr. Hoover than being a defeated candidate for the Senate of the United States." [Applause.]

My friend talks about disorganization. Look at the spectacle at the other end of the Capitol this very day. Look at that. It has not been long as history goes since you had undisputed control of both branches of Congress. You rode high in the saddle in those good old days prior to 1928 and 1929.

But your party is so well organized and there exists in its membership such delightful solidarity, speaking about delay in getting down to the transaction of public business, as charged against us by Mr. JOHNSON over in the Senate, with your party in the majority, three days after our organization here that able Senator, who incurred some displeasure, if not indeed much venom, when he called the progressive Western Senators the sons of wild jackasses, can not to-day be nominated by his own party for his present position as President pro tempore. [Applause.] And one final other incident to show the superb harmony of the minority was the statement of a Republican Senator from the President's own State, who recently stated that the greatest favor the President could do his own party would be to announce that he would not be a candidate for renomination.

Oh, my friend from South Dakota, what a delightful example of party solidarity and unity is that to be presented to the public. [Applause.] Clean the Republican stable before you disinfect the Democratic manger.

My friends, do you know why this situation has been so almost dramatically changed in the House of Representatives? I was looking at the RECORD a few days ago about the organization of the House in the Seventy-first Congress. Our late lamented and universally loved Nicholas Longworth, the late Speaker, was the nominee of your party for the speakership and he received, as I remember it, 367 votes.

Mr. KNUTSON. Oh, no; no!

Mr. BANKHEAD. Well, what was it? I do not recall.

Mr. KNUTSON. It was not that much.

Mr. BANKHEAD. That great Democrat from Texas, our present Speaker, who was the candidate of our party, received, as I remember it, only 143 votes for the speakership of this House. On Monday last our present Speaker received a clean majority of the total membership.

What has transpired and what is the significance of that almost miraculous overturn of your power in this House? Do you think it was merely an accident? Do you think it was merely a political caprice upon the part of the American people in the selection of their representatives? Do you think it was some mere accidental backwash of public opinion in America? No. You must be convinced that it was because, in the deliberate opinion of all those districts which have changed their representatives, that the Republican Party in Congress was no longer fit to govern the affairs of the Nation. [Applause.] You can not reach any other logical conclusion.

Out in that vast domain of the West—where for many years the party of Jefferson had no representative at all even to feebly be articulate in this body as representing the minority views of that great section of the country—we are happy to learn that there are still left some fragmentary elements of intelligence in that great West and that we now see a Democrat from Oregon, Washington, and that part of

the country. [Applause.] Even benighted Michigan offers one bright spot of sanity.

In my opinion it is a political leaven that will leaven the whole loaf in 1932. [Applause.]

It does not seem possible to stop this universal dissatisfaction with the leadership of the Republican Party in this House. We have just seen a typical case of the reversal of public approval in America, when from the district so long and honorably represented by our late colleague, Mr. Ackerman—where they have a normal majority of 35,000—we have a Democrat sitting in that Republican seat by a majority of 2,000.

Mr. KNUTSON. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. KNUTSON. The gentleman a few moments ago made the statement that Mr. Longworth received 367 votes, and I said that would mean you folks had less than 100 on your side. The RECORD shows he received 254.

Mr. BANKHEAD. How many did GARNER receive?

Mr. KNUTSON. One hundred and forty-three.

Mr. BANKHEAD. What was the Republican majority on that vote?

Mr. KNUTSON. Well, there must have been a lot of them who were not voting. [Laughter.]

Mr. BANKHEAD. I thank my friend for the correction. I was not definite.

Mr. KNUTSON. There must have been 38 who did not vote.

Mr. BANKHEAD. They all voted on our side when we came to elect a Speaker this time. [Laughter and applause.] However, it is true that you did not have the political uniformity and solidarity of organization on your side which we had on ours, for as I recall the RECORD the nominee of the Republican caucus received 207 votes and there were some 5 votes scattering. That shows, in answer to my friend from South Dakota, that there must be some little modicum of dissatisfaction in the organization on the Republican side of the House.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. RAINEY. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. BANKHEAD. Let us get back to the question of political solidarity on your part and this great chasm within the ranks of the democracy on this side. You talk about following the President of the United States and how you gave support to Woodrow Wilson during the time of the war. I think the annals of Congress will show that you did give to the Democratic President almost your solid support in providing means for the victorious winning of that war, and it was a tribute to your patriotism in a time of great national peril, but I do not believe there is a man on that side who would believe in his heart that if the conditions had been reversed and we had had a Republican President during the time of the great World War, that men on my side would not have given him, with the same degree of unanimity, their cordial support and following. But are you folks following your President? [Laughter.] If there was anybody in this House who was recognized as a stalwart supporter of the Hoover administration, it was the distinguished and able gentleman from Connecticut [Mr. TILSON]. [Applause.]

During the time when we had up for consideration, when you were in the majority, several perplexing questions of Republican policy, and when there did not exist that political status of unanimity which you now proclaim, and when there was severe division in the ranks on your side, the man who would go to the White House, according to common report, and bring to his side the views and policies of the Republican President was your then Republican leader, Mr. TILSON, of Connecticut, and what reward has he been given for following your President? He has been displaced as leader on your side.

Now, my friend from Illinois [Mr. CHINDBLOM], in the course of this running debate a few minutes ago, asked whoever was occupying the floor at that time—I think it was the gentleman from Oklahoma [Mr. MCKEOWN]—what was going to be the policy of the Democratic Party in its program of undertaking to salvage what it could from this Republican wreck. [Applause.]

Any thoughtful man on that side or on this side, any man of any long and practical political experience here in the House would not expect the Democratic majority, not in control of the White House, not in control of the Senate, to hop up here within two or three days after its organization and propose some concrete and definite formula of legislation for the whole session.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BANKHEAD. Yes; I yield.

Mr. CHINDBLOM. Certainly, I understand the gentleman's statement that it can not be done at this moment, but the gentleman whom I interrogated had announced that there would be a program presented here for increasing the volume of the currency of the country, and I thought he had a plan, of course.

Mr. BANKHEAD. Well, if the gentleman made the statement that a policy would be announced, that is correct; and I want to say to the gentleman, following up what I had in mind, we are not going to be precipitate about its announcement. [Laughter and applause.]

Mr. CHINDBLOM. I am sure you will not.

Mr. BANKHEAD. I want to say to the gentleman that the Democratic Party in the House of Representatives, realizing that the American people have intrusted us with partial responsibility for legislation, are going to undertake to do nothing intemperately or hurriedly or ill-advisedly; but after sufficient counsel among ourselves in the Senate and in the House, with the leaders here and the leaders there, and with the individuals here and the individuals there, we are not going to attempt a panacea program for all the ills from which the country is suffering, but we do expect to bring in, and we hope we will bring in with solid Democratic support, a policy and a program that will provide some sane and substantial remedial legislation to bring the country out of its present morass of destitution. [Applause.]

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BANKHEAD. I yield.

Mr. CHINDBLOM. I am very happy, indeed, that the gentleman has uttered this note of cheer to the country, so that the country may not believe that the opening session of this Congress and the opening of this debate represented the real purposes of the majority party. The gentleman is giving the country now a piece of good cheer.

Mr. BANKHEAD. Well, I am very pleased that as far as he goes the gentleman commends the utterances in which I am indulging, but I am sure that the gentleman from Illinois will do what he can, and I shall not blame him because he is a partisan Republican and realizes the desperate dilemma in which his own party is placed by virtue of its own ineptitude and its own lack of leadership, and it will be his legitimate function to undertake to harass us as much as possible in the carrying out of this beneficent program which we purpose to bring in for the gentleman's consideration. [Applause.]

Mr. CHINDBLOM. Is the gentleman, on the part of his party, inviting that course? What reason has the gentleman to say that?

Mr. BANKHEAD. No invitation is necessary. [Laughter and applause.]

I know the type of gentlemen upon that side of the House who are waiting with keen anxiety the very first possible opportunity to hurl at the Democratic breast every javelin of criticism and invective that they possess. [Laughter.]

Now, gentlemen, I think this is about all I had in mind to say. [Laughter and applause.]

I want to say to the Democratic Members that this is a mighty happy time for us in the organization of the Seventy-second Congress.

> This is the way I long have sought
> And mourned because I found it not.

I came here in the Sixty-fifth Congress under the leadership of that great and grizzled old Jeffersonian Democrat,

Champ Clark. [Applause.] Some of you had the honor of serving under the great leaders of the Democratic Party further back than that. We are reminded of Randall and Carlisle and Crisp and Clark and the other great Democratic Speakers whose portraits hang out there in the hall. We Democrats who pass through there look up to their portraits with respect and reverence, and cherish the memory of their political leadership.

We have just exalted to this high position of great trust and responsibility a man who, in my opinion, will measure up to all of the honored precedents of that high station [applause], a man of long parliamentary experience, a man of sound judgment, a man of absolute fairness of decision, and, above all, an absolute Democrat in spirit and in purpose. [Applause.] I believe he is a man who, when he has finished the discharge of these duties, will rank in equal dignity and capacity with all of his brilliant predecessors. [Applause.]

I believe that under the leadership of this other grizzled old Democrat from Illinois, HENRY T. RAINEY [applause], who has had a long and arduous and honorable service of more than a quarter of a century, with the cooperation of his associates on this side, will make the Democratic Party as now organized in the House such an instrumentality of the American people for a resurgence of those principles of justice and equity and real consideration of the rights of the average man, as will win for us for years to come the confidence and support of the American people. [Applause.]

The CHAIRMAN. The attention of the Chair has been called again to the fact that occupants of the gallery by applause are expressing their approval and disapproval of what is said in this Chamber. May I admonish them that when the House is in Committee of the Whole such expression of approval or disapproval is not sanctioned by the rules, and occupants of the gallery will refrain from such conduct in the future.

Mr. PURNELL. Mr. Chairman, in view of the announcement of the majority floor leader that the time until 4 o'clock would be devoted to a discussion of the President's message, I think before that time elapses we ought to have something said upon that subject, and I therefore yield 15 minutes to the gentleman from Oregon [Mr. HAWLEY].

Mr. HAWLEY. Mr. Chairman, ladies, and gentlemen, in addition to the matters usually coming before the Congress there will be unusual legislative proposals to meet the world-wide, somewhat recurrent, but unusual situation. These will demand the best judgment and patriotic devotion of every Member of this body in order that a proper solution of the difficulties may be found.

I am proceeding on the assumption that Members of this body will with whole-hearted devotion, irrespective of party alignment, endeavor to find such solution as will result in the best interest of the country and its people.

The President's message is a frank and succinct statement of the financial, industrial, agricultural, and economic conditions of this country. It states the favorable and adverse factors. It proposes well-considered and constructive measures for relief, reconstruction, and rehabilitation, in addition to activities heretofore undertaken by the President in cooperation with States, municipalities, and individuals to maintain employment and minimize any distress that may arise in this country in the world-wide depression. He has used every available agency now at his disposal. As an instance, $780,000,000 of Federal funds, a sum three times as large as that of 1928, will be expended in 1931 in public works in every part of the country. This speeding up of construction is intended to furnish employment to labor in this emergency. By conferences with private enterprise he has caused available work to be distributed among employees, so retaining larger numbers on pay rolls; cooperation with governors of States and county and municipal authorities has further maintained employment.

Relief has been provided through cooperation with the American Red Cross and other humanitarian agencies, as well as by State and local activity.

The nation-wide response to the plans of the President is a significant expression of the confidence of those in responsible positions in the soundness of such policies and the leadership of the President. He has dealt wisely with a situation that in less capable and experienced hands would have resulted in great disaster.

It may be said that the response to the President's message by the press of the country commends the wisdom and usefulness of the propositions he has submitted.

At this time I shall discuss only the nine propositions the President has submitted to the Congress, dealing with the present emergency. They form the basis for the necessary legislation.

DECREASE IN EXPENDITURES

The first proposition is a decrease in expenditures. Every appropriation which can be reduced without adversely affecting the service involved or causing injury to the public interest has been reduced and the total amount of retrenchment in the next fiscal year will be approximately $365,000,000.

It would not be fair to the taxpayers if they should be asked to pay additional revenue into the Treasury or purchase additional securities of the United States unless, on the other hand, the Federal Government was willing to reduce the expenditure of money wherever possible. People must pay the taxes, and should not be asked to pay more or additional money unless the public needs require the expenditure.

INCREASED TAXES

A corollary to this proposition is the increase of taxes. The deficit for the fiscal year ending June 30, 1932, is estimated at $2,123,000,000. This includes the statutory amount for public-debt retirement, and for the succeeding year $1,417,000,000. It is impossible to raise this amount of money by any increase in taxation. To raise so large a sum by taxation would dry up the sources of revenue. It would defer the economic recovery, increase unemployment, diminish trade, and in every way prove disadvantageous not only to the citizens of the country but to the Government itself.

The Treasury says:

If the public credit is to be maintained, there are certain basic principles that must be observed in the conduct of national finances. First, the sinking fund assigned to gradual retirement of the public debt must be maintained, and even when of necessity the public debt is increasing the regular sinking-fund appropriations must be accepted in the accounts of the Government as fixed charges against Federal revenues. Second, over a period of years revenues must be equal to expenditures. Deficiency in revenue for a time may be inevitable, owing to operation of the emergency conditions, but must not be allowed to continue. Observance of these principles in the conduct of our Federal finances requires, in addition to continued effort to reduce expenditures, a very substantial increase in the revenues through taxation. For 1932 a large deficit is inevitable and, notwithstanding such improvement in trade and industry as may be anticipated, addition to the public debt in the fiscal year 1933 can not be avoided without such additional taxation.

It is not easy for any people to determine to assume a large additional tax burden at a time when their resources are depleted through business depression, but in the long run they will best serve their own interests by doing whatever is required to maintain the finances of their Government on a sound basis. The history of many nations attests this conclusion.

It must not be forgotten that the very ability of the Government to borrow depends upon the conviction on the part of purchasers and holders of Government obligations that the proper relationship between expenditures and receipts will be maintained. I am confident that increased taxation, clearly necessitated by emergency conditions, will meet the supporting response of our citizens to the needs of the Government.

The increase of the revenues must be decisively undertaken, but the promptness with which full adjustment can wisely be effected is conditioned upon existing economic circumstances. The rate at which debt reduction has hitherto been effected still permits some leeway. Additional tax burdens should not be so great as to retard the business recovery upon which the restoration of the normal flow of revenue depends.

I recommend revenue increases so planned as to insure the attainment of three objectives—first, substantial reduction of the deficit for the fiscal year 1932; second, the provision of revenue adequate in 1933 to meet current expenditures, not including the sinking fund, thus bringing to an end in that year any further increase of the public debt; and, third, laying the basis for the expectation of a fully balanced budget for the fiscal year 1934. Until full balance is attained the observance of the sinking-fund provisions will not result in a corresponding reduction in the debt, but through this program the integrity of such provisions

will have been maintained as a normal part of the financial operations and as a guaranty of good faith.

Our immediate concern is the fiscal year 1933, since that is the first full year the revenues of which can be affected by new tax measures. Bringing the increase in the public debt to a stop during that year in spite of existing difficulties will represent a very real accomplishment.

I believe the objectives which have been set forth can be attained by the adoption of a tax program based in the main upon giving up for the time being the principal tax reductions effected since the revenue act of 1924.

The proposed increase is distributed between individual income taxes, corporation taxes, and estate taxes and various others, using as a basis the revenue act of 1924. With that act most of the taxpayers of the country are familiar and know its operation, and to use that act as a base does not introduce new and unknown problems.

The normal tax in 1924 was 2 per cent on the first $4,000 of net income, 4 per cent on the second $4,000, and 6 per cent on the balance. That is a half per cent higher on the first $4,000 than in the present law, 1 per cent higher on the second $4,000, and 1 per cent higher on the balance. These increases are moderate. By reducing the exemptions to what they were in 1924, namely, $1,000 for a single person, $2,500 for a married person, there would be added to the tax rolls about 1,700,000 taxpayers. No persons having an income of less than $2,000 will pay any tax at all, and the person having an income of $3,000 will pay only $1.50 normal tax, if married and having one dependent. The result will be that 80 per cent of individual income taxes will be collected on the higher brackets. There will be some 3,600,000 Federal taxpayers in a Nation of 120,000,000 people under this proposal. Of this number, less than 300,000 will contribute 90 per cent of the taxes, because higher brackets on surtaxes are gradually increased to a maximum of 40 per cent.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. TREADWAY. I understand the gentleman to say that he is advocating possible legislation along the lines of the 1924 act.

Mr. HAWLEY. That is the Treasury proposal and that of the administration. I append to my remarks a statement and a table relating to the individual income taxes.

Mr. TREADWAY. Is the proposal the gentleman is submitting his own suggestion, or is it the suggestion that we expect will be sent to us by the Treasury?

Mr. HAWLEY. It is the suggestion contained in the Budget message received this morning and in the report of the Secretary of the Treasury.

Mr. TREADWAY. It is in the Budget message that we received this morning which we could not hear read owing to the confusion on the Democratic side?

Mr. HAWLEY. That I do not know.

Mr. SABATH. I think that statement is unfair. I don't think the minority wanted to hear it read.

Mr. MANLOVE. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. MANLOVE. In other words in a terse phrase, the new proposal would place the burden of taxation practically in the same brackets on the higher incomes as in the law of 1924.

Mr. HAWLEY. It restores the normal tax of the 1924 act but increases the earned income reduction and reduces the exemption for married and single persons and leaves the low brackets of the surtax the same as they were in 1924.

Mr. MANLOVE. In other words a man who is married and has one dependent on an income of $3,000 will pay a less tax than he did in 1924?

Mr. HAWLEY. No; he would pay practically the same.

Mr. MANLOVE. I understood the gentleman to say that he would pay a dollar and a half.

Mr. HAWLEY. A married person with one dependent, having an income of $3,000, while he now pays no tax would pay $1.50.

When I was interrupted I was discussing how this tax will be borne. Ninety per cent of it will be borne by less than 300,000 people. That is, the greater burden will be placed on those who pay in the upper brackets, and are consequently more able to pay. The additional income taxes will amount to approximately $83,000,000 during the last half of this fiscal year, and $185,000,000 during the full fiscal year of 1933. Of this additional revenue approximately three-fifths will be derived from the incomes of $100,000, or more, and more than four-fifths from the incomes of $10,000 or over. That is, in the readjustment, taxes will be placed upon those most able to pay. It has been considered in the preparation of this proposal that the taxes should be so placed as not to interfere with the economic recovery, because upon business recovery depends the increase of tax collections in the future and the employment of labor. All of the proposed increases in taxes are to be limited to a period of two years.

The corporation tax is to be increased from 12 to 12½ per cent.

RELIEF OF FEDERAL LAND BANKS

The third proposal of the President is to take care of the farm loan situation through the Federal land banks.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. STAFFORD. Has the gentleman any recollection as to how much revenue will accrue from the revival of the rates in 1924?

Mr. HAWLEY. It is estimated that all of the proposed increases in taxation together, if made effective on January 1, 1932, would increase the revenues in the fiscal year of 1932 about $390,000,000, and in the fiscal year of 1933 about $920,000,000.

Mr. STAFFORD. As I understand the President's message, it is the plan of the message to have the income tax raised so as to take care of current expenses of the Government during the fiscal year 1933, and not attempt to raise additional taxes to provide for the expenditures of 1932?

Mr. HAWLEY. Three hundred and ninety million dollars will be added to the revenue for the fiscal year 1932, and $920,000,000 for the year 1933. Other funds necessary will be supplied from the sales of securities. In the second year it is proposed to balance the Budget, with the exception of the statutory payment on the public debt. In the third year the Budget will be balanced, including the statutory payment on the public debt.

Mr. TREADWAY. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. TREADWAY. In connection with what the gentleman from Wisconsin has inquired, is there not also expected a very large saving and economy in appropriations?

Mr. HAWLEY. I have already stated that the estimates propose reductions aggregating approximately $365,000,000.

Mr. SABATH. Will the gentleman yield?

Mr. HAWLEY. I yield.

Mr. SABATH. Does the President recommend that this increase in the income tax should be retroactive?

Mr. HAWLEY. It is to apply to the income of 1931, on which taxes will be paid in 1932.

Mr. SABATH. How do we propose to take care of the deficit that we are facing now?

Mr. HAWLEY. By additional taxes and sales of securities.

FEDERAL LAND BANKS

The farm-loan legislation authorized an advance of $60,000,000 to the land banks as their initial capital. This has all been returned to the Federal Treasury with the exception of about $1,000,000. In this emergency it is proposed to advance again from the Treasury not to exceed $100,000,000 in order that the policy of the land banks not to foreclose on property except as a last resort may be continued. It will restore the credit of the Federal land banking system and stabilize the market for these bonds. It will enable them to sell their own securities, and from the funds so obtained to make further loans under that system. This is urgently needed for the relief of agriculture.

Mr. BLANTON. Will the gentleman yield?

Mr. HAWLEY. I will yield for a brief question.

Mr. BLANTON. What is proposed to be done about redeeming the farms which have already been sold and the farmers turned out of doors?

Mr. HAWLEY. I have not seen the bill.

Mr. BLANTON. There is no relief proposed for them at all?

Mr. HAWLEY. Does the gentleman mean where the farmer defaulted in his payments?

Mr. BLANTON. Because of three years' continuous drought, something unprecedented, he could not pay his interest, and his farm might have been worth three times the loan, but the farm was sold and taken away from him and his children turned out of doors.

Mr. HAWLEY. I have no information as to what provision relating to that there may be in the bill. I prefer to make no statement until I know.

Mr. BLANTON. That is very important, is it not?

Mr. SABATH. Will the gentleman yield?

Mr. HAWLEY. I yield to the gentleman for a brief question.

Mr. SABATH. Is it proposed to raise $60,000,000 by the sale of bonds of the farm land banks? Is that the proposal?

Mr. HAWLEY. Does the gentleman refer to the proposed advance of $100,000,000?

Mr. SABATH. One hundred million dollars.

Mr. HAWLEY. Which is to be advanced to the land banks?

Mr. SABATH. Yes.

Mr. HAWLEY. That will be advanced from the Treasury as the first $60,000,000 was advanced, and repaid later.

Mr. SABATH. I felt in case they tried to sell bonds, which are now selling at 50 cents on the dollar, we would not be able to realize very much for them.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. HAWLEY] has expired.

Mr. SNELL. I yield to the gentleman what additional time he needs.

Mr. ARENTZ. Will the gentleman yield for a brief question?

Mr. HAWLEY. For a brief question.

Mr. ARENTZ. The gentleman said our land banks would continue their present policy. Has it been the policy in the gentleman's district for the land banks not to foreclose? It has not been the policy of the land bank in Berkeley, Calif.

Mr. HAWLEY. If there is no other solution of the problem, they must foreclose.

Mr. ARENTZ. I am glad to hear there are some districts where that policy is followed.

RECONSTRUCTION FINANCE CORPORATION

Mr. HAWLEY. The fourth suggestion of the President is to take care of the credit situation through an emergency reconstruction finance corporation. If anyone were to describe the present situation in a short phrase, he might designate it a "credit crisis."

It is proposed to create a corporation with a capitalization of $500,000,000 under control of five persons, namely, the Secretary of the Treasury, the governor of the Federal reserve system, the farm loan commissioner, and two other persons to be appointed by the President.

It is framed on the general principle of the War Finance Corporation. That was chosen because it was a law with which we became familiar and its operations were known. Credits in the country have greatly diminished. At present the bank credits have been reduced, since the fall of 1929, by $5,000,000,000. There have been withdrawn from circulation by people who have placed their funds in safety deposit boxes $1,100,000,000, making a total in those two items alone of a reduction in the available credit of the country of over $6,000,000,000 since the fall of 1929.

This corporation will be able to provide credit and will create confidence. It will relieve that tension now existing among banks which must be able to meet the demands of depositors and which now do not feel justified in making further loans.

I know of going concerns, solvent, with good business and with orders on their desks, that could not get loans or credits. The Treasury is to be authorized to subscribe a reasonable capital and the corporation to sell its own debentures. It is to be liquidated at the end of two years. Its field of operations will include agriculture, industry, trade, and commerce.

Mr. SIROVICH. Will these be long-term credits or short-term credits?

Mr. HAWLEY. It would depend altogether on the character of the operation, I suppose.

HOME LOAN DISCOUNT BANKS

The fifth proposal of the President is to make possible a revival of the building industry by the establishment of home loan discount banks to take care of the growing population of the United States. We increase at the rate of about 1,000,000 persons a year, and by the time this can be put into operation our population will have increased 3,000,000. Marriages will have occurred and new homes will be required.

The building and loan associations and similar institutions have asked this cooperation on the part of the Government. A corporation will be created with a capital of $150,000,000, along the lines of the Federal farm loan system, a known system. You will note that all of the proposed legislation follows known systems wherever it is possible. It will strengthen building and loan associations, savings banks, and deposit banks engaged in extending credits to building operations.

Mr. SIROVICH. Does not that put the Government in competition with the banking interests?

Mr. HAWLEY. It is to be a companion and necessary addition to existing systems.

Mr. SIROVICH. But if we do that, and some other problem occurs, a man could say that the Government was going into competition with private business.

Mr. HAWLEY. The Government will advance this capital, or as much as may be needed, which will later be repaid. Just as the Federal farm loan system was taken over by that system and the Government reimbursed its money, so this will be taken over and the Government reimbursed. It will be a temporary advance in order to enable the construction of homes necessary to house our people.

Mr. SIROVICH. Let us assume there are losses by the Government in the operation of this bank. Will they take over the losses just the same?

Mr. HAWLEY. It is contemplated they will be successful in their operations.

DEPOSITS IN CLOSED BANKS

The sixth proposal of the President—and I must hasten over this somewhat—is to relieve the depositors in closed banks, in which there are over $1,500,000,000 of savings and commercial accounts of our people, and to return to depositors such proportion as the assets of each bank may warrant. Many of these banks, if given the opportunity, would pay out. The purpose also is to relieve distress in a multitude of families, stabilize values in many communities, and liberate working capital to thousands of concerns.

Mr. SABATH. Will the gentleman yield?

Mr. HAWLEY. For a short question.

Mr. SABATH. What is the recommendation? There is no recommendation as to how to bring that relief about.

Mr. HAWLEY. That bill is now in the course of preparation.

Mr. SABATH. I hope so.

FEDERAL RESERVE ELIGIBILITY

Mr. HAWLEY. The seventh proposal of the President is to strengthen the credit situation through Federal reserve eligibility. This is a very serious problem. While there are $7,000,000,000 of eligible paper in the country, it is largely concentrated in a small number of banks. The great body of it is held by a few banks. Many banks throughout the country have good business, adequate assets, and good credit, but the paper they have is not eligible for rediscount in the Federal reserve system. Consequently, when they get to a certain point they must refuse loans.

There are two methods by which relief can be provided—either in the law to carry a specific statement as to the kind of paper that may be eligible for rediscount by the Federal reserve banks, in addition to what is now eligible, or to give the Federal Reserve Board authority, under rules and regulations it may prepare, to describe the other characters of papers that may be subject to rediscount, especially in an emergency like this. That will enable the banks throughout the country to give to their clients the necessary credit.

Mr. STAFFORD. Will the gentleman yield?

Mr. HAWLEY. For a brief question.

Mr. STAFFORD. As most of the Federal reserve district banks throughout the country have opposed any change and extension of the basis for Federal reserve rediscount, because of the danger of inflation, is it not clear that the bankers to-day are fearful that there will be inflation if some of these proposals are inaugurated?

Mr. HAWLEY. My understanding is, as I read the President's message, a majority of the governors of the Federal reserve banks have approved it. Also, that all of the proposals in the message have been discussed by people throughout the country who have experience with them, and that it is the concensus of opinion that these are the proper measures for the solution of our present difficulties.

Mr. STAFFORD. In an issue of the New York Times last week there was summarized the position of each of the heads of the Federal reserve banks, and they almost unanimously opposed any further rediscount privileges for fear of inflation, and, in my opinion, that is the danger in some of these proposals.

BANKING LAWS

Mr. HAWLEY. I will say to the gentleman from Wisconsin that I have already cited the message of the President on this. The eighth proposal of the President is to protect the depositors by legislation through revision of banking laws, securing their savings and restoring confidence. The extent of bank failures indicates the necessity for improvements in the existing systems. Our people have a right to a sounder system of safeguarding their deposits.

The Banking and Currency Committee for some time has been considering this legislation and will undoubtedly at this session report upon the subject.

The Treasury Department favors the recommendation of the comptroller which suggests regional branch banking.

RAILROADS

The ninth and last suggestion relates to railroads. They are absolutely essential to our progress and prosperity. They are large employers of labor and purchasers of enormous quantities of materials and manufactured products. Railroad bonds are held by all the large corporations, especially the insurance companies, savings banks, benevolent and other trusts, and by thousands of individuals.

There are in this country about $50,000,000,000 of securities of all kinds outstanding, including those of the Federal Government. The Government securities are largest in amount. The second largest amount consists of the securities issued by State authority or political subdivisions of States, and the third largest amount is comprised of railroad securities, which constitute about 20 per cent of the entire outstanding securities, or some $10,000,000,000. The Union Pacific said in one of its folders not long ago that 56,000 people owned the Union Pacific.

Furthermore, the construction of roads by public authority, involving the expenditure of hundreds of millions of dollars on hard-surfaced roads, has been availed of by stages and trucks for transportation purposes. These acquire no rights of way, construct and maintain no tracks, and pay no taxes on any roadbed, and they have taken from the railroads a considerable proportion of their earnings, especially the earnings on articles which have great value in proportion to weight or space occupied.

The Committee on Interstate and Foreign Commerce of the House has been considering this question and, as I understand, reported legislation at the last Congress.

[Here the gavel fell.]

Mr. SNELL. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. HAWLEY. Consequently, regulation of competition so that these agencies that avail themselves of public improvements and pay no taxes on their roadbeds can not unfairly compete with the railroads is necessary. Many trains have been taken off of the railroads in the last two years, and many to the disadvantage of the patrons of the road. If the railroads can not get enough money to live on under present rates, they must either go into the hands of receivers, as a number of them have, or ask for increased rates. Any proper regulation is in the interest of the public in retaining the present rate and, possibly, securing a lower rate of transportation as business revives.

These are the nine proposals of the President. They are all constructive proposals. They have gone to the heart of this present difficulty. There is a general consensus of approval. The President has used his influence with every employer of labor not to reduce wages, not to discharge men, but to stagger their employment and give every man some employment out of that available. He has used every influence with those who have such matters in charge to secure better credits for business, to open a wider market, and to encourage the confidence of the people. If we can restore public confidence in our industrial securities and in our State and municipal securities the road to recovery is opened. I know of securities of States whose legislation is on a sound basis that ought to have sold on an interest basis of 4.20 that have been selling for 5.30 or more. The proposals the President has submitted to Congress are intended to restore the confidence of the country in its own affairs. They have long been under consideration. They have been submitted to men whose experience entitles their judgment to credit and approved by them as essential and workable. These express the mature judgment of a great Executive, whose interest is alone in the welfare of the people who called him to his high office.

Mr. Chairman, I submit this concluding statement. While I am a Republican, as you all know, I want to appeal to the membership of the House as Representatives of the United States that in this crisis we unite on the program suggested by the President, a program that will restore confidence, reemploy labor, rehabilitate business, and restore the country to normal conditions, and let the credit for such accomplishment fall where it may. The country awaits our action and hopes for speedy relief.

Mr. BLACK. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. BLACK. Does the gentleman think we can get a return of prosperity here in spite of this world-wide depression that the gentleman blames for everything that has happened?

Mr. HAWLEY. We can help ourselves, and by helping ourselves we will begin to help the rest of the world.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing a statement.

Mr. RAINEY. Mr. Chairman, I object for the present so that the gentleman may make the request when we get back into the House, and then we can make it apply to all.

PROPOSED REVISION OF INDIVIDUAL INCOME-TAX RATES AND EXEMPTIONS

Mr. HAWLEY. Among other revenue proposals, the Treasury has recommended that, effective on incomes for 1931, individual income-tax rates and exemptions be revised to conform to the revenue act of 1924. Under the 1924 plan normal rates applicable to individual incomes would be fixed at 2, 4, and 6 per cent, instead of the present rates of 1½, 3, and 5 per cent; surtax rates would be graduated from 1 per cent on incomes in excess of $10,000 up to 37 per cent on incomes between $100,000 and $200,000, reaching 40 per cent on incomes in excess of $500,000, compared with present rates graduated from 1 per cent on incomes in excess of $10,000 up to 20 per cent on incomes in excess of $100,000. Personal exemptions would be fixed at $1,000 for single individuals and $2,500 for married individuals, compared with $1,500 and $3,500, respectively, under the existing law, the

present credit of $400 for each dependent and the earned-income provisions of the revenue act now in effect remaining unchanged.

The effect of this proposed revision of the individual income-tax rates and exemptions is illustrated by the accompanying table, which shows the amount of tax which would be paid, under the present act and under the act as revised according to the Treasury's proposal, by a married individual with one dependent and by a single individual with no dependents, assuming various amounts of income.

Comparison of total individual income tax payable under the present law (1928 revenue act) and under proposed rates (1924 revenue act) by a married individual with one dependent and by a single individual without dependents

[It is assumed that all net income not in excess of $10,000 is earned and in addition one-half of the net income in excess of $10,000 until the statutory limit of $30,000 earned income is reached. It is also assumed that net income includes no dividends, no capital net gains or losses, and no interest on Government bonds]

Net income	Normal tax		Surtax		Earned income credit		Total tax		Rate of tax on net income		Increase in amount of tax
	Present rates	1924 act	Present rates	1924 act	Present rates	1924 act [1]	Present rates	1924 act	Present rates (per cent)	1924 act (per cent)	
	Married individual, one dependent										
$3,000		$2.00				$0.50		$1.50		0.05	$1.50
$4,000	$1.50	22.00			$0.37	5.50	$1.13	16.50	0.03	.41	15.37
$5,000	16.50	42.00			4.12	10.50	12.38	31.50	.25	.63	19.12
$10,000	123.00	204.00			30.75	51.00	92.25	153.00	.92	1.53	60.75
$15,000	335.00	486.00	$60.00	$60.00	58.75	90.25	336.25	455.75	2.24	3.04	119.50
$20,000	585.00	786.00	220.00	220.00	98.75	136.50	706.25	869.50	3.53	4.35	163.25
$25,000	835.00	1,086.00	510.00	510.00	146.25	190.25	1,198.75	1,405.75	4.80	5.62	207.00
$50,000	2,035.00	2,586.00	2,980.00	3,540.00	491.25	576.50	4,573.75	5,549.50	9.15	11.10	975.75
$100,000	4,585.00	5,586.00	11,660.00	17,020.00	491.25	576.50	15,753.75	22,029.50	15.75	22.03	6,275.75
$500,000	24,585.00	29,586.00	91,660.00	170,020.00	491.25	576.50	115,753.75	199,029.50	23.15	39.81	83,275.75
	Single individual, no dependents										
$2,000	$7.50	$20.00			$1.87	$5.00	$5.63	$15.00	0.28	0.75	$9.37
$3,000	22.50	40.00			5.62	10.00	16.88	30.00	.56	1.00	13.12
$4,000	37.50	60.00			9.37	15.00	28.13	45.00	.70	1.13	16.87
$5,000	52.50	80.00			13.12	20.00	39.38	60.00	.79	1.20	20.62
$10,000	205.00	300.00			51.25	75.00	153.75	225.00	1.54	2.25	71.25
$15,000	455.00	600.00	$60.00	$60.00	88.75	118.75	426.25	541.25	2.84	3.61	115.00
$20,000	705.00	900.00	220.00	220.00	128.75	165.00	796.25	955.00	3.98	4.78	158.75
$25,000	955.00	1,200.00	510.00	510.00	176.25	218.75	1,288.75	1,491.25	5.16	5.97	202.50
$50,000	2,205.00	2,700.00	2,980.00	3,540.00	521.25	605.00	4,663.75	5,635.00	9.33	11.27	971.25
$100,000	4,705.00	5,700.00	11,660.00	17,020.00	521.25	605.00	15,843.75	22,115.00	15.84	22.12	6,271.25
$500,000	24,705.00	29,700.00	91,660.00	170,020.00	521.25	605.00	115,843.75	199,115.00	23.17	39.82	83,271.25

[1] Present maximum earned income allowance of $30,000 retained instead of $10,000 as under the 1924 act.

Mr. RAINEY. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. GREENWOOD].

Mr. GREENWOOD. Mr. Chairman, the debate to-day has centered more or less around the message of the President, at least that has been the text taken for discussion, although at times the arguments have gone far afield. The time will come in this Congress when we will take up the suggestions of the President in a far more serious consideration and see what constructive proposals he has submitted in his message that can be used to help us out of this great depression and try to come back into former conditions.

I am well aware of the fact that under present circumstances if we should discuss the message from a political standpoint both sides would drift somewhat far afield.

So I think, in view of the statement of my colleagues, that these are matters which should be considered in a more serious vein, in view of the fact that if they were discussed from a political standpoint we would not reach any agreement, and that we ought to have the suggestions of someone else, I ask permission to read an editorial from the New York Times, a publication that has been cited on the floor of this House as one deeply interested in public affairs and the public welfare. Feeling that this record should be made, I therefore read the following editorial from the New York Times of December 9, entitled "Mr. Hoover's Message."

MR. HOOVER'S MESSAGE

One rises from reading the President's message to Congress yesterday with the feeling that it is in general correct but cold. Those who looked to Mr. Hoover at this national juncture for fervent and inspiring leadership will be disappointed. He had refused to summon the new Congress in extraordinary session because he feared that it would interfere with the orderly processes of recovery and upset the public equilibrium. This naturally led to the hope that he would have a program to submit which would at once appeal to the country, which he could unfold with fire and energy, and which would kindle popular enthusiasm. It can not truthfully be said that he has done this.

He has, indeed, applied to the pressing difficulties of the Nation his unusual powers of analysis, he has indicated the main lines which legislation should follow, has interposed in advance his personal negative to various plans that have been proposed, but has somehow managed to do it all without giving a stirring watchword or symbol for the people of the United States. This may be partly a matter of temperament with the President. It may be due largely to the complexity and variety of the problems which confront the Government. But the effect is, it must honestly be said, to leave Americans still longing for a public man who could rise to the great crisis in a great way and utter words which would not only be watchwords of debate in Congress, but which would carry cheer and hope into thousands of despondent homes throughout the country.

Admitting that we are passing through "distressful" times, the President is still inclined to lay the chief blame for them upon causes that are world-wide. Had we been allowed to go our own way undisturbed by foreign vicissitudes and misfortunes, the President's inference is that we should have been "enabled to recover long since but for the continued dislocations, shocks, and setbacks from abroad." He must be aware, however, that if he asked the economic and public authorities of "abroad" to diagnose existing world troubles they would unhesitatingly trace the origin of the mischief to the American mania and muddling of 1929. Mr. Hoover himself is in fairness forced to concede that "some of the causes of our depression are due to speculation, inflation of securities and real estate, unsound foreign investments, and mismanagement of financial institutions." But he is too much inclined to insist that we should now be quite well if other nations were not sick.

Passing this by as a matter of opinion now hardly worth debating, it is to be said that the President points out accurately what must be done to face and surmount our financial embarrassments, no matter what their origin. We must for some time live as a nation straitened by circumstances. There is nothing for our Government but the most severe and continuous economy. Public expenditures must be held down. Public revenues must be increased, and the only way to do so is by added and heavier taxation, in order to make front against the enormous deficit existing and impending, and so eventually to balance the National Budget. These are unpalatable and unpopular truths, but the President was in duty bound to set them forth, and he has done so with commendable determination. Ways and means, along with the necessary details, may be worked out later. But the main principle upon which Mr. Hoover insists is perfectly sound, absolutely vital to the right conduct of our public finance, and must be embodied in the legislation which Congress is called upon to enact.

From the various scattering recommendations which the President makes apart from the chief issue, prudent men will be disposed to withhold approval—at least until Mr. Hoover's suggestions or schemes are brought out of the vague into concrete

terms. Some of his plans, such as the consolidation of various Federal bureaus and activities, may be entirely justified in theory, but to expect this Congress at this time to adopt them seems visionary. To ask too much, too confusingly, from Senators and Representatives is to endanger the little that is clear to their minds and that they ought to give without long delay. The President would have been better advised, we think, to have pushed these projects separately from time to time rather than to have thrown them all into the omnium gatherum of an annual message.

In his own way President Hoover has done his best to cheer the people up. He bids them hope. He expresses the utmost confidence in the recuperative powers and the future of the country. All this is well and timely. It is perhaps as much as we could have looked for or asked from Mr. Hoover. It would have required a personality more tingling with vitality than his, a tongue and pen better subdued to moving expression, to have given the American people to-day the sense of having a pillar of cloud and fire to lead them on day and night.

The President has not given the country the hope they anticipated he would give. He has not given them constructive proposals which Congress can follow with confidence. So I have read this fair analysis from one of the greatest periodicals in the United States. [Applause.]

Mr. MANLOVE. Mr. Chairman, I would like to ask if I could have time to read what I consider the fairest analysis of the President's message?

Mr. RAINEY. Could the gentleman read it in five minutes?

Mr. MANLOVE. I fear it would take more time than that.

Mr. RAINEY. The gentleman can read as much as he can and extend the balance in the RECORD.

Mr. SNELL. I yield three minutes to the gentleman from Missouri [Mr. MANLOVE].

Mr. MANLOVE. I will read what I consider a fair analysis of the President's message. I take great pleasure in presenting to the House the editorial which appeared in the Washington Post of December 9 under the heading "The Path to Prosperity." This article undoubtedly reflects the patriotic sentiment of the American people regardless of party affiliations:

THE PATH TO PROSPERITY

The tone and temper of President Hoover's message to Congress is admirable. With his usual skill in unraveling complex situations and condensing into brief sentences the pith of his unwearied studies, he presents to Congress and the people an understandable picture of the world depression, and offers relief recommendations which are so obviously sound and workable that Congress can not fail to approve them.

The aims of the President are the aims of the people. It is inconceivable that the national welfare will be sacrificed by politicians after the pathway to prosperity has been so clearly outlined and the desire to take this path is held by all the people.

Mr. Hoover's recommendations are not offhand "panaceas" concocted by an officeholder whose sole object is to be reelected. They are the composite result of hundreds of conferences and studies by the most competent men in the country, belonging to all parties, and molded for the single purpose of releasing the powers that already exist—powers not imagined or invented for this emergency, but inherent in the people and resources of the United States. These plans look to the removal of economic paralysis so that Americans can themselves go forward in the work of restoration of good times. No outside power can help them; their salvation is in themselves. No power can stop them when they once unleash their energies.

The several plans proposed by Mr. Hoover will be found in his message and need not be discussed in detail at this time. These plans are subject to alteration and amendment by Congress. Doubtless valuable suggestions will be forthcoming in committees and on the floor. What is desired above all other things by the public is that Congress shall resolve to cooperate with the President. With cooperation will come legislation that will expedite prosperity. Without cooperation there will be confusion and failure, with prolonged hardship to the people.

Moderation in appropriations and in levying taxes is necessary as a corollary of legislation designed to release credit and stimulate agriculture, commerce, and industry. No net good will be accomplished if Congress, while enacting emergency reconstruction legislation, should also make extravagant appropriations or impose crushing taxes. The Government must be made and kept sound and solvent, while steps are taken to help private enterprise.

If President Hoover had been playing politics with the economic situation, he would have dodged the duty of recommending additional taxation at this time. He faces the music and risks the unpopularity that is supposed to follow a proposal to add to the tax burden. He relies upon the common sense and moral courage of the people to support him when he discloses the facts concerning Federal finances. It is the people's Government, not his. He gives an account of his stewardship and offers well-considered plans for bettering the situation. Contrary to the assumption of timorous politicians, the people will not find fault with President Hoover for advocating increased taxation. They do not blame him for conditions that were not made by him nor made worse by him. They would blame him if he concealed the truth.

A glimpse of the appalling conditions outside the United States is given by the President, with the promise that he will discuss foreign affairs more fully in a later message. This résumé of foreign relations will be awaited with extraordinary interest, tinged with anxiety; but for the present the people have before them the domestic situation, accurately stated, with definite plans for the improvement of conditions. The first duty of economics, as of charity, is to begin at home. The recuperation of the United States is comparatively easy, provided the Government and people join hands in putting definite plans into effect. With the United States going forward in full vigor, every country in the world will take heart and work toward recovery.

Patriotism requires every man in Congress to support the President's recommendations unless, with pure conscience and with a will to cooperate, the legislator can propose alterations or improvements. Obstacles placed in the path of this proposed legislation for partisan reasons would be nothing less than an attempt to prolong the public misery.

(Mr. MANLOVE's time having expired before the full reading of the editorial, he asked unanimous consent to print the remainder in the RECORD.)

Mr. RAINEY. I will make that request after we get in the House.

Mr. SHANNON. Will the gentleman yield? Is that the newspaper of which Mr. Edward B. McLean is the editor and publisher?

Mr. MANLOVE. I will answer the gentleman by saying that this editorial represents and reflects the sentiment of a large majority of the people of the United States. [Applause.]

Mr. RAINEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LOZIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the President's message and had come to no resolution thereon.

REPUBLICAN MEMBERS OF WAYS AND MEANS AND APPROPRIATIONS COMMITTEES

Mr. SNELL. Mr. Speaker, I offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 46

Resolved, That the following Members be, and they are hereby, elected members of the following standing committees of the House of Representatives, to wit:

Ways and Means: Willis C. Hawley, Oregon; Allen T. Treadway, Massachusetts; Isaac Bacharach, New Jersey; Lindley H. Hadley, Washington; Charles B. Timberlake, Colorado; Henry W. Watson, Pennsylvania; James C. McLaughlin, Michigan; Carl R. Chindblom, Illinois; Frank Crowther, New York; Richard S. Aldrich, Rhode Island.

Appropriations: William R. Wood, Indiana; Edward H. Wason, New Hampshire; George Holden Tinkham, Massachusetts; Burton L. French, Idaho; Milton W. Shreve, Pennsylvania; Frank Murphy, Ohio; John W. Summers, Washington; Henry E. Barbour, California; Guy U. Hardy, Colorado; John Taber, New York; Maurice H. Thatcher, Kentucky; Frank Clague, Minnesota; Robert G. Simmons, Nebraska; William P. Holaday, Illinois.

The resolution was agreed to.

EXTENSION OF REMARKS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that all gentlemen who have spoken to-day have permission to revise and extend the remarks which they made to-day in the RECORD.

The SPEAKER. The gentleman from Illinois asks unanimous consent that all gentlemen who spoke to-day may have permission to revise and extend their own remarks in the RECORD.

Mr. CHINDBLOM. Mr. Speaker, it was understood in the committee that the gentleman from Missouri should have permission to finish the editorial he was reading.

Mr. RAINEY. Yes.

Mr. BLANTON. In that connection let me ask the gentleman from Illinois [Mr. CHINDBLOM] if this editorial is from the same newspaper whose owner was the one who carried $100,000 in a little satchel to a distinguished member

of a former President's Cabinet? Of course, if the gentleman is adopting that sort of editorial as the policy of the great Republican Party, I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RAINEY. Mr. Speaker, we had an understanding on the floor that the gentleman from Missouri [Mr. MANLOVE] would be permitted to print the rest of the editorial he started to read in the RECORD. I ask unanimous consent that he be permitted to do that.

The SPEAKER. Is there objection?

There was no objection.

WAR DEBTS AND REPARATIONS

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a speech delivered by myself on war debts and reparations.

The SPEAKER. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I present an address delivered by me before the Bethesda (Md.) Chamber of Commerce, Monday night, December 7, 1931, as follows:

From one extremity of this country to the other commerce and industry are stagnant, agriculture is prostrate, and business of all kinds, big and little, is disorganized; capital has suffered heavy losses, the wages of labor have been lowered, there is much unemployment, and suffering and want are widespread. These conditions have prevailed for more than two years.

Where should we look for the causes of this condition? The expert diagnosticians have combed the domestic field and although some for interested purposes have striven hard to prove the causes to be domestic they have failed to find anything which furnishes an adequate explanation.

We live in a rich and fertile land, possessing almost every natural resource; our population is intelligent and energetic; our laws allow the broadest possible initiative to energy and enterprise; we have suffered no epidemic of disease or prostrating disaster of nature; and we are not harassed by wars or the fear of war. For the maintenance of our national welfare we are peculiarly free from the need of dependence on the foreigner; we could live, and live well, solely on the proceeds of our own resources. What, then, has suddenly brought this industrial paralysis throughout the land?

A belated admission was made only a few weeks ago by one of our leading bankers who appeared before a congressional committee that we have loaned too much money abroad, and that this is a major cause of the industrial stagnation. So it is causes coming from without and not those arising from within that we must examine if we would understand what has happened and know how to guard against it in the future.

Most of the money which we have loaned abroad has been loaned in Europe. The practice began with the making of the vast war loans. It would have seemed that our lending should have ended there, as indeed our public lending did, for a time; that private lending would have been upon a strict business basis, limited by the capacity of the borrower to pay. As we know now, loans upon this basis would have been relatively small.

We had a depression in this country in 1921, which was due to the fact that payment of a very large trade balance due from Europe in gold was unduly delayed. It was eventually paid, raising our gold stock to $4,000,000,000 and restoring our domestic economy to a sound and healthy condition.

This was our situation in 1924, and there is no reason why the facilities of the Federal reserve system and of the banks of the country should not have been conserved thereafter for a vigorous internal development, which should have been the chief preoccupation of Government and become a national policy.

But after 1924 this sound policy was deliberately rejected by our State and Treasury Departments and by our great private bankers. They all cooperated in the creation in Europe of German war-reparation bonds, which they made negotiable, to the amount of $4,000,000,000, under what they called the Dawes plan, and the Federal Reserve Bank of New York devoted most of its energies to facilitating the desires of European borrowers, public and private, to monopolizing the resources of our Federal reserve system.

I have explained heretofore that there was a hitch in the plans to dispose of the Dawes-plan bonds in the United States and that none of them were sold here, and that the international bankers thereupon began a most energetic campaign of vending European municipal and industrial bonds of all kinds.

This put billions in ready cash into Europe and gave it an enormous and artificial purchasing power here, which created the apparently prosperous period here between 1925 and 1929. When they had spent all that they had borrowed and could get no more, the overstimulated producing market in America was without a customer, a glut of unsold goods in our domestic market followed, and our industrial life was thrown into the disorder which is with us yet.

Now, the simple explanation of all this is that we were making loans which it was not in the power of the borrower to pay back, and we are having the same experience that an imprudent private capitalist would have under the same circumstances.

In the light of these facts, a careful scrutiny of the Young plan would seem to be advisable. In so far as it provides what they call "conditional" annuities, which are merely annual payments by Germany to the allied states, it need not concern us. But it also provides what they call "unconditional" annuities, payments of $160,000,000 in cash which Germany must make under all circumstances. If that were all it, also, need not concern us. But that is not all. A bond issue is to be floated of $3,250,000,000 in negotiable gold-bearer bonds for the benefit of the allied states, and these unconditional annuities are to pay the coupons. Inasmuch as it was European bond issues totaling about $4,000,000,000, dumped in this country between 1925 and 1929 that has caused the present mischief, are we to face the same experience in the future when this $3,250,000,000 in Young-plan bonds is dumped here? Moreover, these are not commercial bonds; they are war-reparation bonds; they are treaty of Versailles bonds; and they have their origin in a swindle.

Immediately after the armistice the supreme war council drew down a curtain between the realities in Europe and all on this side of the Atlantic, and before that curtain they proceeded to enact a drama for the benefit of the trans-Atlantic audience, an elaborate pageant called "War Reparations," which purported to be authentic history and which was so accepted here.

Since then continuously they have presented other acts of the play, and these acts also have been witnessed from here and accepted as true and authentic.

The drama opened immediately after the armistice with a chorus which hailed the armistice agreement as marking the conquest and unconditional surrender of the enemy. We saw a victorious peace conference deliberating upon his fate. We heard the cry go up for just and condign retribution for his crimes. We heard the shrill recital of his treachery and his barbarous cruelty, and of his congenital incapacity for the observance of good faith; and we were told of the necessity of shackling him for generations so that his innocent and peace-loving neighbors might sleep in security at night. We saw the peace conference deliberating upon the confiscations and tribute to be imposed, and adopting the principle that the extreme maximum that could be exacted was less than the requirements of justice demanded.

And under the histrionic stimulus all this seemed just and right to us. Our President went to Paris, and we saw him moving across the center of the stage; we saw him with a noble gesture renounce all reparations on our account, and when he came home with the treaty which he had signed and recommended it to us, most of us accepted it as a reality.

So far as Germany was concerned, after watching the Paris drama for six months, we saw a ruthless enemy who had been fairly conquered in battle effectively and properly shackled. This met with our approval, and we practically dismissed Germany from our minds. Our fascinated eyes were fixed on the League of Nations, the most gorgeous spectacle of the peace-conference drama. It seemed to illumine the international stage like a rainbow after storm.

Some among us, however, feared that by entering the league, as it was constructed, we would be granting away too much of our sovereign power. We had given full faith and credit to the war settlement with the enemy, we harbored not the slightest distrust as to its honest character, but we were apprehensive that under this world charter of law we would be yielding too much. So the Senate did not ratify the treaty of Versailles, and in declining to ratify the treaty it incidentally declined to ratify the war settlement with Germany. This was a profound disappointment to the supreme war council.

But as the years passed, the supreme war council, not discouraged, continued to stage the elaborate drama of German reparations for the benefit of the trans-Atlantic audience. The second act was the London ultimatum of 1921 which created negotiable German reparation bonds in the sum of $33,000,000,000, belonging to the allied states, with a view to disposing of them chiefly in the United States. Most of the trans-Atlantic audience continued to look on interested and indeed, fascinated. The third act was the Ruhr invasion and the Dawes plan with its $4,000,000,000 in negotiable reparation bonds; and the fourth act was the Young plan with its $3,250,000,000 in similar bonds.

For one reason and another the sale of the negotiable reparation bonds in America could not be gotten under way, and so, after the second act, the supreme council began sending its ushers, the international bankers, through the trans-Atlantic audience, passing the hat, and leaving no section of the house uncombed. In this way, several billions of dollars were collected for which the ushers exchanged with the audience allied and German municipal and industrial bonds. This cash was needed to defray the expenses of the dramatic production.

As we meet here now, the ushers are offering to the audience the Young-plan reparation bonds (those for which the unconditional annuities are to furnish funds for payment of the coupons). There are about $91,000,000 now being distributed through the aisles, and as soon as the audience is in a more liberal mood than it is just at present, there are more than three thousand million dollars worth of them resting on the shelves of the Bank of France ready for distribution. France having furnished the greater part of the histrionic talent which has kept the trans-

Atlantic audience enthralled, the collections of the ushers to be derived from future sales of the Young-plan bonds are, therefore, to go almost exclusively to France.

As I have explained before, if the allied states can sell most of them here, we will have paid the German war indemnity to them in cash in exchange for the right to collect it in annual installments from Germany for the next half century.

When we have bought the bonds the play will be brought to an end, and the trans-Atlantic audience will be allowed to awaken from the spell; the curtain between them and reality which was lowered on November 11, 1918, will be raised again, and they will be permitted to gaze upon the stark realities which have been concealed from them for 13 years.

It is my purpose now to point to the realities which all along have lain behind the curtain. The armistice of November 11, 1918, did not mark the conquest and unconditional surrender of Germany. Germany was still capable of military resistance, and on November 11 had no thought of selling herself into slavery. On that date she had closed with President Wilson a preliminary treaty, definite and clearly understandable in its terms, and one in which the allied states had only too willingly joined in order that their very existence might be preserved.

Under that treaty Germany, besides the cession of certain territories, would have paid war reparations amounting in all to about $8,000,000,000. If the treaty had been honestly carried out in letter and spirit the reparations would have all been paid by this time and the war would be over in Europe. The drama for the benefit of the trans-Atlantic audience would not have been invented and there would be no reparation question to-day into the forefront of which America has been thrust.

But this honest settlement would not satisfy the swindlers of the supreme war council. They wanted somebody to pay them the costs of Europe's war; they wanted somebody to buy from them the right to collect an enormous war indemnity from Germany. And the first thing to do was to transform the peace terms into a conquest so that Germany could be exploited.

Under the military armistice terms Germany was giving up her means of defense, and in a few weeks was disarmed. It was possible now to overcome her by military pressure and to substitute the terms of conquest for those of the preliminary treaty. Some form of ruthless force was needed to break an unconquered nation, even though disarmed, and for this purpose there is no force so effective as the continued pressure of starvation.

So, simultaneously with the opening of the drama staged at Paris for the entertainment of the trans-Atlantic audience, the tragic and sordid reality of history took its course behind the curtain that hid it from the spectators. The systematic starvation of the German Nation began.

It is well to be specific about events of such magnitude. The necessary dispositions to effect the postarmistice conquest were taken at a secret three-day meeting of the supreme war council, which opened in London on December 1, 1918.

These dispositions placed Germany in the hands of Marshal Foch and the armistice commission on the Rhine; and the armistice commission, with the assistance of the blockade commission, was given its orders to effect a conquest of Germany.

The day after the meeting in London adjourned notice was given of general British elections to be held on December 14, and the coalition government (notwithstanding its agreement with Germany on November 4) promised the people that if reelected they would go to the peace conference demanding the last farthing that could be extracted from the Germans.

On the next day orders in council sent the English Navy into the Baltic with instructions to blockade the German Baltic coast, and this naval blockade was maintained throughout the period that the peace conference sat. It completed the military encirclement which Marshal Foch had instituted by land, and it excluded the importation of any food whatever into Germany until after the treaty of Versailles was signed six months later.

These measures were all taken and put into operation while President Wilson was on the Atlantic Ocean, and they were concealed from him after his arrival in Europe.

The President went to Europe to put into effect the peace terms already agreed upon. He was no party to this new development. Again, in matters of such historic magnitude, it is well to be specific.

Some of us here may recall what the President said on November 11, 1918, when he addressed both Houses. Informing the Congress of the signing of an armistice and the ending of the war, he said that the war had been ended in a spirit of friendship to the German people under their new democratic government, and that a policy of good will and aid to them would be followed; that the first manifestation of this friendly attitude was a comprehensive plan for food relief, in which the allied governments had signified their purpose to join, to be carried out in the same systematic manner in which the relief of Belgium had been organized. "Hunger does not breed reforms," said the President, "it breeds madness and all the ugly distempers that make an ordered life impossible. They are now face to face with their initial test; we must hold the light steady until they find themselves." The same spirit permeated the entire address.

And on November 12 a note from the State Department was transmitted to Mr. Hans Sulzer, minister of Switzerland, in charge of German interests in the United States, requesting him to transmit a communication to the German Government. The communication to the German Government was couched in the same terms as those which the President had used in addressing the Congress the day before, and assured the German Government that he was willing to consider favorably the supplying of foodstuffs to Germany and to take up the matter immediately with the allied governments.

So, as he stood here, there was no uncertainty or indecision in his purpose. But from the moment of landing in Europe on December 14 he found himself in an atmosphere which did not accord with his views. The first four weeks after the armistice had brought about a great change there. The spirit of vengeance blazed on every hand; the slightest suggestion of moderation toward the enemy was viewed as the act of a pro-German. The kahki election had just been held in England and the armistice agreement had been suppressed and forgotten in France. The supreme war council, now in full course upon its career of international perfidy, had done its work well among the peoples.

For a few weeks it let the President have his turn, knowing it was now safe to do so. He spoke in public addresses much in the way he had spoken to the Congress; he spoke of the great wave of moral force now running through the world, of the need of a people's peace, and of the need of the sense of brotherhood.

The official peace conference convened late in January, and in the meantime the supreme council's conquest of Germany by the slow pressure of a food blockade, carefully concealed from the President and the trans-Atlantic audience, was well under way.

The Reparation Commission of the peace conference was organized on February 3, 1919. Here, in the most profound secrecy, these clashing purposes met for a showdown.

Mr. John Foster Dulles, legal adviser to the American delegation, arose and announced that it was the American position that the agreement signed by the Allies with Germany on November 4, 1918, constituted a limitation upon the right to impose reparations or penalties, and in successive meetings he maintained that the limitation was clear and unmistakable.

On behalf of all the Allies, and in arguments in successive meetings, Lord Sumner, legal adviser for England, took the opposite view. Upon this momentous point the Reparation Commission was in deadlock when President Wilson sailed for the United States on February 14, to be absent from the peace conference until March 15.

It was the President's parting instruction that the American delegation should maintain its position. Again, let me be specific in order that there may be no doubt of our historic facts. On February 16, as Mr. Baruch himself has told us, the American delegation on the Reparation Commission sent a wireless message to the *George Washington* telling of the deadlock and asking for instructions. The President replied with unequivocal directions to them to maintain their position, and if necessary to make it public.

Besides the legal adviser, John Foster Dulles, the American members of the reparation commission were Bernard Baruch, Norman Davis, and Vance McCormick. Why did they ignore their instructions from the President? Why did they fail to make their position public, as he directed?

It is obvious that the President wished this announcement to come from them and not from himself, and that if the announcement had been made, he would have proclaimed it as the position of the United States. It may be, also, that in sailing for the United States, he wished to be in his own country, in contact with the Congress and public opinion here, when this vital issue arose.

But the American delegation on the Reparation Commission did not make their position public, nor did they adhere to it as time passed, as is evidenced by what the commission did. The signal failed to come from Paris, and something sealed the lips of the President while in the United States. What it was must, perhaps, be left to the psychologists.

Meanwhile, in Paris, the Reparation Commission began its work of estimating Germany's capacity to pay upon the principle that there was no limitation upon their right to impose penalties. Marshal Foch and the blockade commission continued to withhold food from Germany and to wrest from the German Government the successive concessions which were finally to be written into the treaty of Versailles.

The treaty had already taken form when the President arrived again in Paris, and the rushing tide of events was beyond his power to turn or stay. It appears that he clung desperately to the letter of his peace agreement with Germany—to the assertion that in accordance with it there must be only reparations and not punitive damages; and that to meet his wishes this was agreed to as a matter of form while the term "reparations" was made to cover everything that could be included in a conquest.

By the end of March the land-and-sea blockade of Germany was doing its work. The German Government asked upon what terms the blockade would be lifted and food supplied, and a conference was arranged at Brussels to fix these terms. Once more, as this is history, let us be specific.

The conference was convened at Brussels on March 23, 1919, and there Germany delivered up all the gold in the Reichsbank and all the negotiable securities which her people possessed, and accepted the obligation to pay reparations in an indefinite sum and for an indefinite future to be fixed by her conquerors.

In return she received a contract for the delivery in her ports of a fixed quantity of grain and foodstuffs per month for a definite number of months. Thomas Lamont and Norman Davis were the American members of this commission.

The Germans carried out the terms of this agreement, but the peace conference did not. There was fear that if food now reached Germany she might reject some of the terms agreed upon and those yet to be imposed. No food ships, therefore, were allowed to dock at German ports until after the treaty of Versailles was signed on June 28, 1919.

This, in brief, is the history of the making of the treaty of Versailles. That it is illegitimate under the law of nations in that it violates the preliminaries of peace is evident. It affords the only claim to legality that the London ultimatum, the Dawes plan, and the Young plan have, and its illegitimacy therefore taints these settlements also. It had as its motive the sale to the American people of the right to collect an illegally imposed war tribute.

Mr. Barney Baruch, in 1920, published his views upon the peace settlement, and explained that the treaty was made under the influence of blood-raw passions. He thought that under the circumstances it was as good a settlement as could have been obtained, and his American associates upon the Reparation Commission appear to have agreed with him.

It may be that the settlement was as good a one as could have been obtained in view of the fact that the American members of the Reparation Commission failed to make their position public. Speaking for the President they had declared that there was a limitation upon the right to impose reparations, and they had been directed by him to maintain this position and to make it public. What was it that palsied the tongues of these gentlemen, and why did they so readily fall away from the President at the most critical moment of his public career?

Our views of the war settlement need revision. I need but point to the London ultimatum, the Dawes plan, and the Young plan with their billions in negotiable German reparation bonds, not one of which was ever disposed of anywhere until, after the lapse of 10 years and a campaign of ceaseless intrigue on both sides of the Atlantic, a complacent administration at Washington has permitted them to reach their destination in Wall Street.

There are three profound betrayals which are the foundation of this war settlement—the betrayal of the enemy by the supreme war council after a preliminary treaty, the betrayal of President Wilson by his colleagues in the peace conference, and the betrayal of the American people by the allied governments, who sought to shift to American shoulders the cost of the war in Europe, notwithstanding the fact that America's military power had saved them from conquest by the enemy.

The classic annals of bad faith which darken the annals of human history pale into insignificance before the sinister spectacle of this wholesale repudiation of moral principle. Nations and monarchs have been betrayed before, as when Scipio betrayed Carthage and when Brutus betrayed Cæsar or when at Senlac the Saxon thanes came not to King Harold's muster; great figures of history have been undone by men whom they had the right to trust and benefactors have been destroyed by those whom they have saved; but the moral abasement of those who at one and the same time treacherously overcame the enemy, treacherously destroyed their own chosen leader, and treacherously plotted against the nation that had saved them from conquest is comparable only to that which 2,000 years ago betrayed the Leader with a kiss.

In this country the sordid history of these intrigues is identified with no political party. Under a Democratic administration an international financial power usurped the functions of the American delegation in the peace conference. Under the Republican administration which followed it, this same financial power intrenched itself in our State and Treasury Departments, and it has remained there ever since. Political leaders who serve this financial power are put forward as candidates for President. It is the part of patriotism for all of us to rid our parties of the dominance of this group and to retire them from leadership in American politics and in private American finance. We need leaders who are not in the service of foreign governments and of a foreign financial power; we need leaders who can comprehend the extent and scope of these foreign influences and who will deal with them from the standpoint of the interests of all the people.

The business before the Congress in the next few days will be the consideration of the Franco-American accord of last August. Its terms are not those of the moratorium proposed by President Hoover on June 20 last. They are as different from it as black is from white. The moratorium of June 20 proposed a postponement of payments on all war debts and reparations. The Franco-American accord was made expressly to save the Young plan by excluding the unconditional annuities from the operation of the moratorium.

In view of the origin, history, and nature of the commercialized reparation bonds, is it not an insult to the representatives of the American people to ask them to put their stamp of moral approval upon them? Are we by passing this measure to reverse our policy of 13 years and make the United States at last a party to Mr. Baruch's blood-raw peace?

Putting aside now the matter of German reparations and the moral and legal insufficiency of the European settlements based upon them, why should we grant a moratorium upon all allied debts? The proposal is too sweeping. If Great Britain desires such a moratorium, under the circumstances, we are justified in granting it. It would be a constructive measure. But gratuitously to offer a moratorium at this time upon the French debt is a measure of inexcusable folly, because there is no doubt whatever of the French capacity to pay.

If France refuses to enter a moratorium which includes the unconditional annuities, then let her take what course she chooses; but let her fight her own battles over them without leaning on the United States Government for support and assistance. The days are over for attempts at the integral execution of the blood-raw peace, and, without American support, this will quickly become evident in Europe. Let France awaken from her 13-year-old opium dream of selling to America for cash the right to collect the German reparations; and to signalize this awakening let her feed the three billions of negotiable Young-plan bonds into the same furnace in which a year ago the London ultimatum bonds were incinerated.

The monotonous reiteration through the years that the allied governments must first receive from Germany any moneys which they pay on account of their debts to the United States has no merit whatever. It is a part of the chorus of the reparations drama. The answer to it is the fixed and avowed position of the United States that there is no connection between German reparations and allied debts to the United States.

It is true, as a matter of fact, that for 13 years the allied governments have collected in reparations from Germany much more than they have paid annually to the United States. It is no less true that for the past seven years Germany has made these annual reparation payments out of money borrowed in the United States. Do the allied governments mean to tell us if America ceases to make loans to Germany and thereupon Germany ceases to pay reparations to the Allies that the allied governments will cease making annual payments upon their debts to the United States? Repudiation is the only name which could be given to such a policy.

When the European statesmen have divested themselves of the sickly dream of delivering a German slave state to America for a price of billions in cash, the motive and purpose involved in the conception of German reparations will fall to the ground, and the cancellation of German reparations will logically follow. It is a sine qua non to the first steps toward a reconstruction of Europe.

As to the allied debts to the United States, it has not been demonstrated that they can not pay these debts out of their own resources, for thus far they have not had to do so. The United States will remain a fair and just creditor. It is conceivable that in future years these governments, or some of them, may not be able to bear the weight of the debts, for the fortunes and resources of nations rise and fall. In that case the burden can be lightened or the debts canceled, but in our policy there should be no connection between them and the German reparations.

This Franco-American agreement, which Mr. Mellon and Mr. Edge negotiated at Paris last summer, ought not to be ratified. Its rejection will serve the salutary end of making it plain to the governments of Europe that in orienting their policies for 13 years upon the hope that America will pay for the war by buying the right to collect the German reparations they have been following a will-o'-the-wisp; it will suggest to them the advisability of freeing themselves from the reparations hallucination, and of readjusting their mutual financial relationships upon a basis of reality. And once for all it will free American public policy and American private finance from association with the guilty intrigue of 1919 and from the moral degradation of a nearer association with the blood-raw peace.

THE MACHINERY OF CONGRESS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting speeches I delivered on Navy Day and on Armistice Day.

The SPEAKER. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, under leave granted me to extend my remarks in the RECORD I insert an address, in part, made by me at Duluth, Minn., on November 11, 1931, at the fourth annual banquet of E. Porter Alexander Post, No. 137, Veterans of Foreign Wars of the United States.

The address is as follows:

This is a day sacred to the memory of the men who lost their lives in the World War. Among our people the slogan while that war was in progress was "To make the world safe for democracy," we pay tribute to the manhood of America who under our flag made the supreme sacrifice for that ideal.

On this day we also celebrate the victory of peace 13 years ago, and honor the World War veterans who returned from the conflict. Ours is not a duty, but a privilege, to extend to these men the commendations and the gratitude of a grateful people for what they accomplished.

Unfortunately the happenings of the past 13 years have shown that the troubles of the world did not end with the signing of the armistice. The World War brought to America more problems than it ever solved. The treachery of diplomacy and the treaties made, instead of settling matters on a true and right basis, have brought distrust, jealousy, and a lack of understanding among the peoples of the earth. Instead of freeing us from international complications, diplomacy and international experts have dragged us more and more into international problems.

On this Armistice Day every country has a depression and an unemployment problem. Every country is burdened with debt. The problem of taxation likewise challenges consideration of every

thinking person. Even the principles of constitutional government are being assailed and our economic and industrial system is attacked.

These are critical times. It is not trite to repeat that there is a patriotism of peace as well as of war and that the welfare of America depends upon your courageous and intelligent handling of the problems of government in the days through which we are passing. You, whose love of country and devotion to its Government has been tested in the World War, again face in these days an opportunity to render service of the highest order to your country.

In the discharge of these duties an intelligent understanding of the machinery of Congress will be of help to you. You ought to know how Congress and the individuals who compose it function, the duties they are expected to perform, and the methods employed in this body. I want to discuss this subject to-night.

It is popular to blame your Congressman for everything that goes wrong, and measures or developments that benefit the public are accepted as a matter of course. The Congress of the United States has its field of work and it has its limitations. There is a popular misconception that a Member of Congress can do everything. Loose thinking has led to many wrong impressions as to the legislative branch of the United States of America. Some people do not even know that there is a Senate and a House of Representatives, and that both bodies must act upon a legislative proposal before it becomes a law. Further, the executive branch of the Government can exercise a veto power upon any such proposal even after the Senate and the House have passed the same. After a law is passed, the third branch of government, the judiciary, can declare it unconstitutional.

I am still a new Member of the House of Representatives, just entering upon my second term. It is true that I was reelected last year, but a period of 13 months elapses before Congress is in session following an election, unless there is a special session. Under our present constitutional provisions a Member serves through a session even after he has been defeated. This gives rise to the phrase "lame-duck" session of Congress. A constitutional amendment has been proposed to change this situation. It is the so-called "lame duck" amendment which came before us for a vote in the Seventy-first Congress. I voted for this amendment in the House. It was defeated due to a disagreement between the Senate and the House as to the wording of the amendment.

"Lame ducks" serve only in the short session. A new House is elected every two years, in November, on even-numbered years. The Members thus elected do not serve in the December session of that year. Their terms of office do not commence until the 4th of March following, when the old Congress automatically comes to an end. This is known as the short session. The new Congress convenes in the following December for the long session and can continue in session, if it desires, until the next December, when the next short session begins. Congress meets annually on the first Monday of December each year.

But I want to discuss briefly the machinery of Congress as I found it during the short time that I have served in the House of Representatives. I had to learn the methods of procedure. So I spent two weeks studying the work of the old Congress before I became a Member of that body. The House is commonly referred to as Congress, and in this discussion will have that meaning.

Let me say at the outset that we have a party system of government in the United States, and it functions in Congress. This simple fact is overlooked by many people. The political party with a majority of the votes organizes the House. That party selects a Speaker, a Clerk of the House, and other officers. It selects the chairman of every committee and puts a majority of its own members on each committee. For example, if there are 21 members on a committee the party in power will have 12 members on that committee and the minority party will have 9 members thereon.

I learned that the rule of seniority prevailed and that a new Member started at the bottom of the ladder. Members are assigned a room or office. But Congressmen older in point of service have a preference or first choice as to the office they will occupy. The new Member takes what is left. When it comes to membership on a committee, the new Member's name goes to the bottom of the list. The Member of the major political party who has served longer than anyone else has a preference for the position of chairman when there is a vacancy in the chairmanship on the committee. I found that a new Member could not even designate the committee on which he desired to serve. That was done for him by a committee on committees. Fortunately, I was assigned to the Committee on the Post Office and Post Roads, and was a member thereof during the Seventy-first Congress. Of course, there were other committees in which I was interested. But that consideration was of minor importance.

I talked to one of the veteran Members of the House about a committee assignment. He had seen 18 years of service in that body. He told an interesting story of his first experience in Congress. At that time the Speaker selected the committees. My friend was asked to designate the committees on which he wanted to be placed. He did so. He was then asked to name the committees on which he would refuse to serve. He did so, and said that under no circumstances would he work on those committees. When the appointment was made, to his surprise he received committee appointments he had indicated he would refuse to take. But he swallowed his disappointment, changed his mind, and accepted. To-day he is chairman of one of the leading committees of the House. Of course, the Members of the minority political party are assigned to membership on the various committees, and that is done by the House upon designation by their party leaders.

It is easy to talk about passing a law in Congress. Talk is always cheap. A Member introduces a bill, and this privilege is unrestricted. That bill is then referred by the Speaker to its proper committee. Then the difficulties begin. The chairman is a rather important person. He determines when committee meetings shall be held. Perhaps he does not want to call a meeting. What are you going to do about it? If he does call a committee meeting, perhaps there are other bills he wants to consider. What are you going to do about it? If he does decide to have a hearing on your bill, testimony must be offered before the committee. "Hearings" are held. The committee membership is composed of persons from all sections of the United States. They represent different viewpoints. Unless the measure is in response to a national demand, it may receive indifferent consideration. If it involves the expenditure of money other than for the governmental departments, then opposition is sure to come.

But suppose the committee acts favorably on the bill and recommends its passage. It then goes to the Union Calendar or the House Calendar. There it stays. Under the House methods of doing business neither of these calendars are ever reached. There is a Consent Calendar and a Private Calendar, and methods are provided for transferring bills thereto. Bills are considered on these calendars, but one objection will remove them, and they go back to the Union or House Calendar.

I said to one of my friends, after watching the House sessions for some time, "When do you work on the bills on the Union or House Calendar?" He smiled and answered that the House was so busy with appropriation bills, conference reports, and other privileged matters that it never found time to consider those calendars; that unless a committee chairman would call up a bill on "committee day," which comes once or twice a session, or unless unanimous consent were obtained, or unless the Speaker would put a motion to suspend the rules, then it was necessary to get a "rule." A rule, I was informed, was a resolution brought in by the Rules Committee providing that on a day certain a designated bill would come up for debate and a vote. "Then," I said, "if the Rules Committee turns you down, you are where you started?" My friend advised me that my conclusions were correct.

I saw an example of this the next day, when a Member of the House rushed to a member of the Rules Committee and excitedly asked for a hearing before the committee on a resolution that had passed the Senate and was pending on the House Calendar. He wanted a "rule." Three times he demanded a hearing and twice was told that the committee would consider the matter. In response to his third insistent demand for a definite date he received this reply: "You are finding out now, are you not?" That ended the case.

These methods of procedure may appear drastic, but it is important to note that they are practically the same, regardless of which political party is in control. The party that is in control of the executive branch of our Government, if it also has a majority of the Members of Congress, shapes the policy of Congress. I know the theory that the legislative branch of government is independent of the executive branch of government, and that one does not interfere with the other. But that, under our party system of government, is only a theory. There is an absolute interlocking between the two, and the party leader in Executive Office directs and controls. The Sepaker, the majority leader, and the chairmen of all committees are carefully selected because of their party affiliations. Their records are checked. Each must be a "good, safe, old hoss," from the party standpoint. Otherwise he does not occupy the position. Regardless of which party is in control this is true. So if the administration wants a bill passed, and is in control in the House, one of its leaders in Congress introduces the measure. It goes to a committee. The chairman promptly calls a meeting and the matter is heard at once and acted on favorably. It goes on the calendar. The Rules Committee brings in a "rule" and the measure is brought to a vote.

The real work, so far as the law-making feature is concerned, is done by Congress, through its committees. Unfavorable action by a committee means the death of any bill. Members of a committee will spend day after day listening to testimony. These hearings are usually held in the forenoon, and sometimes in the evening. The House goes into session at 12 o'clock noon each day, and continues throughout the afternoon. Sometimes night sessions are held. The program for these sessions is laid down by the party leaders. The membership are informed as to the business of the day. They know that other matters can not and will not be considered. For this reason Members sometimes absent themselves from the House floor while the House is in session. To persons unacquainted with the procedure, this appears to be a neglect of duty. Such is not the case. The voting on legislative matters is but a small part of the duties of a Congressman. When a Member is not on the floor, he is busy elsewhere. The "party whip" notifies his office when he is needed, and when a roll call is reached, electric bells are sounded throughout the Capitol and the House Office Building. The Members do not ignore these calls.

It is interesting to note that during the Seventy-first Congress, there was introduced in the House a total of 18,356 bills and resolutions, but the total number of laws and resolutions passed by both bodies was only 1,524. There were 46 standing committees of the House. A mention of some of them and their duties is

proper. There is the Post Office and Post Roads Committee, which handles all legislation relating to the Post Office Department; the Committee on Agriculture, which passes on all bills relating to agriculture; the Committee on Interstate and Foreign Commerce, which considers all bills relating to transportation and railroads; the Committee on Banking and Currency, which handles proposed legislation relating to banking; the Committee on Pensions, which passes on all pension claims; and the Appropriations Committee, which passes on all expenditures of money for the departments of Government. With the dozens of departments, bureaus, and commissions, under the executive branch of government, I think it fair to say that the major part of the time of Congress is occupied with bills appropriating money for their expenses and activities. When Congress is criticized for its extravagance, you can make up your mind that it has been voting money to run the various departments, bureaus, and commissions operated largely by the executive branch of the Government. The way to stop these expenditures is to decrease the functions of government and abolish some departments and bureaus.

A discussion on the legislative side of a Congressman's life opens up a wide field. Some people say we have too many laws, while, on the other hand, groups and individuals bombard their Representative for a horde of new laws. It is a case right from the start where you can not please everybody. But this is not the main difficulty. Clubs, cliques, lobbies, and loyal citizens fire away in your direction with letters and resolutions indorsing some pending bill and demanding pledges of support. Of course, these communications can be answered; but again the main difficulty presents itself. The bill, which looks so impressive in print, may never be considered by the committee. Then, there is the question of finding time to read all bills introduced in the Congress. I doubt if any Congressman actually read the 18,000 bills and resolutions introduced in the Seventy-first Congress. But that is not all. Suppose the committee considers the bill. It may change it, amend it, and make out of it an entirely different piece of legislation. If and when it reaches the House, that body may also do the same thing. The Member who wrote letters to all inquiries and who made many promises may not have before him for a vote the bill they were talking about at all. It may bear the same title and number, but the kitten may have become a wild cat or an animal with an odor not pleasing to the sense of smell. A vote against it after a promise to support the bill means more letters of explanation than there are grains of sand on the seashore.

With the increase in governmental activities and corresponding additions to Government departments and bureaus the demand for service from the people of the district correspondingly increases. Every new governmental regulation means new difficulties for our people and more work for a Congressman. Letters by the dozen come to the office every day. They must be answered. Assistance must be rendered. Land-office matters, veterans' claims, pensions, Indian problems, parole matters, applications to Civil Service Commission, inquiries regarding legislation, requests for publications, and many other subjects are handled daily.

One of the many, and perhaps the most unique, cases I handled was that of a constituent who wanted me to locate his brother who was last heard from in Chicago some 10 years ago. I scratched my head when that inquiry came, but promised to do my best. I finally decided to call on the Post Office Department for help. That branch of our Government, with characteristic efficiency, located the brother's last-known address, and advised me when and where he died. I was happy to advise my constituent. But that did not settle the matter. My constituent then wanted to know the address of the widow. Again the Post Office Department was able to furnish the information.

It takes time to handle these problems. Daily trips to the Government bureaus must be made. One day you may be checking up on a pension claim. The next day you may be getting maps from the Land Office for use in court proceedings for some one in the district, or you may be requested to see the immigration authorities on some case of vital concern to relatives you represent. If your Member is not on the floor of the House, you can make up your mind he is doing your work elsewhere.

Of course, not all requests can be handled satisfactorily. We can not set aside the law. We can not do the impossible. Well-meaning people sometimes make such requests. Their dissatisfaction is usually as great as the failure to obtain results.

Then there is another class of cases where a Congressman can not be of service. I remember about a year ago I was asked to have a contract to operate a school bus taken away from one party and given to another. The matter, of course, rested in the jurisdiction of the school board, and I had no more to do with it than I have jurisdiction over the Rocky Mountains. Still another constituent wanted me to have a township build a road for him, and another complained about the county tax rate. Neither of these problems were congressional at all. Both parties, of course, were disgusted because I did not wave a magic wand. There is recompense, however, in appreciation that occasionally comes from those who know when faithful service has been rendered.

I quote, in part, an editorial from the Itasca County Independent for October 29, 1931:

"Most people are under the impression that when Congress adjourns, the Members have nothing to do till the next session. This may have been the situation 20 years ago, but times have changed.

"Our own Congressman, WILLIAM A. PITTENGER, has been on the job in his district ever since last March. He * * * came back home, where he has been attending to the work of the district. He has not overlooked Itasca County, either. During the summer his office has handled important matters with Washington, which mean much to this section.

"Contract has just been let for the construction of a new bridge over the Mississippi River on Trunk Highway No. 35, and this means more work for our people. It was Congressman PITTENGER who took up the case with the War Department engineers at Washington and secured their consent to the proposed improvement Otherwise the project would have been postponed till next year.

"With the increase in the number of bureaus and commissions and departments of the Government at Washington, the work of a Congressman has correspondingly increased. The work for his constituents has become a major part of the congressional duties. Our Congressman, during his first term, selected competent secretaries, and his record of service entitled him to the large majority he received last fall, when he was reelected for a second term. * * *

"He will return to Washington in December to begin his second term in Congress, and we look forward with confidence to the same energetic and faithful service he has rendered during his first term."

OUR COUNTRY'S NAVY

Mr. PITTENGER. Mr. Speaker, under leave granted me to extend my remarks in the RECORD I insert a radio talk made by me over WEBC at Duluth, Minn., on October 27, 1931, under the auspices of the Naval Reserve of my district.

The talk is as follows:

I wish to thank Lieutenant Commander Mills and the Naval Reserve of this district for their very gracious invitation and the privilege they have extended me to talk to you on Navy Day. The observance of Navy Day had its origin in 1922, and annually since that date the American people have held appropriate exercises for the purpose of honoring the United States Navy, its men and its officers, and to-day we again pay our respects to this institution, recount and enumerate its past glories, its present worth, and its value to the future. The American Navy, rich in tradition, stands unsullied as a great arm of our National Government and ready to render service in the years to come for this Republic.

This occasion is also the birthday of the late President Roosevelt, and the date was selected because that great American never let an opportunity pass to pay homage to the naval forces of our country. Throughout his life he recognized the needs and the responsibilities of America, and for that reason was never backward in insisting that the power of the Navy should measure up to those needs and those responsibilities. He saw clearly that in time of peace, or in time of war, the Navy was a necessary and indispensable agency of the United States. He, it was, who preached the gospel that in time of peace, a strong navy, one able to command the respect of foreign countries, was the surest safeguard for peace and that in time of war an adequate Navy was necessary for our own defense. And so, we pay tribute to the memory of Theodore Roosevelt, his courage, his patriotism, and his Americanism.

There are many unusual circumstances which face us on this observance of Navy Day. The whole world is involved in a period of depression and unemployment. Our Treasury Department at Washington faces a huge deficit. Across the horizon of the world, beginning with the League of Nations, is the picture of disarmament and a world at peace, in which the swords and weapons of war are hammered into plowshares. The nations of the world have seemed to make friendly gestures in this direction, and have encouraged the idea that enormous armies and huge navies are a needless expense. Such a position is sound, if properly qualified. In 1922 the principal nations made a treaty limiting the number of war vessels they would build. In 1930 another treaty was consummated along the same lines. Plans are now being made for another disarmament conference at Geneva in 1932.

Now, a navy costs money. War vessels are not built by magic, equipped by chance, or maintained with proper men and officers by merely saying that virtue is its own reward. Any naval program means appropriations by and an expense to the Government.

Consequently, we have well-meaning people who see in this world-wide finncial crisis, in the Government's decreased revenue, and in the movement for world peace and disarmament every reason to urge the junking of the Navy or at least a suspension of its activities. Already programs are on foot for drastic changes in our naval policy in the coming session of Congress in December. Some advocate the closing of the navy yards and the suspension of naval construction. I do not undertake to-night to discuss these matters in detail, and time will not permit some proper comment concerning those individuals whose only interest in an adequate Navy is measured by the financial returns they expect to derive as a result of a naval program.

I want, however, to direct some remarks concerning this controversy from the standpoint of the men who are in naval service, who know its problems, its place in governmental affairs, and its need in the years ahead of us. We have here in this eighth congressional district a branch of the Navy Department. It is the Naval Reserve, the men are now active in its work. I think I understand their viewpoint and I think it is sound and patriotic

We must not overlook the fact that disarmament and reduction in naval expenditure can only take place by agreement of the great powers of the world. Unless and until other governments in good faith agree to disarm we have just two choices of procedure. Either we can continue to recognize the need of a navy and make proper provision for the same or else we can set the so-called glorious example of discontinuing our naval policy regardless of what other countries may do. As a matter of fact, in 1922 our Government did seek to set a good example for other nations in scrapping some of its vessels and in discontinuing construction work, but the war preparations in Europe have continued just the same.

So I say to those who, in their enthusiasm, would do away with the Navy or a naval program, that they overlook important facts. Other countries have not yet joined the United States in any such movement, however desirable. So far no country has overlooked the importance of its navy. The nations have only agreed to slow up in the race for naval power. This step is important and is a wonderful achievement. But it falls far short of any suggestion that the time has come to discard our Navy.

It is true that a great war was fought to make the world safe for democracy. But, unfortunately, the dream has not come true. Following that war the countries across the water have continued their warlike preparations, and the dove of peace does not hover over them. We hope, of course, that world agencies—the League of Nations, the World Court, and so forth—will be able to stem the tide. No one wants to see another catastrophe. We wish for the success of disarmament plans, but must not forget that other nations still have their navies. We can not disarm until others are willing to walk hand in hand in the peaceful valleys of concord and unity.

I do not want to be controversial in discussing this subject to-night. The horrors of war and the virtues of peace admit of no argument to the contrary. I said two years ago in an Armistice Day address that "if out of the World War, with its hardships, its hatreds, and its horrors, its toll of human life, and its aftermath of broken men, its sorrow and its misery and its ruin, there can come a better understanding among the nations of the world; if out of this there will come new institutions where nations can and will settle their disputes without resort to the sword, then that war has not been fought in vain."

But I did not then believe, and do not now believe, in the vicious philosophy of peace at any price. Until other nations agree to lay down the sword this country has only one alternative. National preparedness is a sound and compelling doctrine. I believe in the philosophy of Theodore Roosevelt.

In this connection I repeat his words:

"The United States Navy is the best guaranty the Nation has that its honor and interest will not be neglected; and in addition it offers by far the best insurance for peace that can by human ingenuity be devised."

During his administration one dramatic incident occurred. There was trouble in Venezuela. A long time ago President Monroe had announced to the world that foreign countries would not be allowed to interfere with the affairs on the continents of North or South America. His pronouncement became known as the Monroe doctrine. When Mr. Roosevelt was President this doctrine was put to the test. The German Government became involved with the Government of Venezuela and sent its naval vessels there and proceeded to seize its ports and territory. The British Navy also showed up on the scene of activities to lend encouragement to the German policy. Mr. Roosevelt called attention to the Monroe doctrine and protested the steps that had been taken. He wanted the naval vessels of foreign powers sent away from Venezuela. His protests were ignored. Finally he advised the German ambassador that no more protests would be made and that unless the foreign war vessels left South America he would send the American Navy there to carry out his commands. He meant business. This country had a navy, and the foreign war vessels left the harbor.

The Navy belongs to the American people. It is yours. Its officers and men have come from your homes. It is for you to say whether we will keep it and support it or whether we will cast it into the discard. If war should again come to a troubled world, it stands to guard and defend you. In times of peace it is a sure protection for our citizens wherever they may be. It commands the respect of other powers, because it is able to enforce its demands. It needs and it merits your support, your encouragement, and your good will. It has never failed you in the time of need, and it never will. Ponder well your course of action when its problems are presented to you for consideration and decision.

There has been much loose thinking about the problems of America following the World War. The gospel was preached that we were a world power, and that responsibility in world affairs rested on the United States. The world became our home, and to do good to others our highest aim. We were to become "international minded." We were to grasp the new viewpoint—the international one. The concerns of others were to become ours, and the gigantic task of saving humanity was to rest on the shoulders of America. I think it high time that we reexamined some of these doctrines.

In harmony with this new viewpoint, following the World War, it was suggested that our international financiers should tackle the financial problems of the world and that experts, economic and otherwise, should usurp the functions of Congress and relieve us all of responsibility. This was done. They shaped the treaty of Versailles. They shaped the Dawes plan of 1924 and the Young plan of 1929. The international financiers were to make the world safe, happy, and prosperous. What has actually happened? We have been led into the mire and the quicksand of European problems. We have departed from the old landmarks of Washington's Farewell Address, the Monroe doctrine, and every other policy that has made our country a bulwark of freedom in the past. Our international viewpoint and course of action has led to nothing but trouble.

I think it about time that we began to preach a new doctrine, the doctrine of "Americanism." I think it time that we again develop an American viewpoint. Our own people are entitled to consideration. We had better begin to look at world affairs from the standpoint of what is good or what is bad for America and not from the standpoint of the international financiers. There has been too much of the latter and not enough of the former standpoint. While settling the problems of the Old World, let us not forget our own. Watch well the world patriots who serve their own selfish ends at the expense of our people here.

In the years to come you will face this situation. It will have to be settled in Congress. It will be no easy task. The paid propagandist will be on hand with his many disguises. Those of our citizens whose interests lie in foreign lands are numerous and powerful. They will be active. But I believe we are beginning to realize that they have had their day. A new viewpoint, an American viewpoint, will be developed. The problems of this country and the welfare of our own citizens will then govern and guide our course of action and the troubles of our day will disappear.

FORMER REPRESENTATIVE WILLIAM LEIGHTON CARSS

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection?

There was no objection.

Mr. PITTENGER. Mr. Speaker, it is with deep regret that I announce the death of a former Member of this House, Hon. William Leighton Carss, who passed away at his home at Duluth, Minn., on May 31, 1931. Mr. Carss was my predecessor in Congress from the eighth district of Minnesota. He represented this district for three terms, serving in the Sixty-sixth, Sixty-ninth, and Seventieth Congresses. He was born February 15, 1865, at Pella, Marion County, Iowa, and moved with his parents at the age of 2 years to Des Moines, Iowa. He was educated in the public schools of that city. He studied civil engineering, and followed that profession for a number of years. He moved to St. Louis County, Minn., in 1893, and was engaged as a locomotive engineer on the Duluth, Missabe & Northern Railway when elected to Congress in 1918.

Mr. Carss was an outstanding member of the Farmer-Labor Party in Minnesota. He was a member of the Brotherhood of Locomotive Engineers, and at various times held important offices in that organization. Mr. Carss was a man of great personal popularity, and his death is mourned by thousands of his friends throughout the State of Minnesota.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, Thursday, December 10, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

107. A letter from the Secretary of War, transmitting annual report of the Secretary of War of the year ended June 30, 1931; to the Committee on Military Affairs.

108. A letter from the Secretary of the Navy, transmitting a draft of a bill to amend section 6 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve"; to the Committee on Naval Affairs.

109. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," as amended

by the act of March 2, 1929; to the Committee on Naval Affairs.

110. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to regulate the minimum age limit for enlistments in the Naval Reserve or Marine Corps Reserve; to the Committee on Naval Affairs.

111. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to extend commissary privileges to the widows of officers and enlisted men of the Navy and Marine Corps and also to officers of the Foreign Service of the United States at foreign stations; to the Committee on Naval Affairs.

112. A letter from the Secretary of the Navy, transmitting a draft of bill to authorize the wearing of miniature facsimile medals, with ribbon, by personnel of the Navy and Marine Corps awarded medals; to the Committee on Naval Affairs.

113. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Delaware River at New Castle, Del., with a view to removing existing ice breakers; to the Committee on Rivers and Harbors.

114. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Cowlitz River, Wash., from the mouth to Ostrander; to the Committee on Rivers and Harbors.

115. A letter from the Secretary of War, transmitting third annual report of the Porto Rican Hurricane Relief Commission, which is rendered in accordance with section 6, Public Resolution No. 74, Seventieth Congress, approved December 21, 1928 (H. Doc. No. 220); to the Committee on Insular Affairs and ordered printed.

116. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Columbia River, Oreg. and Wash., for the protection of banks and dikes to prevent the shoaling of the navigation channel by erosion; to the Committee on Rivers and Harbors.

117. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of a channel from terminal No. 4, Willamette River, Oreg., via Columbia slough, to Kenton, and channel from Columbia River, via Columbia slough, Oreg., to Kenton, thence up Columbia slough to Blue Lake, thence to Columbia River; to the Committee on Rivers and Harbors.

118. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Coquille River, Oreg., with a view to determining the advisability of providing for navigation in connection with power development, control of floods, and needs of irrigation; to the Committee on Rivers and Harbors.

119. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Bardy River, Pa.; to the Committee on Rivers and Harbors.

120. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Corscia River, Queen Annes County, Md.; to the Committee on Rivers and Harbors.

121. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination, with a view of giving a channel or route to the sea either by Doboy Sound, Sapelo Sound, or Altamaha Sound, and Brunswick Harbor, and with the further view to improving Darien Harbor for light-draft shipping through the Altamaha River system and by the inland waterway; to the Committee on Rivers and Harbors.

122. A letter from the Secretary of War, transmitting a report dated December 7, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Deer Creek, Miss.; to the Committee on Rivers and Harbors.

123. A communication from the President of the United States, transmitting two supplemental estimates of appropriations for the fiscal year ending June 30, 1932, for the Veterans' Administration for adjusted-service certificates fund, $200,000,000; and adjusted-service and dependent pay, $3,925,000; total, $203,925,000; also a draft of a proposed provision pertaining to the appropriations now authorized by law for hospital and domiciliary facilities and service under the Veterans' Administration (H. Doc. No. 135); to the Committee on Appropriations and ordered to be printed.

124. A letter from the Secretary of the Treasury, transmitting annual report of the Secretary of the Treasury on the state of finance for the fiscal year ended June 30, 1931 (H. Doc. No. 8); to the Committee on Ways and Means and ordered to be printed with illustrations.

125. A letter from the chairman of the United States Tariff Commission, transmitting a report that the Tariff Commission, during the period between the close of the Seventy-first Congress and the present date have completed 37 investigations; of these 32 considered adjustments in rates of duty established by the tariff act of 1930 (H. Doc. No. 136); to the Committee on Ways and Means and ordered to be printed with illustrations.

126. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Kaumalapau Harbor, Island of Lanai, Hawaii; to the Committee on Rivers and Harbors.

127. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Keku (Kehku) Straits, Alaska; to the Committee on Rivers and Harbors.

128. A letter from the Secretary of War, transmitting report of the Chief of Engineers of preliminary examination of East Chester Creek, N. Y.; to the Committee on Rivers and Harbors.

129. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of the channel and turning basin between Houston Ship Channel, Tex., and Barbour terminals; to the Committee on Rivers and Harbors.

130. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Huron River, Mich.; to the Committee on Rivers and Harbors.

131. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Kake Harbor, Alaska; to the Committee on Rivers and Harbors.

132. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination and survey of Fort Pond Bay, N. Y.; to the Committee on Rivers and Harbors.

133. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Kentucky River, Ky.; to the Committee on Rivers and Harbors.

134. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of waterway across Kent Island, Md.; to the Committee on Rivers and Harbors.

135. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Hilo Harbor, Hawaii; to the Committee on Rivers and Harbors.

136. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of James Island Creek, Charleston County, S. C.; to the Committee on Rivers and Harbors.

137. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Huntington Harbor, N. Y.; to the Committee on Rivers and Harbors.

138. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Hocking River, Ohio; to the Committee on Rivers and Harbors.

139. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination, Edgartown Harbor, Mass.; to the Committee on Rivers and Harbors.

140. A letter from the Secretary of War, transmitting a report dated December 8, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Hatchie River, Tenn.; to the Committee on Rivers and Harbors.

141. A letter from the Secretary of War, transmitting report from the Chief of Engineers on survey of Mississippi River between Missouri River and Minneapolis, with a view to securing a channel depth of 9 feet at low water, with suitable widths (H. Doc. No. 137): to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

142. A letter from the Comptroller General of the United States, transmitting report and recommendation to the Congress concerning the claim of Schutte & Koerting Co. against the United States; to the Committee on Claims.

143. A letter from the Comptroller General of the United States, transmitting report and recommendation to the Congress concerning the claim of Joseph T. Ryerson & Son (Inc.) against the United States; to the Committee on Claims.

144. A letter from the Comptroller General of the United States, transmitting report and recommendation to the Congress concerning the claim of the Van Camp Sea Food Co. (Inc.) against the United States; to the Committee on Claims.

145. A letter from the Comptroller General of the United States, transmitting report and recommendation to the Congress concerning the claim on behalf of the Adelphia Bank & Trust Co., of Philadelphia, against the United States; to the Committee on Claims.

146. A letter from the Comptroller General of the United States, transmitting report and recommendation to the Congress concerning the claim of Lewis Semler against the United States; to the Committee on Claims.

147. A letter from the Comptroller General of the United States, transmitting report and recommendation to the Congress concerning the claims of Orem Wheatley, Kenneth Baline, and Joseph R. Ball against the United States; to the Committee on Claims.

148. A letter from the Comptroller General of the United States, transmitting report and recommendation to the Congress concerning the claim of the Wilmot Castle Co. against the United States; to the Committee on Claims.

149. A letter from the Comptroller General of the United States, transmitting report and recommendation concerning the claim in favor of Kenneth Carpenter against the United States; to the Committee on Claims.

150. A letter from the Comptroller General of the United States, transmitting report and recommendation concerning the claim of Frank Spencer against the United States; to the Committee on Claims.

151. A letter from the Comptroller General of the United States, transmitting report and recommendation concerning a claim of the Westinghouse Electric & Manufacturing Co. against the United States; to the Committee on Claims.

152. A letter from the Secretary of War, transmitting the annual report of the activities of the national board for the promotion of rifle practice; to the Committee on Military Affairs and ordered to be printed with illustrations.

153. A letter from the chairman of the Federal Radio Commission, transmitting the annual report of the Federal Radio Commission for the fiscal year ended June 30, 1931; to the Committee on the Merchant Marine and Fisheries.

154. A letter from the Secretary of the Navy, transmitting draft of a bill authorizing certain officials under the Naval Establishment to administer oaths; to the Committee on Naval Affairs.

155. A letter from the Secretary of the Navy, transmitting draft of a proposed bill to amend section 4894, Revised Statutes (title 35, sec. 37, U. S. C.); to the Committee on Patents.

156. A letter from the Attorney General transmitting a statement of the expenditures under appropriations for the United States Court of Customs and Patent Appeals for the fiscal year ended June 30, 1931; to the Committee on Expenditures in the Executive Departments.

157. A letter from the chairman of the Federal Farm Board, transmitting the second annual report of the Federal Farm Board, covering operation during the year ended June 30, 1931 (H. Doc. No. 124); to the Committee on Agriculture and ordered to be printed with illustrations.

158. A letter from the secretary of the Bureau of the Budget, transmitting herewith a letter from the Budget officer, Department of Justice, submitting report of vessels and vehicles seized under the national prohibition act; to the Committee on Expenditures in the Executive Departments.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. STRONG of Kansas: A bill (H. R. 5060) to provide emergency financing facilities for banks and other financial institutions, and for other purposes; to the Committee on Banking and Currency.

By Mr. GAMBRILL: A bill (H. R. 5061) authorizing the Secretary of the Navy to purchase a site for an auxiliary landing field for naval aircraft at Camp Kearney, near San Diego, Calif.; to the Committee on Naval Affairs.

By Mr. LOOFBOUROW: A bill (H. R. 5062) to authorize the exchange of potassium-bearing lands in Tooele County, Utah, between the United States and private owners; to the Committee on the Public Lands.

By Mrs. OWEN: A bill (H. R. 5063) to provide for the establishment of the Everglades National Park in the State of Florida, and for other purposes; to the Committee on the Public Lands.

By Mr. KNUTSON: A bill (H. R. 5064) authorizing Vernon W. O'Connor, of St. Paul, Minn., his successors, and assigns, to construct, maintain, and operate a bridge across the Rainy River at or near Baudette, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLINS: A bill (H. R. 5065) to provide for the settlement of claims against the United States on account of property damage, personal injury, or death; to the Committee on Claims.

By Mr. YON: A bill (H. R. 5066) to extend the time for constructing a bridge across the Choctawhatchee River, east of Freeport in Walton County, Fla.; to the Committee on Interstate and Foreign Commerce.

By Mr. DYER: A bill (H. R. 5067) providing for a reclassification of watchmen, messengers, and laborers in the Postal and Railway Mail Service of the United States in three grades with increase in salary; to the Committee on the Post Office and Post Roads.

By Mr. DOUGLAS of Arizona: A bill (H. R. 5068) to permit relinquishments and reconveyances of privately owned land within certain counties in the State of Arizona to the United States for the benefit of the Navajo Indians, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 5069) to authorize the issuance of patent for lands containing copper, lead, zinc, gold, or silver, and their associated minerals, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 5070) to authorize the Secretary of the Interior to lease concessions on reservoir sites and other lands in connection with Indian irrigation projects; to the Committee on Indian Affairs.

Also, a bill (H. R. 5071) to amend section 4 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 5072) authorizing the issuing of certificates of arrival to persons born in the United States who are now aliens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 5073) to amend chapter 9, Thirty-ninth Statutes, Part I (Public, No. 290), approved December 29, 1916, an act entitled "An act to provide for stock-raising homesteads, and for other purposes"; to the Committee on the Public Lands.

Also, a bill (H. R. 5074) to create a military cross and a military medal; to the Committee on Military Affairs.

Also, a bill (H. R. 5075) to authorize the Secretary of War to sell surplus electric power of Fort Huachuca, Ariz.; to the Committee on Military Affairs.

Also, a bill (H. R. 5076) to provide funds for cooperation with the school board at Parker, Ariz., in the construction of a day-school building to be available to Indian children of the Colorado River Indian Reservation; to the Committee on Indian Affairs.

By Mr. GRANFIELD: A bill (H. R. 5077) to authorize the erection of an addition to the existing Veterans' Administration hospital plant No. 95 at Northampton, Mass., and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. GOLDBOROUGH: A bill (H. R. 5078) to stabilize the purchasing power of money; to the Committee on Banking and Currency.

By Mr. HARLAN: A bill (H. R. 5079) to provide additional compensation to World War veterans for the loss of use of an eye in active service in line of duty in the World War; to the Committee on World War Veterans' Legislation.

By Mr. KELLY of Pennsylvania: A bill (H. R. 5080) providing for the purchase of addition to the site of public building at Tarentum, in the State of Pennsylvania; to the Committee on Public Buildings and Grounds.

By Mr. HAWLEY: A bill (H. R. 5081) authorizing the enrollment of certain Indians residing in the State of Oregon; to the Committee on Indian Affairs.

Also, a bill (H. R. 5082) relating to the improvement of the Willamette River between Oregon City and Portland, Oreg.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 5083) granting the consent of Congress for the construction of a tide gate across Davis slough in section 28, township 26 south, range 13 west, Willamette meridian, in the State of Oregon; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 5084) for the sale of certain lands; to the Committee on the Public Lands.

Also, a bill (H. R. 5085) conferring jurisdiction upon the Court of Claims to hear and determine claims of certain bands, nations, or tribes of Indians residing in the State of Oregon; to the Committee on Indian Affairs.

Also, a bill (H. R. 5086) to acquire for park purposes the Heurich Smith tract at Columbia Road and Nineteenth Street; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5087) to authorize the construction of a memorial building at Champoeg, Oreg.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5088) to add certain lands to the Crater National Forest; to the Committee on the Public Lands.

By Mr. TIERNEY: A bill (H. R. 5089) to amend the national prohibition act, as amended; to the Committee on the Judiciary.

By Mr. LUCE: A bill (H. R. 5090) to create Federal home-loan discount banks, to provide for the supervision thereof, and for other purposes; to the Committee on Banking and Currency.

By Mr. BARTON: A bill (H. R. 5091) to increase the pensions of widows of Civil War veterans; to the Committee on Invalid Pensions.

By Mr. BRUNNER: A bill (H. R. 5092) to regulate certain employment on public work; to the Committee on the Judiciary.

By Mr. CABLE: A bill (H. R. 5093) to provide for the issuance of annual certificates of residence to aliens lawfully in the United States, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. GARBER: A bill (H. R. 5094) to amend sections 17 and 19 of the interstate commerce act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. GLOVER: A bill (H. R. 5095) for the purchase of a site and the erection of a public building at Lonoke, Lonoke County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5096) for the purchase of a site and the erection of a public building at Fordyce, Dallas County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5097) for the purchase of a site and the erection of a public building at Monticello, Drew County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5098) for the purchase of a site and the erection of a public building at Sheridan, Grant County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5099) for the purchase of a site and the erection of a public building at Rison, Cleveland County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5100) for the purchase of a site and the erection of a public building at Dewitt, Arkansas County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5101) for the purchase of a site and the erection of a public building at England, Lonoke County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5102) for the purchase of a site and the erection of a public building at Benton, Saline County, Ark.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5103) to encourage and assist the States in providing for pensions to the aged; to the Committee on the Judiciary.

By Mr. HOCH: A bill (H. R. 5104) to provide for the method of measurement of vessels using the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. HOGG of Indiana: A bill (H. R. 5105) to amend the World War veterans' act, 1924, as amended, by providing for the payment of insurance of veterans in certain cases; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5106) to provide for the payment of compensation to totally disabled World War veterans; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5107) to amend an act entitled "An act to extend the free-delivery system of the Post Office Department, and for other purposes," approved January 3, 1887 (24 Stat. L. 355); to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 5108) for the relief of unemployment; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5109) to create in the Bureau of Labor Statistics of the Department of Labor a division of safety; to the Committee on Labor.

Also, a bill (H. R. 5110) to amend the act entitled "An act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes"; to the Committee on the Post Office and Post Roads.

By Mr. MAY: A bill (H. R. 5111) to amend chapter 318 of the United States Statutes at Large, being "An act to increase the loan basis of the adjusted-service certificates," and to relieve veterans of the payment of interest; to the Committee on Ways and Means.

By Mr. OLIVER of New York: A bill (H. R. 5112) to amend the immigration act of 1924; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 5113) granting retirement to certain former employees of the Treasury Department; to the Committee on the Civil Service.

Also, a bill (H. R. 5114) granting substitute postal employees not less than 36 hours' work each week; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 5115) to reduce night work in post offices; to the Committee on the Post Office and Post Roads.

By Mr. SABATH: A bill (H. R. 5116) to create national relief finance corporation and provide credits for industries and enterprises in the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. SELVIG: A bill (H. R. 5117) to authorize an appropriation for combating grasshopper infestation; to the Committee on Agriculture.

By Mr. SUMNERS of Texas: A bill (H. R. 5118) to authorize appropriation for construction at Hensley Field, Grand Prairie, Tex., and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 5119) to authorize appropriation for technical construction at Hensley Field, Grand Prairie, Tex.; to the Committee on Military Affairs.

By Mr. CANNON: A bill (H. R. 5120) to require the discoloration of poisons which resemble commonly used foodstuffs; to the Committee on Interstate and Foreign Commerce.

By Mr. CARTER of Wyoming: A bill (H. R. 5121) to provide for the commemoration of the Battle of Dull Knife, in the State of Wyoming; to the Committee on Military Affairs.

Also, a bill (H. R. 5122) to provide for the storage for diversion of the waters of the North Platte River and construction of the Saratoga reclamation project; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 5123) to provide for commemoration of the Battle of Wagon Box, in the State of Wyoming; to the Committee on Military Affairs.

By Mr. DOMINICK: A bill (H. R. 5124) to provide for the commemoration of the siege of Star Fort, in the State of South Carolina; to the Committee on Military Affairs.

By Mr. HARE: A bill (H. R. 5125) for the protection of depositors in member banks of the Federal reserve system; to the Committee on Banking and Currency.

Also, a bill (H. R. 5126) to amend the Federal farm loan act; to the Committee on Banking and Currency.

Also, a bill (H. R. 5127) to provide for certain public works at Parris Island, S. C.; to the Committee on Naval Affairs.

By Mr. WILLIAM E. HULL: A bill (H. R. 5128) to provide for increasing the permissible alcoholic content of beer, ale, or porter to 3.2 per cent by weight, and to provide means by which all such beer, ale, or porter shall be made of products of American farms; to the Committee on the Judiciary.

Also, a bill (H. R. 5129) to fix the alcoholic content of liquors included within the Webb-Kenyon Act so that liquors may not be brought into a State in violation of the State policy on prohibition even though Congress has not prohibited the manufacture, sale, or transportation of such liquors elsewhere; to the Committee on the Judiciary.

By Mr. HOUSTON of Hawaii: A bill (H. R. 5130) to enable the people of Hawaii to form a constitutional government to be admitted into the Union on an equal footing with the States; to the Committee on the Territories.

By Mr. MALONEY: A bill (H. R. 5131) to extend the time for completing the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. MEAD: A bill (H. R. 5132) to promote temperance in the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 5133) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 5134) to amend the national prohibition act to permit the manufacture, sale, transportation, importation, or exportation of beverages which are not, in fact, intoxicating as determined in accordance with the laws of the respective States; to the Committee on the Judiciary.

Also, a bill (H. R. 5135) to provide for the establishment of a national employment system; to the Committee on the Judiciary.

Also, a bill (H. R. 5136) to recognize seniority of service in promotions and assignments of clerks in first and second class post offices; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 5137) to ratify certain leases with the Seneca Nation of Indians; to the Committee on Indian Affairs.

Also, a bill (H. R. 5138) to provide for the creation of the Saratoga national monument in the State of New York, and for other purposes; to the Committee on the Public Lands.

By Mr. PURNELL: Resolution (H. Res. 47) to amend clause 3, Rule XIII; to the Committee on Rules.

By Mr. DICKSTEIN: Resolution (H. Res. 48) providing for the appointment of an assistant clerk to the Committee on Immigration and Naturalization; to the Committee on Accounts.

By Mr. CELLER: Joint resolution (H. J. Res. 109) proposing an amendment to the eighteenth amendment of the Constitution; to the Committee on the Judiciary.

By Mr. CHRISTOPHERSON: Joint resolution (H. J. Res. 110) for the relief of farmers in the drought and/or storm stricken areas of the United States; to the Committee on Agriculture.

By Mr. BRUNNER: Joint resolution (H. J. Res. 111) authorizing the Secretary of the Navy to allow time with pay for all navy-yard employees throughout the United States to vote in the city, State, and national elections; to the Committee on Naval Affairs.

By Mr. HOGG of Indiana: Joint resolution (H. J. Res. 112) to amend the Constitution of the United States; to the Committee on Ways and Means.

By Mr. MEAD: Concurrent resolution (H. Con. Res. 3) for the appointment of a select committee to preserve the Saratoga battlefield; to the Committee on Rules.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follow:

Memorial of the State Legislature of the State of California, memorializing the Congress of the United States to provide compensation in lieu of taxes for certain lands of the United States within the borders of the several States; to the Committee on the Public Lands.

Memorial of the State Legislature of the State of Wisconsin, memorializing the Congress of the United States to enact a law making income from royalties on patents and copyrights taxable under State income tax law; to the Committee on Patents.

Memorial of the Legislature of the Territory of Alaska, memorializing the Congress of the United States to approve the act (Senate bill No. 59) of the Legislature of Alaska; to the Committee on the Territories.

By Mr. EATON of Colorado: Joint House Memorial No. 2, of the Twenty-eighth General Assembly of the State of Colorado, suggesting the reestablishment of some monetary value to silver in the United States, and the restoration of silver to use as money, and coinage in the mints of the United States on the basis of 20 to 1 as compared with gold; to the Committee on Coinage, Weights, and Measures.

Also, House Joint Memorial No. 3 of the Twenty-eighth General Assembly of the State of Colorado, suggesting an international conference looking to an agreement or understanding with regard to the use and status of silver as money; to the Committee on Foreign Affairs.

Also, House Joint Memorial No. 1 of the Twenty-eighth General Assembly of the State of Colorado, suggesting investigation of the silver-mining industry in the United States and throughout the world, the enactment of tariff legislation to stimulate silver mining, and the restoration of the parity of gold in some equitable ratio to silver; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACHARACH: A bill (H. R. 5139) granting an increase of pension to Sarah Ayres; to the Committee on Invalid Pensions.

By Mr. BARTON: A bill (H. R. 5140) for the relief of the estate of John T. Lynch, deceased; to the Committee on War Claims.

Also, a bill (H. R. 5141) for the relief of the estate of David Lynch, deceased; to the Committee on War Claims.

Also, a bill (H. R. 5142) for the relief of Philip Sappington; to the Committee on Military Affairs.

Also, a bill (H. R. 5143) for the relief of Edward J. Duggan; to the Committee on Claims.

By Mr. BLOOM: A bill (H. R. 5144) for the relief of Flora Yost (Klinawski); to the Committee on Claims.

Also, a bill (H. R. 5145) for the relief of Harry Solomon; to the Committee on Military Affairs.

Also, a bill (H. R. 5146) for the relief of Edward J. Devine; to the Committee on Claims.

Also, a bill (H. R. 5147) for the relief of Helen Rauch; to the Committee on Claims.

Also, a bill (H. R. 5148) for the relief of Max Rauch; to the Committee on Claims.

Also, a bill (H. R. 5149) for the relief of Laura Goldwater; to the Committee on Claims.

Also, a bill (H. R. 5150) for the relief of Annie M. Eopolucci; to the Committee on War Claims.

Also, a bill (H. R. 5151) for the relief of the heirs of the late Frank J. Simmons; to the Committee on War Claims.

Also, a bill (H. R. 5152) for the relief of the widow of Morris J. Lovey; to the Committee on Military Affairs.

By Mr. BRIGGS: A bill (H. R. 5153) to confer the medal of honor for service in the Philippine insurrection on William O. Trafton; to the Committee on Military Affairs.

By Mr. BRITTEN: A bill (H. R. 5154) for the relief of Stephen Sowinski; to the Committee on Military Affairs.

By Mr. CANFIELD: A bill (H. R. 5155) granting an increase of pension to Drusilla J. Tremain; to the Committee on Invalid Pensions.

By Mr. CARTER of California: A bill (H. R. 5156) readmitting Theodore Fieldbrave and his wife, Alice Mabel Fieldbrave, to the character and privileges of citizens of the United States; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 5157) readmitting B. S. Mattu, sometimes known as Bishen Singh Mattu, to the character and privileges of a citizen of the United States; to the Committee on Immigration and Naturalization.

By Mr. CARTER of Wyoming: A bill (H. R. 5158) for the relief of W. E. Kilgore; to the Committee on Claims.

Also, a bill (H. R. 5159) for the relief of James Fitz; to the Committee on Claims.

Also, a bill (H. R. 5160) for the relief of Cook Bros.; to the Committee on Claims.

By Mr. CHRISTOPHERSON: A bill (H. R. 5161) granting an increase of pension to Henrietta Dewey; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 5162) granting a pension to Mary M. Diehl; to the Committee on Pensions.

By Mr. CROWE: A bill (H. R. 5163) granting a pension to Andrew J. Owens; to the Committee on Pensions.

Also, a bill (H. R. 5164) granting an increase of pension to Mary E. Murphy; to the Committee on Invalid Pensions.

By Mr. CULKIN: A bill (H. R. 5165) granting a pension to Mary E. Richley; to the Committee on Pensions.

By Mr. CULLEN: A bill (H. R. 5166) for the relief of Benjamin Hagerty; to the Committee on Military Affairs.

By Mr. CURRY: A bill (H. R. 5167) granting an increase of pension to Mary Willoughby Osterhaus; to the Committee on Pensions.

By Mr. DAVENPORT: A bill (H. R. 5168) granting an increase of pension to Mary E. Goodwin Gruman; to the Committee on Invalid Pensions.

By Mr. DICKINSON: A bill (H. R. 5169) to authorize the payment of the sum of $2,500 to the dependents of the officers and men who lost their lives on the submarines *S–4* and *S–51;* to the Committee on Pensions.

By Mr. DOMINICK: A bill (H. R. 5170) for the relief of C. J. Holiday; to the Committee on Claims.

Also, a bill (H. R. 5171) for the relief of G. T. Fleming; to the Committee on Claims.

Also, a bill (H. R. 5172) for the relief of W. H. Hughs; to the Committee on Claims.

Also, a bill (H. R. 5173) for the relief of J. B. Trotter; to the Committee on Claims.

By Mr. DOUGLAS of Arizona: A bill (H. R. 5174) for the relief of Orvil L. Larson; to the Committee on Claims.

Also, a bill (H. R. 5175) for the relief of Rudolph A. Davis; to the Committee on Military Affairs.

Also, a bill (H. R. 5176) for the relief of the Consolidated Holding & Trust Co.; to the Committee on the Public Lands.

Also, a bill (H. R. 5177) for the relief of John McMahon, otherwise known as John James Marshall; to the Committee on Military Affairs.

Also, a bill (H. R. 5178) for the relief of Mary F. Platten; to the Committee on Claims.

Also, a bill (H. R. 5179) for the relief of John W. Miller; to the Committee on Military Affairs.

Also, a bill (H. R. 5180) granting a pension to Mary M. Chenowth; to the Committee on Military Affairs.

Also, a bill (H. R. 5181) for the relief of James P. Liakopulos; to the Committee on Military Affairs.

Also, a bill (H. R. 5182) granting an increase of pension to Martha E. Sellers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5183) for the relief of August R. Lundstrom; to the Committee on Military Affairs.

Also, a bill (H. R. 5184) granting a pension to Nancy E. Forest; to the Committee on Pensions.

Also, a bill (H. R. 5185) for the relief of Stanley A. Jerman, receiver for A. J. Peters Co. (Inc.); to the Committee on War Claims.

Also, a bill (H. R. 5186) for the relief of John B. Evans; to the Committee on Naval Affairs.

Also, a bill (H. R. 5187) for the relief of John W. Adair; to the Committee on Claims.

Also, a bill (H. R. 5188) for the relief of William K. Caley; to the Committee on Claims.

Also, a bill (H. R. 5189) for the relief of Joseph Patrick Ruterman; to the Committee on Naval Affairs.

By Mr. FIESINGER: A bill (H. R. 5190) granting an increase of pension to Carrie Furman; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 5191) for the relief of Silas Witham; to the Committee on Military Affairs.

By Mr. FISH: A bill (H. R. 5192) granting an increase of pension to Annie E. Robinson; to the Committee on Invalid Pensions.

By Mr. FREEMAN: A bill (H. R. 5193) granting an increase of pension to Georgiana A. Woodmansee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5194) granting an increase of pension to Hattie E. Chappell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5195) granting a pension to Louisa H. Burch; to the Committee on Invalid Pensions.

By Mr. GAMBRILL: A bill (H. R. 5196) providing for the examination and survey of the channel in St. Mary's River, Md.; to the Committee on Rivers and Harbors.

By Mr. GLOVER: A bill (H. R. 5197) for the relief of Thomas S. Garen; to the Committee on Naval Affairs.

By Mr. GOLDER: A bill (H. R. 5198) for the relief of Wilhelmina Wilkie; to the Committee on Claims.

By Mr. GOLDSBOROUGH: A bill (H. R. 5199) to provide for examination and survey of channel connecting Plain Dealing Creek, a tributary of the Tred Avon River, and Oak Creek, a tributary of Miles River, Talbot County, Md.; to the Committee on Rivers and Harbors.

By Mr. HOGG of Indiana: A bill (H. R. 5200) to extend benefits under the World War veterans' act, 1924, as amended, to Wilfred M. Gray and dependents; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5201) for the relief of Ralph L. Fell; to the Committee on Claims.

By Mr. HARLAN: A bill (H. R. 5202) for the relief of Bernis Brien and John M. Springer; to the Committee on Claims.

Also, a bill (H. R. 5203) granting a pension to George M. Young; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 5204) granting an increase of pension to Melinda A. Heltzel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5205) for the relief of Ida M. Mathison; to the Committee on Pensions.

Also, a bill (H. R. 5206) granting an increase of pension to Catherine Vidito; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5207) for the relief of Willard L. Coppernoll; to the Committee on War Claims.

Also, a bill (H. R. 5208) for the relief of Lincoln County, Oreg.; to the Committee on Claims.

Also, a bill (H. R. 5209) for the relief of George F. De Maranville; to the Committee on Military Affairs.

Also, a bill (H. R. 5210) for the relief of Richard Hawkins Grinsted; to the Committee on Military Affairs.

Also, a bill (H. R. 5211) for the relief of the heirs of Samuel B. Inman; to the Committee on Claims.

Also, a bill (H. R. 5212) for the relief of the Fischer Flouring Mills; to the Committee on Claims.

Also, a bill (H. R. 5213) for the relief of Jalmar Hurula; to the Committee on Claims.

Also, a bill (H. R. 5214) for the relief of Withycombe Post, No. 11, American Legion, Corvallis, Oreg.; to the Committee on Claims.

Also, a bill (H. R. 5215) for the relief of Clatsop County, Oreg.; to the Committee on Claims.

Also, a bill (H. R. 5216) for the relief of John H. Lindstrom; to the Committee on Claims.

Also, a bill (H. R. 5217) for the relief of Alex Silvola; to the Committee on Claims.

Also, a bill (H. R. 5218) for the relief of Ivan H. McCormack; to the Committee on the Public Lands.

By Mr. JAMES: A bill (H. R. 5219) granting an increase of pension to Catherine A. Ryan; to the Committee on Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 5220) for the relief of T. W. Mallonee; to the Committee on Claims.

Also, a bill (H. R. 5221) for the relief of Mary S. Neel; to the Committee on Claims.

Also, a bill (H. R. 5222) granting an increase of pension to Mary C. Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5223) granting a pension to Ida L. Updegraff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5224) granting a pension to M. R. Smith; to the Committee on Pensions.

Also, a bill (H. R. 5225) granting a pension to William B. Kuhn; to the Committee on Pensions.

Also, a bill (H. R. 5226) granting a pension to James H. Riffle; to the Committee on Pensions.

Also, a bill (H. R. 5227) granting a pension to Maggie Rachel Wilt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5228) granting an increase of pension to Agnes Robertson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5229) granting a pension to Victoria B. Temple; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5230) for the relief of L. A. Levin; to the Committee on Claims.

Also, a bill (H. R. 5231) for the relief of Walter P. King; to the Committee on Claims.

Also, a bill (H. R. 5232) for the relief of Charlotte Lamby; to the Committee on Claims.

Also, a bill (H. R. 5233) for the relief of L. D. Tracy; to the Committee on Claims.

By Mr. KELLY of Illinois: A bill (H. R. 5234) granting a pension to William John Callan; to the Committee on Pensions.

By Mr. LAMBETH: A bill (H. R. 5235) for the relief of Charles C. Bennett; to the Committee on Claims.

By Mr. LUCE: A bill (H. R. 5236) for the relief of John J. O'Connor; to the Committee on Military Affairs.

By Mr. LICHTENWALNER: A bill (H. R. 5237) granting an increase of pension to Sarah S. Lawall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5238) granting a pension to Amelia E. Woodring; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 5239) granting a pension to Chloe E. Blankenship; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5240) authorizing the payment of a claim to Toliver B. Clark; to the Committee on War Claims.

By Mr. MALONEY: A bill (H. R. 5241) providing for the examination and survey of Bayou Rigaud; to the Committee on Rivers and Harbors.

By Mr. MAY: A bill (H. R. 5242) for the relief of D. Emmett Hamilton; to the Committee on Claims.

Also, a bill (H. R. 5243) granting a pension to Silas E. Shepherd; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5244) granting a pension to Melissa Powers; to the Committee on Pensions.

Also, a bill (H. R. 5245) for the relief of Chick Patrick; to the Committee on War Claims.

Also, a bill (H. R. 5246) for the relief of Elijah Fuller; to the Committee on Military Affairs.

Also, a bill (H. R. 5247) granting a pension to John Haners; to the Committee on Pensions.

Also, a bill (H. R. 5248) granting a pension to Jason B. Craft; to the Committee on Pensions.

By Mr. MEAD: A bill (H. R. 5249) granting an increase of pension to Grace Reich; to the Committee on Invalid Pensions.

By Mr. MILLARD: A bill (H. R. 5250) for the relief of the owner of the barge *Mary M;* to the Committee on Claims.

Also, a bill (H. R. 5251) for the relief of Zinsser & Co.; to the Committee on Military Affairs.

By Mr. MOREHEAD: A bill (H. R. 5252) granting a pension to Charles J. Fuhrer; to the Committee on Pensions.

Also, a bill (H. R. 5253) granting a pension to Opal Brakhage, helpless and dependent child of Simon Brakhage; to the Committee on Pensions.

Also, a bill (H. R. 5254) granting an increase of pension to Mary E. Orr; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 5255) for the relief of Vincent J. Toole; to the Committee on Military Affairs.

Also, a bill (H. R. 5256) for the restitution of employees of the post office at Detroit, Mich.; to the Committee on Claims.

By Mr. McCLINTOCK of Ohio: A bill (H. R. 5257) granting a pension to Susan Van Pelt; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 5258) granting an increase of pension to Gustav F. Breiter; to the Committee on Pensions.

Also, a bill (H. R. 5259) for the relief of Steve Fekete; to the Committee on Claims.

By Mr. McKEOWN. A bill (H. R. 5260) to enroll Rosetta McCarter on the final roll of citizens of the Chickasaw Tribe of Indians by blood; to the Committee on Indian Affairs.

Also, a bill (H. R. 5261) for the relief of Sard S. Reed; to the Committee on Claims.

Also, a bill (H. R. 5262) granting an increase of pension to John W. Smith; to the Committee on Pensions.

Also, a bill (H. R. 5263) granting a pension to Mary Jane McCamey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5264) granting a pension to Scott Westfall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5265) for the relief of A. W. Holland; to the Committee on Claims.

Also, a bill (H. R. 5266) granting a pension to Amos A. Seaton; to the Committee on Pensions.

By Mr. OLIVER of New York: A bill (H. R. 5267) to authorize and direct the Comptroller General to settle and

allow the claim of Harden F. Taylor for service rendered to the Bureau of Fisheries; to the Committee on Claims.

Also, a bill (H. R. 5268) granting an increase of pension to Hattie V. Holdsworth; to the Committee on Pensions.

Also, a bill (H. R. 5269) for the relief of Moses Israel; to the Committee on Claims.

Also, a bill (H. R. 5270) for the relief of Estelle M. Gardiner; to the Committee on Claims.

Also, a bill (H. R. 5271) granting an increase of pension to John F. Wynne; to the Committee on Pensions.

Also, a bill (H. R. 5272) for the relief of Frank Bayer; to the Committee on Claims.

By Mr. PALMISANO: A bill (H. R. 5273) for the relief of Ada K. Aiesworth; to the Committee on Claims.

Also, a bill (H. R. 5274) for the relief of Frank Mackin; to the Committee on Naval Affairs.

Also, a bill (H. R. 5275) granting a pension to Minnie Eaton; to the Committee on Invalid Pensions.

By Mrs. RUTH PRATT: A bill (H. R. 5276) for the relief of Hilda Barnard; to the Committee on Claims.

By Mr. PURNELL: A bill (H. R. 5277) for the relief of Booth & Co. (Inc.), a Delaware corporation; to the Committee on Claims.

By Mr. RAMSPECK: A bill (H. R. 5278) for the relief of Karl J. Howe; to the Committee on Military Affairs.

By Mr. RICH: A bill (H. R. 5279) granting an increase of pension to Mary Jane Sherwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5280) granting an increase of pension to Susan A. Miller; to the Committee on Invalid Pensions.

By Mr. RUTHERFORD: A bill (H. R. 5281) granting a pension to Cicero G. Rowden; to the Committee on Pensions.

Also, a bill (H. R. 5282) granting a pension to Coile Lynch; to the Committee on Pensions.

Also, a bill (H. R. 5283) for the relief of Blanche Knight; to the Committee on Claims.

Also, a bill (H. R. 5284) for the relief of Capt. Guy L. Hartman; to the Committee on Claims.

Also, a bill (H. R. 5285) for the relief of Jim P. Harper; to the Committee on Military Affairs.

Also, a bill (H. R. 5286) for the relief of Abe Wolfe; to the Committee on Military Affairs.

Also, a bill (H. R. 5287) granting an increase of pension to Thomas A. Ellis; to the Committee on Pensions.

By Mr. SCHAFER: A bill (H. R. 5288) granting a pension to John J. Whitehead; to the Committee on Pensions.

By Mr. SEIBERLING: A bill (H. R. 5289) for the relief of Samuel Puff Bailey; to the Committee on Naval Affairs.

Also, a bill (H. R. 5290) for the relief of Ida M. Tutty; to the Committee on Claims.

By Mr. SWING: A bill (H. R. 5291) for the relief of Jact Buono; to the Committee on Claims.

Also, a bill (H. R. 5292) for the relief of Joseph Asaro; to the Committee on Claims.

Also, a bill (H. R. 5293) for the relief of M. Giacalone; to the Committee on Claims.

By Mr. SUMNERS of Texas: A bill (H. R. 5294) for the relief of the Motor Investment Co., of Dallas, Tex.; to the Committee on Claims.

By Mr. SWICK: A bill (H. R. 5295) granting an increase of pension to Margret L. McCleary; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 5296) for the relief of Edward P. Kean; to the Committee on Military Affairs.

By Mr. TIMBERLAKE: A bill (H. R. 5297) granting a pension to Robert C. Humphrey; to the Committee on Pensions.

By Mr. UNDERWOOD: A bill (H. R. 5298) granting an increase of pension to Hattie B. Golden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5299) granting an increase of pension to Charlotte Hammond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5300) granting an increase of pension to Leah Buren; to the Committee on Invalid Pensions.

By Mr. VINSON of Kentucky: A bill (H. R. 5301) granting an increase of pension to William Hays; to the Committee on Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 5302) granting a pension to Michael J. Carroll; to the Committee on Pensions.

By Mr. WATSON: A bill (H. R. 5303) granting an increase of pension to Emma S. Palmer; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

95. By Mr. AYRES: Petition of Ladies' Auxiliary to the Switchmen's Union of North America, Community Lodge, No. 114, Wichita, Kans., in behalf of a 6-hour day for railroad switchmen; to the Committee on Interstate and Foreign Commerce.

96. By Mr. GARBER: Petition of members and friends of Hillerman Woman's Christian Temperance Union, Enid, Okla., protesting against consideration of question of resubmission of the eighteenth amendment; to the Committee on the Judiciary.

97. By Mr. LICHTENWALNER: Petition of 38 residents of Berks County, Pa., praying for the immediate payment at full face value of adjusted-compensation (bonus) certificates; to the Committee on Ways and Means.

98. By Mr. ROMJUE: Resolutions of Missouri State Chapter of American War Mothers, indorsing the bill to provide a national park to be named in honor of Gen. John J. Pershing and to be located at his birthplace in Missouri; to the Committee on Military Affairs.

99. By Mr. SINCLAIR: Telegram from ex-service men of Mountrail County, N. Dak., for immediate payment in full of adjusted-compensation certificates; to the Committee on Ways and Means.

100. Also, petition of the board of county commissioners of Mercer County, N. Dak., urging an appropriation for seed and feed loans to farmers in the drought-stricken areas for the year 1932; to the Committee on Agriculture.

SENATE

THURSDAY, DECEMBER 10, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O God, from whom all holy desires, all good counsels, and all just works do proceed, grant to us all an utter consecration of body, mind, and spirit to the work whereunto Thou hast called us. Vouchsafe to these Thy servants the profound and poignant insight of true seers as they face these pressing problems with their changing tangled worth. Bestow upon our Nation a nobler spirit of devotion to the high ideals of government enshrined in this Republic, that with one heart and mind we may strive to do Thy will. Lead us to the Savior, who at this hour hung upon the cross, that we may find in Him the joy that can dwell with sorrow, the light that shines in darkness, the music that is born of pain. All of which we ask in His name and for His sake. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, the annual report of the activities of the National Board for the Promotion of Rifle Practice, which, with accompanying report, was referred to the Committee on Military Affairs.

REPORT OF PORTO RICAN HURRICANE RELIEF COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, the Third Annual Report of the Porto Rican Hurricane Relief Commission, which, with the accompanying report, was referred to the Committee on Appropriations.

EXPENDITURES UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, pursuant to law, a statement of the expenditures under the appropriations for the United States Court of Customs and Patent Appeals for the fiscal year ended June 30, 1931, which, with the accompanying statement, was referred to the Committee on the Judiciary.

COST ASCERTAINMENT REPORT, POST OFFICE DEPARTMENT

The VICE PRESIDENT laid before the Senate a communication from the Postmaster General, transmitting, pursuant to law, the cost ascertainment report for the fiscal year 1931, and stating that the appendix to the report would be submitted later, which, with the accompanying report, was referred to the Committee on Post Offices and Post Roads.

REPORT OF THE INTERSTATE COMMERCE COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Interstate Commerce Commission, transmitting, pursuant to law, the forty-fifth annual report of the commission, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

REPORT OF THE FEDERAL RADIO COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Radio Commission, transmitting, pursuant to law, the annual report of the commission for the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on Interstate Commerce.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram in the nature of a petition from the Minnesota Taxpayers Association, St. Paul, Minn., favoring the extension of national tax relief by the curtailment of expenses, etc., which was referred to the Committee on Finance.

He also laid before the Senate a statement of purposes adopted by the National Rivers and Harbors Congress, advocating the improvement, for the fullest use by the American people, of all harbors and waterways approved by the Corps of Army Engineers, etc., which was referred to the Committee on Commerce.

He also laid before the Senate a resolution of the Kansas Chapter, American Institute of Architects, indorsing the efforts of the committee on public works of the American Institute of Architects in matters pertaining to the performance of the Federal public building work, which was referred to the Committee on Public Buildings and Grounds.

He also laid before the Senate a resolution of the Municipal Council of Kawayan, Leyte, P. I., favoring the granting of immediate and complete independence to the Philippine Islands, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate a letter in the nature of a memorial from the central committee, Veterans of Three Wars, of Jersey City, N. J., remonstrating against any further cut in appropriations for the Army in regard to reserves and the Reserve Officers' Training Corps; also favoring the building up of the Navy to the London treaty limit, which was referred to the Committee on Military Affairs.

He also laid before the Senate the petition of Henry Young, of Fort Worth, Tex., contesting the election of Hon. MORRIS SHEPPARD as Senator from the State of Texas, which was referred to the Committee on Privileges and Elections.

He also laid before the Senate a letter in the nature of a memorial from George V. Gilbert, of Philadelphia, Pa., remonstrating against certain alleged evils and abuses practiced in the credit field and suggesting a remedial plan, which was referred to the Committee on the Judiciary.

Mr. BROUSSARD presented resolutions adopted by the police juries of Claiborne, Morehouse, and Bienville Parishes; the Lake Providence Men's Club, of Lake Providence; the Houma-Terrebonne Chamber of Commerce; and by sundry citizens of Bienville and Jackson Parishes, all in the State of Louisiana, favoring the passage of legislation granting an extension to all borrowers from the Federal land bank on funds falling due in the next three to five years, etc., which were referred to the Committee on Banking and Currency.

Mr. KING presented a telegram in the nature of a memorial, signed by Isauro Gabaldon and others, of Manila, P. I., remonstrating against any tentative solution of the Philippine problem other than immediate, complete, and absolute independence for the Philippine Islands, which was referred to the Committee on Territories and Insular Affairs.

He also presented a resolution adopted at a meeting of the Pioneer National Farm Loan Association at Hoytsville, Utah, favoring immediate appropriate action to enable the Federal land banks to postpone farm-mortgage foreclosures, particularly in drought-stricken areas, and to allow such additional credits to farmer borrowers as will enable them to avert foreclosure of mortgages until the present agricultural emergency has passed, which was referred to the Committee on Banking and Currency.

He also presented resolutions adopted by the directors and officers of the Coal Creek National Farm Loan Association, of Cedar City, Utah, favoring the passage of legislation to enable the Federal land banks to postpone farm-mortgage foreclosures, particularly in drought-stricken areas, and to allow such additional credits to farmer borrowers as will enable them to avert foreclosure of their mortgages until the present agricultural emergency has passed, which were referred to the Committee on Banking and Currency.

He also presented a letter in the nature of a memorial signed by W. T. Denn, president, and sundry other members of the Salt Lake Retail Jewelers' Association, of Salt Lake City, Utah, protesting against the passage of any selective Government excise tax which may include jewelry or kindred lines, which was referred to the Committe on Finance.

Mr. CAPPER presented a petition numerously signed by sundry citizens of Fort Scott, Kans., praying for the prompt payment in cash of World War adjusted-service certificates, which was referred to the Committee on Finance.

MARKETING POLICY OF THE NATIONAL GRANGE

Mr. CAPPER presented resolutions adopted by the Sixty-fifth Annual Session of the National Grange at Madison, Wis., which were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Resolutions adopted by Sixty-fifth Annual Session of National Grange, Madison, Wis., November 20, 1931

Whereas the National Grange as far back as 1924 recommended legislation and prepared bills which were introduced into Congress containing many provisions similar to those of the present agricultural marketing act; and

Whereas the Federal Farm Board has been engaged in pioneer efforts to serve agriculture and the national welfare under this act:

Resolved, That—

1. The National Grange will continue to guard zealously the cooperative features of the agricultural marketing act from the attacks that are being made upon it by its foes and those who have not yet understood and entered sympathetically into the meaning of cooperative marketing to rural America and the national welfare.

2. The nation-wide cooperative marketing machinery, which has been expanded and developed during the two years under the agricultural marketing act as never before in any equal period of American experience, must be further extended and strengthened. More attention to building from the bottom up and to farmer control are essential to this development.

3. The agricultural marketing act should be amended at the coming session of Congress so as to provide for three important features:

a. There should be substituted for the stabilization operations the plan of the export debenture and/or such other methods of bringing our exportable crops and livestock products under the protective system as can be developed on a sound legal and economic basis. (No. 44, amendment to marketing act, by A. S. Goss.)

b. Provision should be made for advisory service on broader economic lines to supplement and strengthen the commodity advisory committee service and give the board the benefit of the views of outside economists.

c. Loans to cooperative farm supply associations should be authorized and the loan policies otherwise improved to meet the

need for a sound cooperative loan service. In many cases small associations constitute as sound a basis for Farm Board loans as larger associations. (No. 66, financial aid for grower groups, by George Sehlmeyer.)

4. The Federal Farm Board, handicapped by a measure inadequate to meet the needs of a difficult situation, has nevertheless contributed greatly toward developing and strengthening the cooperative movement, and so long as continuing to serve these ends with fidelity and efficiency deserves the support of American agriculture and the entire public. Above adopted.

Whereas the Bureau of Agricultural Economics and other branches of the United States Department of Agriculture have been rendering service of a high order:

Resolved, That—

1. The economic work of the United States Department of Agriculture be given ample support in its efforts to render adequate and unbiased service in the marketing of farm products and in making available to farmers all pertinent information helpful in enabling them to estimate the prospective market for their products.

2. The development of uniform Federal and State grades for farm products be continued and their use facilitated by Federal and State laws as rapidly as possible. Above adopted.

Whereas the Bureau of the Census, United States Department of Commerce, has collected information having importance in the development of better marketing service for farmers:

Resolved that—

1. Crop and livestock information now tabulated by minor civil divisions by the census of agriculture be published as soon as practicable.

2. Information collected by the census of distribution be published in sufficient fullness to afford adequate knowledge of marketing as it affects the farmer and his community. Above adopted.

Whereas State and municipal action has served to encourage direct market dealings between producers and consumers so as to be helpful to all parties concerned in many instances:

Resolved, That adequate information as to the conditions essential to success in such arrangements be disseminated by appropriate agencies. Adopted.

Recognizing the mutual interests of the various organizations and the necessity for united action in the promotion of rural welfare, we recommend that the national master invite the various nation-wide agricultural groups to meet in council for the purpose of mutual assistance and concerted effort in promoting those programs and agencies in which they have a common interest. Adopted.

Monetary Stabilization

The deflation of the past three years has injured farmers more than any other class of producers in the country. While the average of all wholesale prices has fallen 30 per cent, the average of prices of farm products has fallen 45 per cent. This means that the burden of debts, most of which were contracted more than three years ago, and of which there is estimated to be $11,000,000,000 secured by farm mortgages, has increased 80 per cent in terms of the products which farmers sell.

In view of this serious situation, we urge upon the Federal reserve system and the Federal Government to take all steps possible to secure (1) restoration as nearly as may be of the wholesale price average as computed by the United States Bureau of Labor Statistics to the level prevailing in 1926, or the average of 1923–1928, and (2) the stabilization of the price level as nearly as practicable at that point.

Contributing to these ends, the National Grange recommends the following measures:

1. An increased purchase in large volume of securities in the open market by the Federal reserve banks.

2. Reduction of rediscount rates by the Federal reserve banks.

3. Reduction of the legal minimum gold reserve ratios of the Federal reserve banks to points materially below the present 35 and 40 per cent legal ratios, to the end that the surplus gold in the United States may be exported without endangering the gold standard.

4. An international monetary conference for the purpose of (a) stabilizing the gold price of silver and (b) stabilizing the purchasing power of gold in terms of the average of wholesale prices of commodities.

The National Grange, through its executive committee, is prepared to cooperate with other organizations to secure the adoption of these policies and such other policies as may soundly contribute to the attainment of a restored and stabilized price level.

Tariff Policy of the National Grange

Whereas the workings of our tariff system have a vital bearing upon agriculture:

Resolved, That the National Grange adopt the following tariff policy:

1. So long as the American protective policy is maintained, we favor such rates of import duty as will insure the American market to the American farmer upon farm commodities which can be produced advantageously in any part of our country.

2. Since it is well understood that producers of surplus crops receive no direct tariff benefits, equality and justice demand that import duties on commodities which the farmer must buy should be fixed at fair and reasonable levels.

3. We advocate that growers of crops of which we produce an exportable surplus shall be accorded equalized tariff benefits such as are proposed under the export debenture system.

4. Because the natural resources of the country should be wisely used and conserved for the benefit of this and succeeding generations, we affirm that it is contrary to sound public policy to impose tariffs for the protection of such resources as can not be renewed when they are once exhausted.

5. In no case should tariff rates be granted which breed monopoly, enriching the few at the expense of the many, and which encourage inefficiency rather than efficiency in American industry.

6. We reaffirm the long-established policy of the grange in demanding "tariff for all or tariff for none."

Land Policy of the National Grange

The profound changes in agricultural conditions during the past decade have given rise to extensive problems calling for readjustments in the matter of land utilization.

It is apparent from the tendency toward self-sufficiency in European markets and increased competition of other countries which sell in the world market, together with other developments, that we do not need policies to stimulate agricultural expansion.

The National Grange believes the forming of a comprehensive land policy should be started at once, looking toward the guidance of public action affecting farm lands and lands of other classifications.

There is an obvious need for the coordination of the activities of Federal and State agencies in the development of such a policy. In the opinion of the grange, the land-grant colleges and universities can contribute an essential element not only in bridging the gap between Federal and State interests but in assuring that partisan politics may be ruled out of the picture.

Organized agriculture should cooperate in the formation of such policies, as it must be expected to participate in carrying them out. We recommend as the policy of the National Grange the following:

1. The remnants of the public domain should not be turned over to the States but a comprehensive national land policy should include provisions for better consolidation of Federal and State holdings, and for the administration of the public land, through reforesting or otherwise, so as to insure conservation and avoid improper use of this natural resource.

2. The use of Federal, State, or other public money, except in connection with economically feasible projects already in existence, should be stopped so far as it contributes to the further development of land for agricultural purposes. A better use for reclamation funds would be to employ them in refunding indebtedness of irrigation and drainage districts needing assistance. In projects in which the main purposes of the use of public funds are for flood control, development of water power, or similar purposes, any subsidiary use of the water for bringing new farms into operation should be held in abeyance until there is evident need for additional agricultural land.

3. The forestry laws of the Nation and States should be so broadened as to permit purchase of submarginal agricultural land whether suitable for forest purposes, recreational uses, or game preserves.

4. In the case of lands under Federal control the administration of oil, mineral, or other subsurface uses should be separated from the administration of the agricultural, forestry, and other surface uses, the administration of the latter to be intrusted entirely to the United States Department of Agriculture, and so far as practicable to a single bureau charged with their conservation.

5. We recommend a continuing survey by the United States Department of Agriculture in cooperation with agricultural experiment stations and other State agencies to determine the productive possibilities of land in order that submarginal lands may be definitely defined and located, and that the best type of production may be determined for various areas and localities.

6. We recommend that State and subordinate granges study and discuss the land situation within each State and support legislation looking toward constructive State land policies consistent with land policies for the larger regions, and for the Nation as a whole.

The future of the Nation will largely depend on our present ability to shape a program of land utilization which will discourage agricultural overproduction, devote land to the uses to which it is best adapted, conserve our resources, coordinate agriculture with forestry, preserve the beauty of the countryside, and provide adequately for our future needs for timber.

Equalizing the Tax Burdens

The following recommendations were adopted by the National Grange at Sixty-fifth Annual Session, Madison, Wis., November 11–20, 1931:

FEDERAL

1. No reduction in the Federal income tax.

2. Maintain and increase the estate tax and allow the States to retain a greater portion of tax collected.

3. The collection of a limited tax on luxuries.

4. A substantial portion of the Federal corporation income tax returned to the States, and the individuals paying both Federal and State income tax to be allowed to deduct from his Federal tax a substantial portion of his State income tax.

5. To avoid evasion of the purposes of the estate tax there should be a Federal and State gift tax.

STATE AND LOCAL

1. A debt control law.

2. Pending the enactment of Federal legislation under which a substantial portion of Federal income tax is apportioned to the State there should be an equitable graduated income tax, with low exemptions and low rates. Credit to the Federal income-tax payer for State income taxes paid up to a reasonable per cent of the Federal tax would help to induce States to adopt the personal income tax, and would be conducive to greater uniformity in income taxation among the States.

3. Limitation of all special assessments against real estate.

We urgently recommend the study of the relative merits of various State budgetary control laws, especially those of Indiana and Iowa, to the end that those being followed might be improved and local governments following no budget law might be induced to adopt the better system.

We oppose:

1. Issuing bonds to cover current expenses.

2. General sales tax, either Federal or State.

3. The use of funds obtained from automobile licenses and gasoline taxes for other than highway purposes.

INVESTIGATION OF RAILROAD PROBLEMS

Mr. COUZENS. From the Committee on Interstate Commerce I report back with an amendment the concurrent resolution (S. Con. Res. 3) establishing a joint congressional committee to make a general investigation and study of railroad problems, and I submit a report (No. 1) thereon. I ask that the resolution be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. The report will be received and the resolution will be so referred.

CONSERVATION OF WILD-LIFE RESOURCES

Mr. WALCOTT, from the Select Committee on Conservation of Wild-Life Resources, to which was referred the bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply, and for other purposes, reported it with an amendment, and submitted a report (No. 2) thereon.

INVESTIGATION OF BANK TRANSACTIONS IN FOREIGN BONDS

Mr. TOWNSEND. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably, with an amendment, Senate Resolution 19, submitted by the Senator from California [Mr. JOHNSON] on yesterday.

The VICE PRESIDENT. Let the amendment be stated.

The amendment was stated, which was to add, at the end of the resolution:

"For the purpose of this investigation the expenditure of $5,000, to be paid out of the contingent fund of the Senate on vouchers approved by the chairman of said committee or a subcommittee thereof, is hereby authorized."

So as to make the resolution read:

Resolved, That the Finance Committee of the Senate be, and it is hereby, authorized, empowered, and directed to investigate the sale, flotation, and allocation by banks, banking institutions, corporations, or individuals of foreign bonds or securities in the United States; and particularly to investigate and ascertain—

(a) Whether or not any banks, banking institutions, corporations, or individuals engaged in the banking business in the United States have, as representatives or fiscal agents of any foreign governments, or otherwise, sold, floated, or allocated in the United States securities, evidences of indebtedness, or bonds of any foreign government; and if so, at what prices such securities, bonds, or other evidences of indebtedness have been sold or allocated and what sums, if any, have been received by the individual, corporation, or bank so selling or allocating as percentage, bonus, remuneration, or commission for such sale or allocation.

(b) The amount of foreign governmental securities, bonds, or other evidences of indebtedness held by banks, corporations, or individuals doing a banking business in the United States, or by the Federal reserve banks or board, including those securities, bonds, or other evidences of indebtedness issued not only by foreign governments but by foreign governmental subdivisions and banks of issue and foreign municipalities, together with the names of the owners or holders of such foreign securities, bonds, or other evidences of indebtedness, the time and manner of acquisition, and the prices paid therefor.

(c) The amount of foreign securities or bonds or other evidences of indebtedness issued by foreign industrial associations or corporations owned or held by banks or corporations or individuals doing a banking business in the United States, together with the names of the holders thereof and the manner and circumstances of their acquisition.

(d) The terms and conditions upon which all of the said securities, bonds, or other evidences of indebtedness have been acquired, and the amounts paid therefor by any of the said banks owning or holding them.

This investigation shall be made at the earliest possible moment, and the Finance Committee at the conclusion thereof shall report its findings to the Senate, the said report and said investigation to be the basis of any legislation deemed necessary relating to the said subject matter.

For the purposes of this resolution, the said committee, or any duly authorized subcommittee thereof, is hereby authorized and empowered to hold hearings and to sit and act at such times and at such place or places as it may deem necessary; to employ clerical and other assistants; to require by subpœna or otherwise the attendance of witnesses, and the production of books, papers, and documents; to administer such oaths and to take such testimony as the said committee, or any subcommittee thereof, may deem necessary, and to do such other acts as the said committee or subcommittee may deem essential in the matter of the said investigation.

The said committee, or a subcommittee authorized by it, may employ stenographic services to report the said hearings; the cost of said stenographic services shall not be in excess of 25 cents per 100 words.

The chairman of the committee, or any member thereof, may administer oaths to witnesses. Every person who having been summoned as a witness by authority of said committee or subcommittee, willfully makes default, or who having appeared refuses to answer any question pertinent to the investigation hereby authorized, shall be held to the penalties provided by section 102 of the Revised Statutes of the United States.

For the purpose of this investigation the expenditure of $5,000, to be paid out of the contingent fund of the Senate on vouchers approved by the chairman of said committee or a subcommittee thereof, is hereby authorized.

Mr. JOHNSON. Mr. President, I ask unanimous consent for the immediate consideration of the resolution.

There being no objection, the Senate proceeded to consider the resolution.

The amendment was agreed to, and the resolution as amended was agreed to.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, and also messages making sundry nominations.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ROBINSON of Arkansas:

A bill (S. 1231) to amend sections 373 and 329a, title 8, United States Code, Supplement 3, act approved March 4, 1929; to the Committee on Immigration.

A bill (S. 1232) to provide for the improvement of Ouachita River; and

A bill (S. 1233) to authorize an appropriation of $25,000 for use in dredging Ouachita River between Arkadelphia and Camden, Ark.; to the Committee on Commerce.

A bill (S. 1234) to authorize an emergency appropriation for special study of and demonstration work in rural sanitation; and

A bill (S. 1235) to establish game sanctuaries in the national forests; to the Committee on Agriculture and Forestry.

A bill (S. 1236) amending section 1 of the interstate commerce act; to the Committee on Interstate Commerce.

A bill (S. 1237) to establish the Ouachita National Park in the State of Arkansas; to the Committee on Public Lands and Surveys.

A bill (S. 1238) to provide for the commemoration of the Battle of Helena, in the State of Arkansas;

A bill (S. 1239) for the relief of Isaac Pierce; and

A bill (S. 1240) for the relief of Ira N. Saffell; to the Committee on Military Affairs.

A bill (S. 1241) granting an increase of pension to Thomas S. Garen; and

A bill (S. 1242) granting a pension to Hosea M. Jones; to the Committee on Pensions.

A bill (S. 1243) to further protect interstate and foreign commerce against bribery and other corrupt trade practices; to the Committee on the Judiciary.

A bill (S. 1244) for the relief of Bert Moore;

A bill (S. 1245) for the relief of James W. Green, jr.;

A bill (S. 1246) for the relief of William Ramsey and others;

A bill (S. 1247) to carry out the findings of the Court of Claims in the case of W. W. Busby, administrator of the estate of Evelina V. Busby, deceased, against the United States;

A bill (S. 1248) for the relief of Emma Fein; and

A bill (S. 1249) for the relief of the estate of H. L. Remmel; to the Committee on Claims.

By Mr. SMOOT:

A bill (S. 1250) granting an increase of pension to Elizabeth Morehouse; to the Committee on Pensions.

By Mr. BARKLEY:

A bill (S. 1251) relating to the making of loans to veterans upon their adjusted-service certificates; to the Committee on Finance.

By Mr. COPELAND:

A bill (S. 1252) for the allowance of certain claims for extra labor above the legal day of eight hours at certain navy yards certified by the Court of Claims;

A bill (S. 1253) for the relief of Messieurs Stein and Blaine;

A bill (S. 1254) for the relief of M. T. Stark (Inc.);

A bill (S. 1255) for the relief of W. K. Webster & Co.;

A bill (S. 1256) referring the claim of the International Arms & Fuze Co. (Inc.) to the Court of Claims;

A bill (S. 1257) referring the claim of the International Arms & Fuze Co. (Inc.) to the Court of Claims;

A bill (S. 1258) for the relief of Charles F. Bond, receiver of the partnership of Thorp & Bond, New York, N. Y.;

A bill (S. 1259) for the relief of Cowtan & Tout (Inc.);

A bill (S. 1260) for the relief of Etna Watch Co.;

A bill (S. 1261) for the relief of B. Lindner & Bro. (Inc.);

A bill (S. 1262) for the relief of Louis Godick;

A bill (S. 1263) for the relief of Valle & Co. (Inc.);

A bill (S. 1264) for the relief of Epstein Underwear Co.;

A bill (S. 1265) for the relief of Sorenson & Co. (Inc.);

A bill (S. 1266) for the relief of Bengol Trading Co. (Inc.);

A bill (S. 1267) for the relief of Schapiro Bros.;

A bill (S. 1268) for the relief of A. and M. Karagheusian (Inc.);

A bill (S. 1269) for the relief of Booth & Co. (Inc.), a Delaware corporation;

A bill (S. 1270) for the relief of J. Henry Miller (Inc.);

A bill (S. 1271) for the relief of the estate of George B. Spearin, deceased;

A bill (S. 1272) for the relief of the Snare & Triest Co.;

A bill (S. 1273) for the relief of the North American Dredging Co.;

A bill (S. 1274) for the relief of the Standard Dredging Co.;

A bill (S. 1275) to confer jurisdiction on the Court of Claims to certify certain findings of fact, and for other purposes;

A bill (S. 1276) for the relief of A. W. Duckett & Co. (Inc.);

A bill (S. 1277) for the relief of H. P. Converse & Co.;

A bill (S. 1278) authorizing the Court of Claims of the United States to hear and determine the claims of the estate of George Chorpenning, deceased;

A bill (S. 1279) for the relief of Messrs. M. Aronin & Sons; and

A bill (S. 1280) for the relief of National Ben Franklin Fire Insurance Co.; to the Committee on Claims.

A bill (S. 1281) to amend section 177 of the Judicial Code; to the Committee on the Judiciary.

A bill (S. 1282) to authorize the appointment and retirement of Evelyn Briggs Baldwin in the grade of captain in the Navy in recognition of his patriotic and scientific services, and for other purposes; to the Committee on Naval Affairs.

A bill (S. 1283) granting a pension to George W. Boyd; to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 1284) for the relief of Martin L. Chandler; and

A bill (S. 1285) for the relief of Harry L. Reaves; to the Committee on Military Affairs.

A bill (S. 1286) granting an increase of pension to Lizzie R. Howarth; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 1287) granting a pension to Carl H. DeMunbrun (with accompanying papers); and

A bill (S. 1288) granting a pension to Lucy Nero (with accompanying papers); to the Committee on Pensions.

A bill (S. 1289) to correct the military record of Derrell Bodiford; and

A bill (S. 1290) for the relief of Bradford F. Forbis; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 1291) to extend the times for commencing and completing the construction of a bridge across the Choctawhatchee River near Freeport, Fla.; to the Committee on Commerce.

A bill (S. 1292) for the relief of Robert G. Lynn; to the Committee on Claims.

A bill (S. 1293) for the relief of Harold S. Shepardson;

A bill (S. 1294) for the relief of Henry Flanery; and

A bill (S. 1295) for the relief of Willie Hutchinson; to the Committee on Military Affairs.

A bill (S. 1296) granting an increase of pension to Helen Sears Moynihan;

A bill (S. 1297) granting a pension to Mary B. Lee;

A bill (S. 1298) granting a pension to Helma A. Alfred; and

A bill (S. 1299) granting a pension to Jennie McBurney; to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 1300) to repeal the act entitled "An act authorizing the Secretary of the Interior to sell and patent certain lands in Louisiana and Mississippi," approved April 11, 1928; to the Committee on Public Lands and Surveys.

By Mr. CAPPER:

A bill (S. 1301) to renew and extend certain letters patent; to the Committee on Patents.

A bill (S. 1302) to carry into effect the findings of the Court of Claims in the case of William W. Danenhower;

A bill (S. 1303) for the relief of William Hensley;

A bill (S. 1304) for the relief of the estate of John Stewart, deceased; and

A bill (S. 1305) for the relief of R. L. Wilson (with accompanying papers); to the Committee on Claims.

A bill (S. 1306) to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial;

A bill (S. 1307) providing for an appropriation toward the alteration and repair of the buildings of Eastern Dispensary and Casualty Hospital; and

A bill (S. 1308) to amend the Code of Law for the District of Columbia, approved March 3, 1901, as amended, by adding a new chapter relating to guardians for incompetent veterans, and for other purposes; to the Committee on the District of Columbia.

A bill (S. 1309) to amend the revenue act of 1928 by the addition thereto of a section imposing a special additional tax on the profits derived from short sales of stocks, bonds, and/or other securities; and

A bill (S. 1310) granting compensation to John Frost; to the Committee on Finance.

A bill (S. 1311) to protect banking and commerce against short sales of securities issued by corporations engaged therein; to the Committee on Banking and Currency.

A bill (S. 1312) granting an increase of pension to Alice M. Strine (with accompanying papers); and

A bill (S. 1313) granting a pension to Thomas O'Hara (with accompanying papers); to the Committee on Pensions.

By Mr. JOHNSON:

A bill (S. 1314) to provide for the establishment of a construction service in the Bureau of Census of the Department of Commerce; to the Committee on Commerce.

A bill (S. 1315) for the relief of Andrew M. Dunlop; and

A bill (S. 1316) granting compensation to Mary I. Latta; to the Committee on Claims.

A bill (S. 1317) for the relief of the State of California; to the Committee on the Judiciary;

A bill (S. 1318) for the relief of John O'Gorman;

A bill (S. 1319) for the relief of James T. Reynolds;

A bill (S. 1320) for the relief of Samuel A. Welsh;

A bill (S. 1321) authorizing the Secretary of War to issue a certificate of honorable discharge to Carl J. Canada;

A bill (S. 1322) for the relief of Elmer E. C. Armstrong;

A bill (S. 1323) for the relief of William Goodwin; and

A bill (S. 1324) for the relief of Henry Bartels; to the Committee on Military Affairs.

A bill (S. 1325) for the relief of Charles Arnold Gruner; and

A bill (S. 1326) for the relief of Benson Frank Tallman; to the Committee on Naval Affairs.

A bill (S. 1327) for the relief of certain blind persons disabled in the military or naval service of the United States; and

A bill (S. 1328) to confer on certain persons who served in the Quartermaster Corps or under the jurisdiction of the Quartermaster General during the war with Spain, the Philippine insurrection, or the China relief expedition the benefits of hospitalization and the privileges of the soldiers' homes; to the Committee on Pensions.

By Mr. HULL:

A bill (S. 1329) to punish the sending through the mails of certain threatening communications; to the Committee on Post Offices and Post Roads.

By Mr. METCALF:

A bill (S. 1330) granting a pension to Daniel Doran (with accompanying papers); to the Committee on Pensions.

By Mr. BINGHAM:

A bill (S. 1331) to pay certain claims, heretofore reported to Congress by the Secretary of War, arising from the explosions and fire at the plant of the T. A. Gillespie Loading Co. at Morgan, N. J., October 4 and 5, 1918; to the Committee on Claims; and

A bill (S. 1332) to amend section 29 of the act of August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands"; to the Committee on Territories and Insular Affairs.

By Mr. HALE:

A bill (S. 1333) granting an increase of pension to Ida G. Cookson (with accompanying papers); to the Committee on Pensions.

By Mr. GOLDSBOROUGH:

A bill (S. 1334) granting a pension to Rosalie Kunkel (with accompanying papers); to the Committee on Pensions.

By Mr. KEAN:

A bill (S. 1335) to provide for the appointment of two additional district judges for the district of New Jersey; to the Committee on the Judiciary.

By Mr. WATSON:

A bill (S. 1336) granting a pension to Ella Delap (with accompanying papers); to the Committee on Pensions.

By Mr. HASTINGS:

A bill (S. 1337) to prevent the use of markings or advertisements of language relating to certification by the National Bureau of Standards; to the Committee on Commerce.

By Mr. BORAH:

A bill (S. 1338) for the relief of Germaine M. Finley; to the Committee on Foreign Relations.

A bill (S. 1339) granting a pension to Elmer K. Corbett;

A bill (S. 1340) granting an increase of pension to Emma Langley;

A bill (S. 1341) granting an increase of pension to Thadeus Cherry;

A bill (S. 1342) granting a pension to Stephen D. Jones;

A bill (S. 1343) granting a pension to Granville Brown;

A bill (S. 1344) granting a pension to William H. Idle;

A bill (S. 1345) granting a pension to Charles D. Chinn;

A bill (S. 1346) granting an increase of pension to Alice A. Colburn (with accompanying papers);

A bill (S. 1347) granting a pension to Ida H. McCullough (with accompanying papers);

A bill (S. 1348) granting a pension to Taylor C. Lyon (with accompanying papers);

A bill (S. 1349) granting a pension to John Bivens (with accompanying papers);

A bill (S. 1350) granting a pension to Henry J. Linder (with accompanying papers); and

A bill (S. 1351) granting a pension to Mrs. Hannah White (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 1352) to provide for the enforcement of the "Act for the preservation of American antiquities" of June 8, 1906, as amended, and the Lacey Act of May 25, 1900, as amended, regulating interstate or foreign commerce in wild animals and birds, or parts thereof, and for the protection of employees of the Department of Agriculture in the performance of their duties, and for other purposes;

A bill (S. 1353) to authorize an appropriation for the relief of Joseph K. Munhall;

A bill (S. 1354) to authorize additional appropriations for the national arboretum; and

A bill (S. 1355) to amend the filled milk act; to the Committee on Agriculture and Forestry.

By Mr. BARKLEY:

A bill (S. 1356) for the relief of Pinkie Osborne; and

A bill (S. 1357) for the relief of Nancy H. Rouse, Clara H. Simmons, W. H. Hays, Hallie H. Hamilton, and Bradford P. Hays; to the Committee on Claims.

A bill (S. 1358) for the relief of Charles Wells; to the Committee on Military Affairs.

A bill (S. 1359) for the relief of Virgil Joseph Haynes; to the Committee on Naval Affairs.

A bill (S. 1360) granting an increase of pension to Charles N. Cannon;

A bill (S. 1361) granting an increase of pension to Cyntha Combs;

A bill (S. 1362) granting an increase of pension to Mary L. Cundiff;

A bill (S. 1363) granting an increase of pension to Anna Spinner;

A bill (S. 1364) granting a pension to Thomas E. Morrison;

A bill (S. 1365) granting an increase of pension to Nancy R. Guthrie;

A bill (S. 1366) granting a pension to Levi Sawyer;

A bill (S. 1367) granting an increase of pension to Fillise Jane Smock;

A bill (S. 1368) granting a pension to Gertrude Briggs;

A bill (S. 1369) granting a pension to Viola Compton;

A bill (S. 1370) granting an increase of pension to Dudley R. Sloan;

A bill (S. 1371) granting a pension to John R. Sparks;

A bill (S. 1372) granting a pension to Frank House;

A bill (S. 1373) granting a pension to Dora Short;

A bill (S. 1374) granting a pension to Mary Curry;

A bill (S. 1375) granting an increase of pension to Sarah A. Carr;

A bill (S. 1376) granting a pension to Allen Nantz;

A bill (S. 1377) granting an increase of pension to Ned Strong;

A bill (S. 1378) granting an increase of pension to Susannah Lanham;

A bill (S. 1379) granting a pension to Juriah Hyden;

A bill (S. 1380) granting a pension to Mary Shelton;

A bill (S. 1381) granting a pension to Dora McCallister;

A bill (S. 1382) granting an increase of pension to Herman Martin;

A bill (S. 1383) granting a pension to Maggie Ball; and

A bill (S. 1384) granting an increase of pension to Edwin L. Smith; to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 1385) for the relief of Dan Davis; and

A bill (S. 1386) for the relief of Harvey R. King; to the Committee on Military Affairs.

By Mr. HATFIELD:

A bill (S. 1387) granting an increase of compensation to Abbie Doty, to the Committee on Finance.

A bill (S. 1388) granting back pay to William J. Bell on account of pension allowance heretofore made; to the Committee on Pensions.

A bill (S. 1389) for the relief of James Monroe Caplinger; to the Committee on Claims.

A bill (S. 1390) to authorize the appointment of First Sergt. Lyle E. White as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. HULL:

A bill (S. 1391) granting a pension to Timothy Williams; and

A bill (S. 1392) granting an increase of pension to Rufus M. Barnes; to the Committee on Pensions.

A bill (S. 1393) to authorize the erection of a Veterans' Bureau hospital in middle Tennessee and to authorize the appropriation therefor; to the Committee on Finance.

By Mr. WATSON:

A bill (S. 1394) granting an increase of pension to Elizabeth Mason (with accompanying papers); to the Committee on Pensions.

By Mr. BLAINE:

A bill (S. 1395) to establish uniform requirements affecting Government contracts, and for other purposes; and

A bill (S. 1396) to render evidence obtained by wiretapping inadmissible in the Federal courts; to the Committee on the Judiciary.

By Mr. HALE:

A bill (S. 1397) for the relief of Wilfred S. Legault;

A bill (S. 1398) for the relief of William C. Whitehead;

A bill (S. 1399) to correct the naval record of Fred Allen Wickett; and

A bill (S. 1400) to correct the naval record of George Edward Maroon; to the Committee on Naval Affairs.

By Mr. MOSES:

A bill (S. 1401) granting a pension to Abby M. Bean (with accompanying papers); and

A bill (S. 1402) granting a pension to Connell Perkins (with accompanying papers); to the Committee on Pensions.

By Mrs. CARAWAY:

A bill (S. 1403) for the relief of Rhetta H. Guild; to the Committee on Finance.

A bill (S. 1404) for the relief of Thomas S. Garen; to the Committee on Naval Affairs.

A bill (S. 1405) for the relief of the Summit Land Co.; to the Committee on Public Lands and Surveys.

A bill (S. 1406) to provide for the improvement of the approach to the Confederate Cemetery, Fayetteville, Ark.;

A bill (S. 1407) for the relief of Henry Brown;

A bill (S. 1408) for the relief of Obadiah Simpson;

A bill (S. 1409) making eligible for retirement under the same conditions as now provided for officers of the Regular Army Capt. Oliver A. Barber, an officer of the United States Army during the World War, who incurred physical disability in line of duty; and

A bill (S. 1410) to place the name of George B. Hastings on the muster rolls of Company F, First Regiment Nebraska Volunteer Infantry, war with Spain; to the Committee on Military Affairs.

A bill (S. 1411) granting an increase of pension to William H. Lilley;

A bill (S. 1412) granting an increase of pension to John H. Cook; and

A bill (S. 1413) granting a pension to Malinda C. Davis; to the Committee on Pensions.

A bill (S. 1414) providing for reimbursement of the St. Louis Southwestern Railway Co. for expenditure in revetment work on the Arkansas River during the flood of 1927;

A bill (S. 1415) for the relief of E. A. Ahrens;

A bill (S. 1416) for the relief of Calvary Cemetery, Little Rock, Ark.;

A bill (S. 1417) for the relief of William F. Slatton;

A bill (S. 1418) for the relief of O. H. Chrisp;

A bill (S. 1419) for the relief of James F. Dubberly;

A bill (S. 1420) for the relief of Frank R. Garner, formerly second lieutenant, United States Army;

A bill (S. 1421) for the relief of Little Rock College, Little Rock, Ark.;

A bill (S. 1422) for the relief of Clarence Winborn;

A bill (S. 1423) for the relief of Claude L. Pyle;

A bill (S. 1424) for the relief of C. F. Cooley, administrator of the estate of Charles F. Cooley, jr.;

A bill (S. 1425) for the relief of James E. Fitzgerald;

A bill (S. 1426) for the relief of Carl L. Moore;

A bill (S. 1427) for the relief of James Rowland;

A bill (S. 1428) for the relief of Samuel H. McAlexander;

A bill (S. 1429) for the relief of Robert L. Martin;

A bill (S. 1430) for the relief of Mrs. H. J. Munda; and

A bill (S. 1431) for the relief of Ella H. Smith; to the Committee on Claims.

By Mr. McKELLAR:

A bill (S. 1432) authorizing the appointment of Joseph Coleman Timberlake as a second lieutenant in the Coast Artillery Corps of the Regular Army of the United States; and

A bill (S. 1433) for the relief of Edwin W. Sanford; to the Committee on Military Affairs.

A bill (S. 1434) for the relief of Fannie Gregory; to the Committee on Claims; and

A bill (S. 1435) granting a pension to Sarah Welch Emberton (with accompanying papers); to the Committee on Pensions.

By Mr. HAYDEN:

A bill (S. 1436) for the relief of the Copper Ridge Mining Co.; to the Committee on Public Lands and Surveys.

A bill (S. 1437) authorizing the issuing of certificates of arrival to persons born in the United States who are now aliens; to the Committee on Immigration.

A bill (S. 1438) to authorize the sale of land on the Camp McDowell Indian Reservation to the city of Phoenix, Ariz., for use in connection with its water-supply development, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 1439) to provide for the commemoration of the Battle on Big Dry Wash, in the State of Arizona; and

A bill (S. 1440) for the relief of August R. Lundstrom; to the Commitee on Military Affairs.

A bill (S. 1441) granting an increase of pension to Espiridona Saavedra Chavez;

A bill (S. 1442) granting a pension to Joseph G. Scheier;

A bill (S. 1443) granting a pension to Sue Bradley;

A bill (S. 1444) granting a pension to Peter Rhoades;

A bill (S. 1445) granting a pension to Guy Hardy;

A bill (S. 1446) granting an increase of pension to Burel E. Pollard;

A bill (S. 1447) granting a pension to Henrietta Hall;

A bill (S. 1448) granting a pension to John P. Jensen; and

A bill (S. 1449) granting an increase of pension to Mary A. Smith; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 1450) to amend the act of June 6, 1912 (37 Stats. L. 125, U. S. C., title 25, sec. 425), entitled "An act authorizing the Secretary of the Interior to classify and appraise unallotted Indian lands; to the Committee on Indian Affairs.

A bill (S. 1451) granting compensation to Joseph C. Eastland;

A bill (S. 1452) for the relief of W. H. Presleigh; and

A bill (S. 1453) for the relief of Robert B. Rolfe; to the Committee on Claims.

A bill (S. 1454) granting a pension to Caroline Henkel;

A bill (S. 1455) granting a pension to Max G. Lehman;

A bill (S. 1456) granting a pension to Frances Gould;

A bill (S. 1457) granting a pension to certain Indians, and for other purposes;

A bill (S. 1458) granting a pension to Waumdi Duba (Red Eagle);

A bill (S. 1459) granting a pension to Mattie P. Busey;

A bill (S. 1460) granting a pension to Daniel S. J. Leif; and

A bill (S. 1461) granting an increase of pension to Rudolph Lange; to the Committee on Pensions.

By Mr. CAREY:

A bill (S. 1462) to grant an honorable discharge to Robert French Griffin; to the Committee on Military Affairs.

A bill (S. 1463) for the relief of William Powell; to the Committee on Claims.

A bill (S. 1464) granting an increase of pension to Sarah J. Hays; to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 1465) to provide for a preliminary examination and survey of the Industrial Canal and locks connecting the Mississippi River at New Orleans with Lake Pontchartrain in Louisiana; to the Committee on Commerce.

A bill (S. 1466) granting an increase of pension to Dr. John B. Sewell; to the Committee on Pensions.

A bill (S. 1467) for the relief of Harrison H. Bradford; and

A bill (S. 1468) for the relief of Agnes Putnam Booth; to the Committee on Military Affairs.

A bill (S. 1469) to authorize certain officers of the United States Navy and Marine Corps to accept such decorations, orders, and medals as have been tendered them by foreign governments in appreciation of services rendered; and

A bill (S. 1470) providing a nautical school at the port of New Orleans, La.; to the Committee on Naval Affairs.

A bill (S. 1471) for the relief of the owners of the late American schooner *Frederick A. Duggan*;

A bill (S. 1472) for the relief of Mrs. G. A. Brennan; and

A bill (S. 1473) to authorize an appropriation for the relief of I. L. Lyons & Co.; to the Committee on Claims.

By Mr. LA FOLLETTE:

A bill (S. 1474) for the relief of George H. Hauge; to the Committee on Claims.

A bill (S. 1475) granting a pension to Ada Bell Cline (with accompanying papers);

A bill (S. 1476) granting a pension to Martha A. Fox;

A bill (S. 1477) granting a pension to Emma Hartson; and

A bill (S. 1478) granting a pension to Celia McFetridge; to the Committee on Pensions.

By Mr. JONES:

A bill (S. 1479) relating to contracts dealing with real estate on Indian reservations; to the Committee on Indian Affairs.

A bill (S. 1480) to construct a public building for a post office at the city of Centralia, Wash.;

A bill (S. 1481) for the erection of a Federal building at Bremerton, Wash.;

A bill (S. 1482) for the erection of a Federal building at Blaine, Wash.;

A bill (S. 1483) for the erection of a Federal building at Mount Vernon, Wash.;

A bill (S. 1484) for the erection of a Federal building at Dayton, Wash.;

A bill (S. 1485) for the erection of a Federal building at Colville, Wash.; and

A bill (S. 1486) for the erection of a Federal building at Raymond, Wash.; to the Committee on Public Buildings and Grounds.

A bill (S. 1487) for the relief of Belle Piper Miller; and

A bill (S. 1488) granting compensation to Charles A. Bussard; to the Committee on Finance.

A bill (S. 1489) extending the provisions of an act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," to John E. Gilmore; to the Committee on Civil Service.

A bill (S. 1490) to establish the Grand Coulee National Park in the State of Washington; to the Committee on Public Lands and Surveys.

A bill (S. 1491) to aid in the erection of a monument to Indian Timothy at his grave near Alpowa, Asotin County, Wash.; to the Committee on the Library.

A bill (S. 1492) to add certain lands to the Columbia National Forest in the State of Washington; and

A bill (S. 1493) authorizing and directing the Secretary of Agriculture to grant to the State of Washington certain lands within the national forest reserves within the State of Washington in lieu of lands of which the State of Washington was deprived by Supreme Court decision on October 13, 1924, and for other purposes; to the Committee on Agriculture and Forestry.

A bill (S. 1494) for the relief of Vincent Rutherford;

A bill (S. 1495) to authorize the appointment of Master Sergt. Joseph Eugene Kramer as a warrant officer, United States Army;

A bill (S. 1496) for the relief of Sarah Maddocks Ferguson;

A bill (S. 1497) for the relief of Presly Holliday, quartermaster sergeant, Quartermaster Reserve Corps, on the retired list, and for other purposes;

A bill (S. 1498) authorizing the advancement of Lieut. Col. William R. Abercrombie on the retired list; and

A bill (S. 1499) defining the official salute to the flag; to the Committee on Military Affairs.

A bill (S. 1500) for the relief of John W. Knox; and

A bill (S. 1501) to authorize the retirement with retired pay of certain officers of the Naval Reserve; to the Committee on Naval Affairs.

A bill (S. 1502) granting an increase of pension to Nettie Brooks;

A bill (S. 1503) granting a pension to Leonard Claud Huntington;

A bill (S. 1504) granting a pension to Mary A. Frisbee;

A bill (S. 1505) granting a pension to Olive M. Stonerook;

A bill (S. 1506) granting a pension to Albert J. Thomas;

A bill (S. 1507) granting a pension to Seward Southern;

A bill (S. 1508) granting a pension to Orlando Beck;

A bill (S. 1509) granting a pension to Millie E. Keller;

A bill (S. 1510) granting an increase of pension to Annie Van Ogle;

A bill (S. 1511) granting a pension to Laura Garner;

A bill (S. 1512) extending the provisions of the pension laws relating to Indian war veterans to Capt. H. M. Hodgis's company, and for other purposes;

A bill (S. 1513) granting a pension to Eunice M. Durant; and

A bill (S. 1514) granting an increase of pension to Willard M. Girton; to the Committee on Pensions.

A bill (S. 1515) for the relief of Grant A. McNeal;

A bill (S. 1516) for the relief of Adolph Meyer;

A bill (S. 1517) for the relief of Harry H. Thomas, formerly first lieutenant and captain, United States Army;

A bill (S. 1518) for the relief of Grant A. McNeal;

A bill (S. 1519) for the relief of Lloyd Garretson Co.;

A bill (S. 1520) for the relief of Stanley S. Brown;

A bill (S. 1521) for the relief of Anna Laguee; and

A bill (S. 1522) for the relief of William Smith; to the Committee on Claims.

A bill (S. 1523) for the relief of certain tribes or bands of Indians in the States of Washington, Idaho, and Montana; to the Committee on Indian Affairs.

A bill (S. 1524) for the relief of C. W. Seitz; to the Committee on Claims.

By Mr. PATTERSON:

A bill (S. 1525) forbidding the transportation of any person or persons in interstate or foreign commerce, kidnaped or otherwise unlawfully detained, and making such act a felony; to the Committee on the Judiciary.

By Mr. GOLDSBOROUGH:

A bill (S. 1526) for the relief of William G. Fulton; and

A bill (S. 1527) for the relief of Helena C. VonGroning and Stephan VonGroning (with accompanying papers); to the Committee on Claims.

By Mr. WATSON:

A bill (S. 1528) for the relief of the State of Indiana (with accompanying papers); to the Committee on Finance.

A bill (S. 1529) for the relief of Charles Morton Wilson; to the Committee on Military Affairs.

A bill (S. 1530) granting an increase of pension to Anna C. Havens;

A bill (S. 1531) granting a pension to Mary Page;

A bill (S. 1532) granting a pension to William J. Lenges;

A bill (S. 1533) granting a pension to Elizabeth R. Barnes (with accompanying papers);

A bill (S. 1534) granting a pension to Roberta Davis (with accompanying papers);

A bill (S. 1535) granting a pension to Virgil Simpson (with accompanying papers);

A bill (S. 1536) granting an increase of pension to Mary E. Smith (with accompanying papers);

A bill (S. 1537) granting an increase of pension to Anna Kelley (with accompanying papers);

A bill (S. 1538) granting a pension to Millie Reed (with accompanying papers);

A bill (S. 1539) granting a pension to Ollie Blair (with accompanying papers);

A bill (S. 1540) granting an increase of pension to Mary M. Hudson (with accompanying papers);

A bill (S. 1541) granting an increase of pension to Anna L. Nesbet (with accompanying papers);

A bill (S. 1542) granting a pension to Anna Phipps Allen (with accompanying papers);

A bill (S. 1543) granting an increase of pension to Emma K. Pickett (with accompanying papers);

A bill (S. 1544) granting an increase of pension to Roy Smith (with accompanying papers);

A bill (S. 1545) granting an increase of pension to Lewis Kimmel (with accompanying papers);

A bill (S. 1546) granting an increase of pension to Margaret L. Roberts (with accompanying papers);

A bill (S. 1547) granting an increase of pension to Katie Myers (with accompanying papers);

A bill (S. 1548) granting an increase of pension to Mary J. Espy (with accompanying papers);

A bill (S. 1549) granting an increase of pension to Sarah Weaver (with accompanying papers);

A bill (S. 1550) granting a pension to Lonnie Lanning (with accompanying papers);

A bill (S. 1551) granting a pension to William A. Evans (with accompanying papers);

A bill (S. 1552) granting an increase of pension to Lenora Cartwright (with accompanying papers);

A bill (S. 1553) granting a pension to Herbert Rowlison (with accompanying papers);

A bill (S. 1554) granting a pension to Mary T. Lunsford (with accompanying papers);

A bill (S. 1555) granting an increase of pension to Mary S. Stowe (with accompanying papers);

A bill (S. 1556) granting a pension to Richard Southerland (with accompanying papers); and

A bill (S. 1557) granting a pension to Beatrice Sedgwick (with accompanying papers); to the Committee on Pensions.

By Mr. KEAN:

A joint resolution (S. J. Res. 41) granting consent of Congress to a compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River Joint Commission and specifying the powers and duties thereof; to the Committee on Commerce.

By Mr. McNARY:

A joint resolution (S. J. Res. 42) to correct section 6 of the act of August 30, 1890, as amended by section 2 of the act of June 28, 1926; to the Committee on Agriculture and Forestry.

By Mr. BLAINE:

A joint resolution (S. J. Res. 43) authorizing the President by general proclamation to grant pardon and amnesty in certain war-time cases; to the Committee on the Judiciary.

By Mr. DICKINSON:

A joint resolution (S. J. Res. 44) directing the Federal Farm Board to authorize the Grain Stabilization Corporation and the Cotton Stabilization Corporation to deliver wheat and cotton to relief agencies and make report of such deliveries to Congress; to the Committee on Agriculture and Forestry.

BOARD OF REGENTS, SMITHSONIAN INSTITUTION

Mr. SMOOT. Mr. President, I introduce a Senate joint resolution and ask for its immediate consideration.

Mr. McKELLAR. It will be read for the information of the Senate.

The joint resolution (S. J. Res. 37) providing for the filling of vacancies in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the vacancies in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, which now exist, be filled by the appointment of R. Walton Moore, of Virginia, William Cabell Bruce, of Maryland, and Charles G. Dawes, of Illinois.

Mr. JONES. Mr. President, this is a joint resolution and it should be treated the same as a bill. It has been the uniform custom in the Senate not to allow the passage of bills and joint resolutions until they have been referred to and reported by a committee. I know this is not a specially important matter; but if its passage is to be considered as a precedent in the future, it will lead us into all sorts of trouble. It seems to me a committee could very soon report out the joint resolution.

Mr. NORRIS. Mr. President, I think this is an important matter. I would like to submit an inquiry at this point to the Senator from Utah. I inquire whether the vacancies which were supposed to be filled under another joint resolution passed in the last Congress have ever been filled?

Mr. SMOOT. I could not say.

Mr. NORRIS. Let me ask the Senator another question, then. The Senator introduced a joint resolution to fill a vacancy on the Board of Regents of the Smithsonian Institution, about which we had considerable discussion, and that resolution went over. We had an understanding that it would be taken up later. I had an understanding with the Senator from Utah that he would not call it up in my absence and that I would not call it up in his absence. That joint resolution was never called up.

Mr. SMOOT. That joint resolution is dead. It died with the expiration of the last Congress.

Mr. JONES. Mr. President, under the circumstances I must object. Let the joint resolution go to a committee and let the committee report upon it.

The VICE PRESIDENT. Objection is made. The joint resolution will be referred to the Committee on Finance.

POSTPONEMENT OF PAYMENT OF FOREIGN DEBTS

Mr. SMOOT. Mr. President, I introduce a joint resolution to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

Most of our debtors have payments falling due on December 15, next, and it is essential that legislation be enacted before that date authorizing the postponement of such amounts, or the governments in question will be in default.

I am not going to ask unanimous consent for the immediate consideration of the joint resolution which I have introduced, but I ask that it be referred to the Committee on Finance.

The joint resolution (S. J. Res. 38) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933, was read twice by its title and referred to the Committee on Finance.

WAR POLICIES COMMISSION

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, to which he calls the attention of the junior Senator from Michigan [Mr. VANDENBERG]. The message will be read.

The Chief Clerk read the message, as follows:

To the Congress of the United States:

I transmit herewith a progress report of the War Policies Commission created by Public Resolution No. 98, Seventy-first Congress, approved June 27, 1930.

I concur in the request of the commission that appropriate congressional action be taken to extend by 90 days the time within which the final report of the commission shall be made.

HERBERT HOOVER.

THE WHITE HOUSE, *December 7, 1931.*

Mr. VANDENBERG. Mr. President, the War Policies Commission has completed all of its work under the terms of the act bringing it into being except that it has not as yet received from the Attorney General his conclusive legal findings. In order to embody those findings in the report, a request for an additional 90 days' time is made without any accompanying appropriation or expense. In order to effectuate the request for an extension of time, I introduce a joint resolution, which I ask unanimous consent may be read and considered at this time.

The VICE PRESIDENT. Is there objection?

There being no objection, the joint resolution (S. J. Res. 39) extending the time within which the War Policies Commission is required to submit its final report, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the time within which the War Policies Commission, created by Public Resolution No. 98, Seventy-first Congress, approved June 27, 1930, was required to submit its final report to the Congress be, and the same is hereby, extended 90 days.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The VICE PRESIDENT. The message of the President will lie on the table.

OWNERSHIP OF STOCK BY PRESIDENTIAL AND OTHER CANDIDATES

Mr. BLACK. Mr. President, I introduce a Senate joint resolution. It is very short. I send it to the desk and ask that it be read. It should be referred, I assume, to the Judiciary Committee.

The joint resolution (S. J. Res. 40) requiring candidates for election to the Presidency, Vice Presidency, the Senate, House of Representatives, and nominees to the Cabinet to file with the Secretary of the Senate and the Clerk of the House of Representatives a verified statement of ownership, if any, of securities, foreign or domestic, owned by said candidates, was read the first time by its title, the second time at length, and referred to the Committee on the Judiciary, as follows:

Resolved, etc., That within 15 days after an announcement of candidacy for election to the office of President, Vice President, United States Senator, and Representative, and within 15 days after the nomination of any candidate for any of the said offices named above, and within 15 days after the nomination of members of the President's Cabinet, such candidate or nominee shall file with the Secretary of the United States Senate, if a candidate for President, Vice President, Senator, or nominee for the President's Cabinet, and with the Clerk of the House of Representatives, if a candidate for Congress, a statement, verified by oath, setting out in detail the following information, which information shall be accessible to the public:

1. An itemized list of all bonds, public or private, stocks, and securities owned by such candidate or nominee, directly or indirectly, or in which such candidate or nominee has an equitable or beneficial interest or in which such candidate or nominee has had such direct, indirect, equitable, or beneficial interest within 12 months immediately preceding the filing of such affidavit.

2. A detailed list of the location of offices of the companies or corporations issuing such stocks, securities, and bonds, so far as known to the candidate or nominee, and the countries in which such companies or corporations do business.

3. A list of all companies in which such candidate or nominee is an officer or director, or in which he was an officer or director within 12 months previous to the filing of such affidavit.

RADIO-KEITH-ORPHEUM PROPOSED RECEIVERSHIP

Mr. DILL. I submit a Senate resolution which I would like to have read, after which I may ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 58), as follows:

Whereas Radio Corporation of America has a substantial stock interest in Radio-Keith-Orpheum Corporation; and

Whereas Radio-Keith-Orpheum Corporation has publicly declared it has been unable through any bank or banks to secure necessary financial assistance; and

Whereas a proposed plan for refinancing Radio-Keith-Orpheum Corporation requires subscription by each stockholder to a pro rata of $11,600,000 debentures of said corporation and by failure so to do such stockholder is deprived of three-fourths of his shares of stock and the same is turned over to Radio Corporation of America as a bonus for purchasing such stockholder's unsubscribed debentures; and

Whereas such plan unfairly affects the interests of over 25,000 stockholders of 10 or more shares of Radio-Keith-Orpheum Corporation stock and gives Radio Corporation of America other special privileges and shares of stock; and

Whereas the stockholders have been threatened by the president of Radio-Keith-Orpheum Corporation with a receivership of said corporation unless the plan is carried out, and that a receivership would probably result in the loss of the entire investment of stockholders: Therefore, be it

Resolved, That the Committee on Banking and Currency, or any subcommittee thereof, as authorized by Senate Resolution 71, of the Seventy-first Congress, agreed to May 5, 1930, is hereby authorized and directed to fully investigate the refinancing of Radio-Keith-Orpheum Corporation, and particularly the ownership, sale and transfer, and price on the New York Stock Exchange of the stock of said corporation during the calendar year 1931, and the committee, or any subcommittee thereof, is authorized and empowered to exercise for the purposes of this resolution all the powers and authority contained in said Senate Resolution 71.

Mr. DILL. Mr. President, this resolution, coming as it does under Resolution 71, would, as I understand, not be required to go to the Committee to Audit and Control the Contingent Expenses of the Senate. I wish to say just a few words about the situation which has been disclosed.

The stock of the Radio-Keith-Orpheum Co. has declined to less than $2 per share, largely because of this attempt to compel every one of the shareholders to pay $5 a share or lose three-fourths of the stock by the Radio Corporation of America taking it up. It seems such an unjust attack upon the rights of those stockholders that it appeared to me that it very properly came under the Senate resolution which had been passed. However, those who are interested in this matter have come to me and asked if I would not let the resolution go over under the rule until the next meeting of the Senate. For that reason I should like to let the resolution lie on the table under the rule for one day.

The VICE PRESIDENT. The Chair has not had time to read the resolution, but he is advised that it calls for an additional burden upon the contingent fund. If so, the resolution should be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. DILL. I wish the Chair would examine the resolution before he rules on that question.

The VICE PRESIDENT. If the resolution shall be ordered to lie on the table, the Chair will examine it a little later.

Mr. DILL. I hope the Chair will do so.

The VICE PRESIDENT. The resolution submitted by the Senator from Washington will lie on the table for the present.

HEARINGS BEFORE COMMITTEE ON PRIVILEGES AND ELECTIONS

Mr. SHORTRIDGE. Mr. President, I present a resolution authorizing the Committee on Privileges and Elections to hold hearings during the Seventy-second Congress and ask for its immediate consideration.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 59), as follows:

Resolved, That the Committee an Privileges and Elections, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and

papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. JONES. I understand that such resolutions should go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. SHORTRIDGE. The resolution calls for no appropriation.

Mr. JONES. My recollection is that in the usual course such resolutions go to that committee.

Mr. SHORTRIDGE. I have no objection.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

SENATOR FROM NORTH CAROLINA—CONTEST

Mr. SHORTRIDGE. Mr. President, I offer the resolution which I send to the desk, to determine the contest of George M. Pritchard against Josiah W. Bailey for a seat in the United States Senate, and ask that it be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. Without objection, the resolution will be so referred.

The resolution (S. Res. 60) was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Whereas on the 3d day of March, 1931, the Senate referred to the Committee on Privileges and Elections the pending contest between George M. Pritchard and Josiah W. Bailey involving the question whether the said George M. Pritchard or the said Josiah W. Bailey, or either of them, is entitled to membership in the United States Senate as a Senator from the State of North Carolina: Now, therefore, be it

Resolved, That the Committee on Privileges and Elections is hereby authorized to hear and determine said contest and to take such evidence as it may deem proper in order to determine the questions involved and certify its conclusions to the Senate.

Said committee is authorized, by itself or by any subcommittee, to investigate the questions aforesaid, and shall have authority to act by or through such agents or representatives as it may see fit to designate.

Said committee, or any subcommittee thereof, shall have power to issue subpœnas and require the production of all papers, books, documents, or other evidence pertinent to said investigation, and to impound ballot boxes and all records and paraphernalia used in the election in question, and said committee, or any subcommittee thereof, may sit during the sessions of the Senate and during any recess of the Senate or of the Congress, and to hold its sessions at such places as it may deem proper.

It shall have authority to employ clerks and other necessary assistance and to employ stenographers at a cost not to exceed 25 cents per 100 words, and to cause to be taken and recorded all evidence received by the committee, and to have said evidence printed for the information of the Senate.

The Sergeant at Arms of the Senate and his deputies and assistants are hereby required to attend the said Committee on Privileges and Elections, or any subcommittee thereof, and to execute its directions.

The chairman of the committee and each and every member thereof is hereby empowered to administer oaths and generally have such powers and perform such duties as are necessary or incident to the exercise of the powers and duties imposed by this resolution.

Said committee shall report to the Senate at the earliest practicable date.

The cost of investigations and proceedings in pursuance of the foregoing to be paid out of the contingent fund of the Senate and not to exceed $25,000.

MEMBERSHIP OF FEDERAL POWER COMMISSION—EXPENSES

Mr. WALSH of Montana. Mr. President, I offer a resolution, which I ask may be read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 61), as follows:

Resolved, That the Committee on the Judiciary, authorized by Senate Resolution No. 415, agreed to February 5, 1931, to engage counsel for the purpose of instituting proceedings to secure a determination of the right of George Otis Smith to the position of member of the Federal Power Commission, hereby is authorized, in the prosecution of such litigation, to expend from the contingent fund of the Senate $5,000 in addition to the counsel fees heretofore authorized.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

EMPLOYMENT OF PAGE FOR SENATE PRESS GALLERY

Mr. WATSON. I submit a resolution for reference to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 62) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Sergeant at Arms hereby is authorized and directed to employ a page for the Senate press gallery, to be paid at the rate of $120 per month from the contingent fund of the Senate until otherwise provided by law.

EXPENSES OF SELECT COMMITTEE ON POST-OFFICE LEASES

Mr. BLAINE submitted the following resolution (S. Res. 63), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the limit of expenditures to be made under authority of Senate Resolution No. 244, Seventy-first Congress, agreed to April 18, 1930, and Senate Resolution No. 422, Seventy-first Congress, agreed to January 28, 1931, authorizing the Select Committee on Post Office Leases to investigate all leases for post-office buildings and commercial postal stations and substations, is hereby increased by $20,000.

HEARINGS BEFORE THE JUDICIARY COMMITTEE

Mr. NORRIS submitted the following resolution (S. Res. 64), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the Judiciary, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE AGRICULTURAL COMMITTEE

Mr. McNARY submitted the following resolution (S. Res. 65), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Agriculture and Forestry, or any subcommittee thereof, is hereby authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON BANKING AND CURRENCY

Mr. NORBECK submitted the following resolution (S. Res. 66), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Banking and Currency, or any subcommittee thereof, be, and hereby is, authorized, during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE NAVAL AFFAIRS COMMITTEE

Mr. HALE submitted the following resolution (S. Res. 67), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Naval Affairs, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said

committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE COMMERCE COMMITTEE

Mr. JOHNSON submitted the following resolution (S. Res. 63), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Commerce, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

EXPENSES OF THE HEFLIN-BANKHEAD CONTEST

Mr. SHORTRIDGE submitted the following resolution (S. Res. 69), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Privileges and Elections, authorized by resolution of February 28, 1931, to hear and determine the pending contest between John H. Bankhead and J. Thomas Heflin involving the right to membership in the United States Senate as Senator from the State of Alabama, hereby is authorized to expend from the contingent fund of the Senate $50,000 in addition to the amount heretofore authorized for such purpose.

NOBLE M. CLARK

On motion of Mr. REED the resolution (S. Res. 41) to continue the employment of Noble M. Clark (submitted on December 9, 1931, by Mr. REED) was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

SUMMARY OF CONNECTICUT'S ACTIVITIES IN WAR (S. DOC. NO. 14)

Mr. BINGHAM. I ask leave to have printed as a Senate document a Summary of Connecticut's Activities in the Wars of This Country.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

MEETINGS OF COMMITTEES BEFORE REORGANIZATION

Mr. WATSON. Mr. President, I should like to say that there seems to be some confusion in the minds of Senators about the meeting of committees at this time. Some chairmen of committees have called meetings of their committees and business has been transacted. Other chairmen have wanted to call meetings but have not done so because a reorganization of committees has not taken place. It occurs to me that under the ruling of the Chair—a very proper and correct one—committees of the Senate are continuing committees, and that it is entirely proper for the chairmen of any committee to call a meeting of his committee and for the committee to transact business. I understand that under the rule committees of the Senate are continuing; there can be no question about that; but a number of chairmen of committees have come to me to ask me whether or not it would be proper to call meetings of committees. I have not said that it was in order because I wanted to find out whether or not the Chair would so decide; but it is in accordance with the rule. I have no doubt in the world that it is entirely proper for the chairman of any committee to call his committee together and to proceed to transact business in the committee until the committee on committees shall have reported the new committees.

Mr. FLETCHER. Mr. President, may I ask the Senator from Indiana when the committee on committees will report?

Mr. WATSON. I am assured by the Senator from Oregon [Mr. MCNARY] the committee on committees will report next Monday. Then the reorganization can take place, but until that time I think it entirely proper for committees to meet and transact business.

SHORT SELLING

Mr. CAPPER. Mr. President, there has been considerable discussion over the country of the evils of short selling on the stock exchanges and grain exchanges. My attention has been called to a discussion of short selling, written by William R. Perkins, an attorney of New York, which I ask unanimous consent to have printed in the CONGRESSIONAL RECORD at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

SHORT SELLING—A REPLY TO THE ADDRESS OF RICHARD WHITNEY, PRESIDENT NEW YORK STOCK EXCHANGE, BEFORE THE CHAMBER OF COMMERCE OF HARTFORD, CONN., OCTOBER 16, 1931

Exchanges are necessary when properly run. When not properly run they are a menace. In the ultimate the corporations whose shares are listed and the owners of those shares are responsible. The exchanges could not exist should the shares of our leading corporations be no longer listed there. It is this view that has induced, for the consideration of corporations and their shareholders, as well as of our public officials, this reply to the address on this subject delivered by Mr. Richard Whitney, president of the New York Stock Exchange, before the Chamber of Commerce of Hartford, Conn., on October 16, 1931.

It is a fair summary of the address to say that Mr. Whitney upholds unregulated short selling, even in the trying times through which we have been passing, because he considers it not only a legal act necessary to distant sellers, for "hedging," and that odd-lot houses may properly function, but above all because in his opinion without it there could not be that free market which he deems essential to equalization of prices and support in times of crisis; that every man who has sold short is "a potential buyer of securities, and this is a source of great stability to a market," especially "in times of crisis when other people hesitate to buy and the short sellers represent the purchasing power which prevents the market from becoming demoralized."

He finds proof of the correctness of his position in the action of the market when short selling was suspended for a brief period on account of Great Britain abandoning the gold standard, in the statistics he gives and in the behavior of the bond market where he says short selling is all but impossible and yet "probably the greatest and most ridiculous declines have taken place in bonds rather than in shares."

By this reasoning and survey he concludes and reiterates that "the real cause of declining security prices, as I have said, was not short selling but the continued liquidation of stocks held both outright and on margin."

We may at once lay aside all question of the legality of short sales and of borrowing stocks for that purpose. No one disputes that in and of itself a short sale is legal, when not a mere cover for a bet on the rise and fall of the market (Irwin *v.* Williar, 110 U. S. 499; Brooks *v.* People's Bank, 233 N. Y. 87, 96–97); but that is quite beside the point. Regulation presupposes legality, else there would be total prohibition instead. It has its genesis and justification in the incapacity or unwillingness of the operators of legitimate enterprises to curb excesses and prevent abuses. Indeed, a legal act is not only subject to regulation to prevent excesses and abuses, but may by these excesses and abuses be rendered a crime punishable by fine and imprisonment. Take for instance a pool formed to depress prices by short selling, as well as short selling accompanied by false rumors or with the malevolent motive of taking advantage of distressed circumstances in reckless disregard of the rights and necessities of others. (See Aikens *v.* Wisconsin, 195 U. S. 194, 204–206; Granada Lumber Co. *v.* Mississippi, 217 U. S. 433, 439; and Bedford Cut Stone Co. *v.* Journeymen Stonecutters Association, 274 U. S. 37, 54.) Consider the laws regulating banks, railroads, and public utilities. And if it be said that these are businesses affected with a public interest, whereas exchanges do not come in that category, although shares of these enterprises are listed upon them, we have but to call attention to our usury and blue sky laws, our pure food and drug act, the Federal Trade Commission with its power over unfair practices, and the Clayton Act with its provisions preventing tying contracts, discriminating prices, and interlocking directorates.

We may also lay aside all questions of short selling to aid delivery by distant owners, in order to hedge and that odd-lot houses may function properly. These are among those incidental matters for which appropriate provision must be made in all systems of regulation. They do not come in the category of the kind of short selling we are here discussing and should not be allowed to becloud or dominate the real issue.

We are dealing here with the typical short seller whom Mr. Whitney has described as a man who has "become convinced that a certain security is selling at too high a price," feels that "it is certain to sell at a lower price in the future" and "wishes to take advantage of this situation." And the question is whether Mr. Whitney is right in saying that the real cause of the decline is not this kind of selling, but liquidation.

I can not agree with Mr. Whitney's answer to this question. A careful study and analysis of what has occurred in the light of the data he gives, meager and unsatisfactory as that data is in many important respects and despite his assertions to the contrary, has convinced me that large and unnecessary short selling, attracted by a promising prospect of decline which these very sales augmented, has had its natural and inevitable effect upon the streams of commerce in securities, just as a cloudburst has upon our watercourses. And in the suspension of short selling, as explained and described by Mr. Whitney, to meet the crisis

when Great Britain abandoned the gold standard I find not only confirmation from the frantic action of these short sellers, but official recognition by the governing committee of the stock exchange itself, of this dominant effect on market decline by the short interest.

He says "the real point" of that crisis was that "a further liquidation of securities was inevitable" and to meet it "by unanimous vote of the governing committee, short selling was forthwith suspended for that day and until further notice," instead of closing the exchange or establishing minimum prices, either of which latter would have had a direct effect on the further liquidation. He says the reason for this action was "the duty" of the exchange to remain open so that this further inevitable liquidation "might be accomplished in an orderly manner"; that "it was certain that no buying power great enough to meet the emergency was to be found except in the short interest"; and that "in the opinion of the committee, a sudden ban on short selling would be likely to force covering by those who were short, thus steadying the market temporarily until the immediate shock of the London news could be dissipated." The result, he tells us, was that "within two hours after short selling was forbidden" frantic endeavors of the shorts to cover had produced "a real danger of technical corners and of crazy and dangerous price advances"; that there had accumulated buying orders for 8,000 shares of General Motors at the market, with no stock offered for sale within many points of 30¼, the last preceding sale and the highest price that stock had reached at any time during this period; that Reading Co. stock opened at 48¼, advanced to a high of 75 and subsequently declined to 62; and that similar situations existed in leading and active share issues, such as United States Steel, American Can, and others.

Now I could follow the thought of the committee and understand the reaction on the part of short sellers which followed, if the decline had been dominated by short selling and not liquidation; because in that event mere suspension of short selling would relieve that pressure, a natural rebound would occur, and the short interest, uncertain of the rebound's extent, might well be frantic in its endeavor to minimize the effect by prompt covering. But I can not understand the opinion of the committee that mere suspension of short selling, without requirement of short covering, "would be likely to force a covering by those who were short," if it believed with Mr. Whitney that liquidation, not short selling, had been the cause of the decline and further liquidation was imminent and inevitable. To my mind that process of reasoning is unnatural and illogical, a complete non sequitur. Why should one who has sold for the decline be expected to cover by reason of mere suspension of short selling, if he believes liquidation, not short selling, has caused the decline and that further liquidation is imminent and inevitable? Why should the governing committee attribute to him any other than the following process of reasoning: I sold to buy back at lower prices; further short selling has been suspended, but no short covering has been required; liquidation, not short selling, has caused the decline; further liquidation is imminent and inevitable; I will await the lower prices this further liquidation should bring.

So I can not accept Mr. Whitney's conclusions in view of the action of the governing committee and of the short interest when short selling was suspended, as above stated. I am bound to regard that as confirmation both by the committee and the short interest of the dominant effect at that time of the short interest in the market.

The statistics given by Mr. Whitney amply confirm the dominant effect of short selling on stock-market values. Taking the rise and fall in the short interest as given by Mr. Whitney and comparing it with the compilation by the New York Times [in its issue of October 2, 1931] of 240 issues comprising 20 groups of common stock listed on the New York Stock Exchange, we have the following most significant figures:

On May 25, according to Mr. Whitney, the short interest reached a peak of 5,589,700 shares. And during that month the decline in the market value of these groups of common stocks was $3,782,578,527.

Thereafter, says Mr. Whitney, this short interest "fell considerably," with prices remaining unchanged until the international debt moratorium was announced [June 22], "when the short interest dropped still further, as the excited but temporary rise in prices ensued." And we find these groups increased in market value $3,235,401,713 in June.

Mr. Whitney says that "through August the short interest increased somewhat" and "rose to a new peak of 4,480,000 shares on September 11," which fell "to 4,241,000 shares on September 18." And we find that these groups decreased $7,188,722,493 in market value during the month of September.

The Wall Street Journal for October 20, 1931, gives a table entitled "New York Stock Exchange Market Value of All Stocks and Bonds Listed," in which it shows that the market value of such common and preferred stocks decreased $3,718,371,986 from March 1 to April 1, further decreased $4,766,406,010 from April 1 to May 1, still further decreased $6,036,002,809 from May 1 to June 1, thus giving a progressive decrease in market values which totalled $14,520,780,805 when the short interest was reaching its peak of May 25, given by Mr. Whitney; then we have an increase of $4,883,161,905 from June 1 to July 1, when the short interest became excited and covered considerably, according to Mr. Whitney, because of the announcement of the international debt moratorium; and thereafter we have a decrease of $2,994,407,135 from July 1 to August 1, a slight increase of $164,285,644 from August 1 to September 1, and the tremendous final decrease of $12,259,988,669 from September 1 to October 1, when the short interest was making the second peak, given by Mr. Whitney.

It seems idle to gainsay the great downward pressure exerted by the accumulation of these large short interests in view of the above record and of the frenzied upturn occasioned by the brief suspension of short selling on September 21, when we note that there was a covering of only about one-eighth of the short interest existing that day.

But even the above figures give the public a very insufficient measure of the pressure of short selling; for, as I have said, they are meager and unsatisfactory in important respects. It was not until late September that they embraced short sales executed and covered on the same day. They afford us no comparison of short sales with total sales, either as a whole or, what is more important still, with respect to active stock leaders such as General Motors, Reading, United States Steel, and American Can, which so reacted when the suspension of short selling came.

The truth and significance of these statements have been attested in the financial columns of two of our leading newspapers.

The New York Times last Sunday said of Mr. Whitney's address in this respect:

"It is among the professionals who are already acquainted with the subject and who, by the way, are in full agreement with Mr. Whitney, that the first criticism is heard. For instance, they make the point that spokesmen for the exchange might put less emphasis upon the familiar theory that the short account serves as a powerful cushion in declining markets and that it restrains inflationary tendencies. There is an apparent incongruity here when a speaker, in another paragraph, stresses that the short account is infinitesimal by comparison with the number of shares listed. 'The aggregate short interest in the market, even at its May 25 peak of 5,589,700 shares,' Mr. Whitney asserted, 'constituted only two-fifths of 1 per cent of the 1,305,516,716 shares listed as of June 1.' Practical market men consider this comparison almost meaningless. In the first place, bearish operators are far too clever to scatter their fire; instead of selling the entire list, they concentrate on vulnerable stocks.

"Mr. Whitney's statistics relating to the short account are interesting, in spite of the fact that they are concededly incomplete, because it was not until September 25 that the exchange made its questionnaire sufficiently sweeping to expose the full scope of the speculation for the decline. At present the exchange is requiring a daily report of the short accounts of all member firms, including short sales executed and covered on the same day. Even this searching inquiry will not tell the whole story for the reason that in all probability short selling has diminished in volume as a direct result of the exchange's closer scrutiny and its present attitude, which seriously handicap the short seller."

And the financial editor of the New York Evening Post in that paper's edition of the 19th says that many people will "wonder why he did not compare the volume of short sales on a given day, or within a stipulated period, with the total volume of sales.

"In the final analysis a comparison of the total short interest with the total number of shares listed on the exchange is of very limited value. It gives almost no information on the real amount of short selling which might have taken place in a critical period.

"For example, suppose that on a given day there is heavy short selling in the morning which 'breaks' the market and forces widespread selling by those holding stocks on margin, and that before the end of the day the shorts take advantage of the lower prices and cover. The total short interest at the end of the day, obviously, would be the same as it was at the start, although the market action might have been almost entirely the result of short selling.

"Still further, the total short selling may be concentrated in a very few issues, with the result that there is a sharp drop in their prices. If these are market leaders the whole tone of the market may be changed, although the volume of short selling is small, as compared with the total volume of transactions. Even comparisons on a daily basis, therefore, would need careful interpretation.

"In general, then, we are still in an extremely poor position for arriving at a sound decision on the question of short selling. It is interesting, of course, to know what the total short position on given days was, but we should like to know more."

The figures Mr. Whitney gives were no inadvertence on his part. Under date of September 30 I wrote him, asking this information as to the short interest, pointing out that it should be given not in terms of listed securities but with respect to gross sales and, if possible, with respect to the sales of the active leading share issues. The only reply I received was that "any statements that are issued by the exchange on this or any other subject will be handled in our customary manner." Mr. Whitney has seen fit to break down the number of short accounts so as to tell us that the average short account was "only about 400 shares each." He should be likewise willing to break down the short interest into its representation of the active leading issues.

Similar confirmation of the great and unnecessary downward pressure of short selling comes from a consideration of its nature and process. The short seller sells the stock he thinks likely to decline and delivers shares borrowed for the purpose from those carried on margin by brokers for their customers. He may, and does, repeat the operation as often as he desires. And on each repetition the borrowed shares upon delivery go largely back, for like subsequent use, into this pool of shares carried by brokers on margin. In this way the shares carried on margin

become a reservoir or revolving source of shares for delivery in consummation of the short sale of a vastly greater number of shares than those carried on margin at any given time. The result is a tremendous artificial magnification of the quantity of selling through the medium of short sales, which converts the capacity to short sell into a mighty engine of destruction of values in times of distress, such as those through which we are passing. And thus we find the vice in the practice of short selling to be its entire freedom from the salutary restraint of the requirement of bona fide ownership of the shares sold at the time of making the sale, which would confine the quantity of sales into those which corresponded to actual supply and demand.

This brings me to the behavior of the bond market and puts us in a position to appraise it properly. I think the selling in it was largely liquidation and that the prices did become ridiculous when we consider the character of many of the bonds sold. But I can not accept Mr. Whitney's statement that this "completely shatters the contention that it is the short seller who has forced prices down." For that statement ignores the effect on bonds, as indeed on our whole business fabric, of these great declines in the stock market. The price charts show that the decline in bonds corresponded with the decline in stocks under the short-selling pressure, as above noted. The table of the Wall Street Journal, which I have mentioned above, shows that all bonds listed on the New York Stock Exchange decreased in market value $180,685,404 from April 1 to May 1, and $652,637,852 from May 1 to June 1, then increased $1,503,197,519 from June 1 to July 1, when they began to decline, the decline being $757,149,925 from July 1 to August 1, $1,056,772,472 from August 1 to September 1, and $4,287,526,124 from September 1 to October 1.

These charts and figures make it perfectly plain that the "ridiculous" prices to which Mr. Whitney refers came from the September debacle in stock values when, despite the previous drastic decline, they fell an average of 30 per cent in as many days, or for a total of $7,188,722,493 for the 240 issues compiled by the New York Times, as above stated, and $12,259,988,669 for common and preferred stocks in the Wall Street Journal table above mentioned. It approached in magnitude the original break in the Fall of 1929. Bank failures during September were the second largest on record. According to Bradstreet the total failures in that month set a high point for all time. So fast and far went this crumbling of stock values that panic stalked abroad and occasioned good bonds being thrown overboard by bankers to preserve liquidity, by individuals and concerns to prevent larger losses in stocks they held, and by those who were scared into actually hoarding, which became the order of the day and has been estimated to amount to as much as a billion dollars.

Finally, Mr. Whitney in support of his position quotes the statement of Mr. Justice Holmes in Chicago Board of Trade *v.* Christie G. & S. Co. (198 U. S. 236, 49 L. ed. 1031), as to grain futures. In this Mr. Whitney is unfortunate. Thereby he admits the similarity of short sales of commodities and securities. Subsequently Congress investigated the short selling of grain. As a result it passed the grain futures act, in which it declared that such transactions are "susceptible to speculation, manipulation, and control and sudden or unreasonable fluctuations in the prices * * * which are detrimental to the purchaser, to the producer or the consumer and the persons handling," and "an obstruction to and a burden upon interstate commerce." And this declaration and act of Congress was sustained by the Supreme Court of the United States in Board of Trade of the City of Chicago *v.* Olsen (262 U. S. 1, 67 L. ed. 839), in an opinion by Chief Justice Taft, in which he said:

"Manipulations of grain futures for speculative profit, though not carried to the extent of a corner or complete monopoly, exert a vicious influence and produce abnormal and disturbing temporary fluctuations of prices that are not responsive to actual supply and demand."

The truth is that rank speculation, in which some of our banking interests joined, has played havoc. We saw values pyramided to an apex in 1929, with some of our banking interests, through their affiliated companies, taking full part, not only for their own securities but in the promotion of other securities. We now see a speculation for the decline bringing an avalanche which has obtained proportions, through instillation of fear, that all the forces of construction seem powerless to stop. The President has made a mighty effort through the National Credit Corporation, and yet reports show still a most unhappy situation throughout the country.

I am therefore sincerely and definitely of the opinion that such short selling has been a major cause of the prolongation and intensification of the depression; that it is an unnecessary sale, being neither forced nor from a desire to change investment, but solely to make a profit from the expected decline; that such sales augment a decline by the additional burden they impose; that the short sellers hope for a lower market in order to make their profit and thereby temptation brings those vague forebodings and mysterious rumors which undermine our psychology and sap our initiative; that regulation should prevent such an occurrence for the sake of our country, its enterprises, and those who invest in their securities; and that, as has been the case with other concerns, this regulation of exchanges must come from the outside and not from within. Mr. Whitney's address shows an attitude on the part of the stock exchange and its membership that forbids any other expectation.

My suggestions are:

(1) That there should be an exhaustive inquiry into short selling, in all its ramifications, in order that, in definite detail, the real facts may be ascertained and given to the public. Mr. Whitney has practically challenged such an investigation. He says: "I would like to ask what proof there is—not blind prejudice, not vague assertions, but actual proof and evidence—that bear raiding has taken place in the stock market." This challenge should be fully met, for the sake both of the exchange and the public interest.

(2) The exchanges should be placed under the Federal Trade Commission, with the requirement that all short sales be accompanied by full, definite information, in a manner available to the public. I feel that the exchange's business is of such a character, so conducted, and has such an important bearing on all business that it may be regulated as a part of interstate commerce, under such decisions as United States *v.* Patten (226 U. S. 525) and the cases it cites and which have cited it.

(3) Brokers should be brought under our banking laws. They conduct a large loan business. As security for these loans they hold the stock bought by their customers. This stock has constituted the great reservoir for the stock loaned on short sales. Brokers should have no more right to lend for this purpose stock pledged with them than is the power of the bank to lend for such purpose stock pledged as collateral with the bank. If brokers can not be brought directly under our banking laws, indirect pressure to this effect can be put upon them through forbidding loans by those affiliated with the Federal Reserve System to brokers who lend stock for such purposes.

(4) Short selling should be made unattractive through a separate, additional income tax on the profits in connection with short sales, with no offsetting losses allowed. This would also give quite an appreciable item of additional revenue to the Government. The statistics given by Mr. Whitney, inadequate as they are, show that for 1931 the profits from short sales must have been enormous; and for that year I think the percentage of such tax should be considerable.

(5) Our banking laws should be so amended as that banks and trust companies will be confined to a strictly banking business and not allowed in any way, directly or indirectly, to have controlled or affiliated companies by which they deal in securities as owners or on commission.

OCTOBER 26, 1931.

THE SILVER QUESTION

Mr. BORAH. Mr. President, I desire to have printed in the RECORD an article appearing in yesterday's issue of the New York Times on the subject of the silver question.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

[From the New York Times, December 9, 1931]

(The writer of the following article is a financial authority of international reputation who has made a special study of the silver question.)

By Nicolas Raffalovich

Silver is again in the foreground. Some of the arguments advanced in favor of silver remind one of the days of William Jennings Bryan. The old theoretical fight between bimetallists and monometallists has been very unfortunately revived, unfortunately because the real practical problem of silver in the monetary systems and the economics of our days remains in the shadow and because the very word "silver" frightens not only the orthodox economists but all those who would not like to see a new edition of the Bryan campaign.

However, it is high time that serious consideration should be given to this problem in the light of to-day's situation and of recent history.

Whatever the practical or theoretical discussion regarding the gold standard will lead to, and even from the point of view of its strongest partisans, it can not be denied that before the war in 1914 the currency system of practically every country of western civilization was based upon the gold standard, but that despite that fact large quantities of silver were used as divisionary coinage. At the same time, the countries of the east either had a silver standard or, like India, a sterling exchange standard; and in the interior silver was practically the sole monetary token. In other words, a kind of equilibrium had been reached, which lasted from 1895 to 1917, in which silver played its natural and historical part in eastern countries and a subsidiary part in the western gold-standard countries, and where the fluctuation of silver prices, expressed in gold, was comparatively insignificant. From 1900 to 1914 these fluctuations were restricted between 0.54 and 0.62 ounce.

WAR FORCED UP PRICE

The World War produced, through war purchases in India and China, a rise of silver, which attained the price of $1.12 in 1919 and $1.02 in 1920, yearly average. Thereupon various countries, first of all Holland, then Great Britain, early in 1920, took advantage of the high price of silver to reduce the standard of their silver coinage. This example was followed by Australia, New Zealand, and by most of the principal countries of Europe and South America. A number of these countries abolished altogether their silver coinage, replacing it by small notes.

The result was that between 1920 and 1930 the sales from the demonetization of silver attained 225,000,000 ounces.

No wonder that this produced not only a drastic fall in silver prices but continuous fluctuations of this metal. In 1926 it had again attained the pre-war price, and from that year up to the

spring of 1931 it did not cease its vertical movement down in a manner parallel to the sales by various governments who did not need any more their silver bullion for monetary purposes. The deathblow for silver was produced by the decision of the Indian Government to adopt the gold-bullion standard as a result of the findings of the Hilton-Young commission in 1926. Obviously, in order to procure for India the gold necessary for her new currency system, a large amount of silver had to be sold on the market, up to 400,000,000 ounces. It is curious to note that the Hilton-Young commission foresaw itself some of the consequences of such sales. In its report, dated July, 1926, it said:

"The effect of the announcement that the Indian Government proposed selling a large quantity of silver would be to immediately throw out of gear the exchange with China and, for a time, to paralyze the growing trade with the world of that country. The people of India have from time immemorial placed their trust in silver as the medium of exchange and as their store of value. They are deeply interested in the value of silver and it is contrary to their interest to depreciate it. The present proposal would inflict heavy losses on the poorer classes, who have put their savings in silver ornaments and who would find their stores of value depreciated by possibly 50 per cent by the action of the government."

At the same time the Governor of the Bank of England made the following statement:

"There is a reaction upon the gold prices when an extreme fall or rise takes place in the value of silver, which is none the less serious because it is indirect and not very apparent on the surface. The consequential changes in prices generally and in trade conditions which would be produced; the disturbance to the world's economic peace and confidence; the interference with the long-established social habits in the use of silver; the reliance of a great country like China upon silver as a medium of currency and a common store of value could not fail to have important effects upon the gold prices of countries in Europe and, indeed, in America."

LARGE SALES IN THE EAST

This did not prevent the Indian Government from introducing the gold-bullion standard, which was followed by the same measure by France in Indo-China. As long as the Indian policy remained unchanged the drop of silver continued almost without interruption up to November, 1931, when public attention was again focused on silver through statements published by the Imperial Economic Conference in London and by the International Chamber of Commerce, which indicated a change of feeling in England, in recognition of the errors made during the preceding decade. Between 1926 and the end of 1930, in addition to the sales of silver by various governments who did not need it any more as currency tokens, the Government of India sold 100,000,000 ounces and the Government of Indo-China 34,000,000 ounces, and the possibility of further sales was exercising a depressing influence on the market. In the meantime all the pessimistic predictions made in the above-mentioned British report and by the governor of the Bank of England have come true to a full degree. Silver had fallen lower than half of its value at the time the British commission was compiling its report. This fall of silver preceded the fall of commodity prices, which led the way to the general world depression.

The consequences of the silver decline showed themselves, as Montagu Norman so truly predicted, not only in the silver-producing and silver-using countries but all over the world by exercising a detrimental influence on the price level. This resulted not only in increasing difficulties of trade with the Far East, and of the general lowering of the standard of life in silver-using countries, which in its turn produced artificially the possibility for these countries to develop local industries to the detriment of foreign imports, such as textiles, but it also had the effect of decreasing the value of a considerable part of the world's currency represented by silver; in other words, it produced the consequences of a severe deflation; that is, an enhancement of the purchasing power of gold and a drop in prices. Silver production in itself had very little to do with these phenomena. According to the opinion of the best-known experts in that field, even in the boom years 1927–1929 silver production did not exceed normal world needs. To a great extent this production is parallel to such needs, as 70 per cent of the silver produced in the world is mined as a by-product of gold, zinc, copper, and lead. Therefore, silver production increases or decreases nowadays automatically in a manner parallel to world requirements.

However, it is not astonishing that the sales of nearly 400,000,000 ounces, derived not from production or accumulation of stocks by producers but from a change of policy by governments and central banks, completely upset normal conditions and exercised an artificial influence upon the market. The law of supply and demand was thus subjected to the influence of outside factors.

MERE MENTION AROUSED SUSPICION

For years those familiar with the significance of silver in the world's economy, and in particular the part it has played since time immemorial in the lives of one-half of the population of the globe, were urging the necessity of revising and reversing the highly unfortunate steps taken as a result of a temporary rise in silver during the war. The opposition they have encountered was largely due to the fact that many orthodox economists and heads of central banks go so far in their depreciation of artificial measures in the monetary or economic realm that they consider as a dangerous intervention what is merely a return to conditions which existed before the previously described mistakes had been made, as if errors were natural and as if an effort to correct them was an unwarranted intrusion on economic life. At the same time the mention of silver immediately arouses a suspicion of bimetallistic tendencies, while in reality the restoration of silver to the place it occupied in pre-war economics seems to be a very potent means of reinforcing the gold standard by liberating gold from the additional world burden it has to bear to-day and by invigorating world economics through an improvement in world prices.

Lately, under the impulse of the general movement in England toward recognition of past mistakes and toward reversal of unfortunate policies, the campaign regarding silver has received a new impetus, and a number of personalities most prominent in English public life have expressed themselves in favor of a complete change of attitude. In various countries many plans have been evolved for the purpose of restoring the value of silver and of stabilizing its price to a certain extent. This task is greatly facilitated by the fact that the ratio of the production of silver to the production of gold has remained practically unchanged over a very long period. It has been for centuries around 14 to 1 and since 1881 approximately 12 to 1. In the years 1928 and 1929 it was 13 to 1.

We have evidently arrived at the turning point when more and more people begin to recognize that the silver situation has a direct bearing upon the world depression, that its improvement might lead to a betterment of the world price level, and that, on the contrary, a further decline of silver would produce, over a time, a new fall in commodity prices. Many measures have been advanced as solutions of the silver problem. Under the influence of steps that have been taken or recommended regarding other commodities there have been attempts at concerted curtailment of production. This would merely leave the field open for sales of silver stocks belonging to governments or central banks, without assuring any future increase of the use of silver as divisionary coinage, in a way similar to pre-war times. Moreover, as has been indicated, the greatest part of the silver production is the result of mining other metals and, therefore, can not be avoided. Others have recommended an understanding between governments not to sell below a certain price, and to purchase for subsidiary coinage whenever the price should fall below a certain level. That in itself would certainly lead to an improvement, but again it does not answer the question how to repair the errors made during the period of 1920–1926, which can be generally characterized in this domain, as in many others, as the period of postwar mental fatigue.

Others would go so far as to insist upon silver being included in the reserves of central banks up to 15 per cent without realizing that this would be possible only through an increase of silver prices to probably four times the present level, and by establishing a fixed ratio between gold and silver. Such a drastic rise is not only undesirable but might lead to the opening up of new silver mines, of which there now exists no danger even should the present price be doubled. This proposal would lead to most complicated and long-winded theoretical discussions and to a series of problems which the mere restoration of silver to its pre-war function leaves untouched.

Without in any way entering into the debate on the gold standard, which only obscures the comparatively simple question regarding silver, seen in the light of the happenings of the last 10 years, it would appear as the simplest and most logical solution to direct efforts toward the moderate but adequate goal of a reversal of the artificial steps taken during recent years.

The main error, the introduction of the gold-bullion standard in India and the subsequent sales of silver by the Government of India, is a matter of British and Indian monetary policy and is intimately linked up with the decisions as to the fate of the pound sterling. On the gold-bullion standard in India a final solution can not be easily reached until the fluctuations in sterling have ceased through a temporary or final stabilization, as everybody both in England and in India will desire to avoid the cumulative effect of double fluctuations in sterling and in silver. For the present, however, it would be sufficient to indicate clearly the intention to revise the Indian monetary policy, stopping in the meantime the sale of Indian silver almost entirely.

There is another side which does not depend wholly upon Great Britain and India. They are powerless to make a decision for the countries which have followed Great Britain's example in 1920 by debasing their silver coinage or exceeded that example by abandoning such divisionary tokens altogether. This seems to be the main point upon which an agreement, and, possibly, a conference, seem to be highly desirable. There is no reason to impose upon countries like the United States that have already in their possession coined silver for nearly a billion dollars, of which two-thirds is in circulation, the burden of further acquisition of silver. Other countries, like France, that have reduced silver in circulation to practically nothing, may have only to keep their already existing stock of bullion. Others possess no silver, and there is no reason why for the sake of contributing to a general improvement in the world's condition they should not restore silver to its pre-war use by substituting the use of silver for notes of small denominations. They would most probably make a quite profitable operation for their central banks through the ensuing rise in silver, and in addition they would liberate part of their gold, which to-day serves as a covering for small notes.

STABILIZATION NOT IMPOSSIBLE

All this does not represent anything approaching a 15 per cent currency reserve in silver. For instance, the French stabilization law of 1928 authorized a maximum of silver coinage of 3,000,000,000

francs, which represents roughly only 3½ per cent of the French note circulation. In most cases it would be amply sufficient to authorize from 2 to 2½ per cent of the total circulation. As to the stabilization of silver prices, it is not impossible to devise practical means to further that end by a certain coordination of monetary policies of the central banks regarding their future purchases of silver for coinage uses. That would dispose of a certain part of the yearly output according to the general price situation in the market.

In measuring the effect of rehabilitation of silver, regardless of its result on world price levels, it must be taken into consideration that it will necessarily improve the standard of living of silver-using (which are also silver-hoarding) countries, as well as of those countries which produce silver, such as Mexico, Peru, and parts of the United States. The main tendency and the main sense of our economic civilization, its material achievement as well as its moral value, consist in the fact that for more than a hundred years it steadily, with only occasional interruptions, mostly produced by war, improved the standard of living in highly developed countries and that this was to a great extent rendered possible by similar improvement being continuously furthered in countries of a lower grade of development. Every measure likely to decrease the standard of life, and therefore the needs of the latter, invariably reflects on the former. An artificial struggle is created between the low and the high standard of living, as already indicated in the case of the Indian worker, victim of the fall in silver prices.

Rising from the level of everyday life to the heights of civilized thought and general economic principles, one can not fail to grasp that the casual, and, it is to be hoped, ephemeral, measures evolved in the postwar period, characterized by emergency legislation, have had a far-reaching effect directly upon one-half of the world's population and indirectly upon the balance of human beings inhabiting the globe, in absolute contradiction to the general scope of progress and prosperity. Viewed in this light the silver problem calls for immediate and careful consideration.

ADDRESS BY SENATOR BINGHAM ON THE PRINCIPLES OF GOVERNMENT

Mr. WALCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD an address by my colleague the senior Senator from Connecticut [Mr. BINGHAM], delivered at the national oratorical contest on May 23, 1931, on the importance of the widest possible understanding of the principles of government as laid down in the Constitution.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

The principles of government as laid down in the Constitution are fundamentally those of individual freedom as opposed to paternalism or socialism and of representative government as opposed to pure democracy.

Our Constitution has been greatly admired and praised as one of the most remarkable documents ever drafted in the history of mankind. On it as a basis the United States grew from a small, unimportant, loosely knit collection of 13 newly created States to one of the most powerful nations in the world.

The Constitution was the result of the political thought and experience of the citizens of 13 English colonies, a fairly homogeneous group. Their experience in search of political, economic, and religious liberty covered a period of more than 150 years. They all understood the common law. Nearly all of them looked back to the English struggle for parliamentary government as opposed to absolute monarchy. Their ancestors were accustomed to dealing with local problems in their own way. They were self-reliant and proud of the rights they had secured which enabled them to have a large measure of local self-government.

The lessons which the framers of the Constitution and their ancestors had learned made them anxious to avoid the tyranny and despotism of a strong, central government. At the same time, in self-defense, they were obliged to give the Central Government sufficient power to provide for an army and a navy and for dignified dealings with foreign lands. In the days when the Constitution was written one did not have to argue about the importance of liberty and the dangers of bureaucracy. One did not have to explain the discomforts of tyranny and despotism.

To-day we are actually suffering from the curse of too much government, and yet many good people are urging us to amend the Constitution so as to give the central government even more power. They see the immediate benefits of paternalism. They fail to appreciate its deadening quality.

During the past 60 years millions of Europeans have come to our shores as emigrants from countries where their ancestors did not have the same background of law and the same appreciation of the advantages of local self-government as did the residents of the 13 colonies who framed and adopted the Constitution. Millions of American citizens have a racial and historic background which leads them to look to a paternal Government for guidance and support. To many of them the benefits of American liberty have been in large part the avoidance of compulsory military service, a practice which prevails in most parts of continental Europe, and also a flexible social and economic system which freely offers financial independence and social prominence to those with the wit, wisdom, and ability to rise to favored positions in the business world. Many of them do not understand the fundamental importance of maintaining those principles of the Constitution which favor individualism, representative government, and the retention by the States and their citizens of powers not explicitly granted to the Federal Government. They are not alone in this.

There are also many citizens, descended from American colonial stock, who have in recent years been willing to sacrifice State rights and personal liberty for the sake of greater efficiency in government, larger contributions from the United States Treasury, and the forcible securing of worthy ideals by law rather than voluntarily by public opinion. This is particularly true of the officers of some of the women's organizations who are actuated by unselfish motives.

There has been a tremendous amount of emotion rather than sound reason connected with much of the legislation which has been earnestly sought by well-organized groups of well-meaning citizens. In many cases our legislators have been carried away by emotional pleas and have created commissions and bureaus which have issued rules and regulations depriving us of our liberty in the name of efficiency and uniformity. The late President Hadley, of Yale, once said that "while the men of emotion may sometimes be right and the men of reason wrong, the chances in matters of legislation are most decidedly the other way. It is safe to say that the harm which has been done by laws based on unemotional reasoning is but a drop in the bucket compared with that which has been done by laws based on unreasoning emotion. * * * The good which state interference does is often something visible and tangible. The evil which it does is much more indirect, and can only be appreciated by careful study. The man who has his mind so fixed on some immediate object as to shut his eyes to the results of such study, is almost certain to advocate too much state action. He may succeed in passing a few good laws, but he will be responsible for a vastly larger number of bad ones. * * * Nothing can be more fatal to that efficiency of public opinion on which all good government rests than the habit of fixing our eyes on immediate consequences instead of permanent issues, or of giving to the emotions of a body of witnesses the dignity of the deliberate judgment of a court."

These words of President Hadley, although written many years ago, are just as true to-day as when they were written. It is very difficult to oppose legislation which will grant some immediate relief either of an economic, moral, or physical character, or which will correct some obvious abuse. It is difficult because the immediate end is seen to be good and few people care to bother about the ultimate result. In fact, it is frequently hard to see the more remote consequences. Whenever the Constitution stands in the way of the passage of this type of legislation, there is a wide popular clamor for a change in the Constitution. Nevertheless, human nature has not changed much, if any, since the Constitution was adopted. There is just as much danger to-day as there was then that a strong central government will build up a powerful bureaucracy which will in turn deprive us of our liberties and interfere with our rational freedom of action. The framers of the Constitution believed that individual liberty should be curtailed by law only in so far as public safety and order make necessary. Acting on this belief and under this fundamental principle, the United States has grown great and powerful. Recently, however, there has been constant agitation to restrict individual liberty for reasons of morality and efficiency and not because the public safety and order required it. Curiously enough, some of the most bitter critics of government are themselves constantly suggesting governmental action as a cure for social and economic ills.

One of the underlying principles of the Constitution is the principle of representative government. By representative government is meant a government whose officials are chosen by the people to represent them in making and enforcing the laws and whose duty it is to give their time, their attention, and their best thought to the problems of government and to the ultimate result of new laws, rules, and regulations. These things can be done better by carefully chosen and responsible representatives selected for this purpose than by the great mass of people who have little time to give to anything outside of their own immediate affairs, their business, and their hours of recreation and pleasure. Nevertheless, there is a constant tendency on the part of many of our public men to urge that we get away from representative government and go over into the field of pure democracy. The evils of pure democracy have been pointed out so often by political writers from the days of Aristotle down to the present that it is not necessary for me to enlarge upon them. It may be remarked in passing that no great successful business enterprise is conducted by the direct votes of all the stockholders. We have learned that the wisest course is for the stockholders to elect directors in whom they can place their trust and whose business it is to devote their time and attention to the problems before them. Of course, there is nothing more popular for a demagogue than to shout from the housetops magnificent phrases praising and flattering the wisdom of the people and decrying the wisdom of their chosen representatives. In insidious ways suggestions are made of the importance and value of submitting the most difficult international and national problems to millions of people who are too busy with their own affairs to be able to give the necessary time and thought to careful study.

History has shown this to be an unwise principle. It leads to disaster and the rule of emotion and mob psychology rather than the safe rule of reason. It was tried in Athens more than 1,000 years ago. Everything possible should be done to counteract this most reactionary tendency. The principle of representative government is one of the most precious in the Constitution. Nothing is more important than the clearest possible understanding of it and the most active loyalty to it.

The Constitution represents the wisdom of a homogeneous, self-governing people who dearly prized personal liberty and who appreciated the dangers of too much government. Any interference with the development of individualism is ultimately disastrous. Each man should be free to make his own mistakes, not because such mistakes are few, but because their repression by governmental commissions and bureaus involves also a repression of the best possibilities of good progress. The world's great inventions and improvements have been made by individual initiative and adopted reluctantly by Government bureaus and commissions. The Constitution favors individualism. It tries to leave people "free to make their own mistakes, trusting that the successful experiment will be followed and the unsuccessful one abandoned." The community profits from the errors made and learns wisdom thereby.

The present tendency toward paternalism in government will ultimately restrict the growth and development of the Nation, because it represents the wisdom of the present rather than the possibilities of the future. Centralized authority may give us immediate advantages and enable us to avoid grave mistakes, but it is sure to retard growth and kill the chances for that future development which comes only as a result of individual initiative and experimentation.

The principles of our Constitution are based on careful study of history, an appreciation of the strength and weakness of human nature, and sound reasoning. The dangers of emotional appeal are avoided. On the other hand, the way to rational progress is favored. For the sake of our country's future and our own happiness, it is most important to understand and appreciate the principles on which it is based.

THE NATIONAL INSTITUTE OF HEALTH—ADDRESS BY HON. JOSEPH E. RANSDELL

Mr. NORBECK. Mr. President, on December 3, 1931, former Senator Joseph E. Ransdell, of Louisiana, who is now executive director, conference board of the National Institute of Health, delivered a very interesting and instructive address at St. Louis, Mo., before the annual convention of the Radiological Society of North America.

For the information of the Senate, I ask unanimous consent that Mr. Ransdell's remarks on this occasion be inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Gentlemen of the Radiological Society of North America, it is a great pleasure and privilege to be with you to-night, and I thank you sincerely for this opportunity to discuss before you a subject which has been very near to my heart for many years—the National Institute of Health.

Radiology is the youngest of the sciences devoted to the study of physical man, being scarcely more than a third of a century old. Its accomplishments have been marvelous, and there is general belief that the surface of its potentialities for preventing and curing the diseases of human beings has been barely scratched.

While neither a doctor nor a scientist, I have been intensely interested in health problems for 25 years, and as executive director of the conference board of the National Institute of Health I am devoting all my energies to that institution—the Nation's research center in matters relating to public health.

The bill creating the institute was first introduced in the Senate on July 1, 1926, but it met with discouraging indifference on the part of most of my colleagues and failed of passage. Believing that persistence is the only cure for such a malady, I again introduced the bill on December 9, 1927. It fared a little better on this occasion, and passed the Senate, but was caught in a jam in the House and was killed by the termination of the session. In May, 1928, it was presented to Congress for the third time, and finally, on May 21, 1930, two years to the day after its third introduction, it received the approval of our legislative branch of government. President Hoover wrote the final chapter of this long story by signing the bill on the 26th of that month, and the National Institute of Health became a glorious reality.

During the four years of persistent effort following my first introduction of this measure many men of vision and love of their fellows assisted materially in making it understood by Congress and the country. This is especially true of the doctors, chemists, dentists, and other scientists who worked actively for the passage of the bill and secured resolutions indorsing it from their great national associations, thereby focusing the attention of Congress upon it. While a few Members of both Houses saw the exceptional merits of the measure and became crusaders under its banner, it was not until Senators and Representatives generally began to hear the voices of their constituents appealing for it that they gave it their support.

It is impossible to name all advocates of the bill, but I can not refrain from mentioning President Hoover, former President Coolidge, Secretary of the Treasury Andrew W. Mellon, and Francis P. Garvan, president of the Chemical Foundation (Inc.). These four great Americans saw with clear eyes the possibilities of the National Institute of Health for preventing and curing disease with its awful train of suffering and colossol economic losses to the world. Without their powerful help this dream of mine could never have come true. They and many others—especially doctors, chemists, and dentists—gave their whole-hearted support to the measure, and I wish to express my lasting appreciation to them.

I can not say too much of the splendid cooperation of the Chemical Foundation, through its wise and generous president, Mr. Garvan, who is so favorably known to radiologists. He gave unceasing and effective aid to the bill in its legislative journey of four years through Congress, and made the first gift to the institute of $100,000. I sincerely hope his example will shine brightly and be the guide for many Americans.

Societies such as yours are offered an ideal opportunity to cooperate with others in close union with the National Institute of Health under the terms of the act creating it. It stands ready to receive your aid in its search for solution of many unconquered diseases, which are still a curse to civilization. The Public Health Service, of which the National Institute of Health is a part, points to its wonderful record of the past and invites you to partake of the sacrifices and the glory which are the lot of scientific research workers in the cause of health. I trust you will join hands with this splendid agency and assist in giving to the world some measure of the true happiness which comes from good health.

While research activities in science have resulted in commendable reduction of mortality and alleviation of suffering we have not kept pace with the times in matters of public-health conservation. It is a sad commentary on the agencies dealing with health that influenza and pneumonia are as deadly to-day as they were a hundred years ago; that cancer and heart affections are claiming greater tolls in lives each year; and that the population of our institutions for the mentally deficient is increasing at an alarming rate. Dr. Charles W. Mayo, in a recent speech before the Annual Clinical Congress of the American College of Surgeons, said: "The world has moved ahead so fast as regards material civilization that man has almost for the moment got behind in his power of adaptation. Every other hospital bed in the United States is for mentally afflicted, insane, idiotic, feeble-minded, or senile persons."

It is only fair to say, however, that our lagging in the matter of health research has not been due to the inefficient mentality of our scientists, but to the woeful lack of facilities and the discouraging insufficiency of funds to stimulate recruits in science. The crying need of the American scientist engaged in a study of health problems is a great laboratory fully equipped to cope with every disease where he can carry on his work in close cooperation with other students of the laws of life, and with every possible facility at his disposal.

Provision was made for supplying that need by my bill creating the National Institute of Health, which contains three distinct features:

First. It creates the institute in the United States Public Health Service, under the administrative direction and control of the Surgeon General, for the special purpose of scientific research to ascertain the cause, prevention, and cure of diseases affecting human beings. It does not establish any new bureaus or commissions but utilizes existing Government machinery, provides for enlargement of the former Hygienic Laboratory, which came into existence in 1901 by congressional action, and appropriates $750,000 for the erection of an additional building.

Second. It authorizes the Secretary of the Treasury to accept gifts for study, investigation, and research in problems relating to the health of man and matters pertaining thereto, with the provision that if gifts in the sum of half a million dollars or more are made, the name of the donor shall be perpetuated in a suitable way. This feature of the act is most unusual and important. No precedent can be recalled of donations from philanthropists to enable the Federal Government to maintain institutions for the purpose of research, with possibly two exceptions—the Smithsonian Institution and the Library of Congress. The Smithsonian was founded on the gift of $550,000 by James Smithson to disseminate knowledge among men. It stands as a monument to his name and its achievements are known throughout the world. The authorization granted to the Library of Congress to accept funds for special purposes has resulted in gifts to it exceeding $2,600,000.

Third. It proposes the establishment and maintenance in the institute out of funds donated for that purpose of a system of fellowships in scientific research to encourage and aid men and women of marked proficiency to combat the diseases that menace human health. This provision of the act is regarded as its outstanding feature, for these fellowships offer an opportunity to those especially qualified to serve their fellow men in the most useful of all ways. While it is contemplated that the bulk of research work will be carried on in the institute laboratories in Washington, it is not so limited. Under the terms of the act these fellows can be assigned to institutions in any part of the globe wherever the research problem may be undertaken most advantageously.

This institute marks the beginning of a new chapter in the history of medicine of a most far-reaching influence in the relief of human suffering. The act creating the institute is a veritable declaration of war against all the physical forces detrimental to health on a greater scale than ever before attempted. It centers in the Nation's Capital all the country's medical and scientific resources for combating disease and creates in Washington a clearing house of health for all the world.

Under a commander in chief—the Surgeon General of the United States Public Health Service, with the director of the institute as his first lieutenant in active charge—will be marshaled the Na-

tion's army of experts in the sciences of medicine, surgery, psychiatry, dentistry, chemistry, physics, radiology, biology, bacteriology, pharmacology, pharmacy, and allied professions in a concentrated drive to prevent disease by ascertaining its cause and applying preventive measures in advance of its outbreak.

In the National Capital has been founded an institution devoted solely to study, investigation, and research in problems relating to the health of man, where every available facility will be provided to aid and encourage scientists to combat sickness and solve the many remaining mysteries of disease, and where all knowledge and every advance in the promotion of human health will be pooled and correlated.

The plan of the institute is to make of it an immense cooperative scientific organization, in which leading experts in every branch of science connected with plant and animal life will be brought together and given opportunity to work in unison for the purpose of discovering all the laws of life. Harmonious cooperation—one for all and all for one—is the watchword of the institute.

In this institute will be carried on new researches in cancer on a greater scale than ever before attempted, new investigations into the cause and cure of infantile paralysis and heart diseases, new studies of the common cold, influenza, and pneumonia; here will be made new discoveries; new and better methods of cure and treatment will be found to replace those now in use; and new and greater safeguards of health in general will be devised.

Although truly remarkable advances have been made in the war for health by individual scientists, by private and governmental institutions, no agency has ever been founded on earth for combating disease on so comprehensive and cooperative a scale as the National Institute of Health. While it is impossible to predict its eventual benefits to humanity, they are certain to be very great.

Genuine cooperation in science is necessary if the best possible results are to be obtained. Dr. Treat Johnson, of Yale, said: "Nothing can be done, no attack can be made on any (health) problem, except through the principle of cooperation. * * * No one to-day can cover any single field in science individually and make progress. He must work in cooperation with others."

Until this institute was created there was no place in which radiologists could meet their brother workers in other branches of science in order to formulate better means of preventing and eradicating disease. Dr. Julius Stieglitz, of the University of Chicago, deplored the lack of peace-time cooperation among scientists in the field of health, pointing out that in time of national danger from war a great mobilization of scientists takes place in order to bring into existence destructive forces with which to fight the battles of men. In 1923 he said: "There is no institution in which the chemists of the United States can come together with the medical scientists to inaugurate a general attack upon the forces that kill. * * * Let there be another war, and no doubt the chemists will be mobilized again, but they will be mobilized to kill."

The National Institute of Health furnishes the means by which can best be put into practice the "principle of cooperation," described by Johnson as being so essential to the success of the research expert. It is the agency which Stieglitz had in mind—an institution where radiologists and chemists can work in friendly union with every other branch of science to solve health problems, giving the benefit of their vast store of knowledge in alleviating pain and preventing sickness.

This act provides radiology with the opportunity to render a priceless service to humanity. The institute enables it to bring into close cooperative effort with other sciences its research activities in a field that to-day comprises the most difficult and destructive of all unconquered diseases—cancer. Radiologists are devoting much time and attention to the study of this dread malady, which is causing untold suffering and death. While the span of life has been materially lengthened and the death rate in many diseases greatly reduced, cancer has not responded to scientific treatment, and its mortality rate has increased to alarming proportions. In 1850 approximately 30 people per hundred thousand died with cancer. In 1910 the figure had risen to 75, and in 1929 the fatalities from cancer had reached the appalling total of 115 per hundred thousand. In this great altruistic agency, which our Government has provided, you can bring into play, in connection with other sciences, all your skill and research ability to blot out this and other diseases.

Dr. Joseph Colt Bloodgood, one of America's ablest physicians and strongest believers in the merits of your science, who has devoted his great intellect to fighting cancer, and who is with us to-night, recently said: "No specialty in medical science and practice has developed more rapidly than radiology, both in its diagnostic and therapeutic aspects. * * * Radiology is now one of the greatest specialties in medicine. We owe a great debt of gratitude to the pioneers, many of whom have lost their lives because of their ignorance of how to protect themselves from irritation of X ray and radium. * * *" May I add that in my opinion no science is destined to play during the next half century a greater part than radiology in the world-wide battle with disease.

The institute stands sorely in need of added facilities with which to carry on its noble work. Only recently Surg. Gen. Hugh S. Cumming, of the United States Public Health Service, said: "* * * Probably the greatest immediate need of the National Institute of Health is the completion of its physical development, especially additional buildings to house a division of physics, where studies, especially of light and ventilation, as they affect the general health of the people, and of the use of X ray and radium in the treatment of disease, can be undertaken; and a division of physiology, the work of which is intimately concerned with every division of the institute. Other work which it is desired to take up as soon as funds and facilities are available are studies of arthritis, focal infections and their relation to chronic degenerative diseases, degenerative diseases of the arterial system, the common cold, puerperal fever, life cycles of bacteria, etc."

The 1931 report of the Twentieth Century Fund (Inc.), entitled "American Foundations and Their Fields," states: "Judged by the amount of money donated in 1930 (by 21 leading American foundations, exclusive of private benefactions) the field of medicine and public health is the most popular, a total of $18,627,222 in grants to it having been reported in the returns. More than one-third (35.5 per cent) of all funds given away by the foundations canvassed has gone into this field."

Of this liberal sum, $8,396,932, or 45.1 per cent, was paid in support of educational activities; $8,401,825, or 45.2 per cent, in support of social action; and only $1,828,458, or 9.7 per cent, in support of research.

This is very striking, and shows that while American philanthropists, as represented by the report quoted above, were quite generous last year in support of medicine and public health in a general way; less than 10 per cent of these sums were given to pure research, without which it is impossible to ascertain the cause and cure of disease. It is unfortunate that so little was donated last year by these 21 foundations to health research, but I have no doubt that individual benefactions for that purpose were considerable.

Recently an article appeared in Nation's Business, entitled, "My Money After I Die—By a Man Who Has Some." The author expressed an earnest desire to so dispose of his large wealth as to promote human happiness and make it continuously useful. Beyond question, suffering, sickness, and death will last until the end of time, and there is no surer way to make money continuously useful in promoting health and happiness than by liberally endowing the National Institute of Health.

Although the name and some of the facilities are new, the National Institute of Health has been a going concern for over 30 years, and has 155 persons hard at work every day on some phase of health investigation. It has been of tremendous aid to research in the world, and it is impossible to enumerate here even briefly the total of its accomplishments and contributions to science, yet a few points can be noted in connection with past and present work.

From the institute have come Doctor Goldberger's monumental work in the discovery of the cause and prevention of pellagra; Doctor Francis's work on tularemia; Doctor Spencer's work on spotted fever and his discovery of a protective vaccine; the discoveries of Doctors Dyer, Rumerich, and Badger of an eastern form of spotted fever, which may prove to be one of the most important public-health problems; Professor Voegtlin's fundamental work in the metabolism of normal and cancer cells; and Professor Hudson's contributions to work on the chemical structure of sugars.

At the present time, under the guidance of its director, Dr. G. W. McCoy, studies are in progress at the institute relating to nutrition, cancer, typhus-spotted fever, tularemia, infantile paralysis, undulant fever, spinal meningitis, ginger paralysis, standardization of certain drugs, fundamental researches on sugar, and many other problems. Lastly, through its work in the control and standardization of biologic products, the institute has rendered a very great service to the people of the United States in safeguarding the numerous serums and vaccines placed on the market, and a number of the biological standards worked out at the institute have been adopted by many foreign countries.

The advantages of having such an institution in the Government are apparent. It belongs to the people and is responsible to them. Their problems are its problems. It provides for continuity. Research work should not be taken up and dropped at the whim of some capricious benefactor or changing board of directors. It requires years of continuous application to a definite plan which Government conditions supply. Again, the checks and control of Government financial methods assure us that money allotted to this work, whether from private donations or appropriations by Congress, will be carefully accounted for and put to good use.

The past record of the Public Health Service indicates that it is the agency par excellence to lead in this great public-health movement and that Congress acted wisely in confiding to it the entire management and direction of the National Institute of Health. The service now has a large corps of trained personnel engaged in scientific investigations in many parts of the country, which can be most effectively used as a nucleus for developing the necessary organization to undertake the proposed researches in the institute.

Not only does the Public Health Service have in its ranks many experienced and scientific workers but it also has laboratory and other equipment that is being used to great advantage in research work. I can not say too much about the work of the United States Public Health Service, which for many years has aided the States in times of epidemic, has made exhaustive studies in health conditions, and, in general, has been a most important factor in reducing mortality in this country.

In conclusion, let me appeal to you and to all radiologists to devote your vigorous young intellects to the alleviation of human suffering. Your science can be of invaluable assistance to the

National Institute of Health in making of it a truly great research institution, thereby fulfilling its noble destiny. Good health is the most precious of earthly blessings. Nothing can take its place. With it one can enjoy life amid great hardships. Without it vast wealth can not bring happiness. To attain this great blessing we should strive so earnestly that when our earthly careers are about to close each and everyone can say in the language of the immortal Pasteur, "I have done what I could."

RECAPTURE OF OUR EXPORT TRADE

Mr. PITTMAN. Mr. President, I wish to trespass upon the time of the Senate merely for a few moments.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Nevada will proceed.

Mr. PITTMAN. Mr. President, as chairman of a subcommittee of the Foreign Relations Committee of the United States Senate, I have gathered certain information with regard to the decrease of our export trade. I wish to say that, according to a report of the Department of Commerce, there was a decrease in our export trade between 1929 and 1930 of 12.1 per cent; from 1930—that is, from the end of the fiscal year July 1, 1930, to July 1, 1931—there was an additional decrease of 39.3 per cent; and since July 1, 1931, to this time the decrease has continued by over 17 per cent.

It would be interesting to compare certain items. Between 1929 and 1930 the export of unmanufactured cotton decreased 40 per cent. Between July, 1930, and July, 1931, the decrease of cotton exports was 58 per cent.

If we take wheat, we will find that by the end of the fiscal year July 1, 1930, wheat exports had decreased 40 per cent. They continued to decrease, so that by July 1, 1931, the decrease amounted to 59 per cent. Since that time the exports of wheat and cotton have both continued to decrease. We ordinarily export nearly 60 per cent of our cotton. When it is realized that in two years there has been a falling off of 70 per cent in export cotton it is apparent what it means.

In 1929 there were approximately 14,000,000 bales of cotton raised in the United States and a hold over of about 2,000,000 bales. In 1930 there were approximately 13,000,000 bales of cotton—I am using round numbers—produced in the United States, and there was a carry-over of between six and seven million bales. Of course, that accounts for the price of cotton being less than 6 cents a pound, and it accounts for the present low price of wheat. The schedule as given by the Department of Commerce shows these declines.

There has been no recommendation by the Department of Commerce or by the Government, or by anyone else so far as our committee has been able to discover, that offers any remedy whatever for the continued decrease in our export trade. There is no committee that has attempted to report on or to suggest any remedy with regard to this constant decrease in our export trade. As a matter of fact, when this vital question is raised, Mr. President, we are told that our export trade, on the average, is not over 10 per cent of our entire trade, the remainder being domestic trade; but the relation between our export trade and our domestic trade is apparent when it is realized that our domestic trade has fallen off, I should say, over 40 per cent during this time.

The condition is illustrated in this manner: The steel plants of the United States, according to their reports, are to-day operating at only 30 per cent of their operating capacity; other plants have had their operating capacity reduced to a similar extent. That is by reason, naturally, of the loss of demand not only in the foreign market but in the domestic market.

It is evident that the vast number of people of this country who are dependent upon the cotton industry for their prosperity can not obtain money with which to purchase manufactured goods, or anything else in the domestic market, with cotton below 6 cents a pound, because that price does not pay the expense of raising it. We find exactly the same thing in the case of wheat. Wheat at its present price will not pay the expense of raising it. The result is that the oversupply in our own market is to a great extent caused by the loss of our export trade. It becomes exceedingly valuable, therefore, to determine the cause of the loss of our export trade, and if there be any remedy that may be applied to overcome that situation, to endeavor to ascertain it and apply it.

That is a question which our subcommittee has been dealing with. The subcommittee finds as one of the chief causes of the decrease in our export market the low exchange rate existing in countries that formerly constituted some of our best export markets. We will take China for illustration. China has nothing but silver money. In China that kind of money passes at par as our silver dollar passes at par here. No matter what the price of silver is the Chinese get the same amount of their money for their labor, the same amount for their rice and other products. When, however, they start to buy our wheat or our lumber or our cotton or our automobiles the amount they have to pay in their money depends upon the exchange rates.

As we require them to pay in our money—in gold money—we place our exchange value on their silver money. We do not place it at par; we place it at the value of the silver in the coin, and when silver is only 30 cents an ounce and there being only seventy-eight one hundredths of an ounce in a dollar, we say, "Your dollar is worth 21 cents," which means that they have got to exchange nearly five of their dollars for one of our dollars with which to pay for our products. The result is that, instead of paying $20 a thousand for lumber, they are paying $90 a thousand for lumber; instead of paying $600 gold for a cheap automobile—and we are supplying 80 per cent of them—they are paying four and a half times $600, or $2,700 in their money, for an automobile. Of course our exporters get no more, but the Chinese have to pay four and a half times the value of their money in their own country for our goods; so far as they are concerned the cost is four and a half times our price. Those are the questions we are dealing with.

The same exchange problem now applies to countries such as Great Britain and other nations which have gone off the gold standard. Whenever money by comparison with gold is cheapened, whether it be fiat money or any other kind, it requires more of that money to purchase gold exchange or our gold with which to buy our products. On the other hand, wherever there is cheap money a dear money like gold will seek that market, because it will buy the cheap money with which to buy the products of the country where that cheap money is accepted at par.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield?

Mr. PITTMAN. I yield to the Senator from Montana.

Mr. WHEELER. Mr. President, the same thing the Senator has stated as applying to China and the Orient likewise applies to a certain extent to the South American countries, does it not?

Mr. PITTMAN. I was just going to say, sir, that it does not make any difference why the money of a country is cheap by comparison with gold; if it is cheap by comparison with gold, then the exchange difference between their money and our money reaches a point where they can not afford to buy our products. I have illustrated how that applies with regard to silver. That applies, as I say, in every country where they have nothing but silver money. I do not care whether they are nominally on the gold standard or not; the question is what kind of money the ultimate purchaser has with which to pay for our goods.

That, however, does not apply alone to the silver dollar. As I say, it applies to any country with cheap money; and when I say "cheap money," I mean by comparison with the value of gold.

To-day Great Britain's exchange, so far as we are concerned, is about $3.38, I believe.

Mr. SMOOT. Three forty.

Mr. PITTMAN. Three dollars and forty cents, the Senator from Utah says. It has been changing. It is $3.40 to-day, and yet on September 28 it was $4.68. In other words, the pound sterling could buy in this country $4.68 worth of our products at our price by exchanging it for our money on that ratio in September. To-day the same unit of money

can only purchase $3.40 worth. Therefore it is more difficult for them to purchase from us; and that applies to all countries that have gone off the gold standard, or whose money has depreciated by comparison with gold, through the lack of sufficient gold reserve, or any other cause which affects the credit of the country.

That is one side of the matter. The other side of it is our export side.

We can not export in competition with Great Britain because other countries can exchange their money with the depreciated pound sterling to greater advantage than they can with our gold-standard money. The result of the situation is that Great Britain has a 25 or 30 per cent advantage of us in the markets of the world. Her factories are opening up. Her unemployment is disappearing. Her export trade is increasing by jumps and bounds, while our export trade is going down steadily to the disappearing point; and yet I have failed to hear a single, solitary expression from our Government on the subject except the bare announcement by the Department of Commerce as to how our exports are going down. I have heard no committee of Congress mention the condition or offer any suggestion whatsoever of remedy.

I have here certain facts, certain opinions, certain explanations, and certain suggested remedies which we have obtained through our committee. I admit, of course, that they touch these questions only partially. I do not think there is anyone that can cover them fully. The world situation is a complicated one, of course. The British Commission to the Far East in 1931, having an appropriation of £80,000, under Sir Ernest Thompson, and with a distinguished retinue, spent a whole year in the Orient in an effort to determine the cause of the falling off in the export trade of Great Britain to the Orient. They reported, of course, that the chief cause was the great difference in the exchange value of oriental money by comparison with gold. They offered a remedy. They stated that there was no possible way they could conceive of by which they could sell the products of their country to the Orient until they had raised the exchange value of the money of the Orient, or, in other words, the purchasing power of oriental money outside of its own country; and they recommended in no uncertain language that the British Government should take the lead in obtaining a conference of governments, because they said the only way that this problem could be settled was by intergovernmental conference.

Mr. FLETCHER. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield?

Mr. PITTMAN. I yield to the Senator from Florida.

Mr. FLETCHER. Mr. President, the Senate passed a resolution last February, as I recall, directing the attention of the President to this situation, and asking him to call a conference of nations on the subject. Has that conference ever been called, or any reason given for not calling it?

Mr. PITTMAN. The conference has not been called by the President nor has any reason been given that I know of except that on June 2 or 3 a public telegram was addressed by the President of the United States to the Senator from Utah [Mr. SMOOT], in Salt Lake City, which in effect said, "I am now able to say to you that after an informal conference with various governments I find that there are governments whose participation I deem essential who are unwilling to participate in the conference at the present time." That is the last word I have heard on the subject.

I wish to say that I do not agree with the position taken by the President, although other Senators do. It was generally conceded at that time that the government referred to was the British Government. While it would be better if the British Government participated in a conference, I do not consider that an intergovernmental conference can not be successfully held without the participation of the British Government.

The British Government to-day is not so much interested in this question as is the United States. The British Government to-day, by reason of the depreciation of the value of its money, has 30 per cent, I should say, guessing at it roughly, the advantage of the United States in every foreign market where we may compete; and the farther the pound sterling falls with relation to gold the greater advantage they will have.

The United States to-day is suffering more than any other country in the world by reason of the disrupted exchange condition of the world. We merely have to look at our export market and our reports of a continuous falling almost to the disappearing point to realize it. We merely have to look at the fact that half of the corporations of the United States are in a position where they can hardly pay dividends. We merely have to look at the great steel plants of the country, which are the barometers of industry and prosperity, and note the fact that they are running on 30 per cent of operating capacity. Every time they have reduced their capacity they have discharged men, and every time they have discharged men they have added to the nonpurchasing population of this country and thus continued to destroy the domestic market through this vicious circle.

I think the time has come when it is the duty of this Government to invite all governments into a conference on this exchange matter. If Great Britain does not desire to enter such a conference, that is Great Britain's business. I venture to say, however, that if our Government were sitting around a table with Canada and Mexico and Central America and South America and Japan and Australia and China, attempting to reach some agreement with regard to exchange or intergovernmental commerce, Great Britain would be happy to sit in. When they talk about the proposition that without India nothing can be done with regard to the stabilization of the silver money of silver-using countries, it is cowardly, if not absurd.

India has used silver from time immemorial. India has been the hoarding place of silver for 4,000 years, and the silver does not come out of India. At the time when the British Government for India was melting up its silver-rupee coins and dumping them on the markets of the world so as to get gold to establish a gold standard, the people of India were still buying one-third, or approximately one-third, of the mine production of the silver of the world. Only a few days ago, when the British Government of India was again dumping silver to the amount of about 10,000,000 ounces derived from the melting up of circulating silver coins of India, at the same time the people of India purchased over 10,000,000 ounces of silver.

Sir George Shuster, the treasurer for India, in an attempt to bring about the gold standard, broke silver down from the nominal price of 60 cents an ounce to 25½ cents an ounce, and he only obtained $40,000,000 in gold of the $300,000,000 essential if the policy was going to be put into effect. He never even approached the gold standard. The policy thus pursued in that foolish act has depreciated the purchasing power of India over half. As some of the statesmen of Great Britain who know India better than Sir George Shuster contend, that act created more disturbance in India than any other cause.

If the governments of the world should agree to-day to stop the unnatural practice of debasing and melting up circulating silver coins which have circulated as money for thousands of years and dumping that metal on the markets of the world, we would get back to the natural law of supply and demand as it existed for years. When that happened we would get back to the natural price of silver; and when the natural price of silver is reached we will have our exchange right at the point under which our commerce in the past has flourished in the Orient.

But it is said, "What can we do unless the British Government for India will agree not to sell?" I say to you that if the United States and Mexico and South and Central America and Canada and Japan and China and Australia would agree not to melt up and debase silver coins in order to allow the metal to be sold and would agree to place an embargo upon the importation of silver from any country

that was not a party to the agreement, India would not have anywhere to dump her silver coins, and she would become a party to the agreement.

Why, Mr. President, when it was stated the other day by a distinguished statesman of Great Britain—a former Chancellor of the Exchequer under the Conservative government, now a member of the House of Commons—Sir Robert Horne, that Great Britain should call an international conference and that she would have been better off if she had had a silver reserve as well as a gold reserve on hand, one of our great papers editorially laughed at the assertion.

Yet we have 468,000,000 standard silver dollars in our Treasury in reserve, and we have certificates circulating against it. That reserve, sir, prevented a revolution in India in 1918. When the British Government did not have the silver coins with which to redeem their paper, they could not find a reserve of silver anywhere in the world except this $468,000,000 of standard silver in our Treasury. They had to come here, and we had to get the Congress to pass an act to let us melt up 250,000,000 standard silver dollars and turn them over to Great Britain so that they could redeem their paper notes and prevent a revolution in India.

A reserve of silver is not an absurd thing. If every country in the world had a reserve of silver such as we have, a reserve against which paper certificates were in circulation, we would always know where the silver was. We would take it out of speculation, and we would have it as a safety valve when the gold of the world is cornered and hoarded, as it is cornered and hoarded to-day by two governments.

There is a dream by some of our financial advisers that we can put Great Britain back on a gold basis, and all the other countries of the world on a gold basis. It would be the best thing for us if we could do it; but how can we do it? We can not do it without giving them gold, and yet the United States and France have three-fourths of the monetary gold of the world. We can not afford to give it to them or lend it to them, nor can France do so. Yet you can imagine, if all of these countries went on a sound, economic gold basis, compared with what we require, how much gold they would have to have. We could not furnish it.

There is no desire on the part of our country to lower our standard. There is no desire on our part to go off the gold standard. Our gold standard is sound because we have nearly half the gold of the world. But if we expect to deal with the rest of the people of the world in commerce, we have to lower our standard of values, as Great Britain has done since September, 1928, or we will have to do something to raise the exchange value of the moneys of other countries whose basis of money is not gold. Yet there is not a move by our Government, by the administration, by any committee, by anyone except the Foreign Relations Committee of the Senate, to investigate the facts and suggest remedies.

It may be conservatively asserted that there is no record in all history of such universal monetary chaos, stagnation of trade and commerce, unemployment, underconsumption, and human distress. These deplorable conditions not only make brothers in suffering of all humanity but challenge the intense and immediate cooperation of the statesmanship and business genius of all countries.

Every government and every people have undoubtedly been striving to analyze the causes for such extraordinary conditions and, in a selfish way, to secure alleviation through hasty and temporary expedients. These selfish efforts of dazed and distracted statesmen and financiers, except in so far as they may have stemmed the tide of destruction, have been of little avail.

There has been no substantial attempt at international or intergovernmental cooperation for the analyzation of the fundamental causes that lie at the base of the trouble or the formulation and adoption of remedies for the solution of the problem. Ambition to maintain financial and commercial power and inherent distrust existing among peoples have so far discouraged and delayed intergovernmental cooperation.

Germany for years has been on the verge of bankruptcy, her Government constantly threatened with dissolution, and her unemployment increasing. Smaller governments throughout Europe have only been able to maintain themselves through the borrowing of gold. Their credit is now so low that further loans apparently are unsafe.

Great Britain's fall from power has probably been the most significant event in all the history of the present world depression. It was conceivable that the credit of many governments might be shaken, but not that of Great Britain. Great Britain had longer dominated the finances of the world and the commerce of the seas than had been the proud boast of any other country.

Great Britain on the 28th day of September was forced, after a stubborn and gallant fight, to abandon the gold standard and declare her inability to redeem her pound-sterling notes in gold. The world was amazed and shocked. The credit of Great Britain was shaken and the pound-sterling note commenced to fall. The credit systems of the world were rocked, money-exchange values were disrupted, and distrust in the stability of gold reserves and the power of governments to sustain their credits spread like a prairie fire. Gold withdrawals increased universally until a condition of panic was almost reached.

These things had their repercussion upon other peoples and other governments, and these governments, following the lead of Great Britain, abandoned the gold standard and their promise of gold redemption of their currency issues. Our Government was too well fortified with gold and natural resources to be vitally affected. Our banks, however, did for a time suffer large gold withdrawals through the unreasonable fear inspired by the conditions existing in Great Britain and other countries. This fear in the United States has been allayed. Our gold standard is safe. We have nearly half of the monetary gold of the world in our banks. Our credit stands unimpeached. The American dollar is at par and will remain at par.

The relief measures adopted by our Government have proven, in the circumstances, inadequate. The farmer has made no profits upon his crops, the manufacturers have been compelled to continuously reduce plant operations to meet the lessened purchasing power of former customers, and unemployment has steadily increased to the present date.

We are faced with a winter during which there must be inevitably great suffering. What plans are to be proposed by the President for the solution of our distressing problems? What action will Congress take to meet the emergency? These are matters of vital interest to the people of our country.

Congress is asked to approve the debt moratorium initiated by the President. Our bankers, who, after conference with the President, established a $500,000,000 pool to prevent further failures of banks whose vaults are full of frozen assets, desire a liberalization of the policy of the Federal reserve banks, and possibly a liberalization of the Federal reserve act in aid of the extension of credits by the banks of the country. It is being suggested by statesmen and financiers that it is essential for Congress to enlarge the resources and expand the credit of the farm-loan banks. The advice even comes from high governmental sources that it will be necessary for the Congress to create another financial institution to be backed by the Federal Government in aid of home builders. These acts it is true, will delay bankruptcy, but on the other hand they will add to the burdens of the taxpayer without increasing the value of his property or his products.

It appears that, notwithstanding these conflicting opinions, the National Government will be compelled to come to the assistance of industry and of labor lest failures increase and unemployment multiply. The only alternative apparently is action that will increase the purchasing power of our citizens and our foreign customers.

The proposal for the curtailment of production does not, in my opinion, offer any permanent remedy for the loss of purchasing power by our customers. The great manufacturing plants of our country have for two years been steadily

reducing plant operations. This may have resulted in less loss to the manufacturing industry, but at the same time it has inevitably and constantly added to the mass of unemployed of the country and to the reduction of the purchasing power in the domestic market.

If the farmers of the country curtailed production, then they will reduce the number of their employees and add further to the horde of unemployed in the country. In what position are plants, whether they be manufacturing or agricultural plants, to make profits or even to pay increased taxes upon such investments when only operating to a small portion of their capacity? Such a proposition is fundamentally unsound.

The stagnation of trade is the chief cause of world depression. Many able economists declare that the scarcity and maldistribution of gold is the principal cause for the stagnation of trade and commerce. It is contended that the annual mine supply of gold has not kept pace with the increase of population and trade throughout the world, and that this scarcity of gold has caused governments to contrive to obtain, horde, and keep it, which has resulted in a maldistribution of the metal. These arguments are all based upon facts, which may and probably do constitute substantial causes for world depression.

The financial committee of the League of Nations found these facts to be true, as has also the MacMillan report, recently published in Great Britain. And yet it must be evident that the maldistribution of gold, and even the effect of its scarcity, would have been largely overcome and may not have been seriously felt for years if the trade and commerce of the world had not been obstructed, and had moved smoothly through its former channels. Great Britain undoubtedly could have maintained her gold reserve and not have been compelled to go off the gold standard had not the balance of trade gone against her through the disastrous slump in her export trade. The stagnation of world trade is more responsible for world depression, in my opinion, than any other cause.

Let us view our own export trade. And certainly, with our skilled labor, machinery, and mass production, we should be capable of competing anywhere in the world. The recent report of our Department of Commerce discloses that our exports from June 30, 1929, to June 30, 1930, decreased 12.7 per cent, and that such exports from June 30, 1930, to October, 1931, had further decreased 39.3 per cent. There has been a continuous and disastrous decrease in our export trade since 1928.

It has been urged, however, most seriously by some of our financiers that only about 10 per cent of our production is exported, and that we rely upon our large and luxurious domestic trade. But something has happened to our domestic trade. Let us consider the fate of cotton, our largest export commodity. In the year ending June 30, 1929, the United States exported unmanufactured cotton of the value of $868,200,000. In the year ending June 30, 1931, we exported unmanufactured cotton of the value of $424,600,000. From 1929 to 1930 there was a decrease in exports of 22.7 per cent. From 1930 to 1931 there was a further decrease of 55 per cent. In 1929 the average price of cotton was 23 cents a pound. At the present time the price of cotton is below 7 cents a pound, being a decrease of 70 per cent in the price of cotton in the last two years.

In the year ending July 31, 1929, we produced 14,297,000 bales of cotton, with a carry-over of 2,312,000 bales as of July 31. In the year ending July 31, 1931, we produced 13,756,000 bales of cotton, with a carry-over of 6,369,000 bales as of July 31. Normally about half of the total production of American cotton is exported.

What was the result of this? The cotton planter had more cotton than he could dispose of in the domestic market. He had to have gold to pay his debts. He was compelled to sell in a market where there was a greater supply than a demand. The result was natural. The price of cotton was thus beaten down from 23 cents a pound in 1929 to below 7 cents a pound at the present time. Seven cents a pound will not pay the expense of raising cotton. The result was that those engaged in the cotton industry could not pay their obligations or even their taxes. They had no money with which to purchase automobiles, radios, clothing, and other manufactured articles. The people of the cotton-raising section of the country became nonpurchasers in the domestic market.

The same conditions extend to lumber, wheat, meats, and many other articles. Exports of such commodities from 1930 to 1931 decreased from 40 to 55 per cent. The prices of such commodities have also suffered a similar decrease. The producers of such commodities are in the same situation as those dependent upon the production of cotton. They have made no profits and have no money with which to purchase manufactured articles. And so domestic purchasers of our manufactured articles have decreased from 25 to 50 per cent since 1929. The result of such reduced purchasing power is illustrated by the fact that the great steel plants of our country are operating at only 30 per cent of their capacity.

And this was not the end of the destruction of the purchasing power of the people in the domestic market. With reduced purchases by the domestic consumers plant operations were reduced, and as plant operations were reduced employees were discharged to be added to the ever-increasing horde of unemployed nonpurchasers. And so with each curtailment in plant operation the domestic purchasing power decreased and thus necessitated further reduction of plant operation. And how will we escape from this vicious circle?

The logic of the situation leads directly to the conclusion that our domestic market is dependent for its prosperity upon our export market. The purchasing power of our citizens can not be increased materially until they can sell their normal production at a profit.

Disruption of exchange is the major cause for the sudden and extreme decrease in the export trade of the United States, Great Britain, and other gold-standard countries.

When we export goods to a foreign country such goods are paid for at our price in our money. The foreign buyer, to consummate the purchase, must exchange the money of his country for our money, with which to pay for our exports.

There are only three kinds of money in the world, namely, gold, silver, and fiat paper money. Of course, paper currency based upon gold and silver is treated as a part of the gold and silver money of countries. Fiat money is paper currency not secured by or convertible into gold or silver, and is dependent for its value solely upon the promise to pay and the credit of the government or bank of issuance. We, as all other gold-standard countries, measure the value of silver money and of fiat money by comparison with the value we place upon our gold money.

In September we valued the British pound sterling at $4.86. At that time the pound sterling exchanged for $4.86 of our money. Now Great Britain is off the gold standard and its pound-sterling note is not convertible into gold. Its value is dependent entirely upon the credit of Great Britain and the hope that it will eventually redeem such note at par; that is, at the exchange value of $4.86. The exchange value of the pound sterling has fallen to $3.40, and may suffer a further depreciation.

In 1928, when silver was around 60 cents an ounce, the exchange value of the Chinese silver dollar, measured by our money, was approximately 50 cents. It then required two Chinese silver dollars to purchase one of our dollars with which to pay for our products. To-day the exchange value of the Chinese silver dollar, by reason of the decrease in the price of silver to around 30 cents an ounce, is about 21 cents. In other words, to-day, by reason of the fall in Chinese exchange, it takes nearly four and one-half Chinese silver dollars to exchange for one of our dollars with which to pay for our exports.

The first money exchange that was disrupted was the money of those countries where silver is and for many ages has been the exclusive circulating medium. This disruption of exchange commenced with the sudden fall in the price and value of silver along in 1928, which continued until

the present time. The effect of this disruption of exchange may best be illustrated by a review of the history of our trade with China since the fiscal year of 1928. From that time until the present our exports to China have steadily decreased at an alarming rate and are rapidly approaching the disappearing point.

It may be argued, of course, that this abnormal and extreme decrease in our exports to China is due to the impoverishment of the people of China through wars, floods, and other catastrophes. I recently spent six weeks in China by direction of the United States Senate studying conditions there as affecting our commerce and trade. I was astonished to find that the great cities along the coast of China were enjoying extraordinary prosperity. The so-called banditry wars were in remote provinces involving an area small indeed by comparison with China, which in area is almost as large as the United States and Mexico combined. I heard nothing of poverty or unemployment in these large cities.

I had the honor to address a large gathering of business men of various nationalities in Hong Kong, China. When I had completed my speech a British importer asked me if I believed that the fall in the price of silver, and the consequent lowering of Chinese exchange, was responsible for the falling off of the exports from the British Isles. I read to the meeting, in reply to this inquiry, a statement contained in the recent report of the British Economic Mission of the Far East, in which it was stated that in 1929 Great Britain exported to China 210,000,000 of linear yards of cotton piece goods, while in 1930 such exports had decreased to the amazing extent of only 64,000,000 of linear yards of such cotton piece goods. And may I not at this time call attention to the fact that it was such decreases in the export of British manufactured goods to China and other silver-money using countries that resulted in a balance of trade against her, the reduction of operations in her plants, the decrease in the purchase of raw material from our country, the discharge of employees, permanent unemployment, the dole, and the abandonment of the gold standard.

A distinguished Chinese banker then followed the British interrogator. He had been educated in the United States. He spoke English fluently. He had obtained his banking experience in one of our large banking institutions. He said: "Senator, I agree with you that the sudden and extreme decrease in the price of silver, which has resulted in the low exchange value of our silver money, is due exclusively to the policy and practice of the British Government for India, put in effect in 1928, in melting up silver rupee coins and dumping the metal upon the market of the world.

"I agree also," he said, "as to the destructive effect of the low rate of exchange upon your exports and the exports of Great Britain and other gold-standard countries to China. Here in China," he declared, "we have nothing but silver money and currency based upon silver money. To us gold is only jewelry. Our silver dollar has as much silver in it as your silver dollar. Your silver dollar in the United States passes at par, or its face value, and so does our silver dollar pass at par, or its face value, in China. We receive the same number of silver dollars for our labor and our products that we did when silver was twice the price it is to-day. You refuse to accept our silver dollar in exchange for your dollar at par, or its face value. You will only accept our silver money in exchange for your money with which to pay for your goods at the value of the silver in our dollar. As there are only about seventy-eight hundredths of an ounce of silver in a dollar, and the price of silver in the markets of the world being only 30 cents an ounce, you value our silver dollar in exchange for your dollar at only 23 cents. That means," he asserted, "that we must exchange nearly five of our silver dollars for one of your dollars with which to pay your price for your goods. In the circumstances," the speaker said, "we can not afford to buy your goods, and we are not buying them except in so far as necessity requires. I do not agree with you, Senator, that this is a bad thing for China. It has brought prosperity to China. It compels our people to buy at home. This domestic buying," he asserted. "has drawn gold to China from your country, Japan, Great Britain, and other gold-basis countries, to exchange for our cheaper silver with which to employ our cheap labor to build cotton mills, cigarette factories, flour mills, hotels, apartment houses, and to engage in other industries to domestically supply the demands of our people. This is the cause," said he, "for the building boom and the prosperity that you observe in all the large coastal cities of China."

This speech of the distinguished Chinese banker illustrates the effect of disruption of exchange upon our exports not only to China but Asia, South America, Mexico, and other silver money using countries. The question is not material as to whether the country to which we export is on a nominal gold standard, but whether the ultimate purchaser of our export goods has to pay for them in silver or other depreciated money.

The customs tariff of China adds to the difficulty of the disrupted exchange. China now has tariff autonomy. The tariff duties were originally based upon silver. These revenues were allocated substantially to the payment of foreign-service debts. In view of the low exchange rate of silver money such revenues were insufficient to meet the requirements of foreign debt service. The Government, therefore, placed the tariff duties on a gold-unit basis; that is, if a duty was 40 cents on the specific article, the importer would be required to pay silver in an amount that would exchange for 40 cents gold. At the rate of exchange now prevailing that would require about $1.80 in Chinese silver money. So the tariff through this process was increased four and one-half times to the Chinese importer.

The extent and effect of the disruption of the exchange value of silver money can only be estimated when we realize that over half of the people of the world have from time immemorial had no other circulating medium than silver coins, or paper convertible into silver, and that to-day 90 per cent of the governments of the world are without a gold standard, or the possibility of obtaining gold for circulation, or as a reserve for currency issue. Practically three-fourths of the monetary gold of the world is lying dormant in the banks of the United States and France. When Great Britain could not obtain sufficient gold to maintain a gold standard, it is futile at the present time to nurse the hopeless ambition of placing the rest of the world on a gold standard, or of even adequately maintaining the gold standard of those countries which are now so desperately and tenaciously holding on.

We think of silver as only a commodity. As a fact, only one-fifth of the silver produced is used in the arts and sciences, the balance being used for monetary purposes. Silver is money to over half of the people of the world. They are interested in the price of silver solely to the extent that it affects the exchange value of their money. Gold-standard governments protect their gold through embargoes and various devices. Silver money using people are entitled to protection against dumping and other acts destructive of the value of their money. It is to our interest to cooperate with them in obtaining such protection. They are our largest potential foreign customers.

It would not be sound finance in present conditions for us to abandon the gold standard or to reduce even the comparative exchange value of our money. We can do nothing to raise the exchange value of fiat money. We can, through initiative and cooperation with other governments, readily and easily raise the exchange value of silver money. Such action does not require a radical change in the monetary systems of the world; at least such is not the desire or intention of the subcommittee of which I am chairman, nor, to my knowledge, of the United States Senate.

In February, 1930, the Senate of the United States unanimously adopted a resolution that I introduced on behalf of the committee. This resolution simply states:

Resolved, That the Senate, having had under investigation and consideration, through its Committee on Foreign Relations and a subcommittee thereof, our commercial relations with China, the causes of the great and sudden depression in such commerce, and remedies for such depression, and such committee having reported to the Senate, the Senate submits to the President the reports, hearings, and other data in respect thereto, with the respectful

suggestion that he shall, if he deem it compatible with the best interests of the Government, enter into discussion or negotiation with governments looking to the suspension of the policy and practice of governments of melting up or debasing silver coins and sales by governments of silver, and that he take such other and further action in the premises as he may deem necessary to eliminate the abnormal fluctuations and depressions in the price of silver.

The Senate further respectfully suggests that the President, if he deem it compatible with the best interests of the Government, call or obtain an international conference, or international conferences, to the end that agreements or understandings may be obtained with respect to the uses and status of silver as money.

This resolution was indorsed by legislative action of 11 Western States. The calling of the conference was approved by the International Chamber of Commerce, the Pan American Conference, the American Chamber of Commerce of China, the Pacific Foreign Trade Council, and the American Federation of Labor.

Our committee favors no artificial price-fixing scheme. The chief object of the conference is to have governments agree to abandon or suspend the policy and practice of debasing and melting up silver coins and thus oversupplying the market with this metal. If this one agreement could be executed, the price of silver would be restored almost instantly to its normal price of around 60 or 65 cents an ounce. I realize that this will have the sound of a dogmatic expression, and yet the facts will sustain it.

The price of silver for 20 years, until the dumping commenced from India, fluctuated around 60 cents an ounce. What caused the sudden, extreme depression in the price? It certainly was not caused by an oversupply from mine production throughout the world. The world mine production of silver for 1930 was only 243,700,000 ounces, being 6½ per cent less than the mine production of 1929. The world mine production for 1931, based upon estimates of monthly production, will only be 178,000,000 ounces, a decrease of 26½ per cent since 1930. The world production of silver for 1913 was 223,686,823 ounces, being 20 per cent greater than the mine production of 1931.

So it is evident that the sudden, abnormal, and extreme decrease in the price of silver was not due to an oversupply coming from mine production. What, then, was the cause of the oversupply? In 1924 the British Government instituted the practice of debasing its silver coins and selling its surplus upon the market of the world. These sales increased until and through 1929, totaling 26,400,000 ounces.

In 1927, 1928, and 1929 France, Belgium, and Indo-China demonetized, melted up, and sold silver coins to the total amount of 62,000,000 ounces.

The British Government for India in 1926 adopted the gold-standard policy for India. Carrying out this policy contemplated the acquisition of approximately $300,000,000 in gold through the melting up of India rupee silver coins and the sale in the world's market of the bullion so derived. Under this policy the British Government for India dumped on the market of the world the following silver: 1927 and 1928, 31,700,000 ounces; 1929, 25,000,000 ounces; 1930, 29,500,000 ounces. In 1931 India continued to sell such silver, although the price had been beaten down from 57 cents to below 32 cents an ounce.

The world's production of silver during the last decade has averaged around 250,000,000 ounces annually. The steady and small increase in the production of silver was only sufficient to meet the increased demand caused by increased population and trade. Until the dumping from the countries mentioned commenced, while there was ample silver for market demands, there was no surplus. The dumping of such huge amounts of silver on the market of the world from unnatural sources had a tremendous bear effect. The threat of further dumping of unlimited amounts of silver from the same sources without regard to price had an even greater depressing effect upon the market for silver. The Indian Government to-day has in its treasury over 400,000,000 ounces of silver in the form of silver rupee coins that it is authorized to sell in any quantities, at any price, at any time. Until there is some assurance against this dumping by intergovernmental agreement it will be impossible for the price of silver to recover or for normal exchange to be restored.

There is a strange misconception as to the deposition and production and consumption of silver. Two-thirds of the silver produced in the world is as a by-product of gold, copper, lead, and zinc. The production of gold is decreasing. The production of silver is automatically controlled by the production of other metals. When times are prosperous and there is a demand for copper, lead, and zinc, there is also a demand for more silver, and when demand for these base metals decreases so does the supply of silver decrease.

The relative production of gold and silver since the discovery of America is discussed in Economic Paper No. 8, by the Bureau of Mines of the United States Department of Commerce, in a publication entitled "Summarized Data of Silver Production." I quote from a statement on page 7 which will undoubtedly enlighten, if not surprise, those who imagine that silver is not a precious metal and that from some unknown or imaginary source the world may be flooded with it. Here is the statement:

One-half of all the output of silver since 1493 was produced in the 39 years between 1889 and 1927, but in spite of this great increase its rate has been much less than that of gold, copper, lead, and zinc. The low rate of increase in silver production results from the fact that the silver-mining industry was developed on a basis of large-scale production earlier than the mining of other metals and from the lower price commanded by silver since it was demonetized in most countries. The rejection of silver as a basis of monetary systems in conjunction with gold terminated an association that had lasted for centuries.

Demonetization became possible through the enormous increase in gold production that followed invention of the cyanide process in 1887 and development of the gold fields of South Africa, yet a number of countries still retain the silver-gold standard. Most orientals use silver as a medium of exchange almost to the exclusion of gold. Silver may thus be regarded as a second line of defense for the maintenance of the metallic foundation of monetary systems, but the future of its production will be influenced largely by the course of gold production.

In conclusion, it is of interest to note that although the value of gold to silver now stands at a ratio of about 40 to 1 and was formerly fixed in the bimetallic monetary standard at 16 to 1, the ratio of production of silver to gold in the whole period since the discovery of America has been about 14 to 1.

At the time this article was written silver was at a higher price than it is to-day, so the statement of the ratio of 40 to 1 was accurate. To-day, with silver around 30 cents an ounce, the ratio is over 60 to 1.

A fear seems to exist in the minds of some that if the price of silver was restored the horded silver in India would come out of hiding and flood the market and again beat the price down. Statistics give no grounds for such fear. The world's price of silver in 1918 averaged $1.04 an ounce; in 1919, $1.25; and in 1920, $1.34. This unusually high price of silver did not cause the dumping of silver by India during those three years. India imported 333,970,299 ounces of silver, while during the same period she only exported 29,811,133 ounces. During the same period of time China imported, over and above exports, more than one-third of the total world production of silver.

It is also contended that the increased price of silver would increase production and thereby again beat down the price of silver. Statistics do not sustain this contention. During the same period of time, when silver was at the highest price that had been reached since 1841, the mine production of the world was hardly affected. According to the report of the Director of the Mint, from which all these figures are taken, during these years world production was as follows: In 1918, 203,000,000 ounces; in 1919, 179,000,000 ounces; and in 1920, 173,000,000 ounces. I have omitted the figures except those dealing in millions. This is due to the fact undoubtedly that the production of silver is chiefly as a by-product of gold, copper, lead, and zinc, and during that period there was no excessive demand for those metals. This also illustrates the automatic control of the production of silver that I have before referred to.

It is significant that during the recent rise in the price of silver our exports to China were greatly increased. This

was but natural, because the exchange rate rose with the rise in silver, and China could buy more of our products with the same number of Chinese dollars.

It will also be recalled that during the high price of silver in 1918, 1919, and 1920 our export trade with China flourished. That was due, of course, to the fact that with silver at $1.34 an ounce Chinese exchange was at par; that is, the Chinese dollar was exchanged for one of our dollars with which to buy our goods.

A distinguished professor of one of our great universities recently stated that the fall in the price of silver had nothing to do with the decrease in our exports, and in sustaining this pronouncement he called attention to the fact that our exports to Europe had fallen off to the same extent as those to China. It did not occur to him that the loss of the export trade of Great Britain and other European countries to China and other silver money-using countries in manufactured goods had decreased their demand for our raw materials, which chiefly accounts for the decrease in our exports to Europe.

Sir Robert Horne is sustained by the report of the British Economic Mission to the Far East for 1930–31, as I have stated. This mission was headed by Sir Ernest Thompson, J. P., as chairman, and consisted of a group of distinguished economists and financiers of Great Britain. The mission spent several months in China and submitted an able and exhaustive report. I quote from the report at page 127. The statement is as follows:

> It is clear that the Chinese Government and the Chinese nation have set their faces toward a policy of industrializing China. In this development British capital should play its part and no restraint should be placed upon it.
>
> The continued depreciation of the value of silver has enormously reduced the purchasing power of China and, if it continues, will hasten the growth of industries in China, the manufactures of which will compete with imported products from Great Britain. Reduction in the value of silver also increases the difficulties of China in meeting interest on foreign loans and so compels her to raise further revenue by increasing import duties. If the depreciation of silver were to affect the foreign loan service, much damage would be inflicted on British interests.
>
> In our opinion, every means should be sought of bringing about the stabilization of silver and so of restoring to China her full purchasing power. Only by international agreement can this result be attained, and we feel that Great Britain should take a leading part in endeavoring to secure such agreement.

Our Government has no intention of debasing or melting up our silver coins. No government at the present time is pursuing such a practice, unless it be India, and the threat comes from India alone at the present time. Only an intergovernmental agreement, however, would insure against the adoption of such a practice at any time by any government. It certainly could not be injurious to our Government if other governments of the world maintain silver reserves. Silver money is undoubtedly more stable than fiat money. An agreement as to the issue and fineness of fractional silver coins would undoubtedly facilitate the exchange of such coins, and in any event would in no way adversely affect our monetary system. An agreement as to the exchange value of silver money in settlement of trade balances with silver-standard countries would at least remove some of the uncertainty in exchange values and eliminate one of the chief causes militating against credit transactions between countries where there are violent exchange fluctuations.

These are some of the subjects that could be discussed and considered, and upon which agreements might be reached under the terms of the Senate resolution for subsequent ratification, modification, or rejection by the participating governments.

The exchange problem to-day more vitally affects the United States than any other country. The abandonment by Great Britain and many other countries of the gold standard, and the consequent depreciation of their money by relation to gold, has given such countries a great advantage over the United States in the markets of the world. It has not yet been suggested how we may compete in the export trade with such countries. As it is not practical for us to depreciate the value of our money, it is of vital interest to us that the exchange value of the money of other countries be raised to par, or as nearly to par as may be possible.

What the world requires most is certainty as to the action of governments.

There is no doubt that every government in the world, unless they be the Governments of the United States and France, desires an international conference under the limitations of the Senate resolution, and many of them would be prepared to call the conference if they were assured that it would be agreeable to the United States Government and that our Government would participate. They feel that this matter has been initiated by the United States by the Senate resolution and that the President has already instituted action thereunder by informal conferences with other governments. They naturally hesitate until there is some action by our Government or some expression from our President.

The Under Secretary of State has officially and publicly announced that our Government is of the opinion that some other government more interested should take the initiative and issue the call for an intergovernmental conference on the silver problem and that the United States would participate in such conference upon invitation. I know of no other government to whom export trade is more vital, unless it be Great Britain.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Nevada yield to the Senator from Minnesota?

Mr. PITTMAN. I yield.

Mr. SHIPSTEAD. The Senator is aware of the fact that a statement was issued after the visit of Laval, the French statesman, that an agreement had been reached with the President of the United States that the Government of the United States would do everything to assist France to maintain the gold standard.

Mr. PITTMAN. I remember the joint statement. It seemed to me that it was an agreement on behalf of the President and Mr. Laval that their Governments were determined to maintain the gold standard, and I think they can maintain it; I do not think there is any question about it.

Mr. WATSON. Mr. President, will the Senator yield to me?

Mr. PITTMAN. I yield.

Mr. WATSON. Assuming the truthfulness of all the Senator has said, what does he propose to remedy the situation? I know the Senator has been a great student of the question. What is his solution of the problem?

Mr. PITTMAN. In the first place, Mr. President, silver fluctuated around 60 cents an ounce for many years. It would be up a little and down a little; but the fluctuation was not so great as to interfere with trade transactions.

All of a sudden, a little over two years ago, it commenced to drop and drop, and it dropped from around 60 to around 25½ cents an ounce. We were told that that was on account of an oversupply. That is correct. It was not overproduction but was oversupply, because the production of silver from mines was less in 1930 than it was in 1929. It is less in 1931 than it was in 1930. In fact, it is less in 1931 than it was before the war, in 1913. It was not due to an overproduction from the mines.

Then we sought to find out the reason. In 1926 the British Government adopted a policy of putting India on a gold basis. That practice was not put into force and effect until 1928, because there was considerable protest against it in Great Britain. As a matter of fact, the governor of the Bank of England opposed it bitterly, said that it was impracticable and would not work. So they delayed it until 1928, and then Sir George Shuster, the treasurer for India, having been given absolute power to melt up and sell the silver coins in India at any time, at any price, in any quantity, commenced to melt them up and dump them on the markets of the world. He wanted to get $300,000,000 in gold. He had probably several hundred millions of ounces of silver in his possession as silver coin. He figured that at 60

cents an ounce he would not have to sell over 600,000,000 ounces. But he was ignorant, as unfortunately many economists are, of the effect of supply and demand on the market. He did not realize that silver had been used since the beginning of time. He did not understand that the supply of silver had been uniform throughout the ages, increasing only enough to meet increase of population and demands of business. The supply had never been short, but never was there a surplus. He did not understand that. So he dumped 158,000,000 ounces in two years' time. It was absorbed, of course, at bargain prices, but the price was pushed down.

That was not all. China and Persia joined in the dumping. In 1927, 1928, and 1929 the British Government being hard up for gold wanted to get some more gold, Belgium wanted some more gold, and France wanted some more gold. So they started debasing their coin; that is, they would take the silver coin, made of fine silver, and take the silver out and put nickle or something else in the place of it and dump that silver on the market.

Therefore, when we get down to it, there was only one thing which disturbed the natural law of supply and demand which had governed the supply of silver, and that was the unnatural dumping from the sources I have named.

Germany and other governments are coining silver coin, but India even now is melting up its silver coin and dumping the silver on the markets of the world, although their hope of returning to a gold standard is certainly far in the future.

It is asked, what will be accomplished by such a conference as is contemplated? I say, if we do not accomplish anything else, if the governments of the world should enter into a treaty simply saying that we will abandon the practice and policy of debasing and melting our silver coin, or if they do not go that far, but say they will suspend it for five years, the result will be that the law of supply and demand, which has been known through the ages, will be restored, and the natural price of silver, governed by that, would go back to 60 cents an ounce, where it was for years and years.

Mr. WATSON. Mr. President, I am much interested in what the Senator is saying. I infer from his remarks that he is advocating an international arrangement or conference. Let me ask the Senator a very practical question, as to whether or not he believes England and France would join in a conference of that kind, and whether or not, if they did not join, such a conference would be helpful.

Mr. PITTMAN. As to whether Great Britain would enter, the London Times for three months has been publishing two columns almost daily of expressions of opinion on that very subject.

Mr. SHIPSTEAD. Mr. President, I did not catch the question of the Senator from Indiana.

Mr. PITTMAN. The question was whether Great Britain would participate in an international conference. Let us see what the business men of England who favor this say.

Sir Henri Deterding has been writing articles, and I daresay the Senator from Indiana has been getting copies of his articles. He has written several of them, and has stated, as I state, that the manufacturing concerns and business concerns of England could not sell at all to the oriental countries with the great difference in exchange value based on the price of silver. Sir Henri Deterding is the head of the Shell Oil Co.

Sir Hugo Cunliffe-Owen, who is the head of the British Tobacco Trust, takes the same view. Mr. Amery, of the House of Commons, one of the greatest financial experts, takes the same view. I could name 50 such men who take that view.

The question is whether or not that type of mind and business man is going to convince the British Government of the advisability of such a conference.

Mr. KEAN. Mr. President, is it not true that the decrease in the value of the pound sterling has cut the salaries, the wages, and the cost of manufacturing in Great Britain so that they can get down to the silver basis of the Orient?

Mr. PITTMAN. I do not know, Senator, whether it has or not. It may have or it may not have.

Mr. KEAN. It is 33 per cent off.

Mr. PITTMAN. Yes. It amounts to the same thing, because they are paid in cheap money. It may or it may not have reached the level of exchange with oriental countries so that they can do business with them. I am afraid it has; and if it has, then we need not expect any assistance from Great Britain.

I say to the Senate as I said before, because Great Britain has lowered her money toward the standard of the oriental countries and will not join us and raise their standard, does not mean that we should in a cowardly way stand idly by and say we can not do anything without Great Britain.

I have already said that all of South America, Mexico, China, Japan, Australia, and Canada want to raise the standard of the purchasing power of their people. They want an international conference. If Great Britain does not want it, and France does not want it, let them stay out, and let those who join agree as among themselves, by treaty, that they will not debase their silver coins and will not permit importations of silver from any country that does not enter into that agreement. That would block Great Britain and France and India in one minute after such an agreement was entered into.

Another thing: If we can enter into an agreement with those countries as to certain reserves, as to the issue of certain paper money based on silver reserves and secured possibly to some extent by gold, if we can agree that this money shall have a certain exchange ratio for the purpose of settling trade balances, then we will reestablish our trade among those countries and will leave France and England on the outside.

These are suggestions, and whether they be founded in good economics or not, the fact remains that there is only one way to do it, and that is by intergovernmental conferences with the people with whom we may desire to do business. If we are to sit idly by and let Great Britain take the trade of the world from us—and I agree with the Senator that she is doing it, because she will not join us in helping to get back our trade—then it is all the more important that we should act on our own initiative in conjunction with the governments which will, and we should not hesitate to do it.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Minnesota?

Mr. PITTMAN. I yield.

Mr. SHIPSTEAD. As a matter of fact, the main purposes of those governments, 14 of them in number, in having gone off the gold standard, is to restore trade. Their trade was blocked, and they could not buy or sell. They could not sell, because they could not buy. They could not buy for lack of a medium with which to make international settlements. Under the gold standard, having no gold and having exhausted their borrowing power for gold, they were unable to obtain any medium with which to make international settlements. Partly as a result of this we have a world blockade of commerce. Having gone off the gold standard and making settlement by other means, they are able now to continue to trade with nations who are willing to accept another medium of exchange for international settlement.

Gold is merely a medium upon which to make international settlements. Not having it, they can not trade. They must find some other means in which to make settlements. The main purpose of trade is to exchange goods, and in the absence of any medium upon which to make settlement trade ceases. If that theory is accepted, it is quite conceivable that those 14 nations who are willing to make settlement on a different basis than that of gold, which they have not got, can now make an agreement for settlement in the terms of another medium and restore trade, leaving the gold-standard countries, who have a disadvantage of 20 or 30 per cent, to trade among themselves.

The Midland Bank of England reports in its last quarterly bulletin that it is possible England will not go back to the gold standard. The Government of Sweden may not ever go back to the gold standard, because they are able

to trade now with other nations. Sir John Maynard Keynes says it is quite likely the gold-standard countires "will now suffer the curse of Midas."

Josepm Caillaux, the French statesman who put France back upon her feet financially after the war, expresses great concern for the safety and prosperity of French industry as a result of all these nations going off the gold standard. He said that the monetary systems of the world based on gold can be compared to an inverted cylinder of paper resting on a fine point of gold. He said that if we disturb that fine point even a little bit, the whole edifice trembles, and he said, "What a wonderful opportunity that gives to speculators." Then he went on to say that there is in his opinion only one remedy. He points to the economic advice or report of the economic council of the League of Nations who have advised that all the gold from all the countries of the world shall be gathered and concentrated in the Bank for International Settlements and shall be used only as a medium for making international settlements, a kind of bookkeeping or money-of-account method of settlement. He ridicules that suggestion. He says there is only one remedy and that is to add silver to the gold standard of the world and thus broaden the bases of the currency pyramid and to provide an additional medium of exchange for international settlement.

I ought also to add that the view of the economists and a large number of bankers is that on account of the tremendous indebtedness of the world incurred during the war and since, it is impossible to make payment or settlement in a commodity that is so rare as gold. Those who disagree have referred to silver as not being the proper medium for money, because they say silver is merely a commodity like any other commodity. I would like to be informed whether or not gold is not a commodity. Gold having been selected as the only commodity that can be used for the payment of debts or international settlements, with its scarcity and with the huge amount of debts to be settled for, that advantage given to gold over any other commodity creates a tremendous demand for gold. The greater the amount of debt, the greater the demand for gold. Gold, like any other commodity, yields to the law of supply and demand. Having this tremendous demand for gold, the value of gold increases, and as the value of gold increases the value of other commodities decreases.

I thought, in addition to the very excellent statement the Senator from Nevada has made, that I ought to make that statement and also say that it is quite generally agreed by responsible economists of the world that as a result of the scarcity of and great demand for gold we have the descending price level which is destroying commerce, values, incomes of individuals, and therefore the revenues of governments.

Mr. PITTMAN. I thank the Senator for the very able remarks he has made upon the subject. The Senator is a member of the Subcommittee on Foreign Relations, together with the Senator from California [Mr. JOHNSON], the Senator from Virginia [Mr. SWANSON], the Senator from Michigan [Mr. VANDENBERG], and myself, which was directed by the Foreign Relations Committee to study the subject and make a report. We have made a partial report. We are going to make a final report as soon as we can get the data all together.

I wanted to take this occasion only for the purpose of bringing the matter to the attention of the Senate, so that Senators could study it and form their own opinions with regard to it. I agree entirely with the Senator from Minnesota in every statement that he has made. I think there is a very great misapprehension as to the instability of the silver metal. There is no doubt that since the beginning of time there have been only 14 ounces of silver produced to every ounce of gold. It is no more of a commodity than gold, of course, because only one-fifth of the production of silver of the world is used throughout industry. The rest is used to represent money or value. But I am not going into that question now. We have been dealing with the question of exchange between governments. The Senator has already covered the question of exchange between those governments whose money has been proportionately depreciating.

Mr. SHIPSTEAD. While ours has appreciated.

Mr. PITTMAN. Ours has appreciated compared to their depreciation. The difference has grown greater. We have not intention to lower the standard of our money. We do not have to do so. But it is absolutely necessary to compete with them, and if there is a chance for a substantial agreement with South America, Mexico, and the Orient to restore the standards of their money and to restore the purchasing power of their money so they can purchase from us, we should do it.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Utah?

Mr. PITTMAN. I yield.

Mr. SMOOT. I think it would be proper at this time to call the attention of the Senate to the fact that there have been produced in all the world a little over 11,000,000,000 ounces of silver, and nearly 6,000,000,000 ounces of silver have been used in the arts and for manufactured articles. It resolves itself into the fact that there are less than 6,000,000,000 ounces of silver in the world for use as money, and most of that is held as a reserve for paper issues. That certainly is a small amount as a medium of exchange.

Mr. FLETCHER. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Florida?

Mr. PITTMAN. I yield.

Mr. FLETCHER. The Senator from Utah mentioned the amount of silver used in money.

Mr. PITTMAN. No; not used as money, but in existence or supposed to be in existence.

Mr. FLETCHER. I understand there is about $11,000,000,000 worth of gold in the world used as money.

Mr. KING. Available for money.

Mr. FLETCHER. And the United States and France control three-fourths, I believe the Senator said.

Mr. PITTMAN. Approximately.

Mr. SMOOT. Seventy per cent.

Mr. FLETCHER. At any rate, that is a limited supply for use as a basis for the world's money. I would like to ask the Senator if it would not be well to increase the use of silver as money in the United States without an international agreement or without disturbing the gold standard.

Mr. PITTMAN. I have no doubt that could be done by legislation, but that does not reach our exchange problem. That does not aid us to sell to the Orient or to South America or to Mexico. No matter how much silver we have here, if there is not an agreement to eliminate the causes of depression, such as dumping, the price of silver would keep on going lower and as it went lower the exchange rate would go lower. In other words, it would take more of their silver money to exchange for our gold money with which to buy our products, and it would not relieve the situation. It might relieve at certain times the circulating currency of this country, but, as I said to the Senator from Utah, the problem we have been studying is the problem of stabilizing money exchange. Our study of the situation in Japan and in China and in other countries has led us to believe that we will be isolated, and when I say "we" I mean the gold-standard countries will be isolated from the trade of the world except among themselves unless we lower our standard of value or assist them in restoring their standard of value. That is what we should do, and we should do it at once. I now yield to the Senator from Utah [Mr. KING].

Mr. KING. Mr. President, the Senator from Indiana [Mr. WATSON] inquired a moment ago of the Senator from Nevada whether Great Britain would participate in an international conference if one were called for the consideration of the silver question. In my opinion Great Britain would be glad to participate in a conference if one were called by the United States or some important commercial nation. In May last the International Chamber of Commerce convened in this city. There were representatives in attendance from Great Britain and many other countries. Among the delegates from Great Britain were Sir Arthur Balfour, Sir Alan Anderson, and Lord Luke. There were informal discussions concerning silver and its rehabilitation among many of the

delegates, and in one of these discussions the question was asked whether Great Britain would call a conference, and if not whether she would participate in such conference if one were called by some other government. My recollection is that Sir Arthur Balfour indicated that while Great Britain, at least for the present, would not call the conference, he had no doubt that if one were called the British Government would participate. In the discussion it was suggested by one or more of the participants that the Indian situation was, in part at least, responsible for the unwillingness of Great Britain to take the lead in calling a silver conference, and the view was expressed that until after the round-table conference, which was to convene in October in London, in order that the Indian question, if possible, might find a satisfactory solution, Great Britain would hesitate to call a silver conference because the result of it would undoubtedly have some reactions in India. I might add that the round-table conference met and has adjourned.

One of the delegates attending the international conference above referred to was Mr. Bomanji, a close friend of Mr. Gandhi and his representative in many conferences. He stated to Sir Arthur Balfour and to other delegates that the Indians desired the rehabilitation of silver, and that when the Indian question was solved to the satisfaction of the inhabitants of India the wrong done in destroying and debasing silver must be righted and silver given a proper monetary status. It would seem to me that Great Britain should be interested in a proper solution of what many are pleased to call the silver problem. Certainly the solution of this problem would make for peace in India and remove some of the controversial questions that continue the clouds of discontent over that country.

There are accumulating evidences to support the position taken by the Senator from Nevada [Mr. PITTMAN] and the Senator from Minnesota [Mr. SHIPSTEAD]. The latter referred to the large number of countries that have abandoned the gold standard. Statements are not infrequently heard that other countries will follow their example. Quite recently the London Statist, one of the leading financial publications of Great Britain, declared that—

> * * * It requires no very great imagination to foresee the time in the near future when an exasperated Europe will demonetize gold and throw upon the United States its gold stocks to add to the redundant gold stocks of the Federal reserve system.

Some of the leading statesmen of Great Britain are manifesting dissatisfaction with the gold standard, and not a few of them are declaring that a silver conference should be held. On the 23d of September last a largely attended meeting was held in London at which the silver question was discussed. It was urged by numerous persons that the price of silver must be raised and that it must be restored to a place in the world's monetary system. The following resolution was unanimously adopted:

> * * * That this meeting states its conviction that the raising of the price of silver and its restoration to a place in the world's monetary system offers the quickest and most effective remedy to the present disastrous fall in prices and expresses the hope that the governments principally concerned will at the earliest possible moment confer with this object in view.

A number of persons who addressed the meeting were Members of Parliament and all were from the ranks of finance, business, and politics. One of them was a former Chancellor of the Exchequer and several were prominent Members of Parliament.

I think the attitude of Premier MacDonald toward the silver question was indicated in certain questions propounded by him as stated in Mr. Wagel's book, entitled "World Economic Depression: Remedies." The questions were:

> Is finance to be based on one certain metal; is credit to be controlled by the supply, demand, and distribution of that particular metal; is the policy, theory, and practice which we accept and express in our coinage to thwart our commercial welfare?

Mr. President, Mexico has abandoned the gold standard and, as the Senator from Minnesota [Mr. SHIPSTEAD] stated, a number of other countries have pursued the same course. The prediction of the London Statist, which I have quoted, may come true. The United States and France may be charged with being hoarders of gold and misers who are forgetful of the needs of the world. It is to be hoped that these two nations may not be associated with King Midas, whose golden hoards have given him an undesirable immortality.

PLANNING FOR AGRICULTURE

Mr. COSTIGAN. Mr. President, in connection with the impressive opening remarks and statistics cited by the Senator from Nevada [Mr. PITTMAN] on agricultural depression, though not specially related to his monetary discussion, I ask unanimous consent for the insertion in the RECORD of an article by Mr. George Soule in the New Republic of October 7, 1931, entitled "Planning for Agriculture."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

> Unheralded and unreported, there occurred recently in Chicago an event more important than three-quarters of the news on the daily front pages. Its significance was both direct and indirect. Direct, because it had to do with agriculture, at once our largest and our most seriously beset occupation; indirect, because it was a conference of qualified experts to consider what should be done.
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> Probably no nation in the world has more experts than the United States, and none makes less or poorer use of them. We usually rush off madly in every direction at once without any program at all; and when we get into trouble, we improvise dozens of programs, but have no good policy by which to test them.
>
> It is amazing to what extent the experts themselves have fallen in with this state of affairs. Economists frequently meet, but I am not aware that ever before in this country has any considerable body of them met with the intention of hammering out a policy which may conceivably be put into practice. Though their pronouncements usually have some theoretical bearing on affairs, the lack of mobilization of thought about purpose has given their lucubrations an air of unreality.
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> This conference on economic policy for American agriculture, held under the auspices of the University of Chicago, was attended by less than 75 persons, nearly all of them in key positions in Government service, State agricultural colleges, or the like. Behind it was a sense of urgency provided by the knowledge of an extraordinary crisis on the farms. In order that discussion might be free, the meetings were private. In order that it might be full, each session was given over to a single subject, with a leader whose business was not to read a long paper, but to court interruptions and arguments. A conference of this sort would have to sit continuously for months, with research staffs at its elbow, to do anything like a complete job. Nevertheless, it made headway.
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> The most important headway it made was in clarification of views about the function of the expert. Even on the third day there was debate concerning whether economists ought to try to formulate policy at all. Some thought that to do so would be undemocratic, an attempt to dictate. But there seemed to be a predominant feeling that there is a policy function for those who know (or should know) which can hardly be exercised by anyone else. While these persons, of course, have no power to dictate and should not aspire to dictation, if they set their collective wits to giving the wisest advice they know how to provide, they may be listened to. They have never really tried it.
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> The conference came to no formal conclusions or policy; but if it had done so, they might have been somewhat as follows:
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> 1. The economic problem of American agriculture is closely related to the world situation: Our staple crops are, in the main, export crops. They have suffered, not merely during the existing depression but for several years, from a deficiency of European buying power, which is closely related with (a) the tendency to seek national self-sufficiency stimulated by the danger of war, (b) tariffs and other barriers to trade, (c) reparations and war debts, (d) world-wide deflation and falling prices. There were strong opinions to the effect that we should, in the interest of the American farmer, seek immediate tariff revision downward, cancellation or radical reduction of debts and reparations, and, of course, international appeasement and disarmament. In addition, some way must be found to set the world's capital and credit to work.
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> A fervid plea was made for inflation, especially for inflation by the United States, since we hold so much of the world's gold. This was supported by a number of reputable and conservative nonagricultural economists, who frankly expressed fears of a world-wide collapse of capitalism if steps of this kind were not soon taken. This position was indorsed by a prominent farm-organization leader. The proposal included not only an expansionist credit policy on the part of the Federal reserve banks and an enlarged program of public construction by borrowing, but direct aid by the Federal Government to the unemployed and the bankrupt farmers to the extent of $3,000,000,000, paid for by what would virtually be an issue of greenbacks. This latter proposal shocked a number of those present, and many of the agricultural economists were not prepared to accept it. Nevertheless, the impression was inescapable that we are on the verge of another agrarian greenback movement, with more respectable support than any such movement has ever had in our history. Imminent danger not merely to many farmers but to insurance companies, Federal land banks, and other banks exists on account

of the fact that vast sums of mortgage interest can not be paid, while, if mortgages are foreclosed, there is little possibility of selling the land or using it profitably. The only solution of this problem, aside from the painful and dangerous one of immense capital liquidations, is a rise in prices.

2. Blanket restriction of production is not a policy capable of prompt or universal application. Voluntary restriction, as preached by the Farm Board, simply does not work. Even if agriculture were organized to effectuate it and even if every other industry were similarly organized, it is not sound to advise that all industries cut their output in order to obtain price advantages. Logical application of this practice all along the line would merely mean a reduced quantity of goods for everyone. The policy of the steel industry, for example, which cuts output to maintain prices, increases unemployment and offers no assistance in recovery from depression.

3. Nevertheless, it can not be asserted that American agriculture is suffering, or can suffer in the future, only from underconsumption rather than from overproduction. It is quite possible that Europe will achieve more self-sufficiency in agriculture than she now has. An advance in her standard of life above the predepression normal would not, in any case, increase her consumption of wheat, grains, or cotton; she does not import from us dairy products, vegetables, or poultry; it might help our fruit, but that increase would be inconsiderable in relation to our total crops. Our exports of meat might be affected favorably. The population of western Europe, however, will soon begin to decline.

As far as the United States is concerned, population will begin to decrease in 1960, if not before; the growth in the next 30 years will be only as great as in the past decade (17,000,000). The birth rate in rural areas is higher than in cities. There is little prospect of any increase in per capita consumption of agricultural products. Even if, as a result of rising standards of living, demand is shifted from staples to higher-cost products, there will be little need for expansion either of cultivated acreage or of manpower. The rise of output per man in agriculture will continue, since mechanization has only begun.

4. Land policy is of primary importance. There are vast areas of land which have fallen into the hands of banks and insurance companies because of foreclosure. There are other vast areas (largely cut-over lands) which are subject to seizure by States, counties, or townships because of tax delinquency. More land every day is delinquent either in interest or taxes; and in many cases the creditors are reluctant to assume the burden of responsibility for it. We ought to know how much land we want in cultivation, how much in forests, and what land. Serious governmental problems are involved, because of the necessity of maintaining schools, roads, and other services for sparse and poor communities, on land most of which is deserted. All this creates a need for land-utilization surveys and State and regional planning, which must consider the joint needs of agriculture, industry, recreation, water supply, forestation and rainfall, power, transportation, etc.

5. The effects of mechanization must be foreseen and dealt with: Mechanization tends to enlarge the size of farms, increase the requirements of technical skill, create unsalable surpluses, enhance the importance of capital as against land and labor, broaden the areas and change the nature of competition, and increase the dependence of farmers on the whole commercial structure. It does not, in general, mean the dominance of corporate farming in gigantic units; the margin is not large enough to attract speculative capital or pay costly overhead. There will doubtless be some increase of corporate farming under specially favorable conditions, but the bulk of production will come from "the capitalistic family farm."

In addition we shall have a large number of family-subsistence farms, now tending to increase as a refuge from unemployment, and always desired by many, even though unprofitable commercially, because of the attraction of farming as a way of life. Under modern conditions, however, nearly every farm family must have some cash income. Perhaps a solution of this part of the problem would be to encourage industry in rural communities, so that people could work part time in factories and part time on the land.

All through the conference members had been wondering how any desirable policy could be effectuated. What agencies could be counted upon to do the job? There are millions of farmers, numerous other related interests, no dictatorship, and no possibility of one. At this point a detailed suggestion was made which fitted so closely the sort of policy which seemed to be required, the linking of the necessary agencies to implement it, and the desirable collaboration between the experts and the practical men that after discussion it met with unanimous approval.

The proposal required dividing the country into a number of main agricultural regions, each more or less naturally defined by types of soil, climate, and nature of agriculture. For each region a regional planning council would be formed of men familiar with the situation in the region. They would cooperate with the public or semipublic agencies concerned, and have as experts men detailed from the State colleges or other research institutions. Each council would immediately study the situation and the outlook for various crops. It would consider readjustment in production, and make recommendations for next season's farming plans as far as possible by the 1st of January, 1932. It would consider emergency phases of taxation, credit, marketing, etc., and give advice, whether for local, State, or National action. It would also consider the effects on its region of national or international policies, such as those concerned with tariffs, finance, or price stabilization.

There would be a national agricultural planning council, to be appointed from the Farm Board, the Department of Agriculture, and other interested Federal agencies. It would designate the regions, inaugurate the regional councils, suggest problems to be considered by them, and appraise their recommendations from a national standpoint. It would consider national agricultural policy and make recommendations for legislation.

State conferences, containing representatives of State governments, farmers' organizations, financial institutions, etc., would meet in January to consider the conclusions presented by the councils, and ways of effecting them if approved.

Having done its best to meet the emergency, this planning machinery would turn its attention to long-range measures. These are described by Dr. M. J. Tolley, the author of the plan, as follows:

"Research would be directed toward determining the comparative advantage and competitive strength of the different regions in the production of different commodities. This might take the form of developing the agricultural plans (stated in "farm-organization" terms) for each region that will give the best returns under different price conditions, taking into account the production possibilities (relation between physical inputs and outputs) of the region, the characteristics of the farmers, etc. Continuing research would be necessary in order to learn the effects of improvements in technique, change in prices, etc., on any plans that may have been formulated for a region. Economic experimentation would have a place in the research program.

"One of the first duties of the regional councils would be to arrange with Federal and State agencies for zoning the land in each region into agricultural areas, nonagricultural areas, areas that may be suitable for agriculture at a later date, etc. A vast amount of research would be necessary before the zoning could be done accurately and in detail, but the councils would obtain an approximate zoning on the basis of knowledge now available. The zoning could be revised and refined as conditions change and additional information becomes available.

"The agricultural land in each region would be zoned as soon as possible into type-of-farming areas (areas with homogeneous soil and climatic conditions, where similar types of farming prevail). The research activities of the councils and affiliated State and national agencies could then be directed toward developing the best farming plans for each type-of-farming area and revisions in plans made necessary or desirable by changing conditions.

"The State boards would give attention to some problems not entirely agricultural—e. g., plans for consolidating local governmental units; for highway development; for use of water in arid regions for agricultural, domestic, and other purposes; etc.

"The national and regional planning councils to devote a good part of their energies to informing the public concerning the objectives of their work, their conclusions and recommendations and the reasons therefor; the councils to be free to give publicity to their findings without regard to the possible effect on the political fortunes of parties or factions."

The conference ended by taking steps to bring this plan to the attention of those who might help to inaugurate it.

This, of course, is only the beginning of a beginning. But it shows which way the wind blows. Its potentialities run far beyond anything that can briefly be said about it. Really to serve agriculture, as to serve any other element in the national economic life, we must get down to the job of collective engineering. It will be a long, unspectacular, and, at the beginning, clumsily handled endeavor. But there is no other way.

GEORGE SOULE.

PRESIDENT'S MESSAGE—FOREIGN AFFAIRS (H. DOC. NO. 161)

The PRESIDING OFFICER. The Chair lays before the Senate a communication from the President of the United States, which will be read.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Connally	Harris	McNary
Austin	Coolidge	Hastings	Metcalf
Bailey	Copeland	Hatfield	Morrison
Bankhead	Costigan	Hawes	Moses
Barbour	Couzens	Hayden	Neely
Barkley	Cutting	Hebert	Norbeck
Bingham	Dale	Howell	Norris
Black	Davis	Hull	Nye
Blaine	Dickinson	Johnson	Oddie
Borah	Dill	Jones	Patterson
Bratton	Fess	Kean	Pittman
Brookhart	Fletcher	Kendrick	Reed
Broussard	Frazier	Keyes	Sheppard
Bulkley	George	King	Shipstead
Bulow	Glass	La Follette	Robinson, Ark.
Byrnes	Glenn	Lewis	Robinson, Ind.
Capper	Goldsborough	Logan	Schall
Caraway	Gore	McGill	Shortridge
Carey	Hale	McKellar	Smith

Smoot	Thomas, Okla.	Wagner	Waterman
Steiwer	Townsend	Walcott	Watson
Swanson	Trammell	Walsh, Mass.	Wheeler
Thomas, Idaho	Vandenberg	Walsh, Mont.	White

The VICE PRESIDENT. Ninety-two Senators having answered to their names, a quorum is present. The clerk will read the message from the President of the United States.

The Chief Clerk read the message, as follows:

To the Senate and House of Representatives:

In my message of the 8th instant I stated that I should address the Congress at greater length upon our foreign affairs.

WORLD WAR DEBT POSTPONEMENT

With the support of a large majority of the individual Members of the Senate and House, I informed the governments concerned last June that—

The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest, of course not including obligations of governments held by private parties. Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year beginning July 1 next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.

In making this proposal, I also publicly stated:

The purpose of this action is to give the forthcoming year to the economic recovery of the world and to help free the recuperative forces already in motion in the United States from retarding influences from abroad.

The world-wide depression has affected the countries of Europe more severely than our own. Some of these countries are feeling to a serious extent the drain of this depression on national economy. The fabric of intergovernmental debts, supportable in normal times, weighs heavily in the midst of this depression.

From a variety of causes arising out of the depression, such as the fall in the price of foreign commodities and the lack of confidence in economic and political stability abroad, there is an abnormal movement of gold into the United States which is lowering the credit stability of many foreign countries. These and the other difficulties abroad diminish buying power for our exports and in a measure are the cause of our continued unemployment and continued lower prices to our farmers.

Wise and timely action should contribute to relieve the pressure of these adverse forces in foreign countries and should assist in the reestablishment of confidence, thus forwarding political peace and economic stability in the world.

Authority of the President to deal with this problem is limited, as this action must be supported by the Congress. It has been assured the cordial support of leading members of both parties in the Senate and the House. The essence of this proposition is to give time to permit debtor governments to recover their national prosperity. I am suggesting to the American people that they be wise creditors in their own interest and be good neighbors.

I wish to take this occasion also to frankly state my views upon our relations to German reparations and the debts owed to us by the allied governments of Europe. Our Government has not been a party to, or exerted any voice in determination of, reparation obligations. We purposely did not participate in either general reparations or the division of colonies or property. The repayment of debts due to us from the Allies for the advance for war and reconstruction were settled upon a basis not contingent upon German reparations or related thereto. Therefore, reparations is necessarily wholly a European problem with which we have no relation.

I do not approve in any remote sense of the cancellation of the debts to us. World confidence would not be enhanced by such action. None of our debtor nations have ever suggested it. But as the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world. I am sure the American people have no desire to attempt to extract any sum beyond the capacity of any debtor to pay, and it is our view that broad vision requires that our Government should recognize the situation as it exists.

This course of action is entirely consistent with the policy which we have hitherto pursued. We are not involved in the discussion of strictly European problems, of which the payment of German reparations is one. It represents our willingness to make a contribution to the early restoration of world prosperity in which our own people have so deep an interest.

I wish further to add that while this action has no bearing on the conference for limitation of land armaments to be held next February, inasmuch as the burden of competitive armaments has contributed to bring about this depression, we trust that by this evidence of our desire to assist we shall have contributed to the good will which is so necessary in the solution of this major question.

All the important creditor governments accepted this proposal. The necessary agreements among them have been executed, and creditor governments have foregone the receipt of payments due them since July 1, 1931.

The effect of this agreement was instantaneous in reversing the drift toward general economic panic and has served to give time to the peoples of those countries to readjust their economic life. The action taken was necessary. I am confident it commends itself to the judgment of the American people.

Payments due to the United States Government from many countries, both on account of principal and interest, fall due on December 15. It is highly desirable that a law should be enacted before that date authorizing the Secretary of the Treasury, with the approval of the President, to postpone all payments due us on account of debts owed by foreign governments to the United States Government during the year ending June 30, 1932, and to provide for their payment over a 10-year period, beginning July 1, 1933.

As we approach the new year it is clear that a number of the governments indebted to us will be unable to meet further payments to us in full pending recovery in their economic life. It is useless to blind ourselves to an obvious fact. Therefore it will be necessary in some cases to make still further temporary adjustments.

The Congress has shared with the Executive in the past the consideration of questions arising from these debts. I am sure that it will commend itself to the Congress, that the legislative branch of the Government should continue to share this responsibility. In order that we should be in position to deal with the situation, I recommend the recreation of the World War Foreign Debt Commission, with authority to examine such problems as may arise in connection with these debts during the present economic emergency, and to report to the Congress its conclusions and recommendations.

DISARMAMENT

The United States has accepted an invitation to take part in the World Disarmament Conference which convenes on February 2 at Geneva. The efforts of this conference will be in line with the endeavors in which the American Government has taken a leading part beginning with The Hague Conference in 1899. Up to the present time the record of achievement has been almost entirely in the field of naval disarmament. It is to be hoped that further progress can be made in reduction of naval arms and that limitation and reduction so urgently needed can be extended to land arms.

The burden of taxes to support armament is greater today than before the Great War, and the economic instability of the world is definitely due in part to this cause and the fears which these huge armaments at all times create. No discouragements should be permitted to turn the world from sane and reasonable limitation of arms.

With a view to establishing an atmosphere of confidence for the opening of this World Disarmament Conference more than 40 governments, including all the principal military and naval powers, have joined in accepting the principle of a 1-year armaments truce. This truce, which is the outgrowth of a proposal advanced last September by the Foreign Minister of Italy, is designed to prevent the expansion-of-armaments program during the coming months in the hope of removing the threat of a sudden revival of competition in arms before and during the conference. These steps were fully approved by our War and Navy Departments.

MANCHURIA

We have been deeply concerned over the situation in Manchuria. As parties to the Kellogg-Briand pact and to the nine-power treaty, we have a responsibility in maintaining the integrity of China and a direct interest with other nations in maintaining peace here.

When this controversy originated in September the League of Nations was in session and China appealed to the council of that body, which at once undertook measures of

conciliation between China and Japan. Both China and Japan have participated in these proceedings before the council ever since. Under the Kellogg-Briand pact all of the signatories, including China and Japan, have covenanted to seek none but pacific means in the settlement of their disputes. Thus the ultimate purpose of proceedings under this section of the Kellogg-Briand pact and of conciliation proceedings by the league covenant coincide. It seemed, therefore, both wise and appropriate rather to aid and advise with the league and thus have unity of world effort to maintain peace than to take independent action. In all negotiations, however, the Department of State has maintained complete freedom of judgment and action as to participation in any measures which the league might finally determine upon.

Immediately after the outbreak of the trouble this Government advised both Japan and China of its serious interest. Subsequently it communicated its views to both Governments regarding their obligations under the Kellogg-Briand pact. In this action we were joined by other nations signatory of the pact. This Government has consistently and repeatedly by diplomatic representations indicated its unremitting solicitude that these treaty obligations be respected. In the recurring efforts of the nations to bring about a peaceful settlement this Government has realized that the exercise of the utmost patience was desirable, and it is believed that public opinion in this country has appreciated the wisdom of this restraint.

At present a resolution is pending before the meeting at Paris, with hopes of passage, under which Japan and China will agree to take no initiative which might lead to renewed conflict; in which Japan has reiterated its intention to withdraw the Japanese troops to the railway zone as soon as lives and property of Japanese nationals in Manchuria can be adequately protected; and under which both nations agree to a neutral commission to meet on the ground, to which commission all matters in dispute can be referred for investigation and report.

ST. LAWRENCE WATERWAY

Conversations were begun between the Secretary of State and the Canadian minister at Washington on November 14 looking to the framing of a treaty for the development of the St. Lawrence seaway. The negotiations are continuing. I am hopeful that an agreement may result within a reasonable time enabling us to begin work on this great project, which will be of much importance economically to Canada and to the United States.

VISITS OF M. LAVAL AND SIGNOR GRANDI

The president of the Council of Ministers of France, M. Laval, visited Washington in October in order to discuss problems of outstanding world interest, in the solution of which it was felt that the two countries could be of assistance. The informal and cordial conversations served to bring into relief the respective positions of the two nations.

The visit in November of the Royal Italian Minister for Foreign Affairs also afforded an opportunity for a cordial exchange of views respecting the many world problems in which this Government and the Government of Italy are interested.

It was not the purpose of these meetings to engage in any commitments or to conclude agreements. However, the visits of M. Laval and Signor Grandi, together with the various meetings of statesmen in Europe and the visit of the Secretary of State to European countries, have brought about valuable understanding of the nature of the problems confronting different governments which should aid in their solution.

NICARAGUA

In compliance with the agreement made in May, 1927, the Nicaraguan Government requested supervision by an electoral commission from the United States of the congressional elections held in 1930. This year a member of the commissions of 1928 and 1930 was sent to Nicaragua as an observer during the election of municipal authorities in order that, on the basis of his observations, it might be possible to arrange the many necessary details of the supervision of the 1932 presidential election in Nicaragua.

Armed forces of the United States maintained in Nicaragua have been reduced to the minimum deemed necessary to the training of the Nicaraguan Constabulary and the rendering of appropriate support for such instruction. It is proposed to withdraw completely American armed forces from Nicaragua after their presidential election in 1932.

Nicaragua suffered a terrible disaster in the destruction of Managua, the capital, by earthquake and fire in March last. With their usual generosity the American people, through the Red Cross, went whole-heartedly to the assistance of the stricken country. United States marines and Engineers of the War Department, who were in the country making a survey of the proposed canal route, joined in rendering service. The American legation building was destroyed with all its contents, but the minister and his staff continued to carry on their official duties and worked ceaselessly in the face of unusual hardships. The Nicaraguan Government has expressed its deep gratitude for the aid rendered.

HAITI

Substantial progress has been made in carrying out the program for the withdrawal of our activities in Haiti recommended by the commission which, with the support of the Congress, made an investigation of Haitian affairs in 1930, and by its good offices laid the foundation for the present popularly elected Government of that Republic.

After protracted negotiations an accord was reached with the Haitian Government on August 5 providing for the return to Haitian control of important Government services heretofore carried on under American supervision by virtue of general obligations arising through the provisions of our treaty with Haiti. In accordance with this agreement the Haitian Government on October 1 assumed definitely the administration and control of the department of public works, the sanitary service, and the technical service of agriculture, which includes the industrial educational system. All American personnel was withdrawn from these services. To minimize the possibility of epidemics, and in order that the health of the American troops and officials still stationed in Haiti might be adequately protected, the accord provided that an American scientific mission, consisting of three American naval officers and six Hospital Corps men, should be charged with the control of sanitation in the cities of Port au Prince and Cape Haitien.

The accord makes appropriate provision for the continuance of adequate financial control and assistance on the part of our Government. The liberty of action, both of the Government of the United States and the Government of Haiti with respect to questions of financial administration, is, of course, limited. In this connection it must be borne in mind that investors have supplied capital desired by Haiti and that securities have been issued to them on the faith and credit of the provisions of that treaty and the American financial control which it provided during the life of the bonds.

BOLIVIA AND PARAGUAY

In 1929 the Government of the United States, together with the Governments of Cuba, Colombia, Mexico, and Uruguay, formed the Commission on Inquiry and Conciliation, Bolivia-Paraguay, which had the good fortune of being able to terminate an international incident which for a time threatened to cause war between the countries involved. The five neutral governments then offered their good offices to Bolivia and Paraguay, with a view to furthering a settlement of their difficulties. This offer was accepted in principle. I am happy to state that representatives of both countries are now meeting in Washington with the hope of concluding a pact of nonaggression between them.

ARBITRATION OF THE BOUNDARY DISPUTE BETWEEN GUATEMALA AND HONDURAS

It has been the privilege of this Government to lend its good offices on several occasions in the past to the settlement of boundary disputes between the American republics. One

of the most recent occasions upon which the disinterested services of this Government were requested was in connection with the settlement of the dispute which for almost a century has been outstanding between the Republics of Guatemala and Honduras with respect to their common boundary. Conferences extending over a period of some months were held in 1930 in the Department of State, and eventually on July 16, 1930, a treaty was signed submitting the question to arbitration, and there was also signed a supplementary convention providing for the delimitation of the boundary after the arbitral tribunal hands down its award. Ratifications were exchanged on October 15, 1931. The tribunal, which will meet in Washington, will be presided over by the Chief Justice of the United States, who has set December 15, 1931, as the date for the first meeting.

MEXICO

The period for hearings before the general and special claims commissions between this country and Mexico expired in August, 1931. Pursuant to a resolution of the Senate under date of February 28, 1931, and under instructions from the Department of State, the American ambassador at Mexico City is carrying on negotiations with the Mexican Government looking to the renewal of the activities of the commissions, in order that the claims of American citizens still pending may be heard and adjudicated.

The Governments of the United States and Mexico have approved in principle certain engineering plans submitted by the International Boundary Commission, United States and Mexico, for the rectification of the Rio Grande in the vicinity of El Paso, Tex., to prevent periodical floods in that region. Negotiations are being carried on between the two Governments in an effort to reach an agreement by which this important international project may be undertaken.

TREATIES AND CONVENTIONS BEFORE THE SENATE

There have been transmitted to the Senate, from time to time, treaties and conventions which have failed during recent sessions to obtain that body's consideration or final decision. Inasmuch as these treaties affect numerous phases of private and public endeavor, I earnestly commend their early conclusion to the attention of the Congress.

In the past session of the Congress I transmitted to the Senate protocols providing for adherence by the United States to the Permanent Court of International Justice. Upon that occasion I expressed my views fully not only of the wisdom of such action, but that the safeguards against European entanglements stipulated for by the Senate had been in effect secured and the interests of the United States protected. I need not repeat that for over 12 years every President and every Secretary of State has urged this action as a material contribution to the pacific settlement of controversies among nations and a further assurance against war.

By consideration of legislation during its last session, the Congress informed itself thoroughly regarding the merits of the copyright convention signed at Berlin on November 13, 1908. I hope that necessary legislation will be enacted during this Congress which will make it possible for further consideration to be given to the copyright convention.

The sockeye salmon fisheries treaty, entered into with Canada to afford protection to the industry, which was signed on May 26, 1930, merits the attention of the Senate during the present session.

The United States sent a delegation to the conference on safety of life at sea, which was held in London in 1929. The convention, which was signed by the more important maritime nations of the world on May 31, 1929, has unified the standards of safety in accordance with modern developments of engineering science and in compliance with the governments' obligation to their citizens to reduce the perils of travel to a minimum by requiring high efficiency in seamanship.

The convention for the supervision of the international trade in arms and ammunition and in implements of war, signed at Geneva, June 17, 1925, represents another of the steps taken in the general field of restriction of armament. It has been ratified unconditionally by some nations, conditionally by others. With the added impetus which ratification by the United States would lend to such a move, it is quite possible that the 14 ratifications necessary by treaty stipulation would be received to bring the convention into force.

Among the other treaties and conventions which remain before the Senate for its consideration and of no less importance in their respective fields are a treaty regarding consular agents of American States (Sixth International Conference of American States, Habana, 1928); a treaty relating to maritime neutrality with American States (Sixth International Conference of American States, Habana, 1928); the general treaty of inter-American arbitration, signed at Washington January 5, 1929; the convention relating to prisoners of war, signed at Geneva on July 27, 1929; a convention signed on the same date for the amelioration of the condition of wounded and sick of armies in the field (the Red Cross convention); and the convention for the unification of certain rules relating to bills of lading for the carriage of goods by sea, signed at Brussels on behalf of the United States on June 23, 1925.

NEW TREATIES AND CONVENTIONS

Since my message to the Seventy-second Congress, and by virtue of the power vested in the office of the Chief Executive, I have continued to commission representatives of this Government to negotiate treaties with the representatives of other countries which affect the amicable, political, commercial, and juridical relations of this country, as well as treaties dealing with humanitarian matters.

Important treaties and conventions which have been signed recently by representatives of this Government are as follows:

1. Treaty of arbitration and conciliation with Switzerland, signed February 16, 1931.
2. Treaty modifying the conciliation convention with Italy (Bryan peace treaty), signed September 23, 1931.
3. Extradition treaty with Greece, signed May 6, 1931.
4. Protocol relating to military obligations in certain cases of double nationality, multilateral, signed December 31, 1930.
5. Treaty of friendship, commerce, and consular rights with Poland, signed June 15, 1931.
6. Treaty with reference to establishment and sojourn with Turkey, signed October 28, 1931.

These treaties and conventions will be transmitted to the Senate in due course, with a view to obtaining its advice and consent to ratification.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

The VICE PRESIDENT. The message will be referred to the Committee on Finance, and it will be printed.

REPORTS OF NATIONAL COMMISSION ON LAW OBSERVANCE AND ENFORCEMENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying reports, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the following reports of the National Commission on Law Observance and Enforcement:

Report on Criminal Statistics.

Report on Prosecution.

Report on the Enforcement of the Deportation Laws of the United States.

Report on the Child Offender in the Federal System of Justice.

Progress Report on the Study of the Federal Courts.

Report on Criminal Procedure.

Report on Penal Institutions, Probation and Parole.

Report on Crime and the Foreign Born.

Report on Lawlessness in Law Enforcement.
Report on the Cost of Crime.
Report on the Causes of Crime.
Report on Police.
Final Report of the National Commission on Law Observance and Enforcement.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

INTEREST ON FUNDS REPRESENTED BY CERTAIN EMBASSY DRAFTS (S. DOC. NO. 18)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State, to the end that legislation may be enacted to authorize an appropriation of not exceeding $44,446.05 for the payment of interest on funds represented by drafts drawn on the Secretary of State by the American Embassy in Petrograd and the American Embassy in Constantinople and transfers which the Embassy at Constantinople undertook to make by cable communications to the Secretary of State between December 23, 1915, and April 21, 1917, in connection with the representation by the embassy of the interests of certain foreign governments and their nationals.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

FOREIGN SERVICE RETIREMENT AND DISABILITY FUND (S. DOC. NO. 17)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended June 30, 1930, in connection with the Foreign Service retirement and disability system as required by section 26 (a) of an act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931.

HERBERT HOOVER.

(Inclosure: Statement of receipts and disbursements, Foreign Service retirement and disability fund.)

THE WHITE HOUSE, *December 10, 1931.*

SECOND POLAR YEAR PROGRAM (S. DOC. NO. 16)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, was referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State, to the end that legislation may be enacted authorizing an appropriation of $30,000 for participation by the United States Government in the Second Polar Year Program, August 1, 1932–August 31, 1933.

HERBERT HOOVER.

(Inclosure: Report.)

THE WHITE HOUSE, *December 10, 1931.*

PANAMA CANAL ZONE (S. DOC. NO. 15)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I inclose a report by the Secretary of State requesting the submission anew to the present Congress of his recommendation for a modification of the boundary line between the Panama Canal Zone and the Republic of Panama, so far as it affects that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation.

I recommend that the Congress enact the necessary legislation authorizing and empowering the Secretary of State to effect the modification of the boundary line as indicated in the attached draft of a proposed bill covering this matter.

HERBERT HOOVER.

(Inclosure: Report of Secretary of State with inclosures.)

THE WHITE HOUSE, *December 10, 1931.*

LAWS AND REGULATIONS OF EIGHTH PHILIPPINE LEGISLATURE

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the following papers, was referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 19 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," I transmit herewith a set of the laws and resolutions passed by the Eighth Philippine Legislature during its third regular session, from July 16 to November 8, 1930.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

IMPROVEMENT OF SAN JUAN HARBOR, P. R.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

I transmit herewith certified copies of Joint Resolution No. 6, adopted by the Legislature of Porto Rico April 8, 1931, entitled:

Joint resolution to accept the reduction made by the Congress of the United States in the amount owed to the Government of the United States by the Government of Porto Rico in connection with the dredging of the harbor of San Juan, P. R., and the filling of adjacent lands; to accept all conditions imposed by the Government of the United States in regard to said work and to provide for payment by the people of Porto Rico of the sum of $150,000 to the Government of the United States, all in accordance with the terms of the act of Congress approved July 3, 1930, entitled "An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes."

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF ALASKA RAILROAD

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Annual Report of the Alaska Railroad for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF UNITED STATES CIVIL SERVICE COMMISSION

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Civil Service:

To the Congress of the United States:

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the Forty-eighth Annual Report of the United States Civil Service Commission for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

SESSION LAWS OF ALASKA

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

In compliance with the provisions of the act of Congress approved August 24, 1912, I transmit herewith a certified copy of the Session Laws of Alaska of the Alaska Territorial Legislature, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE GOVERNOR OF THE PANAMA CANAL

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF COMMITTEE ON THE CONSERVATION AND ADMINISTRATION OF THE PUBLIC DOMAIN

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Public Lands and Surveys:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a copy of the report of the committee appointed to make a study of and report on the conservation and administration of the public domain.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF DIRECTOR OF PUBLIC BUILDINGS AND PUBLIC PARKS OF THE NATIONAL CAPITAL

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Public Buildings and Grounds:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Director of Public Buildings and Public Parks of the National Capital for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF COMMISSION ON MEMORIALS AND ENTOMBMENTS IN ARLINGTON MEMORIAL AMPHITHEATER

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Military Affairs:

To the Congress of the United States:

In compliance with the requirements of the act of Congress of March 4, 1921, I transmit herewith the annual report of the Commission on the Erection of Memorials and Entombment of Bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Naval Affairs:

To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, establishing the National Advisory Committee for Aeronautics, I submit herewith the Seventeenth Annual Report of the Committee for the fiscal year ended June 30, 1931.

It is noted from the committee's report that the progress in aerodynamic development has been gratifying, and that with recent notable additions to equipment the committee now has excellent facilities for the conduct of full-scale research on airplanes, propellers, and seaplane floats and hulls.

Attention is invited to Part V of the report, presenting a summary of progress in the technical development of aircraft. With the steady improvement in the performance of aircraft the relative importance of aviation increases as an agency of transportation and of national defense. I concur in the committee's opinion that the continuous prosecution of scientific research will provide the best assurance of further progress in the development of aircraft for all purposes.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF GOVERNOR OF THE VIRGIN ISLANDS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Virgin Islands for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE COUNCIL OF NATIONAL DEFENSE

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Military Affairs:

To the Congress of the United States:

In compliance with paragraph 5, section 2, of the Army appropriation act, approved August 29, 1916, I transmit herewith the Fifteenth Annual Report of the Council of National Defense for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

LAWS AND RESOLUTIONS OF THE LEGISLATURE OF PORTO RICO

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith copies of the laws and resolutions enacted by the Twelfth Legislature of Porto Rico during its third regular session from February 9 to April 15, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE UNITED STATES BUREAU OF EFFICIENCY

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Appropriations:

To the Congress of the United States:

As required by the act of March 4, 1915, and February 28, 1916, I transmit herewith the report of the United States Bureau of Efficiency for the period from November 1, 1930, to October 31, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

FRANCHISES GRANTED BY PORTO RICO PUBLIC SERVICE COMMISSION

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 38 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith certified copies of each of seven franchises granted by the Public Service Commission of Porto Rico. The franchises are described in the accompanying letter from the Secretary of War transmitting them to me.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

INTERNATIONAL EXPOSITION AT SEVILLE, SPAIN

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with accompanying papers, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am forwarding, for the consideration of the Congress, a report from the Secretary of State transmitting the following documents in connection with the participation of this Government in an exposition which was held at Seville, Spain, the preparation and work in connection with such participation having extended from 1927 to 1931:

I. Report of the Commissioner General of the United States of America to the International Exposition at Seville, Spain.

II. Photographs to accompany the report of the commissioner general.

III. Departmental reports to accompany the report of the commissioner general.

IV. Financial statement of appropriations and expenditures for the International Exposition at Seville, Spain, 1927–1931.

V. Pamphlets distributed by the United States commission to accompany the report of the commissioner general.

HERBERT HOOVER.

(Accompaniments: As listed.)

THE WHITE HOUSE, *December 10, 1931.*

CLAIM OF WILLIAM LOUIS PITTHAN

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Claims:

To the Congress of the United States:

I inclose a report from the Secretary of State concerning a claim against the United States presented by Mr. William Louis Pitthan for services rendered as extradition agent in the matter of the application for the extradition from England of Claude W. Daniels. The report requests that the Congress authorize an appropriation of $210 to pay the claim submitted by Mr. Pitthan.

I recommend that in order to effect a settlement of this claim in accordance with the recommendation of the Secretary of State the Congress authorize an appropriation of $210 to pay Mr. Pitthan for the services rendered by him.

HERBERT HOOVER.

(Inclosure: Report from the Secretary of State.)

THE WHITE HOUSE, *December 10, 1931.*

INDEPENDENCE MEMORIAL

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

I transmit herewith a certified copy of a resolution of both houses, in joint session, of the Ninth Philippine Legislature, first session, dated September 24, 1931, approving an independence memorial.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE GOVERNOR OF THE PHILIPPINE ISLANDS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 21 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," I transmit herewith, for the information of the Congress, the report of the Governor General of the Philippine Islands, including the reports of the heads of the departments of the Philippine government, for the calendar year 1930.

I concur in the recommendation of the Secretary of War that this report be printed as a congressional document.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF PANAMA RAILROAD CO.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Interoceanic Canals:

To the Congress of the United States:

I transmit herewith for the information of the Congress the eighty-second annual report of the board of directors of the Panama Railroad Co. for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE GOVERNOR OF PORTO RICO

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Territories and Insular Affairs:

To the Congress of the United States:

As required by section 12 of the act of Congress of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith for the information of the Congress the thirty-first annual report of the Governor of Porto Rico, including the reports of the heads of the several departments of the government of Porto Rico and those of the executive secretary, the auditor, and the chief of the bureau of commerce and industry, for the fiscal year ended June 30, 1931.

I concur in the recommendation of the Secretary of War that this report, with appendixes consisting of condensed reports of the several agencies referred to above, be printed as a congressional document.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE PERRY'S VICTORY MEMORIAL COMMISSION

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Library:

To the Congress of the United States:

I transmit herewith for the information of the Congress the twelfth annual report of the Perry's Victory Memorial Commission for the year ended December 1, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF INTEROCEANIC CANAL BOARD

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying paper, referred to the Committee on Interoceanic Canals:

To the Congress of the United States:

I transmit herewith the report with appendices and maps of the Chief of Engineers, United States Army, and the

Interoceanic Canal Board. This report was authorized by Public Resolution No. 99, Seventieth Congress, approved March 2, 1929.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

PROPOSED PHILIPPINE INDEPENDENCE

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

There are transmitted herewith, as indicated in the attached lists, a number of resolutions, petitions, and other communications relative to Philippine independence received by the Secretary of War during or in connection with his recent visit to the Philippine Islands.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

ELECTION OF PRESIDENT PRO TEMPORE

Mr. McNARY. Has the morning hour been concluded?

The VICE PRESIDENT. It has. The next order is the consideration of the unfinished business.

Mr. McNARY. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Jones	Robinson, Ind.
Austin	Cutting	Kean	Schall
Bailey	Dale	Kendrick	Sheppard
Bankhead	Davis	Keyes	Shipstead
Barbour	Dickinson	King	Shortridge
Barkley	Fess	La Follette	Smith
Bingham	Fletcher	Lewis	Smoot
Black	Frazier	Logan	Steiwer
Blaine	George	McGill	Swanson
Borah	Glass	McKellar	Thomas, Idaho
Bratton	Glenn	McNary	Thomas, Okla.
Brookhart	Goldsborough	Metcalf	Townsend
Broussard	Gore	Morrison	Trammell
Bulkley	Hale	Moses	Wagner
Bulow	Harris	Neely	Walcott
Byrnes	Hastings	Norbeck	Walsh, Mass.
Capper	Hatfield	Norris	Walsh, Mont.
Caraway	Hawes	Nye	Waterman
Carey	Hayden	Oddie	Watson
Connally	Hebert	Patterson	Wheeler
Coolidge	Howell	Pittman	White
Copeland	Hull	Reed	
Costigan	Johnson	Robinson, Ark.	

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present. The unfinished business is now before the Senate, the question being on the election of a President pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. McNARY (when his name was called). On this vote I am paired with the senior Senator from Mississippi [Mr. HARRISON]. If he were present, he would vote for Senator PITTMAN, and if I were permitted to vote, I would vote for Senator MOSES.

Mr. MOSES (when his name was called). Still having the pair previously announced, I withhold my vote.

Mr. PITTMAN (when his name was called). Announcing my pair as before, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is detained at his home on account of illness. Therefore I withhold my vote. If permitted to vote, I would vote for Senator MOSES.

Mr. STEIWER (when his name was called). On this vote I have a special pair with the junior Senator from Washington [Mr. DILL], who is unavoidably detained from the Chamber. If he were present, he would vote for Senator PITTMAN. If I were permitted to vote, I would vote for Senator MOSES. I withhold my vote.

Mr. VANDENBERG (when his name was called). On this vote I have a special pair with the senior Senator from Maryland [Mr. TYDINGS]. If he were present, he would vote for Senator PITTMAN, and if I were permitted to vote, I would vote for Senator MOSES. I withhold my vote.

The roll call having been concluded, it resulted as follows:

FOR SENATOR PITTMAN—41

Ashurst	Connally	Hull	Smith
Bailey	Coolidge	Kendrick	Swanson
Bankhead	Copeland	King	Thomas, Okla.
Barkley	Costigan	Lewis	Trammell
Black	Fletcher	Logan	Wagner
Bratton	George	McGill	Walsh, Mass.
Broussard	Glass	McKellar	Walsh, Mont.
Bulkley	Gore	Morrison	Wheeler
Bulow	Harris	Neely	
Byrnes	Hawes	Robinson, Ark.	
Caraway	Hayden	Sheppard	

FOR SENATOR MOSES—30

Austin	Glenn	Keyes	Smoot
Barbour	Goldsborough	Metcalf	Townsend
Bingham	Hale	Norbeck	Walcott
Carey	Hastings	Oddie	Waterman
Dale	Hatfield	Patterson	Watson
Davis	Hebert	Reed	White
Dickinson	Johnson	Schall	
Fess	Kean	Shortridge	

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—6

Borah	Capper	Norris	Thomas, Idaho
Brookhart	Couzens		

FOR SENATOR CAPPER—1

Jones

The VICE PRESIDENT. On this vote Senator PITTMAN received 41 votes, Senator MOSES 30, Senator NORRIS 7, Senator JONES 6, and Senator CAPPER 1. The total number of votes cast was 85, 43 being necessary for a choice. No Senator having received a majority, no one is elected, and the clerk will again call the roll.

The Chief Clerk proceeded to call the roll.

Mr. McNARY (when his name was called). Again announcing my pair with the senior Senator from Mississippi [Mr. HARRISON], I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as on the preceding ballot, I withhold my vote.

Mr. STEIWER (when his name was called). I inquire if the junior Senator from Washington [Mr. DILL] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. STEIWER. Making the same announcement as to my pair with him that I made upon the previous ballot, I withhold my vote.

Mr. VANDENBERG (when his name was called). Making the same announcement as before respecting my pair with the senior Senator from Maryland [Mr. TYDINGS], I withhold my vote.

The roll call having been concluded it resulted:

FOR SENATOR PITTMAN—41

Ashurst	Connally	Hull	Smith
Bailey	Coolidge	Kendrick	Swanson
Bankhead	Copeland	King	Thomas, Okla.
Barkley	Costigan	Lewis	Trammell
Black	Fletcher	Logan	Wagner
Bratton	George	McGill	Walsh, Mass.
Broussard	Glass	McKellar	Walsh, Mont.
Bulkley	Gore	Morrison	Wheeler
Bulow	Harris	Neely	
Byrnes	Hawes	Robinson, Ark.	
Caraway	Hayden	Sheppard	

FOR SENATOR MOSES—30

Austin	Glenn	Keyes	Smoot
Barbour	Goldsborough	Metcalf	Townsend
Bingham	Hale	Norbeck	Walcott
Carey	Hastings	Oddie	Waterman
Dale	Hatfield	Patterson	Watson
Davis	Hebert	Reed	White
Dickinson	Johnson	Schall	
Fess	Kean	Shortridge	

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—6

Borah	Capper	Norris	Thomas, Idaho
Brookhart	Couzens		

FOR SENATOR CAPPER—1

Jones

The VICE PRESIDENT. On this vote Senator PITTMAN has received 41 votes; Senator MOSES, 30 votes; Senator NORRIS, 7 votes; Senator JONES, 6 votes; Senator CAPPER, 1 vote; 85 votes cast; 43 necessary for a choice. No Senator having

received a majority vote, there is no election, and the Secretary will again call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNARY (when his name was called). Repeating my previous announcement, I withhold my vote.

Mr. MOSES (when his name was called). I repeat my pair on the previous votes.

Mr. ROBINSON of Indiana (when his name was called). Again announcing my general pair with the junior Senator from Mississippi [Mr. STEPHENS], I withhold my vote.

Mr. STEIWER (when his name was called). Repeating the announcement I made concerning my special pair with the junior Senator from Washington [Mr. DILL], I withhold my vote.

Mr. VANDENBERG (when his name was called). Making the same announcement as before, I withhold my vote.

The roll call having been concluded, it resulted:

FOR SENATOR PITTMAN—41

Ashurst	Connally	Hull	Smith
Bailey	Coolidge	Kendrick	Swanson
Bankhead	Copeland	King	Thomas, Okla.
Barkley	Costigan	Lewis	Trammell
Black	Fletcher	Logan	Wagner
Bratton	George	McGill	Walsh, Mass.
Broussard	Glass	McKellar	Walsh, Mont.
Bulkley	Gore	Morrison	Wheeler
Bulow	Harris	Neely	
Byrnes	Hawes	Robinson, Ark.	
Caraway	Hayden	Sheppard	

FOR SENATOR MOSES—30

Austin	Glenn	Keyes	Smoot
Barbour	Goldsborough	Metcalf	Townsend
Bingham	Hale	Norbeck	Walcott
Carey	Hastings	Oddie	Waterman
Dale	Hatfield	Patterson	Watson
Davis	Hebert	Reed	White
Dickinson	Johnson	Schall	
Fess	Kean	Shortridge	

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—6

Borah	Capper	Norris	Thomas, Idaho
Brookhart	Couzens		

FOR SENATOR CAPPER—1

Jones

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 41 votes, Senator MOSES 30 votes, Senator NORRIS 7 votes, Senator JONES 6 votes, and Senator CAPPER 1 vote. Total number of votes cast, 85; necessary for a choice, 43. No Senator receiving a majority of the votes cast, there is no election. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNARY (when his name was called). For the reasons previously stated, I withhold my vote.

Mr. MOSES (when his name was called). Again repeating my pair, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). Again announcing my general pair with the junior Senator from Mississippi [Mr. STEPHENS], I withhold my vote.

Mr. STEIWER (when his name was called). Repeating the announcement of my pair, I withhold my vote.

Mr. VANDENBERG (when his name was called). Making the same announcement as before, I withhold my vote.

The roll call was concluded.

Mr. BINGHAM. Has the junior Senator from Virginia [Mr. GLASS] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. BINGHAM. I have a general pair with him. Being unable to obtain a transfer, I withhold my vote. If the junior Senator from Virginia were present he would vote for Senator PITTMAN, and if I were at liberty to vote I should vote for Senator MOSES.

The roll call resulted as follows:

FOR SENATOR PITTMAN—40

Ashurst	Caraway	Hayden	Robinson, Ark.
Bailey	Connally	Hull	Sheppard
Bankhead	Coolidge	Kendrick	Smith
Barkley	Copeland	King	Swanson
Black	Costigan	Lewis	Thomas, Okla.
Bratton	Fletcher	Logan	Trammell
Broussard	George	McGill	Wagner
Bulkley	Gore	McKellar	Walsh, Mass.
Bulow	Harris	Morrison	Walsh, Mont.
Byrnes	Hawes	Neely	Wheeler

FOR SENATOR MOSES—30

Austin	Glenn	Keyes	Smoot
Barbour	Goldsborough	Metcalf	Townsend
Brookhart	Hale	Norbeck	Walcott
Carey	Hastings	Oddie	Waterman
Dale	Hatfield	Patterson	Watson
Davis	Hebert	Reed	White
Dickinson	Johnson	Schall	
Fess	Kean	Shortridge	

FOR SENATOR NORRIS—7

Blaine	Frazier	La Follette	Shipstead
Cutting	Howell	Nye	

FOR SENATOR JONES—5

Borah	Couzens	Norris	Thomas, Idaho
Capper			

FOR SENATOR CAPPER—1

Jones

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 40 votes, Senator MOSES 30 votes, Senator NORRIS 7 votes, Senator JONES 5 votes, and Senator CAPPER 1 vote. Eighty-three votes having been cast, and 42 being necessary for a choice, and no Senator having received a majority of the votes cast, there is no election.

REFERENCE OF NOMINATIONS

The VICE PRESIDENT. There are quite a number of nominations to be considered in executive session, and without objection, the Chair will lay them down and have them referred as in executive session. Is there objection? The Chair hears none, and it is so ordered.

PROPOSED BOULDER CANYON LEGISLATION

Mr. ODDIE. Mr. President, during my visit to Las Vegas and Boulder Dam in October I made an investigation of conditions and found that a need exists for amendments to the Boulder Canyon project act in order fully to provide for the construction and maintenance of adequate school and recreational facilities on the Boulder Canyon project Federal reservation; for the purpose of establishing definitely the right of qualified residents on the reservation to vote; to empower the State and county to assess private property for purposes of taxation; and to extend the State safety and industrial insurance laws within the bounds of the reservation.

In this connection I wrote a letter to the Hon. Ray Lyman Wilbur, Secretary of the Interior, on October 26, 1931, and to the Hon. Fred B. Balzar, Governor of the State of Nevada, on November 19, 1931, and have received their hearty cooperation in the matter. This brief correspondence I submit for inclusion in the RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

OCTOBER 26, 1931.

Hon. RAY LYMAN WILBUR,
Secretary of the Interior, Washington, D. C.

MY DEAR MR. SECRETARY: After investigating conditions relating to the Hoover Dam enterprise, I find that the relations between the Government and the people and industries in this section of the State can be materially improved by amendments to the law under which these operations are being conducted, in order that certain errors and omissions in the law can be corrected and the department relieved of the difficulty of interpreting some of its uncertain portions.

I am in accord with your policy regarding the establishment of a Federal reservation under your control in order that the work may be conducted in an efficient and orderly manner, with the necessary protection to the operations and to those conducting them.

I find considerable uncertainty existing regarding the question of exemption or nonexemption of personal property and industry within the reservation, including Boulder City, from State and county taxation. The exemption of this property from such taxation will deprive the State and county of moneys to which they are entitled. It will create a condition under which business and industry within the reservation will be subsidized by the Government, and because of the advantages gained thereby they will be brought in unfair competition with those conducted in Las Vegas and other places outside the reservation where property is subjected to taxation. It will also throw an extra burden on the Las Vegas schools, which are educating numbers of the children from the reservation, without receiving any compensation therefor. The Comptroller General has ruled that no part of the Hoover Dam funds can be used for educational and recreational purposes. In an enterprise of the importance and size of this one adequate educational and recreational facilities should be provided. They should be a necessary part of the enterprise itself.

The city of Las Vegas is entitled to special consideration in connection with the Hoover Dam enterprise. Its citizens have worked hard for many years in assisting in the creation of this enterprise and in carrying it to a successful conclusion. They are carrying a heavy burden financially in caring for the large number of unemployed without means, who have come to the city looking for work on the Hoover Dam enterprise.

Some provision should be made similar to that existing in some of the national parks, by which a commissioner is appointed to serve within the reservation with power to bind over to the district court and also to impose sentence in cases of minor infractions of law.

Another unfortunate condition existing is the uncertainty of the residents within the reservation as to their right to vote. To deprive them of this right will be un-American and wrong, and especially as a large number of American citizens are employed on this project, over 40 per cent of whom are ex-service men. Proper steps should be taken that will guarantee to all citizens residing within the reservation their right to vote.

I propose to introduce legislation which will correct these errors and omissions in the law and others that may exist, and will be glad to have your cooperation in their preparation.

I desire to commend the fine efficiency of the officials of your department who are so successfully conducting this vast enterprise.

With my best wishes, I remain, very sincerely yours,

TASKER L. ODDIE.

THE SECRETARY OF THE INTERIOR,
Washington, November 2, 1931.

Hon. TASKER L. ODDIE:
United States Senate.

MY DEAR SENATOR ODDIE: It is gratifying to have your letter of October 26 relating to legislation affecting the Boulder Canyon project Federal reservation. I shall be very happy to confer with you on this subject and to cooperate with you in the consideration and preparation of legislation found to be necessary to meet conditions there.

For your information there are herewith inclosed copies of two decisions by the Comptroller General relating to school facilities. From the supplemental opinion you will note the Comptroller General's ruling to the effect that Government funds may be used for the construction of a school building, but not for the purpose of transporting pupils or for the payment of teachers.

Very truly yours,

RAY LYMAN WILBUR.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, September 29, 1931.

The honorable the SECRETARY OF THE INTERIOR.

SIR: Consideration has been given to your letter of August 28, 1931, as follows:

"In connection with the construction of Hoover Dam and appurtenant works, as authorized by the Boulder Canyon project act of December 21, 1928 (45 Stat. 1057), section 14 of which makes applicable the reclamation laws, except as otherwise therein provided, it is necessary, because of the isolated territory involved and the complete absence of housing facilities, to erect various buildings for administration and other purposes. In addition to the buildings referred to, which include an administration building, dormitory, garage, and approximately 60 cottages for Government employees, it is also necessary to provide educational facilities. This would involve erection of the required buildings and employment of teachers. To prevent inordinate turnover in labor, make for contentment, and thus to facilitate the work, it is essential that the men employed bring their families and that school facilities be made available for the children.

"With the establishment of the Boulder Canyon project Federal reservation in Clark County, Nev., effective May 26, 1931 (copy of the Secretary's letter of May 19, 1931, to the Governor of Nevada is inclosed with copy of the plat showing the boundaries of the reservation), exclusive jurisdiction over the territory involved was vested in the United States. There being no authority in the State of Nevada to conduct schools within this territory, it is proposed to erect at Government expense a school building at an estimated cost of $57,000. The building will contain 12 classrooms for children below the high-school age, and a like building of substantially the same size and cost will probably be erected later for use as a high school.

"As an alternative to the erection of a high-school building at Boulder City, or at least as a temporary expedient, it has been proposed that the Government bear the expense of transporting high-school students by bus from Boulder City to Las Vegas, a distance of approximately 30 miles, and pay from Government funds the tuition of students so handled. Copy of letter dated July 7, 1931, by the special attorney to the Secretary outlining in detail the plan of transporting the students to and from Las Vegas is inclosed. Also inclosed is copy of that portion of the letter from the special attorney to the Secretary of July 18, 1931, which treats of the question of the authority of the Secretary of the Interior to provide school facilities at Boulder City under existing laws. However, regardless of which plan is followed, it is proposed to make a reasonable and direct charge against all who attend the schools, whether graded or high school, for the purpose, so far as it is practicable to do so, of recovering the cost of providing education facilities. This charge would be in lieu of taxes which, except for the existence of the Federal reservation, would be assessed for school purposes.

"It is also proposed to construct a public swimming pool within Boulder City, including necessary dressing rooms and a wading pool and sand lots for small children, at an estimated cost of $35,000. It is believed that the revenues which will be collected from bathers will be sufficient to repay the cost of the plant with interest on advances, as well as cover the cost of operation and maintenance. On account of the intense heat at the site of this work during the larger portion of the year and the very limited facilities for bathing, it is essential to the health and comfort of the men employed that there be made available bathing facilities, and the most practical and economical method of handling this situation is by means of a public swimming pool.

"As stated in the first paragraph of this letter, section 14 of the Boulder Canyon project act of December 21, 1928, makes applicable the reclamation laws, except as otherwise provided therein, and section 10 of the organic reclamation act of June 17, 1902, (32 Stat. 390), is as follows: 'That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations as may be necessary and proper for the purpose of carrying the provisions of this act into full force and effect.' It is the view of this department that the erection of a graded school and a high school, or the adoption of the alternative high-school plan, and also the construction of a swimming pool are necessary and proper for the purpose of carrying out the provisions of the Boulder Canyon project act. Your advance opinion on these questions is respectfully requested."

Section 2 (a) of the Boulder Canyon project act of December 21, 1928, supra, provides as follows:

"There is hereby established a special fund, to be known as the 'Colorado River Dam fund' (hereinafter referred to as the 'fund'), and to be available, as hereafter provided, only for carrying out the provisions of this act. All revenues received in carrying out the provisions of this act shall be paid into and expenditures shall be made out of the fund, under the direction of the Secretary of the Interior."

An initial appropriation of $10,660,000 for this fund was made by the act of July 3, 1930 (46 Stat. 877), in the following terms:

"Boulder Canyon project: For the commencement of construction of a dam and incidental works in the main stream of the Colorado River at Black Canyon, to create a storage reservoir, and of a complete plant and incidental structures suitable for the fullest economic development of electrical energy from the water discharged from such reservoir; to acquire by proceedings in eminent domain, or otherwise, all lands, rights of way, and other property necessary for such purposes; and for incidental operations; as authorized by the Boulder Canyon project act approved December 21, 1928 (U. S. C., Supp. III, title 33, ch. 15A), $10,660,000, to remain available until advanced to the Colorado River Dam fund, which amount shall be available for personal services in the District of Columbia and for all other objects of expenditure that are specified for projects included under the caption 'Bureau of Reclamation' in the Interior Department appropriation acts for the fiscal years 1930 and 1931, without regard to the limitations of amounts therein set forth: *Provided*, That of the amount hereby appropriated, not to exceed $100,000 shall be available for investigation and reports as authorized by section 15 of the Boulder Canyon project act."

An additional appropriation of $15,000,000 in substantially the same terms was made by the appropriation act of February 14, 1931 (46 Stat. 1146). For the "objects of expenditure that are specified for projects included under the caption 'Bureau of Reclamation' in the Interior Department appropriation acts for the fiscal years 1930 and 1931," reference is made to the acts of March 4, 1929 (45 Stat. 1589), and May 14, 1930 (46 Stat. 305). The additional appropriation of $15,000,000 appearing in the annual appropriation act for 1932, supra, is made available for items appearing under the heading "Bureau of Reclamation" in the same statute (46 Stat. 1142).

The purposes of the Boulder Canyon project act of December 21, 1928, supra, for which the "Colorado River Dam fund" is available are set forth in section 1 of the act as follows:

"That for the purpose of controlling the floods, improving navigation, and regulating the flow of the Colorado River, providing for storage and for the delivery of the stored waters thereof for reclamation of public lands and other beneficial uses exclusively within the United States, and for the generation of electrical energy as a means of making the project herein authorized a self-supporting and financially solvent undertaking, the Secretary of the Interior, subject to the terms of the Colorado River compact hereinafter mentioned, is hereby authorized to construct, operate, and maintain a dam and incidental works in the main stream of the Colorado River at Black Canyon or Boulder Canyon adequate to create a storage reservoir of a capacity of not less than 20,000,000 acre-feet of water and a main canal and appurtenant structures located entirely within the United States connecting the Laguna Dam, or other suitable diversion dam, which the Secretary of the Interior is hereby authorized to construct if deemed necessary or advisable by him upon engineering or economic considerations, with the Imperial and Coachella Valleys in California, the expenditures for said main canal and appurtenant structures to be reimbursable, as provided in the reclamation law, and shall not be paid out of revenues derived from the sale or disposal of water power or electric energy at the dam authorized to be constructed at said Black Canyon or Boulder Canyon, or for water for potable purposes outside of the Imperial

and Coachella Valleys: *Provided, however,* That no charge shall be made for water or for the use, storage, or delivery of water for irrigation or water for potable purposes in the Imperial or Coachella Valleys; also to construct and equip, operate, and maintain at or near said dam, or cause to be constructed, a complete plant and incidental structures suitable for the fullest economic development of electrical energy from the water discharged from said reservoir; and to acquire by proceedings in eminent domain, or otherwise, all lands, rights of way, and other property necessary for said purposes."

In none of the cited statutes creating the Colorado River Dam fund, appropriating therefor, and stating the purposes for which the fund would be available, is there any provision specifically, or by reasonable implication, making the fund available for construction of school buildings, transportation of pupils, or construction of a swimming pool. The general authority vested in the Secretary of the Interior by section 14 of the Boulder Canyon project act and section 10 of the reclamation act of June 17, 1902, referred to in your letter, is not sufficient to render the fund available for any item of expenditure the Secretary of the Interior may approve, regardless of its connection with the purposes for which the fund was created and appropriated. There must be a direct relationship between the purposes for which the expenditure is proposed and the purposes for which the fund was created and appropriated. Any other proposed expenditure, even though deemed proper by the Secretary of the Interior as indirectly connected with the project for which the fund was provided, must first have the sanction of the Congress. It does not appear from the legislation involved that the Congress intended to vest in the Secretary of the Interior such unlimited powers in connection with the expenditure of this fund. Educational facilities and swimming pools in close proximity to the residences of employees engaged on the project, while probably desirable for convenience and comfort of Government and contractors' employees, the connection between expenditures for such purposes and the purposes set forth in the controlling statutes would seem to be too remote to justify the use of the fund in question without the prior approval of the Congress. That the Department of the Interior and the Congress heretofore have considered that specific legislation on the subject would be required is evident from the legislative history of S. 5797 and H. R. 16422, both entitled "Authorizing establishment of Boulder City town site, and necessary expenditures in connection therewith, and for other purposes," which were introduced in the Congress during its last session, but failed of enactment.

The Senate bill passed the Senate February 10, 1931. The committee reports and the debates in the Senate clearly disclose that the legislation was deemed essential. But neither of the bills became law. The operation of schools and swimming pools for the benefit of Government and contractors' employees on a cost basis, as proposed, would appear to be an attempt to accomplish that which the Congress has failed to authorize. The following statement made by the special attorney, forwarded with your submission, is advanced as a reason for failure of the proposed legislation to be enacted:

"* * * A prominent and influential member of the Rules Committee, Mr. MICHENER, stated to me toward the close of the session that it was not thought that the legislation was necessary—that the department could do without it what it needed to do."

There is nothing of record as to the reason for the failure of the bills, and, in any event, there is nothing to indicate that the Congress would have sanctioned the use of the fund in question for the construction and operation of educational facilities and swimming pools.

While there is generally recognized to be an obligation on the United States to provide for the education of children necessarily residing within Government reservations, as contended in this case, schools on Government reservations are maintained only under specific statutory authority therefor. There may be cited as illustrative appropriations for education of Indians and for operation of schools on naval reservations. For the former see the act of February 14, 1931 (46 Stat. 1129), and for the latter see the act of February 28, 1931 (46 Stat. 1438).

You are advised, therefore, that under existing laws the fund "Colorado River Dam fund" is not available for construction of school buildings, transportation of pupils, or the construction of a swimming pool.

Respectfully.

J. R. MCCARL,
Comptroller General of the United States.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, October 17, 1931.

The honorable the SECRETARY OF THE INTERIOR.

SIR: There has been received your letter of October 7, 1931, requesting reconsideration of decision of September 29, 1931, holding that the appropriation fund entitled "Colorado River Dam Fund," providing for the construction of the Hoover Dam, under the terms of the act of December 21, 1928 (45 Stat. 1057), is not available for the construction of schools and swimming pools for use of Government and contractors' employees residing on the Government reservation. It is understood the request for reconsideration is limited to the question whether the appropriation may be used for construction of buildings in which schools may be conducted at the expense of interests other than the Government, pending approval by the Congress of the establishment of a permanent school system.

There is again stressed the difficulty in attracting to the project the proper personnel without adequate school facilities, and there is cited a decision of a former Comptroller of the Treasury, dated September 24, 1917, holding the reclamation fund available for construction of temporary buildings in which to conduct schools during the construction of, and at the site of, a reclamation project.

In view of the further representations now made to the effect that the construction of the Hoover Dam is being delayed by lack of school facilities, and that, in your opinion, "the erection of school buildings is necessary to carry out the purposes of the project act," you are advised that this office will interpose no objection to the use of the appropriation in question for the construction of temporary buildings in which schools may be conducted during the current school year, provided the contractor will bear the expense of maintaining and operating the schools unless and until otherwise specifically provided for by law.

Respectfully,

J. R. MCCARL,
Comptroller General of the United States.

WASHINGTON, D. C., *November 19, 1931.*

Hon. FRED B. BALZAR,
Executive Chambers, Carson City, Nev.

MY DEAR GOVERNOR: During my recent tour of the State I devoted considerable time to the study of conditions surrounding the Hoover Dam enterprise, and, upon the completion of this investigation, I addressed a letter to the Secretary of the Interior, Hon. Ray Lyman Wilbur, on October 26, calling attention to the need for clarifying amendments to the Boulder Dam act.

The enactment of the amendments indicated will pave the way for a closer cooperation between the State and Government in the work at the dam.

Inclosed is copy of my letter of October 26 to the Secretary of the Interior, together with copy of his reply thereto under date of November 2.

In order fully to protect the interests of the State of Nevada, it is my view that the Boulder Dam Act should be so amended that the Government would be obliged to provide for the construction and maintenance of adequate school and recreational facilities on the reservation; to establish definitely the right of qualified residents on the reservation to vote; and the right of the State and county to assess private property for purposes of taxation.

I am soon to take this matter up with the Secretary with the view to formulating the necessary amendments to the Boulder Dam Act and before doing so I shall greatly appreciate learning your views upon the subject and having any suggestions which you desire to make by which the interests of the State of Nevada can be fully protected and improved. I shall therefore request you to send me reply at your very earliest convenience by air mail.

With best wishes, I remain,
Very sincerely yours,

TASKER L. ODDIE.

STATE OF NEVADA,
EXECUTIVE CHAMBER,
Carson City, November 24, 1931.

Hon. TASKER L. ODDIE,
United States Senator, Washington, D. C.

MY DEAR SENATOR: I have your air mail letter of the 19th instant, which evidently reached here by RMS, and I hasten to reply thereto.

I appreciate your thoughts in the matter, and fully concur in all the suggestions contained in paragraph 4 of that letter.

In addition, may I suggest the desirability, if amendments to the Boulder Canyon project act are proposed, to add provision allowing the State to enforce its safety and industrial insurance laws within the bounds of Federal reservations.

I do not know whether you are advised that the six companies have caused an injunction to be served on State Mine Inspector Stinson restraining him from enforcing mine inspection laws, and the matter is to be heard in the United States District Court on December 12.

To-day's press reports bring news that County Assessor DeVinney, of Clark County, has been served with a like injunction, issued out of the Federal court, prohibiting him from attempting to assess privately owned property or from attempting to collect poll taxes within the bounds of the reservation, but at the moment of writing I am not advised what date has been set in this particular matter.

It is quite patent that congressional action should be had in the matter at the earliest possible moment, because under the terms of the restraining order no enforcement of the State labor laws is possible, nor any inspecition of conditions looking to the safeguarding of lives.

You are no doubt aware that more than a dozen fatalities have already occurred on the Arizona side, due, so I am advised by Inspector Stinson, to a lack of supervision and inspection as to the safety of men and proper working conditions.

On the contrary, but two fatalities have happened on the Nevada side, although there are more than five times as many employees on our side of the line, due to the close inspection and enforcement of our safety laws.

I know of no reason why specific legislation should not be enacted authorizing the States of Arizona and Nevada to enforce the State laws for the protection of labor, for their industrial protection, and allowing the States to assess privately owned property found within the bounds of such reservation, and giving the States authority to enter upon the reservation at any and all times without let or hindrance.

I will be glad to keep you advised of the progress of litigation, but hope that the necessary amending legislation can be enacted, which will take the entire matter out of the hands of the court and give the States the right to enforce their laws.

If the hands of the States are to be tied by injunction pending hearings in court, appeals from decisions at the convenience of interested attorneys, awaiting judgments in the matter, one can be very sure that the entire Boulder Canyon project will be completed before a final decision is rendered by the courts.

You have my cordial good wishes for success in the entire matter, and I shall be glad to have you keep me advised of the progress being made.

With my personal well wishes, I am,

Very truly yours,

F. B. BALZAR, *Governor.*

NOVEMBER 27, 1931.

Hon. FRED B. BALZAR,
Governor of Nevada, Carson City, Nev.

MY DEAR GOVERNOR BALZAR: I want to thank you for your letter of the 24th instant and assure you that I appreciate your splendid cooperation in making available your views and suggestions in regard to necessary amendments to the Boulder Dam act in order fully to protect the interests of the State of Nevada.

I have just written a letter to the Secretary of the Interior requesting his assistance in formulating the necessary amendments to carry into effect the suggestions which both you and I have made. I inclose a copy for your information and will keep you posted on developments.

With every good wish, I remain,

Very sincerely yours,

TASKER L. ODDIE.

NOVEMBER 27, 1931.

Hon. RAY LYMAN WILBUR,
Secretary of the Interior, Washington, D. C.

MY DEAR MR. SECRETARY: In further reference to my letter to you of October 26, 1931, and your reply of November 2, relating to legislation affecting the Boulder Canyon project Federal reservation, I addressed a letter to the Hon. Fred B. Balzar, Governor of the State of Nevada, on November 19, 1931, a copy of which is herewith inclosed, also a copy of the governor's reply dated November 24.

I wish particularly to call your attention to the fact that Governor Balzar fully concurs in the suggestions which I set forth in paragraph 4 of my letter to him of November 19, as follows:

"In order fully to protect the interests of the State of Nevada, it is my view that the Boulder Dam Act should be so amended that the Government would be obliged to provide for the construction and maintenance of adequate school and recreational facilities on the reservation; to establish definitely the right of qualified residents on the reservation to vote; and the right of the State and county to assess private property for purposes of taxation."

In addition to the above suggestions, the governor, in his letter to me of November 24, called attention to the need for amending the Boulder Canyon project act so as to extend the State labor, safety, and industrial insurance laws to the Boulder Canyon project Federal reservation, in order that the lives of those engaged in the construction work might be fully safeguarded.

I appreciate your letter of November 2 in which you offer to cooperate in the consideration and preparation of legislation to meet these suggestions. It will be helpful if you will supply me with drafts of the necessary amendments to the Boulder Canyon project act which will carry into effect my suggestions and those of the Governor of the State of Nevada.

I am sure you will agree with me that the early enactment of such clarifying amendments will aid substantially in insuring the welfare and safety of the workers, in expediting construction, and in maintaining that harmonious cooperation between the State and the Federal Government, which is so essential to ultimate success.

Very sincerely yours,

TASKER L. ODDIE.

THE SECRETARY OF THE INTERIOR,
Washington, December 5, 1931.

Hon. TASKER L. ODDIE,
United States Senate, Washington, D. C.

MY DEAR SENATOR ODDIE: This is in acknowledgment of your letter of November 27 regarding proposed additional legislation affecting the Boulder Canyon project Federal reservation. The legislation proposed would embody the following provisions:

(*a*) Provide for construction and maintenance of adequate school and recreational facilities on the reservation;

(*b*) Establish definitely the rights of qualified residents on the reservation to vote;

(*c*) Empower the State and county to assess private property for purposes of taxation; and

(*d*) Extend the State labor, safety, and industrial insurance laws to the reservation.

I am wholly in accord with provision (a), and it is the intention to suggest incorporation in the appropriation act for 1933 provision giving necessary authority in this respect. This would be a provision substantially in accord with many others sanctioned by long practice. The Comptroller General has held that funds appropriated and now available may be used for construction of certain school buildings, and such construction is now being undertaken. Instructions have been issued that this work be expedited in every possible way.

I have no objection to residents of the reservation being permitted to vote, although my information is that this is a departure from the usual practice incident to reservations over which exclusive jurisdiction is exercised by the United States. Many of the residents of the reservation, because of the nature of their employment, are, and will be, temporary, and many of them probably will not reside on the reservation for a sufficient length of time to qualify as electors under the State laws.

I am advised that two separate suits are now pending in the United States District Court for the District of Nevada by the Six Companies—one against the assessor of Clark County and the other against the State inspector of mines, affecting provisions (c) and (d). The Department of Justice, on recommendation of this department, has instructed the United States attorney for Nevada to investigate the situation and to take such action as may be found necessary to protect the rights and interests of the United States. Additional legislation at this time would influence not only the rights and obligations of the United States, but those also of the contractor. It occurs to me that it might be advisable to withhold action on the matter of further legislation until the United States attorney has completed his investigation and the Attorney General has advised this department of the action considered necessary in connection with the pending litigation. The two interdependent matters could then be better correlated.

I deeply appreciate your proffered cooperation, of which I shall be glad to take advantage when the situation has been clarified to such an extent that the attitude properly to be taken by this department can be more clearly defined.

Very truly yours,

RAY LYMAN WILBUR.

ADJOURNMENT TO MONDAY

Mr. WATSON. Mr. President, I move that the Senate adjourn until next Monday at 12 o'clock.

The motion was agreed to; and the Senate (at 2 o'clock and 50 minutes p. m.) adjourned until Monday, December 14, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 10, 1931

UNDER SECRETARY OF STATE

William R. Castle, jr., of the District of Columbia, to be Under Secretary of State.

ASSISTANT SECRETARY OF STATE

Harvey H. Bundy, of Massachusetts, to be an Assistant Secretary of State.

LEGAL ADVISER OF THE DEPARTMENT OF STATE

Green H. Hackworth, of Kentucky, to be legal adviser of the Department of State.

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

H. F. Arthur Schoenfeld, of the District of Columbia, to be envoy extraordinary and minister plenipotentiary of the United States of America to the Dominican Republic.

Charles B. Curtis, of New York, to be envoy extraordinary and minister plenipotentiary of the United States of America to El Salvador.

Frederick W. B. Coleman, of Minnesota, to be envoy extraordinary and minister plenipotentiary of the United States of America to Denmark.

Robert P. Skinner, of Ohio, to be envoy extraordinary and minister plenipotentiary of the United States of America to Estonia, Latvia, and Lithuania.

CHARGÉ D'AFFAIRES OF THE UNITED STATES OF AMERICA AT IRAQ

Alexander K. Sloan, of Pennsylvania, to act as chargé d'affaires of the United States of America to Iraq, pursuant to the provisions of section 17 of the act of May 24, 1924.

FOREIGN SERVICE

The following-named Foreign Service officers to be diplomatic and consular officers of the grade to which they were appointed during the last recess of the Senate, as follows:

SECRETARIES IN THE DIPLOMATIC SERVICE

Homer M. Byington, of Connecticut.
Paul C. Daniels, of New York.
Thomas H. Bevan, of Maryland.
Vinton Chapin, of Massachusetts.
Hiram Bingham, jr., of Connecticut.
Carlos J. Warner, of Ohio.
Raymond A. Hare, of Iowa.
William M. Gwynn, of California.
Alvin T. Rowe, jr., of Virginia.
Glenn A. Abbey, of Wisconsin.
Donald F. Bigelow, of Minnesota.
James E. Brown, jr., of Pennsylvania.
Randolph Harrison, jr., of Virginia.
Ralph Miller, of New York.
Miss Frances E. Willis, of California.

CONSULS GENERAL

Maxwell K. Moorhead, of Pennsylvania.
James B. Stewart, of New Mexico.
Monnett B. Davis, of Colorado.
Lowell C. Pinkerton, of Missouri.
Walter A. Adams, of South Carolina.
Samuel W. Honaker, of Texas.

The following-named persons for promotion in the Foreign Service of the United States, effective as of July 1, 1931, as follows:

From Foreign Service officer of class 2 to Foreign Service officer of class 1:

Wesley Frost, of Kentucky.
George A. Gordon, of New York.
Alexander C. Kirk, of Illinois.

From Foreign Service officer of class 3 to Foreign Service officer of class 2:

Charles L. Hoover, of Missouri.
Williamson S. Howell, jr., of Texas.
Irving N. Linnell, of Massachusetts.
Frank P. Lockhart, of Texas.
Jay Pierrepont Moffat, of New Hampshire.
Robert M. Scotten, of Michigan.

From Foreign Service officer of class 4 to Foreign Service officer of class 3:

Monnett B. Davis, of Colorado.
John Farr Simmons, of New York.
George Wadsworth, of New York.

From Foreign Service officer of class 5 to Foreign Service officer of class 4:

Maynard B. Barnes, of Iowa.
Reed Paige Clark, of New Hampshire.
Nathaniel P. Davis, of New Jersey.
John G. Erhardt, of New York.
Charles Bridgham Hosmer, of Maine.
H. Earle Russell, of Michigan.

From Foreign Service officer of class 6 to Foreign Service officer of class 5:

Willard L. Beaulac, of Rhode Island.
Richard P. Butrick, of New York.
James Hugh Keeley, jr., of the District of Columbia.
Renwick S. McNiece, of Utah.
Harold Shantz, of New York.
George P. Shaw, of California.
Alexander K. Sloan, of Pennsylvania.
Samuel R. Thompson, of California.
Damon C. Woods, of Texas.

From Foreign Service officer of class 7 to Foreign Service officer of class 6:

J. Rives Childs, of Virginia.
Charles H. Derry, of Georgia.
Peter H. A. Flood, of New Hampshire.
Richard Ford, of Oklahoma.
C. Porter Kuykendall, of Pennsylvania.
Charles W. Lewis, jr., of Michigan.
Erik W. Magnuson, of Illinois.
James E. McKenna, of Massachusetts.
Alfred T. Nester, of New York.
William W. Schott, of Kansas.
Robert Lacy Smyth, of California.
Harry L. Troutman, of Georgia.
Rollin R. Winslow, of Michigan.
Leslie E. Woods, of Massachusetts.

From Foreign Service officer of class 8 to Foreign Service officer of class 7:

George Alexander Armstrong, of New York.
John W. Bailey, jr., of Texas.
Ellis O. Briggs, of New York.
Culver B. Chamberlain, of Missouri.
Allan Dawson, of Iowa.
Samuel G. Ebling, of Ohio.
Harry L. Franklin, of Kentucky.
Franklin C. Gowen, of Pennsylvania.
George J. Heering, of New York.
Eugene M. Hinkle, of New York.
Benjamin M. Hulley, of Florida.
David McK. Key, of Tennessee.
William F. Nason, of Massachusetts.
J. Hall Paxton, of Virginia.
John S. Richardson, jr., of Massachusetts.
Arthur F. Tower, of New York.
John Carter Vincent, of Georgia.
Richard R. Willey, of New York.
David Williamson, of Colorado.
Stanley Woodward, of Pennsylvania.

The following-named persons to be Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

Theodore C. Achilles, of the District of Columbia.
William C. Affeld, jr., of Minnesota.
John M. Allison, of Nebraska.
Daniel V. Anderson, of Delaware.
Walworth Barbour, of Massachusetts.
Frank W. Barnes, of Arkansas.
Jacob D. Beam, of New Jersey.
Reginald Bragonier, jr., of Maryland.
Carl Breuer, of New York.
Reginald S. Carey, of Maryland.
Mulford A. Colebrook, of New York.
Bernard C. Connelly, of Illinois.
Charles A. Cooper, of Nebraska.
Merritt N. Cootes, of Virginia.
Earl T. Crain, of Illinois.
William M. Cramp, of Pennsylvania.
John Davies, jr., of Ohio.
Andrew E. Donovan, 2d, of California.
Walter C. Dowling, of Georgia.
Donald C. Dunham, of Ohio.
Howard Elting, jr., of Illinois.
Frederick E. Farnsworth, of Colorado.
Douglas Flood, of Illinois.
T. Muldrup Forsyth, of Virginia.
R. Allen Haden, of Tennessee.
James E. Henderson, of California.
L. Randolph Higgs, of Mississippi.
Walter W. Hoffmann, of California.
Theodore J. Hohenthal, of California.
Douglas James, of New York.
Fred W. Jandrey, of Wisconsin.
Douglas Jenkins, jr., of South Carolina.
Stephen E. C. Kendrick, of Rhode Island.
Foy D. Kohler, of Ohio.
Kent Leavitt, of Virginia.
Henry P. Leverich, of New Jersey.
E. Allan Lightner, jr., of New Jersey.
Walter J. Linthicum, of Maryland.
Aubrey E. Lippincott, of Arizona.
Brockholst Livingston, of New York.
Raymond P. Ludden, of Massachusetts.
Robert Mills McClintock, of California.
Robert C. McCloud, of Florida.
Edward P. Maffitt, of Missouri.
Patrick Mallon, of Ohio.
Ernest de W. Mayer, of New York.
Gregor C. Merrill, of California.

Reginald P. Mitchell, of Florida.
Harold E. Montamat, of New Jersey.
Walter W. Orebaugh, of Kansas.
Robert M. Ott, of Texas.
John P. Palmer, of Washington.
W. Leonard Parker, of New York.
Troy L. Perkins, of Kentucky.
Norris Rediker, of Minnesota.
Paul J. Reveley, of Connecticut.
Wales W. Signor, of Michigan.
Francis L. Spalding, of Massachusetts.
Francis Bowden Stevens, of New York.
John F. Stone, of Pennsylvania.
Orray Taft, jr., of California.
Robert M. Taylor, of Washington.
Tyler Thompson, of New York.
William Du B. Thorne, of New Jersey.
William C. Trimble, of Maryland.
H. Bartlett Wells, of New Jersey.
Milton K. Wells, of Oklahoma.
Eric C. Wendelin, of Massachusetts.
Robert F. Woodward, of Minnesota.

William H. Beck, of New Jersey, to be a Foreign Service officer of class 3, a consul general, and a secretary in the Diplomatic Service of the United States of America.

MEMBERS OF THE UNITED STATES TARIFF COMMISSION

Lincoln Dixon, of Indiana, to be a member of the United States Tariff Commission for the term expiring June 16, 1937, to which office he was appointed during the last recess of the Senate (reappointment).

Robert Lincoln O'Brien, of Massachusetts, to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1936, to which office he was appointed during the last recess of the Senate, vice Henry P. Fletcher.

MEMBERS OF THE FEDERAL RESERVE BOARD

George R. James, of Tennessee, to be a member of the Federal Reserve Board for a term of 10 years from April 28, 1931, to which office he was appointed during the last recess of the Senate (reappointment).

Wayland W. Magee, of Nebraska, to be a member of the Federal Reserve Board for the unexpired term of 10 years from January 25, 1923, to which office he was appointed during the last recess of the Senate, vice Edward H. Cunningham.

MEMBERS OF THE BOARD OF TAX APPEALS

J. Russell Leech, of Pennsylvania, to be a member of the Board of Tax Appeals for the unexpired term of eight years from June 2, 1926, vice Sumner L. Trussell.

Edgar J. Goodrich, of West Virginia, to be a member of the Board of Tax Appeals for the unexpired term of 10 years from June 2, 1926, to which office he was appointed during the last recess of the Senate, vice Percy W. Phillips.

MEMBERS OF THE FEDERAL FARM BOARD

Sam H. Thompson, of Illinois, to be a member of the Federal Farm Board for the unexpired term of six years from June 15, 1930, to which office he was appointed during the last recess of the Senate, vice Alexander Legge.

William F. Schilling, of Minnesota, to be a member of the Federal Farm Board for a term of six years from June 15, 1931, to which office he was appointed during the last recess of the Senate (reappointment).

Frank Evans, of Utah, to be a member of the Federal Farm Board for the unexpired term of six years from June 15, 1930, to which office he was appointed during the last recess of the Senate, vice Charles C. Teague.

MEMBERS OF THE FEDERAL FARM LOAN BOARD

Horace Paul Bestor, of Missouri, to be a member of the Federal Farm Loan Board for a term of eight years expiring August 6, 1939. (Reappointment.)

James B. Madison, of Charleston, W. Va., to be a member of the Federal Farm Loan Board for the unexpired term of eight years expiring August 6, 1938, in place of Floyd R. Harrison, resigned.

FEDERAL TRADE COMMISSIONER

William E. Humphrey, of Washington, to be a Federal trade commissioner for a term expiring September 25, 1938, to which office he was appointed during the last recess of the Senate. (Reappointment.)

ASSISTANT COMMISSIONER OF INTERNAL REVENUE

Ralph E. Smith, of Wisconsin, to be assistant to the Commissioner of Internal Revenue in place of Harris F. Mires, resigned.

ASSISTANT COMPTROLLER GENERAL

Richard N. Elliott, of Indiana, to be Assistant Comptroller General of the United States for a term of 15 years, to which office he was appointed during the last recess of the Senate, vice Lurton Rufus Ginn.

MEMBER OF THE BOARD OF MEDIATION

John Williams, of California, to be a member of the Board of Mediation for a term expiring five years after January 1, 1932. (Reappointment.)

MEMBER OF THE UNITED STATES SHIPPING BOARD

Jefferson Myers, of Oregon, to be a member of the United States Shipping Board for a term of six years from June 9, 1931, to which office he was appointed during the last recess of the Senate. (Reappointment.)

MEMBER OF THE FEDERAL POWER COMMISSION

Claude L. Draper, of Wyoming, to be a member of the Federal Power Commission for the term expiring June 22, 1936, to which office he was appointed during the last recess of the Senate. (Reappointment.)

MEMBER OF THE FEDERAL BOARD FOR VOCATIONAL EDUCATION

Claude M. Henry, of South Dakota, to be a member of the Federal Board for Vocational Education for a term of three years from July 17, 1931, to which office he was appointed during the last recess of the Senate. (Reappointment.)

DIRECTOR, BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Frederick M. Feiker, of New York, now holding recess appointment, to the position of Director, Bureau of Foreign and Domestic Commerce.

DIRECTOR OF THE GEOLOGICAL SURVEY

Walter C. Mendenhall, of Ohio, to be Director of the Geological Survey, vice George Otis Smith, resigned.

COLLECTORS OF INTERNAL REVENUE

Victor Q. Hambright, of Clover, S. C., to be collector of internal revenue for the district of South Carolina, in place of John F. Jones, resigned.

Gilbert T. Sugden, of Lockport, N. Y., to be collector of internal revenue for the twenty-eighth district of New York, to fill an existing vacancy.

Hal H. Clements, of Knoxville, Tenn., to be collector of internal revenue for the district of Tennessee, to fill an existing vacancy.

Gregory T. Van Meter, of Chicago, Ill., to be collector of internal revenue for the first district of Illinois, to fill an existing vacancy.

Vernon E. Johnson, of Berkeley Springs, W. Va., to be collector of internal revenue for the district of West Virginia, in place of Edwin A. Brast, resigned.

COLLECTORS OF CUSTOMS

Howard W. Seager, of Los Angeles, Calif., to be collector of customs for customs collection district No. 27, with headquarters at Los Angeles, Calif., to fill an existing vacancy.

James W. McDonald, of Tucson, Ariz., to be collector of customs for customs collection district No. 26, with headquarters at Nogales, Ariz., in place of Fred E. Edwards, resigned.

Fred B. Thomas, of Randolph, Vt., to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt., in place of Harry C. Whitehill.

Lawrence B. Towers, of Denton, Md., to be comptroller of customs in customs collection district No. 13, with headquarters at Baltimore, Md., in place of Clinton O. Richardson.

Fred A. Bradley, of Buffalo, N. Y., to be collector of customs for customs collection district No. 9, with headquarters at Buffalo, N. Y. (Reappointment.)

REGISTERS OF THE LAND OFFICE

Robert J. Carsner, of Oregon, to be register of the land office at The Dalles, Oreg., vice George W. Miller, who died before assuming office.

Ezra P. Monson, of Idaho, to be register of the land office at Blackfoot, Idaho, vice David Burrell, deceased.

Harry W. Hill, of Montana, to be register of the land office at Billings, Mont., vice Richard P. Imes, sr., deceased.

MARSHAL OF THE CANAL ZONE

John T. Barrett, of Massachusetts, to be reappointed marshal of the Canal Zone under the provisions of the Panama Canal act, approved August 24, 1912. Incumbent's commission expires December 19, 1931.

PUBLIC HEALTH SERVICE

The following-named officers in the Public Health Service:

Dr. Russell Thomas to be assistant surgeon, to rank as such from April 6, 1931.

Dr. Victor H. Vogel to be assistant surgeon, to rank as such from June 15, 1931.

Dr. Erwin W. Blatter to be assistant surgeon, to rank as such from April 4, 1931.

Dr. Thurman H. Rose to be assistant surgeon, to rank as such from June 1, 1931.

Surg. Louis Schwartz to be senior surgeon, to rank as such from March 25, 1931.

Passed Asst. Dental Surg. (R.) Pendleton Jett Slaughter to be passed assistant dental surgeon in the grade of passed assistant surgeon, to rank as such from June 15, 1931.

Passed Asst. Dental Surg. (R.) Hubert Hays Martin to be passed assistant dental surgeon in the grade of passed assistant surgeon, to rank as such from June 15, 1931.

Surg. George Parcher to be senior surgeon, to rank as such from April 1, 1931.

Vincent B. Lamoureux to be assistant sanitary engineer in the grade of assistant surgeon, to rank as such from June 20, 1931.

James H. Le Van to be assistant sanitary engineer in the grade of assistant surgeon, to rank as such from June 19, 1931.

Robert W. Kehr to be assistant sanitary engineer in the grade of assistant surgeon, to rank as such from June 23, 1931.

Dr. Llewellyn L. Ashburn to be assistant surgeon, to rank as such from July 1, 1931.

Dr. R. C. Arnold to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Frederick P. Burow to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Roy E. Butler to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Austin Vance Deibert to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Robert H. Flinn to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Alfred B. Geyer to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Leland J. Hanchett to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Marion K. King to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Thomas B. McKneely to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Robert K. Maddock to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Jack G. Mearns to be assistant surgeon, to rank as such from September 9, 1931.

Dr. Robert H. Onstott to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Donald W. Patrick to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Joseph G. Pasternack to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Leslie McC. Smith to be assistant surgeon, to rank as such from July 1, 1931.

Dr. George G. Van Dyke to be assistant surgeon, to rank as such from July 1, 1931.

Dr. Waldemar J. A. Wickman to be assistant surgeon, to rank as such from July 1, 1931.

Dr. John L. Wilson to be assistant surgeon, to rank as such from July 1, 1931.

Dr. William G. Workman to be assistant surgeon, to rank as such from July 1, 1931.

Asst. Surg. Walter L. Barnes to be passed assistant surgeon, to rank as such from June 30, 1931.

Asst. Surg. Joseph O. Dean to be passed assistant surgeon, to rank as such from June 28, 1931.

Asst. Surg. Gilbert L. Dunnahoo to be passed assistant surgeon, to rank as such from July 9, 1931.

Asst. Surg. Oswald F. Hedley to be passed assistant surgeon, to rank as such from June 28, 1931.

Asst. Surg. Vane M. Hoge to be passed assistant surgeon, to rank as such from June 29, 1931.

Asst. Surg. Walter P. Griffey to be passed assistant surgeon, to rank as such from June 29, 1931.

Asst. Surg. Paul A. Neal to be passed assistant surgeon, to rank as such from June 30, 1931.

Asst. Surg. Kenneth R. Nelson to be passed assistant surgeon, to rank as such from June 28, 1931.

Asst. Surg. William F. Ossenfort to be passed assistant surgeon, to rank as such from June 29, 1931.

Asst. Surg. William C. Plumlee to be passed assistant surgeon, to rank as such from July 9, 1931.

Asst. Surg. Maurice A. Roe to be passed assistant surgeon, to rank as such from February 2, 1931.

Asst. Surg. Ivan W. Steele to be passed assistant surgeon, to rank as such from June 28, 1931.

Asst. Surg. Frank F. Thweatt, jr., to be passed assistant surgeon, to rank as such from June 29, 1931.

Asst. Surg. Lee C. Watkins to be passed assistant surgeon, to rank as such from June 30, 1931.

Dr. John M. Francis to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from July 1, 1931.

Dr. James S. Miller to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from July 1, 1931.

Dr. Thomas L. Hagan to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from July 1, 1931.

Dr. William P. Roberts, jr., to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from July 1, 1931.

Dr. Charles B. Galt to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from July 1, 1931.

Dr. John A. Hammer to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from July 1, 1931.

Dr. Robert A. Scroggie to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from August 1, 1931.

Dr. Kenneth J. White to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from August 1, 1931.

Dr. Donald H. Soper to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from August 15, 1931.

Dr. Clinton L. Stalker to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from August 6, 1931.

Dr. Leland E. Weyer to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from August 15, 1931.

Dr. Leonard R. Etzenhouser to be assistant dental surgeon in the grade of assistant surgeon, to rank as such from August 1, 1931.

Senior Surg. Marshall C. Guthrie to be medical director, to rank as such from September 9, 1931.

Senior Surg. Hugh de Valin to be medical director, to rank as such from September 21, 1931.

Surg. Robert H. Heterick to be senior surgeon, to rank as such from November 22, 1931.

Asst. Dental Surg. David Cooper to be passed assistant dental surgeon in the grade of passed assistant surgeon, to rank as such from November 24, 1931.

Asst. Surg. Eddie M. Gordon, jr., to be passed assistant surgeon, to rank as such from November 1, 1931.

COAST GUARD

The following-named officers of the Coast Guard of the United States:

Rear Admiral Frederick C. Billard, of the District of Columbia, to be commandant, with the rank of rear admiral, for a period of four years, to rank as such from January 11, 1932. (Reappointment.)

Engineer in Chief Robert B. Adams, of Massachusetts, to be engineer in chief for a period of four years, to rank as such from December 18, 1931. (Reappointment.)

Lieut. (Junior Grade) Nathaniel S. Fulford, jr., to be a lieutenant in the Coast Guard of the United States, to rank as such from March 9, 1931.

Commander Hiram R. Searles to be a captain, to rank as such from September 1, 1930, in place of Capt. Edward S. Addison, retired.

Lieut. Commander Joseph E. Stika to be a commander, to rank as such from September 1, 1930, in place of Commander Hiram R. Searles, promoted.

Commander Charles F. Howell to be a captain, to rank as such from March 1, 1931, in place of Capt. D. F. A. de Otte, retired.

Lieut. Commander Floyd J. Sexton to be a commander, to rank as such from March 1, 1931, in place of Commander Charles F. Howell, promoted.

Lieut. (Temporary) Chester McP. Anderson to be a lieutenant, to rank as such from March 19, 1931.

Lieut. (Junior Grade) (Temporary) Charles L. Duke to be a lieutenant (junior grade), to rank as such from March 19, 1931.

Lieut. (Junior Grade) (Temporary) Edward W. Holtz to be a lieutenant (junior grade), to rank as such from March 19, 1931.

Lieut. (Junior Grade) (Temporary) Herbert F. Walsh to be a lieutenant (junior grade), to rank as such from March 19, 1931.

Ensign (Temporary) Leonard T. Jones to be an ensign, to rank as such from March 19, 1931.

Ensign (Temporary) Henry F. Garcia to be an ensign, to rank as such from March 19, 1931.

Ensign (Temporary) Searcy J. Lowrey to be an ensign, to rank as such from March 25, 1931.

Lieut. Commander (Engineering) Ellis Reed-Hill to be a commander (Engineering), to rank as such from March 1, 1931.

Chief Boatswain (Life Saving) Sigval B. Johnson to be a district commander with the rank of lieutenant, to rank as such from May 2, 1931.

Ensign (Temporary) Frank E. Miner to be an ensign, to rank as such from May 6, 1931.

Ensign (Temporary) Samuel L. Denty to be an ensign, to rank as such from May 6, 1931.

Ensign (Temporary) Peery L. Stinson to be an ensign, to rank as such from May 6, 1931.

Robert Theodore Alexander to be an ensign, to rank as such from May 15, 1931.

Marion Amos to be an ensign, to rank as such from May 15, 1931.

Eric Alvin Anderson to be an ensign, to rank as such from May 15, 1931.

Charles Breckenridge Arrington to be an ensign, to rank as such from May 15, 1931.

Charles Otis Ashley to be an ensign, to rank as such from May 15, 1931.

Elmer Edward Comstock to be an ensign, to rank as such from May 15, 1931.

Frank Arthur Erickson to be an ensign, to rank as such from May 15, 1931.

Edward Armstrong Eve, jr., to be an ensign, to rank as such from May 15, 1931.

Richard Charles Foutter to be an ensign, to rank as such from May 15, 1931.

Quentin McKay Greeley to be an ensign, to rank as such from May 15, 1931.

Chester Lawrence Harding to be an ensign, to rank as such from May 15, 1931.

James Reed Hinnant to be an ensign, to rank as such from May 15, 1931.

George Irving Holt to be an ensign, to rank as such from May 15, 1931.

Christopher Copeland Knapp to be an ensign, to rank as such from May 15, 1931.

Joseph Edward Madacey to be an ensign, to rank as such from May 15, 1931.

Richard Eugene Morell to be an ensign, to rank as such from May 15, 1931.

Donald McGregor Morrison to be an ensign, to rank as such from May 15, 1931.

Howard Allen Morrison to be an ensign, to rank as such from May 15, 1931.

Rufus Edward Mroczkowski to be an ensign, to rank as such from May 15, 1931.

James Plakias to be an ensign, to rank as such from May 15, 1931.

Randolph Ridgely III to be an ensign, to rank as such from May 15, 1931.

Harold Bateman Roberts to be an ensign, to rank as such from May 15, 1931.

Simon Ray Sands, jr., to be an ensign, to rank as such from May 15, 1931.

Henry Undercofler Scholl to be an ensign, to rank as such from May 15, 1931.

William Davis Shields to be an ensign, to rank as such from May 15, 1931.

Ned Weckesser Sprow to be an ensign, to rank as such from May 15, 1931.

Roy Edward Stockstill to be an ensign, to rank as such from May 15, 1931.

Elmer Jonathan Suydam to be an ensign, to rank as such from May 15, 1931.

Victor Frank Tydlacka to be an ensign, to rank as such from May 15, 1931.

Aden Clay Unger to be an ensign, to rank as such from May 15, 1931.

Halmar Jenkins Webb to be an ensign, to rank as such from May 15, 1931.

Oscar Cottman Buckingham Wev to be an ensign, to rank as such from May 15, 1931.

Preston Baker Mavor to be a temporary ensign, to rank as such from May 15, 1931.

Alvin H. Giffin to be a temporary ensign, to rank as such from July 14, 1931.

Joe G. Lawrence to be a temporary ensign, to rank as such from July 11, 1931.

Clovis Breton, jr., to be a temporary ensign, to rank as such from July 13, 1931.

James A. Alger, jr., to be a temporary ensign, to rank as such from July 13, 1931.

Frank C. Curro to be a temporary ensign, to rank as such from July 14, 1931.

Robert S. Lecky to be a temporary ensign, to rank as such from July 13, 1931.

George A. Farnsworth to be a temporary ensign, to rank as such from July 13, 1931.

Lieut. (Junior Grade) (Temporary) Kenneth S. Davis to be a lieutenant (junior grade), to rank as such from July 23, 1931.

Ensign (Temporary) William I. Swanston to be an ensign, to rank as such from July 23, 1931.

Ensign (Temporary) Arthur M. Root, jr., to be an ensign, to rank as such from July 23, 1931.

Ensign (Temporary) Clyde G. Tarkenton to be an ensign, to rank as such from July 23, 1931.

Ensign (Temporary) John T. Stanley to be an ensign, to rank as such from July 23, 1931.

Ensign (Temporary) William E. Creedon to be an ensign, to rank as such from July 23, 1931.

Ensign (Temporary) Henry A. Meyer to be an ensign, to rank as such from July 23, 1931.

Lieut. Donald C. McNeil to be a lieutenant commander, to rank as such from May 15, 1931.

Lieut. Harley E. Grogan to be a lieutenant commander, to rank as such from May 15, 1931.

Lieut. Herman H. Curry to be a lieutenant commander, to rank as such from May 15, 1931.

Lieut. Harold G. Belford to be a lieutenant commander, to rank as such from May 15, 1931.

Lieut. Seth E. Barron to be a lieutenant commander, to rank as such from May 15, 1931.

Lieut. (Junior Grade) Frank E. Pollio to be a lieutenant, to rank as such from June 19, 1931.

Lieut. (Junior Grade) John H. Martin to be a lieutenant, to rank as such from June 19, 1931.

Lieut. (Junior Grade) William T. Schellhous to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Harold S. Maude to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Donald E. McKay to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Vernon E. Day to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Leslie B. Tollaksen to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) John L. Steinmetz to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Stanley C. Linholm to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Fred P. Vetterick to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) George M. Phannemiller to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) George F. Hicks to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Clarence F. Edge to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Alexander L. Ford to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Stephen H. Evans to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) John A. Glynn to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) John E. Fairbank to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Joseph A. Kerrins to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Edward H. Thiele to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Reginald H. French to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) John W. Ryssy to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) John J. Purcell to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Richard L. Burke to be a lieutenant, to rank as such from March 8, 1931.

Lieut. (Junior Grade) Richard L. Horne to be a lieutenant, to rank as such from March 9, 1931.

Ensign Edwin J. Roland to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Peter V. Colmar to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign George H. Bowerman to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Allen Winbeck to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign William B. Chiswell to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Oliver A. Peterson to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Marius De Martino to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Charles M. Perrott to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Stanley F. Piekos to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Carl G. Bowman to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Lowell C. Gibson to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign James C. Wendland to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Perry S. Lyons to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Richard M. Ross to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign John A. Dirks to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Harry A. Loughlin to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Henry J. Wuensch to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign George W. Nelson to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign William P. Hawley to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Hans F. Slade to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Romeo J. Borromey to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Donald B. MacDiarmid to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Garrett V. A. Graves to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign William B. Scheibel to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign Bret H. Brallier to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign George H. Miller to be a lieutenant (junior grade), to rank as such from May 15, 1931.

Ensign John W. Malen to be a lieutenant (junior grade), to rank as such from May 16, 1931.

Ensign Petros D. Mills to be a lieutenant (junior grade), to rank as such from May 16, 1931.

Ensign Gordon P. McGowan to be a lieutenant (junior grade), to rank as such from May 16, 1931.

Ensign Donald D. Hesler to be a lieutenant (junior grade), to rank as such from May 16, 1931.

Ensign Marvin T. Braswell to be a lieutenant (junior grade), to rank as such from May 16, 1931.

Ensign John N. Zeller to be a lieutenant (junior grade) to rank as such from May 15, 1931.

Commander William T. Stromberg to be a captain, to rank as such from April 15, 1931, in place of Capt. Aaron L. Gamble, deceased.

Lieut. (Junior Grade) Leonard M. Melka to be a lieutenant, to rank as such from May 25, 1930.

Pay Clerk Maurice Rice to be a chief pay clerk, to rank as such from August 18, 1931.

Pay Clerk George W. Miller to be a chief pay clerk, to rank as such from August 21, 1931.

Boatswain (L.) Anthony F. Glaza to be a chief boatswain (life saving), to rank as such from August 21, 1931.

Boatswain (L.) Abram Wessel to be a chief boatswain (life saving), to rank as such from August 20, 1931.

Luke Christopher to be a temporary lieutenant, to rank as such from October 2, 1931.

Lieut. Charles W. Harwood to be a lieutenant commander, to rank as such from September 15, 1931.

Lieut. John P. Murray, jr., to be a lieutenant commander, to rank as such from September 15, 1931.

Lieut. Severt A. Olsen to be a lieutenant commander, to rank as such from September 15, 1931.

Lieut. Commander Gustavus U. Stewart to be a commander, to rank as such from April 15, 1931, in place of Commander William T. Stromberg, promoted.

Lieut. Commander Joseph F. Farley to be a commander, to rank as such from June 27, 1931, in place of Commander George E. Wilcox, deceased.

COAST AND GEODETIC SURVEY

For permanent appointment the following-named officers of the Coast and Geodetic Survey, now holding recess appointments to the positions indicated below:

To be aide, with relative rank of ensign in the Navy

John Carraway Bull, of South Carolina, vice M. G. Ricketts, promoted.

Dorland Henry Konichek, of North Dakota, vice M. H. Reese, promoted.

Joseph Edward Waugh, jr., of Florida, vice G. C. Mast, promoted.

Paul Taylor, of Tennessee, vice F. A. Riddell, promoted.

To be junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy

Max Gaylord Ricketts, of South Dakota, vice new position.

Gilbert Carlton Mast, of North Carolina, vice new position.

Marshall Hudson Reese, of Louisiana, vice new position.

Fred Anderson Riddell, of Colorado, vice new position.

Ira Richard Rubottom, of Colorado, vice new position.

Maurice Elmer Wennermark, of Colorado, vice new position.

Fred Natella, of Illinois, vice new position.

APPOINTMENTS IN THE REGULAR ARMY

The following-named officers for appointment in the Regular Army of the United States:

To be major generals

Brig. Gen. Albert Jesse Bowley from February 20, 1931, vice Maj. Gen. George LeR. Irwin, died February 19, 1931.

Brig. Gen. Robert Emmet Callan from April 1, 1931, vice Maj. Gen. Charles P. Summerall, retired from active service March 31, 1931.

Brig. Gen. Edward Leonard King from October 1, 1931, vice Maj. Gen. William Lassiter, retired from active service September 30, 1931.

Brig. Gen. Hugh Aloysius Drum from December 1, 1931, vice Maj. Gen. Hanson E. Ely, retired from active service November 30, 1931.

Brig. Gen. Stuart Heintzelman from December 1, 1931, vice Maj. Gen. Fred W. Sladen, retired from active service November 30, 1931.

Brig. Gen. Campbell King from May 1, 1932, vice Maj. Gen. William R. Smith, to be retired from active service April 30, 1932.

To be brigadier generals

Col. John Fitz Madden, Infantry, from March 6, 1931, vice Brig. Gen. Albert J. Bowley, accepted appointment as major general March 6, 1931.

Col. Howard Louis Laubach, Infantry, from April 1, 1931, vice Brig. Gen. Robert E. Callan, accepted appointment as major general April 1, 1931.

Col. Joseph Powell Tracy, Coast Artillery Corps, from May 14, 1931, vice Brig. Gen. LeRoy Eltinge, died May 13, 1931.

Col. Thomas Walter Darrah, Infantry, from September 1, 1931, vice Brig. Gen. Henry G. Learnard, retired from active service August 31, 1931.

Col. John Hendricken Hughes, Infantry, from October 1, 1931, vice Brig. Gen. Edward L. King, accepted appointment as major general October 1, 1931.

Col. Charles Sherman Lincoln, Infantry, from December 1, 1931, vice Brig. Gen. Hugh A. Drum, accepted appointment as major general December 1, 1931.

Col. Ernest Darius Scott, Field Artillery, from December 1, 1931, vice Brig. Gen. Stuart Heintzelman, accepted appointment as major general December 1, 1931.

To be Inspector General, with the rank of major general, for the period of four years, beginning December 1, 1931, with rank from December 1, 1931

Col. John Fisher Preston, Infantry, vice Maj. Gen. Hugh A. Drum, Inspector General, accepted appointment as major general of the line December 1, 1931, and relieved as Inspector General November 30, 1931.

To be Judge Advocate General, with the rank of major general, for the period of four years beginning March 6, 1931, with rank from March 1, 1931

Col. Blanton Winship, Judge Advocate General's Department, vice Maj. Gen. Edward A. Kreger, retired from active service February 28, 1931.

To be Chief Signal Officer, with the rank of major general, for the period of four years beginning July 1, 1931, with rank from July 1, 1931

Col. Irving Joseph Carr, Signal Corps, vice Maj. Gen. George S. Gibbs, Chief Signal Officer, retired from active service June 30, 1931.

To be Chief of the Air Corps, with the rank of major general, for a period of four years from date of acceptance, with rank from December 20, 1931

Brig. Gen. Benjamin Delahauf Foulois, assistant to the Chief of the Air Corps, vice Maj. Gen. James E. Fechet, Chief of the Air Corps, whose term of office expires December 19, 1931.

To be Surgeon General, with the rank of major general, for the period of four years beginning June 1, 1931, with rank from June 1, 1931

Col. Robert Urie Patterson, Medical Corps, vice Maj. Gen. Merritte W. Ireland, Surgeon General, retired from active service May 31, 1931.

To be assistant to the Surgeon General, with the rank of brigadier general, for the period of four years beginning June 1, 1931, with rank from June 1, 1931

Col. Edward Lyman Munson, Medical Corps, vice Brig. Gen. Henry C. Fisher, assistant to the Surgeon General, retired from active service May 31, 1931.

To be assistant to the Surgeon General, with the rank of brigadier general, for a period of four years from date of acceptance, with rank from January 1, 1932

Col. Matthew Augustus DeLaney, Medical Corps, vice Brig. Gen. Carl R. Darnall, assistant to the Surgeon General, to be retired from active service December 31, 1931.

To be professor of mathematics at the United States Military Academy

Capt. Harris Jones, Corps of Engineers, from October 1, 1931, vice Prof. Charles P. Echols, retired from active service September 30, 1931.

The following-named cadets, graduates of the United States Military Academy, for appointment in the Regular Army of the United States:

To be second lieutenants with rank from June 11, 1931

CORPS OF ENGINEERS

1. Cadet Kenneth Adelbert McCrimmon.
2. Cadet Walter Henry Esdorn.
3. Cadet Chester William Ott.
4. Cadet Richard Lee Jewett.
5. Cadet Frederick Gilman Saint.
6. Cadet Frederick Hayes Warren.

6a. Cadet Charles Hartwell Bonesteel, III.

7. Cadet Louis Russell Wirak.
9. Cadet William White Ragland.
10. Cadet Marvin Lyle Thomas.
11. Cadet Edward John Cotter.
12. Cadet Gunnard William Carlson.
13. Cadet Stephen Read Hanmer.
14. Cadet Edward Minter Parker.
16. Cadet Walter Krueger, jr.
19. Cadet Chester Lavaughn Landaker.
20. Cadet William Frederick Cassidy.
21. Cadet Edward Aloysius Brown, jr.
22. Cadet Walker Wilson Milner.

CAVALRY

27. Cadet Angelo Ralph Del Campo, jr.
28. Cadet Jergen Bernhardt Olson.
31. Cadet Lawrence Herbert Rodgers.
32. Cadet Glenn Frederick Rogers.
37. Cadet Cornelius Ardalion Lichirie.
62. Cadet John Larimer Inskeep.
82. Cadet Loren Fletcher Cole.
85. Cadet Donald Norton Yates.
89. Cadet James Bertram Corbett.
94. Cadet Scott Mock Sanford.
97. Cadet William Eaton Chandler.
108. Cadet James Chester Blanning.
109. Cadet Harry James Fleeger.
113. Cadet Royden Eugene Beebe, jr.
115. Cadet Philip Higley Bethune.
120. Cadet Earle William Hockenberry.
128. Cadet Louis Augustine Guenther.
131. Cadet Milton Wylie Arnold.
143. Cadet Robert Perkins Holland.
146. Cadet Henry Keppler Mooney.
148. Cadet John Knight Waters.
150. Cadet Robert Merrill Lee.

FIELD ARTILLERY

18. Cadet Champlin Fletcher Buck, jr.
23. Cadet George M. Wertz, jr.
24. Cadet John Phillips Daley.
30. Cadet Elwin Herklas Eddy.
34. Cadet Daniel Francis Callahan, jr.
35. Cadet Theodore William Parker.
38. Cadet George Robert Huffman.
41. Cadet James Francis Stroker.
42. Cadet John William Hansborough.
46. Cadet Robert Hackett.
49. Cadet Charles Frederick McNair.
50. Cadet William White Dick, jr.
52. Cadet Donald Cubbison Little.
54. Cadet John William Cave.
66. Cadet Alphonse Alfred Greene.
67. Cadet A. J. McVea.
69. Cadet Charles Walker Raymond.
72. Cadet George Sebastian Speidel, jr.
75. Cadet Richard Holmes Harrison.
76. Cadet James William Park.
80. Cadet Gordon King Cusack.
84. Cadet Warren Harlan Hoover.
86. Cadet John Archibald Barclay, jr.
87. Cadet Merillet Moses.
90. Cadet Clyde Robinson McBride.
92. Cadet Hoyt Daniel Williams.
93. Cadet Miller Osborne Perry.
100. Cadet Charles Coburn Smith, jr.
103. Cadet Camden William McConnell.
105. Cadet Samuel Smellow.
107. Cadet William John Bell.
118. Cadet Johnson Hagood, jr.
121. Cadet Frederick Richard Redden.
124. Cadet Percy Hotspur Lash, jr.
125. Cadet John Edwin Barr.
127. Cadet Hamilton Murray Peyton.
129. Cadet John Newlin Raker.
137. Cadet Addison Vincent Dishman.
139. Cadet John Anderson Berry, jr.
140. Cadet William Harris Isbell, jr.
144. Cadet Mervyn MacKay Magee.
154. Cadet Orlando Collette Troxel, jr.
156. Cadet Harold Ambrose Hughes.
167. Cadet George Edwin Dietz.
169. Cadet Louis Victor Hightower.
171. Cadet Carl Wilbert Carlmark.
172. Cadet Robert Leander Cardell.
175. Cadet Charles Francis Densford.
177. Cadet Leo Wilbur Cather.
179. Cadet Raymond Silas Pratt, jr.
180. Cadet Walter Foster Gallup.
183. Cadet Jacob Edward Smart.
186. Cadet Irving William Jackson.
187. Cadet Robert Quinney Brown.
188. Cadet Charles Edward Nason Howard, jr.
190. Cadet John Robert Beishline.
191. Cadet Field Hunter Tapping.
194. Cadet John William Mackay Read.
197. Cadet John Joseph Davis.
199. Cadet Wendell Washington Bowman.
200. Cadet Charles Pence Westpheling.
203. Cadet Joseph Buford Zimmerman.
209. Cadet Richard Spencer Carter.
211. Cadet Elmer Lee Thompson.
212. Cadet Ashton Miller Haynes.
217. Cadet Merle Lucius Fisher.
218. Cadet Arthur Hamilton Hogan.
219. Cadet Edwin Anderson Walker.
230. Cadet Dean Ambrose Herman.
232. Cadet William Taylor, jr.
233. Cadet Arthur Raster Hercz.
234. Cadet Terrence Robert Joseph Hickey.

COAST ARTILLERY CORPS

25. Cadet Marshall Sylvester Carter.
26. Cadet Clarence Jonathan Hauck, jr.
33. Cadet Clifton Lee MacLachlan.
36. Cadet Roger Willard Moore.
39. Cadet Marcellus Duffy.
40. Cadet Jesse Huckett Veal.
43. Cadet Alfred Christian Gay.
44. Cadet Walter Ferris Ellis.
45. Cadet Robert Alan Stunkard.
48. Cadet Grosvenor Francis Powell.
51. Cadet Merwin Scott Dickson.
53. Cadet Howard William Hunter.
55. Cadet Gordon Aylesworth Blake.
56. Cadet Joseph Francis Carroll.
58. Cadet Donald Bowie Webber.
61. Cadet Peter Schmick.
64. Cadet Philip Bessom Stiness.
68. Cadet Frank Pickering Corbin, jr.
70. Cadet Michael Martin Irvine.
71. Cadet Gaspare Frank Blunda.
77. Cadet Lucius Nash Cron.
78. Cadet Frederick Theodore Berg.
79. Cadet Arthur Deane Gough.
83. Cadet Tom Victor Stayton.
91. Cadet Elmo Clark Mitchell.
95. Cadet Herbert Walter Mansfield.
98. Cadet Frank Arthur Bogart.
101. Cadet Charles Robert Bard.
102. Cadet Paul Gordon Miller.
104. Cadet Charles Breckinridge Duff.
106. Cadet Wilbur Manly Skidmore.
110. Cadet Milan George Weber.
111. Cadet Ernest Moore.
112. Cadet William Arthur Davis, jr.
114. Cadet Chester Joseph Diestel.
116. Cadet Earle Fremont Cook.
117. Cadet William Lamar Parham.
122. Cadet Albert Frederick Cassevant.
123. Cadet Richard Sylvester Spangler.
126. Cadet Carl Edward Green.
134. Cadet David Northup Motherwell.
135. Cadet Harry Bryant Cooper, jr.
136. Cadet Jermain Ferdinand Rodenhauser.
138. Cadet Millard Chester Young.
142. Cadet Norton Bailey Wilson.
147. Cadet Eugene William Hiddleston.
149. Cadet William Ayres Hampton.
151. Cadet Robert Freeman Fulton.
152. Cadet Pasquale Francis Passarella.

INFANTRY

29. Cadet John Barclay Sullivan.
47. Cadet James Donald Sams.
57. Cadet William Charles Hall.
59. Cadet Sidney Glenn Brown, jr.

63. Cadet Milton Hughes Pressley, jr.
65. Cadet Anthony Sherwood Howe.
73. Cadet Julian Merritt Chappell.
74. Cadet Norman Ernest Tipton.
81. Cadet William Frew Train.
88. Cadet August Schomburg.
96. Cadet Fielder Price Greer.
99. Cadet Harold Lucas Bays.
119. Cadet John Maurice Brown.
130. Cadet Augustus William Dannemiller.
132. Cadet Forrest Caraway.
153. Cadet Donald Donaldson.
155. Cadet Francis Thomas Pachler.
157. Cadet Charles Roger Urban.
158. Cadet Donald Rosser Patterson.
160. Cadet John Thomas Westermeier.
161. Cadet Glenn Aloysius Farris.
162. Cadet Dean Coldwell Strother.
163. Cadet Clifford Christopher Wagner.
164. Cadet Richard Byington Carhart.
165. Cadet Robert Daniel Johnston.
168. Cadet George Frederick Hartman.
170. Cadet Edwin John Messinger.
173. Cadet Charles North Howze.
174. Cadet Richard Hungerford Wise.
176. Cadet John Robert Skeldon.
178. Cadet Orville Zelotes Tyler, jr.
181. Cadet Maynard Norwood Levenick.
182. Cadet Gunnar Carl Carlson.
184. Cadet George Edward Fletcher.
185. Cadet Hugh Pate Harris.
189. Cadet Gordon Singles.
192. Cadet Russell Bowman Semple.
193. Cadet Dick Hunter Lawson.
195. Cadet Lester LeRoy Hilman Kunish.
196. Cadet Robert Edward Lee Eaton.
198. Cadet Carl Fillmore Damberg.
201. Cadet James Irvine King.
202. Cadet Thomas Joseph Marnane, jr.
204. Cadet Ernest Fred Easterbrook.
205. Cadet Curtis James Herrick.
206. Cadet Edward Kenly Purnell.
207. Cadet Howard Max Pahl.
208. Cadet Howard Harrison Dudley.
210. Cadet Hilbert Fred Muenter.
213. Cadet John Autrey Feagin.
214. Cadet Blair Arthur Ford.
215. Cadet Richard Klemm Boyd.
216. Cadet Charles Lowman Decker.
220. Cadet Orrin Charles Krueger.
221. Cadet William Potter Turpin, 3d.
222. Cadet Raymond Taylor Lester.
223. Cadet Charles Edward Hoy.
224. Cadet Richard Francis Reidy.
225. Cadet William Leonard Hardick.
226. Cadet Harrison Schermerhorn Markham.
227. Cadet Richard Steinbach.
228. Cadet Loren Albert Ayers.
229. Cadet Harry Winston Candler.
231. Cadet William David Davis.
235. Cadet Earle Bradford Leeper.
236. Cadet Seiss Ertel Wagner.
237. Cadet Joseph Barlow Coolidge.
238. Cadet John Clarence Gordon.
239. Cadet John Hugh McAleer, jr.
240. Cadet Arthur Raphael Kerwin, jr.
241. Cadet Peter Otey Ward.
242. Cadet Carl William Kohls.
243. Cadet John Thomas Malloy.
244. Cadet Harold Robert Uhlman.
245. Cadet Donald Knox Armstrong.
246. Cadet Andrew Joseph Adams.
247. Cadet Victor James MacLaughlin.
248. Cadet Charles Bowman Dougher.
249. Cadet William Rogers Woodward.
250. Cadet James Willard Pumpelly.
251. Cadet Charles Ingram Humber, jr.
252. Cadet David William Hutchison.
253. Cadet Irving Lehrfeld.
254. Cadet Paul Christian Heim Walz.
255. Cadet Phineas Harvey Adair.
256. Cadet Roy Luttrell Leinster.
257. Cadet Robert Everett Quackenbush.
258. Cadet Charles Elder Frederick.
259. Cadet Samuel Edward Jones.
260. Cadet Howard Hart Reed.
261. Cadet Gustave Marinius Heiss.
262. Cadet Joseph Kingsley Dickey.
263. Cadet John Frank Ruggles.
264. Cadet Harry George Roller.
265. Cadet Roy Kay Kauffman.
266. Cadet Donald Frank Buchwald.
267. Cadet John Hugh McGee.
268. Cadet Van Hugo Bond.
269. Cadet Marvin James Coyle.
270. Cadet Ernest Clyde Peters.
271. Cadet Gerald Evan Williams.
272. Cadet Clarence David McGowen.
273. Cadet Eugene Lewis Brown.
274. Cadet John Edward Leary.
275. Cadet Daniel Turner Workizer.
276. Cadet Alexander Johnston Sutherland.
277. Cadet James Edward Maloney, jr.
278. Cadet Alfred Cookman Marshall, jr.
279. Cadet James Thomas McClellan.
280. Cadet Robert Moorman Cheal.
281. Cadet Merrick Hector Truly.
282. Cadet Houston Parks Houser, jr.
283. Cadet William James Mahoney.
284. Cadet Richard Robert Danek.
285. Cadet James Henry Carlisle.
286. Cadet Edward Julius Timberlake, jr.
287. Cadet John Tazewell Helms.
288. Cadet Paul Arthur Mayo.
289. Cadet Theodor Jacob Beck.
290. Cadet William Addison Magee Morin.
291. Cadet Charles Pugh Baldwin.
292. Cadet Augustus George Elegar.
293. Cadet John Hubert Mathews.
294. Cadet John Walter Brady.
295. Cadet Oral Grant Willis.
296. Cadet Russell Hunter Griffith.

The following-named cadet, graduate of the United States Military Academy, for appointment in the Philippine Scouts:

To be second lieutenant with rank from June 11, 1931

15. Cadet Rufo Caingat Romero.

The following-named persons for appointment in the Regular Army of the United States:

MEDICAL CORPS

To be first lieutenants with rank from July 21, 1931

First Lieut. Frederic Ballard Westervelt, Medical Corps Reserve.

First Lieut. Alonzo Ray Dawson, Medical Corps Reserve.

First Lieut. Otis Otto Benson, jr., Medical Corps Reserve.

First Lieut. Ernest Holden Parsons, Medical Corps Reserve.

First Lieut. Kenneth Arthur Brewer, Medical Corps Reserve.

First Lieut. Norman Wilhalm Anderson, Medical Corps Reserve.

First Lieut. Lewis Barbato, Medical Corps Reserve.

First Lieut. Paul Strimple Fancher, Medical Corps Reserve.

First Lieut. Vinnie Hale Jeffress, Medical Corps Reserve.

First Lieut. Kenneth Fredrick Ernst, Medical Corps Reserve.

First Lieut. Theodore Longworth Finley, Medical Corps Reserve.

First Lieut. Kermit Hoyt Gates, Medical Corps Reserve.

First Lieut. Charles Lee Kirkpatrick, Medical Corps Reserve.

First Lieut. Loyd Eugene Griffis, Medical Corps Reserve.

First Lieut. Lester Ernest Judd, Medical Corps Reserve.

First Lieut. Joseph Hamilton McNinch, Medical Corps Reserve.

First Lieut. William Jeffers Kennard, Medical Corps Reserve.

DENTAL CORPS

To be first lieutenant with rank from July 21, 1931

First Lieut. Henry Richard Sydenham, Dental Corps Reserve.

VETERINARY CORPS

To be second lieutenant with rank from July 21, 1931

Second Lieut. George Townley Price, Veterinary Corps Reserve.

MEDICAL ADMINISTRATIVE CORPS

To be second lieutenants with rank from July 21, 1931

Sergt. Ralph Beveridge Robinson, Medical Department.

Sergt. Paul Christian Borup, Medical Department.

Sergt. Philip Wright Hockersmith, Medical Department.

CHAPLAINS

To be chaplains with the rank of first lieutenant

First Lieut. Peter Christian Schroeder, Chaplain Reserve, with rank from July 21, 1931.

First Lieut. John Henry August Borleis, Chaplain Reserve, with rank from July 22, 1931.

First Lieut. Hudson Bissell Phillips, Chaplain Reserve, with rank from July 23, 1931.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY

The following-named officers for appointments, by transfer, in the Regular Army of the United States:

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Madison Pearson, Infantry (detailed in Adjutant General's Department), October 5, 1931, with rank from July 1, 1920.

Capt. Elmer Ellsworth Hagler, jr., Infantry (detailed in Adjutant General's Department), May 18, 1931, with rank from July 1, 1920.

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. George Bagby Campbell, Infantry (detailed in Judge Advocate General's Department), May 12, 1931, with rank from July 1, 1920.

Capt. John Robert Dinsmore, Infantry (detailed in Judge Advocate General's Department), May 12, 1931, with rank from July 1, 1920.

TO QUARTERMASTER CORPS

Lieut. Col. William Fitzhugh Jones, Field Artillery, September 1, 1931, with rank from January 19, 1924.

Lieut. Col. James Blyth, Infantry (assigned to duty with Quartermaster Corps), May 14, 1931, with rank from November 5, 1927.

Capt. Norman E. Waldron, Cavalry (detailed in Quartermaster Corps), May 12, 1931, with rank from July 1, 1920.

First Lieut. Francis Earle Rundell, Cavalry (detailed in Quartermaster Corps), May 12, 1931, with rank from October 24, 1919.

TO FINANCE DEPARTMENT

Maj. Kenneth Prince Lord, Field Artillery, July 1, 1931, with rank from July 1, 1920.

First Lieut. William Stanard Keller, Infantry (detailed in Finance Department), September 11, 1931, with rank from July 1, 1920.

First Lieut. Kenneth Eugene Webber, Coast Artillery Corps (detailed in Finance Department), with rank from March 11, 1928.

First Lieut. Alonzo Valede Thorpe, Infantry (detailed in Finance Department), May 20, 1931, with rank from October 5, 1928.

TO ORDNANCE DEPARTMENT

First Lieut. George Henry Bardsley, Coast Artillery Corps (detailed in Ordnance Department), May 12, 1931, with rank from July 1, 1920.

First Lieut. Otto Max Jank, Coast Artillery Corps (detailed in Ordnance Department), May 12, 1931, with rank from October 3, 1924.

First Lieut. Harold Joseph Conway, Coast Artillery Corps (detailed in Ordnance Department), May 12, 1931, with rank from February 2, 1926.

First Lieut. Ulysses John Lincoln Peoples, jr., Field Artillery (detailed in Ordnance Department), May 12, 1931, with rank from February 16, 1928.

First Lieut. Benjamin Schultz Mesick, jr., Coast Artillery Corps (detailed in Ordnance Department), July 2, 1931, with rank from December 21, 1928.

First Lieut. Walker Wesley Holler, Coast Artillery Corps (detailed in Ordnance Department), with rank from February 9, 1930.

First Lieut. Harry William Miller, Infantry (detailed in Ordnance Department), October 23, 1931, with rank from June 19, 1930.

First Lieut. Carl Rueben Dutton, Coast Artillery Corps (detailed in Ordnance Department), May 12, 1931, with rank from August 1, 1930.

First Lieut. William Edward House, Coast Artillery Corps (detailed in Ordnance Department), with rank from November 1, 1931.

TO SIGNAL CORPS

First Lieut. William Leighton McEnery, Cavalry (detailed in Signal Corps), October 29, 1931, with rank from March 8, 1924.

TO CHEMICAL WARFARE SERVICE

Maj. Joseph Daly Coughlan, Field Artillery, May 1, 1931, with rank from February 27, 1925.

First Lieut. Thomas Jefferson Ford, Infantry (detailed in Chemical Warfare Service), May 12, 1931, with rank from July 1, 1920.

First Lieut. Sterling Eugene Whitesides, jr., Infantry, with rank from June 22, 1924, effective February 1, 1932.

TO FIELD ARTILLERY

Second Lieut. Francis Scoon Gardner, Cavalry, April 21, 1931, with rank from June 14, 1927.

Second Lieut. Robert Gordon Crandall, Infantry, with rank from June 13, 1929.

Second Lieut. George Edward Lynch, Infantry, June 13, 1931, with rank from June 13, 1929.

Second Lieut. Ralph Copeland Cooper, Infantry, September 11, 1931, with rank from June 13, 1929.

TO COAST ARTILLERY CORPS

Maj. Henry Clarence Davis, jr., Ordnance Department, November 2, 1931, with rank from July 1, 1920.

Capt. James Emerson Troupe, Chemical Warfare Service, September 1, 1931, with rank from March 31, 1928.

Second Lieut. Eugene Charles Smallwood, Infantry, June 18, 1931, with rank from June 12, 1926.

Second Lieut. Charles Armstrong Lynch, Infantry, October 6, 1931, with rank from June 13, 1929.

TO INFANTRY

First Lieut. Aloysius Joseph Tagliabue, Finance Department, November 1, 1931, with rank from July 1, 1920.

First Lieut. James Edwards Poore, jr., Signal Corps, October 20, 1931, with rank from August 2, 1929.

TO AIR CORPS

First Lieut. Robert Chaffee Oliver, Field Artillery (detailed in Air Corps), July 11, 1931, with rank from May 18, 1928.

First Lieut. Charles Pearre Cabell, Field Artillery (detailed in Air Corps), July 11, 1931, with rank from November 1, 1930.

Second Lieut. Walter Edwin Todd, Field Artillery (detailed in Air Corps), March 14, 1931, with rank from June 9, 1928.

Second Lieut. Harry Gage Montgomery, jr., Infantry (detailed in Air Corps), with rank from June 13, 1929.

Second Lieut. Harold Quiskie Huglin, Field Artillery (detailed in Air Corps), with rank from June 13, 1929.

Second Lieut. Charles Sommers, Signal Corps, (detailed in Air Corps), March 14, 1931, with rank from June 13, 1929.

Second Lieut. Sidney Andrew Ofsthun, Field Artillery (detailed in Air Corps), March 14, 1931, with rank from June 13, 1929.

Second Lieut. Samuel Victor Stephenson, Coast Artillery Corps (detailed in Air Corps), March 14, 1931, with rank from June 13, 1929.

Second Lieut. Thomas Jefferson DuBose, Infantry (detailed in Air Corps), March 14, 1931, with rank from June 13, 1929.

Second Lieut. Ralph Powell Swofford, jr., Corps of Engineers (detailed in Air Corps), with rank from June 12, 1930

Second Lieut. Frederick Walker Castle, Corps of Engineers (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. George Fletcher Schlatter, Corps of Engineers (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Elmer Landen, Meguire, Signal Corps (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Howard Monroe McCoy, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Charles William Haas, Signal Corps (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Clark Neil Piper, Coast Artillery Corps (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Aubrey Kenneth Dodson, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Mark Edward Bradley, jr., Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Douglas Mitchell Kilpatrick, jr., Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Wiley Duncan Ganey, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Thetus Cayce Odom, Signal Corps (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Anthony Eugene Curcio, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Morris John Lee, Cavalry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Ernest Emil Holtzen, 2d, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Marvin Lewis Harding, Coast Artillery Corps (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Birrell Walsh, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. James Sylvester Sutton, Coast Artillery Corps (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Richard Churchill Hutchinson, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Edwin Sanders Perrin, Coast Artillery Corps (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Neal Edwin Ausman, Coast Artillery Corps (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Troup Miller, jr., Cavalry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. William Dole Eckert, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Lauris Norstad, Cavalry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Millard Lewis, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Othel Rochelle Deering, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. John Chesley Kilborn, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Carl Amandus Brandt, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Richard Shafle Freeman, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Harold Lester Smith, Field Artillery (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Norman Ray Burnett, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Richard Joseph O'Keefe, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Joseph Arthur Miller, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Kurt Martin Landon, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Gerry Leonard Mason, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Hubern Paul Dellinger, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Daniel Anderson Cooper, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Sory Smith, Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Paul William Blanchard, jr., Infantry (detailed in Air Corps), with rank from June 12, 1930.

Second Lieut. Henry Alan Winters, Infantry (detailed in Air Corps), with rank from June 12, 1930.

PROMOTIONS IN THE REGULAR ARMY

The following-named officers for promotion in the Regular Army of the United States:

To be colonels

Lieut. Col. William Cattron Rigby, Judge Advocate General's Department, from March 6, 1931.

Lieut. Col. James Totten, Adjutant General's Department, from April 1, 1931.

Lieut. Col. William Charles Webb, Field Artillery, from May 1, 1931.

Lieut. Col. William Burton Pistole, Judge Advocate General's Department, from May 1, 1931.

Lieut. Col. Frank Joseph Griffin, Signal Corps, from May 1, 1931.

Lieut. Col. Hugh Carnes Smith, Judge Advocate General's Department, from May 1, 1931.

Lieut. Col. Consuelo Andrew Scoane, Signal Corps, from May 1, 1931.

Lieut. Col. Sebring Clay Megill, Signal Corps, from May 19, 1931.

Lieut. Col. George Lemuel McKeeby, Judge Advocate General's Department, from May 23, 1931.

Lieut. Col. Arthur William Bradbury, Infantry, from June 1, 1931.

Lieut. Col. William Alexander Graham, Judge Advocate General's Department, from June 1, 1931.

Lieut. Col. James Harty Bryson, Field Artillery, from June 1, 1931.

Lieut. Col. William Barlow Wallace, Infantry, from June 1, 1931.

Lieut. Col. Ernest Dichmann Peck, Corps of Engineers, from July 1, 1931.

Lieut. Col. George Redfield Spalding, Corps of Engineers, from July 1, 1931.

Lieut. Col. Elliott Johnstone Dent, Corps of Engineers, from July 18, 1931.

Lieut. Col. William Goff Caples, Corps of Engineers, from August 1, 1931.

Lieut. Col. Henry Clay Jewett, Corps of Engineers, from August 1, 1931.

Lieut. Col. Wildurr Willing, Corps of Engineers, from August 1, 1931.

Lieut. Col. William Stacy Browning, Field Artillery, from September 1, 1931.

Lieut. Col. Francis William Clark, Field Artillery, from September 1, 1931.

Lieut. Col. Joseph Fauntleroy Barnes, Field Artillery, from September 8, 1931.

Lieut. Col. Walter Driscol Smith, Field Artillery, from October 1, 1931.

Lieut. Col. William Peirce Ennis, Field Artillery, from October 1, 1931.

Lieut. Col. Harry Birdwhistell Jordan, Ordnance Department, from October 1, 1931.

Lieut. Col. Frank Purdy Lahm, Air Corps, from October 1, 1931.

Lieut. Col. Willis Grandy Peace, Coast Artillery Corps, from October 1, 1931.

Lieut. Col. Creed Fulton Cox, Field Artillery, from October 1, 1931.

Lieut. Col. Robert McCandlass Beck, jr., Cavalry, from November 1, 1931.

Lieut. Col. George Moore Russell, Cavalry, from November 1, 1931.

Lieut. Col. Edward Marsh Shinkle, Ordnance Department, from November 1, 1931.

Lieut. Col. Lewis Brown, jr., Cavalry, from November 13, 1931.

Lieut. Col. Raymond Silas Pratt, Field Artillery, from November 21, 1931.

Lieut. Col. Jerome Gray Pillow, Cavalry, from December 1, 1931.

Lieut. Col. Alden Farley Brewster, Field Artillery, from December 1, 1931.

Lieut. Col. John Anderson Berry, Adjutant General's Department, from December 1, 1931.

Lieut. Col. Edward Harrison DeArmond, Field Artillery, from December 1, 1931.

Lieut. Col. Edmund Kearsley Sterling, Cavalry, from December 1, 1931.

Lieut. Col. Kerr Tunis Riggs, Cavalry, from December 1, 1931.

To be lieutenant colonels

Maj. John Logan Jenkins, Infantry, from March 6, 1931.

Maj. Charles Henry White, Infantry, from March 15, 1931.

Maj. Alvin Gustav Gutensohn, Signal Corps, from April 1, 1931.

Maj. Stanley Livingston James, Signal Corps, from April 1, 1931.

Maj. John Stephen Sullivan, Infantry, from May 1, 1931.

Maj. David Grover Cleveland Garrison, Infantry, from May 1, 1931.

Maj. James Lawton Collins, Field Artillery, from May 1, 1931, subject to examination required by law.

Maj. Evan Elias Lewis, Infantry, from May 1, 1931.

Maj. William Caldwell McChord, Air Corps, from May 1, 1931.

Maj. William Rudicil Henry, Field Artillery, from May 1, 1931.

Maj. James Howard Laubach, Quartermaster Corps, from May 19, 1931.

Maj. George Richard Harrison, Infantry, from May 23, 1931.

Maj. Ralph Wayne Dusenbury, Infantry, from June 1, 1931.

Maj. Thomas Charles Spencer, Signal Corps, from June 1, 1931.

Maj. Robert Mercer Cheney, Cavalry, from June 1, 1931.

Maj. Fauntley Muse Miller, Infantry, from June 1, 1931.

Maj. Ray Corson Hill, Infantry, from July 1, 1931.

Maj. William Schuyler Woodruff, Infantry, from July 1, 1931.

Maj. Thomas Franklin McNeill, Infantry, from July 1, 1931.

Maj. John Gavin Tyndall, Field Artillery, from July 18, 1931.

Maj. Alfred Lawrence Pearson Sands, Field Artillery, from August 1, 1931.

Maj. Charles Peaslee George, Field Artillery, from August 1, 1931.

Maj. John Delbert Reardan, Air Corps, from August 1, 1931.

Maj. Ernest Leonard Pell, Infantry, from August 1, 1931.

Maj. William Henry Shepherd, Field Artillery, from August 1, 1931.

Maj. Marshall Guion Randol, Field Artillery, from September 1, 1931.

Maj. Joseph Carmoreau Hatie, Infantry, from September 1, 1931.

Maj. George Meredith Peek, Field Artillery, from September 1, 1931.

Maj. Alexander James Stuart, Ordnance Department, from September 8, 1931.

Maj. John Nesmith Greely, Field Artillery, from October 1, 1931.

Maj. George Ruhlen, jr., Coast Artillery Corps, from October 1, 1931.

Maj. John Edward Mort, Field Artillery, from October 1, 1931.

Maj. Webster Allyn Capron, Ordnance Department, from October 1, 1931.

Maj. Frederick Monroe Barrows, Field Artillery, from October 1, 1931.

Maj. Henry Wirt Thomas Eglin, Coast Artillery Corps, from October 1, 1931.

Maj. Cary Ingram Crockett, Infantry, from October 1, 1931.

Maj. Glen Edgar Edgerton, Corps of Engineers, from November 1, 1931.

Maj. Charles Lacey Hall, Corps of Engineers, from November 1, 1931.

Maj. Virgil Lee Peterson, Corps of Engineers, from November 1, 1931.

Maj. John Wesley Niesz Schulz, Corps of Engineers, from November 1, 1931.

Maj. Clarence Lynn Sturdevant, Corps of Engineers, from November 1, 1931.

Maj. Richard Tide Coiner, Corps of Engineers, from November 1, 1931.

Maj. Lawrence Wright McIntosh, Air Corps, from November 1, 1931.

Maj. James Henry Burns, Ordnance Department, from November 1, 1931.

Maj. Everett Strait Hughes, Ordnance Department, from November 13, 1931.

Maj. Thomas Jefferson Smith, Ordnance Department, from November 21, 1931.

Maj. Roger Sheffield Parrott, Field Artillery, from December 1, 1931.

Maj. Oliver Andrews Dickinson, Field Artillery, from December 1, 1931.

Maj. Richard Edgar Cummins, Cavalry, from December 1, 1931.

Maj. Telesphor George Gottschalk, Field Artillery, from December 1, 1931.

Maj. Harvey Douglas Higley, Field Artillery, from December 1, 1931.

Maj. James Wilbur Lyon, Chemical Warfare Service, from December 1, 1931.

To be majors

Capt. Joseph James Goffard, Infantry, from March 6, 1931.

Capt. William White Dick, Adjutant General's Department, from March 15, 1931.

Capt. Thomas Scott Smith, Infantry, from March 20, 1931.

Capt. Dana Henry Allen, Infantry, from April 1, 1931.

Capt. Burr Polk Irwin, Infantry, from April 1, 1931.

Capt. Martin Ackerson, Infantry, from April 1, 1931.

Capt. William Johnston Bacon, Judge Advocate General's Department, from April 1, 1931.

Capt. Herbert Edwin Featherstone, Cavalry, from April 7, 1931.

Capt. Frank Unsworth McCoskrie, Infantry, from May 1, 1931.

Capt. Edgar Gersham Coursen, jr., Quartermaster Corps, from May 1, 1931.

Capt. Edward William Bondy, Infantry, from May 1, 1931.

Capt. Andrew Jackson McFarland, Infantry, from May 1, 1931.

Capt. John Miller Fray, Field Artillery, from May 1, 1931.

Capt. Harold Howard Galliett, Infantry, from May 1, 1931.

Capt. John Vincil Stark, Infantry, from May 1, 1931.

Capt. Robert Joerg, jr., Infantry, from May 14, 1931.

Capt. Rudolf Karl Schlaepfer, Infantry, from May 19, 1931.

Capt. John William Stanley, Infantry, from May 23, 1931.

Capt. Grover Be Egger, Infantry, from June 1, 1931.

Capt. Clyde Pickett, Cavalry, from June 1, 1931.

Capt. Paul Oscar Franson, Infantry, from June 1, 1931.

Capt. John Neely Hopkins, Infantry, from June 1, 1931.

Capt. George William Gillette, Corps of Engineers, from June 1, 1931.

Capt. William Agnew Howland, Infantry, from June 1, 1931.
Capt. Clifton Augustine Pritchett, Infantry, from June 1, 1931.
Capt. Luke Donald Zech, Infantry, from June 9, 1931.
Capt. Lucian Dalton Bogan, Infantry, from July 1, 1931.
Capt. William Pitt Morse, Infantry, from July 1, 1931.
Capt. Charles Thomas Phillips, Air Corps, from July 1, 1931.
Capt. Richard Law Hubbell, Ordnance Department, from July 1, 1931.
Capt. Roy Eugene Blount, Cavalry, from July 1, 1931.
Capt. Hubert Vincent Hopkins, Air Corps, from July 18, 1931.
Capt. Thomas Ralph Miller, Field Artillery, from August 1, 1931.
Capt. Frank Edwin Sharpless, Infantry, from August 1, 1931.
Capt. Earl Ransom Reynolds, Coast Artillery Corps, from August 1, 1931.
Capt. Nels Erick Stadig, Infantry, from August 1, 1931.
Capt. Ben-Hur Chastaine, Infantry, from August 1, 1931.
Capt. Leigh Bell, Infantry, from August 11, 1931.
Capt. George Frederick Spann, Quartermaster Corps, from September 1, 1931.
Capt. McGregor Snodgrass, Quartermaster Corps, from September 1, 1931.
Capt. John Herman Knuebel, Infantry, from September 1, 1931.
Capt. Erle Dorr Ferguson, Field Artillery, from September 1, 1931.
Capt. Harry Clayton Luck, Infantry, from September 1, 1931.
Capt. Arthur Vincent Gair, Field Artillery, from September 1, 1931.
Capt. Lewis W. Amis, Infantry, from September 8, 1931.
Capt. Harry Richardson Simmons, Infantry, from September 10, 1931.
Capt. Kenneth Frederick Hanst, Infantry, from October 1, 1931.
Capt. Everett Charles Williams, Field Artillery, from October 1, 1931.
Capt. Walter Harold Root, Infantry, from October 1, 1931.
Capt. Fred W. Miller, Infantry, from October 1, 1931.
Capt. Maurice Clenen Bigelow, Infantry, from October 1, 1931.
Capt. Ross Ormall Baldwin, Infantry, from October 1, 1931.
Capt. James Alphonse Kilian, Cavalry, from October 1, 1931.
Capt. Donald Patrick Muse, Air Corps, from October 1, 1931.
Capt. Thomas Ralph Kerschner, Field Artillery, from November 1, 1931.
Capt. Karl Christian Schwinn, Infantry, from November 1, 1931.
Capt. Otho Wilder Humphreys, Infantry, from November 1, 1931.
Capt. Perry Lee Baldwin, Infantry, from November 1, 1931.
Capt. George Thomas Shank, Infantry, from November 1, 1931.
Capt. Thomas Butler Burgess, Infantry, from November 1, 1931.
Capt. Russell Conwell Throckmorton, Infantry, from November 1, 1931.
Capt. Albert Chester Searle, Field Artillery, from November 1, 1931.
Capt. Asa North Duncan, Air Corps, from November 1, 1931.
Capt. Carl Austin Russell, Infantry, from November 1, 1931.
Capt. Hal Tanner Vigor, Quartermaster Corps, from November 11, 1931.
Capt. Will Gillett Gooch, Quartermaster Corps, from November 13, 1931.
Capt. Maurice Joseph McGuire, Infantry, from November 21, 1931.
Capt. Walter Carey Rogers, Infantry, from December 1, 1931.
Capt. Chauncey Harold Hayden, jr., Infantry, from December 1, 1931.
Capt. Erle Oden Sandlin, Infantry, from December 1, 1931.
Capt. Isaac George Walker, Cavalry, from December 1, 1931.
Capt. Walter Edward Jenkins, Field Artillery, from December 1, 1931.
Capt. William Elmer Lynd, Air Corps, from December 1, 1931.
Capt. Ernest Louis McLendon, Infantry, from December 1, 1931.
Capt. Rhodes Felton Arnold, Infantry, from December 1, 1931.

To be captains

First Lieut. Clarence Peyton Kane, Air Corps, from March 4, 1931.
First Lieut. Harry Weddington, Air Corps, from March 6, 1931.
First Lieut. William Alexander Marsh, Infantry, from March 10, 1931.
First Lieut. Charles Louis Carpenter, Quartermaster Corps, from March 15, 1931.
First Lieut. Benjamin Franklin Vandervoort, Quartermaster Corps, from March 20, 1931.
First Lieut. Torrence Theodore Shannon, Infantry, from March 23, 1931.
First Lieut. Winfield Scott Roberson, Field Artillery, from March 26, 1931.
First Lieut. James Pearce Wharton, Infantry, from April 1, 1931.
First Lieut. George Thomas Barnes, Quartermaster Corps, from April 1, 1931.
First Lieut. Samuel Custer Eaton, jr., Air Corps, from April 1, 1931.
First Lieut. Hiram Wendell Tarkington, Field Artillery, from April 1, 1931.
First Lieut. Marcellus Lowry Stockton, jr., Cavalry, from April 1, 1931.
First Lieut. Edwin Stewart Brewster, jr., Field Artillery, from April 1, 1931.
First Lieut. Wilbur Henry Vinson, Infantry, from April 7, 1931.
First Lieut. Winfield Chapple Scott, Cavalry, from April 15, 1931.
First Lieut. Lee Thomas McMahon, Field Artillery, from April 18, 1931.
First Lieut. John Prosper Eckert, Field Artillery, from April 25, 1931.
First Lieut. Phillip Bassett Shotwell, Cavalry, from May 1, 1931.
First Lieut. Kie Doty, Infantry, from May 1, 1931.
First Lieut. Ralph Eugene Ireland, Cavalry, from May 1, 1931.
First Lieut. Bryan Llewellyn Davis, Field Artillery, from May 1, 1931.
First Lieut. Mark Milton Potter, Field Artillery, from May 1, 1931.
First Lieut. Clarence O'Leary, Ordnance Department, from May 1, 1931.
First Lieut. James Hodges Drake, Infantry, from May 1, 1931.
First Lieut. Joseph Hemsley Stevenson, Corps of Engineers, from May 1, 1931.
First Lieut. Leslie Shaw Williams, Quartermaster Corps, from May 14, 1931.
First Lieut. Joseph John Gutkowski, Infantry, from May 19, 1931.
First Lieut. Edgar Augustine Cecil Curran, Infantry, from May 19, 1931.
First Lieut. William Taliaferro Fletcher, Cavalry, from May 23, 1931.

First Lieut. Charles Albert Welcker, Infantry, from May 23, 1931.

First Lieut. Millard Stowe Curtis, Infantry, from June 1, 1931.

First Lieut. Arthur Clay Blain, Infantry, from June 1, 1931.

First Lieut. Robert Lee Allen, jr., Field Artillery, from June 1, 1931.

First Lieut. Walter Aaron Stetler, Infantry, from June 1, 1931.

First Lieut. Joseph Edwin McGill, Infantry, from June 1, 1931.

First Lieut. George Hely Molony, Infantry, from June 1, 1931.

First Lieut. Harry Luther Coates, Infantry, from June 1, 1931.

First Lieut. George Roland McElroy, Cavalry, from June 1, 1931.

First Lieut. John Redmon Thornton, Cavalry, from June 1, 1931.

First Lieut. Douglas Horace Rubinstein, Infantry, from June 1, 1931.

First Lieut. Leonidas Lee Koontz, Air Corps, from June 6, 1931.

First Lieut. Edward Davis Jones, Air Corps, from June 6, 1931.

First Lieut. Mortimer Francis Sullivan, Cavalry, from June 9, 1931.

First Lieut. Eggleston Westley Peach, Infantry, from June 13, 1931.

First Lieut. Leslie Dillon Carter, Cavalry, from June 21, 1931.

First Lieut. Don Riley, Infantry, from June 24, 1931.

First Lieut. Pembroke Augustine Brawner, jr., Infantry, from June 28, 1931.

First Lieut. Isaac Leonard Kitts, Field Artillery, from July 1, 1931.

First Lieut. Fred Charles Thomas, Cavalry, from July 1, 1931.

First Lieut. Merrill Deitz Mann, Air Corps, from July 1, 1931.

First Lieut. James Bernard Patterson, Cavalry, from July 1, 1931.

First Lieut. Frank Dunn, Quartermaster Corps, from July 1, 1931.

First Lieut. Albert Carl Foulk, Air Corps, from July 1, 1931.

First Lieut. Edward Vincent Harbeck, jr., Air Corps, from July 1, 1931.

First Lieut. Hubert Butlet Bramlet, Chemical Warfare Service, from July 1, 1931.

First Lieut. Irwin Harold Joffee, Quartermaster Corps, from July 4, 1931.

First Lieut. Edward Ernest Hildreth, Air Corps, from July 5, 1931.

First Lieut. Samuel Gordon Frierson, Air Corps, from July 15, 1931.

First Lieut. Phillips Melville, Air Corps, from July 18, 1931.

First Lieut. John Gordon Williams, Air Corps, from August 1, 1931.

First Lieut. William Colb Morris, Air Corps, from August 1, 1931.

First Lieut. Albert Brown Pitts, Air Corps, from August 1, 1931.

First Lieut. Bernard Scott Thompson, Air Corps, from August 1, 1931.

First Lieut. Willis Ratcliffe Taylor, Air Corps, from August 1, 1931.

First Lieut. Robert Duane Knapp, Air Corps, from August 1, 1931.

First Lieut. Louis Braswell Knight, Infantry, from August 5, 1931.

First Lieut. Lowell Allison Elliott, Chemical Warfare Service, from August 11, 1931.

First Lieut. James Thomas Curry, jr., Air Corps, from September 1, 1931.

First Lieut. Harry Albert Fudge, Cavalry, from September 1, 1931.

First Lieut. Burdette Mase Fitch, Field Artillery, from September 1, 1931.

First Lieut. William Bettencourt Souza, Air Corps, from September 1, 1931.

First Lieut. Alfred Lindeburg, Air Corps, from September 1, 1931.

First Lieut. Joseph Alexis Wilson, Air Corps, from September 1, 1931.

First Lieut. Fred Tobias Yount, Quartermaster Corps, from September 1, 1931.

First Lieut. Clements McMullen, Air Corps, from September 1, 1931.

First Lieut. Ames Scribner Albro, Air Corps, from September 1, 1931.

First Lieut. Milo McCune, Air Corps, from September 3, 1931.

First Lieut. Charles McKinley Robinson, Air Corps, from September 8, 1931.

First Lieut. John Sanderson Crawford, Coast Artillery Corps, from September 10, 1931.

First Lieut. Benjamin Buckles Cassiday, Air Corps, from September 15, 1931.

First Lieut. Charles Yawkey Banfill, Air Corps, from October 1, 1931.

First Lieut. Myron Ray Wood, Air Corps, from October 1, 1931.

First Lieut. George Frederick Robert Taylor, Quartermaster Corps, from October 1, 1931.

First Lieut. Arthur Alva Jackson, Quartermaster Corps, from October 1, 1931.

First Lieut. Robert Theodore Cronau, Air Corps, from October 1, 1931.

First Lieut. Rex Walter Minckler, Signal Corps, from October 1, 1931.

First Lieut. Frank Charles Peters, Quartermaster Corps, from October 1, 1931.

First Lieut. Isaac Jackman Williams, Air Corps, from October 1, 1931.

First Lieut. Donald Lloyd Bruner, Air Corps, from October 1, 1931.

First Lieut. William Joseph Gainey, Quartermaster Corps, from October 1, 1931.

First Lieut. Lloyd Chartley Blackburn, Air Corps, from October 1, 1931.

First Lieut. Edward Jenkins, Infantry, from October 1, 1931.

First Lieut. Audrey Blaine Ballard, Air Corps, from October 1, 1931.

First Lieut. John Henry Gardner, Air Corps, from November 1, 1931.

First Lieut. William Campbell Goldsborough, Air Corps, from November 1, 1931.

First Lieut. Walter Raymond Peck, Air Corps, from November 1, 1931.

First Lieut. Leon Aurile White, Coast Artillery Corps, from November 1, 1931.

First Lieut. Ephraim Preston Jolls, Coast Artillery Corps, from November 1, 1931.

First Lieut. Alan Fuller Cameron, Coast Artillery Corps, from November 1, 1931.

First Lieut. Walter Lee McCormick, Coast Artillery Corps, from November 1, 1931.

First Lieut. Arnold Dante Amoroso, Coast Artillery Corps, from November 1, 1931.

First Lieut. James Howard Smith, Coast Artillery Corps, from November 1, 1931.

First Lieut. Clarence Omer Bell, Coast Artillery Corps, from November 1, 1931.

First Lieut. Fred Brenning Waters, Coast Artillery Corps, from November 10, 1931.

First Lieut. Arthur Girard Hamilton, Air Corps, from November 11, 1931.

First Lieut. Charles Mellis Myers, Coast Artillery Corps, from November 13, 1931.

First Lieut. Cyrus Quinton Shelton, Coast Artillery Corps, from November 13, 1931.

First Lieut. Frederick Rockwell Chamberlain, jr., Coast Artillery Corps, from November 15, 1931.

First Lieut. Edward Huffner Wood, Air Corps, from November 21, 1931.

First Lieut. Emil Charles Kiel, Air Corps, from November 25, 1931.

First Lieut. Daniel David Coons, Quartermaster Corps, from December 1, 1931.

First Lieut. Harold Lee George, Air Corps, from December 1, 1931.

First Lieut. Lewis Allege Dayton, Air Corps, from December 1, 1931.

First Lieut. Younger Arnold Pitts, Air Corps, from December 1, 1931.

First Lieut. Howard Zabriskie Bogert, Air Corps, from December 1, 1931.

First Lieut. Benjamin Franklin Griffin, Air Corps, from December 1, 1931.

First Lieut. Ward Fisk Robinson, Air Corps, from December 1, 1931.

First Lieut. Charles Roderick Mize, Finance Department, from December 1, 1931.

First Lieut. Joseph Branson Canfield, Quartermaster Corps, from December 1, 1931.

First Lieut. Hans Christian Jespersen, Infantry, from December 1, 1931.

First Lieut. Lyle Meredon Shields, Infantry, from December 3, 1931.

To be first lieutenants

Second Lieut. Edwin Bascum Kearns, jr., Infantry, from March 4, 1931.

Second Lieut. Rinaldo Van Brunt, Infantry, from March 6, 1931.

Second Lieut. George Patrick Lynch, Infantry, from March 10, 1931.

Second Lieut. John Francis Holland, Infantry, from March 15, 1931.

Second Lieut. John Porter Kidwell, Infantry, from March 20, 1931.

Second Lieut. Clarence Harwood Smith, Infantry, from March 23, 1931.

Second Lieut. Thaddeus Elmer Smyth, Infantry, from March 26, 1931.

Second Lieut. Waldemar Noya Damas, Infantry, from April 1, 1931.

Second Lieut. James Durward Barnett, Infantry, from April 1, 1931.

Second Lieut. Claude Aubrey Black, Infantry, from April 1, 1931.

Second Lieut. Russell Thomas Finn, Field Artillery, from April 1, 1931.

Second Lieut. Harry Wells Crandall, Infantry, from April 1, 1931.

Second Lieut. Joseph Pringle Cleland, Infantry, from April 1, 1931.

Second Lieut. Enoch Joseph Skalandzunos, Infantry, from April 1, 1931.

Second Lieut. John Laing De Pew, Cavalry, from April 1, 1931.

Second Lieut. John Robert McGinness, Infantry, from April 7, 1931.

Second Lieut. William Griffith Stephenson, Infantry, from April 15, 1931.

Second Lieut. George Bateman Peploe, Infantry, from April 18, 1931.

Second Lieut. Samuel Selden Lamb, Infantry, from April 25, 1931.

Second Lieut. Curtis D. Renfro, Infantry, from May 1, 1931.

Second Lieut. Charles Henry Caldwell, Air Corps, from May 1, 1931.

Second Lieut. Joseph Blair Daugherty, Infantry, from May 1, 1931.

Second Lieut. Haskell Hadley Cleaves, Infantry, from May 1, 1931.

Second Lieut. Albert Aaron Horner, Infantry, from May 1, 1931.

Second Lieut. Louis Quarles McComas, Infantry, from May 1, 1931.

Second Lieut. Mitchell Alonzo Giddens, Cavalry, from May 1, 1931.

Second Lieut. Leif Neprud, Coast Artillery Corps, from May 1, 1931.

Second Lieut. Theodore Lamar Dunn, Infantry, from May 12, 1931.

Second Lieut. Elliott Bickley Gose, Infantry, from May 14, 1931.

Second Lieut. Floyd Ellsworth Dunn, Infantry, from May 18, 1931.

Second Lieut. George Wellington Madison Dudley, Infantry, from May 19, 1931.

Second Lieut. Michael John Geraghty, Infantry, from May 19, 1931.

Second Lieut. Donald Dunford, Field Artillery, from May 23, 1931.

Second Lieut. Arthur Superior Peterson, Infantry, from May 23, 1931.

Second Lieut. Ralph Randolph Sears, Infantry, from June 1, 1931.

Second Lieut. Edgar Turner Noyes, Air Corps, from June 1, 1931.

Second Lieut. David Evans Bradford, Cavalry, from June 1, 1931.

Second Lieut. James Keller De Armond, Air Corps, from June 1, 1931.

Second Lieut. Ernest Avner Suttles, Infantry, from June 1, 1931.

Second Lieut. August William Farwick, Cavalry, from June 1, 1931.

Second Lieut. Samuel Mason Lansing, Infantry, from June 1, 1931.

Second Lieut. Pierre Bacot Denson, Coast Artillery Corps, from June 1, 1931.

Second Lieut. Harvey Lyon Boyden, Air Corps, from June 1, 1931.

Second Lieut. Carl William Westlund, Infantry, from June 6, 1931.

Second Lieut. Walter Llewellyn Wheeler, Air Corps, from June 6, 1931.

Second Lieut. Norme D. Frost, Air Corps, from June 9, 1931.

Second Lieut. Linus Dodge Frederick, Air Corps, from June 13, 1931.

Second Lieut. James Gordon Pratt, Air Corps, from June 21, 1931.

Second Lieut. Milton Miles Murphy, Air Corps, from June 24, 1931.

Second Lieut. Lee Quintus Wasser, Air Corps, from June 28, 1931.

Second Lieut. Otto Wienecke, Air Corps, from June 30, 1931.

Second Lieut. Howard Knowles Vail, Infantry, from July 1, 1931.

Second Lieut. Benjamin Thomas Starkey, Air Corps, from July 1, 1931.

Second Lieut. Percy Walter Thompson, Field Artillery, from July 1, 1931.

Second Lieut. Clarence McCurdy Virtue, Infantry, from July 1, 1931.

Second Lieut. Ralph Finch, Infantry, from July 1, 1931.

Second Lieut. Charles Howard Valentine, Cavalry, from July 1, 1931.

Second Lieut. Julian Henry Baumann, Field Artillery, from July 1, 1931.

Second Lieut. Joseph Kerr Gibson, Field Artillery, from July 1, 1931.

Second Lieut. Judson MacIvor Smith, Infantry, from July 1, 1931.

Second Lieut. Frank Gilmore Irvin, Air Corps, from July 4, 1931.

Second Lieut. George Vernon Holloman, Air Corps, from July 5, 1931.

Second Lieut. George Henry Dietz, Infantry, from July 15, 1931.

Second Lieut. Donald Hubbell Smith, Coast Artillery Corps, from July 18, 1931.

Second Lieut. Richard Hodgson Bridgman, Cavalry, from August 1, 1931.

Second Lieut. Luther Gordon Causey, Infantry, from August 1, 1931.

Second Lieut. John Meade, Field Artillery, from August 1, 1931.

Second Lieut. Glenn Oscar Barcus, Air Corps, from August 1, 1931.

Second Lieut. William Andrew Weddell, Coast Artillery Corps, from August 1, 1931.

Second Lieut. John Randolph Jeter, Infantry, from August 1, 1931.

Second Lieut. John Mulford Evans, Infantry, from August 1, 1931.

Second Lieut. Theodore Anderson Seely, Infantry, from August 5, 1931.

Second Lieut. George Avery Chester, Coast Artillery Corps, from August 6, 1931.

Second Lieut. James Thomas Dawson, Field Artillery, from August 11, 1931.

Second Lieut. Burgo Doyle Gill, Coast Artillery Corps, from August 18, 1931.

Second Lieut. William Wheeler O'Connor, Infantry, from August 24, 1931.

Second Lieut. Walter Hoyt Kennett, Field Artillery, from September 1, 1931.

Second Lieut. George Paul Harrison, Field Artillery, from September 1, 1931.

Second Lieut. Edward Campbell Franklin, Coast Artillery Corps, from September 1, 1931.

Second Lieut. Franklin Leslie Lichtenfels, Infantry, from September 1, 1931.

Second Lieut. William Frederick Niethamer, Coast Artillery Corps, from September 1, 1931.

Second Lieut. Harold Victor Roberts, Infantry, from September 1, 1931.

Second Lieut. William Clyde Baker, jr., Corps of Engineers, from September 1, 1931.

Second Lieut. William Livingston Bayer, Signal Corps, from September 1, 1931.

Second Lieut. Herbert William Ehrgott, Corps of Engineers, from September 1, 1931.

Second Lieut. Turner Ashby Sims, jr., Air Corps, from September 1, 1931.

Second Lieut. Francis LeRoy Ankenbrandt, Signal Corps, from September 3, 1931.

Second Lieut. William Hunt Mills, Corps of Engineers, from September 8, 1931.

Second Lieut. Keith Richard Barney, Corps of Engineers, from September 10, 1931.

Second Lieut. Elvin Ragnvald Heiberg, Corps of Engineers, from September 13, 1931.

Second Lieut. Frank Xavier Aloysius Purcell, Corps of Engineers, from September 15, 1931.

Second Lieut. Harold Anthony Brusher, Coast Artillery Corps, from September 18, 1931.

Second Lieut. Raymond Coleman Maude, Signal Corps, from October 1, 1931.

Second Lieut. Samuel Wallace Van Meter, Air Corps, from October 1, 1931.

Second Lieut. Richard Wyman Pearson, Corps of Engineers, from October 1, 1931.

Second Lieut. Irving Arthur Duffy, Cavalry, from October 1, 1931.

Second Lieut. William Preston Corderman, Signal Corps, from October 1, 1931.

Second Lieut. Clerin Rodney Smith, Corps of Engineers, from October 1, 1931.

Second Lieut. Fiorre John Stagliano, Coast Artillery Corps, from October 1, 1931.

Second Lieut. Parker Maynard Reeve, Corps of Engineers, from October 1, 1931.

Second Lieut. Harry Warren Johnson, Cavalry, from October 1, 1931.

Second Lieut. Rufus Leonidas Land, Cavalry, from October 1, 1931.

Second Lieut. James Norvell Krueger, Corps of Engineers, from October 1, 1931.

Second Lieut. Robert Kinzie McDonough, Corps of Engineers, from October 1, 1931.

Second Lieut. Donald Prentice Booth, Corps of Engineers, from October 1, 1931.

Second Lieut. Arthur August Gerhart Kirchhoff, Corps of Engineers, from October 1, 1931.

Second Lieut. William Murlin Creasy, jr., Chemical Warfare Service, from October 1, 1931.

Second Lieut. Alfred Henry Johnson, Air Corps, from October 2, 1931.

Second Lieut. Ralph Morris Osborne, Field Artillery, from October 6, 1931.

Second Lieut. Norman Arthur Matthias, Corps of Engineers, from November 1, 1931.

Second Lieut. Lincoln Jones, jr., Infantry, from November 1, 1931.

Second Lieut. Harlie Heston Parks, Field Artillery, from November 1, 1931.

Second Lieut. Malcolm Raymond Kammerer, Infantry, from November 1, 1931.

Second Lieut. Charles Daniel Sugrue, Infantry, from November 1, 1931.

Second Lieut. Robert Eugene Mousseau Des Islets, Corps of Engineers, from November 1, 1931.

Second Lieut. William Edward House, Coast Artillery Corps, from November 1, 1931.

Second Lieut. James Roy Andersen, Infantry, from November 1, 1931.

Second Lieut. Benjamin Easton Thurston, Infantry, from November 1, 1931.

Second Lieut. Harold McClure Forde, Cavalry, from November 1, 1931.

Second Lieut. William Alexander Walker, Field Artillery, from November 1, 1931.

Second Lieut. John Colt Beaumont Elliott, Corps of Engineers, from November 1, 1931.

Second Lieut. Samuel Russ Harris, jr., Air Corps, from November 5, 1931.

Second Lieut. Lewis Sherrill Griffing, Field Artillery, from November 10, 1931.

Second Lieut. Waldo Eugene Laidlaw, Infantry, from November 11, 1931.

Second Lieut. Hamer Pace Ford, Infantry, from November 13, 1931.

Second Lieut. Robert Clifford Broadhurst, Coast Artillery Corps, from November 13, 1931.

Second Lieut. John Ensor Perman, Field Artillery, from November 15, 1931.

Second Lieut. George William Hickman, jr., Infantry, from November 21, 1931.

Second Lieut. Earl Jerome Murphy, Field Artillery, from November 25, 1931.

Second Lieut. Holger Nelson Toftoy, Coast Artillery Corps, from November 25, 1931.

Second Lieut. Harold Doud, Infantry, from November 28, 1931.

Second Lieut. David Louis Van Syckle, Infantry, from December 1, 1931.

Second Lieut. Wallace Hayden Barnes, Cavalry, from December 1, 1931.

Second Lieut. Shelton Ezra Prudhomme, Air Corps, from December 1, 1931.

Second Lieut. John Paul Doyle, jr., Cavalry, from December 1, 1931.

Second Lieut. Leon William Johnson, Air Corps, from December 1, 1931.

Second Lieut. Richard Walden Mayo, Field Artillery, from December 1, 1931.

Second Lieut. Earl Lewis Ringler, Infantry, from December 1, 1931.

Second Lieut. George Voegele Ehrhardt, Cavalry, from December 1, 1931.

Second Lieut. Walter Clement Stanton, Field Artillery, from December 1, 1931.

Second Lieut. Frank Sayles Bowen, jr., Infantry, from December 1, 1931.

Second Lieut. Malcolm Dudley Jones, jr., Cavalry, from December 1, 1931.

Second Lieut. William Peirce Ennis, jr., Field Artillery, from December 1, 1931.

Second Lieut. Guy Beasley Henderson, Air Corps, from December 3, 1931.

MEDICAL CORPS

To be colonels

Lieut. Col. Earl Harvey Bruns, Medical Corps, from May 1, 1931.

Lieut. Col. Herbert Charles Gibner, Medical Corps, from May 1, 1931.

To be lieutenant colonels

Maj. Sanford Williams French, Medical Corps, from March 4, 1931.

Maj. Thomas Joseph Flynn, Medical Corps, from March 5, 1931.

Maj. William Denton, Medical Corps, from March 12, 1931.

Maj. John Joseph Reddy, Medical Corps, from March 15, 1931.

Maj. Herbert Henry Sharpe, Medical Corps, from March 16, 1931.

Maj. Lloyd Ambrose Kefauver, Medical Corps, from March 17, 1931.

Maj. John Roy McKnight, Medical Corps, from March 19, 1931.

To be majors

Capt. Ira Frederick Peak, Medical Corps, from March 12, 1931.

Capt. Henry Stevens Blesse, Medical Corps, from May 25, 1931.

Capt. Samuel Winchester Reeves, Medical Corps, from June 19, 1931.

Capt. Thomas Franklin Weldon, Medical Corps, from June 30, 1931.

Capt. William LeRoy Thompson, Medical Corps, from July 6, 1931.

Capt. George Paul Sandrock, Medical Corps, from September 7, 1931.

Capt. Edward Athelstane Casserly, Medical Corps, from September 25, 1931.

Capt. Walter Clifton Royals, Medical Corps, from October 4, 1931.

To be captains

First Lieut. Alfred Alexandre de Lorimier, Medical Corps, from May 29, 1931.

First Lieut. Norman Hyde Wiley, Medical Corps, from July 2, 1931.

First Lieut. Paul Irwin Robinson, Medical Corps, from July 28, 1931.

First Lieut. Silas Beach Hays, Medical Corps, from July 28, 1931.

First Lieut. Henry William Daine, Medical Corps, from July 28, 1931.

First Lieut. Earl Maxwell, Medical Corps, from July 28, 1931.

First Lieut. Wilford F. Hall, Medical Corps, from July 28, 1931.

First Lieut. Daniel John Berry, Medical Corps, from August 1, 1931.

First Lieut. William Augustus Hadly, jr., Medical Corps, from August 1, 1931.

First Lieut. Roary Adlai Murchison, Medical Corps, from August 1, 1931.

First Lieut. Paul Hayes, Medical Corps, from August 1, 1931.

First Lieut. Hugh Logan Prather, Medical Corps, from August 1, 1931.

First Lieut. George Hollander Donnelly, Medical Corps, from August 1, 1931.

First Lieut. Francis Willard Pruitt, Medical Corps, from August 1, 1931.

First Lieut. Elbert De Coursey, Medical Corps, from August 1, 1931.

First Lieut. John Frederick Bohlender, Medical Corps, from August 1, 1931.

First Lieut. Charles Scott Mudgett, Medical Corps, from August 1, 1931.

First Lieut. Ellis McFerrin Altfather, Medical Corps, from August 1, 1931.

First Lieut. Aubrey LeVerne Bradford, Medical Corps, from August 1, 1931.

First Lieut. Rollin LeRoy Bauchspies, Medical Corps, from August 1, 1931.

First Lieut. Ernest David Liston, Medical Corps, from August 1, 1931.

First Lieut. John Ruxton Wood, Medical Corps, from August 1, 1931.

First Lieut. Jack William Schwartz, Medical Corps, from August 1, 1931.

First Lieut. Clyde Lemuel Brothers, Medical Corps, from August 1, 1931.

First Lieut. Roger Gaylord Prentiss, jr., Medical Corps, from August 1, 1931.

First Lieut. Claude Linwood Neale, Medical Corps, from August 1, 1931.

First Lieut. George Horsfall, Medical Corps, from August 1, 1931.

First Lieut. Harold Edward Schneider, Medical Corps, from August 1, 1931.

First Lieut. Olin Foster McIlnay, Medical Corps, from August 1, 1931.

First Lieut. Samuel Howard Alexander, Medical Corps, from August 8, 1931.

First Lieut. John Larkin Gallagher, Medical Corps, from August 11, 1931.

First Lieut. Warren Mimms Scott, Medical Corps, from August 13, 1931.

First Lieut. James Harvey Turner, Medical Corps, from August 13, 1931.

DENTAL CORPS

To be colonel

Lieut. Col. Frank Powell Stone, Dental Corps, from March 23, 1931.

To be major

Capt. Albert Fields, Dental Corps, from August 18, 1931.

To be captains

First Lieut. James Simon Cathroe, Dental Corps, from July 5, 1931.

First Lieut. Ingolf Bernhardt Hauge, Dental Corps, from July 5, 1931.

First Lieut. John LeRoy Carter, Dental Corps, from July 5, 1931.

VETERINARY CORPS

To be colonel

Lieut. Col. Robert Julian Foster, Veterinary Corps, from August 30, 1931.

To be lieutenant colonels

Maj. George Henry Koon, Veterinary Corps, from September 27, 1931.

Maj. Daniel Buchter Leininger, Veterinary Corps, from September 29, 1931.

To be majors

Capt. Allen Chamberlain Wight, Veterinary Corps, from March 24, 1931.

Capt. Elwood Luke Nye, Veterinary Corps, from March 24, 1931.
Capt. Kenneth Earl Buffin, Veterinary Corps, from June 11, 1931.
Capt. Robert Payne McComb, Veterinary Corps, from June 22, 1931.
Capt. William Roy Wolfe, Veterinary Corps, from June 23, 1931.
Capt. Chauncey Edmund Cook, Veterinary Corps, from June 28, 1931.
Capt. Gerald Woodward FitzGerald, Veterinary Corps, from July 9, 1931.
Capt. Stanley Clifford Smock, Veterinary Corps, from July 14, 1931.
Capt. Charles Brenton Dunphy, Veterinary Corps, from July 15, 1931.
Capt. Howard Mayo Savage, Veterinary Corps, from July 19, 1931.
Capt. Burlin Chase Bridges, Veterinary Corps, from July 19, 1931.
Capt. Mott Ramsey, Veterinary Corps, from July 22, 1931.
Capt. Josiah Wistar Worthington, Veterinary Corps, from July 27, 1931.
Capt. Fred Chester Waters, Veterinary Corps, from July 30, 1931.
Capt. Harry Edward Van Tuyl, Veterinary Corps, from July 31, 1931.
Capt. Louis Lathrop Shook, Veterinary Corps, from August 2, 1931.
Capt. Daniel Henry Mallan, Veterinary Corps, from August 3, 1931.
Capt. Louis Goldman Weisman, Veterinary Corps, from August 3, 1931.
Capt. Everett Cooper Conant, Veterinary Corps, from August 3, 1931.
Capt. James Alexander McCallam, Veterinary Corps, from August 3, 1931.
Capt. Harry John Juzek, Veterinary Corps, from August 3, 1931.
Capt. William Henry Dean, Veterinary Corps, from August 3, 1931.
Capt. Solon B. Renshaw, Veterinary Corps, from August 3, 1931.
Capt. Frank Holmes Woodruff, Veterinary Corps, from August 3, 1931, subject to examination required by law.
Capt. Will Charles Griffin, Veterinary Corps, from August 3, 1931.
Capt. Lloyd Clifford Ewen, Veterinary Corps, from August 3, 1931.
Capt. Charles Oliver Grace, Veterinary Corps, from August 3, 1931.
Capt. Edward Michael Curley, Veterinary Corps, from August 3, 1931.
Capt. James Russell Sperry, Veterinary Corps, from August 3, 1931.
Capt. Floyd Chauncey Sager, Veterinary Corps, from August 3, 1931.
Capt. Henry Emil Hess, Veterinary Corps, from August 3, 1931.
Capt. Vincent Brown Wright, Veterinary Corps, from August 3, 1931.
Capt. Paul Roberts King, Veterinary Corps, from August 3, 1931.
Capt. Forest Lee Holycross, Veterinary Corps, from August 3, 1931.
Capt. Daniel Sommer Robertson, Veterinary Corps, from August 3, 1931.
Capt. Earl Floyd Long, Veterinary Corps, from August 5, 1931.
Capt. Joseph Fenton Crosby, Veterinary Corps, from August 24, 1931.
Capt. Raymond Irvin Lovell, Veterinary Corps, from August 25, 1931.
Capt. Ralph Brown Stewart, Veterinary Corps, from August 27, 1931.
Capt. Charles Mansur Cowherd, Veterinary Corps, from August 30, 1931.
Capt. John Knox McConeghy, Veterinary Corps, from September 3, 1931.
Capt. Francois Hue Kari Reynolds, Veterinary Corps, from September 3, 1931.
Capt. Sawyer Adelbert Grover, Veterinary Corps, from September 10, 1931.
Capt. Charles Sears Williams, Veterinary Corps, from September 10, 1931.
Capt. Fred W. Shinn, Veterinary Corps, from September 10, 1931.
Capt. Philip Henry Riedel, Veterinary Corps, from September 10, 1931.
Capt. Irby Rheuel Pollard, Veterinary Corps, from September 10, 1931.
Capt. Frank Caldwell Hershberger, Veterinary Corps, from September 10, 1931.
Capt. Clifford Eugene Pickering, Veterinary Corps, from September 13, 1931.
Capt. Frank Benjamin Steinkolk, Veterinary Corps, from September 13, 1931.
Capt. Raymond Randall, Veterinary Corps, from September 14, 1931.
Capt. Seth C. Dildine, Veterinary Corps, from September 16, 1931.
Capt. Joseph Hiriam Dornblaser, Veterinary Corps, from September 16, 1931.
Capt. George Leslie Caldwell, Veterinary Corps, from September 18, 1931.
Capt. Jacob Landes Hartman, Veterinary Corps, from September 18, 1931.
Capt. John Harold Kintner, Veterinary Corps, from September 18, 1931.
Capt. Arthur Dunlap Martin, Veterinary Corps, from September 18, 1931.
Capt. Samuel George Kielsmeier, Veterinary Corps, from September 21, 1931.
Capt. Peter Thomas Carpenter, Veterinary Corps, from September 22, 1931.
Capt. Oness Harry Dixon, jr., Veterinary Corps, from September 26, 1931.
Capt. John Wesley Miner, Veterinary Corps, from September 29, 1931.
Capt. George Jacob Rife, Veterinary Corps, from November 27, 1931.

To be captains

First Lieut. Herbert Morris Cox, Veterinary Corps, from August 29, 1931.
First Lieut. Laurence Robert Bower, Veterinary Corps, from August 29, 1931.

To be first lieutenant

Second Lieut. Maurice Wendell Hale, Veterinary Corps, from July 25, 1931.

MEDICAL ADMINISTRATIVE CORPS

To be first lieutenant

Second Lieut. Lloyd Moore, Medical Administrative Corps, from November 2, 1931.

CHAPLAINS

To be chaplains with the rank of major

Chaplain George Runyan Longbrake, from March 23, 1931.
Chaplain Nathaniel Alexander Jones, from March 23, 1931.
Chaplain Charles Wadsworth Ball Hill, from April 6, 1931.
Chaplain Albert Kingsbury Mathews, from May 28, 1931.
Chaplain Henry Nathan Blanchard, from June 13, 1931.
Chaplain John Truman Kendall, from July 15, 1931.
Chaplain James Lemuel Blakeney, from August 5, 1931.
Chaplain George Foreman Rixey, from August 16, 1931.
Chaplain William Joseph Ryan, from August 24, 1931.
Chaplain Edward Thomas McNally, from September 18, 1931.
Chaplain John Ralph Wright, from September 18, 1931.
Chaplain Harry Carleton Fraser, from September 18, 1931.
Chaplain John Oscar Lindquist, from October 10, 1931.

Chaplain Frank Meredith Thompson, from October 10, 1931.
Chaplain Walter B. Zimmerman, from October 10, 1931.
Chaplain Jacob Donald Hockman, from October 11, 1931.
Chaplain Joseph Burt Webster, from October 11, 1931.
Chaplain Alexander Wayman Thomas, from October 19, 1931.
Chaplain Frank Connors Rideout, from October 23, 1931.
Chaplain Alfred Cookman Oliver, jr., from October 24, 1931.
Chaplain Pierre Hector Levesque, from November 7, 1931.
Chaplain John Hall, from November 16, 1931.
Chaplain Edward Lewis Trett, from November 27, 1931.
Chaplain Charles Coburn Merrill, from November 28, 1931.

To be chaplain with the rank of captain

First Lieut. James Hugh O'Neill, from May 11, 1931.

The following-named officer for promotion in the Philippine Scouts:

To be captain

First Lieut. Roscoe Bonham, Philippine Scouts, from November 1, 1931.

CHIEF OF THE MILITIA BUREAU OF THE WAR DEPARTMENT

Brig. Gen. George Emerson Leach, National Guard of Minnesota, major general, Reserve Corps, to be Chief of the Militia Bureau of the War Department, with the rank of major general from December 1, 1931, for the period of four years beginning December 1, 1931, vice Maj. Gen. William G. Everson, Chief of the Militia Bureau, relieved.

APPOINTMENTS IN OFFICERS' RESERVE CORPS OF THE ARMY

The officer named herein for appointment in the Officers' Reserve Corps of the Army of the United States under the provisions of sections 37, 38, and 81 of the national defense act as amended:

GENERAL OFFICER

To be major generals, reserve

George Emerson Leach, Chief of the Militia Bureau, from December 1, 1931.

The officers named herein for appointment in the Officers' Reserve Corps of the Army of the United States under the provisions of sections 37 and 38 of the national defense act as amended:

GENERAL OFFICERS

To be major general, reserve

Maj. Gen. Roy Hoffman, Oklahoma National Guard, from August 24, 1931.

To be brigadier generals, reserve

Brig. Gen. James Craig McLanahan, Maryland National Guard, from August 4, 1931.

Brig. Gen. William Gray Williams, Utah National Guard, from June 9, 1931.

REAPPOINTMENTS IN THE OFFICERS' RESERVE CORPS OF THE ARMY

The officers named herein for reappointment in the Officers' Reserve Corps of the Army of the United States under the provisions of section 37 of the national defense act as amended:

GENERAL OFFICERS

To be brigadier generals, reserve

Brig. Gen. Leigh Robinson Gignilliat, Reserve, from November 4, 1931.

Brig. Gen. Cary Fletcher Spence, Reserve, from December 23, 1931.

To be brigadier generals, Medical Corps Reserve

Brig. Gen. Fred Towsley Murphy, Medical Corps Reserve, from November 4, 1931.

Brig. Gen. Frederick Fuller Russell, Medical Corps Reserve, from November 4, 1931.

Brig. Gen. Sanford H. Wadhams, Medical Corps Reserve, from September 6, 1931.

To be brigadier generals, Auxiliary Reserve

Brig. Gen. Frank Billings, Auxiliary Reserve, from December 23, 1931.

Brig. Gen. Howard Seymour Borden, Auxiliary Reserve, from July 13, 1931.

Brig. Gen. John Joseph Carty, Auxiliary Reserve, from December 23, 1931.

Brig. General George Washington Crile, Auxiliary Reserve, from November 4, 1931.

Brig. Gen. Lewis Atterbury Conner, Auxiliary Reserve, from November 4, 1931.

Brig. Gen. Milton Fennimore Davis, Auxiliary Reserve, from December 23, 1931.

Brig. Gen. Joel Ernest Goldthwait, Auxiliary Reserve, from November 4, 1931.

Brig. Gen. Charles Horace Mayo, Auxiliary Reserve, from November 4, 1931.

Brig. Gen. William James Mayo, Auxiliary Reserve, from December 23, 1931.

Brig. Gen. Thornwell Mullally, Auxiliary Reserve, from December 23, 1931.

Brig. Gen. William Henry Welch, Auxiliary Reserve, from December 23, 1931.

Brig. Gen. William Holland Wilmer, Auxiliary Reserve, from November 4, 1931.

PROMOTIONS IN THE NAVY

MARINE CORPS

Brig. Gen. Ben H. Fuller to be a major general in the Marine Corps from the 1st day of October, 1931.

Maj. Gen. (temporary) Logan Feland to be a major general in the Marine Corps from the 1st day of October, 1931.

Brig. Gen. John T. Myers to be a major general (temporary) in the Marine Corps from the 1st day of October, 1931.

Col. James C. Breckinridge to be a brigadier general in the Marine Corps from the 1st day of October, 1931.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 10, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. J. Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Father, we are always encompassed by Thy unfailing goodness; it stills the trembling soul and hushes the most poignant fear. It is Thy answer to the doubting heart; therefore, may we look up, love Thee, and rejoice. Awaken among us more and more a mutual feeling and understanding, thus helping us to recognize that common need which makes us one. Whether the tide of Thy purpose flows sluggishly or free and swift, let us hasten that hour for which we long to see, when a deeper consciousness of national horizons and a finer sense of obligation shall spring from the breast of our entire citizenship. Do Thou lay the wondrous spell of Thy Spirit upon us and win Thy widening way by Thy compelling wisdom. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

PERMISSION TO COMMITTEE ON APPROPRIATIONS

Mr. BYRNS. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read the resolution, as follows:

House Resolution 49

Resolved, That the Committee on Appropriations and the subcommittees thereof are authorized to sit during the sessions and recesses of the present Congress.

The resolution was agreed to.

ENTRY INTO THE UNITED STATES OF PARTICIPANTS AND OFFICIALS OF THE THIRD OLYMPIC WINTER GAMES

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution No. 72, to permit the temporary entry into the United States, under certain conditions, of alien participants and

officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad, to be held in the United States in 1932.

The Clerk read the resolution, as follows:

Resolved, etc., That alien participants, officials, and other accredited members of delegations to the Third Olympic Winter Games and to the games of the Tenth Olympiad to be held in the United States in 1932, and members of the immediate families and servants of the foregoing, all the foregoing who are nonimmigrants, if otherwise admissible into the United States under the immigration laws, shall be exempted from the payment of the tax of $8 prescribed by section 2 of the immigration act of 1917, and exempted from the fees prescribed under the law to be collected in connection with executing an application for a visa and visaing the passport, or other travel document, of an alien for the purpose of entering the United States as a nonimmigrant, and such aliens shall not be required to present official passports issued by the governments to which they owe allegiance: *Provided*, That such aliens shall be in possession of official Olympic games identity cards duly visaed without charge by American consular officers abroad: *And provided further*, That such aliens shall comply with regulations not inconsistent with the foregoing provisions which shall be prescribed by the Secretary of Labor and the Secretary of State: *Provided, however*, That nothing herein shall relieve an alien from being required to obtain a gratis nonimmigrant visa if coming to the United States as a nonimmigrant, or an immigration visa if coming to the United States as an immigrant: Be it further

Resolved, That such aliens shall be permitted the free entry of their personal effects and their equipment to be used in connection with the games, under such regulations as may be prescribed by the Secretary of the Treasury.

The SPEAKER. Is there objection to the present consideration of the present House joint resolution?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask a question of the gentleman from Maryland [Mr. LINTHICUM]. There is no provision whatever in the resolution for the sure return to their respective countries of the parties who are to come here under this resolution.

Mr. LINTHICUM. It is limited to the time of the games.

Mr. BLANTON. I understand, but there are some restrictions and check-ups that the Government has with respect to regular passports; which are not required as to these parties. A horde of them could come into the United States ostensibly to attend the games and then remain here. They could scatter over the United States, and there is no way of checking up on them.

Mr. SNELL. May I have about two minutes to explain it to the gentleman? I think I can answer his question.

Mr. BLANTON. I was asking the gentleman from Maryland, on the majority side, who has charge of this matter. In times past I had to ask the gentleman from New York, but, fortunately, I can ask the gentleman on my own side now.

Mr. LINTHICUM. I may say that while there are no passports required, yet they must have cards from the consuls abroad.

Mr. BLANTON. Will there be provision, under this regulation made by our Immigration Department, to see that they all get out of here when the games are over?

Mr. LINTHICUM. Oh, absolutely. Their names will be taken and cards issued to them just as though they were passports, except that they will not be charged for them.

Mr. BLANTON. They come across the river down in my State, from Mexico, over the various international bridges on the Rio Grande, and it is a hard thing to keep check on them. It is hard to get them out of here after doing what they came over here to do.

Mr. LINTHICUM. The gentleman can not blame them for wanting to stay here.

Mr. BLANTON. I am not blaming them, but I am thinking of the 6,000,000 heads of families in the United States now without jobs, who do not want people coming in here and taking their places on work.

Mr. LINTHICUM. I would like to ask the gentleman from New York [Mr. SNELL] to explain the resolution.

Mr. SNELL. As most of the Members know, for the first time the Olympic games are to be held in the United States next year; the winter Olympic games at Lake Placid, N. Y., in February, and the summer Olympics at Los Angeles in August, I believe. Heretofore the nation that has been host to these Olympic games has extended to the participants from foreign nations exactly what it is proposed to extend to these people at the present time coming into the United States. No man will be allowed to come here unless he is certified by the Olympic commission, or his government, that he is a participant and connected with the games.

It is expected that representatives from about 23 or 25 countries will be here and, all told, there will be in the vicinity of 500 participants at the games; but there will be a complete record of everything connected with them, and all of the regulations of the Immigration Department will be put into effect, except that they will not have to pay for getting their passports visaed, and they will not have to pay any customs duties on the various utensils and equipment used in connection with the games.

Mr. BLANTON. Will the gentleman yield?

Mr. SNELL. Yes, sir.

Mr. BLANTON. I notice the resolution provides something that is very unusual, that is, that their families and their servants shall come with them under this same exemption. It hardly seems reasonable that a man should come here to attend the Olympic games and be permitted to bring with him without limitation his family and a bunch of servants.

Mr. SNELL. Will the gentleman allow me to state these people always bring their own cooks with them. They prepare and eat their own native food.

This resolution was prepared by the State Department, the Labor Department, and the Treasury Department, and it is intended to meet every emergency that can possibly arise in bringing these people in and getting them out. It simply extends to them courtesies that we have had extended to us by foreign countries.

Mr. GREEN. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. GREEN. Of course, the servants that come with them would be under the same regulation, and go back?

Mr. SNELL. Absolutely. There is no question of doubt as far as that is concerned.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. LAGUARDIA. I notice that each one must be otherwise admissible. I take it, however, that that is applicable to the physical requirements?

Mr. SNELL. I take it so.

Mr. LAGUARDIA. And that no team from any country would be excluded by reason of their citizenship?

Mr. SNELL. No, sir.

Mr. LAGUARDIA. That is, it is to afford every country an opportunity to send their contestants to take part?

Mr. SNELL. It is simply to extend the same courtesies that every other nation which has been host to these Olympic games has extended to every other nation of the world.

Mr. STAFFORD. Will the gentleman yield?

Mr. SNELL. I yield.

Mr. STAFFORD. I am sure everybody is in sympathy with the resolution. My curiosity is aroused by the provision that these aliens shall not be required to present official passports isssued by the government to which they owe allegiance. What is the purpose of that exemption?

Mr. SNELL. They present in its place a certificate from the authorized Olympic commissions of the various countries, and that is used as a passport.

Mr. CHINDBLOM. If the gentleman will permit, quite an expense would be involved if they were required to secure passports from their own countries.

Mr. SNELL. Certainly.

Mr. STAFFORD. Under the phraseology of the resolution it would seem that they could not get the visa of their own government to leave the country.

Mr. SNELL. No. This will all come under the Olympic commission, and the Olympic commission is recognized by the government; but we do not have any such commission in our country. As far as I know, there is no opposition on

the part of anyone. This is agreed to by the departments and the Executive.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

ARMISTICE DAY ADDRESS AT ROANOKE, VA., BY BRIG. GEN. FRANK T. HINES

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to insert in the RECORD an Armistice Day address delivered by General Hines.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. WOODRUM. Mr. Speaker and ladies and gentlemen of the House, under leave granted me to extend my remarks I herewith insert an address of Brig. Gen. Frank T. Hines, Administrator of Veterans' Affairs, at Roanoke, Va., November 11, 1931.

The address is as follows:

Fellow citizens, friends, Virginians, it is not alone a distinct pleasure to come to you here to-day, but an inspiration to be privileged on this historic anniversary to address the people of a State which has given more of history to our Union than almost any State in it; a State whose hallowed battlefields and prosperous farm lands bear silent testimony to her courage and industry; a State whose people have known the depths of sorrow and sacrifice, and from them risen to the heights of success and security through their own indefatigable efforts and the indomitable spirit which has characterized them from the earliest days of the colony.

The Nation is indebted eternally to Virginia for the eight distinguished sons she has given to the Presidency and the countless others who have contributed so much to the establishment and maintenance of our Nation. The Nation and our Allies in Europe are indebted to her for the nearly 86,000 soldiers, sailors, and marines she furnished to help make this day one of the most memorable in the history of the whole world—Armistice Day.

Thirteen years ago to-day, upon a world torn with the tumult of war, there descended the most momentous silence the world has ever known—the pulsating, prophetic silence of the armistice.

Four long, torturing years of fury and flame of war had torn its way across the homelands and made a battlefield of Europe, leaving in its wake death, destruction, and desolation. More than a score of countries had signified their allegiances in the conflict and the detonations of battle reverberated to the far parts of the earth in vibrations of hatred, sorrow, and pain.

Upon such a scene of turbulence came the benison of a visible and audible peace, and with it the gratitude and rejoicing of millions of people all over the world.

Comingling with our reverent remembrance of the honored dead this gratitude and rejoicing are reflected each succeeding year in the celebration of Armistice Day, a tribute to the cause of peace.

In the years which have passed much progress has been made toward the prevention of war; by pact, treaty, and agreement it has been divested of its former prestige, but it has not yet been made impossible nor even improbable. In fact, it is entirely possible that the unrest of to-day at home and abroad is significant of the weakness in the structure of peace built immediately following the Great War.

It would seem the causes of war are innate as the baser attributes of human nature and just as ineradicable, but at least they are equally susceptible of a certain degree of control, and in the intelligent and conscious adherence to the tenets of good citizenship will be found the rudiments of such control.

Good citizenship necessarily connotes love of country and reverence for its laws; recognition of civic duties, and defense of country in time of war, but it should also include not only proper respect for the rights and property of others but a decent consideration for the feelings of our fellow men, a consideration suffused with unselfishness. Such a spirit of good citizenship, of patriotism and unselfishness was exemplified by those who served in the World War, and we honor them to-day anew; but remembrance is not enough. With each recurring Armistice Day there should be a renewed determination against war and a conscious, active striving toward a lasting peace.

To most of those men who served in the World War memory alone should suffice to keep before them the lessons of war, but for all of us who are prone to forget too quickly and for the coming generations, to whom the war will be but hearsay and history, there must be definite and vigorous efforts toward the establishment of a national spirit intolerant of war and of policies and methods which will eliminate the causes of war before there can be any stable enthronement of peace.

To me, the most common source of war and strife is born of selfishness in its numberless forms. It may manifest itself in greed, in desire for conquest, in competitive effort which contemplates the complete annihilation of its opponent, or less actively, merely in utter indifference to or lack of consideration of the rights and feelings of others—in any form and under any circumstances it is pernicious and detrimental reciprocally both to those from whom it emanates and those whom it actively affects.

It might be well to give some time to introspection in an effort to determine whether selfishness is not possibly becoming rather predominantly a national trait in some directions. We have been accused of it from a number of sources; in connection with the war itself, before our active participation; and since, in the various negotiations incident to its cessation, we have been credited with an attitude of aloofness not entirely geographical and an indifference not unmixed with complacence.

I do not believe that this criticism is justified, but I can understand, as I am sure most Americans can, the basis for the European viewpoint about us. Our country is unique in many features. Not only topographically, but politically and physically we have certain qualities of space, freedom, and national independence of other countries not to be found elsewhere in the whole world, and it is not only natural but inevitable that such an environment should be reflected more or less in our mental processes and in our activities. But it is well to take care lest independence mount into arrogance, and self-reliance deteriorate into self-sufficiency.

Born and bred in an atmosphere of national independence and security, the international difficulties of European countries are remote and unfamiliar to us, and we are inclined to be intolerant of them; but I believe a little more interest in their problems on the part of our people individually would not only bring about more sympathetic understanding and unselfish tolerance for their situations but could not fail to impress upon us more emphatically than ever the desirability and necessity of active endeavor for the establishment and maintenance of a permanent peace in all lands.

Unless and until the burdens of war can be imposed upon those groups who make war, it will continue to occur. The aftermath of war is a veritable legacy of hatred and resentment left to the generations following such conflicts, and the spirit of war is thus kept alive to flame anew at the first opportunity. It is inevitable under such conditions. It is the conditions which must be changed if we would put an end to wars.

It is not possible that such changes can be wrought by treaties or pacts alone. New ideals, aspirations, and resolves must be established in the minds and hearts of the peoples of the world; a positive urge to peace must be fostered and developed until the mental attitude of the nations themselves becomes definitely determined against war.

It is difficult to understand, but it seems necessary to emphasize the blessings of peace; as we read daily of the unrest and upheavals in various parts of the world, it is evident that the lessons of the Great War are still unlearned or else too easily forgotten, and in each succeeding question at issue between nations discussions in the press almost inevitably and invariably suggest or hint at the possibility of further war. The important phase of this situation is not that these suggestions may be given too much credence, but it is indicative of the national mind that it appears still to turn to the thought of warfare as the natural remedy for the settlement of international differences.

Our recent honored visitor, Premier Laval of France, in connection with the proposal of his compatriot Briand for the formation of a "United States of Europe" is quoted in the press as stressing the interdependence of the European countries as a natural basis for such a union. Certainly it is obvious that an intrinsic community of interest exists among them to a very great extent, without volition on their part, and it is well within the realm of possibility that this particular factor might become a compelling force looking toward the initiation of such a coalition.

But to succeed and to endure any confederacy of countries must have its roots grounded in something deeper than expediency, and its purposes must contemplate something more comprehensive than mere self-preservation and economic or industrial advantage. We know that our own country was founded through community and unity of interest and ideals and developed by a stalwart patriotism that held the duties and privileges of citizenship as an inevitable and individual responsibilty. Only too well did the early Colonies know how inexorable was the principle embodied in the phrase, "United we stand, divided we fall"; and in those urgent and strenuous times consistent participation in civic responsibilities on the part of the citizenry was indispensable to the development and maintenance of the independence they established.

But such unity, it seems to me, can be possible only between peoples having common bonds of interest and, broadly, common standards and ideals. In order to bind and hold the Union we have built, it has been and always will be necessary to educate in our traditions and ideals the foreign born who come to our shores with the idea of becoming citizens, before they can be actually made citizens in the fuller sense of that capacity. One of the most important of these traditions is our adherence to a program of peace whenever such a position can be maintained with honor, and I believe that this doctrine of peace could well be given much more emphasis among our own native born as well, in furtherance of an urge to peace sufficiently strong to counteract the impulse toward war.

That this impulse is steadily growing more and more repugnant to the more advanced nations is evident on every hand in utterances of representative people. Referring to the recent convention

of the Canadian Legion of the British Empire Service League, Gen. Sir Arthur Currie, grand president of the league, says: "I know they will approve of every honorable method or means to make war improbable. One of our dearest hopes during the last Great War—the one that most sustained us in those tragic days—was that our efforts, if successful, would put an end to all war. For that hundreds of thousands of men sacrificed home, health, fortune, and life. Let us try to win peace."

And in his greeting to the convention General Currie said: "There was never a time in the world's history when there was such an urgent need for straight thinking, for sound judgment, for unselfish action, for cooperation and mutual trust, for courage and calm faith as there is to-day. * * * Strange and menacing forces are working in our world. The most sacred traditions for which our fathers struggled and for which our comrades died are being attacked with scorn. The root of discontent is, as a rule, injustice or greed or cruelty. In their place must arise unselfishness and justice and mutual trust, the qualities that characterized our army in war days. Let us still adhere to these qualities and we can face the future without fear."

Every word of this is true of our own country to-day, but it is not a new condition. The need for national vigilance to preserve national integrity has been plainly recognized by patriots since the inception of our country and the responsibility for its maintenance goes straight to the citizenry. Americans are devoted to their country and in every emergency ready in her defense to the fullest measure, but in times of peace we are prone to lapse into a habit of belittlement of those high in public office responsible for the maintenance of the institutions we have adopted as the fundamentals of our Government, and our interest in the maintenance and progress of these institutions at times wanes to the point of indifference, or at least to inaction.

It is not that we have ceased to be conscious of evils that are prevalent. We discuss them, we criticize those whom we consider more or less responsible for their existence; but we ignore or neglect our opportunities for remedial action by exercising to the fullest the privilege of suffrage. Too few of us recognize in suffrage one of the most important obligations of citizenship. Many a man who would instantly resent any implication of a lack of patriotism on his part will complacently explain that he hasn't voted for years because he was dissatisfied with the way things were going. In other words, he loves his country, but his patriotism has been on a long vacation when it should have been diligently employed.

Your own Patrick Henry said "America can only be undone by herself," and if we are to continue as the great Nation that we have a right to be, it is necessary that there be developed among our people a greater interest in public affairs, a greater appreciation of the value of citizenship. This work should commence in the schoolroom. Too little importance is now placed upon the initial impression given to the children of America. The importance of the work of those engaged in teaching the children of America and carrying on the education of the youth through the graded schools can not be overestimated. These first impressions are lasting and are reflected most surely in after years. The proper spirit of Americanism should have its inception there, together with lessons in respect for law and order. More attention must be given to the establishment of those high ideals so essential in the development of the true and patriotic citizen of our country. Young America should be taught to love America, to support its Constitution and laws; learn that the violation of its laws is to trample upon all that is good and that is distinctive of those high ideals fought for by the fathers of our Nation.

Next to love of country should come the respect for our institutions; respect for those who are charged with the responsibility of government. How can we expect that the proper spirit of citizenship will prevail if we are to ridicule those charged with the making as well as the execution of our laws? It is of equal importance, of course, that those selected for public service should inspire that confidence essential to demand proper respect. It is of further importance that our citizens take that interest in the affairs of their country—whether it be city, State, or National—that they may be assured that those selected to conduct the business of government for them are properly selected and are representatives to whom they can give that respect and confidence so essential to good government.

In all matters affecting the country nationally, I believe that there is need and opportunity for better teamwork among our people, a broader viewpoint and more generous disposition to reconcile local differences, and to give-and-take in the interest of unity on national matters. The welfare of the Nation as a nation should be paramount always; State lines and individual or group interests should be forgotten when the issue is a national one.

Our former President, Calvin Coolidge, most aptly expressed this important principle when he said:

"Our country and its Government belong to all the people. It ought not to be under the domination of any one element or any one section. For it to fall under the entire control of the people of wealth or people who are wage earners, would be contrary to our declared principles. They should all be partakers in the responsibilities and benefits, and all be represented in the administration of our Government. Those who are charged with the conduct of our affairs should be equally solicitous for the welfare of all localities and all classes. There should be no outlaws and no favorites, but all should be beneficiaries of the common good through the discharge of common duties."

These are the responsibilities and benefits to be expected of good government. There can be no compromise in our standard of citizenship. There must be no dilution in the quality of our Americanism. Depreciate the value of our Americanism and you will correspondingly lower our standard of government and weaken its powers of defense in time of emergency.

As I have pointed out before, the men and women who have served and sacrificed in defense of their country, as those of the late Great War, exemplified the spirit of good citizenship, as have all those who have given similar service in all our wars, and the Nation has been consistently and constantly solicitous in their behalf, giving gladly and generously in recognition of their service and their needs.

This sense of national obligation to veterans had its inception in the minds of our people when, in 1636, the Plymouth Colony enacted in their court that if any man who was sent forth as a soldier should return maimed, he should be maintained competently by the Colony as long as he lived, subsequently to be taken up by the Continental Congress in 1776 and by nearly every Congress since, until to-day no nation can claim to have done more for those who have given service in times of great emergency. Time will not permit to detail the benefits extended. We may summarize them in this way:

More than 300,000 World War veterans are in receipt of compensation benefits for disabilities resulting from military or naval service.

More than 141,000 dependents of veterans who died in service or since of service-connected disabilities are in receipt of compensation.

More than 275,000 World War veterans are in receipt of allowances for disabilities not shown to have been due to military or naval service.

More than 450,000 veterans and dependents of veterans of other wars are in receipt of pension benefits.

More than 6,000 former emergency officers are in receipt of retirement pay, having been retired for permanent disabilities of service origin.

More than 41,000 veterans are being given medical care in hospitals under the supervision of the Veterans' Administration and over 21,000 are being cared for in the barracks and hospitals of our national homes.

Since March, 1919, the Congress has authorized in eight general acts appropriations of over $113,000,000 for hospital construction, and in special acts, nearly four and one-half millions more for new domiciliary and hospital facilities in soldiers' homes.

The Veterans' Administration now has 41,199 hospital beds available and upon completion of our present program we will have about 52,000 hospital beds in veteran hospitals and soldiers' homes.

The significance in these figures is that direct benefits are currently being disbursed to more than 1,000,000 of our citizens, veterans or dependents, and this number does not include additional beneficiaries of insurance or adjusted compensation.

Summarizing the Nation's efforts in behalf of the veteran, in financial terms, we find that already there have been disbursed over $14,000,000,000, and the volume and scope of veteran relief will inevitably increase as more veterans become incapacitated either from disease or the infirmities of age and need assistance from their Government.

We pray God that we may never again be forced to draw the sword; we deplore the loss of the splendid young lives that the Great War entailed. But we are proud of the courage that inspired the men of America; we are proud of the self-sacrifice with which they submitted themselves to discipline that their courage might be effective; we are proud of their success in the great struggle, and while according to them the gratitude and honor they have earned and maintaining liberally our efforts in their behalf, our part now is to strive with the utmost fidelity and devotion for the establishment of a lasting peace, an eternal Armistice Day, that their service and sacrifices may not have been in vain.

THE LATE REPRESENTATIVE GEORGE S. GRAHAM

Mr. BECK. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. BECK. Mr. Speaker, among the valued and distinguished Members of the last Congress who, to our deep sorrow, have passed away since its adjournment was our esteemed colleague GEORGE S. GRAHAM. I do not intend at this time to pay a tribute to his memory, because at some suitable time, in accordance with our beautiful custom, we will commemorate his passing and that of other Members of the House who have joined the "silent majority" in recent months. I am only rising to say that on December 2, last, the bar of Philadelphia held a meeting in honor of Mr. GRAHAM. I was honored by being asked to pay one of the tributes to his memory, and especially to dwell upon his services as legislator. I now ask permission to incorporate

in these remarks the tribute that I at that time paid to Mr. GRAHAM as legislator.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

The tribute referred to follows:

My brethren of the Philadelphia bar, it is with a feeling of solemn pride that I accepted the invitation to pay a tribute to the memory of our departed friend and brother. I was deeply touched when I learned that such was his wish, if a bar meeting were held in his memory. The wish that he expressed I regard as the last but not the least precious evidence of his friendship.

Among the last social functions that our friend ever attended, and possibly the very last, was a dinner which I gave in his honor in my Washington home a few days before the close of the last Congress. It was attended by many of the leading men of Congress, and there were so many manifestations of admiration and affection for Mr. GRAHAM by men of both political parties that he must have realized that he had gained, after a long and arduous life, those just accompaniments of an honored age, "Love, honor, obedience—troops of friends."

As we mourn to-day the peculiar loss which the historic bar of Philadelphia has sustained in the passing of this sound lawyer and able advocate, it is natural that the preceding speeches have largely dealt with Mr. GRAHAM'S career as a member of that bar. This, however, was only a part of his long and useful life. A fine sense of civic duty prompted him at the very height of his career at the bar and the maturity of his intellectual powers to give in large part his remaining years to the service of the Nation. Cicero once said, "Such as are the leading men of the state, such is the state itself," and I am one of those who believe that our form of government can not endure, and that the great traditions of our fathers will inevitably perish, unless the ablest men of America are willing to give their service to the State. Such was Mr. GRAHAM'S conception of his duty, and it doubtless was at a great sacrifice to his material prospects that he entered Congress in the year 1913 and served until the end of his life.

Let me, therefore, as one of his colleagues in the House of Representatives, dwell upon the legislative services of GEORGE S. GRAHAM, and as the legislator, even when a layman, becomes a part of that great organ of human society which we call the law, my brief discussion of our departed friend's career in Congress is not inappropriate to a meeting of the bar.

Mr. GRAHAM was elected to the Sixty-third Congress in the year 1913, and his legislative career began with a notable oratorical triumph.

Early in the year 1914, that fateful year, Mr. GRAHAM sought to have the House of Representatives pass, under a suspension of the rules, a bill to remove certain penalties which had been imposed upon those graduates of West Point who later had served in the Confederate Army during the Civil War. It could only be considered by unanimous consent, and the Republican floor leader, a man of powerful will and tenacious judgment, intimated that he would object. Mr. GRAHAM then importuned Mr. Mann to withhold his objection until Mr. GRAHAM could speak. Mr. GRAHAM then delivered a very eloquent speech on reconciliation between the North and the South. Let it be remembered that he was born in that fateful year 1850, when Clay, Webster, and Calhoun were making their last attempt to save the Union from civil war by a futile compromise, and that as a young man he had lived through the tragic passions of that most fratricidal conflict. The Civil War neither began with Sumter nor ended with Appomatox, and we can still remember the passionate feelings of sectional strife which persisted long after the day when Lee placed his sword in the hand of the chivalrous Grant.

Mr. GRAHAM desired to remove the last vestige of that bitter feeling, and his speech, which was heard with rapt attention by the House of Representatives, was so persuasive and moving that the bill, immediately after he had spoken, was passed by unanimous vote. The speech concluded with a statement that was at once a coincidence and a prophecy. He was speaking on June 29, 1914, and the civilized world, although it knew it not, was on the brink of the greatest catastrophe of modern times, and perhaps of all time, for on the day before a pistol shot had been heard in the streets of Sarajevo, and before the last reverberation had ended, the whole world was lapped in the universal flame of war such as marked in Wagner's grim trilogy, the Twilight of the Gods for our civilization. Mr. GRAHAM eloquently referred to the fact that in a cemetery that he had once visited in New Orleans he had found the graves of men who wore both the blue and the gray, and then he prophetically concluded as follows:

"That scene will be repeated, perhaps, who knows, in the history of our country when we war with some foreign foe, and the man of the North and the man of the South, one in heart, one in courage, one in valor, will fight with each other in defense of every city and every foot of land in our blessed Republic."

In little more than a month the great catastrophe, anticipated by thoughtful men for many years, had come, and a few years later the men of the North and the South, between whom our departed friend was then seeking a final reconciliation, were lying in common graves in the valley of the Marne or in the wooded region of the Argonne.

The work of Congress is very largely the work of its committees, and Mr. GRAHAM'S greatest usefulness was not on the floor of the House but in the committee room. His great reputation as a lawyer, naturally, prompted his selection as a member of the powerful Judiciary Committee, and as a member of that committee, and later its chairman, he served for 19 years. Time would not permit me to speak at any length of his great service on this committee. No Member was more untiring than he in the study of proposed legislation. Naturally, the subjects on which he was obliged to pass were varied and often complex in character. Let me illustrate by taking a single Congress—the Seventieth. The committee was obliged to consider 482 proposed modifications of the law, and of these it reported favorably 113, and of these 66 became laws. The most useful work that he did was not in passing new legislation but in restricting the spirit of mad innovation which prompts a large body of Representatives to tinker with the laws. Therefore, we would measure his public service in this respect not by the fact that of 482 legislative proposals in a single Congress 66 finally became laws but that over 400 of these proposals were examined by the committee and rejected.

It would be superfluous to dwell upon the notable service that he rendered in changing the jurisdictional power of the Supreme Court, and, incidentally, giving the hard-worked and underpaid judiciary reasonable compensation. The Supreme Court recognized his invaluable service in this respect when it not only sent one of its number to the great dinner that was given by the bar of Philadelphia for Mr. GRAHAM on February 18, 1927, but also by the most generous recognition by the then Chief Justice of Mr. GRAHAM'S great service to the court in relieving it of its then impossible burden of a too-congested calendar.

Candor compels me to add a statement. The bill was formulated at the instance of the Supreme Court and had its powerful imprimatur. I was then Acting Attorney General of the United States, and when, pursuant to custom, the President sent the bill as finally passed to the Department of Justice for its opinion as to whether the President should approve or veto, I advised the President that I thought the bill was a too drastic restriction of the jurisdiction of the court, but that he would not be justified, in view of the Supreme Court's wish and the large vote in its favor in Congress, to veto the bill, and therefore it should be submitted to the test of experience. I believed then, and I believe now, that it is not wise to allow the Supreme Court such a wide and almost unlimited discretion to determine without oral argument whether it will grant the right to appeal in nearly all litigated cases. However, I recognize that at that time it was a condition and not a theory that confronted the courts, and the condition was a calendar beyond the power of the Supreme Court to dispose of without inordinate delays, and that its vain attempt to give to each litigant his day in court without such delay necessitated a denial in many cases of the opportunity for adequate argument. Moreover, the law in question was demanded not so much by sound theory as by imperative necessity.

Mr. GRAHAM was a very able chairman of the important Judiciary Committee, and it is a privilege to make a record of the profound respect which the members of that committee, without respect to party, had for its chairman. I can not speak from personal knowledge, as I am not a member of that committee, but I have taken pains to ask a number of its members to favor me with their estimate of Mr. GRAHAM'S service as chairman. One member replied that "he was one of the most energetic and persistent chairmen that ever graced that position on the Judiciary Committee."

Another wrote me:

"The thing which impressed me most about Mr. GRAHAM was his thoroughness. Everything was important to him, the little things as well as the big. He was a prodigious worker and could dispatch more work than anyone I ever met. Every piece of legislation coming from the Judiciary Committee while he was chairman had his personal attention, except, of course, during a few times he was absent because of illness. He insisted upon a study, and a thorough study, of all important legislation which passed before his committee. Some of his arguments and discussions before the committee were masterly. He prepared to present his point of view to the committee with the same thoroughness as an important case before a court."

Another member wrote me:

"He was at all times the essence of dignity and fairness in presiding over the deliberations of the committee. No matter what his personal views were, he never let them prejudice him in his conduct in conducting the affairs of the committee. His outstanding characteristic as chairman, to my mind, was his idealism of purpose in respect to legislation. No man revered the Constitution nor had a more profound respect for the judicial branch of our Government than he."

Another member, a distinguished Democrat, thus wrote me:

"He was ever genial and eminently fair. It was sometimes very difficult for him to control the committee, some of whose members held views so in disaccord with his own. By sheer force of intellect, coupled with diplomacy and tact, he steered the committee deliberations through dangerous shoals. Toward all he exhibited a fairness in ruling born only of a saintly patience and a keen sense of the responsibility of his office."

This tribute to his "saintly patience" suggests to me that which must have impressed Mr. GRAHAM'S friends in his later years. His character underwent a transformation, which is not usual with advancing years. In the early and middle periods of his life he was a born fighter; aggressiveness was a part of his nature. Standing erect with his fine presence, his resonant voice, his naturally combative mind, he was a foeman of unquestionable

power. In later years this aggressiveness yielded to a beautiful gentleness of character. After the storm and stress of his life there came this "light at eventide," a kindly light which illuminated the encircling gloom of advancing years. Although his years and distinguished career alike inspired respect for his views, he was modest in expressing them. He never dogmatized with an "I am Sir Oracle" manner, and if he differed with you it was with a gentleness of spirit that blended his fortiter in re with a suaviter in modo. If he conferred with anyone he seemed solicitous to get the other man's opinion, and if he differed with it it was generally in silence. An exquisite modesty of mind characterized him, for with him it was old age, "frosty but kindly." There is no finer word in the English language than the word "gentleman." Was it not the old Elizabethan dramatist Dekker who said that Christ was the first of gentlemen? Need I, on the eve of Christmas, remind you that Thackeray, in a noble Christmas poem, written shortly before his death, acclaimed the gentleman and quoted the refrain of the angels on that first of Christmas nights of "Peace on earth to men of gentle will"?

If I am called upon to single out the trait of our departed brother's character in his later years which most impressed me, it was this gentleness of mind which, so far as I can recall, caused him to refrain from any unkind comment as to any of his colleagues, even though in times of heated debate some, occasionally, may have given him ample provocation. He reminded me, in this respect, of that finest scholar in politics of our time, Lord Balfour, who was the most ingratiating listener and the most perfect gentleman with whom I have ever come into contact.

Such was the spirit of GEORGE GRAHAM.

Let me recur to the words of one of his colleagues, which I have already quoted, wherein he said, "No man revered the Constitution nor had a more profound respect for the judiciary than he." I repeat this simply to emphasize that our friend's last and greatest service to his day and generation was his vigorous defense of our form of Government. His position was a trying one in this respect, for at times a large majority of the Judiciary Committee, composed of both parties, were not in sympathy with his old-fashioned views as to the wisdom of the fathers. The great compact between the States as to the basis of apportionment in the House of Representatives was sought to be nullified by many of his colleagues in order that by the exclusion of aliens from the basis of the apportionment some 25 seats would be transferred from the industrial to the agricultural States. At Mr. GRAHAM'S request, I appeared before the Judiciary Committee and argued against these proposed changes in our form of Government, which seem to me revolutionary in the sense that they violated the original compact of our Government. It was Mr. GRAHAM who in the last Congress held back this attempt to shift political power from the industrial to the agricultural States, and while this proposed twentieth amendment attraced too little attention at the time, yet our departed brother's service in preventing this new attempt to tinker with the Constitution and to destroy the constitutional edifice erected by the fathers may well be regarded as one of the great services of his career.

His respect for the Constitution was for the Constitution to which is subscribed the names of Washington, Franklin, Madison, Hamiliton, Wilson, and others; but Mr. GRAHAM, I believe, thought that not every subsequent amendment of later generations was so sacrosanct that the American people should be denied the opportunity to discuss its merits. On his own initiative he began hearings on February 12, 1930, as to the various legislative proposals to ameliorate or repeal the eighteenth amendment. His opening speech made a deep impression among the public mind. He said:

"Let us reason together. Not with the fanatic, for he is the foe of religious as well as individual liberty. Not with him, no; but with broad-minded men and women of every faith and belief, and try to relieve our country through reason and by conceiving a new system—one not founded on the bludgeon and a violation of men's conscientious convictions regarding drink. No law can ever be enforced that is destructive of right and individual liberty. You may create a guerrilla warfare and conditions reeking with murder, bribery, corruption, violations or evasions, and disrespect for all law. Every law to be capable of being enforced without such a train of consequences must not be inconsistent with the mind of the people of the country as being right, and must not be destructive of individual liberty."

I wish that time permitted a much more adequate statement of his great services as a Member of the House of Representatives, but I trust enough has been said to show that he worthily represented the great city of Philadelphia in the councils of the Nation. At some appropriate time the House of Representatives will meet to mourn the passing of this illustrious public servant, and at that time there will be a much fuller and more eloquent expression of his service as legislator than I could make at this time.

Moreover, the thought that is uppermost in our minds is not chiefly his work as a legislator or his career as a lawyer. We mourn the passing of a friend. No more shall we see that erect form, that attractive personality, or hear that resonant voice or feel the kindly clasp of his hand. Of all the tragedies of life the saddest is that of the "vanished hand and the sound of a voice that is still." To those of us who were privileged to know him he will not be forgotten while we have that power of memory, which to some extent mitigates the tragedy of death.

For myself, I mourn a good friend and a valued colleague, and can simply say, "Ave et vale."

THE LATE REPRESENTATIVE ALBERT MAY TODD

Mr. HOOPER. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOOPER. Mr. Speaker and Members of the House, a few days ago there died in the city of Kalamazoo a former Member of this House, Hon. Albert May Todd. Mr. Todd was one of the most distinguished men in the third congressional district of Michigan at the time of his death. He was elected to the Congress of the United States in 1896. That year Mr. Bryan carried the third congressional district, and Mr. Todd was elected on a coalition ticket of the Prohibitionists, the silver Republicans, and the Democrats. He served but one term in the House of Representatives, but his term here was distinguished, able, and to the great satisfaction of those who knew him, as I did during my youth.

Mr. Todd was a patron of the arts, a patron of the sciences. He died at the advanced age of 81, beloved by everyone who knew him. He was one of the first citizens of the city of Kalamazoo, and one of those men who in his short public service had made for himself a name not unworthy of the best traditions of the State of Michigan. [Applause.]

ADDRESS OF HON. LOUIS LUDLOW

Mr. GREENWOOD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by incorporating a speech by my colleague, Hon. LOUIS LUDLOW, on public morals and citizenship, delivered at Martinsville, in my district.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. GREENWOOD. Mr. Speaker, on the night of November 4 last, members of all of the churches of Martinsville, Ind., assembled at the Christian Church in that city to listen to Representative LOUIS LUDLOW, of Indianapolis, speak on the subject "The Spirit of the Master." Mr. LUDLOW sought in that address to give a layman's view of the Savior of Mankind and the influence of the Christ spirit in human relations and in it he embodied the thoughts and conclusions of a newspaper writer and observer of wide vision and long experience.

Rev. E. L. Day, pastor of the Martinsville Christian Church, presided at the meeting, and Mr. LUDLOW was introduced by James A. Stuart, a well-known journalist of Indianapolis, and former president of Sigma Delta Chi, the national newspaper fraternity. The address made by my colleague on that occasion was beautiful in thought and expression, and I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

Mr. LUDLOW spoke as follows:

THE SPIRIT OF THE MASTER—A LAYMAN'S IMPRESSION OF JESUS OF NAZARETH

When your beloved pastor invited me to speak to you to-night I had some misgivings as to whether I should be able to say anything that would be inspiring or appropriate to the occasion, and then it occurred to me that there might be something of interest in the observations of a veteran newspaper man who for nearly 40 years has been watching and recording the progress of events from the world's watch towers, as to the influence of the Savior in human relations. Some of you who have known me all of my life as a newspaper man may be trying to figure out in your own minds just how I am able to qualify as a speaker on religion, the aforesaid occupation being generally regarded as being somewhat remote from the meditations of the cloister. I will admit there may be a natural presumption that needs to be rebutted, but after all there is no one who comes into closer contact with human nature in all of its angles than the newspaper man, or whose eyes are better trained to observe in the never-ceasing drama of life the instances where divinity meets humanity and lifts it up and strengthens it.

A LAYMAN'S VIEWPOINT

And so to-night, amid surroundings that are hallowed by sacred memories of Christian service, with my heart meeting your hearts in a spirit of reverence that overflows even though it may not be articulate, I shall try, in so far as I have information and inspiration and descriptive ability, to present a layman's view of Jesus Christ and His work on earth, and my subject will be "The Spirit of the Master."

For the Savior we worship is a living Christ, whose spirit is forever active on land and on sea, in great cities as well as in

the most remote fastnesses of the earth, wherever the human heart beats and poor, suffering mortals yearn for the many mansions of Paradise.

To undertake to describe the character of Jesus of Nazareth or to present in understandable form His personality and the motives that actuated Him in His earthly ministry is like trying to put on canvas the sweet incense of the flowers that recurrently, as the seasons come and go, cover with a blanket of beauty the hills of His native Palestine. No one has ever seen the face of God, and a description of Him is beyond the power of any living tongue or brain, and yet we know that God reigns and that His Son is the way and the truth and the life, the Savior who leads us day by day in paths of righteousness and who has ample room for all of the human race in His encircling arms.

Nineteen hundred years have elapsed since the unspeakable tragedy of the cross, but he who says that Christ is dead speaks as one wholly without knowledge and void of understanding. Jesus is the greatest influence in the world to-day. Thrilled by His example, countless millions in the ages since Calvary have gone forth to do good as they sing His praises and bless His name. There could be no more conclusive proof of His divine attributes. His spirit is a living force of never-ending blessedness in every theater of human activities. The agony of Gethsemane and the cross did not bring to Jesus death as we understand death. Oh, no! It set His spirit free to do the work of His Father for all time. Of Him it might have been said when He yielded up the ghost on Calvary as was said 18 centuries later of a Christlike man:

"He belongs to the ages now."

I like to imagine acts of goodness performed by the Master while He was yet on earth in addition to those recorded in Holy Writ. There must have been many such. But I like, above all, to think of the spirit of the Master as it finds expression every day in innumerable acts of mercy and the wide range of its never-ceasing ministry.

NO DEPTHS TOO LOW

One of the beauties of Christianity is that it is no close corporation. At its table is always spread a feast of love, and whosoever will may come. The human derelicts, the dregs of life, are welcome to the fountains of salvation if only they come with hearts that are pure and true.

For 1,900 years the spirit of the Master has been at work on earth. In innumerable instances and myriads of variations its wonders have been performed. It takes the meanest sinner, despised of everybody, and lifts him up until he becomes an instrument of righteousness, worthy of a kingly diadem. Its aim always is to be of service and there are no depths too low for it to penetrate in its processes of salvation. If we go out looking for the spirit of the Master, we are more likely to find it in hovels than in palaces. It will go anywhere and do anything to save and rehabilitate a soul, remembering, as the poet says, that—

"Every human heart is human;
"That in even savage bosoms there are yearnings, longings, strivings for the good they comprehend not."

Anybody who imagines that the Spirit of the Master is not an active force in these modern times will be undeceived if he analyzes events which have occurred within the memory of those now living.

Long before houses of worship dotted the hills and plains of Indiana, except a few log churches of the rudest description, the Spirit of the Master was very much alive in the camaraderie of the frontiers.

Hospitality measured by the Biblical yardstick "I was a stranger and ye took me in" was exemplified wherever in the vast reaches of wilderness a pioneer had erected his home and fireside. The latchstring was always hanging out, and the stranger at the gates found a cheery welcome and shelter, though he had never been seen before. When sickness came and the angel of death hovered over a cabin home the neighbors from far and wide, working in the forests and fields all day, would sit in relays by the patient's side and tenderly minister to his wants through the long vigils of the nights, and the kindness that was showered upon the stricken family beggared description. The spirit of the Master!

In the most crucial days of the Civil War Abraham Lincoln was called upon to exercise the power of life or death over many soldiers. Among them was a green country boy from the mid-west who had been taken from the farm without the slightest military preparation and had been assigned to sentry duty. For two days and nights he had no rest; and then, overcome by sheer exhaustion, he fell asleep at his post. His military chiefs were bitter in their condemnation of him. He was sentenced to be shot and the order was about to be executed when news of the poor boy's plight reached the ears of the President. He immediately issued a full pardon, saying as he did so:

"It is not to be wondered at that a boy, raised on a farm, probably in the habit of going to bed at dark, should fall asleep when required to watch and I can not consent to shoot him for such an act."

NEAREST TO HIS HEART

Later a great battle was fought at Fredericksburg. Among the slain found nearest to the Confederate lines was the body of a young man who had died bravely fighting for his country. Identifying marks proved that this soldier was the farmer boy who had been pardoned by Lincoln. When his outer clothing was removed a photograph was found nearest to his heart. It was a picture of the President, and beneath it in the soldier's handwriting were the words:

"God bless President Lincoln."

Lincoln, the immortal! Innumerable were the acts of Christlike mercy performed by that great, kind-hearted man as he groped his dark way to a martyr's grave.

Once a commanding officer came in from the field to Washington to see him. This general had with him warrants for the execution of 24 deserters to be signed by the President. Lincoln knew how to be firm.

"No, sir; I will not do it," he said.

"Mr. President," protested the officer, "unless examples are made of these men the Army is endangered. Mercy to the few is cruelty to the many."

There was a look of inexpressible sadness on President Lincoln's face as he replied:

"Mr. General, there are already too many broken-hearted widows in the United States. For God's sake, don't ask me to add to the number, for I won't do it."

The spirit of the Master!

LEE AND GRANT

For four long horrendous years two great armies had been at each other's throats while the country was rocked by civil war. In some sections of the Southland every other household had lain its precious human sacrifice on the altar of a lost cause. It was a land of aching hearts and abysmal grief. Its people were so tired and sorrow stricken they knew not where to turn or what to do. They were forced to surrender. Their gallant general met the great commander of the victorious hosts to discuss the terms of capitulation. General Lee was thinking of his poverty-stricken people, of their wasted homes, of the lack of horses to work the farms, since all of the animals had been commandeered for military purposes, and there was a heavy lump in his throat when he said to General Grant:

"General, where shall my men surrender their horses?"

General Grant's answer will live forever.

"Your men need not give up their horses," he said very kindly. "They may take them home. They will need them for the spring plowing."

The spirit of the Master!

Day by day, in little things and big, this wholesome healing influence is in operation. A boy named Bryan Untiedt, marooned with a group of children in a bus in a howling snowstorm in Colorado, takes command of the situation, wraps his own coat around another, and by his heroism and loving devotion saves the lives of many. Who can imagine a nobler illustration of the spirit of the Master? It seems to me that even Jesus must feel thrilled with pride when he thinks of Bryan Untiedt.

A nation is ground to the last hair's breadth of desperation to meet its obligations growing out of war. Its people are heartsick and weary. Our President says, mercifully:

"You may postpone further payments for one year until you are rested."

The spirit of the Master!

The nations all around the world are inexpressibly weary of war. They are weary of its heartaches, of its unspeakable terrors, weary of the pain it puts into the hearts of mothers. The two great English-speaking nations send their plenipotentiaries to a conference at London and there an agreement is reached on a reduction in naval armaments which makes more remote the possibility of future war. There is the spirit of the Master operating on a gigantic scale.

A member of the church where to-night we are gathered in His name learns of a family that is starving, the widowed mother ill, a baby in her arms, no work for the adult children, no food, no fuel. He invokes the aid of your splendid organization. Medical treatment is arranged for the mother, fuel is supplied, the hungry mouths are fed. The spirit of the Master! Nearly 2,000 years ago He said:

"For I was an hungered, and ye gave me meat; I was thirsty, and ye gave me drink; I was a stranger, and ye took me in:

"Naked, and ye clothed me; I was sick, and ye visited me; I was in prison, and ye came unto me.

"Verily, I say unto you, inasmuch as ye have done it unto one of the least of these, my brethren, ye have done it unto me."

"GOD BLESS OUR HOME"

A Congressman of the United States is asked to arbitrate the differences of an estranged couple. The husband, a veteran, went into the jaws of hell for his country and received injuries, for which he draws a large compensation. He has an irritable disposition, which his friends charitably attribute to the harrowing experiences of war. His wife, feeling herself unable longer to endure his vicarious temper, leaves him and pleads with the Congressman to arrange to have part of his pension paid to her. The veteran resists the demand and pleads with the Congressman to support his contention. The Congressman accepts the call to arbitrate, but performs the task in an unexpected way by writing a letter to each, recalling how husband and wife first met and how their affections for each other grew; how they were married, and then came the children one by one, playing on all their tender memories, and, finally, in the very last paragraph, winding up with the suggestion that that compensation check should never be split. His advice is accepted and the family reunited, and the most prominent decoration in their little cottage to-day is the motto, "God Bless Our Home." The spirit of the Master!

Oh, there is something for every one of us to do! Here is a girl whose widowed mother is too poor to provide her the clothing to enable her to appear like other little girls at school. She is slighted and neglected by her companions until her heart is almost broken. Make it your business to buy her a dress or a pair of shoes or a pretty ribbon occasionally. You will never miss the money, and you will make a little soul supremely happy. Yonder is a sick and disabled soldier with a future as black as midnight. When the call to duty came he offered everything he had, even life itself, on the altar of his country. He is entitled to relief but does not get it, because through lack of experience he can not establish the service origin of his disabilities. Offer your services and help him to perfect his claim by securing the necessary affidavits, and you will bring happiness to another soul. There is no end to the possibilities of service. But, you ask, how can we, mere infinitesimal units in the scheme of creation, become working partners of Christ in the great plan for the redemption of the world? Well, there is one thing we can do, all of us. We can help one another, and by so doing justify our existence and vindicate God's great purpose—the brotherhood of man. We should not wait for the call of distress to come to us but should anticipate it by seeking ways to serve.

OUT IN THE BYWAYS

The poor we have always with us. In the byways are the sick and hungry, and those who are starving for the spiritual things of life. Let us seek them out and help them, doing for them as best we can, nor ever counting the cost. Though we may be reduced to rags by this life of service and self-denial we will wear the livery of the King of Kings and will enjoy the highest privilege given to mortals—the privilege of helping others. If we go looking for opportunities to render loving service such as Christ would render, we will find them all around us. We can do nothing better, we can do nothing finer, we can do nothing grander than to help our fellow mortals over the rough places of life. That is what Jesus of Nazareth did; that is what all of the saints of all the ages have done; that, as I conceive it, is Christianity, and there is no more beautiful, no sweeter philosophy of life than is contained in the quaint old phrase:

"Do all the good you can, in all the ways you can, to all the people you can, just as long as you can."

We should above all strive to be practical in our service to our fellows. Beautiful and imposing as are the temples of our Lord, inspiring and uplifting as are the symphonies that fill the great cathedral aisles, a stately edifice and an impressive ceremony do not of themselves constitute religion. Real religion—the religion of the Master—is the performance of good acts. When we search out a distressed and despairing brother and give to him the means of sustenance and the encouragement that starts him with a new hope and a new outlook for better and brighter things, the encouragement that puts a song in his heart, we are exemplifying the best there is in religion. One act of loving kindness is worth more than any ceremony, although I do not mean by that to decry the necessity and importance of proper church services.

I plead for a religion that fits the everyday needs of humanity, for a religion that works continuously, for a religion that never sleeps. I have attended services at a church in another city where I spent most of my time, curiously wondering what the Master would say if he were there. Architecturally and in its interior arrangements the church is a dream. The sunlight filters in through magnificent memorial windows. The pipe organ would delight the soul of Mozart or of Wagner. Before one can get interested in the services his eyes must become accustomed to the glitter of diamonds and his ears to the rustle of silk skirts. When the doors close after the services on Sabbath night that church ceases to be a factor in the community until the next Sabbath, when the same scenes of grandeur are repeated.

That, in my opinion, is not the best type of church. The best church is one whose beneficent activities reach out into every walk of life, and touch the poorest of the poor, a church whose saving graces go on forever. We must remember that the speakeasies and the dens of vice never close. The agencies that pluck our brightest jewels—our children—in the morning of their lives and start them on the primrose path to hell work seven days and seven nights a week.

The church must meet this challenge. If we love the Master let us show the depth of our devotion by never-ceasing attention to the things He would have us do.

"Work, for the night is coming, when man's work is o'er!"

All of us, if we will, can become working partners of Jesus who, though dead, still lives. All of us, if we will, can be governed by the spirit of the Master. There is work always to be done in the dark recesses, the byways and the alcoves of the world, even transcending in importance the service in more open fields where the limelight plays. The true Christian is not a chooser. He accepts the task at hand and does it well.

We should make it a point to see how many acts of loving service we can perform every day, and a good way to decide upon the quality of a contemplated act, whether it is appropriate or permissible, is to ask ourselves the question:

"If Christ were here would I be willing to be found doing it in His presence?"

NEAR THE CROSS

And in all of our lives of service, until the end comes and we fall asleep, we would do well to keep in the foreground of our minds the sweetest and most majestic character of all the ages, whose life from the manger to the cross is a rainbow of hope for all of the human race. We need to think of Him to enrich our spirituality and to lead the way to the only life of real happiness, which is a life of service to others. There is in the city of Indianapolis, where I live, a wonderful painting of the Savior by Titian, owned by an Indianapolis man, which portrays with touching pathos the agony of the cross. In that picture the genius of the great artist has epitomized with a mastery that goes straight as an arrow to the human heart the sacrifices of the Son of Man for the remission of sins. I wish that every day of our lives all of us could see that picture for the memories it recalls, for the sense of duty it inspires. We need to be sobered and seasoned in ways of right living by a comprehension of the Savior's unfathomable love for us and the suffering endured by that great human God in order that you and I, and whosoever will, may find the way through service to eternal life.

"Near the cross, O Lamb of God,
Bring its scenes before me;
Help me walk from day to day
With its shadows o'er me."

FOREIGN AFFAIRS

The SPEAKER laid before the House the following message from the President:

[For President's message see Senate proceedings of this day, p. 297.]

Mr. RAINEY. Mr. Speaker, the message of the President deals with such a variety of subjects it is impossible for me to offer the usual resolution dividing the message and referring it to the committees that would have jurisdiction of the subjects, but the message ought to be printed, and therefore for the present I am going to move to refer it to the Committee of the Whole House on the state of the Union, and at a later date, when it can be carefully read and we can find out what committees it ought to be referred to, I shall then move that it be referred to the appropriate committees. For the present I move that the message of the President just read be referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. LAGUARDIA. Does it not suggest itself to the gentleman that at least it should be immediately referred to the Ways and Means Committee to take up the matter of the moratorium?

Mr. RAINEY. I think perhaps the gentleman is right about that.

Mr. SNELL. I think the suggestion of the gentleman from Illinois [Mr. RAINEY] is a good one.

Mr. STAFFORD. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. STAFFORD. Does not the gentleman think the remainder of the message should be referred to the Committee on Foreign Affairs?

The SPEAKER. If the gentleman will pardon a suggestion by the Chair, under the rules of the House each committee can consider the various subjects within their jurisdiction without having the message referred to it. This has been the custom for the last 30 years.

Mr. SNELL. For that reason I thought the suggestion of the gentleman from Illinois was the proper one at this time.

The SPEAKER. Without objection, the motion of the gentleman from Illinois is agreed to.

There was no objection.

THE PRESIDENT'S MESSAGE

Mr. RAINEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message, with Mr. LOZIER in the chair.

Mr. RAINEY. Mr. Chairman, I yield 30 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, as I predicted some time ago, one of the hardest battles in this Congress will likely be

over proposed moratoriums, reductions, settlements, or cancellations of the foreign debts to the United States.

The words "moratoriums," "reductions," "cancellations," all mean the same thing. They merely express different degrees or different steps of a scheme concocted by a group of international bankers to induce Congress to cancel the foreign debts to the United States and to unload them onto the American people, thereby enabling those financiers to collect their private loans abroad.

Of course, these debts can not be canceled. They can not be reduced. They can only be transferred to the backs of the American taxpayers. Every dollar taken off these debts must be paid by us. Every time a Congressman votes to cancel one dollar of these foreign debts he thereby votes to place that amount of extra burden upon the American people.

We have all the burdens we can bear now without assuming any more of the debts of Europe. Every Congressman might as well understand in the beginning that he is face to face with this problem and the American people are going to want to know where we stand, whether we are on the side of the American people or on the side of the international bankers.

As I have said before, fortunately this matter has to come to the House of Representatives—being a revenue measure, it must originate in this body.

So long as we have a deficit in our own Treasury; so long as we have 6,000,000 unemployed men in this country begging for work; so long as we have millions of women and children suffering for want of the necessities of life; so long as our farmers are forced to sell their crops below the cost of production; so long as our ex-service men, who fought the war out of which these international financiers made their fortunes, are denied payment of the balance of their adjusted-service certificates; so long as the widows and orphans of those men who have passed away are denied relief during these piping times of "prosperity"; so long as the property owners of America are having their lands and their homes taxed from under them in order to meet the burden of public improvements, as well as local current expenses; so long as these and other similar conditions prevail in our own country, Members of Congress can not justify a vote to cancel or postpone the collection of one dollar of these foreign debts when by doing so they would place this additional burden upon the already overburdened taxpayers of America.

For my part, I expect to fight every movement that even tends toward cancellation of another dollar of these foreign debts to the United States. [Applause.]

It has been understood for 10 years that these foreign debts should have no relation to reparations, but now they bring in the reparations, and if the international bankers who are behind this movement have their way we will cancel every dollar of the foreign debts to the United States, and then we will be paying the reparations instead of their being paid by the losing powers in the World War.

We might as well use plain language now and understand this thing as we go along.

Why, you would think from a reading of this message that this condition had brought on a world depression and was the cause of the panic in which we find ourselves today. I will tell you what caused the panic. This panic has been brought about as a result of legislation passed by your administration since 1921 by which you have attempted to distort the laws of economics, set aside the laws of supply, and enrich the favored few at the expense of the great masses of the American people.

In 1921 you came into power by the greatest majority you had ever had up to that time. You have been in power ever since, up to the convening of this Congress.

It has all been one administration—some fellow said the other day that Mr. Mellon had served under three Presidents, and one man wisely asked if three Presidents had not served under Mr. Mellon.

You have had full sway for 10 years, and what do we find? We find now that the first thing you did was to place upon the statute books of this Republic the highest protective tariff law ever known in a civilized country in times of peace, taking it as a whole; a law that levied a tax upon everything the American people buy, from the swaddling clothes of infancy to the lining of the coffin in which old age is laid away. You did this in order to benefit those special interests that have grown rich, and fabulously rich, as a result of this distortion of the powers and functions of government.

What was the result? You soon bled agriculture white. You soon found that the people of the agricultural States of the South and West and of the North and the East were becoming bankrupt. Some of your leaders referred to the representatives from the agricultural States as the "sons of wild jackasses" merely because they had the courage, both here and in another body, to protest against the carrying out of a policy that had driven their people, and was rapidly driving those States, into bankruptcy.

In 1928, when you had stimulated certain phases of industry beyond its natural bounds, when you saw the bubble was going to burst, you told the American people that we were just in the edge of prosperity. You did not tell them which edge. You said that this "superman," this "high-powered intellect," who was at that time Secretary of Commerce, had developed, or discovered, foreign markets for everything that America could produce, and that we were just in the dawning of the greatest era of prosperity the world had ever seen.

You published those statements, you radioed them, you broadcast them. You preached them in every schoolhouse in the country where you could get an audience. Of all men on earth who knew, or should have known, that those statements were untrue it was the then Secretary of Commerce, who is now President of the United States. He was familiar with world conditions, he knew that there was a limit to the foreign markets for materials produced by the American people and American industry.

What was the result? There were thousands of men called "white-collar men"—lawyers, doctors, bankers, clerks, and so forth—who had saved a little money, and they were induced by that propaganda to invest that money in stocks. Certain large corporations had been paying stock dividends, even watering their stocks. They began to unload. These innocent victims began to buy on your promise of unsurpassed and unlimited prosperity. As soon as the election was over and these victims found they had been deceived they rushed into the market with their stocks and attempted to unload, and then the greatest crash ever known in history occurred.

These policies which you have written into your platform have borne the bitter fruit of one of the greatest panics the world has ever seen.

This is not due to any conditions in Germany; it is not due to any conditions in France; it is not due to any quarrel between Italy and France. It is due to the legislation that you have passed here, which has almost wrecked the very economic structure of America.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. MICHENER. Will the gentleman designate the legislation to which he refers?

Mr. RANKIN. I just designated some of it—the Fordney-McCumber tariff bill of 1921 for one, and the Smoot-Hawley tariff bill of 1930 for another. I am now mentioning some that we are going to try to keep you from passing, and that is reductions or cancellations of these debts that are in the background of this message.

You have not only gone to the point of destroying the toiling masses of America economically but you have driven every other country in the world into retaliating, until to-day the map of the civilized world is a barbed-wire entanglement of tariff barriers, behind which world trade has become stagnant and world commerce has become paralyzed. If we are to do something to relieve this deplorable condition, why do we not get a message asking you to join us in reopening the channels of trade with the various nations of the earth?

Some of you want to know why I oppose this moratorium now. I opposed this movement in June. I am not responsible for what a few men told the President at that time. If the President of the United States wanted this measure put through he should have called Congress in session. Besides, at that time there was supposed to be no connection between moratoriums and reparations. I think if you will read what has been said by those emissaries who have been here in connection with this subject you will find that they are now interweaving them with the question of reparations. If that is true, then those Senators and Representatives are not bound to support such a movement. The President is now asking you to reestablish the old debt-funding commission, whose activities, in my humble opinion, cost the American taxpayers $8,000,000,000. We do not need a debt-settlement commission. Remembering our bitter experiences of the past, I shall certainly oppose recreating this commission.

If the President wanted this question taken up, he should have called Congress into session in June, when the American people wanted it called into session. If he had, we might have done something toward relieving unemployment, we might not have had these six or eight million men out of work, we might have mitigated this horrible panic. But since he has waited and brought it in here now, I am in favor of considering it as an entirely new matter. We are not going to be rushed hastily into action either, and you are not going to get it passed by the 15th of December, if you get it passed at all, which I seriously doubt.

Yesterday I heard gentlemen on the Republican side of the aisle trying to leave the impression that we on the Democratic side are in favor of a "dole," and one gentleman very emphatically said that the Republican side of the House was not in favor of a "dole." A dole for whom? I am not in favor of a dole. But I am not willing to see men, women, and children starve. You are about to be asked to vote for a dole. Are you willing to give a dole to these international bankers?

Mr. REED of New York. No.

Mr. STRONG of Kansas. No.

Mr. RANKIN. All right. Then you are not in favor of these moratoriums or debt cancellations or reductions. I was as much surprised at the argument of the gentleman from Maine [Mr. BEEDY] yesterday as some were at his attitude. He intimated that we Democrats are in favor of a "dole." In 1930, when we were on the brink of this great catastrophe, the gentleman from Maine and those on his side of the House, except the progressives, whom your leaders have designated as "sons of the wild jackass," the majority of you, voted for the passage of the Smoot-Hawley tariff bill, which was a "dole" to the great predatory interests that had already grown fabulously rich at the expense of the American people.

Mr. STRONG of Kansas. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. Are you in favor of the dole for the international bankers?

Mr. STRONG of Kansas. No.

Mr. RANKIN. Ask your question.

Mr. STRONG of Kansas. Just a question. Would the gentleman be willing to put into the RECORD at this time those rates in the tariff bill to which he objects?

Mr. RANKIN. Oh, read the bill.

Mr. STRONG of Kansas. Then the gentleman is opposed to the whole bill?

Mr. RANKIN. The Fordney-McCumber tariff bill, yes; and also this Smoot-Hawley monstrosity.

Mr. STRONG of Kansas. Then the gentleman is opposed to all of the increases in agricultural rates?

Mr. RANKIN. Oh, let the gentleman——

Mr. STRONG of Kansas. I am asking the gentleman.

Mr. RANKIN. I do not yield further. Now, I understand the gentleman from Kansas. He represents the poor wheat farmers; that is, he represents some of them. I want to talk to him about his wheat growers in a minute.

They talk about a "dole" now.

In 1921, the day you voted for the Fordney-McCumber tariff bill, there were 21 individuals in the United States with incomes of a million dollars a year. In 1928, the last date for which we have been able to get definite figures, that number had grown to 511. It had multiplied twenty-five times. While the wheat growers of Kansas and the cotton growers of the South and the corn growers of the West, and all other farmers, had grown poorer, these individuals with incomes of a million dollars each had increased from 21 in 1921 to 511 in 1928.

In 1921 Mr. STRONG, the day you voted for the Fordney-McCumber bill, the day your party passed it, there were 63 people in the United States with incomes of between $500,000 and $1,000,000 a year.

In 1928 that number had grown to 983. They had grown richer. They had multiplied ten times, and at the end of that time when those of enormous fortunes had grown richer and multiplied their incomes from ten to twenty-five times you came in here and voted for this last tariff bill that gave them a further "dole" and levied a further tribute upon the toiling masses of the American people, including the people of Kansas, whom the gentleman [Mr. STRONG] so fondly represents.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. RANKIN. No. I want to talk to the gentleman about his wheat growers. Whenever you get on the nerves of any of them they get up and talk about the tariff on agricultural products. I want to talk about that a minute. Did you know that they led these farmers up on the hilltop and these men representing the agricultural districts to believe they were doing something for them by saying "We will write into the bill 42 cents tariff on wheat"? It was already 42 cents then, but the gentleman from Kansas fell for that. His party fell for it. Let us see what the result is to-day. You are selling wheat in Kansas to-day for less than 30 cents a bushel.

Mr. STRONG of Kansas. No; we are not.

Mr. RANKIN. All right. I will leave it to the other gentlemen from Kansas. The gentleman from Kansas [Mr. STRONG] is satisfied with the price on wheat in Kansas under this tariff?

Mr. STRONG of Kansas. No; I am not.

Mr. RANKIN. The gentleman from Kansas [Mr. STRONG] knows that wheat in Kansas is not bringing the amount of the tariff of 42 cents.

Mr. STRONG of Kansas. That is right.

Mr. SIMMONS. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. SIMMONS. If the gentleman from Mississippi [Mr. RANKIN] had the right to write a tariff bill, where would the gentleman place the tariff on wheat? At what amount?

Mr. RANKIN. Now, that is a wise (?) question.

Mr. SIMMONS. I am assuming that the gentleman knows something about the tariff. If the gentleman had authority to fix the tariff on wheat, at what figure would the gentleman put it?

Mr. RANKIN. There is no need putting an "if" on it. While I may not write it, my party is going to write it next year; but it does not make any difference about the tariff on wheat now. You have ruined the wheat farmer already.

Mr. SIMMONS. May I ask the gentleman a question?

Mr. RANKIN. I will answer the gentleman's question. The gentleman from Nebraska [Mr. SIMMONS] voted for that tariff bill, and the sop they got out of it in Nebraska was that it would raise the price of wheat when there was already a 42-cent tariff on wheat at that time, but, wheat was then 10 cents a bushel higher in Canada than it was in the United States.

Mr. SIMMONS. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. SIMMONS. The question is clear. If the gentleman had authority to write a tariff bill, at what figure would he place the tariff on wheat?

Mr. RANKIN. I am in favor of reducing the whole schedule.

Mr. STRONG of Kansas. On wheat?

Mr. RANKIN. On everything that now bears a tariff until we get it down to where it will restore the trade of the world.

Mr. SIMMONS. That does not answer my question.

Mr. RANKIN. That answers it.

Mr. SIMMONS. In other words, the gentleman admits that he does not know what he would do?

Mr. RANKIN. No. The gentleman from Nebraska admits he does not know what he has done. I refuse to yield further.

I now yield to the gentleman from Ohio.

Mr. COOPER of Ohio. My friend said he would lower tariff schedules until we established stable business conditions throughout the world. Does the gentleman mean by that that the United States has lost its foreign export since the last tariff bill was passed?

Mr. RANKIN. Of course, a great deal of it.

Mr. COOPER of Ohio. How much?

Mr. RANKIN. Well, I have not measured it, but it is enormous.

Mr. COOPER of Ohio. If the gentleman will get the facts, he will find——

Mr. RANKIN. The gentleman from Ohio contends that we have not lost our foreign exports?

Mr. COOPER of Ohio. I asked the gentleman from Mississippi if he contends that we have.

Mr. RANKIN. The gentleman is a Member of the House.

Mr. COOPER of Ohio. Yes. I do contend that we have not lost our foreign exports.

Mr. RANKIN. Since the gentleman is happy in that delusion, I am going to dismiss him and proceed with the discussion of wheat.

Now, I will say to the gentleman from Nebraska [Mr. SIMMONS], and the other Members from the wheat-growing States, that not only was wheat higher in Canada than in the United States before this bill was passed but this bill has provoked foreign countries into placing an additional tariff against you. One man who is well informed and who now dwells in a foreign country says it has done more than that. He said: "The country in which I live now requires an importer's license. They require an importer's permit from a board that is under no compulsion. They can grant it if they want to, or they can deny it if they want to. Then when it comes in he must pay the importer's tax; it has to be mixed with native wheat, one-quarter foreign wheat and three-quarters native wheat, and they must go through all kinds of inspections which makes it cost so much that it is more trouble and expense than it is worth to bring it in."

He says this American tariff has provoked the people of Europe to the passage of laws and regulations against products from this country, and that if the matter is not straightened out, we are going to find that in a very short time we will not be able to ship anything to Europe that can be made or produced in any of those countries, in any of their possessions, or in any of the countries with which they have open and reasonable trade relations.

Mr. HOPE. Will the gentleman yield?

Mr. RANKIN. Yes.

Mr. HOPE. The gentleman says the American tariff has provoked retaliation on the part of European countries in that they have placed higher rates upon wheat that is imported into those countries.

Mr. RANKIN. Not only on wheat but on other things.

Mr. HOPE. Is it not a fact that those rates apply also to wheat imported from any country just the same as from the United States?

Mr. RANKIN. Does that help the farmers of Kansas any?

Mr. HOPE. I am asking the gentleman if that is not a fact?

Mr. RANKIN. Does that help the farmers of Kansas?

Mr. HOPE. Does the gentleman say that these countries have raised their tariff barriers against the entire world because we have passed a tariff bill in the United States?

Mr. RANKIN. The gentleman ought to know that we have lost our South American trade. Right across the line in Mexico they have placed retaliatory duties on our agricultural commodities and those duties have done us more harm than your tariff has done the farmers good. The same thing applies to Canada. Our shipments to Canada have been greatly reduced, as the gentleman ought to know.

Now, gentlemen, you talk about a "dole." Every man who voted for those tariff bills voted to give a dole to those men who were already enormously rich, as was shown by the record of the Treasury Department. When they found they had destroyed their markets at home and abroad, what did they do? They shut their factories down and turned their workers out into the streets, yet when the gentleman from Alabama [Mr. HUDDLESTON], or any other Democrat, advocates doing something for their relief, you call it a "dole." You are willing to give a "dole" to the predatory interests. You are willing to give a "dole" to the lords of industry. You are willing to give a "dole" to those men who do not need it—and give it at the expense of the great masses of the American people. But when we come here, in the midst of this terrible panic, and attempt to bring about the passage of any legislation that will help feed the hungry millions of America, you accuse us of standing for a "dole."

Not only that, but two years ago you came in here with a bill to refund income taxes for the year before. You voted for it. You said it would amount to $160,000,000, but I am pretty reliably informed that it finally amounted to more than $225,000,000. Was not that a "dole"? It had been passed on to the ultimate consumers. The masses of the people had paid in profits. They could not get it back. You passed that bill, over my protest, and gave a "dole" to those men who admittedly were in the most prosperous condition they had been in for years.

Some of you seem anxious for us to do something. We are going to do something.

We are working out a program. We did not know until within the last few days whether or not we were going to organize the House, but we will work out a program, and it is going to take into consideration not only the business of the country but the great mass of the American people whom you have reduced to poverty by your short-sighted pandering to the predatory interests of America.

I hear the gentleman from Wisconsin [Mr. SCHAFER] say "Hurrah." That is in keeping with his usual argument. I would like to know what he is going to do to relieve the suffering people in Milwaukee.

Mr. SCHAFER. Will the gentleman yield?

Mr. RANKIN. Certainly.

Mr. SCHAFER. Modify the prohibition law and put about 25,000 people to work in that city and bring about prosperity. [Laughter.]

Mr. RANKIN. That is about as I expected. He wants to give them beer instead of bread. That is his idea of relief. But while your men are drinking beer, do you not think the women and children ought to have something to eat? Do you not think that in that cold, ungentle climate, with the thermometer below zero and the wind sweeping down in a terrific gale, that those women and children should have some shoes and clothes to wear and that those people generally should have some relief from this Republican prosperity? [Applause.]

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. RANKIN. I yield.

Mr. WILLIAM E. HULL. I want to get my own mind straight on this dole about which the gentleman is talking. The gentleman says we are giving a dole to the manufacturer.

Mr. RANKIN. I said you did give it to him.

Mr. WILLIAM E. HULL. Does that go to the manufacturer or does it really go to the man who is working in the factory?

Mr. RANKIN. I just told the gentleman.

Mr. WILLIAM E. HULL. I am asking for information, nothing else.

Mr. RANKIN. I just told the gentleman that many of them had closed down their factories and turned their men out into the streets.

Mr. WILLIAM E. HULL. Let us take one that has not closed down, where they have a duty on the article they are making and they are keeping their men at work. If they give a dole to such a manufacturer, does it not revert back to the men who are doing the work?

Mr. RANKIN. The answer is no.

Mr. WILLIAM E. HULL. It does not?

Mr. RANKIN. It does not.

If the President wants us to go along with him, let him come in with a message to reduce this tariff and reestablish world trade and bring prosperity to our people.

We Democrats are charged with responsibility. We expect to meet that responsibility. We are united. There is no dissension in our ranks. We are together, and with a united front we expect to move forward and to undo some of the things you have done to the American people during the past 10 years.

Henry Thomas Buckle, in his History of Civilization in England, states that the great reforms of the English-speaking race had consisted not in doing something new but in undoing something old. One of our greatest problems now is to undo some of the evils your party has wrought, restore prosperity, and give to the American people a new administration of equal and exact justice to all and special privilege to none. [Applause.]

Mr. SNELL. Mr. Chairman, I yield 20 minutes to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Chairman, ladies and gentlemen of the committee, on yesterday it was very vociferously declared by two or three of the gentlemen on the Democratic side that they proposed to give us a program, the carrying out of which would restore prosperity and bring us back again to happy days.

Much has been said with reference to the decline of stocks. You would naturally have supposed with such a declaration coming from the majority party here that stocks this morning would at least look up a little; that it would have at least encouraged hope and given a ray of sunshine for the future. Instead of that, what do we see? The morning papers, every one of them, disclose the fact that stocks reached the lowest point yesterday they have reached in all times. If a mere threat on the part of the Democrats to initiate a program has this effect upon stocks, in the name of God what will their carrying out of it do? [Applause.]

Mr. LEWIS. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. LEWIS. At the very same time the American public was reading the President's message. [Applause.]

Mr. WOOD of Indiana. Yes; but this was all offset by the fact they had heard declarations here from every side that the President's program would not be adopted; that you were going to substitute for it a program of your own, and by realizing that you have the majority here whereby you can disregard the President's recommendations.

Mr. BLANTON. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. The stock market yesterday closed at just about the time the oratory began here. [Laughter.]

Mr. WOOD of Indiana. I expect they anticipated it and closed a little early. [Laughter and applause.] These stock fellows have a wonderful power of divining things.

Gentlemen, I was a little surprised to hear the gentleman who has just left the floor, the gentleman from Mississippi [Mr. RANKIN], say that the legislation with reference to the moratorium would not be passed by the 15th, if passed at all, and that he has very serious doubt as to whether it will ever pass. Is this the character of support that the Democratic side is going to give the administration for the purpose of relieving the economic condition of this country? Is this the progress you are going to make toward getting us back again upon the road to prosperity? Before the President ever announced to the world his plan with reference to this moratorium, he did what he should have done, and the plan was concurred in, as it should have been concurred in, by a vast majority of the Democrats on this side, and a vast majority of the Democrats on the Senate side.

Now then, are you going to keep the faith? Are you going to act in good faith? Were you in earnest when you said it would be a good thing for the country? Do you propose to turn turtle on the proposition now? Are you going to prolong the distress in this country by reason of your inaction? You promised the world that you would give us action, and yet we are told that the thing that must be considered first if it is to be of any avail, will not be done within the time that it should be and that it is doubtful whether it will be done at all.

Let us see about this moratorium. The gentleman who just left the floor said it was done solely for the purpose of helping Germany. That is not true. It was not done for the sole purpose of helping Germany. That was the remote purpose. You talk about not getting pay from foreign countries. The one prime purpose of the moratorium was to make it possible to get our pay from the Allies. We all know that our debtor nations depend on the payments by Germany to these other countries. If the economic system of Germany had broken down so that they could not pay what they owe, in turn those who owe us would have the same excuse for not paying us.

I was in Germany directly after the war and I saw the German mark go down, down, down until it was a worthless scrap of paper. That same thing might have happened if the moratorium had not been granted.

It was announced through the press that Germany could not longer meet the increased payments and something had to be done. If that is true, if Germany should become bankrupt and unable to pay her debts to the Allies, they in turn would have the finest excuse for not paying us. The thing for us to do, the thing the whole business world wants, is to encourage Germany so that she can meet her obligations in turn and that the other countries can meet their obligations to us.

Mr. MAY. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. MAY. If the discussion of the proposition of the President to defer the payment by Germany for reparations affected the stock market in America, will the gentleman explain to the House why it took President Hindenberg and the entire cabinet weeks to prevent a collapse of the financial situation in the Republic of Germany?

Mr. WOOD of Indiana. Oh, that has nothing to do with it. Germany has her troubles, as we have our troubles. The gentleman from Mississippi lays the whole thing on the tariff.

Mr. RANKIN. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. RANKIN. In the first place the gentleman does not quote me correctly. I want to ask him, if granting a moratorium is going to restore prosperity, why is it that we have not had prosperity since last July, when the moratorium was first promulgated?

Mr. WOOD of Indiana. The gentleman has answered his own question. It is because of the doubt and uncertainty that Congress would ratify the moratorium. The public was looking for just such gentlemen as the gentleman from Mississippi to oppose it.

Mr. RANKIN. I never said that I was going to vote for the moratorium. I said at the time I was opposed to it and I have continued to be opposed to it.

Mr. WOOD of Indiana. Perhaps that is so. I do not know whether the gentleman promised Al Smith that he would vote for a protective tariff or not.

Mr. RANKIN. I did not.

Mr. WOOD of Indiana. But a great many of your people did. It was very popular at that time, so popular even that Mr. Smith sent out a request to every Democratic Member of the House and to every Democratic Member of the Senate asking them, imploring them, in order to save the ship from

sinking to pledge themselves to vote for a protective tariff, and they came to his relief in great numbers and signed it. Yet we see no evidence of the carrying out of that pledge. On the contrary, the gentleman from Mississippi [Mr. RANKIN] said that he would reduce all the schedules. He also cited the fact that by reason of this tariff, wheat in Kansas to-day is selling for less than the amount of the tariff. If that be true, I expect that if we took all of the tariff off and permitted the dumping of Russian and Argentine wheat and wheat from all the rest of the world into this country, it would increase the price of wheat in Kansas.

Mr. PARSONS. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. PARSONS. I understand that these payments from Germany are about $400,000,000 annually?

Mr. WOOD of Indiana. About that.

Mr. PARSONS. And that that amount is to be loaned back to the German people, and that interest will be paid to the amount of $14,000,000 annually. Instead of Germany owing $400,000,000 she will owe $400,000,000, plus one-tenth of this annual payment, or $40,000,000, plus $14,000,000 in interest, or $454,000,000. If Germany can not pay $400,000,000 this year, how will she pay $450,000,000 next year and the next year and the next year and so on?

Mr. WOOD of Indiana. That is a problem, but in answer to the gentleman, carrying on that same sort of logic, permit me to say we have a deficit in this country of about $2,000,000,000. It may be greater than that. Are we to say, because of the fact that we have that deficit now, that in the future we may not be able to clear it up entirely and get our country again on even keel? You gentlemen are looking into despair all of the time; you can not see any relief except in gloom. If we are to carry out a program of that character, of course, what you say would be true.

On the other hand, if the economic conditions of the world can be settled, if there can be a readjustment to meet these changed conditions that have come by reason of the war, ought we not to travel toward that end? Never in all time has there been a war where there was not also inflation, and there has never been a time as the cessation of a war when there has not been deflation. Deflation was kept off longer this time than at the close of any previous war, but finally it came. In every other instance it has taken a long time for us to readjust ourselves. I am not as old as Methuselah, yet we have gone through two or three depressions in my time. As a boy I remember that after the Civil War the depression lasted for seven or eight years. Prices were high and wages very low, and there was real suffering in this country. Starvation did exist then in the country. Thanks be to God nobody has starved in this country yet, and I do not believe anybody will starve in this country. [Applause.]

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. The gentleman was in this Chamber on May 3, 1917, when Premier Viviani and his French high commission were on that rostrum, and through the shedding of tears and the kissing of cheeks they promised this country that they would pay back the money that was loaned them. Does the gentleman mean the people of the United States to understand that the payment by France and our other Allies of the debt they owe us is dependent upon the reparations that Germany pays them?

Mr. WOOD of Indiana. Yes.

Mr. BLANTON. Not altogether.

Mr. WOOD of Indiana. No. Not altogether.

Mr. BLANTON. It is a national debt that those countries owe.

Mr. WOOD of Indiana. Not altogether, no; but it affords them a splendid excuse for not paying. I agree with the gentleman from Texas [Mr. BLANTON] that of all the ingratitude that was ever paid by one nation to another, none equals that which has been paid to this country by France.

Mr. RANKIN. France did not ask for this moratorium; it did not come from France; it came from the international bankers.

Mr. WOOD of Indiana. Oh, the gentleman goes wild about the international bankers. It occurs to me that instead of decrying the rich, instead of discouraging the sources from which money may be expected to come to put the furnace fires going again and to make the wheels buzz in busy industry and give employment to men, we would better bend our efforts toward encouraging business enterprise, rather than be trying to keep money in the hole where these depressed conditions have driven it.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. BANKHEAD. The gentleman, by what he has already said, seems to indicate that it is in the nature of a duty on the part of the Democratic Party under the existing circumstances to follow the recommendations of the President as to the moratorium. The gentleman seems to assume the attitude in advance that the Democratic Party will oppose the President's proposition. So far as I am informed, no such conclusion has been reached.

Mr. WOOD of Indiana. The gentleman from Mississippi, who assumes to speak for the gentleman's side, has said already that he will not vote for it, and that he never promised to, and that the legislation necessary may not pass at all.

Mr. BANKHEAD. That may be the individual view. I do not know what the individual views will be after we have conferred about this proposition, but the question I wanted to ask the gentleman is this: Following up the suggestion of the gentleman that the Democrats should support the President's proposition and that we should do so, and that is followed by a proposition I think is fairly prophesied to-day, of the President having to suggest a cancellation or material reduction of existing foreign debts, will the gentleman and his party ask us to go along with him in that respect?

Mr. WOOD of Indiana. The President has not advocated the cancellation of the debt, and, as far as I am individually concerned, I will never vote for the cancellation of a dollar of it. [Applause.] The fact of the matter is we have been too liberal with these nations already.

Mr. RANKIN. Who has?

Mr. STRONG of Kansas. The Democrats loaned the money.

Mr. WOOD of Indiana. We did not get anything for our help. We did not ask anything. All we are getting to-day are curses and payments in checks of ingratitude.

Now, while listening to the gentleman from Mississippi [Mr. RANKIN] I was surprised to hear him say that it was the Fordney-McCumber tariff bill that was the incipient cause of this crash; that it destroyed our export trade. In the discussions of the Fordney-McCumber tariff bill on this floor I heard gentleman after gentleman on the Democratic side get up and say that if this iniquitous tariff bill became law it would absolutely destroy our exportations and our importations. At that time the revenue derived from tariff duties upon imports into this country was about $300,000,000 a year. In less than a year the revenues derived from importations into this country amounted to more than $600,000,000 a year—more than double. Likewise the exports more than doubled, showing, if you please, that the fallacious argument then advanced did not prove true. Now you are saying that the present condition of exports and imports of this country is caused by reason of the Hawley-Smoot tariff bill. It has nothing in the world to do with it. I say to you gentlemen on this side that I can not believe that you will all subscribe to the proposition laid down by the gentleman from Mississippi that the tariff should be lowered upon all of these schedules for the purpose of bettering the conditions of America and Americans.

The gentleman from Mississippi specifically refers to what has been done by reason of the tariff against things raised in

Mexico. I ask the people of Florida if they are going to subscribe to the proposition of taking the tariff off or materially reducing the tariff on vegetables that are raised in Florida? Next to fruit, the principal products of Florida are their vegetables. Gentlemen from Florida were here within the last few weeks before the United States Tariff Commission asking that the tariff be increased for the purpose of saving them from the ruinous competition of Mexico.

The gentleman from Mississippi is a free trader, pure and simple; he would join those who would tear down every customhouse in this country and permit everything to come here free and go out free.

Mr. RANKIN. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. RANKIN. The gentleman has no foundation upon which to base that statement. I said I was in favor of reducing the tariff to a point where it would restore world trade and prosperity, and I would equalize it throughout the country; but I have never entirely gotten away from the fundamental policy of a tariff for revenue only.

Mr. WOOD of Indiana. That is just another name for a free trader. But a great many of your people profess to have gotten away from it. I wonder how Mr. John J. Raskob and Mr. Al Smith, in their next campaign, will talk with reference to this thing. They proclaimed in the last campaign that they were just as good and strong protectionists as any Republican.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. PURNELL. I yield to the gentleman from Indiana [Mr. WOOD] five additional minutes.

Mr. WOOD of Indiana. The gentleman from Mississippi [Mr. RANKIN] now says he would have this tariff reduced for the purpose of restoring equilibrium between all the people of all the earth. That is a beautiful dream. If all the people of the earth had the same ideals, if all the people of the earth were raised under the same advantageous conditions, if all the people of the earth had the same ambitions as those who are born and raised under the Stars and Stripes—to rise to a higher plane than that of serfdom—then I would like to see his ideal consummated; but, unfortunately, that is not the case. The gentleman says he would lower the tariff for the purpose of bettering America and Americans. Does the gentleman think that by lowering the tariff he could better the conditions of our millions of workmen? One of the very purposes of the protective tariff is to take care of American laboring men, and it is of more benefit to American laboring men than to anybody else in this world. Yet, for a long time workmen were deluded by the sophistry coming from the Democratic platforms and speeches that they were being ruined by the protective tariff. The scales have fallen from their eyes, and I say to you gentlemen that you need not think longer that you can get the support of the workingmen of this country by tearing down the tariff walls which protect the workmen against the slave labor of South America and against the equal slave labor of continental Europe.

Mr. BLANTON. Will the gentleman yield?

Mr. WOOD of Indiana. I yield.

Mr. BLANTON. The doctrine which I have heard the distinguished gentleman from Indiana preach for the last 15 years is that the occupant of the White House should attend to his executive business and let the Congress of the United States attend to its legislative business. What does the gentleman say about his old doctrine?

Mr. WOOD of Indiana. I am still in favor of that. [Applause.] I think the President of the United States has well attended to his business. [Applause.] Under the Constitution it is the duty of the President of the United States, at the convening of each Congress, to either bring or send a message, advising as to the condition of the country and to make such suggestions as he thinks for the welfare of the country.

Mr. BLANTON. In vacation, however, what are his duties with respect to legislative matters?

Mr. WOOD of Indiana. He has not anything to do with legislation when there is no legislative body to legislate.

The people of this country have had many afflictions, but they might have had many more if we had had an extra session of Congress. They might have had more if we had been here wrangling throughout the summer as we are here wrangling now, instead of trying to do something to better existing conditions. Gentlemen, it is time for us to get to work if we are here really trying to represent and help our people. Irrespective of party lines we should stand together as we stood together during the war. If we are not in accord with the things which the President suggests, let us suggest something else.

I am quite sure there is no one in this world who would be happier than Herbert Hoover if, perchance, you gentlemen could evolve and give to the world something that will relieve this distress. He would sign such a measure with celerity and be most thankful that a way had been found out of our distress. Now, gentlemen, that is our mission here. That is the duty we should perform, and especially is that the duty of the Democratic side, who will be charged with the responsibility for this performance of duty. [Applause.]

Mr. RAINEY. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. OLIVER]. [Applause.]

Mr. OLIVER of New York. Mr. Chairman and my colleagues in the House, of course I was interested in the address of the gentleman from Indiana. I was inspired by it. He said that as soon as the Democrats announced that they would have a program the stock market went down. Let me tell him that every time in the last two years a Republican Cabinet officer predicted that prosperity was around the corner the stock market went down. [Applause.] When Andy Mellon would say that happy days are here again, down would go the stock market. Doctor Klein, of the Department of Commerce, was often heard to say, "Good times are right around the corner. The Republican Party will bring them right over." Every time he spoke the stock market went down. When Herbert Hoover came before the American people to tell them what benefits were about to flow from the Republican Party, down would go the market with a crash. The bears cheered whenever a prominent Republican spoke. And now that we have received two of the President's messages the market has fallen so low that the stocks will soon be off the boards with no bidders. The slump in the market did not follow the announcement of a Democratic policy, but it followed the logic of the devastating and destructive policies of the Republican Party for the last 10 years. [Applause.]

I missed something from the President's message. I wonder why he did not make some allusion to it. I missed the noble words of his speech of acceptance. I think I ought to call his attention to the fact that his message does not sound the same as his speech of acceptance. What did he say then?

> One of the oldest and perhaps the noblest of human aspirations has been the abolition of poverty. By poverty I mean the grinding by undernourishment, cold, and ignorance and fear of old age of those who have the will to work. We in America to-day are nearer to the final triumph over poverty than ever before in the history of any land. The poorhouse is vanishing from among us. We have not yet reached the goal, but given a chance to go forward with the policies of the last eight years we shall soon, with the help of God, be in sight of the day when poverty will be banished from this Nation. There is no guarantee against poverty equal to a job for every man. That is the primary purpose of the economic policies we advocate.

The abolition of poverty was the promise the President set out to redeem when he accepted the nomination. When you read his present message, all you find in it regarding the performance of that promise is a gruesome account of a disaster unprecedented in the history of the Nation which has befallen the country under Republican guidance.

He said in his acceptance speech:

> At one time we demanded for our workers a "full dinner pail." We have now gone far beyond that conception. To-day we demand larger comfort and greater participation in life and leisure.

He surely has given the workingman plenty of leisure. But he has not even a dinner pail, and he has not breakfast, dinner, or supper to put in a pail if he gets one.

I want to measure in words how that promise was kept. When Col. Arthur Woods was appointed by the President as director of unemployment last year, he stepped from the White House after a conference with the President and, when asked by the newspaper men what he thought of the condition of the country, he replied, "We are in a race with misery." Mr. Gibson, the present chairman of the unemployment committee in New York, the other day, up in my district, made a speech on the condition of the country, and said, "Oh, give, give quickly, lest the people starve." That measures the performance of the promise made by the President. His own message confesses his disastrous failure. He made that promise to the masses of the people to get their votes. He reached the heart of the American people when he made that promise. We all yearn to be safeguarded against poverty. Fear of poverty is one of the most destructive forces known to mankind. Therefore the lure of the President's promise had tremendous power. Every man wants a job. He wants promotion in due course and pay enough so that he may put something aside for old age. Those are the essential things in every man's plans and ambitions. And the President in seeking votes reached down into the hearts of the people and deluded them in their most cherished hopes by stating that he and the Republican Party would abolish poverty. That statement was the most demagogic ever uttered by a candidate for public office in America. He knew at the time he made it that he could not keep it. He sought votes; what difference did it make if to get them he deceived and deluded the people of the country? It got the votes.

Now the time has come when he sends a message to the Congress asking us to declare practically that a state of war exists and that his promises are broken and his pledges have collapsed. He says that the instrumentalities of government which were used during the war should be recreated that he may salvage something from the wreck of the broken promises and stupidities of the Republican Party. And the gentleman from Indiana talks of the stock market!

Oh, the gentleman from Indiana [Mr. WOOD] does not serve the cause of common sense very happily by alluding to the Democrats sneeringly.

I wondered why when he was making that speech he did not drag out that old sign they used to put up around the farms and in store windows all over the country, "Prosperity at home; prestige abroad—vote for the Republican ticket." And that more recent champion vote maker, "Good times with Hoover." In the next campaign we ought to make a sandwich sign with one of those mottoes on the front and one on the back and put it around the neck of the dear old gentleman from Indiana and send him through the country as a missionary for the Republican Party just to give the unemployed a laugh. That is all they can get out of life just now. The Republicans can not take away their sense of humor. They like the ridiculous. Let him go out with the old signs, "Prosperity at home—prestige abroad with the Republican Party." His dinner pail will not be full of votes when he comes back.

He can not delude the House. He talks about the gentleman from Mississippi [Mr. RANKIN] opposing the moratorium and he charges that it proves that Democrats are not standing by the President. Why, the other day a great Senator from California, a Republican, coming across the continent, said he was going to pledge his life in the battle against the moratorium. The gentleman from Indiana ought to use some of his forensic eloquence to get the Republican Senator from California to stand by the President.

Is there unity on the Republican side on the moratorium? I have not heard of it. I know men on that side of the aisle who fear for their political lives if they support the moratorium. If the gentleman from Indiana has any speeches to make about standing by the President, let him try them out on the Republicans first and see how they go. Let us have an account of how they stand on the moratorium.

Oh, stand by the President, said the gentleman from Indiana, and so said the gentleman from North Dakota [Mr. JOHNSON] yesterday. Why have these Republicans any right to ask us to stand by President Hoover? Who are these teachers? What have they done for President Hoover that they would like us to copy? Did they stand by him when he vetoed the bonus? Why, they overrode his veto of the bonus with a cheer and an enthusiasm and a disloyalty that amazed the Democrats on this side. Did they stand by the President when the President asked them to support his veto of the bill to give decent hours to postal employees? Oh, no; they did not stand by the President then. They rode roughshod over him with a unanimity and alacrity that was astonishing for men who are now asking Democrats to pledge allegiance to the President.

And on the tariff! Why the gentleman from Indiana speaks of the tariff in the same speech in which he asks us to stand by the President. Let me read him what the President recommended about the tariff. On April 16, 1929, he said:

> I have called this special session of Congress to redeem two pledges given in the last election, farm relief and limited changes in the tariff.

Limited changes in the tariff!

That is what the President recommended. Now, let us see what these gentlemen who ask the Democratic Party to cooperate with the President did.

The tariff bill was started on its way by the Republican Members of the Ways and Means Committee. They held secret sessions, no doubt studying the President's message calling attention to the Republican pledge in the last election for a limited revision of the tariff. Out of the councils of the Republican members of the committee came the bill. Did they keep faith with the President? Did they keep faith with the Republican campaign pledge? No! The bill made an unlimited revision of the tariff, all rates up. All of the patriots who now claim they are supporting the President and who are now calling upon us to support him flouted both the President and their plighted word to the country. Then what happened?

The bill was under debate on the floor here for a week or so when it was suddenly taken off the floor and out of control of the House and was given over to a Republican caucus. They locked us out. They locked the press out. They locked the country out. Removed from the censorship of the people the caucus considered the bill secretly. The people were locked out and the bill and politics were locked in. It was there that orders were given that they carry out their promises to campaign contributors to lift the rates. The scientific tariff makers of the Republican Party wrote the sacred rates and their exact and equitable findings under the guidance of the competitive greed of the factions which they call a party. Then the Republican members of the Ways and Means Committee were directed to write out the details of the bargain in the form of a bill for the people to pay. All of that time the President was sitting in the White House still proclaiming to himself that he wanted a limited revision of the tariff.

Oh, these gentlemen who want to teach loyalty to the President should look back a little bit into their own records to find out whether their action was loyal or not.

Why, the gentleman from Pennsylvania [Mr. BECK] in the course of the debate arose on the floor and in a brilliant and able speech pointed out a section of the bill which the President asked for and by which the President was given the taxing power which the Constitution gave to the Congress. The President wanted the power to raise and lower taxes without the bother of consulting Congress or facts. He yearned for a power which kings do not possess. And Mr. BECK in flaming tones called the President's attention to what Cromwell had done to Charles I. Although they were very dear friends, Cromwell cut Charlie's head off because he wanted the same power that

the President asked for. It was the only way Cromwell could think of to discourage him. And Mr. BECK told the President on the floor of this House that the same thing that happened to Charles might happen to him. Oh, what harmony, what unity there was in the Republican ranks then!

Then the bill went over to the Senate for fattening. When it came back the provision giving the President monarchical authority was stricken out by loyal Republicans. Mr. BECK was saved the pain from which Cromwell suffered. Every single one of the Republicans in the end voted for that. They did not stand by the President. They deserted the President and deprived him of his fondest desire. They ran away from him. They defied and flouted the President. But the President's head was saved from Mr. BECK. They fled from him to save him.

His leadership was not a leadership they respected or feared. When they brought the bill to the White House, although two-thirds of the Republican papers, 1,000 economists, and an indignant nation called his attention to the plain and honest fact that his demand for a limited revision had been violated, that his sacred party pledge would be broken if he signed it, that trade would be made stagnant, that commerce would be destroyed, that hundreds of thousands would be unemployed if he signed the bill—he signed it with a flourish and an expression of gratitude to its authors.

When they laid it on his desk in the White House the forces of Mr. Grundy, with his campaign list, were evidently there. The President kept faith with the contributors and broke faith with the people. Oh, what a leader! They chained and bound the President of the United States and made him sign. Yet these very men are now asking us to stand by the President.

They never stood by the President. The President did not stand by himself. There never was any intention on their part to stand by the President. There is not a man who ran for office in the last campaign who said "I am going to stand by the President" that did not die in his tracks. You gentlemen are not going to stand by the President.

But he is a great engineer. Yes; one of the greatest in the world! Some one said in two and a half years he drained, ditched, and dammed America.

Stand by him until election day. I challenge the party of the opposition to stand by their President. Nothing will suit us better. The bravery of it will be inspiring.

The first plank in the new program of the Democratic majority will be, "Put the Republicans out." I do not know of any method of putting them out that could be more successful than to get you to stand by the President. [Applause.]

You have taken credit for the benefits of the blessings of the sunshine, and now you are going to take the blame for the evils of the moonshine you have been spreading around.

The Democratic Party is a united party. We fear no fight from the Republican side. We ask no quarter, and we will give no quarter. When your hypocritical plea is made to us by men who abandoned the leader of their own party—when the plea is made to us to stand in the place they so dread to stand in—it falls on deaf ears.

The Democratic Party will stand united behind its program. Now, Mr. Mellon comes in and asks for an increase in taxes to pay a deficit of $2,000,000,000. I wonder if the American people think that a Republican administration is worth that much money to them. Mr. Mellon wants to put 1,700,000 poor people back on the tax rolls. He seeks your help. It will give them a greater interest in government and in you. What did they gain when they put you in? What can they lose when they put you out?

The gentleman from Indiana [Mr. WOOD] is worried about the moratorium. He will support this one, but no more. He will not support any move to cancel the debts. But the President recommends the reestablishment of the Debt Funding Commission. Why does anyone worry about that? The President has consistently followed the policy of blaming the distress of America on Europe. He is going to follow the policy of helping Europe first because under his theory when Europe feels better the United States will cheer up. In his second administration he will do something for America. That is the policy of the President. [Applause.]

The gentleman from New York [Mr. SNELL], the newly elected floor leader of the Republicans, strode over the corpse of the gentleman from Connecticut [Mr. TILSON] to the White House the day of his election and told the President that the Republican Party would never stand for the cancellation of debts, under any conditions. He acted in a true spirit of cooperation.

What other reason did he have? I will tell you why he did it. Because every newspaper in the country had reported that the President of the United States was going to help the European countries to transfer their war debts from the pocketbooks of their taxpayers to the pocketbooks of the American taxpayers. There is no question that that was and is the President's purpose.

Did Mr. SNELL stand by the President and try to help him out? He told him the Republican Party would never stand for that program. We all know Mr. SNELL. He was chairman of the Committee on Rules for years. When he tells somebody something, he just tells him. He means what he says. He speaks as a master, an able and direct man. We know that when he went to the White House and spoke to the President that he gave Mr. Hoover a chance to add another chapter to his autobiography entitled "Congressmen I have worked for."

He worked for Mr. HAWLEY on the tariff, and now he will work for Mr. SNELL. And he will give up his leadership to those who are plotting to ruin him politically as they did Mr. TILSON. Take that big table downstairs in the restaurant, where Mr. TILSON and Mr. SNELL broke bread for eight years. That is the plotters' table. That is where the conspirators meet. Gone is the laughter and happiness that hovered there! Now only whispers and scowls of disturbed souls. They will lay the political head of Mr. Hoover in the middle of that table pretty soon and toast it. These are the conspirators who want us to stand by the President. They ask us to give our allegiance to a cause which they have deserted. Down at the big table in the restaurant the plotters are at work.

Oh, stand by the President! Out from California comes a Senator—a giant, striding across the country—and I say this to prove the unity, the fraternity, the amity, the affection, the love, the heart-to-heart affinity within the Republican Party—this giant storms forth with a prayerful appeal to Mr. Hoover to do the Republican Party the greatest favor that could possibly be conferred on it by refusing to run again. He wants Mr. Hoover to cut off his own head. What unity! What harmony!

It sounded good to the ears of the plotters who secretly work to break the political career of Mr. Hoover. They remember that when Mr. Hughes ran for the Presidency he went to California and refused to meet the same Mr. JOHNSON. I recall that on election night in New York that the newspaper men went to his room at midnight and asked for an interview. The butler responded, "The President has retired." In the morning when the returns were counted Mr. JOHNSON and California had "retired" the President of the United States. This is the same Mr. JOHNSON. It is the same Mr. JOHNSON who ran as Vice President with Theodore Roosevelt on the Bull Moose ticket, when the Republican Party was driven into Utah and Vermont, the only States charitable enough to give it refuge. Quarantine signs were up everywhere else. This same great Republican wrathfully advises President Hoover that the greatest favor he can do to the Republican Party is to retire or face banishment to Utah or Vermont.

Yet you ask us to stand by the man doomed to the untimely political death prepared by you for Mr. Hoover. Oh, no, you stand by him. We challenge you to stand by him. You have never done it since his election and you won't do it now. [Applause on the Democratic side.]

The Democratic Party will not take its leadership from that side of the House. It is up to you to follow Mr. SNELL,

the great progressive. He looked up his family tree lately and found out that he was "a son of a wild jackass." How progressive he became when the subject of the liberalization of the rules came up. Why did he favor it a week ago after opposing it for years? Just to kill off our good friend, your former able leader, Mr. TILSON. He did it just to play on the credulity temporarily and the votes of those poor fellows in your party who said that they would vote for a progressive and not a reactionary. Oh, poor Mr. TILSON! The political death and humiliation of that great and loyal friend of President Hoover is the most significant act of treachery on the Republican side in the beginning of their campaign of duplicity and hypocrisy in asking us to stand by the President. They will express their affection for the President in flowers, provided he accepts Senator JOHNSON's invitation to retire quietly in the interest of the public and the party.

The Democratic Party is not deluded by the gentleman from Indiana [Mr. WOOD]. We are accepting no invitations to a party that is over. The greatest constructive service that can be rendered to the American people would be the obliteration of the Republican Party. That is constructive.

Mrs. KAHN. Destructive.

Mr. OLIVER of New York. Oh, there is nothing left to destroy. You have been destroyed. You are down to fragments and figments of the imagination. We will follow our own course. We have our own leaders. I see four or five gentlemen over there whom I saw the other night at the Fox Theater. These loyal Hooverites, these men who are so devoted to the President, were there. The President's picture was shown on the screen. He made a fine speech, a very lovely speech, but these gentlemen did not applaud. Neither did anyone else. They sat there in silence, these men who love the President. The next picture was of Mussolini, and, oh, how they applauded him. I thought that their Republican hands would split. Then came a picture of Gandhi. They applauded him. They gave him an ovation. With an overhead of one pair of diapers he was stripped down to what the American business man will be stripped down to if the Republicans stay in power much longer. [Applause and laughter on the Democratic side.] If we are to learn loyalty, we will never learn it from that side.

Mr. WOOD steps out as a missionary. I remember one time there was a great strike in Pennsylvania. There was a lawyer for the operators there. He was making a speech to the striking miners. He said, "We are all missionaries in the vineyard of the Lord." A little Irishman asked him, "Did you say you are a missionary?" "Yes," said the lawyer. The Irishman then replied, "I wish the Lord would make me a cannibal!" [Laughter.] When Mr. WOOD goes out as a missionary for the Republican Party he will find a great many cannibals in America if he will carry that old prosperity sign and ask votes for the Republican Party.

Every nation on earth has turned against us. "Prestige abroad!" With humanity yearning for friendship you struck a blow which put the world on guard. You extol your tariff. But remember the power to tax is the power to destroy. You lifted your tariff tax so high that you closed the doors of America to the commerce of the world. You put an embargo on the golden stream of trade. In retaliation in every capital of the world they have placed barriers against our trade. Trade which is the one source of wealth and prosperity has been strangled and made stagnant by your tariff. The explorers of old by valor and daring sought out routes of trade to enrich their countries and upbuild a world. You by your tariff have blocked the routes and impoverished a world.

Trade is the one thing that counts. Banks do not trade. They are only the vaults into which trade puts the riches it earns. Banks are only the servants and aids to trade. When you strangle trade you strangle banks. When you strangle trade you create unemployment. Banks do not employ the masses of the people. Trade employs them.

Why is it that hundreds of American factories are going to Canada, going to England, going over to Spain, to Germany, to Italy, and France? It is because capital can no longer employ American labor and still trade. It must leave these shores and employ foreign labor. The result of an embargo tariff and free trade is the same. Capital is driven to foreign shores, where it takes advantage of the cheap labor of other lands.

There is an old Roman expression, "Taxes are the cause of wars." Europe is warring against us now. American capitalists are closing their factories in the United States and squeezing their labor out into the streets. They are opening factories in Europe and swinging open the doors to let in the foreign labor of Europe. When the President signed the tariff bill he blew the whistle that put 7,000,000 men on the streets. Do not forget that! Work is over. Work is stopped. It can not go on again until the Democratic Party comes in and knocks the graft out of the tariff act.

You can not delude the people of the country. You went into caucus on the tariff and made rates to pay back your campaign contributions. They say that a campaign contribution to the Republican Party is like water to an old pump. The first pail of water you pour in to make it suck is the first water to come out when you work the handle.

Mr. SCHAFER. Will the gentleman yield?

Mr. OLIVER of New York. No. I am only yielding to the loyal friends of President Hoover. [Applause and laughter.]

Two thousand years ago a humble Man said, "The poor you will always have with you." In the last campaign a great modern statesman said, "We will abolish poverty forever from America by the beneficent policies of the Republican Party."

Now, you hear the footsteps of 7,000,000 men tramping on the rotten planks and broken promises of the Republican Party. They are back to the realities of 2,000 years ago when they were taught the first petition of the Lord's Prayer, "Give us this day our daily bread."

What has the President done for them? He recommends help for the banks, moratoriums for Europe, scaling down of war debts and a continuation of a strangulation tariff policy. How many men will this put back to work?

You want us to surrender to the Republican Party. No. We will not surrender. We are on the eve of one of the most tremendous victories that ever crowned a righteous cause. In 1932 this fight will be consummated by the election of a Democrat. [Applause.]

We are in no mood to dillydally with you. I violate no confidence when I say that the first step in our constructive program is to put the Republicans out. The second step is to keep them out. These are our first measures. I see the gentleman from New Jersey [Mr. STEWART]. For nearly 20 years the Republicans had that district by a majority of 30,000. When this dignified statesman stood up before the people, with his high character, his wonderful integrity, and said the Republicans were without a leader, that they destroyed the country, the people believed him, and elevated him to the distinction that he will now honor as a Member of this House. [Applause.]

I see my friend from Texas. Read and shiver. Read and tremble. We are not going to surrender to the dead. Two Democrats ran against one Republican and each one of the Democrats beat him, and the best man won. [Applause.]

[Here the gavel fell.]

Mr. OLIVER of Alabama. I yield 10 additional minutes to the gentleman from New York.

Mr. OLIVER of New York. From Michigan comes another. For 18 years that State was held by the Republican Party. Now they are buried so deep that there is no excavating machine that can find them. Read that and tremble. The high hat must come off, gentlemen. You can not wear it around here any more.

Where is that old slogan they used on the workingman the day before election, the one that the factory superintendents shouted in the yard. "If you vote the Democratic ticket, the factory will close and you will lose your job." That old fake is dead. That is killed. The factory is closed now. You can not play that any more on the people. "Good times with Hoover." What a slogan that was!

"Abolish poverty with Hoover." They worked once and are entitled to a second trial. We see the soup lines in the great cities of the country longer than ever in history, the poor more haggard and despondent than ever before, the poor whose welfare was to be guaranteed better than by an insurance policy through the beneficial program of the Republican Party. This administration has distinguished itself by bringing in an era of suicide and soup. That shall be its grand achievement in history.

Doctor Klein, of the Department of Commerce, the other day said in a tone of satisfaction, as if the Republicans had at last done the thing for which they were destined, "Business has reached the bottom." Reached the bottom? I do not know. You still have a year and a half to go, and we can not tell whether it has reached the bottom without knowing the depth of the pit you have dug for it.

The American people are aware of the contest. They want no surrender in the fight between plutocracy and the masses of the people. The delegation they have sent here does not intend to subscribe to the doctrine that the Government is here to make a few people rich and to grind the millions down. We will not subscribe to the doctrine that a few men shall own all that is worth owning and that the rest of us shall be mere trespassers in the land of our birth. The feudalism of great wealth and luxury which a few men own while the millions nibble the crusts that charity doles out to them and their children is your creation. It is the monument to yourselves which you have built up in the land of liberty and equality. You have created a surplus of greed and a surplus of need. The warfare is on. No quarter is asked. No quarter will be given. The fight between plutocracy and democracy is on. No plea for cooperation from the traitors to the President will be listened to with patience. When Mr. TILSON gets up on the floor, he who stood by the President, who died for him, and asks us to cooperate, we will know that his plea is sincere. But when it comes from the hypocrites who destroyed Mr. TILSON for that friendship, from the hypocrites who are plotting to eliminate the President from the contest, from the hypocrites who conspire to drag him from the place to which they so mistakenly elevated him, we will not listen to the plea for cooperation.

Our enmity is open and aboveboard. We are interested only in the American people. We will cooperate with them. We will cooperate with them in the restoration of the Government to an honest party in the interest of the masses of the people. We shall not make millionaires of a few and paupers of the many. We are going to fight a square fight. Our program will be announced. I say to you men who are about to die, Democracy challenges you, challenges you to stand up and fight. You seem to be trembling in your boots. You seem to have lost all of your assurance. You seem to have lost all of your courage, poor, defeated, divided souls. Cheer up. Remember "Good times with Hoover." We challenge you to fight by his side. When the die is cast you will find that you will need only one aisle over there for all the high hats that the Republican Party can send back to the Congress. [Applause.]

Mr. MICHENER. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. LAGUARDIA]. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, the subject of my remarks to-day is A Poor Start. The first session of the Seventy-second Congress has indeed made a bad start. I want to submit to the membership of this House that ordinarily and under normal conditions, if everybody in the country were working, the remarks that have been made on the floor of the House for the past two days would make very interesting and amusing reading after a good supper. Under those conditions this party sniping and oratorical repartee would be amusing; but I want to say to the gentlemen who have described very graphically the critical economic conditions of the country and the needs of several millions of our fellow citizens that this is no time for Democratic or Republican politics and political speeches, but we should get right down to the task before us and commence doing real work immediately. Let us stop all this; complete organization so that our committees can get to work immediately. [Applause.] It would be far better for the country if we organized our committees and set to work.

It has been repeatedly stated that the crisis confronting the country to-day is as serious as it was when we were called into special session of the Sixty-fifth Congress in 1917, when this country entered the World War. I personally believe that it is. No one who served with me here can successfully accuse me of being unduly partisan. I distinctly remember that when we came here in the Sixty-fifth Congress it was not five minutes after we organized before President Wilson made his speech and we got down to business. I remember the venerable and distinguished gentleman from California, Mr. Julius Kahn, going arm in arm with the gentleman from Alabama, Mr. Dent, down to the War Department and coming back to their committee to prepare the necessary legislation. The same was true of the Committee on Appropriations; the Committee on Agriculture, in connection with the food bills; the Ways and Means Committee brought in the Liberty loan bill with a unanimous report. There was some slight crossing of issues at the time, but everyone pledged himself unselfishly to support the cause. The safety of the country was at stake, and a united Congress backed the President. Gentlemen, if we could do that in a crisis which was not as far-reaching as confronts us to-day, surely we ought to cut out politics now, get down to business, and do something for the millions of unemployed people. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Not now.

I submit that there will be plenty of time for politics this fall. There will be plenty of opportunities for speeches during the campaign. There will be plenty of time for that.

I am not going to join issue with my genial friend from the city of New York [Mr. OLIVER], who talks about the unity of his party, but let me make one suggestion as an earnest of that unity: I wonder what he and his Tammany colleagues would do if his Democratic colleagues from the South should select as the Samuel Tilden of our day Judge Samuel Seabury as the Democratic presidential candidate next year? [Applause.] I would be inclined to vote for him if my Tammany friends would do likewise.

Gentlemen, the President sent his message to Congress. Again, I certainly can not qualify as a supporter of the administration. But there are certain recommendations in this message which should demand immediate consideration. Let us get to them. The message does not go far enough to suit me, but it is an index of our present ills and it is at least a starting point for legislative action. There are startling statements in the President's message which should immediately absorb the attention of the Congress. The President enumerates among the causes of our depression "unsound foreign investments and the mismanagement of financial institutions," and couples with it recommendations for a "sounder banking system." There is something for Congress to work on right now.

The President makes the further recommendation that there should be necessary changes made in our banking laws. Why not get the Committee on Banking and Currency busy on that at once? Another useful idea in the message is the statement that "Our people have a right to a banking system in which their deposits shall be safeguarded." Then there is the Federal reserve system which requires legislative attention, and yet no indication or seeming inclination to get down to business. The railways, antitrust laws, the Shipping Board; if we are to discuss the President's message would it not be far more constructive to take up these subjects for serious and pertinent consideration instead of continuing repeated recriminations? What greater subject is there than unemployment? Surely, we must do something. Talking about it and accusing each other will not solve the problem, neither will it appease the hunger of any unfortunate unemployed.

I want to submit to the gentleman who yesterday took the floor—and I know that many of you will not agree with me—that I can go down to the market here in Washington

and buy a parrot for $2, and in one day I can teach it to say the word "Dole, dole, dole"; but that parrot would never understand an economic problem, no matter how long and how patiently it were explained to him. By the sinister use of the word "dole" and trying to stigmatize necessary and proper governmental relief, we are not going to solve this problem or avoid congressional responsibility. We have got to go to the fundamentals and we must do something affirmatively. No matter what you may call it, many hundreds of thousands of people in my city and many millions throughout the country are now the recipients of public charity. With all of the best of intentions and kindliness the situation is humiliating. I say, gentlemen, that the situation is very, very serious; so serious that I earnestly believe that the issue before us is not the success of the Democratic Party and it is not the success of the Republican Party. It is the very preservation of the Union. [Applause.]

We can not continue in this way. We may pull through this winter under the system and policy which we are following, namely, that of private charity, but we can not repeat it or keep it up indefinitely. Self-respecting Americans can and will not endure it much longer. Our unemployment situation is different than that of any other country. Even though the situation should become very much more satisfactory even though the stock ticker jumps up, even though the banking conditions should reach a normal point, we still would have unemployment in this country by reason of our efficient industries equipped with the best of machines, displacing labor and increasing production. You can not ignore the problem by talking politics. You can not becloud the issue by nagging the President. There will be time for that; but not now, please. I say we must take an inventory, we must face conditions, agree on actual existing facts, and then exchange views on our plans and argue on a sound constructive, legislative, and financial program.

Statements have been made to-day about the moratorium. I personally did not approve of the procedure followed by the President in committing the country before he had obtained authority and the consent of Congress. I believe that if it requires the consent of Congress now, and it does, he should have obtained that consent before even making the suggestions to foreign governments and committing the country. But permit me to remind my colleagues that the President took all partisan politics out of that question by first consulting and obtaining the approval of leading and authoritative spokesmen of both parties. I criticized the method at the time, but the fact remains, nevertheless, that it seemed like a bipartisan affair at the time. Why, here are some of the distinguished statesmen from the Democratic side who were consulted and, it appears, gave the President their approval and promise of cooperation: Senators ASHURST, FLETCHER, GLASS, HARRISON, HARRIS, CORDELL HULL, only recently a Member of this House, and Senators KING and SWANSON and also Senator WAGNER, of my State. Then there were Senators WALSH of Massachusetts and WALSH of Montana. And of our own colleagues, the distinguished gentlemen Mr. BYRNS, of Tennessee, and Mr. COLLIER, of Mississippi; CRISP and CULLEN, of our own Ways and Means Committee. What an array of distinguished Democrats. Then why all this talk about moratorium? [Applause.]

Let us be frank about these things. I publicly stated, within a few hours after the President's statement, that the procedure was wrong and unconstitutional. The deed has been done and discussion on the subject is now purely academic. The President has pledged the country, assurance of support has been given to him by both parties, the countries of Europe have taken the President's word, formal agreements have been exchanged, the world adjusted to this one year of grace, and what are you all going to do about it?

Now, as to cancellation or partial cancellation. That subject is not now before us. I am convinced that just as sure as night follows day it will be before us, and, perhaps, real soon. We can study the proposition in the meantime and be prepared to discuss it intelligently when the time does come. To all the determined gentlemen who have so forcefully stated, and who will state, that they are unalterably and unequivocally opposed to cancellation or readjustment of our foreign debt, I simply want to ask them to be prepared to declare when the time comes if they are prepared to send our Navy and our Army and to use force to collect these debts in their entirety should any of our debtor nations be unable to do so. What other alternative is there?

Mark you, gentlemen, every word that is said on the question of moratoriums, on the question of reparations and debts, is cabled and radioed all over the world. We have certain responsibilities here as Members of the House of Representatives, and it is idle at this time to talk about the moratorium when the spokesmen of both parties appeared there and publicly approved of the offer of a moratorium of one year.

[Here the gavel fell.]

Mr. MICHENER. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. LAGUARDIA. There is only required the perfunctory duty of Congress now to approve of it at this late day, whether we like it or not.

I am not speaking only for my city alone, and conditions are bad there, as they are bad all over the country, but this sniping that is going on, this political banter that is going on, is not satisfactory to the people who need the aid of the Congress.

I still believe in our representative form of government. I still believe in the powers and functions of Congress. We speak for the people; and at this time, while there is a small minority in the country that says, "Oh, Congress should adjourn; we do not want Congress," there are still several million people who look to us for protection and for the relief which they need. My appeal to the House now is, let us get our committees organized, let us present our bills, let us translate into action the best thought that our deliberations will bring forth, let us get around a conference table, and let us do something that the American people need and want from us at this time. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, personally I am distressed at the discordant notes expressed from the Democratic side against the position of the President of the United States on the moratorium. If there is anything fundamental in the history of our Government and the history of all governments, it is that on foreign policy politics is adjourned. I had hoped that when I came down here that, so far as foreign policy was concerned, we would try to emulate the parties of Great Britain. When confronted with a similar serious economic situation, they sunk their partisan differences and joined in a national government. But, lo and behold, on the second day of the session, with two keynote expressions from the Democratic side, there is a united attack against the President because he espoused the moratorium!

The first speaker, the gentleman from Mississippi [Mr. RANKIN] charges that it was in response to the moneyed interests of the country. The gentleman is present on the floor. If the gentleman had read the newspaper dispatches in authoritative journals, he would have known that the President took this position at the urgent request of the President of the Reich, General von Hindenburg. Confronted as Germany was with a serious economic problem of either admitting a political debacle, which meant revolution or the staying of that condition, President von Hindenburg made his appeal, and President Hoover proposed a moratorium. Did he do this on his own initiative, or did he do it by reason of the high position that the President of the United States should take in handling such foreign questions? He summoned, before any public declaration was made as to his position, the leading Republicans and Democrats on the Foreign Affairs Committees of the House and Senate.

I take issue with even the gentlemen on my side and also those on the Democratic side that it was a matter for Congress to pass upon. The treaty-making power of the Gov-

ernment is in the hands of the President. Just, perchance, because it involved the revenues of the Government, it was necessary to submit it to the Congress. If it had not been for that fact, the President would have been within the scope of his power in executing a treaty without conference with any of the leading Democrats and Republicans on our Foreign Affairs Committees of the respective Houses.

Criticism has been made that very little accrued as a result of the moratorium declared in June. If the gentleman had followed the newspapers current at that time, he would have known that it was the opinion of British publicists, American authorities, and German officials that the full benefit that was expected to come from the moratorium, the moral stimulus to international trade, was taken away because of the belated attitude of the Government of France in withholding her consent for more than a month. France was assuming the attitude of the dog in the manger, holding back the support to this Government that was rightly owing to this Government, because she feared, perchance, that it might result in a revival of trade or give life to the German Nation.

What a spectacle is this House to-day that shows its opposition to the policy of the President on this moratorium! At Basel there is a meeting at the present time under the Young plan of a committee of financial experts to determine whether Germany is able to make her conditional payments. Sir Ramsay MacDonald, according to the morning's dispatches, stated yesterday in the House of Commons that there must be an international conference to determine interallied government debts and reparations.

I subscribe to that position. I subscribe to the policy that it was unfair for our Government to have released France in this last Congress from the payment of more than 50 per cent of the war debt and compel Great Britain to pay more than 80 per cent of her war debt.

When the proposal first came on the floor of this House as to whether we would ratify the first debt settlement with Great Britain, I said in a 5-minute speech on the floor of the House that I hoped other foreign governments would emulate the policy of the British Government. [Applause.]

Great Britain, before the Baldwin-Mellon accord, had paid of its war debt voluntarily to our Government $100,000,000. Now, it is said that these war debts were based on the policy of the ability of the Government to pay. Ah, yes. But the Beranger-Mellon treaty with France was negotiated in 1925, when it was thought that France would not be in a position to pay more than 50 per cent of her debt.

When we ratified it in the last Congress—and I voted against it—France had revived, and only two months before she had canceled, $80,000,000 of luxury taxes. The gentleman from Georgia [Mr. CRISP], the Democratic member of the Debt Settlement Commission, advocated the approval of that outrageous settlement releasing France of more than 50 per cent of her debt, when we had made a settlement with Great Britain for more than 80 per cent of her debt.

I am in favor of fair play with governments as with individuals. [Applause.] If our policy is such that to-day we have exacted more than 80 per cent from Great Britain and released France from payment of more than 50 per cent of her debt, I say it is only fair to have some kind of negotiation to balance the payments.

Personally, I think it was a mistake to have any negotiations at all on the foreign debts. It was in the Congress immediately following the war when I was a member of the Committee on Appropriations that Assistant Secretary of the Treasury Leffingwell gave expression to what I regarded as comprising farseeing statesmanship.

As you know, all the moneys we had advanced to the various allied powers during the war were then represented by I O U's. Mr. Leffingwell said one day in the conference room of the Appropriations Committee that it would be a good policy for our Government to hold those I O U's, and press payment when the foreign governments might be taking an attitude contrary to the position of the United States.

After France received the renunciation of her debt to the United States of more than 50 per cent, her representatives at the conference last year in London on limitation of armaments took a position antagonistic to Great Britain and this Government, which will cost our Government $1,000,000,000 for increased naval armaments.

[Here the gavel fell.]

Mr. MICHENER. I yield the gentleman five minutes more.

Mr. STAFFORD. I do not want to go into details about the question of reparations and debt settlements. They are related. We heard this morning, in the confusion among the membership of the House, the President's message on reparations and the moratorium in which he said he did not favor the further cancellation of these debts.

We can not revive industry in this country unless industrial conditions improve abroad. It was hoped that the suspension of all debt and reparation payments by all governments would result in the release of $240,000,000 for the time being, for the purchase of supplies in the revival of industry, which Germany would have been compelled otherwise to pay under the Young plan.

The effect of the moratorium has been to enable Germany to pay $100,000,000 on its short-term credit notes since, and she also obtained a new lease on life for the time being. It is my personal opinion, and my opinion is strengthened by the opinion of the secretary of the reparations committee under the Versailles treaty, Sir Andrew McFayden, and also by that great British economist, John Maynard Keynes, that the amount exacted under the Versailles treaty for Germany to pay is absolutely impossible of payment.

The problem comes up now, and we will have to meet it some time. I am one of those who is not an isolationist. I do not believe in your tariff policy of self-containment. It is true I voted for the tariff bill, but with reluctance, only because it carried, as I said on the floor of the House, a duty on that one article, leather, which was on the free list and was necessary to rehabilitate an important industry that was prostrate in my own city. [Laughter.] Yes, and every other vote that I cast was for the lowest duties possible. Yes, and the gentleman from Minnesota [Mr. KNUTSON] voted consistently for high duties on such as sugar, just as I voted consistently against them. Why is not Cuba, which is one of our best customers, entitled to the same consideration as if she were a part of the Union.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. No.

Mr. KNUTSON. Is not sugar cheaper to-day than ever before?

Mr. STAFFORD. Oh, that is a cheap argument to use.

Mr. KNUTSON. You bet your life it is.

Mr. STAFFORD. If the gentleman knew anything about the economics of the world in the matter of sugar, he would know that it is due to overproduction of sugar in Cuba, which is now being attempted to be reduced under the Chadbourne agreement.

Mr. KNUTSON. But the fact remains that it has not resulted in an increase in the price of sugar.

Mr. STAFFORD. And the fact also remains that the Western Sugar Co. which controls 45 per cent of the beet-sugar industry in this country had made millions of dollars the year prior to the passage of the Smoot-Hawley Tariff Act.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Mr. Chairman, I make the point of order that these Republicans ought to treat each other decently. [Laughter.]

Mr. STAFFORD. I decline to yield. This sugar company made more than $10,000,000 that year. Getting back to the original postulate, I am not an isolationist. I believe fundamentally that if business is going to revive in this country we must see to it that business abroad must revive. You criticize the policy of our large manufacturers in establishing plants abroad. Take, for instance the motor industry. It is a natural corollary for our manufacturers to establish plants abroad if other countries erect tariff barriers against our imports. Yet one of the engineers of the Ford Motor Co. tells me that America can manufacture automobiles more cheaply in this country under its mass production and ship them abroad and pay the freight, than they can be manu-

factured in Great Britain, France, and the other continental countries.

Mr. KNUTSON. Oh, talk on reparations.

Mr. STAFFORD. I do not need to take instructions from the brilliant luminary from the dense woods of Minnesota. [Laughter.]

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. STAFFORD. Let me have three minutes more.

Mr. PURNELL. I say to the gentleman that I have made some commitments, but——

Mr. OLIVER of Alabama. I yield the gentleman five minutes more.

Mr. STAFFORD. I withdraw my request of the gentleman from Indiana and accept the time from the Democratic side. I made a reasonable request of the gentleman from Indiana.

Mr. PURNELL. Let me say this to the gentleman——

Mr. STAFFORD. I decline to yield.

Mr. PURNELL. Just one moment.

Mr. STAFFORD. I decline to yield.

Mr. PURNELL. But the gentleman did not understand me. I said that I had made some commitments, but I was preparing to give the gentleman three minutes more. As a matter of fact, the gentleman ought to get his time over there if he is going to make a speech of that kind. [Laughter.]

Mr. STAFFORD. I say to the gentleman from Indiana that I represent just as good Republican doctrine as does the gentleman from Indiana. If I, perchance, do not believe in the policy of the Republican Party for self-containment in raising tariff barriers so high that we compel other countries to do likewise, I am still consistent with my fundamentals in believing in a protective tariff. I have never been a believer in prohibitive tariffs. [Applause on the Democratic side.] I think I reflect the views of the big industrialists, of the big manufacturers, who need foreign export trade, in saying that our tariff has gone high enough. I subscribe to that doctrine. I do not intend to dupe my people at home or to dupe the people of the country at large, or to violate my fundamental position upon the question of the tariff.

A serious question confronts the world. I really believe that reparations and government debts go hand in hand, but I would not subscribe to a reduction in government debts so far as France is concerned, because we have been more than generous with France. However, if the reparation payments that Germany is required to pay are reduced, I would subscribe to a lowering of the debt that Great Britain is compelled to pay.

If there is any government to-day that is in financial distress, it is that of Great Britain. France was wallowing in prosperity as a result of the tribute that Germany was paying to her, as a result of the reparation payments. Those reparations were merely advance payments extended to her by British and American loans, to enable her to revive, which she used for payment of reparations. This is a serious question, and we are going to have to face it. I think it is a mistake for this Congress, with the sentiment in the country in favor of getting together on foreign policies, to antagonize the President when he has been acting in a nonpartisan manner. He did everything that he possibly could to get the accord of both Republicans and Democrats.

I am hopeful that before we take our holiday recess there will be brought into this Congress a bill to support the President in his moratorium policy.

As was declared in the message this morning, it is merely to suspend the payment and provide for its payment during the 10 years that follow. There is no release. He did say in the message that perhaps there might be occasions to grant moratoria to other governments. To that I subscribe. We are part and parcel of a great family, dependent upon one another, and if we are going to succeed we must look to the others to succeed. If our neighbor does not thrive we can not expect to thrive. We can protect our own markets without them being made a dumping ground for Russia or other governments where the scale of living is much lower than ours; but, it is not necessary to make the tariff policy so high that nothing can be brought in here.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. No; I will not yield. So, I appeal to you for harmony and agreement as far as the moratorium is concerned, whereby we can put up a solid front to support the President of the United States in his foreign policy, where he is seeking to accomplish the best results for the entire world.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. STAFFORD] has expired.

Mr. PURNELL. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. STRONG].

Mr. STRONG of Kansas. Mr. Chairman, ladies, and gentlemen, I was perfectly sincere when I asked the gentleman from Mississippi [Mr. RANKIN] to place in his speech the tariff schedules to which he objects. With a great deal of pleasure, in behalf of and representing the people of Kansas and the Central West, I voted for the tariff bill. I voted for it because it gave to agriculture the highest protective rates that had ever been enacted into law since the beginning of the Government. The Tariff Commission, composed of three Democrats and three Republicans, has said that of the increases in the 1930 tariff bill over the 1922 tariff bill agriculture received 68 per cent and industry 32 per cent. It might perhaps be that one would be so selfish that he would liked to have had 95 per cent or a hundred per cent for agriculture, but when I got twice the increases for agriculture that were given to industry I was fairly well satisfied. The Tariff Commission has said that of the imports into this country, 67 per cent come in free of duty. Agriculture profits largely by that free-duty list. Practically everything the farmer uses in any quantity comes in free of duty. So, to my mind, the tariff bill of 1930 was so decidedly in favor of agriculture that no man who knew anything about it and represented an agricultural district should have voted against it.

Ever since that bill was passed I have heard statements by Democrats and near Democrats about it being a terribly outrageous bill, and I have been asking the gentlemen who make those statements to name the rates on articles to which they object. I want to know what their objections are. The Democratic governor of my State sent a wire to the President last summer in which he complained of the high tariff rates, and I wrote him an open letter, and I thought a very courteous one, and asked him to name the rates to which he objected. I have had no answer. Others have made similar statements but fail to name the rates they claim are objectionable. So, when I heard my good friend from Mississippi [Mr. RANKIN] say that the tariff rates were the cause of the depression in this country, I asked him to "name his poison," meaning the rates to which he objects, as my good friend Cliff Stratton, of the Topeka Capital, referred to the request I made in my letter to our governor. I am sincere about it. I would like to know what the rates are that are so objectionable. It may well be that I will agree with the gentleman when he names them, but I would like to have some one for the first time state what those rates are that are too high, and I hope my friend from Mississippi [Mr. RANKIN] will include in his remarks a list of the tariff rates to which he objects and which he thinks are so unjust, for what I fear is that the effort will be made to reduce or put on the free list agricultural products, as was done in 1913 under the Wilson administration.

Mr. STEVENSON. Will the gentleman yield?

Mr. STRONG of Kansas. I yield.

Mr. STEVENSON. I just want to direct the gentleman's attention to the fact that the gentleman said the tariff on agriculture was the highest it has ever been in the history of this country.

Mr. STRONG of Kansas. That is correct.

Mr. STEVENSON. I also want to direct the gentleman's attention to the fact that the great staple products of agriculture in this country have been the lowest since that time that they have ever been in the history of this country.

Mr. STRONG of Kansas. That may be. I know that overproduction and the depression which follows every war have brought depression in the price of agricultural products. We have had the lowest prices we have had in years. But does the gentleman think or believe we can help agriculture by taking the tariff rates off agricultural products and permitting the dumping of foreign agricultural products into this country free of duty? If the gentleman believes that, or if anyone else believes that, Democrat or Republican, I would like them to put in the RECORD a list of the rates they would like to reduce.

Mr. STEVENSON. The gentleman certainly did not raise them by raising the tariff, did he?

Mr. STRONG of Kansas. Yes; until the depression came. But does the gentleman think he will raise them by lowering the tariff on such products? If so, please put in the RECORD the rates he would so reduce. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

TARIFF AND TAXATION

Mr. TREADWAY. Mr. Chairman and Members of the House, the speeches made in the Committee of the Whole yesterday by the new majority were certainly a source of much satisfaction to the minority. I listened attentively practically all day for any words of wisdom from the friends across the aisle, but, aside from the very cleverly arranged political talk by the gentleman from Alabama [Mr. BANKHEAD], the element of quality was missing. A lot of quantity but no quality.

The information we secured was that after due deliberation and consultation, in which doubtless Mr. Raskob and his satellites will have an important say, we will eventually know what form of tax program the Democrats intend to suggest. The nearer it comes to the advice offered yesterday by the President in his Budget message and the closer it follows the suggestions of the Secretary of the Treasury, the better it will be for the country. [Applause.] I am one of those who have always felt that the present Secretary of the Treasury is a man of keen judgment and thoroughly interested in the well-being of his fellow citizens. In spite of the ridicule and sarcasm which have been flung at him on this floor by the new majority in past Congresses he stands out as a man of marked financial ability. I much prefer to follow one who has had the confidence of three Presidents in the trying financial times following the World War than the most fully digested opinion which can be produced by the combined wisdom of our Democratic opponents.

As far as my vote is concerned, in a general way I am going along with the Secretary of the Treasury rather than following the dictation of men outside of Congress to whom the Democratic majority may or may not be beholden for great financial assistance.

While congratulating the gentleman from Alabama [Mr. BANKHEAD] on the speech he made yesterday, I wish to take particular exception to one paragraph, which reads as follows:

> You must be convinced that it was because in the deliberate opinion of all these districts which have changed their Representatives that the Republican Party in Congress was no longer fit to govern the affairs of the Nation. You can not reach any other logical conclusion.

I heard the gentleman utter these sentences and he appeared to be in earnest. However, knowing of the gentleman's marked ability and good judgment, I am inclined to feel that his remarks carried with them an element of sarcasm. He gives no reason why he reaches that conclusion other than to be boastful about the change of representation and districts. If there is any intention at logical argument in that assertion the gentleman overlooks several changes of judgment that the people have made in previous years. He may recall by what a narrow margin the late President Wilson was elected to his second term and how completely those who supported him were deceived by the slogan, "He has kept us out of war." He may recall that at the beginning of the Democratic administration in 1913 there were but 134 Republicans in Congress. Six years thereafter there was a sufficient number to elect Frederick H. Gillett as Speaker of the House. Will the gentleman from Alabama admit that in that brief time the country became fully convinced that the Democratic Party "was no longer fit to govern the affairs of the Nation"? No, my friends; such is not the case.

Mr. BANKHEAD. Will the gentleman allow me to answer that?

Mr. TREADWAY. Of course, having referred to the gentleman, I will be glad to yield to him.

Mr. BANKHEAD. As a matter of logic, I could come to no other legitimate conclusion.

Mr. TREADWAY. That the Democratic Party was no longer fit to rule the affairs of the Nation?

Mr. BANKHEAD. Under the circumstances, that must have been the judgment of the country.

Mr. TREADWAY. The gentleman is an honest spokesman for Democracy. I thought he had overlooked the fact that the people repudiated Woodrow Wilson and the Congress. Evidently that was not fair to him; and I agree, therefore, with the gentleman that our conclusions are alike.

I am proud that I am a rabid Republican, but I am not so rabid as to say that any great disaster can come to this great country of ours because one or the other of the two great parties happens to be in power. We have survived Democratic administrations and we have survived Democratic control of the House. We all hope to survive the present control, especially in view of the very narrow margin by which that control is exercised. It is possible that the Republican side may be able to offer a little leaven to the Democratic loaf which will save the country from disaster.

I understand from the majority floor leader that for the next three days we are to continue, ostensibly, to discuss the President's message. Practically, so far as the majority is concerned, it will give an opportunity for them to boast of Democratic successes, condole with the Republicans, and abuse the administration. Let us hope that during that period the country may be favored with information as to how the Democratic Party intends to rehabilitate the finances of the Nation. The minority anticipates that some of the attacks on the administration will follow along worn-out and threadbare lines in shouting from the housetops the iniquity of the Smoot-Hawley tariff law and some of the same old criticisms of the present income tax law.

The gentleman from Kansas [Mr. STRONG] asked gentlemen on the Democratic side of the aisle to specifically name rates in the Smoot-Hawley bill which are objectionable, but they failed to do so.

Since the adjournment of Congress in March Democratic spokesmen have been endeavoring to delude the people as to the supposed evils of the 1930 tariff law. In every speech I have read they have tried to convince the people that the rates in the Smoot-Hawley Act have been the cause of the decrease in our foreign trade and the levying of duties in some foreign countries against exports from this country. Several times I have raised my feeble voice in asking for a bill of particulars covering specific rates. Never has there been a response, never a particular or detail has been forthcoming. We therefore are justified in the conclusion that these spokesmen have been insincere in their criticisms and that they have made their statements purely for political effect.

We had one of our own Members [Mr. STAFFORD] a short time ago make the general statement that he did not believe in a prohibitive tariff. I do not know of any man who does. There is not any such thing as a prohibitive tariff in the law, and there is no such a thing as a prohibitive tariff rate in the Smoot-Hawley bill. I stand on that statement and I would be glad to yield to anybody who wants to contradict it.

Mr. STAFFORD. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. STAFFORD. How does the gentleman regard the duty on manganese? For 30 years there was no duty to speak of on manganese, yet under the Fordney bill the rate

of duty was raised 250 per cent on manganese, and it was continued in the Hawley bill.

Mr. TREADWAY. Oh, well, you can pick up an item here and there that is not prohibitive but may be out of line, and in a moment I am going to refer to a method by which you can cure that situation. I see my friend from South Dakota [Mr. WILLIAMSON] on his feet. He is an advocate of a tariff on manganese, and I know he is very anxious to explain that situation. He explained it to the committee two years ago, but I do not think he got anything like what he asked for. Therefore, there is no indication of that being a prohibitive rate.

Mr. WILLIAMSON. If the gentleman will permit, the only trouble with the duty on manganese is that it ought to be twice as much as it is to be effective.

Mr. TREADWAY. That is your answer from people who own manganese mines. The gentleman from South Dakota is as interested in his district in mining manganese as the gentleman from Wisconsin is interested in the manufacture of shoes in his district. He says from his own information that the duty on manganese ought to be double what it is. Now, that seems to me to take care of the objection to the manganese schedule as far as the gentleman from Wisconsin is concerned.

Mr. FISH. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. FISH. The fact is we are practically producing no manganese now due to competition from Soviet Russia.

Mr. TREADWAY. Absolutely. There is competition from abroad, and the gentleman from South Dakota brought that out very fully at the hearings before the committee.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. LAGUARDIA. I will say to my colleague from New York that in this instance the Steel Trust and the communists of Russia are working together.

Mr. FISH. The gentleman is correct.

Mr. TREADWAY. Now, let us get back to the main subject which I am discussing.

Our tariff friends or antitariff friends are making great claims that the Smoot-Hawley bill has reduced importations. How absurd this argument is. The actual reason for the falling off of importations of foreign goods and of the manufacture of domestic goods is so apparent that he who runs may read.

For many years this country has been a creditor nation and the quantity of our output has been based upon the demand for our goods in other countries. In every country in Europe, save one, industrial recovery since the World War has been retarded. In 1927–28 the climax was reached and unemployment became apparent. This condition became so serious in Great Britain that the very unwise dole system was adopted. I think enough was said about that yesterday and enough ammunition was provided us by one of the Democratic spokesmen, at least, to cover that subject for the time being.

The natural result of the depression was a lessened demand for our goods abroad, which by the latter part of 1928 and early 1929 affected our home markets and our home production.

It is true we have regarded the tariff as a means of maintaining American standards, the American scale of living, and American wages. We have only to recall conditions at the time of our entrance into the World War for proof of the demerits of the Democratic tariff doctrine. The depression in this country was of a domestic nature. To-day it is world-wide, and it has no connection whatever with tariff rates. If world conditions had remained normal, this country would have benefited greatly from the rates contained in the Smoot-Hawley Act, as that act applied the tariff policy to many new industries which had arisen since the Fordney-McCumber Act was written. The Smoot-Hawley Act was a necessary adjunct for the preservation of American production.

So many changes had come up since the period of the writing of the Fordney-McCumber Act that we needed to bring tariff legislation up to date, and we did, I feel, a most excellent job, and one with which practically no fault can be found.

It may be interesting to note the percentages of ad valorem values levied under the last seven tariff acts. They are as follows:

	Per cent
McKinley	48.39
Wilson	41.29
Dingley	46.49
Payne	40.73
Underwood	26.97
Fordney	38.22
Hawley	47.70

The last figure, 47.70 per cent, has been furnished by the United States Tariff Commission based on actual figures for the year ending June 1, 1931.

This is the best evidence that the small increases contained in the Smoot-Hawley law could not possibly have disturbed the economic conditions of the world. As the gentleman from Kansas has already done, let me also call attention to the well-known fact that the majority of the increases in the 1930 act are in the agricultural schedule, and the Secretary of Agriculture in his annual report states they have been of great benefit to agriculture in reducing the quantity of agricultural importations.

There are ample illustrations in industrial lines of the benefits to specific industries. No better illustration is available than the boot and shoe schedule, where, next to the agricultural schedule, the largest number of increases was made. The effect has been apparent throughout the shoe-manufacturing area.

The Smoot-Hawley Act was so plainly beneficial to the shoe industry that my good friend and colleague [Mr. CONNERY] from the Lynn district of Massachusetts, voted for the bill. I am glad to say that we also had the support of 20 Democrats, all told, for the benefits that the Smoot-Hawley Act brought to their respective States or districts.

We await the opportunity to respond to the expected criticisms of the Democrats relative to the tariff law. Should they undertake any general tariff legislation during the coming session, it would be a definite indication of their effort to develop some form of political capital. The delays in the passage of the last tariff bill, particularly in the other branch, were premeditated and intentional in order to confuse the minds of the voters in the congressional election of 1930. A further effort of this kind at the present session will be proof that they wish to make a political football out of the industries of the country by creating a feeling of uncertainty in the minds of the people as to the possibility of tariff changes as the time for election approaches.

A cure for tariff errors or mistakes, if any are contained in the present law, is already provided by the flexible provision of that very same law. As evidence of this, the Tariff Commission reports that, as the result of applications of various industries and agricultural concerns, it has reviewed the tariff rates on more than 250 items subject to duty during the past year. The commission is current with its work and is in a position to give immediate attention to further requests for changes that may come to it.

Another evidence of the fact that the 1930 tariff law has benefited industry and agriculture is shown by the records of the Division of Customs of the Treasury Department. On commodities free under both the present and previous tariff laws there has been a decrease of only 6.2 per cent in importations, which would seem to indicate the decreased purchasing power of the public. On the other hand, the decrease in dutiable commodities since the enactment of the Smoot-Hawley law has been 41.3 per cent, showing that the law is having exactly the effect which its framers contemplated. The difference, 35.1 per cent, may properly be construed as representing the additional consumption of domestic products, both industrial and agricultural.

As a matter of interest I insert the following:

Receipts from customs duties for the last 19 years have been as follows:

1913–1931, inclusive

Year:	Amount
1913	$318,891,395.86
1914	292,320,014.51
1915	209,786,672.21
1916	213,185,845.63
1917	225,962,393.38
1918	179,998,383.49
1919	184,457,867.39
1920	322,902,650.39
1921	308,564,391.00
1922	356,443,387.18
1923	561,928,866.66
1924	545,637,503.99
1925	547,561,226.11
1926	579,430,092.86
1927	605,499,983.44
1928	568,986,188.50
1929	602,262,786.17
1930	587,000,903.25
1931	378,354,005.35
Total, 19 years	7,589,174,557.37
Average	399,430,239.86

It can be seen from the above figures that the tariff, at the present time, is not one of the most important sources of our revenue. The $378,000,000 collected in 1931 represents approximately 11 per cent of our total ordinary receipts for that year. It will be observed further that, in spite of the fact that the revenue from the tariff decreased about $200,000,000 in 1931 over 1930, nevertheless, the collections for 1931 were only $20,000,000 below the average collections for the 19-year period, 1913 to 1931, inclusive.

It can be seen from the above that as far as the revenue is concerned the tariff is not an extremely important matter, comparatively speaking. As an economic matter the tariff is more necessary than ever, because since the passage of the last tariff act the cost of labor in foreign countries has decreased, making protection only the more necessary. I believe that the Tariff Commission is proceeding in an orderly and scientific manner in making such increases or decreases as the economic welfare of this country demands.

SUGGESTIONS FOR NEW REVENUE FROM TAXATION

Let me now pass to a consideration of the President's Budget message, which refers to the recommendations of the Secretary of the Treasury in regard to additional taxation.

RÉSUMÉ OF THE PRESIDENT'S BUDGET MESSAGE

Actual deficit for fiscal year 1931 was $902,000,000.

Estimated deficit for fiscal year 1932 is $2,123,000,000.

Estimated deficit for fiscal year 1933 is $1,417,000,000.

These deficits are estimated on our present system of taxation, but after taking account of economies in expenditures recommended for the fiscal year 1933:

The actual expenditures for 1931 were $4,091,000,000.

The estimated expenditures for 1932 are $4,361,000,000.

The estimated expenditures for 1933 are $3,996,000,000.

In respect to the above deficits for the fiscal years 1932 and 1933, the President recommends increased taxes "upon the general plan of taxation which existed under the revenue act of 1924 with such changes as may be appropriate in the light of altered conditions."

The plan of taxation proposed is estimated to increase the revenue by $390,000,000 for the fiscal year 1932 and by $920,000,000 for the fiscal year 1933.

These increases, if put into effect, would reduce the estimated deficits shown at the beginning of this résumé to $1,730,000,000 for 1932 and to $497,000,000 for 1933.

This total burden is distributed as follows:

	1932	1933
Individuals with net incomes over $100,000	$50,000,000	$111,000,000
Individuals with net incomes between $10,000 and $100,000	16,500,000	37,000,000
Individuals with net incomes less than $10,000	16,500,000	37,000,000
Total on individuals	83,000,000	185,000,000
Total on corporations	27,000,000	60,000,000
Grand total, increase on individuals and corporations	110,000,000	245,000,000

It should also be noted in connection with the income tax on individuals that the 1924 act carried lower exemptions than the present act. A single man having a net income of over $1,000 made a return under the 1924 act, while at present he does not make a return unless he has a net income of $1,500. The exemption for a married man under the 1924 act was $2,500 instead of $3,500 allowed at present. The result of thus lowering the personal exemptions will be to add about 1,700,000 individuals to the number of our income-tax payers.

In regard to miscellaneous taxes, the Secretary departs somewhat from the plan provided for under the revenue act of 1924. He recommends a return to the automobile taxes of that act which carried rates of 5 per cent on ordinary automobiles, 3 per cent on trucks, and 2½ per cent on automobile accessories. He recommends a tax of 10 per cent on all theater admissions in excess of 10 cents. This represents a return to the 1921 act, as the 1924 act only taxed admissions in excess of 50 cents. He recommends a tax of 5 per cent on manufacturers' sales of radio and phonograph equipment. This is a new tax which we have never had. He recommends a stamp tax on sales of realty of 50 cents for each $500 of value. He recommends an increase of 16⅔ per cent in the present rates on tobacco manufactures and cigarettes, but does not increase the rate on cigars. He recommends an increase of from 5 cents per $100 to 6 cents per $100 in the existing stamp tax on capital stock sales. He recommends a return to the tax imposed on telegraph, telephone, cable, and radio messages imposed by the revenue act of 1921. Finally, he recommends a stamp tax of 2 cents on every bank check and draft. This tax has not been used since the Spanish-American War.

The Secretary estimates that the additional revenue to be secured from the above taxes would amount to $205,000,000 in 1932 and to $514,000,000 in 1933.

The Secretary recommends a small increase in the estate tax, which would return only $11,000,000 additional revenue in the fiscal year 1933 and about $22,000,000 additional in the fiscal year 1934. The Secretary further recommends that postal rates be increased so that added revenue of $75,000,000 may be secured for 1932 and $150,000,000 for 1933.

The principal features of the revenue act of 1924 which the Secretary apparently does not consider should be revived are as follows:

(1) The gift tax; (2) the capital-stock tax; (3) miscellaneous taxes on cigars, jewelry, paintings, shooting galleries, pool rooms, and the like.

The plan proposed is estimated to increase the revenue by $390,000,000 for 1932 and $920,000,000 for 1933. This increase if put into effect would reduce the estimated deficit to $1,750,000,000 in 1932 and $499,000,000 in 1933.

Now, that is the comprehensive proposition which has been placed before us in the Budget message.

Here are the recommendations of the Secretary of the Treasury as regards increased taxes. I for one feel, and I am joined by the views of my colleagues, that there must be additional taxes. We can not get away from it, as much as we would like to. Taxation is never popular; but, nevertheless, a situation has developed which necessitates these taxes.

The proposed increases in income taxes are:

Increase normal rates as follows: On first $4,000 of net income from 1½ per cent to 2 per cent; on second $4,000 of net income from 3 per cent to 4 per cent; on net income over $8,000 from 5 per cent to 6 per cent.

Increase surtax rates as follows: On net incomes from $10,000 to $26,000 no change; on net income from $26,000 to $28,000 from 7 per cent to 8 per cent; on net incomes from $28,000 to $30,000 from 8 per cent to 9 per cent; and so on consistently as indicated by the following brackets selected at intervals: On net incomes from $50,000 to $52,000 from 13 per cent to 18 per cent; on net incomes from $74,000 to $76,000 from 18 per cent to 27 per cent; on net incomes from

$98,000 to $100,000 from 19 per cent to 36 per cent; on net incomes from $200,000 to $300,000 from 20 per cent to 38 per cent; on net incomes from $300,000 to $500,000 from 20 per cent to 39 per cent; on net incomes of over $500,000 from 20 per cent to 40 per cent.

Increase flat rate on corporations from 12 per cent to 12½ per cent.

These changes result from the application of the rates imposed by the revenue act of 1924. The total effect on the revenue is estimated to be a total increase for the fiscal year 1932 of $110,000,000 and for the fiscal year 1933 of $245,000,000.

There is also a very explicit and complete description in the Secretary's report as to exemptions. I think that it is fair that we lower the exemptions and, therefore, include a certain class within the tax limit that are receiving a fair salary. It would be so small to each individual as not to have the slightest effect on his exchequer or budget program. I am sure the American people feel satisfied to render this aid to the finances of the country, particularly if the Secretary's recommendations are carried out that the increases should be only temporary.

I personally do not entirely follow the Secretary of the Treasury as to the increase in some of the other taxes, but I am not going into the details of that.

Mr. BLANTON. Mr. Chairman, will the gentleman yield for a question?

Mr. TREADWAY. Yes; but first let me get some additional time if I can. Will the gentleman from Michigan yield me an additional five minutes?

Mr. MICHENER. Yes.

Mr. BLANTON. The gentleman is a distinguished member of the Committee on Ways and Means. How low would the gentleman go on exemptions?

Mr. TREADWAY. I was just starting to say that these preliminary remarks are purely general in nature. The gentleman from Texas is well aware that the Committee on Ways and Means sits practically continuously in hearing all sides of these questions; and while we differ politically from our majority colleagues, I feel that eventually we are going to get together. Until such time as the details are worked out, not only in relation to how low we would go on exemptions but on other matters of great detail, I should prefer not to express a positive opinion, because otherwise I would be prejudging the evidence that will be submitted to the Committee on Ways and Means.

Mr. BLANTON. How low does the gentleman's President and Secretary of the Treasury propose to go? They are the ones now asking that small wages be taxed.

Mr. TREADWAY. I think I have it right here, and I will read it to the gentleman. I was not going to take the time, but I shall be glad to read the reference that the Secretary of the Treasury makes. He says:

> It should also be noted in connection with the income tax on individuals that the 1924 act carried lower exemptions than the current act. A single man having a net income of over a thousand dollars made a return under the 1924 act, while at the present time he does not make a return unless he has a net income of $1,500. The exemption for a married man under the 1924 act was $2,500 instead of $3,500 allowed at present. The result of this lowering of personal exemptions will be to add 1,700,000 individuals to the number of our income-tax payers.

That is, provided we go as low as the 1924 exemptions, and I am not at all convinced that we should go that low. I think that is as definite as I could answer the gentleman's inquiry until the testimony is actually submitted to the committee.

Mr. MAY. Will the gentleman yield to a question for information?

Mr. TREADWAY. Yes.

Mr. MAY. Is the estimate of the Secretary of the Treasury that the proposal will yield $110,000,000 additional revenue for 1932 and $245,000,000 for 1933, based upon his judgment of the prospective recovery of the country, or on actual conditions?

Mr. TREADWAY. Some may be on that basis. The gentleman is probably aware that the fiscal year closes June 30, and, therefore, in the payments we make next year there will be only two quarters of the 1931 year go into that $110,000,000, whereas for the 1932 year there would be a total of the 12 months. Does that answer the gentleman?

Mr. MAY. Yes.

Mr. PATTERSON. But, if the gentleman will permit, we pay income tax on the basis of the calendar year.

Mr. TREADWAY. That is true; but it would not have its effect on the Treasury. I think I have explained it satisfactorily. That is the explanation, that in that figure of $110,000,000 there is only one-half of the actual fiscal year included in the receipts of the Treasury.

I am not altogether willing at the present time to commit myself to some of the suggestions offered by the Secretary of the Treasury in connection with excise taxes. We will have an opportunity to discuss that later. I am, however, a thorough believer in the increase in inheritance taxes. I have been one of those who in the past have felt that the inheritance tax to a very large extent should be left to the States as a method of securing revenue. For many reasons, which I have not the time to state, I am not quite so positive in that opinion now as I formerly was, but I do think that we should not disturb the present law on which many States have acted in order to secure a return of 80 per cent of inheritance taxes. The Government to-day gets only 20 per cent of inheritance taxes, the 80 per cent going back to the States. I think whatever we do now in the way of increasing inheritance taxes should be solely for the use of the Federal Government, even if we duplicate the present law and collect double the amount of inheritance taxes. I think the suggested law should be a direct receipt on the part of the Federal Government.

I thoroughly agree also with the attitude of the Secretary of the Treasury that the whole amount of the deficit can not possibly be met through new taxation. This Congress must be most economical without being parsimonious. It will also be necessary to float an additional funded indebtedness. The indebtedness of the country has gone down so much in the last few years that it is perfectly right that there should be a little addition placed on the debt burden at the present time.

Mr. ALMON. I presume the gentleman's reason for the statement that all of the increase in the inheritance tax be given to the Federal Government is on account of the deficit. Is it not a fact that many of the States are in as great need of additional taxes as the Federal Government?

Mr. TREADWAY. The States of course will be obliged to find means of paying their own bills and taking care of their own burdens. I think we have job enough to take care of the Federal Government's burdens.

Mr. ALMON. But the States have adopted the inheritance tax with a very distinct understanding in respect to what the United States will do.

Mr. TREADWAY. I am not touching that. The gentleman did not understand. So far as the old law is concerned I thoroughly approve of leaving that exactly as it is, because many of the legislatures of the States have enacted laws based on the return of 80 per cent.

Mr. ALMON. But if we increase it for the Federal Government why not give the States the benefit of the increase as well as the Federal Government?

Mr. TREADWAY. That is another question. I think we are dealing generously by the States in connection with the estate tax now.

Of course, there is a supplement to the inheritance tax in the form of a gift tax. I will not touch upon that at this time. But if the people are avoiding large payments of inheritance taxes by making gifts before death, perhaps that hole ought to be plugged. There are numerous other holes in the income tax law whereby we can find additional means of revenue after due study by the Committee on Ways and Means.

Mr. KNUTSON. Will the gentleman yield?

Mr. TREADWAY. I yield.

Mr. KNUTSON. I know that the gentleman has given careful study to this question. How high does the gentle-

man feel the dead line should be moved as the point where we have a flat rate on income?

Mr. TREADWAY. I personally can not conceive of incomes of around $1,000,000 or even $500,000. I can not picture anybody having an income of a million dollars a year, but there are a good many in this country who have such incomes; and I think when we get up to $500,000 we should double the present surtax rates. They are now 20 per cent on incomes of $100,000 and up. There is nothing higher than the 20 per cent bracket. I think we made reductions much faster than we should have done from the high incomes.

As a matter of record I insert the surtax rates on individual incomes in the various income tax acts.

SURTAXES ON INDIVIDUAL INCOMES

1913 act: From 1 per cent on incomes of $20,000 to $50,000 up to 6 per cent on incomes of over $500,000.

1916 act: From 1 per cent on incomes of $20,000 to $50,000 up to 13 per cent on incomes of over $2,000,000.

1917 act: From 1 per cent on incomes of $5,000 to $7,500 up to 63 per cent on incomes of over $2,000,000.

1918 act: From 1 per cent on incomes of $5,000 to $6,000 up to 65 per cent on incomes of over $1,000,000.

1921 act: From 1 per cent on incomes of $6,000 to $10,000 up to 50 per cent on incomes of over $200,000.

1924 act: From 1 per cent on incomes of $10,000 to $14,000 up to 40 per cent on incomes of over $500,000.

1926 act: From 1 per cent on incomes of $10,000 to $14,000 up to 20 per cent on incomes of over $100,000.

1928 act: Same as 1926 act.

Mr. KNUTSON. Is that rate on incomes of $100,000 or $200,000?

Mr. TREADWAY. Everything above $100,000 pays a flat 20 per cent.

I thank the House for its attention. [Applause.]

Mr. PURNELL. I have just one more speech of five minutes, if the gentleman will allow me to use that at this time?

Mr. OLIVER of Alabama. It is my purpose to ask that the committee rise at 4 o'clock; and since I had promised 30 minutes to the gentleman from Texas [Mr. PATMAN], and that he shall continue to-morrow if he can not finish within that time, I desire to yield time to him now.

I yield 20 minutes to the gentleman from Texas [Mr. PATMAN] with the understanding that if he does not finish his speech I will yield him additional time to-morrow morning.

Mr. PATMAN. Mr. Chairman, ladies and gentlemen of the committee, H. R. No. 1, which I introduced at the beginning of this session, provides for the immediate payment to veterans of the World War the face or maturity value of their adjusted-service certificates. That is the subject which I desire to talk to you about this afternoon.

ALL FACTS NOT PUBLISHED

All the facts in favor of full cash payment have not been published. The facts I shall present will doubtless be astounding to many people; but they will be facts. Every statement made by me in this speech can be substantiated.

DEBT CONFESSED BY CONGRESS

Three million six hundred thousand veterans of the World War hold adjusted-service certificates. These certificates are often referred to as "bonus certificates." They are not "bonus certificates" and do not represent a bonus, subsidy, or gratuity. They represent an honest debt that has been publicly confessed by the Congress of the United States to the veterans of the World War for services rendered. They were really due October 1, 1931.

H. R. 1 FOR FULL PAYMENT

Congress should immediately pass a bill authorizing the full cash payment of the adjusted-service certificates. My bill, H. R. 1, introduced the first day of Congress, provides for full cash payment without deducting interest since October 1, 1931.

VETERANS GRATEFUL

The veterans of the World War are grateful to the Government for the benefits extended to them. However, no new policy or principle of our Government has been adopted for their benefit. They, their widows, and orphans are not receiving as much from the Government as veterans of other wars and their widows and orphans are receiving.

CASH PAYMENT SEPARATE QUESTION

The question of cash payment of the adjusted-service certificates should be considered separate and apart from any other legislation for the benefit of World War veterans. The Congress has already confessed the debt, including the amount, for services rendered. Only the question of payment remains to be considered.

MISLEADING PROPAGANDA

During hard times there is always an effort made by the ones most responsible for the country's condition to distract attention from the real cause by endeavoring to turn the people against their chosen Representatives in Congress, who are making an attempt to restore equal opportunity. This is usually undertaken through veiled and misleading propaganda.

CONGRESS WILL CARRY OUT THE WILL OF THE PEOPLE

Practically 100 per cent of the Members of Congress, House and Senate, will carry out the will of their constituents if their constituents will make their wishes known to them.

INFORMED CITIZENSHIP

The people to-day are better informed and understand more about their Government than ever before. It is becoming increasingly difficult for the internationalists and the holders of special privilege to successfully mislead the people by distorting, withholding, and misrepresenting facts in order to cover up their own iniquities.

SIDE OF THE PLAIN PEOPLE

The plain people do not have so very many newspapers on their side, and they are not given so much time on the air, but, as the wage earner does more thinking on the park bench than he did at the work bench, the plain people are doing considerable thinking for themselves during this time of economic stress.

The veteran's problem is the problem of the plain people. Most of the veterans belong to that great middle class. It is that class that has done so much for this country. They are the ones who build our country in time of peace and who save our country in time of war. If they are made prosperous, everybody will be prosperous; they have the consuming power.

The plain people will be greatly benefited by the payment of the adjusted-service certificates. A benefit to them is a benefit to the Nation.

We are merely asking for the payment of an honest debt, confessed by the Congress of the United States in 1924, to the veterans of the World War, for services rendered.

SHOULD BE PAID IN FULL, IN CASH, NOW

The face or maturity value of each certificate is past due. They must be paid some time. If paid now, both veterans and the country will be benefited. The additional purchasing power such payment will afford is badly needed in our country at this time.

COMPOUND INTEREST WILL CONSUME REMAINDER

Veterans residing in every nook and corner of America hold these certificates. They are for sums ranging from $126 to $1,590 each, of the average value of $1,000. Under both the old and new laws about $1,300,000,000 have been borrowed by the veterans; they have borrowed their own money and have agreed to pay 4½ per cent interest, compounded annually, for it. The interest will practically consume the certificate of the veteran who has borrowed the limit allowed by law. Two billion two hundred million dollars will pay the balance due on all the certificates. Only the uninformed or the veterans' enemies contend that the Government can not conveniently make this payment now. The Government can be saved tens of millions of dollars a year in administration expense by making the payment now and at the same time save the veterans, their widows, and orphans tens of millions of dollars annually on compound interest. For a veteran to be required to pay interest for his own money is bad enough, but to require him to pay "compound interest" is adding insult to injury.

GET THE TRUTH TO THE PEOPLE

This is not a question of sympathy. It is a business proposition. A great principle is involved. That is, shall the Government liquidate this debt in the same way that debts owed by the Government to others are liquidated? If so, it should be paid in cash now. The veterans do not want sympathy, they want understanding. We will be victorious when the people understand that our request is both right and reasonable. Our problem is getting the truth to the people. The request for this payment does not come from veterans alone but from farmers, wage earners, manufacturers, wholesalers, retailers, jobbers, business and professional men and women, and all others who want a wrong righted and our Nation made prosperous.

FIGHT WILL CONTINUE

We have a just cause; we are right; the fight has just commenced, and it will continue until the certificates are paid in full.

HOW MUCH WILL EACH STATE RECEIVE AND HOW MUCH WILL IT COST THE TAXPAYERS OF EACH STATE?

The following table in connection with the footnotes is self-explanatory:

(1) Residence of veterans	(2) Number holders certificates	(3) Remainder due on certificates	(4) Amount each State will contribute, income taxes	(5) 98.66 per cent class taxpayers	(6) 50 per cent class taxpayers	(7) Per capita payment to each State
Alabama	49,391	$29,876,840	$7,879,584	2,103	13	$12.00
Arizona	10,555	7,411,302	3,104,598	742	21	17.00
Arkansas	42,576	25,373,058	1,722,844	964	3	13.68
California	194,607	136,500,005	118,592,272	28,509	487	17.50
Colorado	33,265	21,514,464	8,650,571	2,428	39	20.77
Connecticut	42,765	29,902,203	44,822,030	8,755	176	18.61
Delaware	4,743	3,918,525	20,550,199	1,366	88	16.44
District of Columbia	27,460	18,198,685	14,500,808	3,329	55	37.38
Florida	38,260	24,469,835	14,965,667	2,385	51	16.59
Georgia	56,882	35,151,645	7,384,686	2,601	26	12.10
Idaho	13,138	8,248,500	396,441	302	0	18.53
Illinois	245,990	157,543,750	214,678,847	35,722	843	20.60
Indiana	92,813	59,254,650	19,595,646	5,090	86	18.29
Iowa	77,498	46,574,480	12,059,120	2,893	25	18.85
Kansas	55,456	34,934,250	5,690,509	2,376	11	18.57
Kentucky	61,848	38,064,000	10,940,425	3,322	42	14.56
Louisiana	52,321	31,168,150	8,497,764	2,452	28	14.83
Maine	20,791	13,446,550	8,269,247	1,870	27	16.89
Maryland	46,918	31,140,525	31,285,998	6,999	106	19.09
Massachusetts	133,133	92,376,144	115,893,608	22,647	457	19.38
Michigan	130,120	85,407,400	98,166,018	14,998	400	17.64
Minnesota	83,049	53,105,260	23,134,650	5,125	119	20.67
Mississippi	35,736	21,456,974	1,481,582	796	3	10.68
Missouri	108,464	67,608,904	36,687,296	9,182	112	18.62
Montana	17,580	11,424,128	2,518,167	882	8	21.25
Nebraska	39,016	24,227,271	4,092,122	1,821	14	17.58
Nevada	2,978	1,988,889	926,686	227	4	21.84
New Hampshire	12,011	8,084,753	3,864,197	1,168	15	17.38
New Jersey	113,024	77,317,513	100,666,486	19,694	351	19.13
New Mexico	9,809	6,257,550	900,995	381	2	14.78
New York	366,236	245,948,177	876,117,477	97,361	3,665	19.10
North Carolina	62,106	38,794,117	11,740,282	2,154	51	12.24
North Dakota	15,705	9,738,745	406,214	350		14.30
Ohio	177,390	117,878,406	107,466,150	19,336	410	17.73
Oklahoma	65,231	39,815,376	12,508,548	3,674	40	16.62
Oregon	34,349	22,978,122	4,613,316	1,886	14	24.09
Pennsylvania	252,388	172,888,542	187,738,583	34,152	744	17.95
Rhode Island	20,186	13,731,012	15,701,416	3,104	68	19.97
South Carolina	34,710	21,349,617	1,380,259	776	2	12.28
South Dakota	22,054	13,074,391	623,742	393	1	18.87
Tennessee	57,231	36,318,844	10,910,778	3,003	33	13.80
Texas	144,453	95,655,800	27,939,818	8,010	83	16.42
Utah	13,969	8,930,767	2,124,928	852	9	17.58
Vermont	8,004	5,604,408	2,038,436	772	6	15.58
Virginia	61,300	41,006,200	8,553,428	2,709	28	16.93
Washington	54,666	37,874,647	8,661,965	3,021	36	24.22
West Virginia	42,004	25,976,846	5,666,395	2,006	24	15.02
Wisconsin	85,481	52,438,873	24,171,077	6,333	90	17.50
Wyoming	10,794	7,144,348	721,929	420	2	31.23

Column 1. Residence by States of all veterans holding adjusted-service certificates.

Column 2. Number of veterans in each State holding certificates.

Column 3. After deducting all prior loans, the amount remaining due veterans of each State if full-payment bill is passed by Congress.

Column 4. Total amount income-tax payers in each State will eventually contribute toward full payment if the money is raised through individual income taxes. Year 1928 used as a basis.

Column 5. Secretary Mellon, in his plea for a sales tax, disclosed that 380,000 persons in the United States pay 97 per cent of all individual income taxes. Investigation discloses that 382,121 persons pay 98.66 per cent of the total tax paid by individuals. This column shows the number of persons from each State in the class that pays 98.66 per cent.

Column 6. Residence of personal income-tax payers who have an annual income in excess of $150,000 and are in the class paying 50 per cent of the total individual income taxes.

Column 7. Full payment will average per person, or for every man, woman, and child, in the State according to the 1930 census. The approximate amount of money that will be put into circulation in any city, county, or locality may be arrived at by multiplying the population by the per capita payment for that State.

The information for columns 1, 2, and 3 of this table was compiled from information furnished by the Veterans' Administration. The other information was obtained from the statistical division of the Bureau of Internal Revenue and other governmental sources.

THE NATION WILL BE HELPED $18 PER CAPITA

If the remainder of the certificates are paid in full, it will be the same as distributing $18 per capita all over the Nation. In a city of 1,000,000 people $18,000,000 will be paid to the veterans. This money will go immediately into the channels of trade. A veteran will pay his doctor bill, drug-store account, grocery bill, an installment on the furniture, a payment on the home, or possibly enjoy additional comforts and necessities of life. All the people in that city will be helped. The benefits will not be confined to the veterans and their families.

WHAT VETERANS IN DISTRICT I REPRESENT WILL RECEIVE

If the bill to pay the certificates becomes a law, veterans residing in the counties of the district I have the honor to represent, being the first congressional district of Texas, will receive the following amounts in cash:

Bowie County	$797,404.46
Camp County	163,592.46
Cass County	493,092.60
Delta County	215,725.96
Franklin County	139,471.48
Hopkins County	482,912.20
Lamar County	796,846.18
Marion County	170,291.82
Morris County	164,659.76
Red River County	507,755.66
Titus County	262,769.26
Total	4,194,521.84

These amounts will be paid after making deductions for prior loans and interest to October 1, 1931.

VETERANS OF FOREIGN WARS

The Veterans of Foreign Wars, an organization composed of men who have experienced military service in time of war in foreign lands, have indorsed the proposal of full cash payment of the adjusted-service certificates. The following letter is self-explanatory:

VETERANS OF FOREIGN WARS,
OF THE UNITED STATES,
Washington, D. C., December 10, 1931.

Hon. WRIGHT PATMAN,
House of Representatives, Washington, D. C.

MY DEAR MR. PATMAN: As chairman of the committee appointed by Darold D. De Coe, commander in chief of the Veterans of Foreign Wars of the United States, and as the immediate past commander in chief of that organization, may I thank you for your interest in veterans' affairs and for the introduction of the bill (H. R. 1) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates.

The Veterans of Foreign Wars of the United States has advocated the payment of adjusted-service compensation in cash to the veterans of the World War since 1920, as is evidenced by the statement of our then legislative representative, Major Hale, which appears among the proceedings before the Ways and Means Committee of the House of Representatives during its 1920 session.

As the years have gone on our national encampments have consistently passed resolutions calling upon Congress to adjust the pay of World War veterans in cash. Even as late as the 1931 encampment, which was held in Kansas City, Mo., in September, the Veterans of Foreign Wars of the United States unanimously went on record as advocating the immediate cash payment of the balance due on the adjusted-service certificates.

The question involved is not a new one. Congress in its wisdom has seen fit to make cash adjustments to the railroads, war contractors, and Federal employees in amounts aggregating billions of dollars, at times when our public war debt was more than $10,000,000,000 greater than it is to-day. We believe that ours is a just and fair debt and one which, if liquidated at this time, will be of material help, not only to the three and one-half million veterans holding these certificates but to the people of the entire United States, who would derive the benefits incidental to the circulation of more than $2,000,000,000.

There should be no great difficulty in financing the payment of the balance due to these veterans since our Federal Treasury has, during the past 10 years, liquidated our public debt to the extent of $3,500,000,000 more than required by law.

It has been suggested by those opposed to the full payment of these certificates that the remaining 50 per cent due will be of great help to the veterans upon the date of maturity in 1945, or thereafter. This theory is unfounded since about two and one-half million, or 66⅔ per cent of all of the veterans to whom such certificates have been issued, have found it necessary to borrow upon them to the limit now permitted by law. They are being

charged compound interest on those loans at the rate of 4½ per cent per annum, with the resultant effect that upon the maturity date of the certificates those veterans who have been forced to borrow one-half of the face value of the average certificate of $1,000 will receive only $82.80, or a total of $549.80 in cash, and the Government will have deducted the remaining $450.20 as compound interest.

Therefore the Veterans of Foreign Wars of the United States, an organization made up exclusively of men who have seen foreign service under the American flag in times of war, believe the same consideration should be shown to the men who answered the Nation's call to the service in having their adjusted compensation paid in cash as was shown to the railroads, war contractors, and Federal employees who derived great profit as the result of their service, with little or no sacrifice to themselves or their loved ones.

Respectfully yours,

PAUL C. WOLMAN,
Chairman Adjusted Compensation Committee.

HAS THE LAW AUTHORIZING LOANS OF 50 PER CENT UPON ADJUSTED-SERVICE CERTIFICATES CAUSED ANY PART OF THE TREASURY DEFICIT?

This charge is often made. It is not true. No part of the Treasury deficit has been caused by loans to veterans on their adjusted-service certificates. November 28, 1931, the Veterans' Administration furnished me with the latest information relative to these loans. This information discloses that a total of $1,173,330,971.37 has been loaned to veterans under both the old and new laws relating to loans; $537,339,791.76 loaned under the original act of 1924, when the debt was acknowledged; $635,891,179.61 has been loaned under the new act of 1931 authorizing a loan up to 50 per cent of the value of certificate.

None of this money has been loaned by the Treasury Department. It has all been advanced from two funds, as follows:

Adjusted-service certificate fund	$840,243,494.98
United States Government life-insurance fund	332,987,487.28

There is in the adjusted-service certificate fund at this time, after deducting the above amount, and which may be used to advance on additional loans, the sum of $153,925,720.

A letter from the Veterans' Administration to me, dated November 28, 1931, substantiates the statements I have made.

UNPATRIOTIC TO ASK FOR FULL PAYMENT

This argument is being made. By stating the argument in a different way, it answers itself. That is, the 2,500,000 needy veterans who have borrowed on their certificates the limit allowed by law are unpatriotic unless they permit the remaining half of their certificates to be consumed by compound interest. Seven hundred and fifty thousand veterans who have borrowed were out of jobs. They are still unemployed. Is it right to question their patriotism because they object to 50 per cent of their certificates being consumed by compound interest?

HAS MR. MELLON DELIBERATELY AND WILFULLY CAUSED THE DEFICIT IN THE TREASURY TO DEFEAT PAYMENTS TO VETERANS?

We know he has always opposed veteran legislation. He has made billion-dollar mistakes in estimating the condition of the Treasury at a time when his errors caused the defeat of meritorious legislation. He knows that the veterans will have a better chance to get their debt paid with a surplus in the Treasury than they would if there is a deficit. Therefore, being bitterly opposed to the payment of the adjusted-service certificates or the passage of other meritorious veteran legislation, it is reasonable to suppose that he will so maneuver and manipulate the finances of the Nation as to gain an advantage for the opposition. It has been convenient for him to so maneuver the Nation's finances.

He admitted before a Senate committee in February of this year (1931) that he has paid on the national debt during the past 10 years three and one-half billion dollars more than Congress by law said should have been paid to that time. Senator COUZENS suggested that it was a strange coincidence that three and one-half billion dollars would pay the adjusted-service certificates in full and we would not owe a penny more than Congress contemplated we should owe at that time.

The latter part of 1929 the outlook for a substantial surplus in the Treasury at the end of the fiscal year was promising. Mr. Mellon secured the passage of a law refunding to large income taxpayers $160,000,000.

The argument has been made that the payments by foreign nations to the United States on the war debt should be used to retire the adjusted certificates in cash. Mr. Mellon visited Europe this summer and we are convinced from subsequent events that he promised our foreign debtors that they would never have to pay their debts to us. This sacrifice not only destroyed the argument in favor of cash liquidation of the certificates by the use of payments by the foreign countries for that purpose but it also made a large contribution to the Treasury deficit—$247,000,000 a year—which he can use as an argument against us.

In view of these facts I believe that we are justified in saying that Mr. Mellon has deliberately and willfully created a deficit in the Treasury. He probably did not expect such a large deficit. Probably such a large deficit was not contemplated by him, but evidently he was looking forward with some degree of pleasure to a deficit.

PAY VETERANS BEFORE CONSIDERATION OF DEBT CANCELLATION

No further consideration should be given debt cancellation, reductions, or moratoriums for foreign countries until the adjusted-service certificates are paid in full. Our home people should be given first consideration. Mr. Arthur Brisbane has said:

> The best way to discourage European armaments is to make Europe pay what she owes. If she does that she will have less for big guns and poison gas. First we lent them $10,000,000,000 to complete the job of butchering each other. Now we plan to make them a present of the $10,000,000,000 if they will cut down their armaments for future butchery.

Nation	Total organized forces	Percent of population under arms
Belgium	571,494	7.1
Great Britain	565,033	1.23
Czechoslovakia	1,647,121	11.25
France	6,298,428	15.4
Greece	495,789	8.1
Italy	5,964,764	14.3
Poland	1,974,033	6.43
Rumania	1,890,612	10.68
Russia	5,167,000	3.27
Switzerland	630,090	15.8
Sweden	875,887	14.38
Jugoslavia	1,469,929	10.6
United States	427,400	.35

Every one of these countries maintains a larger armed force than the United States. If European governments are overburdened with debt, why do not they trim their military budgets? When Europe's gigantic armies are surveyed, the suggestion that the American people assume Europe's debts incurred in the last war takes on an aspect of caustic irony. The United States would default in its duty as a great world power if it should seriously consider lifting the burden of the last war from Europe's shoulders so as to make the maintenance of bigger and better armaments possible.

PAY BANKERS INSTEAD OF VETERANS

One-fifth of what the foreign nations owe us on the war debt—much of it was loaned to them after the armistice—would pay the adjusted-service certificates in full. Opposition to paying these certificates comes from the ones who want to cancel the war debts. International bankers want the United States Government to forego collecting its debt from France and England with the understanding that France and England will forego the collection of a like amount from Germany in order that Germany may pay them in full with interest. When these foreign securities were purchased by the international bankers, a discount of from 10 to 40 per cent was allowed in addition to an interest rate as high as 8 to 10 per cent.

THAW OUT FROZEN ASSETS OF THE VETERANS AS WELL AS THE BANKERS AND RESTORE PROSPERITY

Three million five hundred and eighty thousand veterans of the World War, who reside in every nook and corner of America, have frozen assets in their hands in the form of adjusted-service certificates. The bankers have frozen assets in the banks. Messrs. Mellon and Hoover are helping

the banks thaw out their frozen assets. Why can not they help thaw out the frozen assets held by the veterans? Mr. Hoover claims that the country has been helped by converting one-half billion dollars worth of frozen assets of bankers into cash. Since one-half billion dollars to a few bankers has helped the country so much, let us give the people of the Nation a real chance to pay their debts, purchase necessities of life, and enjoy prosperity by paying the veterans, who reside in every community of America, five times that much money.

ALL DUE AND NO BONUS

Those certificates range in amount from $126 to $1,590 each, the average value being $1,000. The holders of those certificates reside in every nook and corner of America. The passage of the act of 1924 was by reason of agitation in the country to give to the veterans of the World War what was known as adjusted pay. The passage of the law did not give to a veteran what is commonly called a bonus certificate or a subsidy or a gratuity but it did cause to be given to him a certificate as a confession or acknowledgment of a debt for services rendered. No one can consistently say that the adjusted-service certificate represents a bonus. It does not represent a bonus.

Mr. McGUGIN. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. McGUGIN. Does not the gentleman admit that approximately 50 per cent of the face value of the bonus certificate is for interest which has not been accrued?

Mr. PATMAN. Well, I differ with the gentleman on that. I will tell the gentleman how I arrive at the value of the certificate. The veterans are not asking for any special favors. They are not asking for any special consideration. They are not asking for a penny from the Treasury of the United States that is not based upon the policy of the Government liquidating a debt, in the same manner as it has liquidated other debts.

Now, I hope to be able to yield to all gentlemen who desire to ask questions. I am not making a partisan speech. I do not expect to make a partisan statement. This question should not be in politics. I hope the day will never come when veterans' affairs will be in politics. I believe we have the side of right. I believe that we can convince the Members of this House, and we can convince the country, that 100 per cent of each and every certificate is past due.

HOW VALUE ADJUSTED-SERVICE CERTIFICATE ARRIVED AT

Congress decided that each veteran of the World War was entitled to $1 a day extra pay for home service and $1.25 a day for service overseas, with the limitation that no veteran would be entitled to more than $500 for home service or more than $625 for service overseas, which is intended to cover the period of the emergency.

The average adjusted-service certificate is for $1,000. As an illustration, it may be assumed that it was arrived at as follows: The veteran was credited with 210 days' domestic service at $1 a day, $210, and 200 days' foreign service at $1.25 a day, $250, or a total of $460. The Government deducted $60 of this amount because the veteran had received an extra $60 at the time of discharge. This reduced the credit to $400. The Government instead of paying the veteran the $400 in cash added to the confession of the debt 25 per cent for deferred payment, making the credit $500 and giving the veteran what was equal to an endowment insurance policy for $1,000, dated January 1, 1925, and payable at death or January 1, 1945. It was determined that the $500 would purchase such a policy based upon the American experience table of mortality at 4 per cent.

In this settlement it will be noticed that the veteran had deducted from his credit $60 and had added to it $100, or 25 per cent, as a bonus for waiting.

Congress evidently intended to give the veterans the extra pay as of the time the services were rendered. One dollar given to them as of 1925 would be equal to giving them about 65 or 70 cents as of 1918.

If the veteran is given the $460 from a date representing halfway between the beginning and ending of his service, or June 5, 1918, the time it should be computed from, with 6 per cent compounded annually, the veteran was entitled to $1,000 October 1, 1931, or the full face value of his adjusted-service certificate. A similar computation for each certificate will cause a similar result.

In order to justify this settlement a satisfactory explanation must be given why the $60 should not be deducted, why the veteran should not accept the $100 given as a bonus for waiting, and why the veteran should receive 6 per cent interest compounded annually.

WHY THE $60 SHOULD NOT HAVE BEEN DEDUCTED

In February, 1919, Congress passed a law giving to each ex-service man $60 additional pay upon discharge, considered to be an amount sufficient to purchase a civilian suit of clothes, the soldier having given his civilian clothing to the Red Cross when he entered the service and it was sent to foreign countries to relieve distress there. The $60 was authorized to be given to all officers, including the major general, who received $8,000 a year with additional allowances, as well as the private who had served only three days in the military service. When the adjusted compensation law was passed the veterans receiving the certificates were required to account for the $60; in other words, to pay it back. The officer who drew $8,000 a year was permitted to keep his $60 and make no return to the Government, although such officer, or any other officer above the grade of captain, did not receive an adjusted-service certificate, Congress feeling that such officers were not entitled to have their pay adjusted. Neither was the private who served three days required to pay his $60 back to the Government. So why should the Government play the rôle of Indian giver to the holders of adjusted-service certificates? The $60 should not have been deducted.

WHY THE $100 OR 25 PER CENT INCREASE SHOULD NOT BE ACCEPTED

The reason is obvious. The veterans are not asking on adjusted pay for more than the full payment of their certificates. The full amount was due October 1, 1931, without accepting one penny of the 25 per cent increase allowed for waiting. By not accepting it, the payment will be for services rendered and no part of it for a bonus; the 6 per cent will be sufficient compensation for waiting.

WHY 6 PER CENT INTEREST COMPOUNDED ANNUALLY SHOULD BE ALLOWED

When the adjusted compensation act was passed in 1924, provisions were made for loans to be made to veterans on their certificates after the expiration of two years from their date. Only a small amount each year could be borrowed, never a sufficient amount to be of substantial service, and the veterans were required to pay 6, 7, and 8 per cent compounded annually for their own money.

Mr. SIMMONS. I just want to ask the gentleman a question as to a detail. The gentleman made reference to veterans who had paid the Government 6, 7, and 8 per cent compound interest on obligations. What obligation of the veterans did the Government have that carried 7 or 8 per cent?

Mr. PATMAN. They were required to pay 2 per cent above the rediscount rate in the Federal Reserve District in which they resided, and in some cases the rediscount rate, I will say to the gentleman from Nebraska, was 6 per cent, and when this was true they had to pay 8 per cent compounded annually for their money.

Mr. SIMMONS. The gentleman is satisfied there were cases where they paid 8 per cent?

Mr. PATMAN. I know I paid 7½ per cent myself, and I know there were cases of 8 per cent. I have them in my office right now.

The Government having charged the veterans from 6 to 8 per cent compounded annually certainly can not contend that it would be unfair to pay the veterans 6 per cent compounded annually. Interest charges are now 4½ compounded annually, but they have been as high as 8 per cent compounded annually.

INTEREST RECEIVED BY WAR PROFITEERS

The Secretary of the Treasury has refunded to large income-tax payers more than two thousand million, or $2,000,000,000, from the year 1922 to the year 1929, inclusive—an amount sufficient to pay the remainder of the adjusted-service certificates in full. Most of this money was refunded or given back to them on the theory that the taxpayers did not charge off a sufficient amount for depreciation in value of their properties during the war from 1917–1919. A large part of it was refunded in plain violation of the law. A large number of the beneficiaries of these large gifts were war profiteers and should have been convicted of treason for dissipating and plundering our resources during the war. When each refund was paid, the Treasury also paid the one receiving it 6 per cent interest from the year it was claimed the deduction should have been made. On one refund to the United States Steel Corporation of $15,736,595.72, interest amounting to more than $10,099,765 was paid. Mr. Mellon has made large refunds to himself and to his companies, and in each case allowed 6 per cent interest—not from 1925, the date of the adjusted-service certificates, or seven and one-half years later—but from the year he claims the credits should have been given. Those who are so loud in their denunciation of the proposal to pay the veterans this honest debt have been just as silent as the tomb while these war profiteers were wrongfully getting billions of dollars from the Treasury.

Mr. BLANTON. Will the gentleman yield?

Mr. PATMAN. Yes.

Mr. BLANTON. The skilled workman who was exempted from the draft and who received as high as $30 a day in the shipyards at home received his money in his pay envelope in cash at the end of each week. The soldier who fought in the trenches of France ought to have received this extra $1.25 per day at the time he fought to save the civilization of the world.

Mr. PATMAN. The gentleman is correct.

WHAT FULL PAYMENT MEANS

It means accepting the Government's confession of the debt of $1 and $1.25 a day extra pay as of the time the services were rendered, together with a reasonable rate of interest from that time.

COPY OF THE FULL PAYMENT BILL BY REPRESENTATIVE PATMAN, OF TEXAS

H. R. 1

A bill to provide for the immediate payment to veterans of the face value of their adjusted-service certificates

That title 5 of the World War adjusted compensation act, as amended, is amended by adding at the end thereof three new sections to read as follows:

"PAYMENT OF CERTIFICATES BEFORE MATURITY

"SEC. 509. (a) The Administrator of Veterans' Affairs is authorized and directed to pay to any veteran to whom an adjusted-service certificate has been issued, upon application by him and surrender of the certificate and all rights thereunder (with or without the consent of the beneficiary thereof), the amount of the face value of the certificate as computed in accordance with section 501.

"(b) No payment shall be made under this section until the certificate is in the possession of the Veterans' Administration, nor until all obligations for which the certificate was held as security have been paid or otherwise discharged.

"(c) If at the time of application to the Administrator of Veterans' Affairs for payment under this section the principal and interest on or in respect of any loan upon the certificate have not been paid in full by the veteran (whether or not the loan has matured), then, on request of the veteran, the administrator shall (1) pay or otherwise discharge such unpaid principal and so much of such unpaid interest (accrued or to accrue) as is necessary to make the certificate available for payment under this section, and (2) deduct from the amount of the face value of the certificate the amount of such principal and so much of such interest, if any, as accrued prior to October 1, 1931.

"(d) Upon payment under this section the certificate and all rights thereunder shall be canceled.

"(e) A veteran may receive the benefits of this section by application therefor filed with the Administrator of Veterans' Affairs. Such application may be made and filed at any time before the maturity of the certificate (1) personally by the veteran or (2) in case physical or mental incapacity prevents the making or filing of a personal application then by such representative of the veteran and in such manner as may be by regulations prescribed. An application made by a person other than a representative authorized by such regulations or not filed on or before the maturity of the certificate shall be held void.

"(f) If the veteran dies after the application is made and before it is filed, it may be filed by any person. If the veteran dies after the application is made, it shall be valid if the Administrator of Veterans' Affairs finds that it bears the bona fide signature of the applicant, discloses an intention to claim the benefit of this section on behalf of the veteran, and is filed before the maturity of the certificate, whether or not the veteran is alive at the time it is filed. If death occurs after the application is made but before the negotiation of the check in payment, payment shall be made to the estate of the veteran, irrespective of any beneficiary designation, if the application is filed (1) before the death occurs, or (2) after the death occurs, but before the mailing of the check in payment to the beneficiary under section 501.

"(g) Where the records of the Veterans' Administration show that an application disclosing an intention to claim the benefits of this section has been filed before the maturity of the certificate and the application can not be found, such application shall be presumed, in the absence of affirmative evidence to the contrary, to have been valid when originally filed.

"SEC. 510. If at the time this section takes effect a veteran entitled to receive an adjusted-service certificate has not made application therefor he shall be entitled, upon application made under section 302, to receive at his option either the certificate under section 501 or payment of the amount of the face value thereof under section 509.

"SEC. 511. The Administrator of Veterans' Affairs, in the exercise of his powers to make regulations for payment under section 509, shall to the fullest extent practicable provide a method by which veterans may present their applications and receive payment in close proximity to the places of their residence."

SEC. 2. There is authorized to be appropriated such amounts as may be necessary to carry out the provisions of the sections added to title 5 of the World War adjusted compensation act by section 1 of this act. Amounts now or hereafter in the adjusted-service certificate fund created by section 505 of the World War adjusted compensation act, as amended, are authorized to be made available for the payment of the face value of adjusted-service certificates under section 509 or 510 of such act, as amended.

SEC. 3. This act may be cited as the "Emergency adjusted compensation act, 1932."

(The above bill was prepared by Mr. Middleton Beaman, Legislative Counsel, House of Representatives, at the request of Representative WRIGHT PATMAN, of Texas.)

VALUABLE INFORMATION ABOUT THE CERTIFICATES

The following information was obtained from the Hon. Frank T. Hines, Administrator of Veterans' Affairs, October 24, 1931:

First. Number of adjusted-service certificates issued, 3,580,368.

Second. Average value of each certificate issued, $1,000.97.

Third. Average age of World War veterans, 39 years.

Fourth. Maturity value of adjusted-service certificates in force, $3,467,899,923.

Fifth. Amount of outstanding loans to veterans (principal): Made by Veterans' Administration, $1,152,936,583.41; made by banks—not redeemed (estimated), $70,000,000; total, $1,222,936,583.41.

Sixth. Number of certificates held as collateral security for loans: Held by Veterans' Administration, 2,338,040; held by banks (estimated), 175,000; total, 2,513,040.

HOW MUCH OF EACH CERTIFICATE WILL BE CONSUMED BY COMPOUND INTEREST?

A veteran of the average age, who was 33 years of age January 1, 1925, received from the Government an adjusted-service certificate for $1,000, the average value. He has borrowed on the certificate every opportunity and will continue to do so as a majority of the veterans have done. He will not repay any part of the principal or make any interest payments. The following computation furnished by the Veterans' Administration shows the amount the veteran receives in cash, the amount of compound interest charged, and other information:

Year	Loan value	Interest due beginning of year [1]	Cash to veteran
1925			
1926			
1927	$87.99		$87.99
1928	120.06	$5.27	26.80
1929	153.59	7.20	26.33
1930	188.67	9.21	25.87
1931	225.38	11.32	25.30
Emergency loan act, March, 1931	500.00		274.62

[1] Interest at maximum rate of 6 per cent to March, 1931, and maximum of 4½ per cent after March, 1931.

Year	Loan value	Interest due beginning of year	Cash to veteran
1932	$500.00	$21.00	
1933	500.00	23.44	
1934	500.00	24.48	
1935	500.00	25.60	
1936	500.00	26.75	
1937	500.00	27.95	
1938	535.73	29.21	
1939	589.05	30.52	
1940	645.06	31.90	
1941	703.92	33.33	
1942	765.86	34.83	
1943	831.12	36.40	
1944	900.00	38.04	$16.55
Jan. 1, 1945 (10 months)		33.75	66.25
Total		450.20	549.80

It will be noticed that the veteran will receive less than $100 more on his certificate than the Government will receive in interest; or will receive $49.80 more than one-half the value of his certificate.

Only one substantial payment has been or will be made on the certificate. The other payments are in dribs and not sufficient to afford substantial relief for any purpose. After the 50 per cent loan is granted the remainder of the certificate will be practically consumed by compound interest. His next loan will be granted January 1, 1944, for $16.55. The Government does not pay compound interest for the money it borrows.

DO THE VETERANS NEED IT AND WILL THEY WASTE IT?

Let the following letter answer the question:

Hon. WRIGHT PATMAN,
House of Representatives, Washington, D. C.

MY DEAR MR. PATMAN: I have your letter of October 3, 1931, asking for certain information resulting from the study you understand the Veterans' Administration to have made concerning the direction in which the veterans spent money obtained from loans on their adjusted-service certificates.

You are advised that a general study on this matter has been made, which permits the following broad conclusions in answer to your questions:

(1) The average per cent of veterans obtaining loans for personal and family needs was 65 per cent.

(2) The per cent of veterans who used funds secured for investment purposes was 20 per cent.

(3) The per cent of veterans who used funds secured for the purchase of automobiles, purpose undetermined, was 8 per cent.

(4) The per cent of veterans who utilized funds in such a way as to receive no practical benefits therefrom was 7 per cent.

You will realize, of course, that these average percentages are estimates based upon such data as might be secured and upon such impressions as may have been gained by our managers and by those with whom our field managers came in contact. The final figures were secured by average field returns. Generally speaking, it is felt that of the 2,000,000 loans made the data fairly represents the direction in which the money was expended.

I might add that endeavor was made to determine the degree of employment among those securing loans, and from the available data secured it appears that 32 per cent of the veterans obtaining loans were unemployed and in need and utilized funds secured by borrowing on their adjusted-service certificates to meet that need.

The foregoing represents the only data which are thus far available as a result of this study.

Very sincerely yours,

FRANK T. HINES, *Administrator.*

The money used for investment purposes included payments on homes. Many of the veterans are paying 10 per cent interest on installment loans on their homes.

According to this report, about 750,000 of the veterans borrowing were unemployed. The number has not decreased since that time. These men are very much in need of the additional money due them to provide necessities of life for themselves and families.

WHERE DOES MONEY COME FROM TO SUPPORT NATIONAL GOVERNMENT?

The State, county, and city governments are supported principally by owners of real estate and other tangible properties. The tax is paid as much on what one owes as upon what he owns. An ambitious head of the family buys a home and makes a small payment on it. He renders it for taxation, not according to his equity but according to the value of the property. The greatest tax burdens in our Nation to-day, which are for schools, good roads, land drainage, and for support of different local and State governments, are paid largely by citizens least able to pay them. They are paid if the property is operated at a loss or if it nonrevenue bearing, whether the title holder owns it or owes for it.

No citizen or corporation pays a direct tax to the support af the National Government except in proportion to profits earned the preceding year. Except the internal-revenue tax collected on a few articles like tobacco and playing cards and the tariff duties collected at the ports, our Government is entirely supported by the income tax. The basis of the income tax is net profit.

The people who do not pay an income tax to the Government are the ones making the largest contribution to the support of schools, roads, county, city, State, and all local governments.

WHO WILL BENEFIT IF FEDERAL EXPENDITURES REDUCED

In order for the citizen who does not make sufficient profit to pay an income tax to be relieved of any tax burden by the National Government, it would be necessary for tariff duties to be lowered and the tax on tobacco reduced. Neither is hardly probable. In past years when the Government was collecting too much money the reductions were not made in the tobacco tax or tariff duties but made in income taxes—the big fellows were taken care of. We can judge the future only by the past. No increase in either of these sources of revenue is probable as they are as high now as the traffic will bear. Out of $4,000,000,000 collected by the Government annually, about $2,500,000,000 are collected from the income tax. Therefore, in order for the people who do not pay an income tax to get the benefit of a tax reduction by the National Government our expenses will have to be reduced more than $2,500,000,000 annually. That is not even possible. Our civil and miscellaneous expenses amount to a billion dollars a year, the Army and Navy $800,000,000 a year, and, besides, there are other large disbursements for the Indians, pensions, United States Veterans' Administration, postal deficiencies, and interest on the public debt.

IS PRINCIPLE OR GREED PARAMOUNT?

The campaign to reduce expenses of the National Government is a laudable one. Every board, bureau, and commission that can be dispensed with should be abolished. Every penny should be saved that can be saved. Yet, the campaign is backed by many (not all) selfish individuals who do not want to give up a fair proportion of their profits in order to help support deserving enterprises of the National Government. They talk about State rights, local self government, and how unbecoming it is for the National Government and State governments to contribute equal amounts for road building, promotion of agriculture, and other worthy undertakings. They are not trying to get you to condemn 50-50 appropriations to help you but to help them. They want to be saved the tax burden which they must pay in proportion to net profits made.

WHY SHOULD NOT THOSE WHO PROFIT SO MUCH MAKE A CONTRIBUTION TO THE NATIONAL GOVERNMENT?

Our very rich, whose net incomes are from $100,000 a year to $50,000,000 a year, receive a large part of their incomes from the following sources:

First. Patent rights.

Second. Monopolies assisted, tolerated, or granted by Government.

Third. Violations antitrust or antimonopoly laws.

Fourth. Tariff protection.

The ones enjoying tariff protection and patent monopolies are receiving substantial benefits granted and conferred by the Government. Many of them refuse to pay labor a sufficient wage, desiring to keep more of the profits for themselves. They are receiving such enormous benefits from the Government, why should they not be compelled to contribute liberally to the support of the Government? Since the Government is tolerating violations of the antitrust laws to the extent that unconscionable profits are made by the violators, certainly a portion of the profits should be taken for the Government. The holders of monopolies can not com-

plain if a fair share of the net profits is taken for the support of the Government granting the privileges.

These classes are receiving more financial benefits from their Government than others are receiving. They constitute a special-privilege class. If the Government allows them to earn too much, they want to keep it; they are opposed to having the Government use their excess profits for the public good.

WILL INCOME TAXES BE PASSED BACK TO THE CONSUMERS?

No economist will contend that individual income taxes can be passed back to the consumers. If that were true, there would be no objection to such a tax from the taxpayers. All the earners of huge incomes are not so solicitous of the public welfare as they are their own welfare. The argument that the income tax should not be raised because it will be passed back to the people is usually colored with a strong solution of personal interest and sometimes greed. Income taxes are paid at the end of the year after the profits are made and based solely upon "net profit." Everything is taken from the consumers now that competition will permit or the traffic will bear. An increase in the income tax in the higher brackets will not cause an increase of price of any commodity.

BEWARE OF THE SALES TAX

A sales tax is intended to place the burden of the National Government on the backs of the people who pay on what they owe and not upon what they own. It is to be used to compel the poor people to pay the $10,000,000,000 that should be paid by foreign countries. The burdens of all other smaller governments are now placed largely on that class. Let those who get the most financial benefit from our National Government pay the most toward its support. Should the dollar-a-day laborer pay a tax on the food he and his family consume or the few clothes they wear or on other necessities of life as long as the holders of special privileges are accumulating and allowed to keep more than $1,000,000 a year? Five hundred thousand dollars a year?

FOREIGNERS GIVEN TEN BILLIONS TO DEPRIVE VETERANS OF TWO BILLIONS

At the last session of Congress the opposition to paying adjusted-service certificates in cash contended that the Government would have to pay as much as 4½ or 5 per cent interest for as much as $1,000,000,000 or more; they also predicted that Liberty bonds would go below par by reason of that amount of bonds being sold.

Neither prediction came true. Since that time the Government has obtained money from less than one-half of 1 per cent annual interest to 2 per cent interest. The Liberty bond market was not unduly disturbed.

Mr. Mellon has started early for this session of Congress. As chairman of the Federal Reserve Board he has caused interest rates to be increased from less than 2 per cent to 4 per cent, making his prediction come true as to interest at this session. Foreign countries are obligated to pay us more than $10,000,000,000; they are required under the agreements to pay us a substantial sum each year. They reserved the right, however, to make payments in our own bonds at par and accrued interest. Liberty bonds went slightly below par before England made her first payment in 1924. She paid us on the first payment $27.44 in cash and the remainder of $69,000,000 in our own bonds at par and accrued interest. It was good policy for England to pursue in paying this debt. United States Government bonds did not go below par any more. If they had, either of the foreign nations owing us would have quickly bought them to use in paying the debt. But Mr. Mellon made a trip to Europe this summer. Since that time European debtors of the United States have not been in the market for any more of our Liberty bonds; they have gone much below par since that time. Are we justified in saying that Mr. Mellon promised our European debtors that the war debts will be canceled? Such a conclusion is certainly logical. The French have lots of gold; they like to save money; if they thought France would have to resume payments in one year or 10 years on the war debt, don't you think they would buy our bonds at 90 which they can use for 100 cents on the dollar?

CAN MR. MELLON MAKE GOOD HIS PROMISE?

Evidently Mr. Mellon made the promise. Will he be able to deliver? He has been successful in the past. He does the thinking for a lot of people in this Nation. However, a lot of people are now doing their own thinking. The people are better informed than they have been in the recent past.

MONEY IS THE BLOOD OF THE BODY POLITIC

Since 1920 our population has increased 17,000,000 people. Our volume of money should have increased in proportion. It has not, but has decreased more than $1,000,000,000. Money has been taken out of circulation and burned. It is as reasonable to suppose that your body will remain just as efficient after the surgeon withdraws from your veins one-third of your circulating blood as to expect a nation to remain prosperous after the withdrawal of one-third of its circulating money. Money is the blood of the body politic. When there is congestion of the blood, or too little blood, in the body, there is serious trouble. When there is too much concentration of money in the hands of a few, or too little money in circulation, there is economic trouble.

HOW THE MONEY CAN BE RAISED

A few leaks stopped here and there in the Bureau of Internal Revenue, such as large refunds to Mr. Mellon, his companies, and other war profiteers, will bring in a huge sum annually. Making tax returns subject to public inspection—they are now secret—will cause an additional amount to be paid. The income tax law is weak and should be amended in relation to gifts, capital gains, and stock dividends. Such amendment will increase the amount of taxes raised enormously.

Chicago had a tax system equal to secrecy. If anyone doubts what will happen under such a system he should read about what did happen in Chicago.

Uncle Sam, blindfolded, passing around the hat, represents a secret tax system. As stated by Senator COUZENS, of Michigan, tax secrecy is a badge of fraud. We do not need a Government by secrecy. How many people would tolerate such a system in their State or local governments? Such a system holds out every inducement to a taxpayer to defraud the Government. People who defraud their Government in time of war are calculated to defraud their Government in time of peace. If we measure the amount the Government is annually being deprived of through this secret tax system by what we know some large income-tax payers defrauded our Government in time of war the amount will be tremendous; in fact, a sufficient amount to pay the certificates in full in one or two taxable years.

CONGRESS DUTY TO COIN MONEY

It is the mandatory duty of Congress under the Constitution of the United States to coin money and regulate the value thereof. Congress is not performing that duty. Mr. Mellon as chairman of the Federal Reserve Board has complete charge of our money system. He coins the money and regulates the value of it. Congress should not longer tolerate this condition.

WHERE WILL WE GET THE MONEY?

When our Nation owed $10,000,000,000 more than it owes today, or $26,000,000,000, the railroad owners, war contractors, and Federal employees were paid billions of dollars in adjusted compensation in cash. Foreign nations were also given billions of dollars; and they used our money to pay their veterans adjusted compensation in cash. Those who are opposing the payment of the adjusted-service certificates did not claim we could not pay these debts in cash, or that it would disrupt Government finances to give foreign countries billions of dollars.

These certificates can easily be paid in cash. They do not want them paid and will not try to find a way to pay them. They are so biased in favor of their own financial interests and Wall Street bankers and so prejudiced against the veterans and the plain people their opinions and predictions can not be accepted, but must be ignored.

This debt should be liquidated like all other Government obligations are liquidated. No special favors are asked, only the payment of an honest debt that Congress has heretofore confessed is due to the veterans of the World War for services rendered.

THE LEGION'S DETROIT CONVENTION ON THE BONUS

At the American Legion national convention, Detroit, Mich., Thursday, September 24, 1931, when the resolution to ask Congress to pay the remainder of the adjusted-service certificates in cash was under consideration, leaders of the opposition contended that the delegates were not bound by a majority vote from back home. The delegates to that convention were selected by the department conventions. In many instances the department conventions instructed their delegates to favor full cash payment of the certificates at the national convention. The following departments were among those so instructing their delegates: Ohio, Michigan, Illinois, Texas, Arizona, District of Columbia, North Dakota, Washington, Rhode Island, Oklahoma, Indiana, Italy, Montana, Massachusetts, and California. In favor of annulling all interest, which was equal to indorsing full payment, was indorsed by the departments of Florida and New Hampshire. Only the delegates from the department of Kansas, Nebraska, and Missouri were instructed to vote against 100 per cent payment. The vote was taken on the cash-payment resolution as follows:

Alabama, 20 votes for; Alaska, 7 votes for; Arizona, 12 for; Arkansas, 1 for, 19 against; California, 18 yes, 52 no; Canada, 6 no; Colorado, 15 no; Connecticut, 20 no; Delaware, 7 no; District of Columbia, 11 yes; Florida, 18 no; France, 7 no; Georgia, 17 no; Hawaii, 8 no; Idaho, 11 no; Illinois, 93 yes; Indiana, 44 yes, 1 no; Iowa, 44 no; Italy, 7 no; Kansas, 31 no; Kentucky, 22 no; Louisiana, 15 yes; Maine, 14 no; Maryland, 12 no; Massachusetts, 29 yes, 26 no; Michigan, 22 yes, 15 no; Minnesota, 8 yes, 27 no; Mississippi, 10 yes, 8 no; Missouri, 31 no; Montana, 12 yes; New Mexico, 11 no; Habana, Cuba, 1 no; London, England, 1 no; Nebraska, 27 no; Nevada, 8 no; New Hampshire, 12 no; New Jersey, 31 no; New Mexico, passes; New York, 92 no; North Carolina, 4 yes, 21 no; North Dakota, 10 yes, 6 no; Ohio, 14 yes, 42 no; Oklahoma, 35 yes; Oregon, 18 no; Panama, 7 no; Pennsylvania, 63 yes, 17 no; Philippine Islands, 6 no; Porto Rico, 7 no; Rhode Island, 7 yes, 3 no; South Carolina, 16 no; South Dakota, 18 no; Tennessee, 31 no; Texas, 45 yes; Utah, 10 no; Vermont, 12 yes; Virginia, 17 no; Washington, 24 yes; West Virginia, 19 no; Wisconsin, 3 yes, 35 no; Wyoming, 12 no.

The vote against the cash payment was 902, and for it 507. This vote does not in any way prevent individual Legionnaires, Legion posts or departments from seeking full payment at this time. That vote was merely an expression of the delegates to the national convention on the situation as they understood it. Many Members of Congress are inclined to oppose the legislation because of the action of the American Legion convention at Detroit. I believe that 95 per cent of the Legion members want the full payment bill to pass. We must admit that the action of the Legion at Detroit must be overcome.

It will be noticed that many delegates failed to follow out their instructions.

ARE THE VETERANS TRYING TO BANKRUPT THE COUNTRY?

Are the veterans who are asking for full payment of the certificates "Treasury raiders"? Congress confessed the debt in 1924. They are only asking for its payment now because it is really due now. War contractors, railroads, and Federal employees were given several times more in adjusted compensation than the veterans, and they were not referred to as Treasury raiders.

Are the veterans trying to bankrupt the Government? If the remainder of the debt is paid in full, the amount will represent much less than 1 per cent of the total national wealth. The Nation owes $10,000,000,000 less to-day than it did 10 years ago. More than three and one-half billion dollars has been paid on the national debt in excess of what the law required should be paid at this time. This debt can be paid by diverting payments from the national debt to it until paid, and then the country will be ahead of the debt-refunding program passed by Congress. The veterans are not making unreasonable demands on Congress. If the veterans are trying to bankrupt the country by the payment of a $2,000,000,000 debt, what are they trying to do for the country when they ask that we pay a $10,000,000,000 debt for foreign countries?

Are the veterans "bonus racketeers"? They are not asking for the payment of a bonus. No bonus is involved. The question involved is pay for services rendered.

These odious terms are applied to veterans by the ones who were the most detestable slackers during the war—the war profiteers.

PROPERTY RIGHTS VERSUS HUMAN RIGHTS

The railroads, property rights, were drafted into service December 26, 1917, effective January 1, 1918. Congress immediately passed what was known as the Federal control act; the first section of that act contained this language:

The President is authorized to agree and guarantee to each carrier that during the period of such Federal control it shall receive as just compensation an annual sum, payable from time to time in reasonable installments, for each year and pro rata for any fractional year of such Federal control, not exceeding a sum equivalent as nearly as may be to its average annual railway operating income for the three years ended June 30, 1917. (Passed February 28, 1918, p. 2835, CONGRESSIONAL RECORD.)

The three years just before June 30, 1917, were the most prosperous years in the history of railroading in the United States. This act guaranteed to the railroads over a billion dollars a year actual profit.

When the war was over the railroad owners wanted a guarantee from the Government that they would make a big profit after the roads were turned back to the owners. This guarantee was given by Congress for six months, or from March 1, 1920, to September 1, 1920, which cost the Government $536,000,000, in addition to the billion dollars a year profit during Federal control. In all, the railroad owners were paid adjusted compensation amounting to $1,500,000,000.

The ex-service men, when mustered out, and without employment, did not receive any such guaranty.

Railroad owners received in cash from the Government as much as one-third the value of the entire railroad as adjusted compensation in their settlements after the war.

SEVEN BILLION BONUS TO RAILROAD OWNERS

In addition to all this, the act known as the Esch-Cummins law, which returned the roads to their owners, provided that the Interstate Commerce Commission was directed to ascertain the value of the railroads according to certain rules therein and to set rates that would give the carriers a fair return upon the valuation. This law increased the valuation of the railroads more than $7,000,000,000. If 3,500,000 war veterans who are now holders of adjusted-service certificates had received an adjusted-service credit equal to what the railroad owners received in cash and other benefits, each veteran who now holds a certificate for $1,000 would instead have a certificate for $5,000, and the veteran who holds a certificate for $1,575 would instead have a certificate for $7,875.

WAR CONTRACTORS GIVEN BILLIONS IN ADJUSTED PAY

After the war 7,000 war contractors came to the door of Congress and demanded that their pay be adjusted because the war had stopped and they were therefore not making the money they should make.

Congress passed a law adjusting the pay of these 7,000 contractors invoking the same principle that was invoked for the soldiers of adjusted pay. The Secretary of War was authorized to adjust the pay of these contractors without even a commission's investigation. In fact, many of them were paid upon reports made by dollar-a-year men who were directly interested in the industries. These industries have been paid more than $2,000,000,000 of adjusted pay by the Government. Were they asked to take a due bill or a post-dated check payable in 20 years? No; they were paid in cash, and no one suggested that the Government was not able to pay the bill, although its burden at that time was

in excess by billions of dollars to what the burdens of the Government are at this time.

Secretary Mellon, who represents most of the opposition to the payment of the adjusted-service certificates, probably profited more by reason of these settlements than any other individual in the United States. Read about what an investigating committee of Congress said about some of his companies profiteering during the war.

PAY RECEIVED BY ENLISTED MEN

During the war the Canadian enlisted men were paid $33 a month, the enlisted men of New Zealand $37.50, and of Australia $45 a month.

Alien slackers and alien enemies in America made more money during the war helping to build ships and military camps than they had ever made before, and financially they were treated much better than our soldiers. One negro made $70 per day in the shipyards and also escaped military service.

The railroads were drafted into the service during the World War, but the owners were guaranteed the largest profit they had ever made in the history of railroading in America.

Property being guaranteed a handsome return, and the ship workers having received such enormous wages and escaped military service, the men who bared their breasts to enemy bullets and brought victory to our country should likewise receive a fair return for their services. Out of the $30 or $33 our soldiers received they were compelled to pay out of this sum $6 to $10 a month for insurance for the risk incident to his services in protecting the flag and conserving the wealth of his country. Soldiers were also compelled to make allotments of their pay to dependent relatives, and, in addition to this, were compelled to pay for altering and mending their own clothing and shoes and for laundry work and other incidentals. The average soldier drew $7.50 per month after making all these payments, and with that he was required to buy Liberty bonds or be called a slacker.

Every country allied with the United States during the war paid their soldiers a liberal bonus. Canada paid her soldiers from $600 to $4,500. England borrowed money from the United States and paid her own soldiers a bonus of from $280 to $4,758 each. France paid her soldiers a large bonus. The United States paid $60 to each soldier as a bonus, but required them to pay it back in arriving at the amount of adjusted-service certificates.

The whole cost of war to the United States was $36,000,000,000 and eighteen billions went to make millionaires; 23,000 millionaires were made during the war and from settlements with the Government in and immediately after the war. Thousands of men made enough money from the Government on war contracts to permit them and their families for the next five generations to live in peace and comfort and enjoy all the luxuries of this world without so much effort as the turn of the hand, while soldiers who fought in the trenches for $1.10 a day will have to work and help pay the bill.

COUZENS COMMITTEE DISCLOSES

The Bureau of Internal Revenue is under the control of the Secretary of the Treasury. In 1924–25 a committee composed of three Republicans—Senator Couzens, of Michigan, chairman; Senator Watson, of Indiana; Senator Ernst, of Kentucky—and two Democrats—Senator Jones, of New Mexico, and Senator King, of Utah—made an investigation of the Bureau of Internal Revenue. The following represents some of the disclosures of that committee:

ADDITIONAL ADJUSTED PAY TO WAR CONTRACTORS

Amortizations of war facilities, which were allowed by Mr. Mellon to April 30, 1925, $596,934,813.26. Claims pending, $75,171,169.87, or a total of $672,105,983.13 (pp. 4 and 132, report Couzens committee). These companies claimed they did not deduct a sufficient amount for depreciation during the war. This was in addition to hundreds of millions of dollars received by these war contractors in adjusted pay under the bill passed in 1919.

IMPROPER ALLOWANCES

All amortization allowances exceeding $500,000 have been reviewed by the committee's staff and improper allowances in this class alone appear to amount to $210,665,360.40. (P. 4, report.)

COUZENS REPORT

All losses of the Gulf Oil Corporation, a Mellon company, due to drilling dry holes have been charged to and deducted from income as current operating expense. (317.) (P.22, report.)

PRE-WAR COMMITMENTS IGNORED

A very substantial portion of the amortization allowances has been upon facilities contracted for in 1916 but not completed and paid for until after April 6, 1917. Such facilities, having been contracted for prior to April 6, 1917, were acquired for the purpose of participating in the profits incident to the sale of materials by the Allies and were not acquired for the purposes contemplated by this act (p. 135, report).

AMORTIZATION ALLOWED WHERE OBJECT WAS TO KILL COMPETITION

(Page 137 of report)

Among refunds granted Mellon companies prior to June 1, 1921, about two million to Standard Steel and four million to Gulf Oil (page 195, report). (He has granted large refunds to himself and his companies since that time.)

MELLON ALUMINUM

This company is practically owned and controlled by A. W. Mellon and his brother.

The cost of producing aluminum can be roughly calculated with sufficient accuracy for all practical purposes to show why the Aluminum Company of America in the past 10 years has never made less than $10,000,000 per annum on a capital stock of about $18,000,000, and why the equity value of that stock is in excess of $110,000,000, all of this on an original investment of $20,000. It should be stated parenthetically that there is nothing reprehensible per se in running a $20,000 shoestring to over $110,000,000, but a company capable of this financial success is certainly not in need of protection from competition (p. 3760, CONGRESSIONAL RECORD, February 17, 1930, quoting from RECORD of February 23, 1926).

This company not only enjoys tariff protection but operated in violation of a consent decree issued against it for violating the Sherman antitrust law (p. 3758, CONGRESSIONAL RECORD, February 17, 1930).

The company received a large settlement for adjusted compensation on its war contracts. In addition, Mr. Mellon has granted it the following settlement since he became Secretary of the Treasury:

ALUMINUM CO.'S ADJUSTED PAY

The Aluminum Co. of America submitted its original claim for amortization, 1919, for $6,852,697.36. First supplemental claim filed December, 1921, for $18,124,339.28, and next supplemental or final claim filed April, 1923, for $18,268,435.82. (Pages 1847 and 1848, Couzens committee hearings.) Granted on claim, $15,589,614.39.

It will be noticed that the company raised its claim after Mr. Mellon became Secretary of the Treasury, March 4, 1921.

COMMITTEE OF CONGRESS MAKES INVESTIGATION OF WAR EXPENDITURES

Graham committee, being a select committee on expenditures in the War Department, House of Representatives, 1919, was composed of 10 Republicans and 5 Democrats.

A part of the committee's report will be commented upon:

[Excerpt from committee's report]

MELLON AND THE KOPPERS CO.

A by-product coke-oven program put on by one of Mr. Mellon's companies, the Koppers Co., during the war cost the Government $28,641,932.18, of which $16,737,932.18 was expended and will not be repaid. (Graham committee report, p. 63, No. 1400.) The Government received no products from any of these plants, either for war or salvage purposes.

The Koppers Co. was the owner of the patent on by-product coke ovens. A German owned 20 per cent of the stock in this company. The Alien Property Custodian seized it during the war, and it was sold to Mr. Mellon and his associates September 13, 1918, during the St. Mihiel drive in France, for $300,000, when it was reasonably worth several times that amount. It was a closed corporation and only

the purchasers were in a position to know its value at the time of sale.

Mr. Mellon was a director of this company during its war activities. (Directory of Directors, Pittsburgh, Pa., 1917, 1918, and 1919.)

MELLON'S INTEREST IN SOVIET RUSSIA THROUGH KOPPERS CO.

This company has a contract in Russia at this time to construct steel mills and by-product ovens of the value of $200,000,000. The contract was made the latter part of 1930, and the company commenced immediately to send its American engineers to Russia to carry out the contract. It is known that Mr. Mellon still owns his interest in the Koppers Co. He is now Secretary of the Treasury of the United States, a country that has refused to recognize Russia.

A part of this company's activities during the war is told by the Graham investigating committee in the Jones & Laughlin Steel Co. case. Notice that the company began early to have a controlling influence in the Ordnance Department and about its own employees getting positions in this department; they drew two salaries, one from the Government and one from the Koppers Co. Notice, too, that prospective and possible profits were allowed war contractors in their settlements with the Government after the war. A part of the report is as follows:

JONES & LAUGHLIN STEEL CO.

This company had a contract, made in August, 1918, with the Government to erect 300 by-product coke ovens on the lands of the company at Pittsburgh, which were to take the place of old beehive ovens that the company had been using in its business of making steel. The Government was to take the toluol and ammonium sulphate for two years produced by these ovens and was to pay $1.50 a gallon for the toluol and $90 a ton for the ammonium sulphate. The contract estimated the production of toluol at 819,000 gallons a year and the ammonium sulphate at 24,000 tons a year. Nothing was produced, the ovens being about one-half completed when the armistice was signed.

The production of toluol was in the hands of a bureau in the Ordnance Department. The making of these contracts was opposed by experts from the Bureau of Standards and elsewhere, in the Ordnance Department, as unnecessary and improvident. However, they were made. The H. Koppers Co., a company making and building a by-product coke oven, began to have a controlling influence in this department. About the time the contract was made the following persons were employed in the department: Capt. Horace C. Porter, in charge of toluene production and distribution. He was, from 1915 to the time he entered the War Department, chemical engineer of the H. Koppers Co., and during at least part of the time he was an officer drawing a salary from the Koppers Co.

Lieut. Arthur R. Gray was the officer in charge of distribution; he, from 1915 to 1918, was purchasing engineer for the Koppers Co. Mr. H. P. Zellar, who had charge of investigations and efficiency studies of coke ovens, was, at the time of his entrance, superintendent of a by-product coke-oven company, and left the department in January, 1919, to accept a position with the Donner Union Coke Corporation, at $12,000 a year. Mr. C. J. Ramsberg was a technical expert in the toluene department; he was also vice president of the Koppers Co. He worked two days a week for the Government and four days for the Koppers people and drew a salary from both. Mr. H. B. Kirkpatrick was also a technical expert. He was an employee of the Koppers Co. and drew a salary from both the Government and the company. There was another technical expert named Engleman; he left the department to take a good position with the Birmingham Coke & By-Products Co. Of course, the Koppers ovens were used by Jones & Laughlin, and in most of the Government work.

When the contract of Jones & Laughlin was suspended the filed their claim. Early in January some claims-board men and by-product coke-oven people met in New York. They fixed a value on toluol at 17½ cents a gallon and on ammonium sulphate at $60 a ton; why, nobody knows.

At this time, on account of the armistice, the market was greatly depressed. Acting at the time of greatest depression these prices were fixed. Almost as soon as settlements were made with the producers of toluol and ammonium sulphate at these figures the prices reacted and rose. Then they settled with Jones & Laughlin, estimated their full production for two years, and gave them the difference between 17½ cents and $1.50 a gallon and $90 and $60 a ton.

In the judgment of this subcommittee, this settlement was fraudulent per se. Further reference to this general subject will be made in another report of this committee on by-product coke ovens.

(Only excerpts from committee report have been copied.)

ANOTHER MELLON COMPANY A WAR PROFITEER

Probably more scandal was connected with the Standard Steel Car Co. in its dealings with the Government during the World War than any other war-profiteering company. Mr. Andrew W. Mellon, Secretary of the Treasury, was a director of that company. (Directory of Directors, Pittsburgh, Pa., 1917, 1918, and 1919.) In addition to his own interest in the company a large part of the stock of the Standard Steel Car Co. was owned by the Mellon National Bank and the Mellon-Stewart Construction Co. Mr. Andrew W. Mellon was president of the Mellon National Bank and a director of the Mellon-Stewart Construction Co.

The Graham investigating committee in its report on expenditures in the Ordnance Department stated the following:

As has been said, this company contracted to build nine hundred and sixty-four 9.5-inch howitzer carriages. Although the Government prepared several contracts, the company would never enter into one. The Government did not receive a single carriage that we could use prior to the armistice. The War Department spent in this venture $18,582,428.88. After the armistice the Ordnance Department had them finish 200 of these carriages. The company placed in the record a statement that the cost of production was about $23,000 each. At this rate the total cost of production was about $4,600,000. The balance of this vast sum, or about $14,000,000, was used in overhead and in building an immense plant, filled with costly machinery, all of which the contractor now has. The company was permitted to take buildings and machinery that cost $2,987,200 for $600,000, and materials that cost approximately $5,558,000 for $300,000. There was a bid for this latter material of about $700,000 from another reliable firm, which Col. E. S. Hughes, negotiating officer, concealed from his associates. The arsenals of the United States were clamoring for this raw material and machinery, but they were handed over to the contractor. There was fraud and bribery admitted by the Government agents in some of the subcontracts, but all such accounts were allowed in full.

A member of the War Claims Board at Washington wired to know if the claim had been audited. He received an answer from a member of the Chicago board to the effect that it had. The answer was false. All this time the Government accountants were protesting against the allowance of it. The company stole a carload of small tools from this plant and removed them clandestinely to their own plant. The wonderful machines which they took from the Government as junk they have since sent to their subsidiary factories for use.

Three million dollars was allowed on this claim, without an audit, by a negotiated settlement, only $800,000 of which was profit on manufactured goods, according to the contract, and the balance was for various items—"carrying charges, unabsorbed administration expenses," etc. (1678).

The subcommittee is of the opinion that the settlement of this claim constitutes a palpable fraud upon the Government and that Col. E. S. Hughes, an officer of the Regular Army, willfully violated the military code in what he did.

The Standard Steel Car Co. built a three or four story hotel, costing more than $100,000, near its steel plant at Hammond, Ind., during the war. Officers of the Government who were supervising the war contracts with this company were given free accommodations at this hotel along with the Standard Steel Car Co. officials. It was known as a club. The officers received their per diem expenses from the Government and accepted hotel accommodations free from the company. (Graham committee, series 6, vol. 2, pp. 1970–1971.)

LARGE CONTRACTS GIVEN MELLON'S STANDARD STEEL

The Standard Steel Car Co. had a number of contracts; they had this contract for the 240-millimeter carriage, and also a shell contract, and they had at the Worcester plant a contract for 155-millimeter carriages, and at the Butler plant, outside of Pittsburgh, I do not know just what they had there. They also had contracts from the Railroad Administration making cars; they had a great many contracts, they were making both passenger and freight cars. (Mr. Russell before Graham committee, 6–2, p. 1755.)

MELLON HAS A LOBBYIST IN WASHINGTON ALL DURING WAR TO LOOK AFTER HIS INTERESTS

Excerpt from testimony of Mr. Lewis J. Blakey, formerly assistant supervisor, Ordnance District Claims Board, Chicago, Ill., before Graham committee, 1919, series 6, volume 2, page 1693:

Mr. JEFFERIS. Who are the leading men of this Standard Steel Car Co.?

Mr. BLAKEY. Mr. John M. Hansen is president, and, as I understand, it is backed by the Mellons, the bankers in Pittsburgh, and the Mellon-Stewart Construction Co. is interested.

Mr. JEFFERIS. Who was this man Cory that you say went back to Washington?

Mr. BLAKEY. All I know about Cory is that he was employed all during the war and had an office here in Washington, and we called him their "political representative" here in Washington.

Further testimony disclosed that Cory and Hughes were together a great deal and had many conferences in connection with the claim of the Standard Steel Car Co. Cory is assistant to the president of the Standard Steel Car Co.

MELLON AND OTHER COPPER PROFITEERS

During the war all the companies producing copper formed a trust. One of these companies was the American Metal Co. (Graham committee ser. 6–1, p. 276.) Mr. Andrew W. Mellon was at that time a director of that company. (Directory of Directors, Pittsburgh, Pa., 1917, 1918, and 1919.) The Graham investigating committee, which filed a report of expenditures in the Ordnance Department, March 2, 1921, had this to say about the Copper Trust:

The companies who thus united in the combination that authorized the United Metals Selling Co. to act as their agent were the Anaconda Copper Mining Co. and 26 other companies.

It is in testimony that the United Metals Selling Co. under this arrangement represented practically all the copper producers in the United States.

As soon as the arrangement was made with the Government by the cooperating copper companies through the common agent, the United Metals Selling Co., four things were accomplished; first, all competition was eliminated; second, all expense of selling and finding a market was eliminated; third, the possibility of all loss from bad accounts was eliminated; fourth, the market was absolutely under the control of the American producers of copper.

Mr. Baruch, a member of the War Industries Board, appointed one Eugene Meyer, jr., as his representative, and who in turn requested all copper producers to arrange for a copper producers' committee. Mr. Meyer, at that time, had large copper investments and was heavily interested in the business.

To illustrate the profits made during this period by some of the copper companies, four instances are cited:

The Utah Copper Co. in 1917 made a profit of $32,000,000, which was 200 per cent of its capital stock, and in 1918 a profit of $24,750,000, which was 150 per cent of its capital stock. The Calumet & Hecla Mining Co. in 1917 made a profit of $9,500,000, or 800 per cent of its capital stock, and in 1918, $3,500,000, or 300 per cent of its capital stock. The Inspiration Consolidated Copper Co. in 1917 made a profit of $12,260,000, or 55 per cent of its capital stock, and in 1918, $9,250,000, or 40 per cent of its capital stock. The Kennecott Copper Co. in 1917 made a profit of $11,826,000, or 70 per cent of its capital stock, and in 1918, $9,390,135.90, or 60 per cent of its capital stock. It is probable that other companies in the list made similar profits, but the exact information is not available without a careful and detailed audit of the books of those various companies.

The profits given here are not.

SHOULD DIRECTORS OF STANDARD STEEL AND OTHER PROFITEERING COMPANIES HAVE BEEN HELD GUILTY OF TREASON?

The Graham committee was so shocked at the way the war profiteers robbed the Government during the war that it recommended on page 148 of its report No. 816, filed April 10, 1920, that the Constitution of the United States be so amended as to make such unconscionable taking of the Nation's resources in time of war be made treason. That part of the report is as follows:

Your committee respectfully recommends that an amendment to the Constitution be drawn and submitted to make profiteering in war times treason.

Article 3, section 3, of the Constitution of the United States provides that—

Treason against the United States shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort.

Modern war has been called "technical war," and we now know what such technical war means in the straining to the utmost of the resources of the Nation. What can then be more dangerous or give more "aid and comfort" to the enemy than that which seriously strikes at and impairs such resources? All profiteering does this. It is common knowledge that the profiteering during this war has been great, but what proportion of the $22,000,000,000 expended falls under the head of profiteering will probably never be known.

While hindering the Nation's war program by impairing its resources through profiteering is, to that extent, giving aid and comfort to the enemy, still it is clear that it may not be, and probably is not, coupled with such personal adherence to the enemy as is necessary to bring such conduct within the constitutional definition of treason. Your committee appreciates fully the seriousness of enlarging the constitutional definition of treason. However, it assumes to be a certainty that in every future war a strict censorship will be in force, thus practically suppressing criticism, whether honest or unwarranted. That being so, it would seem additionally necessary, as far as possible, to provide against the recurrence of those things which should be criticized. And it is the deliberate judgment of your committee that effective legislation to prevent profiteering is one such much-needed step.

Realizing, as it believes fully, the seriousness of its recommendation because of the seriousness of the need, your committee respectfully recommends that a constitutional amendment be prepared and submitted for ratification so amending the constitutional definition of treason as to include that form of unconscionable taking the Nation's resources in time of war which is commonly known as profiteering.

It suggests the following language for consideration:

That Article III, section 3, of the Constitution of the United States be amended by inserting a comma in lieu of the period at the end of the first sentence thereof, and adding the following: "or in giving them aid and comfort by injury to the military, physical, or financial resources of the United States."

PENALTY FOR TREASON

Whoever is convicted of treason shall suffer death; or, at the discretion of the court, shall be imprisoned not less than five years and fined not less than $10,000 * * *. (T. 18, pt. 1, sec. 2, Criminal Code and Criminal Procedure).

INTERNATIONAL BANKERS VERSUS VETERANS

During the past few years international bankers in New York City have loaned to Germany more than $3,000,000,000. Many of these loans bear a high rate of interest. They were also purchased from Germany in many instances at a big discount.

England and France owe the United States many billions of dollars. This money was loaned to these countries during the World War, except about two and a half billion dollars which was loaned after the signing of the armistice.

Under the agreements between the United States and these latter countries they are supposed to pay our Government more than a quarter of a billion a year. They are not asking that this amount be reduced. They are not objecting to making the payments.

However, Germany has been telling the international bankers and Wall Street that she can not pay France and England and also her obligations due to them. Therefore, some of our so-called great statesmen devised a plan for our Government that will permit England and France to fail to pay our Government the quarter billion dollars each year, with the understanding that England and France will forego the collection of a like sum from Germany, and with the further understanding that Germany will pay the Wall Street bankers.

This is nothing more nor less than the Government of the United States paying Wall Street bankers more than $3,000,000,000.

The Government of the United States owes 3,500,000 veterans of the World War a remainder of about $2,000,000,000 on their adjusted-service certificates. This is an honest debt that has been publicly confessed by the Congress of the United States for services rendered.

If France and England are required to continue to make their payments to the United States, the debt to the soldiers can be paid without the least embarrassment to the Treasury of the United States. The question occurs, Which will promote the general welfare to the greatest extent—paying Wall Street bankers a bonus of $3,000,000,000 or the veterans an honest debt of $2,000,000,000?

Three hundred million dollars paid as adjusted compensation to Government employees who drew annual salaries of $2,500 or less. This was paid during and after the war. Extra pay amounted to $20 a month, or $240 a year (p. 4882, C. R. 2/28/23).

SOLDIERS WHO WORKED ON ROADS PAID CASH

I want to call your attention to a proposition that is on all fours with this. When the war was over and the agricultural and the post office bills before the House there was a rider attached in the Senate providing that all veterans of the World War who during a certain period worked on the public roads in the United States should receive adjusted pay equal to the difference between what the Government paid them as privates or corporals or sergeants and the amount a civilian would have received under the same circumstances rendering identical service.

Here is just one illustration: Barney Allen, of Tennessee, whose military title was a corporal, received pay of $1.66½ a day, while the civilian working by his side received $8 a day—the difference being $6.33. Barney Allen received

$158.23 for that month's work in adjusted pay in addition to his regular pay of $1.66½.

He worked side by side with a civilian, and this Congress said that that man is entitled to adjusted pay equal to the difference he received and what he would have received as a civilian. The amount was $6.33 a day, or $158.25 for the month. He was paid this and he did not have to wait until 1945.

I submit to you, my friends, then, when you allow the veterans for home service $1 a day and the overseas man $1.25 a day it ought to be paid as of 1918, when the services were rendered.

Total debts canceled by United States owing by foreign countries

Countries	Date of agreement	Total canceled on 4¼ per cent interest basis
Belgium	Aug. 18, 1925	$463, 221, 500. 00
Czechoslovakia	Oct. 13, 1925	15, 042, 566. 12
Esthonia	Oct. 28, 1925	6, 096, 860. 00
Finland	May 1, 1923	3, 962, 945. 00
France	Apr. 29, 1926	4, 627, 225, 8s5. 83
Great Britain	June 19, 1923	2, 008, 207, 000. 00
Hungary	Apr. 25, 1924	834, 760. 00
Italy	Nov. 14, 1925	3, 413, 874, 500. 00
Latvia	Sept. 24, 1925	2, 505, 365. 00
Lithuania	Sept. 22, 1924	2, 659, 060. 00
Poland	Nov. 14, 1924	73, 360, 450. 00
Rumania	Dec. 4, 1924	4, 615, 739. 95
Yugoslavia	May 3, 1926	84, 001, 365. 00
		10, 705, 618, 006. 90

(CONGRESSIONAL RECORD, p. 10513, June 2, 1926.)

Mr. OLIVER of Alabama. The gentleman from Texas was very kind when I mentioned to him that there was a tentative understanding on the part of some of the Members that the committee would rise at 4 o'clock, and since the gentleman has not consumed the time promised I told him I was quite sure he would be recognized to-morrow.

THE PRESIDENT'S MESSAGE

Mr. OLIVER of Alabama. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LOZIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the President's message, had come to no resolution thereon.

SOUTH CAROLINA'S NATURAL RESOURCES

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in regard to one phase of the agricultural crisis in South Carolina, including a brief article written and signed by myself.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I beg one minute of the time of the House to call attention to the marvelous natural resources of the Piedmont section of South Carolina. I believe that we of that section enjoy the most equitable and uniform climate in the United States. I would say North America, except for the fact that such part of North America as is in the Torrid Zone on one side and in the Arctic Zone on the other enjoys uniformity of heat or uniformity of cold, as the case may be. But in the case of the Piedmont section, which has an average elevation of about 1,000 feet above the sea level, it is protected from the blizzards of the West and Northwest by the Blue Ridge Mountains. These mountains deflect the course of any blizzard, and shelter all of that region of South Carolina called the Piedmont section. In the summer time the Blue Ridge Mountains, on the other hand, assist in cooling the atmosphere of the Piedmont section. This is done by reason of the fact that the air at the elevation of four or five thousand feet at the top of the Blue Ridge is cool, and consequently drifts down the eastern side of the mountains to replace such part of the air of the Piedmont section that rises by reason of summer heat.

In the Greenville News, of Greenville, S. C., there appeared an editorial on December 2, 1931, under the caption "A Climate We Should Use," and I was so impressed by the simple and direct statement of the facts that I was moved to write a few words of commendation to that newspaper, and I am here appending a copy of that contribution for reproduction here. There is another important fact connected with the Piedmont section of South Carolina calculated to insure its further development and growth. This fact is the racial stock of the white people that settled and continued to control that section. They are known as Scotch-Irish people, mixed with the pure English that moved to the Piedmont section from the coastal section. Furthermore, about 75 per cent of the population of that section lying along both sides of the main line of the Southern Railroad between Charlotte, N. C., by Spartanburg, S. C., and Greenville, S. C., to Atlanta, Ga., is white. There is abundant water power originating from the water courses in streams having their sources in the Blue Ridge Mountains. This insures adequate and convenient power for all industrial purposes. The coal fields of Tennessee, Kentucky, and Virginia are not so very far away. Two-thirds of all the schools and colleges of South Carolina are located in the section mentioned. Here began the good-roads movement in our State, and here are found some of the most progressive and modern public schools and other educational systems. Notable among the school systems are those found in the Parker school district lying in the suburbs of Greenville, S. C., where are located many large textile industries. This school system is visited for inspection and instruction by teachers and students of education from all parts of the country.

I therefore feel justified in the prediction that the Piedmont section of South Carolina is destined to become the wealthiest in the great Cotton Belt, because our people can most easily readjust themselves to the necessary changes in agriculture. With a marvelous soil, highly impregnated with minerals essential to health, our people can quickly begin to produce all fruits, vegetables, and dairy products to feed not only our own urban and industrial population, but to help feed the great population of the North and East. With such a soil and such a climate and such a population, with such schools and roads, we are confidently facing the future. In a few years cotton will be only one of the many products that we will be sending to the markets. When we use all our land well, when our people are kept profitably employed all the year round with a variety of crops and products, then economic prosperity will surely smile upon us. When our farmers prosper, then our merchants will prosper, and our banks will be strong, and our professional groups will be among the beneficiaries of returning prosperity to the farmers. The textile industry will become more diversified and by reason thereof it, too, will enjoy returning prosperity. When our section has this great variety of profitable revenues, we will be secure and free from the perils that have afflicted us by reason of the 1-crop system of cotton.

Below follows the brief article to which I referred:

[Greenville News, December 2, 1931]

EDITOR THE NEWS:

Let me partly celebrate Thanksgiving Day by sending this word of commendation of your editorial November 24, headed "A Climate We Should Use." It is a blessing so common to us that we fail to appreciate it, but merely take it for granted. In my efforts to recover completely my health and strength, I have come to realize the vital importance of climate as never before. Surely the last paragraph of that editorial should be reproduced conspicuously once a week for one year to drive its simple but far-reaching truth home in the minds of our own people.

In addition, we have other natural, physical assets that we can and should use to the greatest advantage. These include pure water in great abundance and a fertile clay soil, highly impregnated with essential health-giving minerals. This insures strong and healthy men and women, but also it insures vigorous fast-growing stock, cattle, hogs, and poultry. With a soil to produce abundant feed containing the vital mineral content, milk, meat, and eggs produced in our Piedmont section should and will when properly prepared for market, bring top prices in the markets of the North and East.

SLUMP IN COTTON

For several years I have been publicly predicting this fatal and blighting slump in cotton. I am sad that my prediction proved true, but I merely declared the conviction forced on me by study, travel, and observation. I first glimpsed the coming doom of our cotton market at the British Colonial Exposition in London in 1924. I had planned and publicly announced my intention to spend this last spring and summer in going before our people and appealing to them to begin changing over from cotton to other marketable crops and products. My disappointment caused by illness begun on March 17 is very keen. Now we are even asking for legislation to compel us to curtail the planting of cotton. But we must use somehow the land released by cotton and employ somehow the time otherwise devoted to cotton. What shall we do? We are more forunate than most sections of the Cotton Belt. Our climate, in which white people can work actively all the year round—never too hot nor too cold—our soil, a fertile clay full of health-giving minerals, especially iodine—our home markets considerable with direct and quick transportation to the great centers east and north—all give us a special advantage. Grass and crops grow 250 days in each year, and our cow barns never need heating. Even now in November, in the West, where the great dairying industry thrives; even now, amid universal depression, the temperature has been 40° below zero, and is usually about zero and below from November till March. If they under such conditions can pay expenses producing cattle, milk, butter, and cheese, we ought to make a good profit. But it takes long, patient, intelligent, scientific effort. It also requires standardization. The population of our very large cities are all but begging for canned South Carolina fruits and vegetables. Our sweetpotatoes are in great demand already. Merchants proudly advertise "South Carolina sweetpotatoes" as the very best. They bring a premium in price. It would be more so with spinach, carrots, snap beans, green peas, peaches, cherries, blackberries, pears, etc. But they must be grown, gathered, and canned in a uniform, standardized manner. If we will so prepare these foods, they will sell and at the top of the market price. But they can not be sold till in existence in attractive standardized form. Why fear to begin producing and packing?

EAT OWN FOODS

People must eat, and will buy the best, certainly if prices are equal. Neighborhood canneries will cost no more than a cotton-ginning outfit. Huge canneries to serve a whole county will cost far less than a small cotton mill. So creameries and milk condenseries cost far less than small cotton mills. Bankers, merchants, professional folks, as well as farmers, are vitally interested in a prosperous agriculture and in sustaining the value of land. Why delay? Local organization, wise cooperation, and unselfish leadership will restore prosperity and finally make our Carolina Piedmont section the richest part of the South, perhaps of the whole country. It will take time and work. Not a year, nor two nor five years, but we must begin now. We must outline a general 10-year program of development, and the prosperity certain to follow will be sure, solid, and permanent. The operation will prove painful, for there is no economic anesthetic. But it will restore health and strength. With my own returning health and strength I am more resolved than ever before to do my part in this crisis. I am reenlisting in the ranks of those who will fight to free ourselves of economic enslavement and to be once more free.

Very sincerely,

J. J. McSWAIN.

P. S.—As I conclude writing I learn of the passing of Dr. Davis Furman. Truly a good and great man is gone. His very modesty and simplicity were but the badge of his genuine greatness. Worthy of his forbears—both Davis and Furman—he leaves a rich heritage of honor and example to his son.—J. J. McS.

THE RESTORATION OF THE FILIPINO FLAG

Mr. OSIAS. Mr. Speaker, I ask unanimous consent to extend my own remarks on the Philippine question.

The SPEAKER. Is there objection to the request of the gentleman from the Philippines?

There was no objection.

Mr. OSIAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit an address delivered by myself at the Philippine Flag Day celebration held under the auspices of the Filipino Club, Washington, D. C., October 30, 1931.

The address is as follows:

We are met on an occasion dear to the Filipino people. This day has been designated as Philippine Flag Day. Patriotic Filipinos observe it to reflect upon their country's past, consider its imperative needs, and reconsecrate themselves anew to their obligation of laboring in the domains of peace and of law to hasten the restoration of the Filipino flag as an objective symbol of a sovereign national existence.

Every people at some time or another adopts an ensign to represent a nation and its ideals. Under Spain the Filipinos were denied the use of a flag of their own creation. Emblems of different forms and designs have been used to rally the spirit of nationality among the Filipinos in the many revolutions that were fought for freedom's cause. The Filipino flag known to-day as the Sun and the Stars came into popular use during the revolution of 1896. That revolution, truly national in its scope, was the most successful. It culminated in the establishment of the short-lived Philippine Republic. Our tricolored flag then was hoisted to proclaim to the world the sovereign will of our people to transform the Philippines from a dependency into a republic, free and independent.

In 1898 the United States and Spain fought and the Philippines became involved. That war and the American-Philippine War, which immediately followed, ended the life of the Philippine Republic established at Malolos. During the early part of the American occupation the use or display of a Philippine flag, banner, or emblem was proscribed. The Philippine Commission so decreed it and violation of the law was punishable "by a fine of not less than 500 pesos ($250) nor more than 5,000 pesos ($2,500) or by imprisonment for not less than three months nor more than five years, or by both such fine and imprisonment, in the discretion of the court."

For years the Sun and the Stars, the concrete embodiment of a people's soul, was denied us. The prohibition produced national sorrow, but the people showed heroic fortitude, only biting their lips and suffering the ignominy in silence. The suppression of that adored flag which had been baptized in blood and bathed in tears accentuated the bitterness of their fate. It intensified the people's determination to restore it.

Just as after the night comes the dawn, so the years of repression were followed by a new era of good will and better understanding. The epoch of harmony and cooperation during the American régime saw the enactment of a new law which permitted the public use and display of the Philippine flag. That act provided that "the American flag shall be placed above the Filipino flag when both are in a vertical line, and to the right of the latter and at the same height when hoisted in a horizontal line." Such was a most liberal concession accorded under the most liberal period in the history of the Philippines as a dependency of the United States.

The legal requirement that the Filipino flag when publicly used may be hoisted only when accompanied by the American flag is expressive of the duality of responsibility which prevails in the present government of the Philippine Islands. Such a dual government, which parallels that which obtained among the American Colonies, is clearly unsatisfactory and foreign to the political philosophy so stubbornly defended by the American patriots of 1776. The absence of popular manifestations in the islands analogous to those which the history of the American struggle for independence records speaks of the prudence of the Filipinos and shows their faith in the validity of America's promise to set us free.

The pledge of the people of the United States to withdraw their sovereignty over the Philippine Islands and grant Philippine independence has been the keynote of the harmonious relationship between the Americans and Filipinos. It has served as a guiding star to the Filipinos, and it is fortunate for both countries that the highest officials of the American Government publicly admit that the independence of the Philippines has been promised by every President and by the Congress of the United States.

The official commitment of America favoring Philippine independence furnishes a proper starting point in our common search for an immediate solution of the American-Philippine problem. Thirty years' contact has brought us to a stage when the organs of public opinion in the very Capital of this Republic make public avowal that the independence of the Philippines is one of the issues confronting American statesmanship moving rapidly toward a climax. To the Filipinos the fitting climax consists in the immediate redemption of America's pledge to free the Philippine Islands.

At this juncture it is essential and necessary that Americans and Filipinos alike be made conscious of the only condition exacted as a requisite to the grant of Philippine independence. That condition is contained in the language of a congressional enactment, "as soon as a stable government can be established." It is fortunate that on this score, too, there need be no disagreement. The term "stable government" has a definite and accepted meaning in American practice. We do not have to deal with academic theory but with stern reality. Presidents Grant and McKinley and Secretary Root, to cite no others, have set forth the essential elements.

According to precedents, a stable government is "one elected by the suffrage of the people, supported generally by the people, and is capable of maintaining order and of fulfilling international obligations." The fundamental elements of a stable government were clearly known to a Chief Executive of the United States who was a scholar in politics. President Wilson in 1920 certified to the existence of a stable government in the Philippines when, in a message to Congress that year, he made this memorable pronouncement:

"Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf and have thus fulfilled the condition set by the Congress as precedent to a consideration of granting independence to the islands. I respectfully submit that this condition precedent having been fulfilled it is now our liberty and our duty to keep our promise to the people of those islands by granting them the independence which they so honorably covet."

For the sake of clearness let me emphasize two cardinal points on which there should be cordial agreement:

1. That Philippine independence has been definitely promised by every American President from McKinley and by the Congress.

2. That the only condition set forth by the Government of the United States precedent upon the grant of Philippine independ-

ence is that a stable government can be established in the Philippines.

I have long maintained that the date for the grant of Philippine independence has been overdue, and I am fortified in this belief, because a Chief Magistrate of the American Republic more than 10 years ago was not only convinced that a stable government could be established in the Philippines, but that, in fact, the Filipino people had succeeded in maintaining a stable government.

In the light of these facts it would seem that the presentation of a basic requirement radically different from that enunciated in the congressional enactment of 1916 would be neither fair nor just to the people of the Philippine Islands. A departure from the requirement previously set forth, or even a modification of it, can not but reflect either instability as to fundamental policy or lack of consistency in the observance of that policy. The Filipino people have relied on the honor of the people and Government of the United States and until contrary overt acts are committed they will cling tenaciously to the belief that the sacred pledge made will not be repudiated.

The Filipino people were never told that they shall be independent only when they have established a perfect government; they have not been told that they will be independent only when they have attained the stage of invulnerability; they have not been told that they will be independent only when they will have reached such a state of prosperity that no economic ill can ever befall them. What they were told was that independence will be theirs as soon as a stable government can be established.

Let the world know that the Filipinos have weighed the consequences of their united determination to be independent. As a people we will be the ones who will suffer most should dire consequences ensue from the grant of our national independence. We are aware that economic dislocation will follow, but since independence has been promised, if economic dislocation is a necessary sequel to independence, it is plain that economic suffering has to come sometime, and we have not doubt that the Filipino people can stand the economic shock better and more easily if independence is granted immediately than if it is long delayed.

It is now alleged that a collapse would follow the withdrawal of free-trade privileges. On this point I desire to submit pertinent observations.

We should never forget that the free-trade arrangement between the United States and the Philippines was effected not at the request of the Filipinos, but solely by the will of the Americans over and above our opposition. If America is sincerely desirous to give us our freedom under the best of auspices, it is within her power so to do it. It is unstatesmanlike to utilize an economic arrangement which was imposed upon the Philippines as an excuse now to deny or delay the boon of freedom which the Filipino people consider priceless, supreme, above all earthly considerations.

We should also remember that the blame for any economic unpreparedness on the part of the Filipinos can not justly be attributed to us. It is the result of our condition of dependence which deprived us of the authority to direct our economic life. Under the present status the Filipino people have no real control of our tariff, our forests, our mines, and our public domain; they have no power to enter into commercial-treaty arrangements; they have no authority to effect arrangements or adjustments to insure their permanent stability in the economic world. We desire our freedom that we may have in our hands the instruments of our economic salvation.

The time for action has come. The desire of the Filipino people for immediate and complete independence is not really unknown to the Government and people of America. The Filipinos will be satisfied with no mere tinkering with governmental forms, or any makeshift arrangement, or any palliative, or any promise. They will be satisfied only when the independence problem is settled soon, permanently, and aright.

It pleases me beyond measure that responsible papers, groups, organizations, individuals, and entities now realize that Americans can no longer afford to dillydally with a question so important and so pressing; that inaction or delay will not help matters any; that the independence of the Philippines is a major problem in American politics which should be met squarely by the Congress; and that, in an issue involving fundamental human rights, only a statesmanlike remedy at once concrete, lasting, and definite can solve it.

An impasse has been reached in American-Filipino relations. The Filipinos have patiently met every test to which they have been submitted. America, more than the Philippines, now is on trial. What will she do with the Philippines? This is the challenge of the hour. The Filipinos await with anxiety what her action will be. Time is an essential element. The present is her golden opportunity. The precarious situation of the Philippines demands prompt and effective remedy. What the Filipinos most want has been made known clearly and unmistakably. Now more than ever they desire vehemently the immediate restoration of the Philippine flag as a symbol of their national freedom and self-sovereignty.

FIFTEENTH ANNUAL REPORT OF THE COUNCIL OF NATIONAL DEFENSE

The SPEAKER laid before the House the following message from the President of the United States, which was read, and with the accompanying papers, referred to the Committee on Military Affairs.

To the Congress of the United States:

In compliance with paragraph 5, section 2, of the Army appropriation act, approved August 29, 1916, I transmit herewith the Fifteenth Annual Report of the Council of National Defense for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

ANNUAL REPORT OF THE COMMISSION ON THE ERECTION OF MEMORIALS AND ENTOMBMENT OF BODIES IN THE ARLINGTON MEMORIAL AMPHITHEATER

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Public Buildings and Grounds.

To the Congress of the United States:

In compliance with the requirements of the act of Congress of March 4, 1921, I transmit herewith the Annual Report of the Commission on the Erection of Memorials and Entombment of Bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

LAWS AND RESOLUTIONS PASSED BY THE EIGHTH PHILIPPINE LEGISLATURE

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs.

To the Congress of the United States:

As required by section 19 of the act of Congress, approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," I transmit herewith a set of the laws and resolutions passed by the Eighth Philippine Legislature during its third regular session, from July 16 to November 8, 1930.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE NATIONAL COMMISSION ON LAW OBSERVANCE AND ENFORCEMENT

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Judiciary.

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the following reports of the National Commission on Law Observance and Enforcement:

Report on Criminal Statistics.
Report on Prosecution.
Report on the Enforcement of the Deportation Laws of the United States.
Report on the Child Offender in the Federal System of Justice.
Progress Report on the Study of the Federal Courts.
Report on Criminal Procedure.
Report on Penal Institutions, Probation, and Parole.
Report on Crime and the Foreign Born.
Report on Lawlessness in Law Enforcement.
Report on the Cost of Crime.
Report on the Causes of Crime.
Report on Police.
Final Report of the National Commission on Law Observance and Enforcement.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

LAWS AND RESOLUTIONS ENACTED BY THE TWELFTH LEGISLATURE OF PORTO RICO

The SPEAKER also laid before the House the following message from the President of the United States, which was

read, and, with the accompanying papers, referred to the Committee on Insular Affairs.

To the Congress of the United States:

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith copies of the laws and resolutions enacted by the Twelfth Legislature of Porto Rico during its third regular session, from February 9 to April 15, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE WAR POLICIES COMMISSION (H. DOC. NO. 163)

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Rules and ordered to be printed.

To the Congress of the United States:

I transmit herewith a progress report of the War Policies Commission created by Public Resolution No. 98, Seventy-first Congress, approved June 27, 1930.

I concur in the request of the commission that appropriate congressional action be taken to extend by 90 days the time within which the final report of the commission shall be made.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE GOVERNOR OF PORTO RICO (H. DOC. NO. 26)

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs and ordered printed:

To the Congress of the United States:

As required by section 12 of the act of Congress of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith for the information of the Congress the thirty-first annual report of the Governor of Porto Rico, including the reports of the heads of the several departments of the government of Porto Rico and those of the executive secretary, the auditor, and the chief of the bureau of commerce and industry, for the fiscal year ended June 30, 1931.

I concur in the recommendation of the Secretary of War that this report, with appendixes consisting of condensed reports of the several agencies referred to above, be printed as a congressional document.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE SECRETARY OF STATE ON THE EXPOSITION AT SEVILLE, SPAIN

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs.

To the Congress of the United States:

I am forwarding, for the consideration of the Congress, a report from the Secretary of State, transmitting the following documents in connection with the participation of this Government in an exposition which was held at Seville, Spain, the preparation and work in connection with such participation having extended from 1927 to 1931:

I. Report of the Commissioner General of the United States of America to the International Exposition at Seville, Spain.

II. Photographs to accompany the report of the commissioner general.

III. Departmental reports to accompany the report of the commissioner general.

IV. Financial statement of appropriations and expenditures for the International Exposition at Seville, Spain, 1927–1931.

V. Pamphlets distributed by the United States commission to accompany the report of the commissioner general.

Accompaniments: As listed.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE GOVERNOR OF THE VIRGIN ISLANDS

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Virgin Islands for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

DRAFTS DRAWN ON SECRETARY OF STATE BY THE AMERICAN EMBASSY AT PETROGRAD

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Claims:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State, to the end that legislation may be enacted to authorize an appropriation of not exceeding $44,446.05 for the payment of interest on funds represented by drafts drawn on the Secretary of State by the American Embassy in Petrograd and the American Embassy in Constantinople and transfers which the embassy at Constantinople undertook to make by cable communications to the Secretary of State between December 23, 1915, and April 21, 1917, in connection with the representation by the embassy of the interests of certain foreign governments and their nationals.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

RESOLUTIONS AND PETITIONS RELATIVE TO PHILIPPINE INDEPENDENCE

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

There are transmitted herewith, as indicated in the attached lists, a number of resolutions, petitions, and other communications relative to Philippine independence received by the Secretary of War during or in connection with his recent visit to the Philippine Islands.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE GOVERNOR GENERAL OF THE PHILIPPINE ISLANDS (H. DOC. NO. 160)

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with accompanying papers, referred to the Committee on Insular Affairs and ordered printed:

To the Congress of the United States:

As required by section 21 of the act of Congress approved August 29, 1916, entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," I transmit herewith for the information of the Congress the report of the Governor General of the Philippine Islands, including the reports of the heads of the departments of the Philippine government, for the calendar year 1930.

I concur in the recommendation of the Secretary of War that this report be printed as a congressional document.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

UNITED STATES BUREAU OF EFFICIENCY

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, was referred to the Committee on Expenditures:

To the Congress of the United States:

As required by the act of March 4, 1915, and February 28, 1916, I transmit herewith the report of the United States Bureau of Efficiency for the period from November 1, 1930, to October 31, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE ENGINEERS OF THE ARMY AND INTEROCEANIC CANAL BOARD (H. DOC. NO. 139)

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed with illustrations:

To the Congress of the United States:

I transmit herewith the report, with appendices and maps, of the Chief of Engineers, United States Army, and the Interoceanic Canal Board. This report was authorized by Public Resolution No. 99, Seventieth Congress, approved March 2, 1929.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE COMMITTEE ON AERONAUTICS

The SPEAKER also laid before the House the following message from the President, which was read, and, with accompanying papers, referred to the Committee on Military Affairs, the Naval Affairs Committee, and the Committee on Interstate and Foreign Commerce, and ordered to be printed:

To the Congress of the United States:

In compliance with the provisions of the act of March 3, 1915, establishing the National Advisory Committee for Aeronautics, I submit herewith the seventeenth annual report of the committee for the fiscal year ended June 30, 1931.

It is noted from the committee's report that the progress in aerodynamic development has been gratifying, and that with recent notable additions to equipment the committee now has excellent facilities for the conduct of full-scale research on airplanes, propellers, and seaplane floats and hulls.

Attention is invited to Part V of the report, presenting a summary of progress in the technical development of aircraft. With the steady improvement in the performance of aircraft, the relative importance of aviation increases as an agency of transportation and of national defense. I concur in the committee's opinion that the continuous prosecution of scientific research will provide the best assurance of further progress in the development of aircraft for all purposes.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

RESOLUTION OF THE PHILIPPINE LEGISLATURE

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

I transmit herewith a certified copy of a resolution of both houses, in joint session, of the Ninth Philippine Legislature, first session, dated September 24, 1931, approving an independence memorial.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

FRANCHISES GRANTED BY PUBLIC SERVICE COMMISSION OF PORTO RICO

The SPEAKER also laid before the House the following message from the President, which was read, and, with accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

As required by section 38 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith certified copies of each of seven franchises granted by the Public Service Commission of Porto Rico. The franchises are described in the accompanying letter from the Secretary of War transmitting them to me.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF PERRY'S VICTORY MEMORIAL COMMISSION (H. DOC. NO. 165)

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on the Library and ordered to be printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Twelfth Annual Report of the Perry's Victory Memorial Commission for the year ended December 1, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE DIRECTORS OF THE PANAMA RAILROAD CO.

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Eighty-second Annual Report of the Board of Directors of the Panama Railroad Co. for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

RESOLUTION BY THE LEGISLATURE OF PORTO RICO

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Rivers and Harbors:

To the Congress of the United States:

I transmit herewith certified copies of Joint Resolution No. 6, adopted by the Legislature of Porto Rico April 8, 1931, entitled "Joint resolution to accept the reduction made by the Congress of the United States in the amount owed to the Government of the United States by the government of Porto Rico in connection with the dredging of the harbor of San Juan, P. R., and the filling of adjacent lands; to accept all conditions imposed by the Government of the United States in regard to said work and to provide for payment by the people of Porto Rico of the sum of $150,000 to the Government of the United States, all in accordance with the terms of the act of Congress approved July 3, 1930, entitled 'An act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.'"

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE UNITED STATES CIVIL SERVICE COMMISSION

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on the Civil Service:

To the Congress of the United States:

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the Forty-eighth Annual Report of the United States Civil Service Commission for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

SESSION LAWS OF ALASKA

The SPEAKER also laid before the House the following message from the President, which was read, and, with accompanying papers, referred to the Committee on Territories:

To the Congress of the United States:

In compliance with the provisions of the act of Congress approved August 24, 1912, I transmit herewith a certified copy of the Session Laws of Alaska of the Alaska Territorial Legislature, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF THE GOVERNOR OF THE PANAMA CANAL

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

THE SECOND POLAR YEAR PROGRAM

The SPEAKER also laid before the House the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State, to the end that legislation may be enacted authorizing an appropriation of $30,000 for participation by the United States Government in the Second Polar Year Program, August 1, 1932–August 31, 1933.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

WILLIAM LOUIS PITTHAN

Also, the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Claims:

To the Congress of the United States:

I inclose a report from the Secretary of State concerning a claim against the United States presented by Mr. William Louis Pitthan for services rendered as extradition agent in the matter of the application for the extradition from England of Claude W. Daniels. The report requests that the Congress authorize an appropriation of $210 to pay the claim submitted by Mr. Pitthan.

I recommend that in order to effect a settlement of this claim in accordance with the recommendation of the Secretary of State the Congress authorize an appropriation of $210 to pay Mr. Pitthan for the services rendered by him.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM

Also, the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended June 30, 1930, in connection with the Foreign Service retirement and disability system, as required by section 26 (a) of an act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

BOUNDARY LINE, PANAMA CANAL ZONE

Also the following message from the President of the United States, which was read, and with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I inclose a report by the Secretary of State requesting the submission anew, to the present Congress, of his recommendation for a modification of the boundary line between the Panama Canal Zone and the Republic of Panama, so far as it affects that parcel of land in the Panama Canal Zone known as the Paitilla Point Military Reservation.

I recommend that the Congress enact the necessary legislation authorizing and empowering the Secretary of State to effect the modification of the boundary line as indicated in the attached draft of a proposed bill covering this matter.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

ALASKA RAILROAD

Also the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Territories:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Annual Report of the Alaska Railroad for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

REPORT OF DIRECTOR OF PUBLIC BUILDINGS AND PARKS

Also the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Public Buildings and Grounds:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Director of Public Buildings and Parks of the National Capital for the fiscal year ended June 30, 1931.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

CONSERVATION AND ADMINISTRATION OF PUBLIC DOMAIN

Also the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Public Lands:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a copy of the report of the committee appointed to make a study of and report on the conservation and administration of the public domain.

HERBERT HOOVER.

THE WHITE HOUSE, *December 10, 1931.*

ORDER OF BUSINESS

Mr. RAINEY. Mr. Speaker, for the information of Members, there will be no session on Saturday.

Mr. MICHENER. Will the gentleman advise what the program is to-morrow?

Mr. RAINEY. We will continue debate on the President's message.

Mr. MICHENER. Could the gentleman advise the House as to when the leadership contemplates taking up the debt moratorium settlement?

Mr. RAINEY. We hope to take it up the latter part of next week.

Mr. MICHENER. It is not the purpose of the leadership to take it up before the 15th of December?

Mr. RAINEY. No; we can not do that.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 18 minutes p. m.) the House adjourned until to-morrow, Friday, December 11, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

159. A letter from the Clerk of the House of Representatives, transmitting list of reports to be made to Congress by public officers during the Seventy-second Congress (H. Doc. No. 44); to the Committee on Accounts and ordered to be printed.

160. A letter from the Clerk of the House of Representatives, transmitting report for the period from July 1, 1930, to June 30, 1931, both inclusive, giving names of statutory and contingent-fund employees of the House and their respective compensations, including clerks to Members; the expenditures from the contingent fund and from certain specific appropriations; the amount drawn from the Treasury; the stationery accounts; and unexpended balances; to the Committee on Accounts and ordered to be printed.

161. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, preliminary examination and survey of Lake Washington Canal and Waterway from the locks to and into Lake Washington, Wash., with a view to widening and deepening the channel (H. Doc. No. 140); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

162. A letter from the Secretary of War, transmitting report from the Chief of Engineers on Menominee River, Mich. and Wis., covering navigation, flood control, power development, and irrigation (H. Doc. No. 141); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

163. A letter from the Secretary of War, transmitting report from the Chief of Engineers on Carp River, Mich., covering navigation, flood control, power development, and irrigation (H. Doc. No. 142); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

164. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on Muskegon River, Mich., covering navigation, flood control, power development, and irrigation (H. Doc. No. 143); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

165. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on Otter Creek, Vt., covering navigation, flood control power development, and irrigation (H. Doc. No. 144); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

166. A letter from the Secretary of War, transmitting report dated December 9, 1931, from the Chief of Engineers, United States Army, on Lamoille River, Vt., covering navigation, flood control, power development, and irrigation (H. Doc. No. 145); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

167. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on Musselshell River, Mont., covering navigation, flood control, power development, and irrigation (H. Doc. No. 146); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

168. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Neversink River, N. Y., covering navigation, flood control, power development, and irrigation (H. Doc. No. 147); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

169. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Chehalis River, Wash., covering navigation, flood control, power development, and irrigation (H. Doc. No. 148); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

170. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Hudson River, N. Y., covering navigation, flood control, power development, and irrigation (H. Doc. No. 149); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

171. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Guyandot River, W. Va., covering navigation, flood control, power development, and irrigation (H. Doc. No. 150); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

172. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Oswego Harbor, N. Y.; to the Committee on Rivers and Harbors.

173. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of, and review of reports on, Newark Bay, N. J., with a view to providing anchorage grounds in the vicinity of the Port Newark Terminal; to the Committee on Rivers and Harbors.

174. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Petoskey Harbor, Mich.; to the Committee on Rivers and Harbors.

175. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Point Arena Harbor, Calif.; to the Committee on Rivers and Harbors.

176. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Little Kanawha River, W. Va.; to the Committee on Rivers and Harbors.

177. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on survey of Lake City Harbor, Minn. (H. Doc. No. 151); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

178. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination and survey of Port Gamble Harbor and vicinity, Washington (H. Doc. No. 152); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

179. A letter from the Secretary of War, transmitting report dated December 9, 1931, from the Chief of Engineers, United States Army, on Puyallup River, Wash. (H. Doc. No. 153); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

180. A letter from the Secretary of War, transmitting report dated December 9, 1931, from the Chief of Engineers, United States Army, on survey of Puyallup River, Wash. (H. Doc. No. 154); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

181. A letter from the Secretary of War, transmitting report dated December 9, 1931, from the Chief of Engineers, United States Army, Shohola Creek, Pa. (H. Doc. No. 155); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

182. A letter from the Secretary of War, transmitting report dated December 9, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Bayou La Loutre, La.; to the Committee on Rivers and Harbors.

183. A letter from the Secretary of War, transmitting report dated December 9, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Neales Creek, Charles County, Md.; to the Committee on Rivers and Harbors.

184. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Nantucket Harbor, Mass.; to the Committee on Rivers and Harbors.

185. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Mayfield Creek, Ky., with a view to the control of its floods (H. Doc. No. 156); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

186. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Kootenai River, Idaho, with a view to the control of its floods (H. Doc. No. 157); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

187. A letter from the Secretary of War, transmitting report from the Chief of Engineers on Mohawk River, N. Y., covering navigation, flood control, power development, and irrigation (H. Doc. No. 158); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

188. A letter from the Secretary of the Interstate Commerce Commission, transmitting Forty-fifth Annual Report of the Interstate Commerce Commission to Congress (H. Doc. No. 30); to the Committee on Interstate and Foreign Commerce.

189. A letter from the Secretary of War, transmitting report of Isidoro Mutia, Aloran, Occidental Misamis, P. I., relative to claim for reimbursement covering property destroyed by insurgents during the Philippine insurrection; to the Committee on Claims.

190. A letter from the Secretary of War, transmitting report from the Chief of Engineers on Manistee River, Mich., covering navigation, flood control, power development, and irrigation (H. Doc. No. 159); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

191. A letter from the Secretary of War, transmitting report dated December 9, 1931, from the Chief of Engineers, United States Army, on preliminary examination of Marion Harbor, Mass.; to the Committee on Rivers and Harbors.

192. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Amnicon River, Wis., covering navigation, flood control, power development, and irrigation (H. Doc. No. 164); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

193. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Mormon Channel section of the San Joaquin River and Stockton Channel project, California; to the Committee on Rivers and Harbors.

194. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Mississippi River in the vicinity of Hamilton, Ill.; to the Committee on Rivers and Harbors.

195. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of channel in Little Sarasota Bay, Fla., between Sarasota and Venice, and channel through Caseys Pass; to the Committee on Rivers and Harbors.

196. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Ohio River at and in the vicinity of New Richmond, Ohio; to the Committee on Rivers and Harbors.

197. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Old Warwick Cove, Town of Warwick, Kent County, R. I.; to the Committee on Rivers and Harbors.

198. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Bayou La Batre, Ala.; to the Committee on Rivers and Harbors.

199. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Lahaina Harbor, Island of Maui, Hawaii; to the Committee on Rivers and Harbors.

200. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Oconto Harbor, Wis.; to the Committee on Rivers and Harbors.

201. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Northeast River, N. C.; to the Committee on Rivers and Harbors.

202. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, of preliminary examination of New Rochelle Harbor, N. Y.; to the Committee on Rivers and Harbors.

203. A communication from the President of the United States, transmitting supplemental estimate of appropriation for the Department of Labor Employment Service for the fiscal year 1932, amounting to $168,000 (H. Doc. No. 162); to the Committee on Appropriations and ordered to be printed.

204. A letter from the Postmaster General, transmitting cost ascertainment report, 1931; to the Committee on the Post Office and Post Roads.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARBOUR: A bill (H. R. 5304) to provide for the aiding of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation, and similar districts other than Federal projects, counties, boards of supervisors, and other political subdivisions and legal entities, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. BOILEAU: A bill (H. R. 5305) to render evidence obtained by wire tapping inadmissible in the Federal courts; to the Committee on the Judiciary.

By Mr. BUTLER: A bill (H. R. 5306) to provide for the construction of the Deschutes project in Oregon, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. DYER: A bill (H. R. 5307) for the appointment of two additional circuit judges for the eighth judicial circuit; to the Committee on the Judiciary.

By Mr. DICKSTEIN: A bill (H. R. 5308) to exempt from the quota fathers and mothers of American citizens 55 years of age or over; to the Committee on Immigration and Naturalization.

By Mr. FULBRIGHT: A bill (H. R. 5309) granting extension of time for the payment of fertilizer, feed, and seed loans; to the Committee on Agriculture.

By Mr. GLOVER: A bill (H. R. 5310) to amend the World War veterans' act, 1924; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5311) to amend the agricultural act, approved June 15, 1929; to the Committee on Agriculture.

By Mr. GREEN: A bill (H. R. 5312) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. HOUSTON of Hawaii: A bill (H. R. 5313) authorizing the Secretary of War to set apart as a national cemetery certain lands of the United States military reservation of Schofield Barracks, Leilehua, Oahu, Territory of Hawaii; to the Committee on Military Affairs.

By Mr. JOHNSON of South Dakota: A bill (H. R. 5314) to increase the loan privileges of adjusted-service certificates; to the Committee on Ways and Means.

By Mr. LaGUARDIA: A bill (H. R. 5315) to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes; to the Committee on the Judiciary.

By Mr. LEAVITT: A bill (H. R. 5316) to authorize an appropriation for the installation of a fish screen on the Sun River irrigation project, Montana; to the Committee on Irrigation and Reclamation.

By Mr. LUDLOW: A bill (H. R. 5317) to create a Federal industrial commission to aid in the stabilization of employment in industry, agriculture, and commerce, and for other purposes; to the Committee on the Judiciary.

By Mr. MILLER: A bill (H. R. 5318) for the relief of owners of uninsured cotton stored in bonded warehouses destroyed by fire where such cotton was so stored in compliance with suggestion of the Secretary of Agriculture; to the Committee on Agriculture.

Also, a bill (H. R. 5319) for extension of maturity of loans to farmers in drought and/or storm stricken areas of the United States; to the Committee on Agriculture.

Also, a bill (H. R. 5320) for the release of interest on loans made upon adjusted-service certificates; to the Committee on Ways and Means.

By Mrs. NORTON of New Jersey: A bill (H. R. 5321) to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan police force and fire department of the District of Columbia, and for other purposes,' approved May 11, 1892"; to the Committee on the District of Columbia.

Also, a bill (H. R. 5322) to relieve the Commissioners of the District of Columbia of certain ministerial duties; to the Committee on the District of Columbia.

By Mr. OLIVER of New York: A bill (H. R. 5323) to limit the period of substitute service of substitute employees in the post office; to the Committee on the Post Office and Post Roads.

By Mr. RAYBURN: A bill (H. R. 5324) further to regulate the acquisition of control of carriers by railroad; to the Committee on Interstate and Foreign Commerce.

By Mr. SIROVICH: A bill (H. R. 5325) to amend the retirement act, approved May 29, 1930, and acts amendatory thereto; to the Committee on the Civil Service.

By Mr. SIMMONS: A bill (H. R. 5326) to increase the loan privileges of adjusted-service certificates; to the Committee on Ways and Means.

By Mr. VINSON of Georgia: A bill (H. R. 5327) providing for a site and public building for a post office at Wrightsville, Ga.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5328) to regulate the minimum age limit for enlistments in the Naval Reserve or Marine Corps Reserve; to the Committee on Naval Affairs.

Also, a bill (H. R. 5329) to amend section 24 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a naval reserve and a Marine Corps reserve," as amended by the act of March 2, 1929; to the Committee on Naval Affairs.

Also, a bill (H. R. 5330) to amend section 1 of the act of February 14, 1927, entitled "An act authorizing the Secretary of the Navy to accept on behalf of the United States title in fee simple to a certain strip of land and the construction of a bridge across Archers Creek in South Carolina; to the Committee on Naval Affairs.

By Mr. CLANCY: A bill (H. R. 5331) to make available loans on adjusted-service certificates at once; to the Committee on Ways and Means.

By Mr. CONNERY: A bill (H. R. 5332) to provide for the employment of American citizens on the Panama Canal and the Panama Railroad; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 5333) to provide for a 44-hour week for Government employees on the Panama Canal and the Panama Railroad; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 5334) to provide for the employment of American citizens in Government construction work on the Canal Zone; to the Committee on Interstate and Foreign Commerce.

By Mr. GIBSON: A bill (H. R. 5335) to amend section 7 of an act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, and for other purposes; to the Committee on the District of Columbia.

By Mr. GOLDER: A bill (H. R. 5336) to repeal the national prohibition act as amended and supplemented; to the Committee on the Judiciary.

By Mr. GOSS: A bill (H. R. 5337) regulating the use of appropriations for the military and nonmilitary activities of the War Department; to the Committee on Military Affairs.

By Mr. HORR: A bill (H. R. 5338) to prohibit the circulation of false rumors concerning solvency of national banks; to the Committee on Banking and Currency.

By Mr. McKEOWN: A bill (H. R. 5339) authorizing appropriations for cooperating with States granting old-age and disabled-persons pensions, and for other purposes; to the Committee on the Judiciary.

By Mr. MITCHELL: A bill (H. R. 5340) to authorize the erection of a Veterans' Bureau hospital in middle Tennessee and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mrs. NORTON of New Jersey: A bill (H. R. 5341) to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial; to the Committee on the District of Columbia.

By Mr. PERKINS: A bill (H. R. 5342) to provide for the appointment of an additional district judge for the district of New Jersey; to the Committee on the Judiciary.

By Mr. RAGON: A bill (H. R. 5343) making an appropriation for improving the Arkansas River from Tulsa, Okla., to the point where it flows into the Mississippi River, for purposes of navigation; to the Committee on Rivers and Harbors.

By Mr. VINSON of Georgia: A bill (H. R. 5344) to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 5345) to authorize certain officers of the Navy and Marine Corps to administer oaths; to the Committee on Naval Affairs.

Also, a bill (H. R. 5346) authorizing certain officials under the Naval Establishment to administer oaths; to the Committee on Naval Affairs.

Also, a bill (H. R. 5347) to authorize the admission to naval hospitals of dependents of officers, nurses, and enlisted men of the naval service in need of hospital care; to the Committee on Naval Affairs.

Also, a bill (H. R. 5348) to amend the provision in the act approved June 10, 1896, prohibiting the employment of officers of the Navy or Marine Corps on the active or retired list by persons or companies furnishing naval supplies or war material to the Government; to the Committee on Naval Affairs.

Also, a bill (H. R. 5349) to amend section 6 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve"; to the Committee on Naval Affairs.

Also, a bill (H. R. 5350) to extend commissary privileges to the widows of officers and enlisted men of the Navy and Marine Corps and also to officers of the Foreign Service of the United States at foreign stations; to the Committee on Naval Affairs.

Also, a bill (H. R. 5351) to amend section 1860 of the Revised Statutes as amended; to the Committee on Naval Affairs.

Also, a bill (H. R. 5352) to provide for the better administration of justice in the Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 5353) to authorize the wearing of miniature facsimile medals, with ribbon, by personnel of the Navy and Marine Corps, awarded medals; to the Committee on Naval Affairs.

Also, a bill (H. R. 5354) to fix the status of officers of the Naval Reserve who are restricted to the performance of flying duty and who have not qualified for designation as naval aviators; to the Committee on Naval Affairs.

By Mr. CANFIELD: Resolution (H. Res. 50) providing for an investigation of the reasons for establishment by American corporations of manufacturing plants in foreign countries, and providing an appropriation therefor; to the Committee on Rules.

By Mr. AMLIE: Joint resolution (H. J. Res. 113) authorizing the President by general proclamation to grant pardon

and amnesty in certain war-time cases; to the Committee on the Judiciary.

By Mr. SIMMONS: Joint resolution (H. J. Res. 114) directing the Federal Farm Board to authorize the Grain Stabilization Corporation and the Cotton Stabilization Corporation to deliver wheat and cotton to relief agencies and make report of such deliveries to Congress; to the Committee on Agriculture.

By Mr. SHOTT: Joint resolution (H. J. Res. 115) to transfer into the classified civil service all veterans of any war employed by the Government in unclassified positions who have been honorably discharged from the military or naval service of the United States; to the Committee on the Civil Service.

By Mr. GOLDER: Joint resolution (H. J. Res. 116) proposing an amendment to the Constitution to repeal the eighteenth amendment; to the Committee on the Judiciary.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. BEAM: Memorial of the Fifty-seventh General Assembly of the State of Illinois to provide for the immediate cash payment to veterans of the World War of the cash surrender value of their adjusted-compensation certificates; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Illinois, memoralizing the Congress of the United States to enact necessary legislation establishing a national military park at Laclede, Mo., in honor of General Pershing; to the Committee on Military Affairs.

By Mr. KVALE: Memorial of the Minnesota Legislature, urging passage of the bill prohibiting the use of oleomargarine in the Army and Navy and other agencies of the Federal Government; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 5355) granting a pension to Susie Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5356) for the relief of Edward N. McCarty; to the Committee on Claims.

By Mr. AMLIE: A bill (H. R. 5357) granting a pension to Eutokah Taylor; to the Committee on Invalid Pensions.

By Mr. BACON: A bill (H. R. 5358) conferring jurisdiction upon certain courts of the United States to hear and determine the claim by the owner of the 4-masted auxiliary bark *Quevilly* against the United States, and for other purposes; to the Committee on War Claims.

Also, a bill (H. R. 5359) for the relief of W. A. Harriman; to the Committee on Claims .

By Mr. BLOOM: A bill (H. R. 5360) renewing and extending patent No. 1175657; to the Committee on Patents.

By Mr. BOLTON: A bill (H. R. 5361) for the relief of the Fred G. Clark Co.; to the Committee on War Claims.

By Mr. BRAND of Ohio: A bill (H. R. 5362) for the relief of Maj. Thomas J. Berry; to the Committee on Claims.

Also, a bill (H. R. 5363) for the relief of W. C. Oleson; to the Committee on Claims.

Also, a bill (H. R. 5364) for the relief of Mrs. William F. Baxley; to the Committee on Claims.

By Mr. BURCH: A bill (H. R. 5365) granting a pension to Ozro McKnight; to the Committee on Pensions.

By Mr. CANFIELD: A bill (H. R. 5366) granting an increase of pension to Rebecca A. Helms; to the Committee on Invalid Pensions.

By Mr. CARDEN: A bill (H. R. 5367) for the relief of Jerry V. Crane; to the Committee on Military Affairs.

By Mr. CLANCY: A bill (H. R. 5368) for the relief of Joseph Zebelian; to the Committee on Claims.

By Mr. CLARKE of New York: A bill (H. R. 5369) granting an increase of pension to Mary J. Brown; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Pennsylvania: A bill (H. R. 5370) granting a pension to Edwin C. Bretzin; to the Committee on Pensions.

By Mr. COLE of Iowa: A bill (H. R. 5371) granting a pension to William Hearshel; to the Committee on Pensions.

By Mr. CRAIL: A bill (H. R. 5372) to sell, grant, and convey by patent to the Rio Colorado Supply & Development Co., a California corporation, a portion of the Colorado River Indian Reservation classified as mesa land and unfit for agriculture, comprising 40 acres, more or less, and occupied by said Rio Colorado Supply & Development Co. under permit during the years 1929, 1930, and 1931; to the Committee on the Public Lands.

Also, a bill (H. R. 5373) granting an increase of pension to Elizabeth O'Neil; to the Committee on Pensions.

Also, a bill (H. R. 5374) for the relief of Houseley Stevenson; to the Committee on Military Affairs.

By Mr. CROWE: A bill (H. R. 5375) granting a pension to Quincy Scott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5376) granting a pension to Nettie Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5377) granting an increase of pension to Louisa Hays; to the Committee on Invalid Pensions.

By Mr. DICKSTEIN: A bill (H. R. 5378) to grant an honorable discharge from the military service of the United States to William Rosenberg; to the Committee on Military Affairs.

By Mr. FULBRIGHT: A bill (H. R. 5379) granting a pension to Nancy Ann Whitehead; to the Committee on Pensions.

By Mr. FISH: A bill (H. R. 5380) granting an increase of pension to Mary A. Lewis; to the Committee on Invalid Pensions.

By Mr. GAMBRILL: A bill (H. R. 5381) for the relief of Elmer W. Morton; to the Committee on World War Veterans' Legislation.

By Mr. GIBSON: A bill (H. R. 5382) granting an increase of pension to Emily E. Preston; to the Committee on Pensions.

By Mr. GILCHRIST: A bill (H. R. 5383) granting an increase of pension to Josephine Lownes; to the Committee on Invalid Pensions.

By Mr. GILLEN: A bill (H. R. 5384) for the relief of James H. Maskell (with accompanying papers); to the Committee on Military Affairs.

By Mr. GOSS: A bill (H. R. 5385) granting a pension to Helen H. Taft; to the Committee on Pensions.

By Mr. GUYER: A bill (H. R. 5386) granting an increase of pension to Mary L. Parker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5387) granting an increase of pension to Hannah S. Robertson; to the Committee on Invalid Pensions.

By Mr. GRISWOLD: A bill (H. R. 5388) granting a pension to Thomas B. Benbow; to the Committee on Pensions.

By Mr. HOGG of West Virginia: A bill (H. R. 5389) granting an increase of pension to W. J. Murphy; to the Committee on Pensions.

Also, a bill (H. R. 5390) for the relief of George L. Stone; to the Committee on Claims.

Also, a bill (H. R. 5391) for the relief of George L. Stone; to the Committee on Claims.

Also, a bill (H. R. 5392) for the relief of James L. Barnett; to the Committee on Claims.

Also, a bill (H. R. 5393) for the relief of E. W. Jones; to the Committee on Claims.

Also, a bill (H. R. 5394) granting an increase of pension to Nancy E. Allen (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5395) granting an increase of pension to Sarah L. Smith (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5396) granting an increase of pension to Margaret J. Barnes (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5397) to authorize the appointment of First Sergt. Lyle E. White as a warrant officer, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 5398) granting an increase of pension to Mary C. Davis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5399) granting a pension to Mary Chapman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5400) granting a pension to Hester A. Devaughn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5401) granting a pension to Scott West; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5402) granting an increase of pension to Martha Dorsey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5403) granting a pension to Flora Coulter (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5404) granting an increase of pension to Sarah H. Porter (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5405) granting a pension to Margaret J. McClure (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5406) granting an increase of pension to Alice Pulley (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5407) granting an increase of pension to Machtelana Watson (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5408) granting an increase of pension to Mary M. Gibbs (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5409) granting an increase of pension to Eliza A. Britten (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5410) granting an increase of pension to Rosa J. Connoly (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5411) granting an increase of pension to Mary E. Cable (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5412) granting an increase of pension to Adeline Greer (with accompanying papers); to the Committee on Invalid Pensions.

By Mr. HOLADAY: A bill (H. R. 5413) granting a pension to Elizabeth White Brooks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5414) granting a pension to Laura L. Dow; to the Committee on Invalid Pensions.

By Mr. HORNOR: A bill (H. R. 5415) granting an increase of pension to Mary Danley; to the Committee on Invalid Pensions.

By Mr. HOUSTON of Hawaii: A bill (H. R. 5416) providing for the examination and survey for the construction of a breakwater at Mala Wharf, Lahaina, Maui, Territory of Hawaii; to the Committee on Rivers and Harbors.

By Mr. LINDSAY: A bill (H. R. 5417) for the relief of Lieut. Francis H. A. McKeon; to the Committee on Claims.

By Mr. LANKFORD of Virginia: A bill (H. R. 5418) for the relief of John P. Parker; to the Committee on Naval Affairs.

By Mr. LOZIER: A bill (H. R. 5419) granting an increase of pension to Elizabeth C. Warren; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5420) granting an increase of pension to Salina Hoffman; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 5421) for the relief of Simpson Bros. Corporation; to the Committee on War Claims.

By Mr. McKEOWN: A bill (H. R. 5422) granting a pension to Lee King; to the Committee on Pensions.

By Mr. MOORE of Kentucky: A bill (H. R. 5423) for the relief of T. C. Barton; to the Committee on Claims.

Also, a bill (H. R. 5424) for the relief of O. D. Cardwell; to the Committee on Claims.

Also, a bill (H. R. 5425) granting a pension to Luther Skaggs; to the Committee on Pensions.

Also, a bill (H. R. 5426) granting a pension to Malinda Howard; to the Committee on Invalid Pensions.

By Mr. NIEDRINGHAUS: A bill (H. R. 5427) for the relief of George Voeltz; to the Committee on Claims.

Also, a bill (H. R. 5428) for the relief of the heirs of Joseph La Barge, jr.; to the Committee on Claims.

Also, a bill (H. R. 5429) for the relief of Busch-Sulzer Bros. Diesel Engine Co.; to the Committee on Claims.

Also, a bill (H. R. 5430) for the relief of Gertrude Becherer; to the Committee on Claims.

Also, a bill (H. R. 5431) for the relief of John W. Bailey; to the Committee on Military Affairs.

By Mr. NELSON of Wisconsin: A bill (H. R. 5432) granting an increase of pension to Margaret Dicks; to the Committee on Invalid Pensions.

By Mrs. OWEN: A bill (H. R. 5433) for the relief of William A. Somerville; to the Committee on Claims.

Also, a bill (H. R. 5434) for the relief of Robert G. Lynn; to the Committee on Claims.

By Mr. PARKER of New York: A bill (H. R. 5435) for the relief of Delbert Miller; to the Committee on Claims.

By Mr. POLK: A bill (H. R. 5436) granting a pension to Pearl Wittenmyer; to the Committee on Pensions.

By Mr. RAINEY: A bill (H. R. 5437) to authorize the appointment of First Lieut. Charles H. Moore, Infantry Reserve, as second lieutenant in the Regular Army; to the Committee on Military Affairs.

By Mr. RAMSEYER: A bill (H. R. 5438) granting an increase of pension to Clyde C. Foreman; to the Committee on Pensions.

Also, a bill (H. R. 5439) granting a pension to Mrs. Ella Orr; to the Committee on Invalid Pensions.

By Mr. RUTHERFORD: A bill (H. R. 5440) for the relief of James O. King; to the Committee on Claims.

By Mr. SANDERS of New York: A bill (H. R. 5441) granting a pension to Elizabeth Connor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5442) granting an increase of pension to Mary E. Kelley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5443) granting an increase of pension to Margaretta Pelton; to the Committee on Invalid Pensions.

By Mr. STEWART: A bill (H. R. 5444) to provide an additional appropriation as the result of a reinvestigation, pursuant to the act of February 2, 1929 (45 Stat. 2047, pt. 2), for the payment of claims of persons who suffered property damage, death, or personal injury, due to the explosions at the Naval Ammunition Depot, Lake Denmark, N. J., July 10, 1926 to the Committee on Claims.

By Mr. SWICK: A bill (H. R. 5445) granting an increase of pension to Emma V. Reynolds; to the Committee on Invalid Pensions.

By Mr. TARVER: A bill (H. R. 5446) for the relief of La Fayette Female Academy, at La Fayette, Ga.; to the Committee on War Claims.

By Mr. TURPIN: A bill (H. R. 5447) for the relief of Thomas Cook; to the Committee on Military Affairs.

By Mr. VINSON of Georgia: A bill (H. R. 5448) to authorize certain officers of the United States Navy and Marine Corps to accept such decorations, orders, and medals as have been tendered them by foreign governments in appreciation of services rendered; to the Committee on Naval Affairs.

Also, a bill (H. R. 5449) to permit and authorize Rear Admiral Frank B. Upham, United States Navy, to accept the diploma of the Legion of Honor with the rank of commander tendered to him by the French Government; to the Committee on Naval Affairs.

By Mr. WARREN: A bill (H. R. 5450) for the relief of Seth B. Simmons; to the Committee on Military Affairs.

By Mr. WASON: A bill (H. R. 5451) granting a pension to Harriet Trombly; to the Committee on Pensions.

By Mr. WOLCOTT: A bill (H. R. 5452) granting a pension to Mary Elizabeth O'Keefe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5453) granting a pension to Sarah H. Burgess; to the Committee on Invalid Pensions.

By Mr. WEST: A bill (H. R. 5454) granting an increase of pension to Ida Stough; to the Committee on Invalid Pensions.

By Mr. WHITE: A bill (H. R. 5455) for the relief of Lovaura Schmidt; to the Committee on Claims.

By Mr. WYANT: A bill (H. R. 5456) granting an increase of pension to Lou Montgomery; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5457) for the relief of M. R. Welty; to the Committee on Claims.

Also, a bill (H. R. 5458) for the relief of R. C. Thompson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

101. Petition of district 1, Communist Party and Young Communist League, Boston, Mass., supporting unemployment insurance bill and winter relief proposal; to the Committee on the Judiciary.

102. Petition of citizens of Hot Spring County, urging old-age pension legislation be adopted; to the Committee on Pensions.

103. By Mr. ADKINS: Resolutions of the aviation committee of the Illinois Department of the American Legion that the 1,000 members of the Illinois Department, American Legion, with a membership of 90,000 ex-service men and women, in convention assembled at Bloomington, Ill., December 6, 1931, go on record as requesting the honorable Secretary of War to immediately authorize the release of the initial appropriation of $220,000 for permanent construction at Chanute Field, Rantoul, Ill., and respectfully ask that the Secretary of War request appropriations adequate for the completion of the building program at Chanute Field, Rantoul, Ill., as planned for the school at the earliest possible moment; to the Committee on Military Affairs.

104. By Mr. AMLIE: Petition of Kenosha (Wis.) Council, No. 135, of the Polish National Alliance of America, to amend World War adjusted compensation act and provide for immediate cash redemption of soldiers' compensation certificates; to the Committee on Ways and Means.

105. Also, petition of Kenosha (Wis.) Polish White Eagle Society, Group No. 704, of the Polish National Alliance of America, to amend the World War adjusted compensation act and provide for immediate cash redemption of soldiers' compensation certificates; to the Committee on Ways and Means.

106. By Mr. BEAM: Resolution of the Chefs of Cuisine Association of Chicago, relative to modification of the Volstead Act; to the Committee on the Judiciary.

107. Also, resolution adopted by the city council of Chicago, Ill., requesting the United States Congress to enlarge and extend the facilities of the Government Postal Savings Bank System; to the Committee on the Post Office and Post Roads.

108. Also, resolution of the city council of Chicago, Ill., for a modification of the Volstead Act; to the Committee on the Judiciary.

109. Also, resolution from Van Buren Post, No. 401, the American Legion, in favor of paying off the balance on adjusted-compensation certificates; to the Committee on Ways and Means.

110. Also, resolution adopted by the Chicago Federation of Labor, relative to increasing the allowed amount of deposits in the postal savings bank; to the Committee on the Post Office and Post Roads.

111. By Mr. DEROUEN: Petition of 35 ex-service men, residents of Calcasieu Parish, La., for the immediate payment in full of adjusted-compensation (bonus) certificates; to the Committee on Ways and Means.

112. By Mr. MEAD: Petition of Capital City Post, No. 225, American Legion, Albany, N. Y., advociating repeal of the eighteenth amendment; to the Committee on the Judiciary.

113. By Mr. PARKS: Petition of Roy Gardner Post, favoring legislation for the immediate payment of the balance of adjusted-service certificates; to the Committee on World War Veterans' Administration.

114. By Mr. RUDD: Petition of the Central Union Labor Council of Greater New York, for the modification of the Volstead Act so as to permit the legal manufacture and sale of 2.75 per cent beer; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 11, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Infinite Spirit, who are Lord over all, Thy daily providences are our ministering angels. We thank Thee that we were fashioned by Thy fingers, animated by Thy breath, and redeemed by Thy eternal Son. Then keep us resolutely, thinking not of our losses but of our gains. In the silence of our unanswered questions, may we study our souls in the lights and the shadows of our Saviour's glory. When the performance of duty as the servants of the people is an irksome task, arm us, O God, against a compromising conscience. In a firm, vigorous resolution may we shirk no burden nor seek our own ease. Enable us always to acknowledge our allegiance to our God and to our fellow men. Amen.

The Journal of the proceedings of yesterday was read and approved.

AN AMERICAN CLASSIC

Mr. QUIN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a short address delivered by Hon. Edgar S. Wilson at the unveiling of the Jefferson Davis statue, and also to include a short editorial.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. QUIN]?

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, I would like to have it settled now just how far we are going on inserting articles in the RECORD. Perhaps I am ignorant of the fact as to who Mr. Wilson may be, but I am not ignorant of the fact that the gentleman from Mississippi has included an editorial in his request. Now, it has been the practice of the House for some time to exclude newspaper articles, and particularly editorials, from the RECORD.

May I ask who is Mr. Wilson?

Mr. QUIN. Mr. Wilson was the authorized spokesman for the State on this occasion.

Mr. UNDERHILL. On the dedication of a statue here?

Mr. QUIN. Yes, sir.

Mr. UNDERHILL. I have no objection to it, but I would like to have some intimation as to just how far the House wishes to go with reference to the RECORD. I have taken on my shoulders a very disagreeable task, which I considered a duty, for the past few years; and I propose, in spite of the change which has occurred, to carry out a policy for the protection of the Members and the RECORD. I do not want to be alone in it.

Mr. QUIN. The gentleman from Massachusetts [Mr. UNDERHILL] knows that I would not impose upon the privilege.

Mr. UNDERHILL. Oh, no. I understand that.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. QUIN]?

There was no objection.

Mr. QUIN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following short address delivered by Hon. Edgar S. Wilson at the unveiling of the Jefferson Davis statue in Statuary Hall, National Capitol, Washington, D. C., June 2, 1931:

ADDRESS OF HON. EDGAR S. WILSON

Fellow Americans, the character of Jefferson Davis is best delineated in his farewell address to Mississippians when he was the official guest of her legislature on March 10, 1884. Mr. Davis was then 76 years of age.

This speech was delivered in the hall of the house of representatives of the old capitol, in which he had twice been elected United States Senator. Pale and emaciated, Mr. Davis entered the hall leaning heavily upon the arm of Governor Lowry, followed by the supreme court judges, State officials, military, and citizens.

This speech was made 47 years ago. I had a stenographer take it down, and Mr. Davis, at my request, read and approved it. It was printed that afternoon in my paper, the New Mississippian. Its circulation was limited, the Associated Press having no agency at Jackson at that time. Later it was taken from my files and placed in State histories.

Standing erect and surveying the vast throng which he faced, having been introduced by Lieutenant Governor Shands, Mr. Davis said:

DAVIS'S FAREWELL SPEECH

"Friends and brothers of Mississippi, in the briefest terms, but with the deepest feeling, permit me to return my thanks for the unexpected honor you have conferred upon me. A waif on the political sea, I have in my secluded home by the seashore observed with intense interest all passing events affecting the interest or honor of Mississippi, and I have rejoiced to see, in the diversifications of labor and the development of our new sources of prosperity and the increased facilities of public education, reason to hope for a future to our State more prosperous than any preceding era. The safety and honor of a republic must rest upon the morality, intelligence, and patriotism of the community.

"We are now in a transition state, which is always a bad one, both in society and nature. What is to be the result of the changes which may be anticipated it is not possible to forecast, but our people have shown such fortitude and have risen so grandly from the deep depression inflicted upon them that it is fair to entertain bright hopes for the future.

"Sectional hate, concentrating itself upon my devoted head, deprives me of the privilege accorded to others in the sweeping expression of 'without distinction of race, color, or previous condition,' but it can not deprive me of that which is nearest and dearest to my heart, the right to be a Mississippian; and it is with deep gratification that I received this emphatic recognition of that right by the representatives of our people. Reared on the soil of Mississippi, the ambition of my boyhood was to do something which would redound to the honor and welfare of the State. The weight of many years admonishes me that my day for actual service has passed, yet the desire remains undiminished to see the people of Mississippi prosperous and happy and her fame not unlike the past, but gradually growing wider and brighter as years roll by.

"It has been said that I should apply for pardon. But as repentance must needs precede pardon, I have no complaint to make that pardon has not been granted to me. Remembering as I must all which has been suffered, all which has been lost, disappointed hopes and crushed aspirations, yet I deliberately say, if it were to do over again, I would again do just as I did in April, 1861. No one is the arbiter of his own fate. The people of the Confederate States did more in proportion to their numbers and means than was ever achieved by any people in the world's history. Fate decreed that they should be unsuccessful in the effort to maintain their claims to resume the grants made to the Federal Government. Our people have accepted the decree; it therefore behooves them, as they may, to promote the welfare of the Union, to show to the world that thereafter as heretofore the patriotism of our people is not measured by lines of latitude and longitude, but is as broad as the obligations they have assumed and embrace the whole of our ocean-bound domain. Let them leave to their children and children's children the grand example of never swerving from the path of duty, and preferring to return good for evil rather than to cherish the unmanly feeling of revenge. But never question or teach your children to desecrate the memory of the dead by admitting that their brothers were wrong in the effort to maintain the sovereignty, freedom, and independence which was their inalienable birthright—remembering that the coming generations are the children of the heroic mothers whose devotion to our cause in its darkest hour sustained the strong and strengthened the weak. I can not believe that the cause for which our sacrifices were made can ever be lost, but rather hope that those who now deny the justice of our asserted claims will learn from experience that the fathers builded wisely and the Constitution should be construed according to the commentaries of the men who made it.

"It having been previously understood that I would not attempt to do more than to return my thanks, which are far deeper than it would be possible for me to express, I will now, senators and representatives, and to you, ladies and gentlemen, who have honored me by your attendance, bid you an affectionate and it may be a last farewell."

While Mr. Davis was speaking I recalled his concluding words in his Rise and Fall of the Confederate States, published in 1881—prophecy then; history now:

"In asserting the right of secession, it has not been my wish to incite to its exercise. I recognize the fact that the war showed it to be impracticable, but this did not prove it to be wrong; and, now that it may not be again attempted, and that the Union may promote the general welfare, it is needful that the truth, the whole truth, should be known, so that crimination and recrimination may forever cease, and then, on the basis of fraternity and faithful regard for the rights of the States, there may be written on the arch of the Union 'Esto perpetua.'"

ROOSEVELT LAUDS DAVIS

In a speech at Vicksburg, Miss., October 21, 1907, President Theodore Roosevelt, son of Martha Bulloch, of Georgia, and Theodore Roosevelt, of New York, half southern, half northern, and all American, said:

"I am glad to be here in this historic city, this city forever memorable because of the heroic service in which victor and vanquished alike showed such splendid courage, such splendid fealty to the light as it was given to each, and before the Civil War Mississippi's sons had shown that they knew how to fight.

"It was from Vicksburg that a company came of that Mississippi regiment which won undying renown in the Mexican War under the gallant leadership of its colonel, who afterwards became the favorite son not only of Mississippi but of all the South—Jefferson Davis."

President Roosevelt, who rode through the national park with Gen. Stephen D. Lee, also said:

"And General Lee read to me that noble inspiration on the Pennsylvania monument, an inscription that should make the heart of every true American thrill:

"'Here brothers fought for principle; here heroes died for their country; and a united people will forever cherish the precious legacy of their noble manhood.'

"What other war?" asked President Roosevelt, "is there of which we can say that before the generation that fought it had died away the whole country rises to feel the same triumph alike to those who fought so valiantly for what they with equal sincerity thought to be right and lost?"

The lives of Jefferson Davis and Abraham Lincoln show a remarkable parallel. They were born 14 miles apart in Kentucky, and Davis and Lincoln Counties in Mississippi are only separated by the country of Lawrence, named for the intrepid captain who said: "Don't give up the ship."

Davis was born in 1808. Lincoln in 1809. In childhood Lincoln went to Indiana and then to Illinois. Davis came to Mississippi. Davis was a second lieutenant in the Regular Army of the Black Hawk War in 1852. Lincoln was a captain of volunteers. They began their political careers the same year, 1844. Lincoln was a presidential elector for Clay. Davis for Polk. Both served in Congress in 1845. Each was called to preside over his respective government the same year—Davis, February 6, 1861; Lincoln, March 4, 1861. Lincoln was not a Cabinet officer. Davis was Secretary of War in the Cabinet of Franklin Pierce. Lincoln was not a United States Senator. Davis was the Cicero of the Senate; and his farewell address to that body when Mississippi adopted the ordinance of secession is an American classic, as is also the Gettysburg speech of Lincoln. The Davis speech will live as long as grass grows and water runs. The Gettysburg speech of Lincoln will "live until languages are dead and lips are dust."

The bullet of a madman stilled the great heart of Abraham Lincoln; and the poisoned chalice of sectional hatred was pressed upon the lips of the prostrate South. Speaker Cannon, discussing with me the horrors and sorrows of reconstruction—when the furies of peace were worse than the terrors of war—said, "I sometimes think that when those drastic laws were passed Providence must have been asleep."

THE MEMORIES TROOPED

Jefferson Davis died in New Orleans December 6, 1889. He was temporarily interred in Metairie Cemetery, New Orleans, and buried in Hollywood Cemetery, Richmond, Va., May 31, 1893. I was named by Governor Lowry an honorary pallbearer for Mississippi at the funeral of Jefferson Davis. As the vault closed over the mortal remains of the immortal chieftain of the Confederacy—the fortunes of which my father had followed for four years, carrying a war-maimed hand to his grave—how the memories trooped.

Standing with bowed and uncovered head I saw Jefferson Davis on the sanguinary fields of Mexico. I saw Jefferson Davis write "Buena Vista" in letters of living fire on the escutcheon of our country. I read the war-tossed compass from Bull Run to Appomattox. I saw Jefferson Davis president of a "storm-cradled nation that fell." I saw Jefferson Davis in a dungeon with his frail limbs cruelly manacled and I saw the irons stricken off through the efforts of a noble-hearted Greeley. I saw Jefferson Davis as a guest of the Mississippi Legislature in 1884 in the house of representatives of the old capitol surrounded by those who had loved him and trusted him and followed him.

As I marveled at the wonderful career of this remarkable man—a "waif on the political sea," because of his undying conscientious convictions—my reverie was broken by a concord of sweet sounds. With moist eyes I located the cadence at the top of a majestic magnolia. A mocking bird was singing o'er his grave.

MR. WILSON'S ADDRESS

[From Jackson Daily News]

The address delivered by Hon. Edgar S. Wilson, Nestor of Mississippi journalism, at the unveiling of the statue of Jefferson Davis in the Hall of Fame at Washington, Tuesday afternoon, was a masterly delineation of the life and character of the great Confederate chieftain.

For more than a half century this veteran writer and publicist has watched the ebb and flow of public life in Mississippi, and is still going strong in his profession. He has intimately known more men of affairs in our Commonwealth during that period than any living person—known them only as it is possible for them to be known by a newspaperman with a keen eye and discerning judgment. It was his proud privilege to enjoy the personal friendship of Jefferson Davis during the last years of the great warrior-statesman, and his vivid description of the farewell address of Mr. Davis, delivered before the Mississippi Legislature in 1884, is a valuable contribution to the State's history. Nearly two score

years ago he served as honorary pallbearer when the body of Jefferson Davis was consigned to mother earth and his beloved face forever hid from the sight of men.

It was fitting, therefore, that Mississippi's oldest journalist now in active service should have been chosen to deliver the principal address on this memorable occasion at the Capital of the Nation. Like a true newspaperman, his speech carried the merit of brevity, but what he said is worth enshrining in history.

PERMISSION TO EXTEND REMARKS

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to proceed for two minutes so that I may inform the gentleman from Massachusetts of a unanimous-consent request which I desire to prefer.

The SPEAKER. The gentleman from New York [Mr. LAGUARDIA] asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. LAGUARDIA. The matter of foreign securities purchased in this country is receiving a great deal of attention and study just now. The New York American has conducted a very thorough survey, in which, in a series of articles, they have listed all of the securities. They have listed the securities that have been wiped out; they have listed the shrinkage. It is an informative and useful survey, and this matter will occupy four or five pages of the RECORD. I would not make this request if the information were otherwise available at this time. There is a great deal of discussion of these foreign securities, and I think it would be informative to the Members who are studying this question.

I therefore ask unanimous consent, Mr. Speaker, to print in the RECORD a series of articles on foreign securities, the result of a survey made by the New York American.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. LAGUARDIA]?

Mr. UNDERHILL. Mr. Speaker, reserving the right to object, I want to make myself perfectly clear on this matter. I do not believe we can differentiate between the Hearst papers, the American, or the New York Times, or the Jacksonville Courier, if there is such a paper, or any other paper. Information undoubtedly will be available to members of the committee who have this matter in charge. Any Member of the House can secure the information by calling at the office of the committee. If the bars are let down in one instance, we can not be consistent and we can not be fair to the other Members who are asking for the same privilege.

The RECORD was established for a specific purpose. In recent years the privileges have been so abused, not so much by this body as by another body, that I hope the present Speaker, who has some definite idea on the subject, will embody them in some agreement or legislation whereby the RECORD may be protected.

Mr. MCFADDEN. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. MCFADDEN. I may say to the gentleman that the information which the gentleman from New York [Mr. LAGUARDIA] proposes to introduce is apparently the only available information there is on the subject. For the benefit of the gentleman from Massachusetts and the other members of the House may I say that I have been trying to get from the Federal Reserve Board, the Secretary of the Treasury, and the State Department this information, and it is not available. I think it will be beneficial to this particular subject to have this material before the House at this time.

Mr. RANKIN. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. RANKIN. Let me say to the gentleman from Massachusetts that so far as I am concerned I have a resolution which I am going to introduce asking for a thorough investigation as to who holds these foreign securities, and so forth. Personally I see no need of hurrying it, if the gentleman wishes to expedite this matter, but I think we ought to go extremely slow and investigate it from every angle. If the administration at the other end of the Avenue wishes us to pass on this thing, does the gentleman not think we ought to have this available information for all the Members?

Mr. UNDERHILL. I think the position of the gentleman is sound. I think the request of the gentleman from New York [Mr. LAGUARDIA] is reasonable. I think the position of the former chairman of the Committee on Banking and Currency [Mr. MCFADDEN] is right, but I do not wish the House to get the idea that I am playing any favorites in these objections. Personally I have no objection. It is nothing out of my pocket, but I know that the public who reads this RECORD is satiated and fed up on a lot of silly stuff and advertising that goes into the columns of the RECORD.

I will not object to this proposition.

Mr. SANDLIN. Mr. Speaker, I demand the regular order.

Mr. BLANTON. Will the gentleman from Louisiana withhold his request for the regular order for a minute?

The SPEAKER. The gentleman from Louisiana has called for the regular order.

Mr. MAPES. Mr. Speaker, reserving the right to object——

The SPEAKER. The gentleman from Louisiana has asked for the regular order. The regular order is: Is there objection?

Mr. MAPES. Mr. Speaker, reserving the right to object, I would like to suggest to the gentleman——

The SPEAKER. The gentleman from Michigan is familiar with the rules of the House. The gentleman from Louisiana has demanded the regular order. The regular order is: Is there objection to the request of the gentleman from New York to extend his remarks?

Mr. BLANTON. Mr. Speaker, for the present I object.

THE SOUTH'S INDUSTRIAL OUTLOOK

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD a résumé of the address delivered by Dr. Julius Klein, Assistant Secretary of Commerce, before the Chamber of Commerce of Birmingham, November 4, 1931.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to extend his remarks as indicated. Is there objection.

There was no objection.

The address is as follows:

ADDRESS BY DR. JULIUS KLEIN, ASSISTANT SECRETARY OF COMMERCE

One of the outstanding features of our national economic life during these postwar years has been the truly amazing industrial advance of the Southern States. To depict adequately the impressive proportions of this achievement one need not resort to flights of oratorical fantasy; the mere recital of a few pertinent figures affords amply eloquent and vivid confirmation of this fact of the gratifying diversification of southern economic activity—the broadening out of the basis upon which the States from Virginia to Texas are building the structure of their material well-being.

Let it be noted also that this spectacular episode is not simply a cause for exhilarating laudatory comment. It goes without saying that commendation has been abundantly earned by these achievements. But they also involved truly formidable responsibilities on the part of all those in charge of the multitude of industrial enterprises entering into the composite record of accomplishment; responsibilities for far-sighted planning, which is doubly necessary as the economic order of southern communities becomes increasingly complicated; responsibilities for watchful readjustment in the important field of labor relationships which are so vital a part of any new industrial expansion.

But first let us turn to some precise measurements as to the extent of this new industrial growth in the Southern States. During that dramatic decade which culminated in the record height of 1929 the value of manufactures for the Southern States increased almost exactly 20 per cent, whereas in the rest of the country the growth was but 11.9 per cent. Indeed, the value of southern manufactures in 1929, the latest available data, exceeded $11,600,000,000, which was two and three-fourths times the total value of all southern farm and plantation products, including livestock.

One of the larger factors contributing to this development was the growth in the manufacture of cotton textiles. Whereas in the Northern States the consumption of raw cotton fell during that decade by more than 51 per cent, the consumption by the southern mills increased 31 per cent. This acceleration of cotton manufacture is, of course, to be expected, but there need be no apprehension that it might be so overstressed as to unbalance the general industrial set-up of the South. Indeed, cotton goods to-day comprise but 8 per cent of the total value of fabricated southern products. Furthermore, nearly three-quarters of those cottons are industrial lines and therefore not subject to the dangerous vagaries

of style changes which have been so disastrous to textile manufacturers of wearing-apparel fabrics.

One important aspect of this industrial growth was the proximity of abundant fuel oil. The widespread exploitation of the petroleum resources of Texas and Oklahoma accounts largely for the growth in southern mineral production figures by no less than 59 per cent since 1920, as against but 16 per cent in the rest of the country.

Still another interesting index of this onward sweeping industrial advance is the figure on the increase in wage earners, which for the Southern States during the years 1919–1929 was 10 per cent, whereas for the rest of the country it was 4.7 per cent. Evidently the widespread introduction of labor-saving machinery of latest patterns and most advanced design in southern manufacturing areas has not involved any serious technological unemployment but has, on the contrary, contributed to the growth of the total factory pay rolls.

An impressive bit of evidence of this spread of new, up-to-date equipment in southern industry is the fact that whereas in the United States, exclusive of the South, the increase in electric-power production during 1920–1930 was 106 per cent, the figure below the Mason-Dixon line was no less than 191.5 per cent. This figure does not reveal a profoundly significant factor in that phenomenon, namely the spreading of industry into smaller communities as a result of the ever-widening network of electric-power lines. Comment is scarcely necessary as to the deep social significance of that trend of development away from the larger urban centers. It offers definite encouragement to the healthy diversification of productive activity in rural districts throughout the South, where overdependence on a single source of income had all too frequently resulted in a hopelessly unbalanced situation, with disastrous results whenever that lone asset became impaired for any reason.

A similar valuable contribution is being made by the spread of oil and gas pipe lines across many hitherto sparsely developed sections of the South. Thus the projection of power and fuel is laying a groundwork all over the South for substantial future industrialization in countless rural districts.

Another convincing indicator of the expanding industrial organization of the South is the growth of construction activity, which is, of course, one of the country's leading industries. The value of building contracts awarded increased about 12 per cent from 1923 to 1930 in the Southern States. During the same period the value of building contracts in all States for which data are available, excluding the Southern States, increased 8 per cent.

Equally significant, perhaps in certain respects even more so, has been the notable increase in the registration of trucks and road tractors, which has grown in the past 10 years in the South by nearly 570 per cent. This is more than double the rate for the rest of the country, for which the figure was 260 per cent. In aviation likewise the South's advance has been at a greater pace on various questions. Southern airports and landing fields have increased in number by 21.5 per cent in the past two years, as compared with 18 per cent in other States. This leadership is doubtless influenced in part by favorable climatic conditions and also by the vital geographic factor of the proximity of the important routes to the Caribbean, Mexico, and the rest of Latin America.

No industrial expansion of our time can face the future with confidence unless it is being accompanied by a thorough comprehension on the part of its leaders of the vast potentialities of the new technology in chemistry, in physics, and in all of the other lesser fields of science contributory to industrial growth.

Indeed, some of the great industrial achievements of the South in recent years stand as most impressive monuments to this new technology. Among these might be mentioned the development of rayon production, of numerous chemical products, impregnated woods, a wide range of synthetics, and many other achievements of postwar scientific advance. In this connection it is especially significant that the enrollment in southern colleges, universities, and professional schools rose during 1920–1928 by no less than 85 per cent, as compared with 73 per cent for the United States exclusive of the South. Enrollment in normal schools and teachers' colleges rose by 81 per cent during the same time in the Southern States as against less than 63 per cent elsewhere in the Nation.

No industrial growth is secure these days unless it springs from well-grounded technical training. Its future is strictly contingent upon alert vigilance on the part of factory staffs as to every new discovery in the limitless realms of scientific endeavor. Herein the South would seem to be thoroughly prepared and fully appreciative of the requirements for the future. This, of course, is particularly essential during times of drastic readjustment such as the present. The need for the fullest exploitation of the possibilities of by-products has never been more acute than it is to-day. More than one great industry in the past has owed its strength directly to the shrewd exploitation of apparently waste materials. It is doubly gratifying, therefore, to note that with the lowering of prices for such great southern staples as cotton and lumber there has been an intensified, determined campaign to broaden the markets not simply for the original commodities, but also for their many by-products—for cottonseed hulls, linters, for sawdust, insulating material, chips, and many others.

The increasing determination to diversify agriculture has brought to these new industrial plants in the South many raw materials which previously had to be sought far afield. Among these conspicuously are tung oil, skimmed milk, cellulose in various forms, and other once scorned raw materials, which the magicians of the chemical laboratory have revealed as of decided value in the development of new industrial products.

ERNEST R. ACKERMAN

Mr. SHREVE. Mr. Speaker, I ask unanimous consent to extend in the RECORD a resolution which I offered this morning before the Committee on Appropriations and which was unanimously adopted by that committee. It is in relation to the death of the late Hon. ERNEST ACKERMAN.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The resolution adopted by the House Committee on Appropriations is as follows:

Whereas on the 18th day of October, 1931, Hon. ERNEST R. ACKERMAN, formerly a loyal and honored member of the Committee on Appropriations of the House of Representatives, entered upon the life eternal: Therefore be it

Resolved, That in his decease the Nation has been deprived of a courageous and patriotic servant; his colleagues in the House of Representatives, and particularly his associates upon the Committee on Appropriations, have lost a faithful coworker and counsellor; and his friends have sustained a personal sorrow abated only by the memory of his virtues; be it further

Resolved, That the committee extend to Mrs. Ackerman their genuine and heartfelt sympathy in this bereavement; be it further

Resolved, That these resolutions be made a part of the records of the committee and a copy thereof be transmitted to Mrs. Ackerman.

THE PRESIDENT'S MESSAGE

Mr. RAINEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message, with Mr. LOZIER in the chair.

Mr. PURNELL. Mr. Chairman, I yield 30 minutes to the gentleman from Illinois [Mr. WILLIAM E. HULL].

THE SWEDISH LIQUOR CONTROL SYSTEM

Mr. WILLIAM E. HULL. Mr. Chairman and gentlemen of the committee, on account of the economic and moral conditions of the country I decided that it was my duty as a man who understood the liquor business to go to Sweden and study what is known as the Swedish system—the Bratt system. So on July 3 I embarked on the *Kungsholm* and went to Goteborg, arriving there on Saturday night. I decided that the best thing for me to do was to go out to one of the principal parks, where there was a large congregation of Swedish people dining and dancing. I went there for the purpose of finding out whether by imbibing liquors they were becoming intoxicated to any degree. I found there over 300 people dining in one dining room, all of them imbibing beer and wines, and I did not see a single one intoxicated. I went from there to a dancing parlor, where there were 500 dancing and drinking beer and wine. There I saw no intoxication. Then I started up through the country of Sweden. I went as far north as Falun. Falun is the great copper city of Sweden. If one were to find drunkenness in any part of Sweden he would expect to find it there, but, to my great surprise, after staying there three days, I did not during that time find a single drunken person in the city. Then I went on down through the farming districts until I arrived at Stockholm, where I desired to study the liquor control law of that country.

The way it is handled in Sweden is this: First of all, the alcohol is made in small distilleries scattered over the country in the rural part of it. The alcohol is principally made of potatoes and barley.

There is a prohibition against molasses, grains, or potatoes from any other country coming into Sweden for that purpose, so that the farmers have the advantage of selling their products to make the alcohol of the nation. I carried on this line of study until I got into Stockholm. At Stockholm I found that all of this raw alcohol, made up through the country, was shipped there and placed in a

redistilling plant and there it was made into a high-grade spirit and rectified into their national drink, called aqua vitæ, potato brandy, and Swedish punch. I went through that plant and discovered that they used the same processes in that country that before the war we used in this country. Then I studied their brewing plants. I went into a Munich brewery and there I found they make their beer of barley. They polish the barley first, and the finished product is placed in vats, where it is kept for three months, after which it is distributed. This beer is made of 3.2 per cent alcohol by weight, so it is not intoxicating. They claim that in all of their literature. They sell to the people in any quantity they want to buy it. It is sent to their homes in cases usually containing 20 short pints, and they buy that beer for 4.3 cents per bottle, or $1.07 of our money per case.

The way the hard liquors and wines are distributed is this: They have what are known as distributing stores. There are some 36 of these distributing stores scattered throughout Stockholm, and these stores are equipped like our banks. They are beautifully furnished. The way in which the people get their liquor from the stores is this: They are furnished with a mat book about the same as our bank books. They are entitled, per month, to 4 liters, which is a little more than 4 quarts, and the wife is entitled to 2 liters, making a total of 6 liters for a family. They can go to the store where they are registered and get their liquor and take it home; that is, all of the bottles at one time or one bottle if they so desire. By doing this the liquor is carried to their homes. The beer is sent direct from the brewery to the home.

The "system," as it is called, is operated under the direction of the Government, but by private capital subscribed by the Swedish people themselves. This capital can only draw 6 per cent. So any profits that accrue in the business naturally go to the treasury of the State.

The wines and liquors they buy are bought at a lower price than in any other part of the world, because the system buy in such large quantities, and the result is you can buy a bottle of wine for 75 cents in one of these stores in Sweden that would cost you one dollar and a half in Paris, and it is the same quality of wine.

The result is they have educated the Swedish people to drink wine and beer. At one time the Swedish people used 90 per cent hard liquor, but to-day they are using 40 per cent hard liquor and 60 per cent wine and beer. This has all been brought about by reason of this system.

I want to say to the Congress of the United States that from what I could see of the operation of this system, it is the best system I have ever seen, and I have been in the business for 28 years.

The hotels can sell a certain amount of hard liquor with the meals they furnish. They call it schnapps and you can go into a hotel or restaurant that has a permit and get two schnapps, which is an ounce and a quarter of hard liquor, in each glass, to be served with a hot lunch, or at night you can get three schnapps with a hot dinner.

You may ask why they do not cheat. The reason they will not cheat is because every restaurant keeper and every hotel man wants to sell his food with the schnapps, and there would be no object in giving me, for instance, two or three times the amount allowed, because if he did that he would lose the sale of two or three extra meals. If he should run out of liquor, he is entitled to go to the system and make a request for an additional amount, but any additional amount he gets he has to pay for at the same price at which he sells it. So there is absolutely no extra profit and no incentive to push the liquor business beyond what he is entitled to sell.

There is another feature that is quite interesting, and that is the system's restaurants. They have 25 restaurants in Stockholm where a man of the middle class can go in and by paying 55 cents get a good, wholesome lunch, two schnapps, and a bottle of beer. The laboring man with a cap on his head can go downstairs and get two schnapps, a bottle of beer, and a reasonable lunch for 35 cents. This has been put in operation so that the rich man will have no advantage over the poor man.

From what I could see of the system they have every chink closed up, and it is the best system in the world. It has been in operation now since 1915, and I can positively say that the law is one that does control the liquor business.

Mr. STAFFORD. Will the gentleman yield?

Mr. WILLIAM E. HULL. Let me conclude and then I shall yield to the gentleman.

Gentlemen, since my return home I thought it was my duty, regardless of how it might affect me politically, to bring before the Congress of the United States something that I think may possibly be passed in the Congress of the United States. I have gone the limit in studying the situation. I have studied every angle of it. There is nothing we can do on hard liquor in this country with the eighteenth amendment operative; otherwise, I would advance a bill to adopt the Bratt system. So I have taken up the one thing that they have impressed upon their own people, and that is beer. Consequently, I have introduced such a bill, and I desire now to deliver a speech that I have prepared upon that subject.

Mr. SEGER. Will the gentleman yield?

Mr. WILLIAM E. HULL. I yield.

Mr. SEGER. The gentleman made the statement that in Sweden one family was entitled to 6 liters—during what period of time?

Mr. WILLIAM E. HULL. For one month.

Mr. COX. Will the gentleman yield?

Mr. WILLIAM E. HULL. I yield.

Mr. COX. The gentleman, of course, believes that the measure he advocates will have all of the beneficial effects that he states. Has not the gentleman overlooked the fact that a majority of the States have a prohibition law far more strenuous than the Federal law?

Mr. WILLIAM E. HULL. I realize that.

Mr. COX. Then those States would have to change their laws.

Mr. WILLIAM E. HULL. Not necessarily. I think there are enough States to take the 66,000,000 barrels of beer, which would give us $330,000,000.

Mr. LINTHICUM. Will the gentleman yield?

Mr. WILLIAM E. HULL. I yield.

Mr. LINTHICUM. Does not the gentleman think that he has estimated the tax too low at $5 a barrel?

Mr. WILLIAM E. HULL. I put it there because I do not believe we ought to put such a tax on it that it would be prohibitive to the poor man. You could raise it to $8. It used to be $1 and then $2.

Mr. LINTHICUM. That would make the beer cost about $12 a barrel, if you put the tax at $8.

LEGALIZATION OF MANUFACTURE OF 3.2 PER CENT BEER BY WEIGHT

Mr. WILLIAM E. HULL. Mr. Chairman and gentlemen, I am for beer brewed from the products of the American farm. There is no industry in these United States of America suffering so greatly from continued depression as the agricultural industry of the country.

On January 16, 1920, the manufacture of the alcohol and the brewing of the beer of the Nation from grain produced by the farmers was stopped.

By closing down the distilleries, a cash market for 40,000,000 bushels of corn and small grain was destroyed. By closing the breweries, an average of 60,000,000 bushels of barley and the hops necessary to make beer was taken away from the farmers growing barley and hops. Consequently, this made a total of 100,000,000 bushels of grain per year that was not used for the purpose of the manufacture of the alcohol and beer of the country.

In consequence of the closing of the distilleries in the western part of the country, new distilleries were built on the Atlantic coast and permits were given by the prohibition enforcement office to manufacture alcohol out of blackstrap molasses imported from Cuba.

In 1914, 188,000,000 proof gallons of alcohol was made from corn. In 1929, after the closing of the western dis-

tilleries, 186,000,000 proof gallons of alcohol was made from blackstrap molasses. Consequently, the amount of gallons of alcohol has not decreased to any great extent, but the loss of the sale of 120,000,000 bushels of grain, the product of the American farm, is the result.

I believe this is a great mistake; I believe that the Congress should immediately rectify this error and give back to the farmers of the Nation this market that is rightfully theirs.

AN EFFORT TO HELP THE FARMER

I am making this effort on the floor of the House to-day in favor of what I think means more to the future prosperity of the country than any other kind of legislation that can be passed.

If we can bring about a law whereby the farmer will have an output for his products and he can sell them, he then will begin to come out of the depression that he is in at the present time. I believe that in advocating before the House of Representatives a bill for the brewing of beer I will be aiding agriculture more than by proposing any other one piece of legislation that can be passed.

In my judgment, the brewing of beer which is nonintoxicating will bring about the future sale of 120,000,000 bushels of barley per year. Take 120,000,000 bushels of barley off the market and in my judgment you will advance the average price of all grains 15 cents per bushel.

In doing this you will stimulate the farm industry; you will lighten the burdens of the farmer to the extent that he will know that he will have a cash market at least for the amount of barley that the breweries will use.

3.2 PER CENT BEER BY WEIGHT NOT INTOXICATING IN FACT

The bill that I have introduced provides for increasing the permissible alcoholic content of beer, ale, or porter to 3.2 per cent by weight, and to provide means by which all such beer, ale, or porter shall be made of products of American farms.

It is my contention that a beer containing 3.2 per cent alcohol by weight is not intoxicating in fact; it is the same beer that is brewed in Sweden and Scandinavian countries, and all of their literature contends that it is nonintoxicating liquor.

Proofs have been made by scientists and by those in authority that an adult can not be intoxicated by the drinking of beer of an alcoholic content of 3.2 per cent by weight, because the stomach will not hold enough beer to bring about intoxication in fact.

In order to make this proof conclusive in my own mind—and I am not a drinking man—I went to the Muchin brewery in Stockholm at 9 o'clock in the morning, before taking any liquid or substance in my stomach, and drank 4 pints of this beer, under the supervision of a doctor and a chemist.

It did not affect me mentally or physically, and there were no bad effects. So I can honestly come before the Congress of the United States and make an affidavit that it is my judgment that beer containing 3.2 per cent alcohol by weight will not intoxicate.

I have previously stated upon the floor of this House that 3 per cent beer was the same as dissolving 3 gallons of alcohol in 97 gallons of water; but I now find that medicinal research has determined that beer has still another advantage over this argument. An extract from Mellanby's article in Medical Research, 1919, shows an experiment in which whisky was diluted down to the strength of stout or ale so that each contained 5.5 per cent alcohol by volume, and there was found a considerable difference between the rate of absorption of alcohol into the blood stream in the two cases.

In the case of diluted whisky, the maximum concentration was reached in one and one-fourth hours after the experiment was started.

In the case of stout the maximum was reached only after two hours.

The conclusion was that the stout contained something which tended to delay absorption, and hence had a less intoxicating effect than diluted whisky of the same alcoholic content, which was absorbed by the blood stream more rapidly. I contend that this is a conclusive reason why we need not fear to accept the brewing of beer with an alcoholic content of 3.2 per cent by weight, as it will not intoxicate.

CANADIAN BEER

There is some discussion that Canadian beer is much stronger in alcoholic content than American beer. In order that you may thoroughly understand the difference in measuring proof spirits from the English system and the American system, it is as follows:

Four per cent proof spirits by measure under the English system equal 1.82 per cent by weight or 2.29 per cent by volume, our system. Hence Canadian beer, sometimes mentioned as containing 9 per cent proof spirits, in reality measures about 5 per cent by volume under our system of calculation.

I give you that explanation so that you may benefit and not be deceived by misstatements that may come to you.

A great many Congressmen and the public at large will be confused, I am sure, by the fact that I am introducing this bill on a basis of weight instead of volume to determine the alcoholic content of beer. A great many will say that it does not contain enough alcohol to suit the taste of the American consumer, but, my colleagues, so that you will not be deceived and the public may not be deceived, by my introduction of the alcohol content of beer by weight, I want to quote you these figures, so that there can be no misunderstanding in reference to it, and I believe this is the proper way to write the bill so that there can be no discrimination or any misunderstanding in the qualifications as to the alcoholic content. I quote the alcohol in beer by weight and volume so that it will be perfectly plain:

2.75 per cent by weight equals 3.46 per cent by volume.
3 per cent by weight equals 3.78 per cent by volume.
3.25 per cent by weight equals 4.09 per cent by volume.
3.50 per cent by weight equals 4.41 per cent by volume.

HOW IT IS COMPUTED

To change from weight to volume, multiply by 1.26 or divide by 0.7936.

To change from volume into weight, multiply by 0.7936 or divide by 1.26.

3.2 per cent by weight is equal to 4 per cent by volume.

In order that you will also understand the average alcoholic content in pre-war American beer, which averaged from 3.5 per cent to 4 per cent of alcohol, I quote as follows:

German beers range from 2 per cent to 4 per cent alcohol by volume, British ales from 2 per cent to 8 per cent alcohol by volume. It is well understood by the brewers that 4 per cent beer by volume is high enough in alcoholic content and should not go beyond that amount.

The reason that I make this explanation is because a great many misquotations are made as to the alcoholic content of beer made previous to the war being 7 per cent, 8 per cent, or 9 per cent alcohol by volume. The highest alcoholic content of beer of any kind is contained in the imported beers from Germany and England, which average about 5 per cent by volume, and the only reason that they are made at 5 per cent by volume is because alcohol acts as a preservative in heavy British ales and in heavy German beers and makes it necessary on account of the lack of refrigeration in those countries to keep the alcoholic content to this point.

ORIGIN AND GROWTH OF LAGER BEER

It might be interesting to the Congress of the United States to know that since the Civil War this country has made progress toward temperance. This is best shown by the records of the Department of the Internal Revenue. The department in its present form dates back to the beginning of the Civil War. From its record we glean that in 1860 the per capita consumption of distilled spirits was 2.86 gallons. The rapid growth of the brewing industry began at the time of the Civil War and, due to it, the use of mild fermented beverages gradually replaced whisky and caused a steady decline in its consumption, so that in 1896 it reached its lowest mark, 1 gallon per capita.

This shows conclusively that in 1860 nearly three times as much whisky was used per capita as in 1896. This great

difference was not due to prohibition, for during this period no State except Kansas joined Maine in its prohibition policy, and but few localities in those years were under local or county option.

The decline of the consumption of whisky during this period was entirely caused by the gradual displacement of hard liquor by mild malt beverages.

As far back as 1848 lager beer in this country was brewed by the American brewers, and with the development of pasteurization and refrigeration it was possible for them to turn out a light sparkling lager with a fine hop flavor. This soon became so popular that the ale trade of the United States shrank into insignificance, and by 1914 the lager-beer brewers had captured 98 per cent of the malt-beverage business. It was their aim, and is now, to produce an alcoholic beverage with the lowest alcoholic content without impairing its wholesome and palatable qualities.

No brewer in this country desires to make a beer that will intoxicate, but there must be enough alcohol left in the beer to make it satisfactory to the consumer and to retain the qualities of a good wholesome food and beverage, and it is my contention that if you will enact into law the bill that I have introduced, this march toward practical temperance will go on and the people of the United States will be satisfied with a good, clean malt beverage instead of poisonous bootleg intoxicating liquors of all descriptions.

REVENUE

From an economic standpoint, a tax levy of $5 on each barrel of beer, figuring on a basis of the amount of beer brewed in 1914, 66,000,000 barrels, would amount to a total of $330,000,000. Based on this estimate, this would provide $330,000,000 toward the deficit of the United States Government for the year 1931. I know of no other way where a tax could be so evenly distributed over the country or made with better consideration than a tax on beer.

TAKES THE PROFIT OUT OF THE BOOTLEGGING BUSINESS

The prohibition law went into effect in the United States January 16, 1920. Previous to that time the manufacture of spirits, wine, and beer was under Government control. Since the prohibition law went into effect all of these Government agencies, which are law-abiding, have been dispensed with, and the process of distillation and brewing have been carried on surreptitiously by criminals and the worst element of citizenship that we have in these United States.

It has been an easy matter for them to make a product that would intoxicate, to hide it away, to sell it, without the Government's permission, and this has done much to corrupt the moral fiber of our citizens.

The great difficulty to-day in enforcing the Volstead Act is the profit gained by the bootlegger by manufacturing a gallon of alcohol for 25 cents out of corn sugar without any expensive distilling apparatus and selling it for $6 a gallon, or in manufacturing beer for $3.50 a barrel and selling it for $55 a barrel. This makes the business so profitable that most any man out of work is willing to take a chance.

If the Congress of the United States will pass a law under which beer can be made containing 3.2 per cent alcohol by weight, you will take the profit out of the bootlegger's business and destroy him, and in no other manner can you possibly discontinue his activities.

I am familiar with the liquor business; I know its iniquities. I also know that this is a business that meets a popular demand and one that can be easily sold to the public, and therefore I can see no other conclusion that this country can come to eventually other than to handle this business in a legal and practical way. I contend that this is the best way to start by allowing the public the privilege of buying a mild, wholesome, fermented beverage. If this is done it will eliminate the sale of spurious alcohol to a large extent; it will give an opportunity for those who desire to indulge in a mild beverage at meals to acquire a beer for a beverage rather than alcohol reduced with water and flavored.

I contend that this country now is saturated with a beverage that is intoxicating, but by adopting this measure, which, of course, is an experiment, you will pave the way for future legislation that may bring about sobriety in the country.

PROTECTION FOR THE STATES

You will notice that I have introduced a companion bill to this bill, amending the Webb-Kenyon Act to prescribe the alcoholic content of liquors divested of their interstate character under such act. The title of the bill reads as follows:

A bill to fix the alcoholic content of liquors included within the Webb-Kenyon Act so that liquors may not be brought into a State in violation of the State policy on prohibition, even though Congress has not prohibited the manufacture, sale, or transportation of such liquors elsewhere.

My object in introducing this bill is to protect any State in the Union that does not desire beer with an alcoholic content of more than one-half of 1 per cent to be sold in the respective Territory or State. They will, under this law, be fully protected; and if they want beer of 3.2 per cent sold within the borders of their State, it will be necessary for them to pass legislation allowing the same. In this way those States that do not desire beer to be sold within their borders can easily prevent it, so far as the law is concerned.

It is my honest and sincere belief that this bill will in no way conflict with the eighteenth amendment, which prohibits the sale and manufacture of intoxicating beverages.

My colleagues, let us once in the history of Congress set aside politics and the wet and dry question; let us come out in the open and herald to the country that we are willing to pass a law that can be enforced.

Three and two-tenths per cent alcohol by weight in beer is not intoxicating and should be sold to the public instead of coercing them into buying improper alcoholic beverages. Anybody who has ever hoped for the success of prohibition should certainly indorse an honest measure aimed at making the law conform to the eighteenth amendment and at the same time benefit law enforcement as a whole. [Applause.]

Mr. RAINEY. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman and gentlemen, for 12 years I have advocated the good qualities in the wholesome glass of beer that my colleague from Illinois, who has preceded me, said he obtained on his travels in Europe. Of course, I know that if he had visited the city of Pilsen and tasted some of that good Bohemian Pilsener he would have been still more desirous of immediate action for the repeal of the Volstead Act and the adoption of his bill.

I wish to congratulate the House and the country on the information that he has given, and which I hope will be helpful and beneficial to those Members who have been deprived of that information heretofore.

I always believed that if my colleagues had properly informed themselves and had listened to the convincing arguments made and to the uncontrovertible evidence which has been presented against prohibition from time to time, and had not been blinded by prejudice, they would not have voted against me and against the modification of the Volstead Act and the repeal of the eighteenth amendment. And if the gentleman and other Members had listened to me before, we would not be obliged to make up the $2,000,000,000 deficit, for the revenue from the manufacture and sale of beer would net at least $500,000,000 annually. Neither would there be the widespread unemployment that now exists throughout the country, since the legalization of the manufacture and sale of beer would give employment to a half-million people.

Long before the gentleman from Illinois went to Europe I introduced a bill and secured hearings before the Judiciary Committee on my Resolution No. 99, which provided for the amendment of the Constitution giving to the Congress the right to legislate on this subject and giving to the respective States the right and privilege which had been taken away from them by the eighteenth amendment.

Now, I have studied the question for many years, and I am thankful that my colleague has so ably and forcibly brought to the attention of the people the benefits which would accrue to the farmers of this country by the repeal of the prohibition law.

My colleague from Illinois has pointed out that about 60,000,000 bushels of wheat and barley had been used in the manufacture of beer and about 40,000,000 bushels in the

manufacture of alcohol, and that the honest profit on this produce has been taken away from the farmers by the eighteenth amendment.

My colleague has also pointed out that the same amount of alcohol is being manufactured under the prohibition law as was formerly, but it is now being manufactured from "blackstrap," imported from Cuba, instead of from corn grown in Illinois and the Middle West.

May I not ask my colleagues and Republican Members why it is that they have permitted the importation of "blackstrap" at the expense and ruination of the American farmers. I realize that they may be reluctant to give the true reason. I, myself, am of the opinion that it is because the sugar interests, who are such stanch friends of the Republicans, have contributed to the election fund of the Republican Senators and to the Republican Party.

The trouble with the farmers, in whom my colleague is so especially interested, is that they have been blind to their interests for many years. Notwithstanding the unfriendliness of the Republican administrations of Presidents Coolidge and Hoover, they will support the Republican Party, even though they should have known that that party was not sincere and was not a friend of the agricultural interests and the farmers of this country. I am satisfied that all that has been said by my colleague in relation to the resumption of manufacture of this wholesome beverage is true. Therefore I am ready and willing, as I have been for many years, to advocate the modification, yes, the repeal of this law. And for that reason I am immensely pleased that my colleague has finally seen the light of day, and has recognized, after these many years, that I was justified in my demand for the repeal of the prohibition law. I hope that there will be many others who will follow him and join with us in our efforts to bring to the American people the relief privileges so long denied them.

Mr. OLIVER of Alabama. Will the gentleman allow me to interrupt him to ask that the committee rise temporarily?

Mr. SABATH. Certainly.

Mr. OLIVER of Alabama. Mr. Chairman, I move that the committee do now rise for a few moments.

The motion was agreed to; and the Speaker having resumed the chair, Mr. LOZIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the President's message and had come to no resolution thereon.

UNIVERSITY OF ALABAMA FOOTBALL TEAM

Mr. OLIVER of Alabama. Mr. Speaker, when one receives the highest honors that can be won in any honorable field of human endeavor, where nation-wide competition obtains, it represents an outstanding achievement. We have with us to-day a group of young men from the University of Alabama who have measured up to that standard, and I feel that no one can so appropriately present them to the House as my friend and colleague, who is an alumnus of the university and who won his "A" letter and really was one of the founders at the university of the national game which these boys have so well carried on. Therefore I yield to the Hon. WILLIAM BANKHEAD, who will introduce these fellow alumni of ours to the House. [Applause.]

Mr. BANKHEAD. Mr. Speaker, as an alumnus of the University of Alabama I am naturally proud, not only of the cultural and scholastic accomplishments of that institution, which last June celebrated its one hundredth anniversary, but within recent years I am particularly proud to note the fact that in the field of athletic endeavor the football teams of the University of Alabama have achieved national reputation. Twice national champions within recent years, only last year the team of 1930 was universally recognized as the best football team in America.

To-morrow, at Griffith Stadium, this famous team of athletes will gratuitously give their time and services, without any claim upon the proceeds, in a contest with teams made up of students from three of the colleges of the District of Columbia, for the purpose of creating a charity fund for the destitute of the District of Columbia. On behalf of the management of that contest, and upon the part of all the alumni of the University of Alabama, in Congress and outside, we extend to the Members of the House an invitation to attend that rather unique contest.

It now gives me great pleasure as a former member of the team, many years ago, as one who is naturally proud of its athletic achievements, to present to you as representatives of athletic prowess of the State of Alabama, by the courtesy of the House, the University of Alabama football team of the year 1930. [Applause.]

NATIONAL FOREST RESERVATION COMMISSION

The SPEAKER. Under the provisions of the act of March 1, 1911 (title 16, sec. 513, U. S. Code), the Chair appoints the gentleman from Mississippi [Mr. DOXEY] to fill the vacancy on the National Forest Reservation Commission caused by the death of Hon. James B. Aswell.

THE PRESIDENT'S MESSAGE

Mr. RAINEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message, with Mr. LOZIER in the chair.

Mr. SABATH. Mr. Chairman, at this time, we, the liberals, are indeed fortunate, because the Democratic Party, now in control, believing in fair play, has liberalized the rules of the House so that we who have for years, under a Republican majority, tried in every way possible to secure a direct vote on this question, so important to the farmers and the country, will have that privilege. Of course, it is to be regretted that we still have in the White House a man controlled by a certain element, which has such great influence over him that I doubt very much whether the Anti-Saloon League would permit him to sign or approve any modification of the prohibition law. But I know this, that within a short space of time the election will take place, and the people of America will speak, and when that election is over, I am satisfied we will have in this House a splendid majority of broad-minded, liberal men, and in the White House a Democrat; a man who will be unrestrained, uncontrolled by anyone, and who, in his desire to serve the Nation and a majority of the people, will sign such a bill, as I hope and expect we will pass, and thus relieve the Nation of the infamous prohibition law and the crime-breeding Volstead Act, which have been a curse to the people.

Mr. Chairman, it was not my intention to speak on this subject, but I could not refrain from taking advantage of the opportunity presented to me by my colleague's speech.

I know that a majority of the Members, or at least the older Members, expect me to make a speech on a measure of still greater importance at this moment, namely, on my efforts to stop the short selling or the racketeering going on on the stock exchanges in the United States. I shall be obliged to withhold my speech upon that subject for a few days, but I assure you I shall be able to present to the House enough evidence to entitle me to secure immediate action upon my resolution and bill to put an end to that racket, which this Nation has tolerated and which more than any other cause is responsible for the unfortunate and deplorable condition from which the Nation is now suffering. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. STOKES].

Mr. STOKES. Mr. Chairman, in passing a statue of Burke on one of your avenues I noticed he had stated that magnanimity in politics is true wisdom. Let us follow the advice of one who was our good friend.

On June 20, 1931, President Hoover, after consultation with various Members of Congress, announced that the United States, subject to the approval of Congress, would allow a debt holiday of one year to all debtor nations, provided the other creditor nations would do likewise. This, of course, did not apply to securities held by the general public known as private debts but to interallied debts.

This announcement was followed by a brisk rise in the value of all securities and commodities, showing that the country generally approved this action.

All of the nations' representatives—32 allied and associated powers—met together in London in July and accepted in principle the arrangement subject to working out details.

The conference of London suggested, however, that a committee of expert economists and financiers be appointed, one from each of the 32 allied and associated powers and one from Germany, to offer recommendations to cure the world-wide business depression.

In due time this committee was formed. Mr. Wiggin, of New York, represented the United States. They met in August of this year at the Bank for International Settlements at Basel and, after several weeks of study, made the following recommendations:

First. Friendly cooperation between Germany and France.

Second. Reduced reparations.

Third. Reduced interallied debts.

Fourth. Reduced tariffs.

Since the treaty of Versailles and its successor, the so-called Dawes plan, and its later modification known as the Young plan, Germany has already paid in reparations about $5,000,000,000, which includes payments in gold, in kind, and in property, as announced by Chancellor Snowden before Parliament in July. In order to provide funds for these payments she has borrowed somewhat over $7,000,000,000, about five billion in long-term and roughly two billion in short-term loans.

Instead of keeping these short credits in liquid investments she placed them in permanent improvements, which in good times would probably have been profitable, but under present depressed conditions have become frozen assets. At the present time she can not borrow any money, because her credit is gone, so she must depend on what national income remains and on selling her inventories.

Mr. Houghton, the recent United States ambassador to Germany, said:

> I can not think of anything more unfortunate for the world than the collapse of Germany at the present time, and unless help is extended such a collapse is not impossible nor far away.

Beyond Germany is Russia, and in Russia is tyranny and despotism. If Germany is thrown into the condition of Russia, the result may be very serious.

I agree with the opinion that a debt holiday of one year as is now suggested will restore business conditions to normal much more rapidly than otherwise and that our profit from the resultant good times will far exceed our interest payments on foreign debts. German prosperity is closely allied with world prosperity.

This summer in France I was told that Chancellor Bruening is a loyal and intelligent man and believes he has a religious mission to fulfill. His prestige has recently increased with his responsibility. He is endeavoring to teach his people national self-discipline—a good thing for any nation.

God has made all nations of one blood. Let us do our share toward keeping the solemn promise Mr. Hoover has made in our name to the world.

Mr. FISH. Will the gentleman yield?

Mr. STOKES. I yield.

Mr. FISH. I just wanted to ask where the gentleman got his figure of $7,000,000,000.

Mr. STOKES. I may be wrong about that figure. I took that from newspaper clippings and that figure may be a little lower than it should be. It is approximately $7,000,000,000, and approximately two billion of short-term credits.

[Here the gavel fell.]

Mr. RAINEY. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, our Republican friends across the aisle can not understand the workings of a political party that will recognize the inherent rights of and permit its obscure and humble members to speak their sentiments at will the same as it does its leaders. They imagine that in the opening of Congress every Member who appears upon the floor has been specially selected by the Democratic organization to speak for the party. They are so accustomed to holding back their ordinary Members and putting up only certain leaders that it irks them for their rule to be disregarded across the aisle.

It has been charged, but irresponsibly so, that we on this side are not at work, because no appropriation bills have yet been presented, carrying hundreds of millions of dollars, as has been the usual Republican custom. I call the attention of our minority friends to the fact that they have not yet appointed a single working committee. They have selected only their members of the Appropriations Committee and of the Ways and Means Committee. Not a single legislative committee has had its personnel selected by the minority party up to this time.

Only day before yesterday the President of the United States presented to this House for the first time his Budget of 727 printed pages, each as large as those of the daily CONGRESSIONAL RECORD, proposing to appropriate of the people's tax money for the next fiscal year $3,997,000,000, and our Republican friends would expect that we would come in already with the administration's appropriation bill, appropriating $4,000,000,000 in lump sums, carrying out the ideas of the President's Budget, regardless of everything.

I say to our friends that from now on there will be a few of us Members of Congress who are going to give careful study and consideration to every single item in this Budget before the appropriation bills are framed and brought in here for passage.

Mr. LUCE. Will the gentleman yield?

Mr. BLANTON. In just a moment I will be glad to yield.

They speak about loyalty to the President. You Republicans were loyal to the President during the war, but what happened just after the armistice? If I were going to take a subject for my few minutes' address this morning, it would be that passage of Scripture, "Whatsoever ye shall sow, that shall ye also reap."

I can not forget that immediately after the signing of the armistice those of you Republicans who were then in the Congress rose from that side of the aisle one after another in a merciless attack upon the President and his administration. I can not forget that you criticized his physical infirmities, when his giant mind and judgment were stronger than ever. You will not find a Democrat who will criticize the physical strength of your present President, because he has a splendid, strong physique. [Laughter.]

I can not forget the "Graham of Illinois committee," the smelling committee, if you please, created by you Republicans, that wasted $157,000 from the people's Treasury in an attempt to criticize and hamstring and hog-tie the President of the United States. I can not forget the "Joe Walsh of Massachusetts committee," the smelling committee you Republicans created that went in its palatial Pullman train to the Pacific coast and spent $43,900 of the people's money trying to hamstring the President of the United States.

> Whatsoever ye shall sow, that shall ye also reap.

Mr. LUCE. Will the gentleman yield?

Mr. BLANTON. Yes; I will; because I am sure my friend from Illinois [Mr. RAINEY] will grant me more time, because he is so generous to the country that when your Republican leaders will not allow a distinguished Republican Member like the gentleman from Wisconsin [Mr. STAFFORD], one of the hardest working men in the House, one of the most diligent, one who is patriotic and conscientious, who was a distinguished member of your Committee on Appropriations as far back as 1921—I say when you Republicans will not allow him to speak, the distinguished gentleman from Illinois [Mr. RAINEY] grants STAFFORD a little time to speak his sentiments. [Applause and laughter.]

I yield.

Mr. LUCE. Did I understand the gentleman to reproach the Republicans of the House for not having yet named their committees?

Mr. BLANTON. No. I was just answering your attempted reproach of our side about committees not yet working.

Mr. LUCE. Is it customary for the minority to announce their committees before the majority have announced theirs?

Mr. BLANTON. Oh, I will get to that in just a minute.

Mr. LUCE. That is a fair question.

Mr. BLANTON. I will answer it in just a moment.

Mr. LUCE. Answer it now.

Mr. BLANTON. I am going to answer it now, but I always like to have the floor when I am answering. The gentleman is right.

Mr. LUCE. Of course, he is. He is always right.

Mr. BLANTON. But I want to say to him that the time for naming all committees has not properly arrived. The gentleman has been a distinguished parliamentarian of his State as well as of the Nation. He has presided over a deliberative body there with great dignity and honor, and he knows there is an orderly process to be followed rather than a disorderly one. We are following the orderly process. We are going to take your President's 727-page Budget appropriating $3,997,000,000 and study it and analyze it and investigate it before we bring in a half-baked bill for 435 Members of Congress to swallow without changing the dotting of an "i" or the crossing of a "t." That has been the Republican practice, to have one prepared before committees are named.

Mr. LUCE. Will the gentleman kindly answer my question?

Mr. BLANTON. I told the gentleman that it was usual for the Republicans to bring in your committees when we brought in ours.

Mr. LUCE. I thank the gentleman.

Mr. BLANTON. But we have not seen fit yet to bring in ours. [Laughter.]

We have not brought in ours yet, because we are trying to select the men best fitted for the different kinds of places. I want to say that while you have had three distinguished Republican Presidents serving under one distinguished Secretary of the Treasury, it has been my privilege in the House of Representatives to have served under six distinguished chairmen of the Committee on Appropriations. I have not been on that committee until recently, but I have nevertheless served under them. I can remember what our Mr. John J. Fitzgerald, of New York, a Democrat, who was chairman of the Appropriations Committee when I began serving—I can remember what he said about economy in appropriations and against lump-sum items. I can remember what Mr. Swagar Sherley, another Democrat, of Kentucky, said about it. I can remember what James W. Good said about it. It was his opinion that lump-sum appropriations would ruin the Government. I can remember what Martin B. Madden said about it. He was one of your greatest Republicans. I can remember what that distinguished and beloved colleague of ours, Dan Anthony, said about it. He was another stalwart Republican. And I remember what our friend Mr. WILL WOOD, your retiring Republican chairman, said about it, and I know and we all know what our friend JOE BYRNS thinks about it. But lump-sum appropriations have nevertheless been your Republican slogan here for 10 years.

Your President talks about economy in government. Why, the appropriations have been climbing up and up every single year of your Republican administration, and they are going to continue to climb until this House adopts the policy which every one of the distinguished men I have mentioned has advocated from this floor, and that is the policy of making specific appropriations rather than general or lump-sum appropriations. Mr. Fitzgerald advocated it. Mr. Swagar Sherley advocated it. Mr. James W. Good advocated it. Mr. Martin B. Madden advocated it. Dan Anthony advocated it. WILL WOOD has advocated it and JOE BYRNS has advocated it. I have heard them all say from this floor in the years gone by that without specific appropriations you would not have economy in government, and yet you have gone on and on making lump-sum appropriations by the hundreds of millions of dollars for bureaus and commissions and departments to spend at will, with very little check and with very little guidance. I am one of those who believes that every appropriation ought to be specific and duly protected by limitations, and as long as I am in this House I am going to fight for it. I am going to fight for specific appropriations for every bureau and for every commission of the Government, and if you want to get some economy that is the only way to get it. You know it as well as I do.

Mr. BEEDY. Will the gentleman yield?

Mr. BLANTON. I always yield to the distinguished gentleman from Maine.

Mr. BEEDY. I thank the gentleman very much. The gentleman would not have the House understand that whatever lump-sum appropriations are made in the House are not in pursuance of specific items, every one of which has not only been considered by the committee but by the Director of the Budget.

Mr. BLANTON. Oh, but they ought to be specifically stated in each appropriation bill.

Mr. BEEDY. The gentleman knows that is impossible. They are listed in the report of committee hearings.

Mr. BLANTON. When I came here they were so stated.

Mr. BEEDY. They always have been stated, have they not?

Mr. BLANTON. No; not for the last 10 years.

Mr. BEEDY. Have they not been thoroughly discussed in the report of the hearings held by the Appropriations Committee?

Mr. BLANTON. To a certain extent, yes, but not in the bill. The gentleman from Maine, if he has studied these conditions as I have studied them, knows there has been quite a change in them, from specific to lump sums.

Mr. BEEDY. The gentleman would not, in pursuance of economy, have the same reprints in the bill that have already been paid for by the Government in the printing of Appropriations Committee hearings and the Budget, would he?

Mr. BLANTON. I would have the same kind of bills and with the same kind of specifications in the supply bills that were in them when I came here in 1917.

If you go back and look at those bills, you will see there were so many employees mentioned at stated salaries, so much money for this specific purpose, so much money for that specific purpose, but you do not find these specifications in the bills in recent Congresses.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. Yes; I yield to the wet, yet most valuable Member from New York.

Mr. LAGUARDIA. The gentleman, of course, understands that no head of a department or bureau can spend funds for a purpose other than that for which it is appropriated, and there is a check on every expenditure made.

Mr. BLANTON. But they can shift them about to suit themselves within certain indefinite limitations.

Mr. LAGUARDIA. Oh, they would never get by the comptroller.

Mr. BLANTON. They have certain limitations within which they can do some shifting, and I want to see that stopped.

[Here the gavel fell.]

Mr. RAINEY. I yield 10 minutes more to the gentleman.

Mr. BEEDY. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. BEEDY. The gentleman has just mentioned something with which I have had some personal experience. The gentleman will find, if he will study the hearings in the Appropriations Committee with a view to this particular, that it has been the custom of late for the subcommittees of the Committee on Appropriations to have an understanding with the heads of departments that they will not shift balances under one item to another without the special consent of and a special rehearing by the committee.

Mr. BLANTON. For how many years has the gentleman from Maine served on the Appropriations Committee?

Mr. BEEDY. I have not served on the Appropriations Committee.

Mr. BLANTON. It is unfortunate the gentleman has not.

Mr. BEEDY. But I have had experience in this matter, and I can assure the gentleman I know whereof I speak.

Mr. BLANTON. If the gentleman would study the bills closely and would check them up as I do and compare them with other bills, every single year with the previous year, as I do, and then check them with the Budget, he would understand what I mean when I speak of changes in the method of appropriating.

Mr. LUCE rose.

Mr. BLANTON. Just a moment. I want to call your attention to something that will interest even the gentleman from Massachusetts.

There came from his State, and probably that is the reason it was put over an administration of which your present President was then a Cabinet member, a proposal to spend $200,000 checking up a coal situation. They spent it and nothing was accomplished. I opposed it. I called attention to the fact that it would be wasted. Then there came from Massachusetts on the floor here a proposal to grant him $400,000 more. I opposed that and called attention to the fact that nothing would be accomplished; but the Congress, through Massachusetts, gave the President the $600,000 and all we got was a report about this thick [indicating] that nobody has ever yet read 10 pages of and the $600,000 of the people's money was wasted.

Mr. BEEDY. Will the gentleman yield for just an observation?

Mr. BLANTON. In just a moment. I want to tell about another thing.

Mr. BEEDY. The gentleman is making a serious indictment of himself when he says that nobody has read that report.

Mr. BLANTON. I know I have not read it. It was not worth reading. The gentleman from Maine has not read it. His time is devoted to more serious matters. No other man in Congress has ever read it and nobody ever will read it. It is stored away now in the basement where useless papers are stored.

Mr. UNDERHILL. Will the gentleman yield right there?

Mr. BLANTON. In just a moment. Did it not come from Massachusetts?

Mr. UNDERHILL. Have any of these investigations ever led anywhere or amounted to anything?

Mr. BLANTON. No; and never will. [Applause.]

Then right on the face of that your President has spent $500,000 already on his Wickersham Committee, and is there a man here who will get up and say it is worth 5 cents? [Laughter and applause.]

Mr. LAGUARDIA. Will the gentleman yield there?

Mr. BLANTON. Is there any man on this floor who will say it is worth 5 cents?

Mr. BEEDY. I will say it is worth 5 cents and a lot more.

Mr. LAGUARDIA. Does not the gentleman remember when I made a point of order against the Wickersham Commission appropriation, and the gentleman pleaded with me to withdraw my point of order so that the Wickersham Commission could go ahead? [Laughter and applause.]

Mr. BLANTON. If the gentleman will get the RECORD, he will find he is mistaken.

Mr. LAGUARDIA. Oh, no.

Mr. BLANTON. I did want to use some time to answer the gentlemen from Illinois, the brace of wets from Illinois, one from either side of the aisle [Mr. HULL and Mr. SABATH], but when that bunch of stalwart athletes from Alabama, the Alabama football team, whom we have just honored, ran a V wedge through both of them and through their wet arguments, there was not anything left of them, and therefore I do not have to answer them. I point to those athletes from Alabama as an answer to the wet arguments of the brace of wets from Illinois. They are athletes, they have won, they have been successful, and so successful that the House of Representatives does them honor, because not one of them can touch beer or wine or whisky when they are preparing themselves for the ordeal for which they are intended. [Applause.]

This answers their wet argument; and let me say to my wet, though valuable, friend from New York, who talks about helping the farmers to reduce taxes and bringing in revenue with his beer proposition, how much help is the beer revenue doing the German farmers and the German people to-day? [Applause.] What revenue is it bringing to the Canadian farmers? Are they in any better shape than ours?

You may take the beer countries of the world and you will find their liquor revenue is a bagatelle compared with what they have to raise from the taxpaying nationals of their country.

But I do not have to touch on that question, regardless of the propaganda of the big wet newspapers that are making the country believe that this is a wet Congress. I call attention to the fact that when you wets get a vote here under the new rules you will not muster 150 votes on this floor. There is no such question as beer and wine separated from the open saloon. It is the open saloon or it is prohibition. [Applause.] What are you going to do about it?

The Highway No. 1 in my State runs from El Paso through my city of Abilene to Texarkana in Texas 900 miles in an unbroken hard pavement. You can drive 80 miles an hour. Would you want to put a road house every 10 miles along that great highway? Not a man, woman, or child on it would be safe.

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. COOPER].

Mr. COOPER of Ohio. Mr. Chairman and members of the committee, I do not believe that we will get anywhere in the legislative program of this Congress if we are going to criticize one party or the other. In my opinion, this is a time when every patriotic American citizen should at least in some degree forget his partisanship and stand for the issues and principles which will be for the best interests of the American people. [Applause.]

We have heard prohibition discussed this morning. I grant you it is one of the most important questions before the American people to-day, but as far as I am personally concerned I am not interested in trying to get back the legalization of the liquor traffic.

What I am interested in is trying to relieve the economic and unemployment situation as it is to-day. It seems to me that this is of more vital importance to our people than the question as to whether or not we will again legalize the liquor traffic. [Applause.]

This is not the only depression we have had. I have a vivid recollection of the depression in 1893. I want to say to you that it is my honest opinion that the depression of to-day in many respects is not as bad as the depression of 1893. I was just a young chap at that time. My father was at the head of a large family. In order to give some of the men in our steel mills work we passed a bond issue to improve a beautiful natural park we have in my part of the country. It was decided to give to the head of each family five days' work at a dollar a day. My father was lying in bed sick. They said to me, "Do you think you can take his place?" I said I believed I could. While I was only a young chap, I went out to that park and swung the ax and the pick and used the shovel, and I worked for a dollar a day in 1893 in order to bring a little bread and butter into our family home. This was at a time when the Democratic Party had control of Congress and under a Democratic President. There was a difference between that depression and this. In those days we had not much to lose. We were hungry and we needed shoes and clothing, but we did not have all of the comforts and blessings to lose that we have had during the past 10 years.

We did not have the improved sanitary conditions in our homes; we did not have electric lights; we did not have frigidaire; we did not have our automobiles and our paved streets and our fine roads; we did not have our talking movie pictures and radio. That is the difference between the depression of 1893 and that of 1931.

What I want to talk to you about to-day is the tariff question which was discussed here by several Members of

this House yesterday. Never in the history of our country have we witnessed such a flow of propaganda as is now being directed against the American tariff. It emanates in a large measure from powerful factors with heavy investments abroad and from those importing interests which have always taken an undue share of the American market through the handling of foreign products produced at such low cost that similar American articles have been unable to compete with them.

There is also a strong national publicity campaign, which is financed by powerful interests, now being carried on that many foreign nations have increased their tariffs in retaliation against our present tariff law, which was passed by Congress in 1930. And as a result American foreign trade, both imports and exports, have fallen off.

The question which I shall speak about now is, Has our present tariff policy, adopted in 1930, caused foreign countries to retaliate against us and have our imports and exports fallen off?

The facts are, and the record will show, that long before our present tariff policy became effective foreign countries, under the pressure of domestic needs, increased their tariffs and adopted other methods of discrimination against imports from the United States. When the present tariff law was passed, Canada already had in effect a law which was collecting, in customs duties, a larger percentage of the value of American imports than is collected by the United States from Canadian products under our present tariff law.

Two years ago the voters of Canada elected into power the Conservative Party. A short time after the party assumed power, Premier Bennett presented to the parliament a measure for a revision of their tariff laws upward. This measure was presented before our present tariff law became effective. At the time he made a statement carried in the press, which I now read:

This is a news dispatch from the city of Ottawa, Canada, dated September 18. It says:

For the second time within six months Canada has made a complete change in her tariff policy. The Conservatives adopted "Canada First" as their slogan and insisted that while they were anxious to help the mother country, their first concern was to build up Canadian industry.

Does that look like a matter of retaliation against the United States? Then the Premier said this:

We have very definite assurances from those who are charged with producing in this country that as a result of the action we are taking to-day they will increase the number of men and women in their employ.

A little later on he made this statement:

He declared it was right and proper to glorify international relations and to be interested in the welfare of other countries, but insisted that his job was to take care of Canada. "This Government," said the Premier, "owes primarily a duty to the Canadian people and not to some other people, for the simple and obvious reason that the electors of Canada and not the electors of other countries have selected a government to govern Canada. Legislation must be initiated first of all in regard to Canada, with regard to its growth and development and employment, and happiness and prosperity of its people."

I wish that we had some American statesmen who would stand on the floor of this Congress and be as much interested in the welfare of America as Premier Bennett has been in the interest and welfare of the Canadian people. [Applause.]

There is too much of the spirit of internationalism sweeping throughout the United States at this time. We have millions and billions to loan to foreign countries. I say the time has come now when the Congress of the United States should consider relief and welfare of the people at home as well as the welfare of foreign countries.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Ohio. Pardon me, but I can not yield now. Many times within the last year I have heard some of my friends, Senators and Representatives of the Democratic Party, charge that by reason of the passage of the tariff act of 1930 American capital had been forced to go into foreign lands. A short time ago I read with some interest a series of articles which were written by an American newspaper man, which contained a bitter attack upon our present tariff system. The writer tried hard to leave the impression with his readers that since the passage of the tariff law American capital had been forced to go abroad. Let me read to you some of the things he said:

Tens of thousands of American workers are jobless to-day because the present tariff policy of the United States has utterly failed to protect what is perhaps the largest industry—foreign trade itself.

He is writing these articles from Toronto. He says:

Before coming here I visited Akron, the rubber capital of the world. There I saw how vicious the policy can be. As a conservative estimate, I was told that Akron to-day has a total unemployment of approximately 12,000, while between 4,000 and 7,000 jobless have left the city. "It is not at all difficult," one Akron observer told me, "to trace our unemployment to the forces of migration of part of our industry."

Then he goes on to say that more than 3,000,000 tires were made in the Province of Ontario last year because we passed the tariff act of 1930, that American capital was investing its money in Canada, that it had to on account of the retaliation on the part of the Canadian Government against our present tariff law. My friends, if that were true, it would be a serious question which should be given careful and thoughtful consideration by every American citizen. But what are the facts in regard to this?

After reading this attack on the tariff law I made a trip to Akron and called upon the vice president of probably the largest rubber industry in the world. I said to him, "When did your company first invest its money in the rubber industry in Canada?" He immediately replied by saying, "In 1913." I said, "When did you erect that large plant in Toronto, which employs between 3,000 and 5,000 workers?" He said, "In 1920." I said, "When did the other rubber industry go into Canada?" "About the same time."

Mr. BLANTON. Will the gentleman yield?

Mr. COOPER of Ohio. Will the gentleman allow me to finish this thought, and then I will yield? It was also charged by this writer that the automobile industry had gone into Canada on account of the passage of our tariff law. To my personal knowledge, General Motors has operated a plant at Oshawa in the Province of Ontario for the last 12 years. In 1927 I visited in that city for about three weeks. I went through the plant. There I saw anywhere from 3,000 to 5,000 Canadian workers going into that automobile plant every day. They were manufacturing every car from the Buick on down, that is made in the United States. Mr. Ford has had an assembling plant in Canada for the last 15 years.

Those opposed to the present tariff law charge that American capital was forced to invest in Canada in the automobile and rubber industries because the Republicans passed the Fordney-McCumber Tariff Act of 1922 and the tariff act of 1930. But, mark this, and I want some Democrat to challenge this statement, if he can: American capital was first invested in the rubber industry and in the automobile industry in Canada from 1913 to 1920, at the time when the United States was not operating under the protective-tariff system, but under the Underwood free-trade tariff bill, one of the most liberal free-trade policies we have ever had in the history of this country. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. THURSTON. I yield 10 additional minutes to the gentleman from Ohio.

Will the gentleman yield for a question?

Mr. COOPER of Ohio. I yield.

Mr. THURSTON. I would like to ask the gentleman if it is not a fact that on account of the lowered wage levels and reduced production costs the duties in our tariff act were automatically reduced?

Mr. COOPER of Ohio. That is true.

Mr. BLANTON. Will the gentleman yield for a question as to Akron?

Mr. COOPER of Ohio. I will be glad to yield to the gentleman from Texas if he does not take too much time.

Mr. BLANTON. Is it not a fact that the Akron Beacon-Journal is one of the old-time, rock-ribbed Republican newspapers?

Mr. COOPER of Ohio. I hope the gentleman will not make a speech.

Mr. BLANTON. Is that not a fact?

Mr. COOPER of Ohio. Please do not go into that.

Mr. BLANTON. Well, has the gentleman read the very important editorial recently in the Akron Beacon-Journal, the Republican newspaper, and has the gentleman seen that wonderful cartoon that has recently appeared there?

Mr. COOPER of Ohio. No, I have not; but I will ask the gentleman to please not take my time.

Mr. BLANTON. The gentleman should look it up.

Mr. COOPER of Ohio. Another charge is made that our custom duties on imports are the highest of any country in the world. Again let me bring to you the facts in this respect. I have with me here to-day a tabulation submitted to me by the Growers' Tariff League of California, which shows the import tariff rates of the United States and 53 leading foreign countries on each of 25 commodities, most of which are agriculture. Please bear in mind that our import duties on agriculture products as a whole are the highest of any commodities in our tariff law. These rates have all been reduced to a common basis of United States dollars and cents per 100 pounds. And this is what we find: The average duties charged by these 53 foreign countries on commodities thereon named is $4.05 per 100 pounds, as against an average duty of $1.81 charged by the United States on the same commodities. The tabulation of this report is based upon an analysis of a recent tariff survey made by Mr. Edwin Phole, California State Bureau of Commerce, by direction of Hon. James Rolph, jr., Governor State of California, from statistics furnished by Hon. H. P. Fletcher, Chairman of the Federal Tariff Commission.

Another charge that is made by those opposed to our tariff policy is that we are loosing our foreign trade on account of import duties we impose. Again, what are the facts in this respect? Let us take the 20 leading markets of the world, and that takes in practically all of our foreign trade.

Now, I grant you that our volume of exports has fallen off, but, are we losing our foreign trade as compared with foreign trade of other countries?

I find that our share of exports to these 20 countries in 1930 was 20 per cent of their total imports. Now, let us go back and compare the average of the years of 1924 to 1927, which were pretty good years, and what do we find? We had in those same markets in that time three to five years before the present tariff law was passed 20.7 per cent of their total import trade as against 20 per cent of last year. These figures and facts were furnished to me by the Department of Commerce at Washington.

In this time of economic depression which is sweeping our country to-day there are many American industries that are suffering from foreign competition. A few days ago I was consulted by officials of two of our large steel industries. They are very much worried because they are about to lose a market for a by-product of our coke ovens, which is known as sulphate of ammonia. The Germans are importing this product into the United States to-day at a cost cheaper than any steel plant in the United States can produce it. Men in the steel industry have also informed me that to-day foreign countries are unloading fabricated steel on the Atlantic coast and in the ports of the Gulf of Mexico at a cost cheaper than we can produce it and ship it to those ports by rail. Only a short time ago an ocean freight-carrying vessel crossed the Atlantic, down the St. Lawrence River into the new Welland Canal, through the Great Lakes system, and docking at Chicago with a cargo of steel Belgian wire. This is not the time to break down our present tariff system.

Mr. JONES. Will the gentleman yield?

Mr. COOPER of Ohio. I would rather finish now. I only have a few minutes left. If I have time I will be glad to yield later.

The demand of some of our leading international bankers, industrialists, and others, supported by a number of economists, to further the free-trade policy, to enlarge the importation of goods, produced by forced labor (Russia), low paid, and child labor of Europe and Asia, and the cry for a more liberal immigration policy can only lead to further unemployment and demoralize our economic, industrial, social, and political structure.

Those who argue that the way to cure unemployment in the United States is to consume more of the products of foreign labor underestimate the intelligence of the American people.

Such propaganda bespeaks the desire of international capitalists, who wish to lower the standard of wages and living in this country to that of foreign lands in order that their vast foreign investments may be protected.

To wipe out our protective tariff at this time would undermine and lessen the employment opportunities and standards of life and work of American wage earners by flooding our domestic market with foreign goods.

WHAT WOULD EUROPE BUY OF US?

The opponents of our tariff policy try hard to make the people believe that there is a high import duty on all foreign products that come into the United States.

In 1930 there was $3,061,000,000 worth of imports entered the United States from foreign lands, of which 65 per cent came in duty free.

One of the international capitalists who made a bitter attack upon the present tariff law when the same was before Congress for consideration moved his tractor factory from Detroit to Ireland more than two years ago. He was quoted in the press as stating his reason for moving his factory to a foreign land was to get a cheaper production cost. It is said that several thousand American workmen were deprived of employment when the Detroit factory was closed down. I grant the right of this manufacturer to establish his industry in a foreign country, but I can not contend that he has the right to export the products of the factory into the United States free of import duties.

I hold in my hand a report signed by the United States vice consul at Dublin, Ireland. It is the official report on the number of tractors exported from Cork, Ireland, for the first six months of the year 1930. In this column you will see the names of 29 foreign countries; and over here you will see the number of tractors that were exported from Cork, Ireland, to these different countries, for the first six months of 1930. The total number of tractors exported to these 29 foreign countries for the first six months of 1930 was 13,605.

[Here the gavel fell.]

Mr. THURSTON. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. COOPER of Ohio. In addition to that there was exported $3,500,000 worth of parts. Now, here is what we find: To Belgium there were exported 103, to Denmark, 196, and to Finland, 63. I will not stop to read them all; but, as I said a moment ago, the total was 13,605. Now, listen to what is shown on the top line. To the United States of America, 6,609. In other words, 50 per cent of the tractors which were exported from Cork, Ireland, to 29 foreign countries during the first six months of 1930, was sent into the United States; and they came in here duty free classified as agricultural implements. I want to repeat that this gentleman had a perfect right to take the money which he received from the American people and establish this industry in Ireland, but it seems to me that he has no moral right to send those tractors back into the United States classified as agricultural implements and have them enter our ports duty free.

I hope this Congress will do something which will cause this gentleman to pay a duty on this manufactured article. [Applause.]

Mr. PARKS. Will the gentleman yield?

Mr. COOPER of Ohio. Yes.

Mr. PARKS. They came into the United States free under the tariff bill which your party introduced and passed, with the consent of you and these other gentlemen.

Mr. COOPER of Ohio. I will not admit that.

Mr. PARKS. Why did you not put a duty on them if it is wrong?

Mr. COOPER of Ohio. We thought there was a duty on them, but the Commissioner of Customs ruled tractors were agricultural implements and admitted them duty free.

Mr. PARKS. Why did you not do it?

Mr. COOPER of Ohio. We will do it if you give us a chance.

Mr. PARKS. But you signed away your day of grace, and you can not do it now.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. COOPER of Ohio. Yes.

Mr. LAGUARDIA. Does not the gentleman believe that we are justified in taxing the income of the particular gentleman to whom he refers 49 per cent over $1,000,000?

Mr. COOPER of Ohio. That is all right with me.

Mr. CROWTHER. Will the gentleman yield to me?

Mr. COOPER of Ohio. Yes.

Mr. CROWTHER. I want to say to the gentleman that there was a duty on tractors, but because these were brought in as agricultural implements they came in free. However, there is a duty on automobiles.

Mr. COOPER of Ohio. Now, I want to finish. This summer I happened to tune in on the radio and heard my good genial friend Mr. BUSBY, of Mississippi, delivering a speech. He received a lot of publicity in the newspapers, but how he was lambasting that tariff act. As I recall, here was his solution for the payment of the allied debt. Take it out in foreign trade. In other words, he suggested that the Allies pay us that debt in goods. It may be that we shall have to cancel that $11,000,000,000 some of these days. I am not ready to cancel it yet. But if I had to take my choice between canceling the foreign debt or taking it out in foreign goods, I would say it would be ten thousand times better for us to cancel the debt instead of accepting foreign goods that would destroy our American industry and American labor. [Applause.]

[Here the gavel fell.]

Mr. THURSTON. Mr. Chairman, I yield the gentleman one additional minute.

Mr. COOPER of Ohio. I am wondering where you are going to start in lowering these tariff schedules. Are you going to start on manufacturing and agricultural products; on shoes? Are you going to start on hides; on the products of the Southland? I remember what you said to us when we put 10, 15, and 20 per cent duty on hides, shoes, and leather. You charged this duty would add a burden of $300,000,000 on the American people, yet ever since that law became effective the price of shoes has gradually gone down, and to-day shoes are cheaper than they were when they were on the free list.

Where are you going to start to lower the tariff? I ask you. It will not do you any good to lower the tariff on manufactured articles made in our industrial districts and keep the increased duty on agricultural products. I say to you that in my own district at this time more than 15,000 working men are unemployed who buy your agricultural products when they are at work, and anything you do that will tend in any way to destroy American industry and American labor will hurt your agricultural interests. [Applause.]

[Here the gavel fell.]

Mr. ARNOLD. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. SWEENEY].

Mr. SWEENEY. Mr. Chairman, ladies and gentlemen of the committee, I am a new Member of this body. I trust you will not think I am presumptuous if I extend to you a compliment and in the same breath try to criticize you. My observation is that when you are sitting in Committee of the Whole you are very attentive and the gallery is able to hear what you are saying and the Members can hear what you are saying; but when you are resolved back to the regular order of business, as I observed the other day, we find a great deal of confusion.

I tried to listen attentively to the debate on the important matter of revision of the rules. I found a lot of chaos. I heard Congressmen discussing the Japanese war, some of them talking about the presidential campaign and two dry Congressmen, who vote dry consistently, were discussing the bad quality of Washington liquor. I will not tell you their names. I am not a Smedley Butler.

My observation also is that the women of this body behave like perfect gentlemen, while some of the men behave like a lot of old women. [Laughter.]

We are discussing now the President's message on the state of the Union, and I am reminded of the story of the little boy who was called upon one day to answer a question in geography. The teacher said, "Johnny, what is the shape of the world," and Johnny said, "Teacher, it is in a hell of a shape." This may be applied to the state of the Union to-day.

I listened to the gentleman from Maine [Mr. BEEDY] draw the implication that this side of the House is committed to a dole. By way of digression, I may say that the most important thing before this Congress is the relief of the unemployed.

I criticize the President of the United States for his pocket veto of the Wagner measure in the last Congress that would have allocated $500,000,000 to various parts of this country and bring relief, and abolish, to some extent, the bread lines we enjoy to-day. I despise the dole system, but I am for a dole in preference to a bread line. The bread line humiliates a man and causes him to lose his self-respect. The dole makes a man feel that his government has some interest in him.

I made some casual study of the dole in England, and I reached the conclusion that the smart politicians and the far-sighted statesmen of England put into effect the dole, Mr. Chairman, to ward off revolution and to allay the rebellious temper of the millions of persons who are constantly out of work.

I saw the group that came to the Capitol Plaza Monday. They did not excite me and they did not excite this Congress. We believe in giving them an opportunity to exercise their freedom of speech. Let them expound their philosophy, be it good, bad, or indifferent.

I also read the message or speech delivered over the radio in anticipation of this march on Congress of Mr. HAMILTON FISH, the chairman of your committee to investigate communistic activities in the United States, and he stated that it was the conclusion of his committee that there are between 500,000 and 600,000 communists and communistic sympathizers in the United States. A mere guess, a mere conjecture, I am thinking of the 6,000,000 men who are unemployed, the 6,000,000 men who know that the granaries in Wisconsin and Minnesota are choking with grain, a great deal of it owned by the Federal Farm Board; and who know that the cold-storage houses of the land are laden with food products, and who read in the papers that in 1929 Henry Ford made $49,000,000, and who read in the papers that the estate of George Baker amounted to $86,000,000, and who read in the papers that the estate of Payne Whitney, now being administered in the surrogate's court in New York, amounted to $225,000,000. I wonder if these 6,000,000 people are not sympathizers with the communist philosophy when they face the prospect of suffering this winter.

The unemployment problem is a problem of government that the Nation expects this Congress—the most important Congress, I think, since the war Congress—to grapple with, and I am surprised that the message of the President of the United States is silent on this matter except in an indirect way. He talks about the proposed Federal home discount banks, and I say to you frankly, I do not know what my colleagues will do in this direction, but I have a sympathetic approach to this problem that will release these frozen credits, revive industry, and reach the great objective—the abolition of unemployment. If it does this, I can very conscientiously support a measure of that kind regardless of the side from which it comes. But, mark you, the Nation expects this matter of immediate relief to be given first attention; delay in this matter is dangerous and may incite revolution. I am satisfied we can meet the emergency.

Let us approach this problem as the Nation expects us to approach it and arrive at a proper solution. I see nothing repugnant in asking the Federal Government to give immediate aid to people when they are suffering and unemployed. Many subdivisions of Government are doing that at the present time.

The gentleman on the other side from South Dakota, if he did not coin that phrase, repeated the phrase attributed to the President of the United States—no one has starved, no one will starve. I challenge the gentleman and I challenge the President of the United States to say that there have not been any undernourished men, women, and children, and that there are not now undernourished men, women, and children, and that there will not be undernourished persons during the coming winter. Undernourishment is malnutrition and is only a stepping-stone to starvation.

I heard the gentleman from Alabama [Mr. HUDDLESTON] state a case in point when he talked about the indirect dole by community chests and charitable organizations that advocate the giving of a basket of groceries and secondhand clothes to these people, and the gentleman told you of a case where a family of five were living on $4 a week. Does not this bring about undernourishment? The workingman does not want a basket of groceries or cast-off garments. He wants a chance to work. He wants a chance to buy his own groceries, to buy his own clothes, and to look after his wife and children, so that they may have new clothes once in a while, be they of gingham, satin, or silk, or any other material, and he wants the opportunity to secure some of the comforts of life and save for the inevitable old age.

The problem of the unemployed man must receive solution at the hands of this body over any other legislation submitted.

My friend from Ohio [Mr. COOPER], who preceded me, is an ardent dry, a sincere dry. I pay tribute to his sincerity. He is not that type of a dry who goes to the wash room, takes a drink of liquor, and then comes back on the floor and votes dry. He is honest. There are a few of that type left. He said that prohibition was one of the important questions before the American public.

I am also concerned with the attitude of the President of the United States. I am surprised that he has made no mention of this question of prohibition. Perhaps he is of the opinion, as he always has been, that this is a noble experiment. At least he characterizes it in this fashion for political reasons. Now, when we are spending $35,000,000 to enforce a law that can not be enforced, and are coming close to a deficit of $2,000,000,000, this great engineer is silent.

Where is the statesmanship, where is the leadership? I wonder what Al Smith, Governor Roosevelt, Governor Ritchie, or Newton D. Baker would do under such circumstances. I trust that when the Seventy-third Congress opens that we shall not be in the condition described by the schoolboy but that the state of the Union shall be sound and healthy.

Mr. BRITTEN. Will the gentleman yield?

Mr. SWEENEY. I will yield to the gentleman.

Mr. BRITTEN. Does the gentleman state that his party on that side will give this House an opportunity to vote on the prohibition question?

Mr. SWEENEY. I am coming to that. I think we have as many drys on this side as you have on that.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield for one further question?

Mr. SWEENEY. I shall do it after a while. Mr. Chairman, I come to this Congress from a law court. I resigned my seat on November 4. Up until that time, from the first of the year, in my city I have had before me almost 25,000 individuals charged with intoxication. The court to which I was attached in 1929 had 32,000 individuals charged with intoxication in that year—almost as much as the entire country of England had for the same violations in the same given year. Among those 32,000 were boys and girls from clean homes, respectable homes, from the homes of many whose parents were ardent prohibitionists. The average age of those charged was 25 years, demonstrating that they were boys and girls who were in the grade schools when our prohibition friends told us the next generation would never know the taste of alcoholic beverages. Who were they? I saw the splendid body of men in the gallery to-day, the football team from Alabama, and I heard my friend BLANTON from Texas make reference to their habits, claiming that they would not be football players unless they abstained from alcohol; but I have seen football players and boxers and wrestlers and strong people who now are the victims of "canned heat," "raisin-jack," "lightning," and all these other picturesque terms that have gotten into the vocabulary of the American people since prohibition. Chaos and lawlessness rise up to challenge the very existence of government itself, yet men here in this Hall refuse in a democracy to even submit the question back to the people to get an expression of the people themselves. I am afraid that I am going to witness some degree of hypocrisy in this important assembly. I hope there is courage here, and I hope there is no group that will control anybody. I hope you will throw off the shackles of the Anti-Saloon League that has cowed and deluded you for years because of the assumed fear that they might go back to your constituents and get your political scalp. I say, let us get together on the constructive program; let us be fair and honest. We have to undo the things that you did on the Republican side for 10 years under Coolidge economy and Hoover prosperity. It is going to be a mighty hard task, but we will meet it with a good spirit, and we are going to be successful. I want to be honest with the Members of this House. I want to be respectful to the Members of this House on any given question during my tenure here. In debate sometimes we will become heated and make references we should not make; but in the noble spirit of American fair play, the spirit that has always characterized the gentlemen of this House, which has been designated as the greatest deliberative body in the world, I am sure fairness and courtesy will prevail. If I have said anything that may seem offensive to any of you, I apologize, and thank you for your attention in this my initial appearance. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. MCFADDEN]. [Applause.]

Mr. MCFADDEN. Mr. Chairman, the course of a dream takes its way, often with great vividness and clearness of incident, but always wholly free from those limitations of logic involved in the sequence of cause and effect which are imposed upon our waking faculties. The authors of the Arabian Nights and of Alice in Wonderland succeeded in a large degree in capturing the elusive dream quality and in setting it down on paper.

Something, I think, of this dream quality has infused itself into this period in which we are living. It is so rich in novelty and surprising incident, pleasing or otherwise, that life tends to bewilder the onlooker, to influence him at times to confuse cause and consequence, or to look on, indifferent, without even making the effort to ascribe a cause to an event or to dispute the accuracy of an alleged cause. It makes it much easier to prove something that one desires to have proved, just as it did in Alice's Wonderland.

And if the multiplicity of sensations with which the course of ordinary private life is now attended confuses in a measure the reasoning powers, how much more powerful must be the force of international incidents, piling one upon another, in their impact upon the mind of the public official. This, perhaps, may account for certain inaccuracies which may be detected in reports of high officials and even in the messages of the Executive to the Congress.

Before final action is taken upon the measure now before the House I shall have some further remarks to make, but I wish to-day to confine myself to the message of the President on the moratorium and to point out some things in it which have bearing upon the remarks which I have just made.

The first 10 paragraphs are a quotation from a public statement which the President made on June 20 last, when he first proposed a suspension of payments on war debts. They, of course, tell us nothing that we did not know on June 20.

Nearly six months have passed since then, during which, presumably, the customary cataract of picturesque incident has continued to flow; but if anything has happened bearing on the President's proposal of June 20, he does not inform the Congress of it. Presumably nothing that had an important bearing upon that proposal took place or he would have taken care to inform the Congress in this message.

The first statement he makes, not a quotation from his statement of June 20, is in the eleventh paragraph, and is as follows:

All the important creditor governments accepted this proposal. The necessary agreements among them have been executed, and creditor governments have foregone the receipt of payments due them since July 1, 1931.

This, Mr. Chairman, is all that the President tells us. And he asks that a law be enacted before next Monday authorizing the Secretary of the Treasury to postpone the payments, and to provide for their payment over a 10-year period. He also states that it will be necessary to make still further temporary adjustments.

For myself, I confess just now to feeling a kinship with Alice as she looked about her in Wonderland. The Queen and others were quite pleasant and patronizing, and while they did some strange things they were often quite generous. There seems to me to be something of this same sort of generosity when the Executive reminds us that the Congress has shared in the past the consideration of questions arising from these debts, and states his confidence that it will commend itself to the Congress that the legislative branch of the Government should continue to share this responsibility. In dreamland, no doubt, the Congress might choose not to continue to share this responsibility, but in our waking hours we are held to it by the requirements of the Constitution.

Mr. Chairman, officially nothing has happened in international affairs since June 20 last affecting the proposal of the President to foreign governments on that date. It is the proposal that he made then that he now asks us to ratify. If any important modifications had been made, he would have told us in this message. How else would we be informed?

Let us see, then, what the agreement with foreign governments, as explained to us in this message, is. It reads as follows:

The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest, of course not including obligations of governments held by private parties. Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year beginning July 1 next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.

This is the agreement which we have before us to ratify, and you will note that it postpones all payments on intergovernmental debts and reparations. It postpones payment on all German reparations, and in connection with them the President states his views, as follows:

I wish to take this occasion also to frankly state my views upon our relations to German reparations and the debts owed us by the Allied Governments of Europe. Our Government has not been a party to, or exercised any voice in determination of, reparation obligations. We purposely did not participate in either general reparations or the division of colonies or property. The repayment of debts due to us from the Allies for the advance for war and reconstruction were settled upon a basis not contingent upon German reparations or related thereto. Therefore reparations is necessarily wholly a European problem with which we have no relation. * * * We are not involved in the discussion of strictly European problems, of which the payment of German reparations is one.

I have now set forth everything that the President's message contains upon this subject. When we ratify, we will have ratified the agreement of June 20 in its pristine purity, unmodified by any subsequent agreement; and we have the President's assurance that we have not been a party to, or exercised any voice in, determination of reparation obligations.

The things that I am going to discuss now are all hearsay. Their evidential value is so much lower than that of the information which comes to this body in a message from the President that perhaps I ought to ask the forbearance of the House for their somewhat lengthy presentation. It is a series of statements made in various newspapers concerning international events, particularly those between June 20 and August 11 last. The contents of newspapers, as we know, are not always reliable, and I beg that you will bear in mind that I do not vouch for the truth of these events. However, as these things were printed in only a few of the newspapers of the country, and as some of the Members may not have seen them, or seen all of them, it may be of interest to state them here.

The first is the full text of a Franco-American war-debt accord, approved and initialed on July 6. The first two paragraphs are the only ones which need interest us. They are:

1. The payment of intergovernmental debts is postponed from July 1, 1931, to June 30, 1932.
2. However, the Reich will pay the amount of unconditional annuity.

It appears from the press reports that Great Britain, Belgium, Italy, and other countries had promptly ratified the Hoover moratorium of June 20. When, therefore, the United States and France made a treaty agreement substantially changing it, it became necessary for the governments which had already acted on the proposal of June 20 to reconsider their action. Therefore, the experts met at London and signed the text of a protocol with Germany on August 11, to be ratified by the Governments of Belgium, France, Germany, Great Britain and North Ireland, Italy, and Japan. The preamble read as follows:

Whereas on June 20, 1931, the President of the United States of America made proposals for the suspension of intergovernmental debts falling due during the year extending from July 1, 1931, to June 30, 1932; and

Whereas the governments signatories of the present protocol have accepted said proposal and have agreed to apply them in particular to the obligations of the German Government under the agreement signed at The Hague January 20, 1930; and

Whereas the French Government and the Government of the United States of America concluded an arrangement on this subject at Paris on July 6, 1931; and

Whereas it is accordingly necessary to provide for the application of the new plan in the conditions thus created;

And in view of the report dated August 11, 1931, drawn up by the experts who met in London for this purpose;

The undersigned, duly authorized to that effect, have agreed as follows:

The protocol consists of eight articles which are too long to quote here and which deal with the conditional and the unconditional annuities of the German reparations. They apparently implement the shorter Franco-American agreement of July 6.

Mr. Chairman, is not the presentation to the Congress of a message like this a ridiculous spectacle? Has the Congress of the United States ceased to be a coordinate branch of Government, has its dignity so shrunk, and has its judgment become so negligible that it may be treated with as scant courtesy as any European monarch might show to his parliament when dealing with a foreign question? This message does not only ignore and omit vitally important and essential elements of the agreements made with foreign governments; it conveys the impression that ratification is asked of the agreement proposed on June 20 last when, in fact, that agreement has been superseded by an entirely different one.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. I would like to yield, but I want to get through with what I have to say.

Mr. SUMNERS of Texas. Will the gentleman in that connection state under what authority the President of the United States made the proposition to which he refers, constitutional or otherwise?

Mr. McFADDEN. The gentleman is a constitutional lawyer, I am not; perhaps before the debate is over that question may be answered.

If this body is to have before it the information that is essential to an intelligent judgment, the agreement can not be ratified by next Monday or Tuesday. It ought to be subject to free and open debate and its scope and meaning clearly brought out.

It was not intended under the Constitution that the control of foreign policy should pass out of the hands of the Congress. A distant war on the Continent of Europe vested the Executive with extraordinary powers, and some occupants of that office since then have seemed desirous of retaining in peace time functions which only in war time pertain to that office.

Throughout the last session I urged with the greatest earnestness that attention be focussed more closely on the character of the peace agreement with Germany, because of the fact that the peace terms which brought the hostilities of the war to an end had been negotiated by an American President. The settlements of the definitive treaty made eight months later differ in an extraordinary degree from the agreement that brought the fighting to an end. Mr. Chairman, the question whether the treaty of Versailles violated the preliminary agreement negotiated by President Wilson will not down. It is the question which has kept the Continent of Europe in fearful turmoil and agitation for 13 years, and unless it is answered, and answered in accordance with truth, it will keep that continent in turmoil for 13 years more.

The London ultimatum of 1921, the Dawes plan of 1924, and the Young plan of 1929 are all predicated upon the assertion that the treaty of Versailles was legitimately obtained and that it did not violate the agreement with Germany negotiated by President Wilson. Why is it that these European settlements should have had the effect of agitating American opinion so continuously through the years? Why, if German reparations do not concern us, are we now making treaty settlements concerning the Young plan?

It is because the moment we recognize by treaty settlements the validity of the Young plan, which the European Governments adopted by treaty settlements at The Hague last year, in the same moment we recognize the validity of the treaty of Versailles, which up to this time we have not done. We recognize the validity of the treaty of Versailles, because, by descent through the London ultimatum and the Dawes plan, the Young plan gains its validity solely from the Versailles settlement; and we become a party to that portion of the treaty of Versailles which deals with German reparations, because the Young plan puts that portion of the treaty into effect.

It may be that the Congress, even at this late date, is willing to give its blessings to the reparation settlements of the treaty of Versailles. It is the goal for which the allied governments have striven for 13 years. For the first time in 13 years this would give stability to the status quo in Europe, but that stability would be obtained solely because the moral force of the United States, backed by its military power and by its financial power, guaranteed it. And, Mr. Speaker, let us not deceive ourselves; we would have a task that would tax our energies and resources to the utmost.

If there is a majority opinion here for American ratification of the reparation settlements of the treaty of Versailles, let us discuss the matter openly and determine in a frank and rational way why it is that we deem it best to take that action. If we deliberately desire to accept the principle of commercialization of the German reparation bonds, let us affirm that fact in open session and spread on the RECORD the logical reasons for adopting that principle; let us make it plain to ourselves and to the American people how great is the size of the bond issues which the international bankers will be permitted to offer here and what will be the political implications of their ownership by the American public.

To me there are strong reasons why we should not become a party to The Hague convention, as we will do if we ratify the settlements now before us concerning the Young plan; why we should not in this way ratify the reparation settlements of the treaty of Versailles; and I hope that there will be opportunity for me to place these reasons before the Congress before action is taken. It is not a question of sentimental considerations, it is not a question of sympathy for the Allies with whom we were associated in the war, or of sympathy for or hostility to Germany, whom we fought as an enemy during the war. It is purely a question of the international position of the United States and of the welfare of the American people.

Every competent observer to-day knows that French policy aspires to dominate all of capitalist Europe, not at the voluntary invitation of the numerous nations there, but by the aggressive use of arbitrary financial power and by the threat of military force. Every competent observer knows, also, that as a result of the Franco-American accord of July 6, which we are now asked to ratify, and of the visit of Premier Laval to Washington, the French Government and the French press are proclaiming the establishment of a common policy of France and the United States. They know also that if this common policy does exist, there is nothing for the other nations of Europe to do but to submit to the French power, not because of the strength of France alone, but because of the strength of the United States which stands behind her policy.

The French plans for the organization and administration of the political life of the entire capitalist part of the continent, under the guise of administration by the League of Nations, are taking definite form. The program for French foreign policy, as outlined to the deputies by former Premier Herriot, is as follows:

First. International organization of the production and dissemination of goods.

Second. Simultaneous reduction and controlled limitation of armaments.

Third. Extension of the powers of the League of Nations, and organization of international security, notably by:

(a) The internationalization of commercial aviation and placing at the disposition of the League of Nations of all military aircraft.

(b) Internationalization of lines of railway and navigation which could be utilized for the mobilization and transportation of troops.

(c) Absolute prohibition of the private manufacture and private sale of arms, munitions, materials, and engines of war.

(d) The organization of an international control which will render these internationalizations and prohibitions effective.

(e) An armament truce such as may be decided upon by the League of Nations.

There would be a vast difference between a powerful League of Nations possessing the powers above outlined, and created by the spontaneous and voluntary agreement of all the States of Europe, and an organization of this kind set up and imposed by French power upon unwilling nations. Which sort of a League of Nations is it that the French have in mind, and if it is the latter type, to what extent do they count upon the Franco-American accord of July 6 to make it effective?

Gentlemen, stop and think this over before you vote for the moratorium, and insist on getting the information that lies back under the cover and screen of this message.

Mr. Chairman, unless the Congress is prepared to abdicate its constitutional authority to fix foreign policy, it is imperative that it withhold ratification from agreements with foreign states about which the Executive is secretive and concerning which he fails to take the legislative branch into his confidence. Hasty ratification of such agreements must lead inevitably to the sinking of the legislative branch from the proud position which it has always occupied in the Government of this country and which is unique among the governments of the world.

Behind the insincere and sentimental governmental protests of devotion to international peace and of renunciation of war as a national policy there is going on in Europe to-day as fierce and ruthless a struggle of national interests and illegitimate ambitions as has characterized any earlier period of history. Similar struggles were taking place there when this Nation was in its infancy, and at that date its statesmen adopted a firm policy of standing aloof from those struggles and of making no alliances with foreign states. That early policy has met the approval of successive generations, and it is the wish of the American people to-day. They look to their representatives in Congress to

maintain it, and to exercise all necessary vigilance to see that it be not infringed upon. There is need that we now examine more critically the policies of our State and Treasury Departments, and the activities of an irresponsible financial power which has been given shelter within the portals of those departments.

This measure before us needs examination. Ratification of it is fraught with momentous consequences. Bearing in mind what we know to be the sentiment of our constituents, let us accord it a thorough consideration, and approach it with that due deliberation which its importance demands and which is consistent with the dignity of the legislative branch of the United States Government. [Applause.]

Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein certain excerpts from the debates in the French House of Deputies on this particular subject.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Chairman, under leave to extend my remarks in the RECORD, I herewith insert the following.

Because of the colloquy that took place in the debate to-day, I am placing in the RECORD an extract from the debate in the French House of Deputies pertaining to the matter.

One of the French Senators, Dominique Delahaye, did not mince matters when he spoke. Among other things, he said:

Gentlemen, every time you have been on the point of a capitulation I have ascended this tribune in order to say to you, "You are making a mistake."

I have never been able to convince you, and thus, from mistake to mistake, from capitulation to capitulation, you have come to the point of being led by the nose by a gentleman named Hoover, whom you confound with the United States, as if the United States and Mr. Hoover were not absolutely different.

That is the confusion in which this debate has taken place. Now, we know already what we have experienced with a gentleman with a stepmother's smile who was named Wilson. You are going to have—I hope so—the same disenchantment, if Congress wishes to give to Hoover the lesson it gave to Wilson; but there is such an advantage for the bankers of the United States that I am afraid they will buy the Congress, as one says the practice is. If this is inexact, let the Congress correct it.

The French Chamber of Deputies met on June 26, 1931, and after a few preliminary matters had been disposed of, took up the discussion of the Hoover proposal in accordance with the order of the day. Premier Laval made a communication on behalf of the Government and was followed in turn by 11 Deputies who had reserved the right to address the chamber on the subject, and also by M. Pierre Etienne Flandin, the Minister of Finance. At this point I desire to place before you and to have inserted in the CONGRESSIONAL RECORD a full account of the proceedings, as they are recorded in the Official Journal of the French Republic and as they have been translated in my office for your convenience.

COMMUNICATION FROM THE GOVERNMENT

The PRESIDENT. The President of the Council has the floor for a communication from the Government.

M. PIERRE LAVAL, President of the Council, Minister of the Interior. Gentlemen, before the debate on the interpellations begins, I have considered it to be my duty to place before you three documents. I shall read them without making any comments, reserving the right to answer the interpellators later.

Here is, first of all, the message from President Hoover:

The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations and relief debts, both principal and interest, of course, not including obligations of governments held by private parties.

Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year beginning July 1 next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.

This course of action has been approved by the following Senators: HENRY F. ASHURST, HIRAM BINGHAM, WILLIAM E. BORAH, JAMES F. BYRNES, ARTHUR CAPPER, SIMEON D. FESS, DUNCAN U. FLETCHER, CARTER GLASS, WILLIAM J. HARRIS, PAT HARRISON, CORDELL HULL, WILLIAM H. KING, Dwight W. MORROW, GEORGE H. MOSES, DAVID A. REED, CLAUDE A. SWANSON, ARTHUR VANDENBERG, ROBERT F. WAGNER, DAVID I. WALSH, THOMAS J. WALSH, JAMES E. WATSON, and by the following Representatives: ISAAC BACHARACH, JOSEPH W. BYRNS, CARL R. CHINDBLOM, FRANK CROWTHER, JAMES W. COLLIER, CHARLES R. CRISP, THOMAS H. CULLEN, GEORGE P. DARROW, HARRY A. ESTEP, WILLIS C. HAWLEY, CARL E. MAPES, J. C. MCLAUGHLIN, EARL C. MICHENER, C. WILLIAM RAMSEYER, BERTRAND H. SNELL, JOHN Q. TILSON, ALLEN T. TREADWAY, and WILL R. WOOD. It has been approved by Ambassador Charles G. Dawes and by Mr. Owen D. Young.

The purpose of this action is to give the forthcoming year to the economic recovery of the world and to help free the recuperative forces already in motion in the United States from retarding influences from abroad.

The world-wide depression has affected the countries of Europe more severely than our own. Some of these countries are feeling to a serious extent the drain of this depression on national economy. The fabric of intergovernmental debts, supportable in normal times, weighs heavily in the midst of this depression.

From a variety of causes arising out of the depression, such as the fall in the price of foreign commodities and the lack of confidence in economic and political stability abroad, there is an abnormal movement of gold into the United States, which is lowering the credit stability of many foreign countries. These and the other difficulties abroad diminish buying power for our exports and, in a measure, are the cause of our continued unemployment and continued lower prices to our farmers.

Wise and timely action should contribute to relieve the pressure of these adverse forces in foreign countries and should assist in the reestablishment of confidence, thus forwarding political peace and economic stability in the world.

Authority of the President to deal with this problem is limited, as this action must be supported by the Congress. The President has been assured the cordial support of leading members of both parties in the Senate and the House. The essence of this proposition is to give time to permit debtor governments to recover their national prosperity. I am suggesting to the American people that they be wise creditors in their own interest and be good neighbors.

I wish to take this occasion also to frankly state my views upon our relations to German reparations and the debts owed to us by the allied Governments of Europe. Our Government has not been a party to or exerted any voice in determination of reparation obligations.

We purposely did not participate in either general reparations or the division of colonies or property. The repayment of debts to us from the Allies for the advance for war and reconstruction were settled upon a basis not contingent upon German reparations or related thereto. Therefore reparations is necessarily wholly a European problem with which we have no relation. [Exclamations and various movements.]

I do not approve in any remote sense of the cancellation of the debts to us. World confidence would not be enhanced by such action. None of our debtor nations has even suggested it. But as the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world.

I am sure the American people have no desire to attempt to extract any sum beyond the capacity of any debtor to pay, and it is our view that broad vision requires that our Government should recognize the situation as it exists.

This course of action is entirely consistent with the policy which we have hitherto pursued. We are not involved in the discussion of strictly European problems of which the payment of German reparations is one. It represents our willingness to make a contribution to the early restoration of world prosperity in which our own people have so deep an interest.

I wish further to add that while this action has no bearing on the conference for limitation of land armaments to be held next February, inasmuch as the burden of competitive armaments has contributed to bring about this depression. ["Very good! Very good!" from the extreme left.] We trust that by this evidence of our desire to assist we shall have contributed to the good will which is so necessary in the solution of this major question. [Various movements.]

THE PRESIDENT OF THE COUNCIL. This is the reply which the French Government has made to Mr. Hoover's message:

"The French Government has taken cognizance, with a lively interest, of the proposal of the President of the United States, and it declares itself in cordial accord with the elevated sentiments which inspired that proposal. [Various movements.]

"The French Government is, more than any other, desirous of seeing affirmed in the acts for the economic restoration of the world a solidarity with which it has always been inspired, whether in accepting successive reductions of the German debt or in executing the anticipated evacuation of the third zone of the Rhineland in exchange for a complete and definitive settlement of the program of reparations, decided at Geneva September 16, 1928.

"It must emphasize before the opinion of the world the extent of the new sacrifice which is asked of France after all those to which she has already agreed.

"In order to reply to the suggestion of President Hoover, the French Government is ready to ask the French Chambers, of which the intervention is indispensable and the decision sovereign [applause], that France abstain, provisionally and for a delay of one year, from conserving any payment on the part of the Reich. [Fresh applause.]

"But, being given the nature of the engagements of the Young plan, freely accepted and quite recently subscribed to, the solemnity with which was recognized the definitive and unalterable character of the unconditional annuities by which the necessary permanence of the principle of reparations was expressed [very good! very good!], the risk of shaking confidence in the value of signatures and of contracts [very good! very good!] and thus of going against the end aimed at would be great, if, in the proposed suspension of payments, the unalterable annuity were treated like the conditional annuity. [Applause.]

"The French Government emphasizes in particular that a formal assimilation has been established between the private debts of the Reich (Young loan and Kreuger loan) and the unconditional annuities not yet mobilized. To suspend the payment by Germany of the unconditional annuity while admitting that the Young loan placed with the public should continue to be served would go directly against a fundamental principle and express stipulations. [Very good! Very good!]

"The Government, then, considers that a moral interest of the first order is attached to this: That, even during the delay provided for by President Hoover, the payment of the unconditional annuity should not be altered in any way.

"The French Government, desirous of collaborating generously in every effort made to lessen the consequences of the present crisis, believes that it ought to point out, even in the interest of the success of this effort, that the general suspension of payments alone would not offer a sufficient remedy. The dangers threatening German economy and more generally European economy at the present time have a different origin and are related, notably, to important restrictions of credit or to withdrawals of foreign funds. The solution of the German crisis does not seem, therefore, to rest only in a diminution of the charges in the budget of the Reich but in an extension of credit.

"This is why the French Government declares itself ready, under the reservation of the approbation of Parliament, to put at the disposal of the Bank for International Settlements a sum equivalent to its part, for one year, of the unalterable annuity, under the single reservation of the sums necessary for the execution of the remainder of its contracts of loans in progress at the present time, which is, furthermore, useful for German economy.

"In making this proposal the French Government expects that the other beneficiaries of the Young plan will take the same decision, and it even hopes that other measures may be taken to favor the useful reestablishment of credit and of confidence in the world.

"The funds thus paid to the Bank for International Settlements may be immediately utilized for the amelioration of credit in Germany, as well as in the countries of Central Europe, and notably in those in which the suspension of the execution of the Young plan, during one year, might create financial or economic distress. [Very good; very good.] It goes without saying that the amounts thus employed will become payable again at the expiration of the period of one year provided for as the limit of the provisional suspension of the Young plan.

"The French Government is equally of the opinion that all useful precautions should be taken so that these sums, as well as those to come from the lightening of the budget of the Reich resulting from the suspension for one year of the payments of the Young plan, can not be utilized save for economic ends [very good; very good], all danger of the financing of dumping being set aside. [Very good, very good.]

"Finally, it would be opportune to provide, before the expiration of the delay of one year, for an examination of the measures to be taken by Germany for the resumption of her payments.

"The proposals of the French Government and the adjustments which the putting into practice of the American offer will suggest and which will necessarily form the subject of a further exchange of views thus appear perfectly compatible with the dominant idea of the proposal of President Hoover.

"In placing at the disposal of the Bank for International Settlements, upon the conditions stipulated in regard to this matter, her part of the unconditional annuity, France will be deprived during the period of suspension of what was assigned to her by virtue of the expenses she had to undergo for the restoration of her devastated regions.

"Without wishing to insist on the difference between the sums she has received and the sums she should have received, France recalls the fact that the total of her public debt amounts to-day to about four times that of the debt of the Reich and that her attempt at financial rehabilitation, pursued and realized by her own means, barely four years ago, should not be placed in jeopardy. [Applause.]

"The French Government is, then, able to affirm the solidarity of the French Republic and of the Republic of the United States, in the moment in which, faithful to their traditions, the two countries are cooperating in measures of safety in a crisis considered to be grave. They have the right to hope that their international good will will be answered by respect for treaties and by the restoration of confidence among peoples—conditions of the future of peace." [Applause.]

M. HENRY FRANKLIN-BOUILLON. And now, Frenchmen, pay three milliards more of taxes!

The PRESIDENT OF THE COUNCIL. Here, now, is the letter which the ambassador of the United States has addressed to the Minister of Foreign Affairs:

PARIS, *June 26, 1931.*

Mr. MINISTER. I have to-day received from my Government a telegram reading as follows:

"The American Government appreciates the cordiality with which the French Government has replied to the proposal of the President. It hopes that the French Government will profit by the presence of the Secretary of the Treasury, in order to discuss with him and with the ambassador the different problems raised by the original proposal of the President and the French reply. The ambassador and Mr. Mellon have received full information concerning the views of the American Government."

Accept the renewed assurance of my high esteem and my best sentiments.

WALTER E. EDGE.

M. GRATIEN CANDACE. There is no further need for debate.

DISCUSSION OF SEVERAL INTERPELLATIONS ON THE AMERICAN PROPOSAL CONCERNING WAR DEBTS

The PRESIDENT. The order of the day calls for the discussion of the interpellations:

1. Of M. Margaine on the situation created by the decision taken by the Government of the United States to propose the suspension during one year of the payment of war debts;

2. Of M. Dubois on the attitude which the Government expects to adopt toward the American proposal relative to the war debts;

3. Of M. Louis Marin on the participation of France in the negotiations which have resulted in the declaration of the President of the United States, on the exact sense of the proposals which it contains, on the negotiations which are the result of it, and on the procedure which the Government will adopt in order that the chamber may pronounce its views with a knowledge of the matter before any engagement is made, conformably to the recent promise of the president of the council;

4. Of M. Nicolle on the proposal of President Hoover in view of our economic situation;

5. Of M. Pierre Cot on the measures which the Government expects to take in order to insert the proposal of Mr. Hoover in a plan for the economic reorganization of Europe;

6. Of M. Camille Planche on the opportunity for France to avail herself of the proposal of President Hoover in order to bring about an effective policy of disarmament;

7. Of M. Leon Blum on the situation created by the offer of President Hoover;

8. Of M. Bergery on the measures to be taken to attach the reply to the American proposal to a common policy in regard to Germany;

9. Of M. Marcel Heraud on the attitude which the Government expects to take in regard to the proposals formulated by President Hoover relative to a suspension of the payment of war debts;

10. Of M. Xavier Vallat on the exact practical significance of the proposal of Mr. Hoover and of the reply which has been given to him by the French Government;

11. Of M. Pezet on the spirit and the positive plan according to which the Government intends to reconcile respect for our rights and the balance of our economy with a policy of economic collaboration between peoples and of moral disarmament, which are equally indispensable to perfect international security, a policy which would be the justification of the sacrifices conceded in the reply to the proposal of President Hoover;

12. Of M. Thebault on the inspiration, the exact sense, and the result of the American proposal of President Hoover.

M. JEAN MISTLER. We request a suspension of the session.

The PRESIDENT. M. Mistler requests a suspension of the session. M. Mistler has the floor.

M. JEAN MISTLER. I should like to justify, in a few words, the request for suspension which we have presented.

The Chamber has just listened with great calm and extreme attention to three very important documents, two of which, at least, are entirely new.

My colleagues will undoubtedly be unanimous in judging, with me, that it is not sufficient for us to have heard such documents read once in order to form an exact opinion concerning their contents and that at least a summary examination of their text is indispensable to us before taking the exceedingly grave decision before which this assembly will find itself placed. [Applause.]

NUMEROUS VOICES. Suspension!

From VARIOUS BENCHES. Till Tuesday!

The PRESIDENT. The President of the Council has the floor.

M. PIERRE LAVAL, President of the Council, Minister of the Interior. If it is simply a question of suspending the session in order to permit the Deputies to acquire a more complete knowledge of the documents which I have just read, I declare myself in full accord with the Hon. M. Mistler. [Very good! Very good!]

If, on the contrary, it were a question of postponing the debate to another day [No! No!], I declare that the Government, being in the midst of negotiations, could not admit anything but that an immediate solution should be given to this debate.

We wish to know what the principles are which Parliament intends to establish for the conduct and accomplishment of the negotiations which are in progress. [Very good! Very good!]

The PRESIDENT. Until what hour does the Chamber wish to suspend the session?

NUMEROUS VOICES. Until 4 o'clock.

The PRESIDENT. There is no opposition? The session is suspended until 4 o'clock.

(The session, suspended at 25 minutes past 3, was resumed at 4 o'clock.)

RESUMPTION OF THE DISCUSSION OF THE INTERPELLATIONS ON THE TEMPORARY SUSPENSION OF THE SETTLEMENT OF WAR DEBTS

The PRESIDENT. We return to the discussion of the interpellations.

M. Margaine has the floor, in order to develop his interpellation.

M. MARGAINE. My colleagues will be kind enough to permit me, in the interests of clarity, to which I am particularly attached, to define in the most precise manner possible the position which I wish to take in this debate.

I will not examine the basis of the proposal of Mr. Hoover. Just as Mr. Hoover can do nothing without his Congress, so the French Government, since the Young plan is the result of a law, can do nothing without Parliament. I will, then, wait for the proposed legal bill in order to discuss the basis.

What I should like to examine to-day is the entirely novel situation resulting from the abrupt intervention of Mr. Hoover. There are, to begin with, surrounding that intervention, particular circumstances, certain obscurities, which I hope the Government in time will be so good as to undertake to elucidate.

The ambassador of the United States called Tuesday evening to state to the President of the Council that there had been no discussion preliminary to the intervention of Mr. Hoover. If the heads of states have sometimes a language which is somewhat brutal, diplomats, on the other hand, have a language which is particularly flexible. For, indeed, there are certain facts which one can not do otherwise than to underline and which do not completely harmonize with such a declaration.

Mr. Mellon disembarked in England on the 16th. The following morning he took care to make a declaration in which he stated that he was making a purely private journey, his only object being to pass some days with his son, a student at the University of Cambridge.

Nevertheless, that same day the official newspaper—I may well call it that—of the Labor government, the Daily Herald, explained that the American minister had come to Europe because Mr. Hoover was convinced that it was necessary to do something in regard to what concerned the war debts if one wished to avert a collapse disastrous for American financial interests.

The paper added that Mr. Hoover had in mind the idea of a suspension for two years of all payments of reparations and war debts. As this subject had been abundantly treated at Chequers between the English and the German ministers, it seems to me impossible that there had not been, between Chequers and the departure of Mr. Mellon, negotiations, communications, between the American Government and the English Government. The least that one could say is that the facts show that the newspaper, the Daily Herald, was particularly well informed.

On the other side, Mr. Mills, Assistant Secretary of the Treasury of the United States, saw the ambassador from England to the United States on the morning of June 20. It was after this visit that he returned to see Mr. Hoover and that the communication was made. I have difficulty in believing that the ambassador from England was summoned at that moment in order to be advised of a matter of which he knew not the first word, after the communications whose certitude I have just made manifest.

Consequently, for my part, until proof of the contrary—and I will presently return to it—there were, in regard to the facts which have surprised us, conversations covering 20 days or so between the English and American Governments.

Contrary to what evil-intentioned characters have claimed, Mr. Hoover is far from being an impulsive person. He is a man whose character is well known. He studies much; he reflects much. All his past is the proof of it. If he has placed France before an accomplished fact, it is because he was told that it would be necessary for him so to act in order to succeed quickly and well.

But Mr. Hoover has done much more than that, and he has certainly not done it lightly: He has broken with the traditional policy of the United States. Permit me to emphasize the importance of such an attitude on the part of the President of the United States.

The American, the man in the street, does not trouble himself with questions of external policy. For him Europe is a small continent in which little nations, so numerous that one can not remember all their names, engage in rivalry, are jealous of one another, and fight, instead of bringing themselves into agreement as the States of the great Republic of the United States have done.

The man in the street is satisfied, so far as external policy is concerned, to know that his Government is remaining faithful to certain doctrines which I will summarily recall: The Monroe doctrine, the doctrine of Washington, the doctrine of John Hay.

Quite recently the Government of the United States, with a certain solemnity, on several occasions, declared that it would not concern itself in European affairs. Permit me to recall some of the circumstances in which this affirmation has been made.

When the Europeans asked the Government of the United States to have itself represented at the Genoa conference, the American Government officially replied that it did not wish to take cognizance of the affairs of Europe.

In 1922, when Lord Balfour sent the well-known note in which he proposed the annulment of war debts, the American Government replied that the affairs of Europe did not concern it; that the states of Europe had, to America, certain debts of an exclusively commercial character and that it would discuss them with each of the countries separately.

I can not admit that the executive power of a country which is attached to such an extent to traditional doctrines could have overturned all its traditions simply because Mr. Mellon, making a pleasure journey, had a conversation, by accident, with Mr. MacDonald. No. There is—let us say it and let us know how to see it—something quite different.

Besides the man in the street of whom I have been speaking, there are American business men who have dealings with Europe and, above all, with Germany, and who, since a very short time ago, have had serious reasons for disquietude.

In the United States itself there have been some characteristic occurrences, with which the press has concerned itself and of which I shall permit myself to cite some examples showing that in that country there is an internal evolution which is not without a certain gravity.

All these events, of which I shall cite some, have been set forth by the Democratic press.

Recently in the Pittsburgh basin at Westland a thousand striking miners fought with mounted police. A policeman was beaten. His comrades fired. Two miners were wounded.

At Ellsworth a veritable battle took place between the miners and the police of the coal companies. The women and children fought with particular fury.

In Kentucky, at Evarts, miners and mine police had a pitched battle. There were killed on one side and on the other.

In the State of West Virginia 1,500 miners came to Charles Town and marched through the streets, demanding bread for their children.

The Democratic press has seized upon these facts. It denounces the activities of the magnates of the industry, and since his name is spread throughout its columns, I may well remark that at their head it inscribes Mr. Mellon.

It was necessary for the United States that this situation should not grow worse, and it would have grown worse if in Germany events had entered upon an acute phase. It is at bottom the German situation which is the origin of everything.

I shall not return to the explanations given in this very place at the end of 1929, before the Government left for The Hague, when we put it on its guard against the constitution of a German-American industrial bloc, which was beginning to take on a certain solidity.

Germany, thanks to the formation of this bloc, made important appeals to American capital. The statistics show us that from 1926 to 1930 the public emissions of Germany abroad—almost all in America—attained the sum of six milliards and a half of reichsmarks, and this sum does not include the direct investments of Americans in German industry.

I find, in the same statistics, that in 1928 the total of foreign capital invested in that manner in Germany was four milliards two hundred and fifty millions of reichsmarks; in 1929 two milliards seven hundred and fifty millions.

Certain American financiers some months ago began to be alarmed by this constant outflow; their apprehensions are revealed in the fact that in 1930 the capital funds thus placed in Germany barely attained the sum of half a milliard.

On the other hand, Germany has made a great deal of noise about her budgetary difficulties. One saw M. Hilferding give way to M. Moldenhauer, then M. Moldenhauer give way to M. Dietrich, always because of the impossibility of establishing a budget, all this in the space of eight months. In spite of all these changes the budget could not be established save by making use of article 48 of the constitution of Weimar; there was a legal decree on the 1st of August, 1930, another on the 1st of December, 1930, and a third quite recently. All these facts have powerfully shaken the confidence of the Americans.

Just at the moment in which Mr. Mellon arrived in England the Reichsbank proceeded to enormous sales of gold and of exchanges. It sold in the first fortnight of June one milliard fifty millions of reichsmarks, keeping only one milliard six hundred millions; the legal reserve of the Reichsbank was very close to being reached.

During these same days in Berlin panic reigned. In the banks one sold, not banknotes—they had no more of them—but promises of banknotes to be delivered in a fortnight.

All this caused superficial observers to believe that Germany was struggling in the midst of grave budgetary difficulties. I say "superficial observers," for if the Americans had given themselves the trouble to read over the reports of their compatriot, Mr. Parker Gilbert, notably the last, which is of May, 1930, they would there have seen the affirmation, many times repeated, that the Germans will put order into their budget when they wish. [Very good! Very good!] But they do not wish it yet, because in order to make an end of the payments of the war debts it is necessary that their budget should remain in disorder. [Applause on the left, in the center, and on the right.]

M. LIONEL DE TASTES. It is useful to recall it.

M. MARGAINE. One speaks much in order to impress the world of the considerable of German unemployed.

Consider what happens in the German villages. The children do not work with their parents, as is the case in France. They always go to work for a neighbor; exchanges are made and the young people are engaged by a contract of labor. They are salaried, only the salaries balance each other. When they return home, the work in the fields being finished, they are unemployed. This makes up a certain number. [Various movements.]

Consider, on the other hand, building workers. At all times in Germany these workers have never worked in the winter, even on the interior of houses, and their salaries have always been calcu-

lated in such a manner that in winter they might live on their reserves. To-day these are among the unemployed.

The Germans make a great matter of their figure of 5,000,000 of unemployed. I am sure that when they come to regard it more closely they will immediately reduce it by a million or a million and a half at least.

But all this Germany does not intend to change. For, if, underneath, she is tranquil, by this means she disquiets the world; and we perceive that she does so.

Let us then take into account the fact that the economic situation of Germany is, at bottom, excellent.

The balance of German foreign trade is characterized, in the course of these last years, by a permanent active surplus. Of a total volume of business of twenty-two milliards three hundred millions of reichsmarks in 1930, the importations represent ten milliards three hundred millions, the exportations twelve milliards, in which are included the reparations in kind, for a sum of seven hundred millions. With reference to 1929 there is certainly a slight lowering of exportations—twenty-six milliards eight hundred millions—but, on looking closely, one sees that this diminution is due to the lowering of prices and that the diminution of quantities is excessively small, contrary to what is taking place in almost all the industrial countries.

The part which has diminished least among the importations is that of manufactured products. This is a result contrary to that which is reported in all the other industrial countries.

In 1931, from the very first months, the rising movement of German exportations began again. In the month of January, 774,000,000 of reichsmarks; in February, 778,000,000 of reichsmarks; in March, 867,000,000 of reichsmarks. The increase affects especially manufactured products: January, 575,000,000 of reichsmarks; February, 591,000,000 of reichsmarks; March, 662,000,000 of reichsmarks.

Germany, in spite of the world crisis, has attained the second rank among the exporting countries of the world, passing England, and she is not far from having first place.

Where, then, does she sell all the products which she exports? She sells them, above all, in three countries: England, Holland, and France. The United States comes far behind. The third country, France, buys from the Germans to the extent of 1,149,000,000 of reichsmarks; the United States to the extent of 685,000,000 only.

Where, then, does Germany buy all she needs in order to work? From us? Not at all. She buys from the United States.

For importations the United States is at the head with 1,307,000,000 of reichsmarks. England comes next, but far behind, with 639,000,000 reichsmarks.

Thus Germany, with an industry always more prosperous, sells to Europe, buys from the United States. It is natural enough that the United States should concern itself in a particular manner in regard to her situation.

For that country, before committing yourselves, understand well that, at bottom, there is nothing to fear. Her foundation is solid—it is of rock. That which is floating is appearances, and they will disappear when she wants them to. [Applause from the left, from the center, and from the right.]

Her industry is the best equipped. Her trade is the best organized, technically. For her economic storms are only transitory.

But she has sworn, first of all, not to pay reparations; next, to rectify her eastern frontiers. You will not bring her out of that idea. [Applause from the same benches.]

I have said—for I am convinced of it—that there has been, at least in the general outlines, concert between England and Germany unknown to us.

Why, then, has England, our ally, our faithful ally, taken this position?

Whatever our Government may have said concerning it, in the course of a recent interpellation, the Anschluss was not, at bottom, considered as a catastrophe by England. England is playing her accustomed game—to maintain balance between the nations. She does not care to have one nation surpass the others too much. At bottom, the Anschluss was a perspective which she was willing to contemplate.

Only in regard to this performance—I do not wish to call it either a drama or a comedy—something particular took place.

You have all heard talk of the very grave crisis of the Kreditanstalt.

I do not wish to enter to-day into too many details. Some other day, I hope, the Chamber will give me permission to show that the gravity of the crisis of the Kreditanstalt does not rest only in the fact that a financial establishment has suffered passing difficulties but in the fact that Austria, as she is constituted, can not live. This must be said. [Very good! Very good! from various benches.]

However it may be, there was a crisis in the Kreditanstalt.

I heard the Minister of Foreign Affairs say from this tribune that it was necessary in this matter to take account of the fact that all financial centers depend upon one another and that the crisis of the Kreditanstalt could not in any way leave us indifferent.

I note with satisfaction that our financiers here in Paris are at least a little better informed and that they did not attribute to that event the dangers for France in which our minister seemed to believe.

When our Government asked them not to agree to lend their support in order to save the bank except on condition that Austria should reassure us in regard to her intentions concerning the German-Austrian customs union, they replied that that was the most natural thing in the world and they very firmly and very patriotically took that position.

Unfortunately England did not agree that one should make the abandonment of the project for an Austro-German customs union a condition of the saving of the Kreditanstalt, and, in order to settle the matter, she took upon herself alone the burden of putting the bank back on its feet, but she found out by experience that it would cost terribly dear, more dearly than she had expected.

The Bank of England on the 18th of June made to the National Austrian Bank, in order to sustain the Kreditanstalt, an advance of 150,000,000 schillings, or £4,286,000. Unfortunately for her, she was to discover that, on the one hand, it was very difficult for her to maintain for a long time that lending position, and, on the other hand, that even that sum, considerable as it was, would not be sufficient, for the engagements of the Kreditanstalt represented from 800,000,000 to 1,000,000,000 of schillings; that is to say, from £24,000,000 to £30,000,000.

This burden which the English attempted to assume alone in order to hinder us from accomplishing our object bore heavily upon them; they were, naturally, not grateful to us for it, and it was not with displeasure that they saw impending an incident in which we would find ourselves placed in a disagreeable position; thus they awaited events tranquilly, taking care to say nothing to us concerning them.

Here, then—and I must excuse myself for having taken so long—is the description of the European setting at the moment when the proposal of Mr. Hoover arose abruptly.

All in all, we are asked to deprive ourselves of important resources which are an appreciable element in our budget, but there is in that an aspect which I do not wish to take up until we are faced with a legal project.

What I derive from the reply of the President of the Council is that we are yielding. Very well. Only we yield very often, and it would perhaps be time to think of stopping.

And I will permit myself to say to the President of the Council although it is too late, since he has already replied to the United States, that I should have preferred to see a prejudicial question put to Mr. Hoover: Is the United States, yes or no, disposed to return to involve herself in the affairs of Europe? [Lively applause from the left, from the center, and from the right.]

If yes, let them send an official delegate; we will enter into discussion. If not, let them say so once and for all. Because—I ask permission to state my whole thought [Speak! Speak!]—it is not possible for us to remain exposed every four years, when a presidential election is approaching, to interventions of this kind. [Lively applause from a large number of benches.]

Oh, gentlemen, I know well that there is the immense service which the head of the United States says he has rendered to Europe. He has saved Germany from certain collapse, in which, evidently, a good part of Europe would have been involved.

But from where did that threat of collapse come? From the fact that Germany has been living for some years past on the short-term credits which the financiers of New York have been so good as to grant her, and the danger has come from the fact that these same financiers have withdrawn those credits in enormous amounts.

M. HENRI PATENOTRE-DESNOYERS. There is the truth.

M. MARGAINE. Well, could not Mr. Hoover, the head of the United States, have begun by asking the American financiers to stop the enormous withdrawals they were making? [Applause from the left, from the center, and from the right.]

After all, it is the affair of the United States. They should, perhaps, have been able to begin by acting at home.

And even since, in letting things proceed normally, the United States receives important payments from Europe, Mr. Hoover might, perhaps, have been able to use these payments for loans to Germany. [Very good! Very good! from various benches.] Only, in the United States, a gesture of that kind would not have been enjoyed in the same manner. [Applause.]

So much for to-day. Will you permit me to examine what will happen to-morrow?

Herr Bruening, we are told, is coming to Paris. So much the better! The more we have frank conversations with our neighbors the better it will be. [Applause.]

I imagine willingly enough the sense of these conversations. Herr Bruening is going to explain the situation of his country. He will say that the war, the revolution, the occupation of the Ruhr have caused capital to disappear in Germany.

M. HENRI PATENOTRE-DESNOYERS. There is still enough for the construction of cruisers.

M. MARGAINE. While there is, he will say, so much available capital in the world, she lacks current funds.

He will explain that she can not find capital otherwise than at short term unless she lives in a good understanding with France, because then the world would feel itself reassured.

What shall we reply to Herr Bruening? We will speak to him of Poland [Very good! Very good!]; we will tell him that the manifestations to which Germany has lent herself in regard to that country in the neighborhood of her frontiers are giving rise to profound trouble there, that this trouble spreads throughout the whole of Europe, and that it is because of this very trouble that the world does not feel itself secure; that Germany can not find long-term credits.

I hear the answer of Germany. She will object that if, in the question of Poland, there were for the Germans only a question of national pride, one could still come to the end of it. But

she will represent that, unfortunately, there are material questions which themselves keep constantly alive that sentiment of national pride.

Herr Bruening will tell you that the city of Danzig was formerly the natural outlet of eastern Pomerania and that it is now irremediably separated from it.

He will tell you that not only does Danzig on her side see her situation profoundly altered but that on another side—and thanks to French capital—Poland is building at Gdynia a new harbor which will end by ruining the city of Danzig.

He will tell you, again, that the fishermen of the coast of eastern Pomerania formerly supplied the Catholic population of Poland and that now they no longer have any customers save the Protestants of Germany, who hardly eat any fish, so that they are reduced to black poverty. And thus you will be led to see that there are these comprehensive questions, European questions. You will approach others, you will make the tour of them, and everywhere you will run against the obstruction of European questions. Would it not be better to begin at once by examining a European organization, of which M. Briand first spoke, but which, for reasons I do not wish to analyze, he has not been able to realize?

I have been very much struck by the remarkable results which the ministers of the states of central Europe obtained when, in their distress, they met in a series of conferences which lasted only three months, which were terminated at Warsaw, and which achieved the result that each of the governments recognized the necessity of organizing the exportation of its agricultural products and immediately succeeded in it.

Only, in these conversations they were not embarrassed by a secretariat general, thinking, hindering, composed of functionaries who were paid their weight in gold. They did not invite, in order to ask their opinion, representatives of Japan, of Chile, of China, and of Peru. [Very good! Very good, from the right.] They talked between themselves, between men who are putting their affairs in order.

Let us do the same for the affairs of Europe. Let us understand ourselves directly, in silence. I may dare to say, I will even go so far as to say, renouncing noisy acclamations, let us undertake simple and practical conversations. It is only thus that we shall be able to obtain the peace of Europe.

And if the journey of Herr Bruening can only end in this result, gentlemen, we shall be able to felicitate ourselves upon it. [Lively applause from the left and on numerous benches. The orator, returning to his place, receives felicitations.]

The PRESIDENT. M. Louis Dubois has the floor, in order to develop his interpellation.

M. LOUIS DUBOIS. Gentlemen, I have asked to interpellate the Government on the attitude which it expects to take in regard to the American proposal relative to war debts.

The Government has made a first reply to the American proposal. It is not my intention to study that reply, which, in a certain measure, would be of the nature of giving myself satisfaction.

My intention is to place as clearly as possible before the Chamber and before French public opinion—I do not dare to say world public opinion—the question of the Young plan and German reparations as it presents itself at the present time.

What does President Hoover ask of us? What does he propose?

Knowing the difficulties in which Germany is struggling, financial difficulties and not, as M. Margaine has just demonstrated in a remarkable manner, economic difficulties, financial difficulties in which his American nationals were gravely interested, President Hoover, penetrated, I doubt not, by sentiments much more elevated and very generous, inspired by his passion for universal public welfare and for peace, makes certain proposals to Europe.

He declares himself prepared to give up for the benefit of Germany the amount of the payments which she makes, for the account of her European creditors, to the Bank for International Settlements, and which it pays to the United States in order to extinguish the war debts of the former associates of that country. He proposes this for one year only.

It is a gesture, to consider it only as a gesture, which is undeniably generous. He does not make it, however, without asking from Europe, particularly from France, a return.

Germany, he tells us, pays important sums, some of which come to me, America, some of which remain in Europe, all under the head of reparations.

I ask that all the creditors of Germany, for the total amount of their credits and for one year, give up receiving these sums from Germany, who, thus relieved of the burden of her war debt, will be able to return to the financial prosperity which is lacking to her at the present time.

That is the thesis of President Hoover. I do not wish to study it or to discuss it. I ask myself simply what the repercussion of a consent given to the thesis of President Hoover and to his proposals may be for us, as much from the financial point of view as from the political point of view. [Very good! Very good!]

In order to expound the question clearly and to bring out the essential principles which are at stake, it is indispensable to go back a little. It will not be long. [Interruptions on the extreme left and on the left. Applause on the right and in the center.]

The Young plan is an accomplishment. One can not understand it unless one knows what preceded. And we should keep present in our memory in order to judge the situation and the concessions which are asked of us.

For the origin of the Young plan, it is necessary to go far back.

In 1914, the invasion of Belgium, in violation of the treaties of Belgian neutrality; the war during four years, accompanied by formidable and, to a large extent, systematic destruction on the part of Germany [applause]; the treaty of peace of Versailles; the message from President Wilson of the 8th of January, 1918, specifying the evacuation of the invaded regions of Belgium and France and their restoration, a message followed in reply to an interallied memorandum, by the declaration of November 5, 1918, from Mr. Lansing, American Secretary of State, speaking in the name of President Wilson, confirming again the fact that Germany, in any case, should repair the material damage done in the invaded countries; clauses of the armistice of November 11, 1918, clause 9: "Reparation of damage"; finally, the treaty of peace, Parts VIII and IX, establishing the obligation of Germany to pay for the damages which the allied nations, especially Belgium and France, had been the victims of, through her action.

The treaty of Versailles, Parts VIII and IX: "Reparations and financial clauses," articles 232 and the following define the damages which should be repaired.

Here I will permit myself to call to your attention, in passing, the fact that the word "reparations" in the treaty has regard, without distinction, to the payment of damages to goods and damages to persons, these last taking the form, most generally, of pensions to assist the wounded and mutilated, the former soldiers, or their dependents.

The amount of these damages for which Germany was responsible was fixed, according to the terms of the treaty, by a commission called the Reparations Commission April 27, 1921, not at the London conference, as it is unceasingly repeated, but by the Reparations Commission itself at Paris, after a very detailed study, at 132 milliards of gold marks—802 milliards of present francs—which by the terms of the treaty should have been paid in 30 years.

You will say to me: "A fantastic figure," and so forth. That is not the question.

That is the amount by virtue of the treaty of the German reparations debt, and that is the initial figure of that debt.

Then the manner in which Germany was to discharge it was established. This was the schedule of payment called that "of London," which was, in fact, more or less elaborated at London, but which was equally established by the Reparation Commission and notice of it was given to Germany by the said commission at Paris May 5, 1921.

The schedule of payments provided for very substantial payments by Germany, the delivery by her of bonds, of obligations capable of being negotiated. The annuity, which was to vary according to the extent of the exportations of Germany, would have been actually in the neighborhood of 5 milliards of gold marks.

You know what became of this schedule of payments and of the obligations of Germany. Repeated defaults on the part of Germany, occupation of the Ruhr, international difficulties, Dawes plan, and London conference.

The Dawes plan lightened considerably the obligations of Germany. Without determining their number the annuities were established as very moderate in the beginning and becoming fixed, from 1928–29, at the figure of two thousand five hundred millions of gold marks, which was susceptible to increase later, according to a certain indication of prosperity.

You know that Germany discharged her obligations during the first years, in which the annuity was very slight. But, from the year 1928, in which the so-called "normal" annuity was to begin to run—2,500,000,000 of gold marks—Germany protested so strongly that, on the 16th of September, 1928, at Geneva, the constitution of a committee of experts charged with the duty of examining again the problem of reparations was decided upon. This was the Young committee, on which the United States, in the person of her representatives, and particularly its president, Mr. Young, played one of the most important rôles.

From this came the Young plan, which, by virtue of the very mandate given to the committee and by virtue of The Hague accords, constitutes the "complete and definitive settlement of the problem of reparations."

From the financial point of view, the Young plan appears as follows:

Germany is to discharge her reparations debt in 59 annuities paid into the coffers of the Bank for International Settlements, the trustee for her creditors.

The figure of 59 annuities was chosen to fit the number of annuities remaining to be paid to the United States of America and to England for the settlement of their war debts due from their former allies and associates.

Thirty-seven annuities are of a mean value of 1,988,000,000 of reichsmarks—once and for all, I will recall the fact that the value of the reichsmark is 6.8 francs at par—and 22 annuities are of a mean value of 1,564,000,000 of reichsmarks.

For the moment, there is no question except as regards the 1931–32 annuity, but, before speaking of it, it is indispensable to lay stress on a particular point, the crux of the question which is to be placed before you; that is, the very clear distinction which was established for the first time in the debt of Germany, one part corresponding to the partial reparation of the damages done to property, otherwise said to be for the restoration of the invaded and devastated regions.

This was the first time that a kind of priority was thus established to the benefit of debts relative to reparations properly so called. I shall return to it presently, in a few words, in order to show you the full significance of this decision, which was taken not only by the reporters of the Young plan but by the govern-

ments met at The Hague in the month of August, 1929, and in the month of January, 1930.

How, then, is the Young annuity divided?

In reality there are two annuities; the one called "conditional," the other called "unconditional."

"Conditional" annuity—that is to say, subject to being suspended—in stated conditions, whether for the transfers to the creditors in foreign exchanges, or even, in conditions equally stated, for the payment in reichsmarks.

"Unconditional" annuity, payable in foreign exchanges and not, in any case, subject either to suspension of transfer or to suspension of payment.

The "unconditional" annuity is 660,000,000 of reichsmarks a year during 37 years, and even, if the letter of the plan is observed, during the 59 years.

Of these 660,000,000 of marks France receives 500,000,000 of marks. I will say at once that from the 660,000,000 there must be deducted the service of the annuity of the Dawes loan of 1924; that from the share of France, 500,000,000 of marks, the service of the annuity of the Young loan contracted by Germany in 1930, of which a part was placed in France in accordance with her rights in the mobilization of the unconditional part, must be deducted.

How will acceptance of the proposal which is made to us by President Hoover affect us?

Before answering that question it is indispensable for me to establish the good foundation of our claims as regards the unconditional part; in other words, of the absolute right, going far back, which we have to receive that part.

One might go back, in fact, to the message of President Wilson, which established a true priority in favor of the restoration of the devastated regions; to the Lansing declaration of the month of November, 1918, which confirmed this point, defining it clearly.

One might take up various articles in the treaty of peace:

"ART. 232. * * * The allied and associated Governments require in any case, and Germany accepts the obligation, that all the damages caused to the civil population of each of the allied and associated powers and to their property during the period in which that power was in a state of war with Germany by the said aggresion by land, by sea, and by the air shall be repaired * * *."

"ART. 235. In order to permit the allied and associated powers to undertake at once the restoration of their industrial and economic life, while awaiting the definitive established of the total of their claims, Germany will pay, before the 1st of May, 1921, 20 milliards of gold marks * * *."

The twenty milliards of gold marks have not served for that at all. But it is none the less a right which is written in the treaty.

The same article 235 refers to annex 2, which, in paragraph 12, specifies:

"* * * In order to facilitate and to pursue the immediate restoration of the economic life of the allied and associated countries, the commission, as provided in article 235 * * *."

Article 237, a vital point which seems to have been forgotten until the Young Plan:

"The successive payments * * * made by Germany to satisfy the claims above stated shall be divided by the allied and associated Governments according to the proportions fixed by them in advance and founded in equity and the rights of each * * *."

It is here that an absolute priority should have been specified in favor of the damages to property, of the restoration of the devastated regions. [Very good! Very good!]

That priority was imposed in an absolute manner, even financially.

Consider the situation of the invaded countries, of the countries on the soil of which during four years the war was waged.

There was there a right all the more absolute because the north and the east of France had served, not only for Germany but equally for our Allies, as the field of battle, and thus the sufferings and devastations which we endured in the common interest were spared to our Allies. [Applause from the right.] There, then, was the beginning of a priority.

But there was another reason, a reason of a financial character. These regions, as President Wilson said, as the treaty of peace said, it was necessary to restore immediately. It was indispensable, not only for the prosperity of the invaded countries but for justice; and even to the interest of Europe and of the world. It was necessary to restore them immediately; to lay out immediately, in consequence, the necessary sums. This is what we have done.

While it is only with a long maturity and by annuities extending over a great number of years that damages to individuals are repaired, in regard to damages to property, on the contrary, there was an obligation for the immediate restoration of the devastated regions. That is why a priority was imposed for the reparation of damages to property.

Why was that priority not stated at the time of the treaty of peace and of the first conferences which followed it?

To answer that question would lead me too far afield. Various interests intervened. Belgium has obtained satisfaction in part. France has found herself injured, and all the more gravely injured because the debt of Germany has been diminished. If Germany had paid within 30 years, as the treaty stipulated, the total amount of her debt, one would not perhaps have been able to examine it too closely. We would have received substantial sums from the very first years. You know that that was not the case, since on the eve of the application of the Young plan, under the heading of reparations, we had not yet received one sou from Germany. All her payments had been assigned to the payment of certain advances made by the Allies other than ourselves to Germany; to the payment of the expenses of the army of occupation; to the payment of reparations, for example, to Great Britain. But we had not at that time received one centime under the heading of reparations.

And nevertheless how many milliards had we not already spent!

Let us see now what the Young plan assigns to us.

But perhaps a part of the Assembly is about to manifest some impatience.

Undoubtedly the greater number of our colleagues know by heart the texts and figures of the Young plan, but the public does not know them, and it is indispensable to let it know them. [Interruptions on the extreme left.] Perhaps there are even some among you who do not know them. [New interruptions on the extreme left.]

FROM THE EXTREME LEFT. We have never heard them.

M. LOUIS DUBOIS. You have not heard them for the very good reason that it was not possible at the time of the discussion of the Young plan for the speaker who is now on the tribune to expound his manner of looking at the Young plan and its economy. [Applause on the right.]

The Young plan comprises, in reality, two parts: A report of the experts and a series of annexes.

This is how, in their report, the experts express themselves in regard to the unconditional part of the German annuity:

"ARTICLE 33. At this moment it is equally admitted that the possibility of accepting annuities inferior to those which were established by the Dawes plan depended upon the certitude and the facility with which the creditors might commercialize obligations withdrawn thenceforth from the influence of politics."

"ARTICLE 89. Of the annuities above mentioned, the amounts stated hereafter shall be unconditional; that is to say, payable in foreign currencies, by means of equal monthly installments, without any right of suspension whatever: Six hundred and sixty millions of reichsmarks a year, the sums which the service of the German external loan of 1924 requires being included therein."

That is, 660,000,000 less 48,000,000—612,000,000, the actual total of the unconditional annuity.

"Article 115. The part of our task which was not the least difficult was to determine the sum which Germany might immediately undertake to pay under the heading of the definitive unconditional obligation. One can not establish in advance with precision the moment at which the difficulties of proceeding to the transfer in foreign exchanges may appear. However, great care has been taken to remain so far below that limit that all possibility of error is eliminated."

It is not only in the report that this point is made; it is also made in the special annexes which are attached to it.

Notably, this is what Annex III, article 137, states:

"The sums corresponding to the service of the interest and to the amortization of the mobilizable and mobilized fractions of the annuity coupons shall be paid to the Bank for International Settlements by the German Reich, without any reservation; that is to say, on its sole responsibility. The financial service of these mobilizable or mobilized fractions shall constitute a definitive international obligation, absolute and unconditional in the financial sense of the word." [Applause from the center and on the right.]

And The Hague accord of January 20, 1930, which adopts in its entirety the Young plan, report, and annexes, with some slight differences, this accord, in its first article, specifies that "the experts' plan of June 7, 1929, together with this present agreement and the protocol of August 31, 1929 (all of which are hereinafter described as the new plan), is definitely accepted as a complete and final settlement, so far as Germany is concerned, of the financial questions resulting from the war.

"For that acceptance * * * the German Government undertakes, as regards the creditor powers, the solemn obligation of paying the annuities provided for by the new plan in conformity with the stipulations it contains."

You know of what these stipulations consist for the unconditional part.

The matter is so important, the engagement made by Germany is so vital and so definitive, that it is even reproduced on the certificate of debt of the Reich.

Here are the terms of Annex III of the accord of The Hague of January 20, 1930, Article 4, first paragraph:

"The sums corresponding to the service of the interest and to the amortization of the mobilizable and mobilized fractions of the annuity coupons shall be paid to the bank in money other than the reichsmark by the German Government, without any reservation; that is to say, on its sole responsibility."

You will please notice that the same privilege applies as well to the "mobilizable" fractions as to the "mobilized" fractions.

I continue the quotation:

"The financial service of these mobilizable or mobilized fractions of the annuities shall constitute a definitive international obligation, absolute and unconditional in the financial sense of the word." [Applause from the center and on the right.]

That being stated, the character of the unconditional part of the annuity being clearly defined and determined, as I have indicated, by the Young plan and the international accords, what is our position and what would be the effect for us, from the financial point of view, of the acceptance of the Hoover proposal?

The only question is that of suspending or adjourning—it would certainly be necessary, on this matter, that we should have some precise details—the payment of the 1931–32 annuity.

The 1931–32 German annuity is figured at 1,685 millions of reichsmarks. Of this amount 838.4 millions comes to France, of which 338.4 are under the conditional heading; under the unconditional heading, 500,000,000 less the service of our part of the slight amount already mobilized, 44.5 millions, which reduces the sum to be received to 455.5 millions of marks.

But it is further necessary to deduct eighty millions of marks which are indispensable to make up the sum which we owe to the English and to the Americans by way of our war debts.

For the part which comes to us under the conditional heading is not, to the extent of about this amount, sufficient to pay our part of the war debts to the English and to the Americans, and it is further necessary that we should take from our unconditional part the sum of 80,000,000 reichsmarks. [Various movements.]

So that there remains to us a substantial sum, which can be—let us speak now of French francs—represented by two thousand two hundred and eighty-three millions. In other words, for the year 1931–32 we would have the disposition of two thousand two hundred and eighty-three millions of actual francs under the heading of reparations properly so called for material damages above the sums employed for the payment of our war debts. That sum is going to fail us.

A note has been published which seems to me to be very well established, from which it appears that the French budget will only have to support a loss of one milliard nine hundred and some millions.

The budget, perhaps; but, apart from the budget, there are other payments to be made, on which I will not dwell. In reality it is 2,283,000,000 of francs which we are going to lack.

It is evident that it will be necessary to get them somewhere and our Minister of the Budget will find himself very much embarrassed. To what resources will he have recourse? This is not the moment to ask that.

Then, it has been said—and the Minister of Finance in a note has replied well enough to this objection—"You know very well that Germany was going to declare a moratorium on transfers. By that very fact you would have been obliged to make up the guaranty fund of 500,000,000 of reichsmarks; in other words, three milliards of francs, which you were to establish in order to guarantee the payment to your cocreditors of the conditional part which should be paid to them."

You know, in fact, gentlemen, that by virtue of the advantage which gave to us, but which was very largely justified, the attribution of 500,000,000 of reichsmarks of the unconditional part, we were asked, as a compensation, to answer, to a certain extent at least and to a substantial one, for the payment to our cocreditors and not to ourselves of the conditional part.

Now, there would remain for us to pay two thousand seven hundred millions to this guaranty fund. But who says that we shall not be obliged to pay them?

That which I declare, for the moment, is that already we are deprived for one year of two thousand two hundred and eighty-three millions of francs.

If next year, if even in the course of the present year, Germany comes to tell us, "In spite of all my good will, I am obliged to declare a moratorium on transfers," we would still be obliged to pay in addition to the Bank for International Settlements' 2,700 millions, or in all and in round numbers a deficit of 5 milliards of francs.

I do not wish to envisage the rest, for I fear that if on this ground we yield, be it ever so little, to Germany, who expects it, her demands will not be finished.

It is therefore indispensable that we should be very clear in regard to the matter. As M. Margaine has just shown very well, Germany is not, from the economic point of view, in the condition one would like to say she was in.

If, financially speaking, she is in a bad condition, it is sufficient to refer to the report of June 30, 1930, of Mr. Parker Gilbert to know that it is her own fault, exclusively her own fault. It is not for us to pay for the faults of Germany. [Applause from the center and on the right.]

That is why I insist, in regard to the Government, that it should be intransigent in this connection.

That, temporarily, it should grant some relief; I do not wish to say that I shall oppose that. I know nothing about that; it will depend upon the declarations that are made to us. But it is indispensable that we should maintain our imprescriptible rights, not only as regards the unconditional part but also the conditional part.

Notice that the amount in full of the conditional and unconditional annuties of the global annuity paid by Germany, represents only one-fifth of what we have spent—I do not say of what was due to us—for the devastated regions and for the pensions, without counting the interest.

As we are giving up the total of what we receive as the conditional part, in order to pay our war debts, it is only one-tenth of our expenses for the restoration of our devastated regions which we shall receive, admitting that Germany pays regularly the annuity for which the Young plan provides.

But it is not only the unconditional annuity which is necessary to us; it is also the conditional annuity, for how shall we pay the English and the Americans?

In the case of a simple suspension I know well that we also to a certain extent can suspend our payments temporarily.

But if at the end of the account Germany gets out and does not pay, shall we pay the English and the Americans?

FROM VARIOUS BENCHES. No! no!

M. JEAN FABRY. There will not be a French Chamber to vote the credits.

M. LOUIS DUBOIS. There is the question as it stands, with all its gravity, all its extent. I believe that I have submitted it clearly enough to the Chamber. [Applause from the center.]

I now ask the Government to tell us what its position will be. For the answer which it has made is not an answer to the question which I have permitted myself to put to it.

I dare to hope that the Government will know how to sustain the interests of which it has the care. [Applause from the center and on the right.]

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman and members of the committee, some 14 years ago we were forced into war with the German Imperial Government by the brutal attacks of German submarines on ships carrying the American flag. We did not seek that war. We declared war only when it was forced upon us by that autocratic military power, but when once war was declared the American Government and the American people did their full part. We sent 2,000,000 soldiers over to the other side. We do not claim now that we won the war. We know of the tremendous casualties on the battlefield of our war-weary Allies; but we did turn the tide of defeat into victory, and after victory was won we asked for nothing. We asked for no reparations, no indemnities, no plunder, no conquered territory. We asked for nothing and we got exactly what we asked—nothing at all. Then we brought our troops back from the other side, having fulfilled every possible obligation that this country undertook when we went to war; and the Congress of the United States, showing the highest degree of liberality and generosity, adjusted the war debts so that we asked from Italy only 25 cents on the dollar and from France only that amount of money which we loaned her after the armistice.

Yet there are those, both in this country and abroad, who have pointed the finger of scorn at the United States and depicted us as "Uncle Shylock" demanding the pound of flesh.

There is one thing upon which we can all agree, and that is that we did not start the World War; that we had no responsibility for causing the World War. There is one other thing we can almost agree on, and that is that many of the Allies and foreign countries want to wish upon us the entire cost of the World War.

I voted for these debt adjustments because I thought they were fair and honorable and just to all concerned. I opposed cancellation then, and I am opposed to cancellation now. [Applause.]

But, my colleagues, I was in entire accord with the President of the United States when he announced to this country and to the world that he proposed a moratorium for one year on war debts and reparations in order that the young German Republic would be given a breathing spell, and not be overthrown by revolution either from the right or the left.

In my humble opinion the action of the President was absolutely necessary for the preservation of world peace and the stabilization not only of Germany but of all of Europe, and even of our own country.

We are confronted with a critical condition, with an appalling situation that exists in Germany through no fault of our own. The young Republic is sitting astride a volcano that may erupt at any moment, either to the right or to the left, and the consequences will be disastrous to the economic and political stability of the world, and possibly to all civilization.

President Hoover took a constructive step in June when he proposed an intergovernmental war-debt holiday for one year, and it is more constructive to-day and much more needed than it was then, and it should have the unanimous support of the thinking Members of the Congress of the United States, who have been given six months to consider his proposal. They have heard from their people back home. They have read the favorable comments in the press and are aware that the purpose of the moratorium is to check world depression and the spread of communism and revolution, and unless we keep faith with our guaranty given at that time to the President and support him at this time, we will be a factor, if not the cause, of bringing about

the collapse of the German Republic. It is to be hoped that the war-debt holiday will save her from economic and political chaos.

At the present time there is Fascism on the right and communism on the left, like hungry wolves, ready to tear at the throat of the German Republic. Although ready to fight against each other, they are more willing to pull down the Republic. World civilization is at stake, and the action of President Hoover will go a long way to determine whether Germany shall continue to be a free, independent republic or a part of the soviet system, taking its orders from Moscow, or of a Fascist dictatorship. If we do not grant this moratorium now, we will be a party to causing this collapse in the world, and will be the financial losers as well as being losers from the standpoint of trade and commerce, and from the point of view of world peace and civilization.

I want it distinctly understood that the President of the United States has the constitutional power to negotiate treaties and also to carry on our foreign relations, and acting under that authority, he legitimately negotiated this proposal with the foreign governments which is now under consideration. When the Congress is not in session and an emergency arises in our foreign relations, the President is the sole authority that can act and must assume that responsibility.

I hold no brief for the international bankers. This is no effort to protect the international bankers. They may or may not have brought on this situation; they may or may not be responsible for mulcting the American people out of their money for foreign bonds which have depreciated by two-thirds of their value, but unless the Congress of the United States acts favorably on the proposed moratorium, it is very possible that other billions of dollars of American money will be wiped out and thousands of American investors ruined. The American people have loaned $2,000,000,000 through the international bankers to the German Government, private industries, and municipalities, and stand to lose most of it if Germany goes into bankruptcy.

Mr. PATMAN. Will the gentleman yield?

Mr. FISH. I yield.

Mr. PATMAN. The gentleman from Wisconsin [Mr. STAFFORD] yesterday stated that since the moratorium has been granted the German people have paid to certain people $100,000,000. To whom has this money been paid by Germany?

Mr. FISH. Since the moratorium?

Mr. PATMAN. Yes.

Mr. FISH. I have no idea what the German Government has paid out. I know exactly what we have paid to the German Government and what the American people have paid to the German Government and private industries in that country.

Mr. PATMAN. Is the German Government making payments on its private debts to the international bankers at this time, or has it within recent months?

Mr. FISH. It has been.

Mr. PATMAN. During the last six months, since this moratorium was granted, they have been making those payments, have they not?

Mr. FISH. As far as I know; yes.

Mr. PATMAN. In other words, if we forego the collection of our debt from France and England in order that France and England may forego the collection of the debt from Germany, that is in order that Germany may pay the international bankers. Is that right?

Mr. FISH. I wish I could guarantee to the gentleman that Germany could pay its debts to private bankers and private American individuals and investors if this moratorium goes through.

[Here the gavel fell.]

Mr. PURNELL. I yield five additional minutes to the gentleman from New York [Mr. FISH].

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. FISH. I yield.

Mr. SUMNERS of Texas. I understand the gentleman has stated that these negotiations were instigated by the President under the treaty-making power. Will it be necessary, in order for the action of the President to receive governmental ratification, to have it submitted to this House?

Mr. FISH. I think that is required. Whether it be necessary under the Constitution I am not prepared to state, but that is the procedure in all of these war-debt settlements.

Mr. SUMNERS of Texas. The Constitution, of course, provides that treaties are to be made by the President and the Senate. If this power exercised by the President is under the treaty-making power, it is not necessary for the House to consider it.

Mr. FISH. Oh, yes; it is. The gentleman knows that all of these debt settlements have to be originally negotiated by the Executive. The Executive, of course, speaks for the country in those matters, and it is up to Congress to act.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. FISH. I yield.

Mr. COLE of Iowa. The gentleman does not claim that the President negotiated a treaty. This was not a treaty matter at all.

Mr. SUMNERS of Texas. But if it was not a treaty matter, was not the President entirely outside his province, and was not it an attempt to usurp the power of the legislative branch of the Government and calculated to put the Nation in a bad light with the other nations of the earth?

Mr. COLE of Iowa. That is why he called in Members of the two Houses.

Mr. STAFFORD. Will the gentleman yield?

Mr. FISH. I yield.

Mr. STAFFORD. This function of the President in negotiating this moratorium, as I stated yesterday, is akin to an act of President Roosevelt.

My first official act in the Congress convened in extraordinary session back in 1903 was the ratification of the action taken by President Roosevelt in negotiating the Cuban reciprocity pact. The action of President Roosevelt in initiating that pact was akin to the action of President Hoover in taking the initiative toward this moratorium. We were called into extraordinary session to ratify that action, not because it affected the exercise of the treaty-making power of the President, but because it affected the revenues, and because this action affects the revenues of the Government the President of the United States is asking the Congress to ratify it. That is my view of the situation.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. FISH. Yes.

Mr. LAGUARDIA. He needs more than ratification from Congress. He needs authority from Congress because he has not that authority under the Constitution.

Mr. STAFFORD. If it did not affect the revenues of the Government, the President would have authority to negotiate a treaty.

Mr. FISH. I am glad that situation has developed because nobody else can negotiate with foreign countries except the President, and when he negotiated this particular settlement it was necessary that he come to the Congress, as he said himself, and get the support of the Congress. Nobody else except the President can deal with the foreign affairs of this country.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. FISH. Yes.

Mr. SUMNERS of Texas. Under those circumstances would not the proper procedure be for the President to have authority from Congress in the first instance and then negotiate under authority from Congress; but congressional authority is requested, so there can be no question about the proper authority.

Mr. FISH. The President could not obtain the consent of the Congress, as the Congress was not in session. However, the President called in Democratic and Republican leaders, and he also wrote letters to the Members of the Congress and got their support for the proposed moratorium.

Mr. SUMNERS of Texas. You could not pass any law that way, could you?

Mr. BLANTON. Will the gentleman allow me to ask a question?

Mr. FISH. Yes.

Mr. BLANTON. Suppose that a few months before Congress convened the President and Mr. Secretary Stimson had declared war on Japan, and we were now asked to ratify the President's declaration? Would the fact that the President might have called in the Republican leaders and the Democratic leaders bind the gentleman from New York?

Mr. FISH. The gentleman knows very well that the Constitution takes care of that important question.

Mr. BLANTON. And the Constitution takes care of this matter, if the gentleman pleases.

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BRITTEN. Will the gentleman yield?

Mr. FISH. Yes.

Mr. BRITTEN. Is it not a fact that the question of the gentleman from Texas was answered by the Wilson administration? Did not President Wilson and his great Secretary of State, William Jennings Bryan, declare war on Mexico, without congressional consent, and did not we take peaceful possession of their customhouses?

Mr. FISH. The gentleman from Texas [Mr. SUMNERS] has asked a very important question and one that should be considered and discussed from all angles. I think the gentleman will agree that the President is the only one who can initiate such procedure, and that he has to come back to the House, but when the House is not in session he can use his good judgment, which in this case happens to be very good, and then come back to the House for approval, and that is all there is to this particular case.

Mr. KVALE. Will the gentleman yield?

Mr. FISH. Yes.

Mr. KVALE. Granting for the moment the legality or propriety of the President's action, the gentleman from New York spoke about the responsibility of this body with reference to approving and ratifying this before the 15th. When this thing has been pending for six months, and when he might have called us into session to consider this and other important things, but did not do so, where is the impropriety in giving full consideration to these things instead of rushing into them blindly.

Mr. FISH. That question, so far as I know, has not been raised, or raised very seriously. I think it would have been much better if we could have ratified the moratorium proposal before the 15th, as we will probably force some nations, technically, to go into so-called bankruptcy because we did not ratify it before the 15th, and they will not be able to pay. But that is water over the mill. It has been stated to the country by the Democratic leaders that it will not become law by the 15th of December, and we should discuss it and debate it, as well as pass it at the earliest possible moment.

Mr. JOHNSON of South Dakota. Will the gentleman yield?

Mr. FISH. Yes.

Mr. JOHNSON of South Dakota. Is it not true that this particular matter has been discussed in all of the newspapers of the country, newspapers of different political faith, and that Members of Congress have had ample opportunity to know what the facts are? The facts are well known, and the average intelligent American citizen would be perfectly competent to vote on this matter to-morrow without debate, so that all Members of Congress ought to be able to vote immediately.

Mr. FISH. Mr. Chairman, I think if anyone is to take the responsibility for the delay it must be, of course, the Democratic majority in the House of Representatives, and they must take that responsibility, not only with foreign nations but certainly take it with the American people back home, who have very generally approved of this moratorium as proposed last June by President Hoover. If they want to delay it and consider it further, that is their right; but that right carries certain responsibility, and there are many millions of Americans who have friends and relatives in Germany who know the tragic conditions in that country and the suffering and undernourishment among the German people who will resent this delay very much. But it is not our responsibility on this side.

Now, Mr. Chairman and members of the committee, we should not confuse this simple issue of creating a moratorium so that the German Republic will not fall; so that we can restore some hope in that land and no people and no country can exist without hope. Unless we act and give them a breathing spell and a postponement of these debts or reparations, then you will be partially responsible for the collapse of the German Republic, which is now facing a desperate situation with its back to the wall.

This has nothing to do with international bankers. Some time in the future I, too, may pay my respects to the international bankers, and particularly to some of the bankers in the city of New York who, through high-power salesmanship, have been dumping American money on every German municipality and in many industries to create further competition for American labor from the low-wage scale in Germany.

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. FISH. The international bankers of New York have for the sake of huge commissions loaned over $2,000,000,000 of money belonging to American citizens and not $7,000,000,000, as was stated on the floor to-day, to the German Republic and to German industries, and have helped build up these industries in competition with labor in this country. They are responsible for the loss of a vast sum of money to our people which is badly needed in the United States to-day and they are more responsible than any group in America for helping to bring upon us this depression. There is nothing new about this depression. It is simply that we went crazy, money crazy, led by the big international bankers, who instead of confining their activities to the banking business went into the security business and sold bonds and stocks and caused overproduction everywhere in the United States. They are far from blameless as they seek to claim. They were out to make all the money possible while the going was good, regardless of the consequences that were bound to follow from mass overproduction of all kinds of securities practically guaranteed by big international banks. The mass overproduction of stocks and bonds naturally caused an overproduction of factories and a vast overproduction of all kinds of commodities which resulted in the inflation of 1929.

This artificial inflation against all the laws of economics was bound to collapse, and when it did the pendulum in swinging back toward normalcy went back all the way into the depths where we are now. The American people themselves, because of their extravagance, speculation, and gambling, were also responsible, but the international bankers and other bankers who sold securities upon the market instead of confining themselves to the legitimate functions of the banking business created this overproduction and are more responsible than any other group in the United States for the present depression. [Applause.]

Mr. ARNOLD. Mr. Chairman, I yield 20 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, as we proceed in this discussion, the influences back of this moratorium movement unfold themselves to the American people.

The gentleman from New York [Mr. FISH], who has just spoken, and who admits that he voted a few years ago to cancel 75 per cent of Italy's debt to the United States, and who is now supporting this moratorium, which means a further cancellation ultimately of more of these debts, talks about the American people being informed. Why, the Congress is not informed on this subject yet; and it seems that every possible effort is being made to keep us from becoming informed.

If I had needed any further evidence to convince me that back of this movement was the idea of canceling these debts, all my doubts would have been dispelled on yesterday by the President's message, when he asked for the reviving of the War Debt Funding Commission. Why revive the Debt

Funding Commission? There can be but one object, and that is to further reduce or cancel these foreign debts to the United States. Postpone them? This postponement talk is merely camouflage.

Mr. Chairman, why should all this come out on the eve of the visits of Grandi and Laval? Why have the statesmen of Europe been assured? All over Europe they are saying to-day that if this moratorium passes, these debts will be canceled. Why do you object to taking a little time to investigate the question in order that we may have all the facts before us?

For one, I voted against the debt funding bills. I voted against canceling one dollar of these foreign debts. I announced last June that I was opposed to this measure, because I saw behind it a well-organized movement to cancel these debts and unload them onto the American people. I am more convinced of that fact to-day than I was then. I am more convinced of it to-day than I was on yesterday.

The gentleman from Indiana [Mr. WOOD], the spokesman of the Republican Party, or at least the administration wing of it in Congress, in his answer to me on yesterday asked the question, "Is this the progress you are going to make toward getting us back upon the road to prosperity?"

Oh, what a fallacy—trying to get the country to believe that by canceling or postponing collection of these foreign debts you would add to American prosperity. Why, these payments were to be made last July. The President has postponed them for six months, and instead of a return of prosperity conditions have grown gradually worse every day from that time to this.

The gentleman from Indiana said, "Are you going to prolong the distress of the country by reason of your inaction?"

Our inaction? The spokesman of your party intimates that by our delay we are prolonging this Republican panic. If delay prolongs the panic, why in the world did not your President call this Congress together in June and let us pass upon this question then? Why did he prolong the panic during all these long and bitter months, with a cold winter facing us, with from six to eight or ten million men out of work, with their women and children in thousands of cases without the necessities of life, by refusing to call Congress together?

But the gentleman from Indiana also say that this "must be considered first." Why first?

Oh, do you not remember two years ago when you brought in a bill here that was a dole to the big income-tax payers of America, paying back to them $160,000,000 of their taxes for the previous year, which they had already passed on to the ultimate consumer? They used the same argument, that it "must be passed first," that there could be no delay. As a result, you passed it, and you men to whom the word "dole" seems to raise such images of horror voted to give that "dole" to those large income-tax payers who had already collected it from the masses of the American people.

Another one of the fallacies of the able, distinguished, and affable gentleman from Indiana [Mr. WOOD] is that he says, "We all know that our debtor nations depend upon payment by Germany to these other countries."

Why, the gentleman from Indiana ought to be better informed than that. There are 8 or 10 of these nations involved in this moratorium to whom Germany does not owe a cent. If this was going to help Germany or if that was your object, why did you include all these other nations who do not owe Germany anything, but owe these international bankers, whom the gentleman from New York [Mr. FISH] will take care of in his own sweet time? Why in the world did he not do it to-day? [Laughter.]

Now, another thing. I want to ask the gentleman from Indiana if he thinks this is good business ethics. If he thinks it is, I would not want him as a director of an institution to which I was obligated, or for whose acts I was responsible:

If that is true—

Quoting Mr. WOOD of Indiana—

if Germany should become bankrupt and unable to pay her debts to the Allies, they, in turn, would have the finest excuse for not paying us.

Is that the gentleman's idea of international obligations? If Cuba owed us a billion dollars and we owed England $2,000,000,000, and Cuba had not paid us, would that be any excuse, much less the "finest excuse," for us to refuse to pay England? No, Mr. WOOD. That is not the attitude that one nation should assume toward its obligations to another.

Now, one or two things more. I asked the gentleman from Indiana why it was that we had not had prosperity already, and he said it was because of the doubt and uncertainty that grew out of the approval of these moratoriums.

Well, that carries us back to the original proposition. If that were the case, why in the world did not the President of the United States call Congress into session and relieve this uncertainty and, as I said, give us an opportunity to pass legislation that would relieve the American people from the effects of this awful panic?

Mr. MCFADDEN. Will the gentleman yield?

Mr. RANKIN. Certainly.

Mr. MCFADDEN. This moratorium did not come upon us suddenly, and have not we had discussions upon it for nearly six months?

Mr. RANKIN. Certainly; I thank the gentleman for his statement. By the way, you gentlemen who did not hear the speech of the gentleman from Pennsylvania [Mr. MCFADDEN] a while ago will do well to read it.

Now, the gentleman from Indiana made a statement which did not get into the RECORD but did get into the newspapers. He asked the question if we were ready to take the Army and the Navy to collect these debts, intimating that these debts would be repudiated.

Mr. WOOD of Indiana. Oh, the gentleman is mistaken. I never used any language that could be construed in that way.

Mr. LAGUARDIA. Mr. Chairman, if the gentleman will permit, I made that statement.

Mr. RANKIN. Then I apologize to the gentleman from Indiana. The gentleman from New York [Mr. LAGUARDIA], the new leader of the Republican Party, made it. [Laughter.] Well, that intimation is an insult to every nation involved. That has been the stock argument of the international bankers, who are passing it around in their newspapers. I say it is an insult to the people of every country involved.

Do you think that these nations are going to repudiate their debts? Thomas Jefferson, one of the greatest statesmen of all times, said that our greatest weapon was our commerce. He was the one who advocated strenuously equal and exact justice to all nations and entangling alliances with none.

Mr. HOGG of Indiana. Was it not George Washington?

Mr. RANKIN. Washington and Jefferson, both. It was Jefferson's doctrine. He said our commerce would be the greatest weapon that we would ever have. Do you suppose that one of these countries—that France, that great power of continental Europe—would repudiate her debts in the future, and continue to repudiate them throughout the years to come and expect to maintain her trade with the United States? Do you suppose that England or Italy or Czechoslovakia or Rumania, or any other nation involved, would repudiate these debts merely because, forsooth, you refuse to grant this moratorium? No; those debts will be paid, unless the Congress of the United States cancels them—these international bankers and their spokesmen to the contrary notwithstanding.

I agree with the gentleman from Texas [Mr. SUMNERS] that this is a matter that should have originated with Congress. Suppose some individual owed the United States money, would you have them come and obtain a settlement from the Executive? This is a matter that involves revenue and must originate with Congress, must originate in the House of Representatives.

I have introduced a resolution, which I hold in my hand, to investigate and see who these international bankers are, who hold these international obligations, to whom they have sold them, and so forth. Let us learn the whole story. Nobody will suffer now, through waiting a few weeks or a

few months. You say if we do not do it now it might be too late. Too late for whom? You don't mean that they are likely to get excited and pay these debts, do you? [Laughter.] I will tell you what you are afraid of, you are afraid that this great Ways and Means Committee as now organized will call those international bankers and all other interested witnesses in and see what is behind this movement. They fear they will investigate it thoroughly. Whenever they do and the people back at home find out what is back of this movement and what you are trying to do, there will be such a wave of protest sweeping in here from every corner of America that you are going to find very few men who will be willing to stand up and carry out the recommendations in that message, which mean, in my humble opinion, the ultimate cancellation of these foreign debts to the United States. [Applause.]

Mr. ARNOLD. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, I want to speak for a few minutes upon a point of privileges of the legislative branch of the Government and in a large sense of the Government. I do not want my discussion to assume a partisan aspect. The condition which confronts and the possible consequences involved demonstrate the unwisdom of the President's action without congressional authority. It was not an accident that this Government was divided into three coordinate branches. The experience of our ancestors long before our more immediate ancestors came to this continent demonstrated the wisdom of that sort of government. Experience had demonstrated that it is unsafe to trust to one person, be he king, president, or what not, all of the powers that affect people in a governmental way. At the same time experience had demonstrated that it is best to have a single executive. Therefore, in the formation of our Constitution, crystalizing the experience and wisdom of the ages, we find this division of governmental power into three coordinate branches, with their respective powers defined. The situation that may develop out of this transaction immediately under consideration demonstrates the wisdom of that arrangement and the unwisdom of the nonauthorized action of the President with regard to this particular matter. He had no authority to negotiate, much less authority to act. It was outside of his business. Neither the Constitution nor the Congress directed or commissioned him to proceed. It is perfectly evident from some of the resolutions and actions of other governments to which reference has been made that the countries abroad with whom the President negotiated understood that the President of the United States spoke for the American Government. If I am not properly advised with regard to this, I would appreciate being corrected, and I shall strike my remarks from the RECORD.

The President of the United States had no more authority to do what he did than John Smith or Bill Brown or anybody else. I am not questioning the President's motives. We are considering constitutional power and procedure. The Constitution of the United States makes the President of the United States the Executive to carry out the legislative will, regularly declared by the legislative branch of the Government. He has some additional duties. One of those additional duties is to negotiate treaties. Those treaties are negotiated by the President of the United States, by and with the advice and consent of the Senate. It is not a part of the legislative branch of the Government that advises and consents, but it is the persons who happen to be the Senators of the United States Senate who consent. They act in this regard as a privy council. In this matter the President was not negotiating a treaty. In order to crystallize this negotiation into effective and binding form, approval must be had of the Congress of the House of Representatives in the first instance because it affects the revenue. If it be true, as is agreed, that approval must be had of the House, then clearly it was not a treaty that the President was undertaking to negotiate. If it is not a treaty which he undertook to negotiate, in so far as he presumed to speak for this Government, it was, in a sense at least, a usurpation of power bestowed by the Constitution on the Congress. That character of procedure is not only calculated to cause confusion and international misunderstandings but such consequences are inevitable. It may be that Democratic Presidents in times past have done this thing. I do not know.

Mr Roosevelt's name has been mentioned. It may be that Mr. Roosevelt or this man or that man or the other man who happens to be President has done that thing. That makes no difference. I am not discussing persons or parties but fundamental policies of government which ought not to be disregarded. It is the duty of the legislative branch of the Government to hold to itself those powers which the framers of the Constitution saw fit to vest in it not as a matter of pride but as a solemn duty.

Mr. LUCE. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. LUCE. Did not Thomas Jefferson negotiate for the purchase of Louisiana?

Mr. SUMNERS of Texas. I am advised that Thomas Jefferson had the consent of Congress before he negotiated for the purchase of Louisiana, but that is not important. That would not make the procedure under consideration either proper or improper, wise or unwise. I am not discussing this matter from a partisan standpoint. It is not a matter to be opposed by me as a Democrat and defended by someone else as a Republican. It is a matter of constitutional division of governmental powers and the high duty of Members of Congress to preserve in practice respect for those divisions of power which actual experience has proven to be wise, and which were approved by the framers of our Constitution.

[Here the gavel fell.]

Mr. ARNOLD. I yield to the gentleman five additional minutes.

Mr. SUMNERS of Texas. I am trying, as best I can, to avoid anything that looks like a partisan discussion of this great question which goes directly to the division of powers between the executive and legislative branches of the Government. This division of powers resulted from nobody's speculation. They resulted from necessity demonstrated in the actual practical operation of government. They were fixed in our system long before the Revolution. Ignoring in practice either the letter or the spirit of this basic policy in our system of government is calculated to bring hurt and we will be discredited. Suppose the House of Representatives refuses to ratify this act of the President, what will happen? The nations of the world dealing with the President of the United States have a right to presume that he is not engaged beyond his power to make effective; that he knows what he is doing.

One of the gentlemen has said that the House of Representatives and the legislative branch of the Government would be responsible to the country for the consequences that follow if this arrangement is not ratified. Now, is that a fact? If so, the President can coerce the Congress by acting without authority of the only power which can give authority, the Congress. The Constitution gives to Congress the power to act and places upon it the solemn responsibility of examination and judgment. The President is given the power to convene Congress whenever in his judgment necessity requires the Government to discharge any duty which has been allocated to Congress in the division of governmental powers; but that is all.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. WILLIAMSON. I think the gentleman left the impression that foreign governments have been led to believe that the action of the President was the action of the Congress, and——

Mr. SUMNERS of Texas. I did not yield for an expression of opinion by the gentleman, but I yielded for a question.

Mr. WILLIAMSON. Well, is it not a fact that those who negotiated with the President knew perfectly well that it would have to be ratified by Congress?

Mr. SUMNERS of Texas. I beg to direct the gentleman's attention to what I understand to have been a quotation by the gentleman from Pennsylvania [Mr. MCFADDEN], in which he quoted:

Whereas on June 20, 1931, the President of the United States of America made proposals for the suspension of international governmental debts, etc., and whereas the governments signatories of the present protocol have accepted said proposals and have agreed to apply them in part to the obligation of the German Government under the agreement signed, etc.

Which indicates very strongly that somebody thought the President was not entirely without authority to commit this Government.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. SUMNERS of Texas. I yield.

Mr. CHINDBLOM. Does the gentleman recall that in the statement issued by the President on June 20, 1931, of which I hold a copy in my hand, he used these exact words:

Subject to confirmation by Congress, the American Government will postpone all payments upon debts of foreign governments to the American Government payable during the fiscal year beginning July 1, next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.

Mr. SUMNERS of Texas. Yes. The President was outside of the bounds limiting the constitutional duties and powers of the Executive. He was dealing with the Nation's revenue. He was acting without constitutional power or congressional authority, which he ought to have had before he acted. There is an orderly constitutional way to do things, and when they are done that way we avoid confusion. When they are not done that way confusion and hurt results to the public interest. That is the reason why I feel it my duty to protest against that method of transacting the public business.

Congress is called on here with a time limit—the 15th of this month—within which to give approval, with the threat involved in the situation that if Congress does not within this time limit approve the action of the President then difficulty will develop internationally.

Mr. CHINDBLOM. The gentleman has been very courteous. Will the gentleman yield further?

Mr. SUMNERS of Texas. I yield.

Mr. CHINDBLOM. Immediately when the President thought it well to take these steps, he called into conference a large number of the leaders of the House, from both sides, Democrats and Republicans, and consent seemed so universal that the President might well have assumed that there would not be any serious question about confirmation. I say this to the gentleman, so far as I am concerned, I am not disposed at this moment to find any fault with the majority. I do not know that much will be lost by a few days' delay beyond December 15, unless unfortunately the impression by this discussion should bring a feeling in the world that there is any doubt whatever of the action of Congress in confirming the moratorium.

Mr. SUMNERS of Texas. Well, that is the point.

Mr. CHINDBLOM. If there should be any serious doubt created, it might affect the financial situation in the entire world.

Mr. SUMNERS of Texas. That is the point. The gentleman gives force to my argument.

Now, the President puts the House of Representatives in a situation where it can not, in free conference, discuss this matter without creating a bad impression, so the gentleman states. That is the point I am trying to make, and the only point, or rather the point, made is in support of the premise that disregard of the constitutional division of governmental powers is not only confusing but dangerous. Congress can not possibly give the consideration within the time indicated which the importance of the matter requires, with the charge, the threat, involved that if it does not act—that is not all, if it does not ratify the unauthorized negotiations of the President by the 15th, "it might affect the financial situation of the entire world."

[Here the gavel fell.]

Mr. ARNOLD. I yield to the gentleman from Texas two additional minutes.

Mr. SUMNERS of Texas. Now, in conclusion, ladies and gentlemen, that is the point I am trying to make, and the only point I am trying to make. The statement of my friend from Illinois [Mr. CHINDBLOM] and other statements made here indicate that the House is hampered in the consideration and discharge of a great constitutional responsibility by reason of the action of the President, acting without authority first had from the legislative branch of the Government. The point I am making is not with regard to this President only, but all Presidents to come, that when a matter of this importance especially is to be considered, requiring the approval of the Congress, the President of the United States ought, in the first instance, have the approval of the Congress and act under the authority of those who alone can give him the authority to act. That is the method contemplated by the Constitution. That is the method most calculated to preserve good government, harmony, and effective teamwork at home and respect and confidence abroad. What I have said was not for the purpose of criticizing the President, but to defend and insist upon respect for the division of governmental powers created by necessity, justified by experience, approved by those who have examined the value of representative government, and finally wrought into our constitutional structure as its most fundamental and basic policy.

I thank you very much. [Applause.]

The CHAIRMAN. The gentleman from Texas yields back one minute.

Mr. ARNOLD. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. CROSS].

Mr. CROSS. Mr. Chairman, ladies and gentlemen of the committee, I am not going to make any partisan speech. I feel this is a question of great moment. We Congressmen here represent our 120,000,000 people. I think this is a question that ought to be weighed carefully and upon the facts. The question is whether this Nation should postpone the debt that is due it from the European countries which borrowed from it during the war.

What did this Nation get out of the war and what did the nations that now ask us to postpone that debt get out of the war? The European Allies in the war got territories and provinces from Germany that amount to more in area than all the territory east of the Mississippi in these United States, with Arkansas and Iowa thrown in. In addition to that they got all the merchant ships which Germany had with a tonnage in excess of 1,600 tons; they got half of all the ships that Germany had with a tonnage from 1,000 to 1,600 tons, and they got one-fourth of all the small vessels belonging to Germany in addition.

The Versailles treaty provided that Italy, France, and Belgium should have delivered to them 367,000,000 tons of coal in a few years. That same treaty further provided that Germany should build for England and France and turn over to them vessels aggregating a tonnage of 1,000,000 tons within 10 years. In addition to all of that those Allies received—and I think we ought to get down to some concrete facts and not mere declarations and exclamations—in kind before the Dawes plan came into existence and after the Dawes plan came into existence more than $9,000,000,000, according to the estimates of the American Institute of Economics. Germany insists it is much higher even than that, but France puts it under. However, when you add the German and French estimates and divide them by two you will just hit about what the American Institute of Economics states it to be, more than $9,000,000,000. The reparations Germany is to pay under the Young plan would pay the European Allies about $404,000,000 this year. We are due to receive under our settlement with her $16,000,000 this year. Spread over the years we would get from Germany, all told, about $700,000,000, but the cash value is not in excess of $250,000,000.

Under the present régime there are in the so-called Young plan the conditional and unconditional payments and the

unconditional payments amount to 660,000,000 reichsmarks, of which France gets 500,000,000 and Italy 42,000,000. Every time anything happens France gets a bigger share. Under the Dawes plan France got 52 per cent of all reparations; England, 23 per cent; Italy, 7 per cent; and Belgium, 5 per cent. Under the Young plan France gets 55 per cent; England, 22 per cent; Italy, 9 per cent; and Belgium, 6 per cent.

Now, we hear much about the condition of those European countries. We hear much about the distress there. Is there no distress here? Are there any more millions there who are out of work than there are here?

The money which this country loaned to those countries came from the so-called Liberty bonds. They were like so many promissory notes. They borrowed on those notes and got the money. The indorsers of those notes were every man, woman, and child in your districts. They indorsed them. You pledged them that that money would be paid back by the borrowers, and yet you, here representing them, by this act indorse those promissory notes, so that if the borrowers do not pay them, then your constituents, the indorsers, pay them.

Already we have canceled practically half of them. You know as well as I do that this is but a movement which means cancellation of those debts, for while the President in his message says that there is no connection between reparations and the debts, yet he says following that—and if he had not had a purpose why say it—that we must be good neighbors, we must only demand in proportion as their ability is to pay. But who is to determine their ability to pay? Why, a committee of the international bankers, of course. That is who is to determine it, and just as sure as we are here to-day when you grant this moratorium you have canceled the debt; you have shifted the tax burden from the taxpayers of those countries, who have already received in excess of $9,000,000,000 of reparations from Germany, who have already received territory in area of more than all the territory of this country east of the Mississippi, with Arkansas and Iowa thrown in. You have canceled those debts and you throw the burden on the indorsers to pay them, your constituents. Have we not been liberal? Did we not go when they were sorely pressed to their rescue and send 2,000,000 of our boys; and we poured out our money there as we poured out the blood of the bravest in our Nation, losing some 60,000 or 70,000 on the battlefields. And in addition have we not some 237,000 crippled and disabled? Yet not a penny did we ask.

Oh, yes, we got something out of the war. It has been hate, hate. And now there is due us this year this very thing we propose to postpone. There is due us—because I just got it from the Treasury Department—$252,000,000 plus. That is what is due us this year.

Then to hear their spiderlike diplomats, pickled as they are in the hypocrisy of Satan, sneering at us, "Are you going to demand your pound of flesh?" And this after we have displayed toward them a generosity without parallel in the annals of history, by canceling half the sums they borrowed of us in their hour of bitter need, which saved them from destruction. "Ingratitude, thou marble-hearted fiend!"

But what of their conduct? Did they demand of Germany "their pound of flesh?" Did they do even as well as Shylock and stop at a pound of flesh? No, they stripped her to the bone and then scraped the bone to the marrow. And now they have the effrontery to shake and rattle her skeleton at us and threaten even to destroy that unless we cancel the rest of what they owe us. If the last drop of the milk of human kindness in their hearts had not long since turned to gall, they would abandon their impossible and unjust demands against Germany. They hardly get home from one conference until they are asking for another and at the conclusion of each we find ourselves the losers for we can not compete with them in that diplomatic oily art "to speak and purpose not."

During the war they professed not to blame the German people, asserting on the contrary that they were merely the helpless victims of their war-lord, the Kaiser, and that it was their purpose to free them from the military yoke of their ruthless master. But who is the ruthless master now? Should they not blush with shame when they compare their conduct to the lofty example set them by America? After having stripped her of her territories, of her resources at home and abroad, they know that Germany, in her present impoverished condition can not continue to pay the vast sums which they still demand, and their doing so is but a ruse by which they hope to bring pressure upon this Congress to cancel the remaining half of the debt which they yet owe us. Had this country acted firmly and with the directness and positiveness of an Andrew Jackson and warned them that these debts had to be paid and that no quibbling would be tolerated, they would have long since ceased to harass Germany with their impossible and absurd demands and to-day instead of their contempt and hate, we would have their respect and friendship.

Will you vote for this moratorium which means that you are going to transfer it to the people of this country? I am sick of hearing all of this cry that if America does not go over there and put money into Germany's pocket, she is going bolshevik, and that will just be terrible. There are two mighty oceans between this country and Germany, yet there is but an imaginary line between Germany and some of these highjacking nations. But Germany is not going bolshevik.

Listen! Do you know what France is paying annually on her army? She has 716,000 men in her air corps, in her navy and army. I have it here from the War Department. She is paying out $2,427,038,102 annually. Think of it. If she would turn that over to this country, in two years she would have her debt paid. Listen to what the War Department says: In 1929 she jumped in her expenses and increased the army, the air corps, and the navy. She jumped again in 1930, and no doubt she will jump again this year. For what purpose? Has she any fear of the nations about her? Germany is hog-tied and helpless. Italy is no match. Spain is but a name. Russia is standing on her head, and is impotent. Why the building up of this tremendous army but that she proposes to dictate to Europe, and that she is doing by means of her army and with your money. For I have it from the Treasury Department that a few months ago, when I made the inquiry, she had $55 per capita in gold alone, when at the same time this country all told only had in circulation $38 per capita. If you cancel this debt, you enable her more fully to work her will on Europe.

I wonder how many here are familiar with the Dawes plan and the Young plan. Why, do you not know that when Germany kept staggering and it looked like she was not coming around to meet the sums of money that had been lent by the international bankers, the Reparation Commission called a committee consisting of two from England, France, Germany, and Japan, and then they called on old Cal to send over two, but he wisely said, "I will not do it; this country has nothing to do with your reparations. We made a separate settlement with Germany, and it is no affair of ours." Then it was that the Reparation Committee appointed Mr. Dawes and Mr. Owen D. Young. At whose behest? Do you suppose they needed the financial brains of America—those magicianlike statisticians and financiers? No; it was simply to work in and get reparations and debts considered as if they were hooked together, and the Dawes plan starts out by saying that Germany shall pay for the year 1924 $238,000,000, and that this amount shall be increased until at the end of five years she shall be paying $595,000,000, and shall pay that through infinity.

Then it was that our international bankers loaned them money, discounted their paper, if you please, at such rates of interest that they thought at the time to clean up untold millions.

Shall your poor constituents, the indorsers of these Liberty bonds, have it put upon their backs so that these boys who are trying to make fortunes in German paper may be successful? If anybody should lose, who should it be—your

constituents who indorsed that paper through you or these greedy discounters? Let your conscience answer.

Oh, we hear so much about a dole. I do not suppose any man in this Congress believes in a dole. The principle is one that is repugnant to every drop of my blood; but let me tell you, my countrymen, if you cancel these debts what is going to become of your money that is going back to England except to pay a dole? She is paying a dole to millions of her citizens. In this way you make your taxpayers pay these doles to English citizens. You are paying a dole to other nations and helping them build up tremendous armies.

The President's message whispers the fact that, perhaps, if we want to get armaments reduced we should cancel the debt or greatly reduce it. Have we got to buy Europe in order to get her to reduce her armaments? What concern is it of ours?

I am sick and tired of this Nation muddling around in the affairs of the countries of Europe or any other country. I am one who was opposed to the League of Nations. I am opposed to the World Court. [Applause.]

We are constantly being brought into their affairs, and here recently our White House has become the rendezvous of the prime ministers of Europe, with their cunning, slick ways, and our statesmen seem to be as helpless as a fly in a spider's web when they get hold of them. Oh, the flattery they pour out, and how we fall for it and knuckle to them. When will we be men? I think Bernard Shaw must have had his mind on the White House when he declared that we are a nation of boobs, so easily handled, so easily manipulated. [Laughter.]

Is there any man here who has any question about what this means? No. Hear me, my colleagues. Let Europe run her own affairs. Let us quit meddling with international agreements. Let us say to England and the rest of Europe, "You build your navies and have your armies as you see fit and we will do likewise." [Applause.] Two mighty oceans separate us. God has given us this new world of North and South America and under the Monroe doctrine we have supreme influence and control over the countries and the islands that fringe them. Let us keep away from Europe and Asia. Let us get out of the Philippines and go home. If we must have more territory, there is more territory here than we can use.

O my colleagues, think and think wisely. Do not let any President legislate for you by telegraph. [Applause.] How low is this Nation sinking when our President begins to legislate by telegraph?

O my colleagues, take the advice and follow the chart laid down by Washington, "Friendship for all nations, entangling alliances with none." [Applause.]

Mr. MICHENER. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. RAMSEYER].

Mr. RAMSEYER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing a report of a committee of the Iowa State Bar Association provided for at its annual convention in June, 1930, of which committee I was chairman, to study and report on stabilizing the purchasing power of money.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

STABILIZING THE PURCHASING POWER OF MONEY

Mr. RAMSEYER. Mr. Chairman, the Iowa State Bar Association at its annual convention in June, 1930, created a committee to study and report on the problem of stabilizing the purchasing power of money. The committee, consisting of C. WILLIAM RAMSEYER, chairman; F. Dickinson Letts, and Fred C. Gilchrist, all members of the Iowa bar, submitted their report to the Iowa State Bar Association at its annual convention in Des Moines, Iowa, on June 18, 1931. This report reads as follows:

REPORT OF THE COMMITTEE ON STABILIZING THE PURCHASING POWER OF MONEY

Mr. President, members of the Iowa State Bar Association, last year this association upon the recommendation of its president, Mr. Justitce Grimm, of the State supreme court, authorized the appointment of a committee of three to study the problem of stabilizing the purchasing power of money. On this subject in his annual address he said:

"By many of the best informed it is believed if accomplished this may prove to be a great source of relief from many of the economic and social turmoils which now occasionally rock every civilized government."

Politics is defined by Webster's Dictionary as:

"The science of government; that part of ethics which has to do with the regulation and government of a nation or state, the preservation of its safety, peace, and prosperity, the defense of its existence and rights against foreign control or conquest, the augmentation of its strength and resources, and the protection of its citizens in their rights, with the preservation and improvement of their morals."

Note especially the place of "prosperity" in this definition—"the preservation of its (the nation's) safety, peace, and prosperity."

From time immemorial the government in power has been held accountable for the safety, peace, and prosperity of the people. The government is whatever the people make it or permit it to be. In the preservation of the nation's safety, peace, and prosperity the people contribute character, intelligence, loyalty, industry, and initiative; the government contributes within the limits of power conferred upon it protection, stability, and opportunity to the people to help themselves. It is true, as often stated, that the government owes no man a living; but, on the other hand, it is a function of government to maintain conditions under which no man is denied the opportunity to make a living.

In I Samuel xxii, 2, is described the gathering at the cave of Adullam under David, as follows:

"And everyone that was in distress, and everyone that was in debt, and everyone that was discontented gathered themselves unto him; and he became a captain over them; and there were with him about four hundred men."

Here are set forth the causes of revolution in a nutshell—distress, debt, and discontent—engendered by economic conditions chiefly.

The problem of the ages seems to be how to live together in organized society on a basis of economic justice and equity, which at the same time will permit and encourage the highest social, moral, intellectual, and spiritual development of the people.

In this study we are concerned with the economic phase of the problem. Our national wealth is near $400,000,000,000. It would serve no useful purpose at this time to recite facts and figures on the productiveness of our farms and factories, the efficiency of our labor, and highly developed communication and transportation systems.

The goods produced in this country and the goods which we obtain from abroad in exchange of goods of which we have a surplus give us a sum total of goods sufficient to supply the necessities and comforts of life to every man, woman, and child in the land.

In 1921 President Hoover, then Secretary of Commerce, in his report as chairman of the President's Conference on Unemployment, said:

"There is no economic failure so terrible in its import as that of a country possessing a surplus of every necessity of life in which numbers, willing and anxious to work, are deprived of these necessities. It simply can not be if our moral and economic system is to survive. * * *

"What our people wish is the opportunity to earn their daily bread, and surely in a country with its warehouses bursting with surpluses of food, of clothing, with its mines capable of indefinite production of fuel, with sufficient housing for comfort and health, we possess the intelligence to find solution. Without it our whole system is open to serious charges of failure."

Mr. Daniel Willard, president of the Baltimore & Ohio Railroad, in an address last March on unemployment and the distribution of resources before the Wharton School of Finance and Commerce, said:

"The mere existence of the [unemployment] problem presents a serious challenge to our economic system."

After discussing our natural and humanistic resources, our productive capacity, and our surpluses, he said:

"And with all this surplus of wealth and resources we have millions, so it is said, in dire need of food and clothing—in short, more of everything to eat and wear than we can possibly use and at the same time millions of human beings hungry and cold. That is another problem, although closely related to the first, and the two problems together—unemployment and the distribution of resources—bring into question the very foundations of our political and economic system."

Here is the problem stated by two eminent authorities. It is not a new problem. It is not a problem incident to the world-wide depression. The depression merely emphasizes the existence of the problem. It is the recognized paramount problem before the American people. The recognition of the existence of a problem is the first step toward its solution. Have we "the intelligence to find solution"?

Your committee is aware of the position of some recognized authorities that the economic distress through which this country, together with the rest of the world, is now passing is due to the aftermath of the World War and our rapid scientific progress resulting in technological unemployment. The economic destruction and financial loss of the World War to date is estimated at

nearly $400,000,000,000, or equal to the national wealth of the United States. The world can not pass through such an upheaval without suffering and distress for many years thereafter.

Due to our scientific progress we have witnessed since the World War greater and more rapid changes in modes of living and in agriculture and industry than has taken place in any other like period of time in history. In 1918 it took one man a whole day to make 40 electric-light bulbs. Soon thereafter there came a machine that made 73,000 bulbs in 24 hours, and each machine destroyed the jobs of 992 men. In the boot and shoe industry 100 machines take the place of 25,000 men. According to a recent report from a coal mine in southern Illinois, with a new machine used in the mine to load coal 250 miners do the work formerly done by 1,100 miners. The harvesting combine, which can be operated by a man and two boys, does away with the reaping and shocking of grain, and at the same time displaces a whole threshing crew. Instances of changes in agriculture and industry of this kind could be multiplied many times over.

These changes in industry and agriculture add to our unemployment problem. The problem may become more acute with every new invention. New industries do not create jobs as fast as new machines in old industries destroy jobs. Technological unemployment is one of the hazards of living in this scientific age. Means to mitigate this and other hazards of unemployment call for sympathetic understanding, foresight, future planning, and cooperation among employers and employees.

Now to approach more directly the subject matter of this report stabilizing the purchasing power of money and the relation of the fluctuating purchasing power of money to employment and the distribution of resources. The fluctuation in the purchasing power of money has agitated this country and the world for generations. Gold is the basis or measure of value of the leading commercial nations of the world. A study of the index number of wholesale commodity prices over a period of time will disclose that the index number rises with the increase in the gold supply and falls with the decrease in the supply of gold.

After the Civil War, from the early seventies to 1897, there was a gradual decrease in the supply of gold and a constant decrease in commodity prices. During that time we had the granger movement, the fiat-money agitation, and the free-silver issue. Whatever we may now think of the issues of those days, it must be conceded by every unbiased student that back of it all was the purpose to stabilize the purchasing power of money. As money became less in volume, its value increased, thereby reducing commodity prices and making it more difficult for those in debt to pay off their obligations.

Following 1896 gold was discovered in the Klondike, and only a year or two later South Africa poured a great stream of gold into the world's supply. This increased the money supply, and ere long there was an upward trend to the index of general prices. The condition of the debtor class was improved, and thereby was removed in a large measure the spirit of discontent, especially in the West. The increase in commodity prices was more rapid than the increase in wages, which resulted in 1910 in the beginning of a strong agitation against the high cost of living.

The index number of the United States Bureau of Labor Statistics on the basis of the average wholesale prices for the year 1913 is 100. Beginning with 1914, there was an increase in the index number, which rose to 225 in 1920. After the middle of the year 1920 there began a contraction in money and credit, and the index number fell to 140 in 1921. In this inflation and deflation of the World War period other factors than the gold supply played an important part.

We appear to be in another period of diminishing gold supply. George E. Roberts in an article dated April 1, 1931, observed: "A recent inquiry conducted under the auspices of the League of Nations has developed that mining engineers over the world are in general agreement that, based on present prospects, the gold production is more likely to diminish than increase." A continued period of falling commodity prices, such as distressed the people of this country from the early seventies to 1897, must certainly be averted.

Any change in the purchasing power of money touches every kind of moral question and every kind of obligation. To every business transaction not on a cash basis there is a promise on the part of one to pay and on the part of another there is the promise to be paid. Those who promise to pay are in the debtor class and those who hold such promises to pay are in the creditor class. In the latter class are holders of life insurance, savings-bank depositors, pensioners, annuitants, wage and salary earners, owners of notes and bonds, the endowment funds of colleges and hospitals, etc. Cheap money, resulting in the rise of commodity prices, adversely affects the creditor class; on the other hand, the debtor class in time of inflation can more readily pay off the debts contracted before the inflation.

In the increase in commodity prices from 1914 to 1920 the creditors had the value of their investments and incomes more than cut in two. During the same period the debtors were enabled to pay their debts at the peak of 1920 with dollars less than one-half in value of the 1914 dollars. It is estimated that in this period by the process of inflation $60,000,000,000 were transferred from the pockets of the creditor class to the pockets of the debtor class. With the deflation of 1920 the operation was reversed in a somewhat less degree to the benefit of the creditors and to the distress of the debtors. Those who gave mortgages on real estate at the peak in 1920 had almost double the load, a few years thereafter, they had originally contracted to assume.

Says Owen D. Young:

"The proper handling of price stability is one of the most important matters facing the capitalistic system. In it will be found the roots of those maladjustments which result in unequal and unfair distribution of wealth, in unemployment, and other serious problems."

Sir Josiah Stamp says:

"A stable price level is the most bitterly practical of all questions."

H. G. Wells has said that civilization is at the crossroads; that the test of civilization is whether or not we can learn to control the purchasing power of our money.

The International Labor Conference at Geneva, May–June, 1929, in an exhaustive report on Unemployment and Monetary Fluctuations, had this to say:

It seems to be possible to declare emphatically that abrupt, or even slow but prolonged, variations in the general price level, or, in other words, disturbances in the equilibrium between production and the means of payment, play no small part in determining the alternating acceleration and retardation of economic activity, and are hence an important cause of the recurring unemployment crises which mark one phase of the cycle.

"If, then, the magnitude of variations in the general price level could be reduced, an important cause of unemployment would be rendered less potent. But is such reduction feasible? This is the vital question, to which those competent in the matter are becoming more and more inclined to return an affirmative answer."

The Stable Money Association, which has among its officers and directors leading industrial and financial leaders, economists, and statesmen, including such leaders of thought as Chief Justice Charles Evans Hughes and Hon. Frank O. Lowden, in a recent statement said:

"This is a world problem. Every leader of public opinion in the world, therefore, should feel it incumbent upon him to make it his own problem.

"Responsibility for progress in the stabilization of money and credit must rest to a very large extent upon the shoulders of us in America, because we have a disproportionate share of the world's gold; and as the world's creditors we are able to draw gold from the rest of the world at our discretion; we have a closely integrated, highly organized, and widely used banking and credit system; and our statistical material is abundant; yet no one country can or should attempt to control the situation alone, and every country should assist."

From report of the committee on stabilization of money standard of the South Carolina bankers' convention, 1930:

"Unless some improvement develops in the utilization of gold, inevitably the long trend of price level must continue downward. The benefits will accrue to the creditors and the owners of fixed income-bearing securities, the losses will fall on the debtors and the producers, who must sell on a declining price level.

* * * * * * *

"Stabilization is vital to the well-being of both possessor of money and the seller of things money will buy. During a period of inflation the owner of money finds its purchasing power reduced, and during a time of deflation the seller of goods finds his products generally bringing lower prices. The well-being of the world requires a reasonably stable money, so that upsets may be limited and the disasters that always result from such changes may be avoided."

The stabilization of the purchasing power of money is of vital importance to our State. Iowa is primarily a State of production, and her prosperity depends on a satisfactory level of prices. Many of her citizens are debtors, who suffer with tragic consequences when the price level declines.

The index number heretofore referred to is made up of the weighted average of wholesale prices of 550 of the leading commodities in the United States, and is compiled monthly. There is a distinction between the price level of all these commodities as reflected in the index number and individual prices. The price level is affected by inflation and deflation. To stabilize the purchasing power of money is to stabilize the price level, and to stabilize the price level is to prevent inflation and deflation. Even though the price level is stabilized and the index number remains stationary, or nearly so, individual prices may move up or down according to the law of supply and demand.

This problem of stable money has been tackled during the last year by the American Farm Bureau Federation, the National Grange, the American Federation of Labor, some State bankers' associations, and other organizations, including the Iowa State Bar Association. Committees are at work on the problem, some reports have been submitted, but to date no definite specific program has been recommended.

There are some plans that have received wide discussion. One plan is that we do away with the gold standard altogether and have nothing but credit money. This has the support of John Meynard Keynes, eminent British economist and financier. This plan has not received widespread approval on account of the feeling that we should have a money redeemable in some certain metal or metals.

The late Professor Lehfeldt, of South Africa, proposed a plan that the gold-producing nations buy up the gold mines and operate them in the public interest. His proposal was that when there is too much gold, resulting in rising price level, shut down

some of the mines; and when there is too little gold, resulting in falling prices, operate more mines even at a loss. Thus by regulating the world supply of gold the price level would be regulated.

Another plan which has received much discussion is by Frof. Irving Fisher, of Yale. His proposal contemplates a change in the number of grains of gold in the dollar, so as to maintain a stable price level. When gold becomes cheap put more grains of gold in the dollar, so it will buy the same quantity of commodities in general. When gold becomes dear reduce the grains of gold in the dollar, so it will buy the same quantity of commodities in general. Thus he would stabilize the purchasing power of money and maintain the price level.

What we have to find is a method of arranging means of exchange and also means of payment in such a manner as to prevent violent fluctuations in the price level. This is another way of saying that means of payment should be adjusted to the commodity price level. In a period of falling prices it is not so much that commodities have fallen in price as the value of gold has gone up. In other words, the Fisher plan contemplates that the value of gold in the dollar should be determined by the general price level of commodities instead of determining the price level of commodities by the value of gold in the dollar.

Every question that involves the welfare, happiness, and prosperity of the people is of concern to the members of the legal profession. A well-known maxim is, "Equity will not suffer a wrong to be without a remedy." This maxim should be applied to economic wrong. It is the business of every well-wisher of the Republic to find remedy for wrong.

The problems that have confronted our Government and our people in the past have been many, complex, and trying. The problems have been political, social, moral, and economic. Each problem was faced with frankness, courage, intelligence, and toleration, and solution was always found. The problems confronting the country since the late war have been the greatest and most complex since the foundation of our Government. We can depend upon the intelligence and spirit of our people to carry forward and onward in the future as in the past.

Mr. ARNOLD. Mr. Chairman, I yield such time to the gentleman from Mississippi [Mr. BUSBY] as he may desire.

Mr. BUSBY. Mr. Chairman, a little while ago the gentleman from Ohio [Mr. COOPER] commented on a speech that I made over the radio on the 19th of June. In a previous conversation a day or two ago he told me he had listened in on the speech and that he had seen mention of it in a number of papers.

From the comment he made in his speech I am afraid that he did not get the full import of the argument that I tried to present on that occasion. In order that the entire speech may be available I ask unanimous consent to extend my remarks in the RECORD by incorporating that address.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The address is as follows:

ECONOMIC INFLUENCES AS REFLECTED IN BUSINESS CONDITIONS

When this financial and business depression shall have passed and some future essayist discourses on the conditions of the present time, he will probably describe it as having been the most dismal year in the mercantile, investment, and financial history of the United States. He will, no doubt, tell us how trade and industry were prostrated as never before; how business activities in every line steadily dwindled almost to the point of absolute stoppage; how the security markets reached a condition of utter collapse; how the farmer passed through a period of extreme distress because of the shrinkage in the market values of his product; how the largest and wealthiest business institutions in normal times, such as the steel and copper industries, the great railway organizations and carrier systems of the country, reached the point where their very solvency was threatened; how bank failures, large and small, were spread throughout the country—so numerous as to become startling; how every type and character of business was profoundly affected; and how millions of workers sought employment and found no work to do.

A satisfactory explanation of the causes which have brought on this condition is as impossible to detail as it is to point out the atmospheric cross currents and forces that bring changes in the weather. We glide imperceptibly from the day of clear skies and beautiful sunshine into the day of overhanging clouds, high winds, and beating storms.

In the early part of 1929 apparent prosperity was in evidence on every hand. All property was advancing in value; stocks, bonds, and securities were selling at fabulous prices. The sunshine of prosperity was about us. It was the condition of the business mind of the country.

Then came October of 1929 and with it the break. Prices tumbled, business confidence changed to a sense of fear, and we were confronted with a new day. What had been normal production became, overnight, overproduction. Factories closed down or went on part time; unemployment was the result. Purchasing power of the consumer was curtailed or destroyed, thereby causing underconsumption. This in turn increased the apparent overproduction, and the process went on, becoming more oppressing as it grew.

No clear understanding of present conditions can be reached without a general glance at the field of finance and wealth. Wealth is a somewhat varying term. It must be considered in relation to physical properties and the general desire to own and possess them. The peak of wealth in the United States was reached in 1920 when it was placed at $494,000,000,000. By 1929 this had dropped to $373,000,000,000 and to $340,000,000,000 in 1930. Since that time there has been a gradual shrinkage of the national wealth, until now it is probably not more than $325,000,000,000. However, it is fair to say that with the shrinkage of national wealth, as measured in dollars, from $494,000,000,000 to $325,000,000,000, or approximately $170,000,000,000, the purchasing power of the dollar has increased, thereby largely offsetting this shrinkage in national wealth.

Attention should also be given to what is called the national income. The money value of the annual national income in the United States was fixed at $84,000,000,000 in 1929. In 1930 it had dropped to $66,700,000,000, a loss of $17,300,000,000, or 20.4 per cent. This loss was very largely suffered by labor and agriculture. It is the direct fruit of unemployment and reduced commodity prices. This in turn has caused the depression to more seriously affect the masses of the people.

One of the things generally alleged by economists to have played a part in bringing about our financial depression was the excess of production over consumption, both in raw materials and manufactured goods. It is doubtful that if the masses of our people had sufficient sustained purchasing power to provide themselves with the reasonable necessities of life that any overproduction of food supplies or manufactured goods would have ever been apparent.

Another contributing cause has been the artificial maintenance of commodity prices by arrangements which serve for a time, encouraging production out of line with the economic law of supply and demand. When these arrangements failed and commodity prices fell it was with sudden effect rather than in a slow and orderly manner.

Unquestionably, another contributing cause has been the high tariff wall built up by the recent Hawley-Smoot tariff bill, which paralyzed trade and exchange of commodities to an unnecessary degree with other countries.

The funded war debt owed the United States by European countries is more than $12,000,000,000. Other loans made by American bankers and individuals to foreign countries and their nationals have been placed at more than $15,000,000,000. The annual interest on these debts is easily more than a billion dollars, and this interest has usually been met by new borrowings from our country. Before the Hawley-Smoot bill became a law the annual trade balance was over a billion dollars in favor of the United States.

I have called attention to the situation to suggest that the only possible way the foreign countries and their nationals can pay their debts to our Government and its people is through the channels of trade and commerce. If the countries who owe us had all the gold in the world that is outside of the United States Treasury, it would not be more than $6,000,000,000. If they should deliver that gold to us as a payment on their obligations, it would not discharge one-fourth of the amount that are due us.

There is one of two things that must happen. The United States must accept, through the channels of trade, the commodities of foreign countries in discharge of their debts to us, or we will ultimately find it necessary and compulsory to cancel our claims against the foreign debtors. I do not favor that course; I rather prefer a modification of our tariff law so as to make it possible for us to trade with foreign countries as we have formerly done, so that we can sell them our wheat, our cotton, and our other products of which we have a surplus, and take in trade for them commodities they have to offer and for which we have a need. If our country is overloaded with money—and we do have now almost one-half of the world's supply of gold—if the countries that owe us are without money to buy our surplus products, and if by reason of the recent high tariff we will not permit our people to exchange their products for the products of other countries, we not only make it impossible to collect the debts due us but we bring trade and commerce to a standstill and commit them to a condition of stagnation.

There can be but little doubt that our recent tariff act, which is the highest tariff law ever enacted in our country, played a great part in setting in motion the machinery which has resulted in a world-wide depression. From the very beginning of the consideration of the Hawley-Smoot tariff bill foreign countries feared its result on the commerce of the world. They have protested against its enactment, and in many instances have enacted retaliatory tariff laws in a spirit of resentment.

Silver is the basis of currency in India, China, and Mexico. These countries contain one-third of the people in the world. Silver has dropped in price until the commodity value of the silver in a dollar is worth only 28 cents. With the shrinkage of the value of silver, the purchasing power of the countries whose currencies are based on silver has likewise shrunk. Since they can not pay for commodities in other countries they have largely ceased to be factors in commerce. Exports to these countries have been reduced and trade has lost as a result. Silver is one of the two monetary metals, and its fall in value has been a contributing cause throughout the world to the depression.

Our situation is not caused by lack of money, or by high interest rates. Of the ten and a quarter billion dollars of gold in the world, our country holds $4,797,000,000, or 46.8 per cent of it. This perhaps is more than we need for any purpose of stabilizing our currency. If all the gold in the world, two-thirds of which is

held by France and the United States, was more evenly distributed among the commercial nations, the currency of those nations would be more stabilized. This would increase their purchasing power and would enable them to take a more active part in trade and commerce.

We often hear it said that "The banks now have more money than ever before. What is the matter with business?" The circulating medium of "money" in the United States has not varied greatly during the past few years. It stands at about four and three-quarter billion dollars, or about $38 per capita. What does vary greatly is the bank checks and other methods used in banking to transfer credit from one trader to another. Of the business transacted, not more than 8 per cent is done by cash. Personal checks, bank drafts, and other commercial paper represent the other 92 per cent. This is the "currency" that has greatly diminished during the past year. That is due to the fact that business is retrenching. It does not desire capital or credit. Domestic commerce is more or less at a standstill. The American public is simply not in a mind to buy.

Interest rates on money are the lowest ever known in our country. The Federal Reserve Bank of New York recently fixed the rate 1½ per cent per annum. It is 3 per cent and less at the other Federal reserve banks. Yet business does not seek loans at these prices; it remains inactive and the depression goes on.

We often hear the question, "When will times become normal again?" Of course, no one can answer. But, in a general way, we know that the depression can not clear up until the conditions causing it have been remedied. World trade must be accelerated to something like its former volume. National credits must be revived. Tariff walls must be lowered and the exchange of commodities resumed. The $17,000,000,000 annual deficit in our national income must be restored and the 6,000,000 unemployed workers be given jobs. These adjustments will require time. Such momentous results can not be accomplished in a day. In the meantime it will help if men will deal with the situation as they find it and not continue to look backward on yesterday. We should cut loose from the wreckage of plans and schemes of other days which line the financial shores on every side and cast our eyes before us with new plans for new developments, using the advantages now in hand. As these develop we will take a new interest in things. We will again get on a firm foundation and regain our business confidence. When this is done we will be on a fair road to recovery.

Mr. RAINEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LOZIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the President's message and had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. RAINEY. Mr. Speaker, I move that all gentlemen who have spoken to-day on the President's message may be permitted to extend their remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

WAR DEBTS AND REPARATIONS

Mr. LAGUARDIA. Mr. Speaker, I renew my request that I made this morning to extend my remarks in the RECORD by printing certain tables and other information. This was objected to by the gentleman from Texas, but I understand now that he does not object to its going into the RECORD.

Mr. BLANTON. Reserving the right to object, and I shall not object, the only reason I held the matter up this morning was that the Senate yesterday passed the Johnson resolution, which is to spend $50,000 to accumulate these same facts. The gentleman from Mississippi [Mr. RANKIN] has a resolution that went in to-day that gives the Ways and Means Committee authority to appoint a committee of the House to investigate these same facts. I think it is worth while, however, for the membership to have this information, and I do not object.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAGUARDIA. Mr. Speaker, the New York American has published figures indicating the extent to which Americans have invested in securities of foreign countries.

It is evident from these articles that a thorough search was made for facts. The results of the New York American's survey were published in a series of articles.

In view of the widespread interest in this subject, with Congress considering the war debts owed the United States by foreign nations, I believe the articles from the New York American will be of great assistance to Congress and the country.

The articles are as follows:

[No. 1, November 8, 1931]

BILLIONS OF DOLLARS LOSS TO AMERICAN PRIVATE INVESTORS IN FOREIGN SECURITIES IS DISCLOSED IN A SURVEY JUST COMPLETED BY THE NEW YORK AMERICAN

The survey, covering the entire field of the American public's foreign financing since the war, reveals enormous depreciation in at least 90 per cent of the foreign bonds and stocks sold to the American public during the hectic period facetiously characterized as "America's attainment of its financial majority."

What this achievement has cost America's private investors is tragically portrayed in facts and figures which will be presented in a series of articles of which this is the first.

COST ENORMOUS

What the cost of the foreign financing folly has been indirectly can only be approximated. How serious an influence the phenomenal losses in foreign securities have been on the American securities market can only be surmised.

Suffice to accept as probably enormous the pressure which the huge losses have exerted upon banking and private loans secured in large part by the supposedly safe foreign securities. With the rapid shrinkage of their value the effect undoubtedly has been to force heavy dumping of our own American securities with disastrous consequences to the American markets.

The survey includes only those securities actually publicly offered in the United States and, presumably, bought by the public in firm conviction that they were participating in sound investments, as represented by the Nation's leading bankers.

SCOPE LIMITED

No account is taken of the enormous aggregate of short-term credits, central bank credits, etc., running upward of a billion dollars, and advanced in great part out of public funds placed with the Nation's banking community. Nor is Canada's vast borrowings included in the survey.

The story of America's private foreign "investments" is one of simple faith and bitter disillusionment.

It is a tale of violent depreciation, of virtual cancellation of invested funds. It is written across the boundaries of virtually all nations, great and minor, of Europe, and through the whole of South America. Other parts of the world contribute to the tragedy, but these two continents—Europe and South America—absorbed the greatest proportion of America's private foreign lending of the postwar and war periods.

America's private foreign financing is a portrait of a nation following blindly the dictates of a banking community suddenly become international-minded getting into "foreign entanglements" in a financial sense, and running amuck on misguided conception of foreign "investing" or lending, extension of loans with a colossal ignorance of prospects, and with a prodigality unequaled in the economic history of the world.

The American private investor's experience in foreign financing has become a nightmare, and hundreds of thousands of our investors have suffered therefrom.

In all, the world at large during the period of 1914–1930 came to the United States for a total of $15,000,000,000 in loans.

This is wholly exclusive of the billions advanced directly by our Government to Europe's governments as "war loans" and which the debtor countries to-day are seeking to have canceled.

Funds for those loans, too, came from the American investor via the Liberty and Victory loans, but for the purpose of the present survey they are entirely ignored. As a matter of fact, these government loans have at least the United States Government's backing and as such presumably are subject to protection by Uncle Sam.

But what of the private "investor"?

THREE CLASSIFICATIONS

There are three classes of foreign financing:

1. Government loans—by the United States Government to foreign governments (the war loans).

2. Private credits—extended by banks and banking houses out of funds in their control.

3. Public loans—advances by American banks and bankers to foreign governments and corporations and municipalities, the funds being derived from sale to American private investors of the bonds and stocks of the foreign governments or corporations.

It is with the latter class of financing alone that the American's survey is dealing.

From an insignificant annual lending of a comparatively few millions, or better still, from being itself a borrower, the United States following the war became the great supplier of capital for the entire world.

QUESTION OF PRIORITY

Naturally, in view of the difficulties which since have become publicly known, the major question becomes—

Which class of loan shall have priority, government-to-government, private credits, or loans made by private American investors? This is a matter of prime importance to the private investor, especially in view of the violent campaigns now engaging the financial world with respect to priority of loans. For a great

many investors the question already has been answered by reason of the virtual wiping out of their investments.

Our annual private lending abroad bounded forward with amazing rapidity, until it finally crossed the billion-dollar mark in 1924. Then followed a remarkable era of billion-dollar years, during which governments, corporations, municipalities, churches, and almost every other conceivable enterprise or element the world over drew upon the seemingly endless American reservoir of capital.

NO DEFINITE POLICY

And borrowing was easy. The American investor was relying upon the bankers. And faith in the banker was virtually the only measuring rod for the investor, for the bankers themselves were subjected to virtually no restriction.

The State Department at Washington, which conceivably is the proper safety valve for such activities has never had a definite policy regarding private loans to foreigners or foreign issues floated in the United States. From Washington comes this explanation of the State Department attitude:

"There is an understanding between financiers and the department by which all such loans are submitted informally to the State Department before any action is taken in order to secure State Department approval.

"This has been the practice for some time now dating back to the Coolidge administration. In general, loans are approved if for constructive purposes rather than for military purposes."

LITTLE RESTRAINT

Actually the State Department control over foreign issues has been perfunctory. Its restrictive powers were exercised, if at all, in exceptionally few instances on record.

No official restraint was practiced anywhere in the United States with respect to foreign loans being sold to American private investors. Not even the blue-sky control which frequently detects and prevents fraudulent or suspicious domestic financing was effective in stemming the tide of foreign loans.

The sellers of these foreign securities enjoyed an absolutely free hand in their foreign-issue offerings in the American market, even securing listing on the New York Stock Exchange and other American exchanges by the mere formality of presenting an innocuous document prepared by the minister of finance or treasurer of the foreign nation, municipality, or enterprise.

No check-up was made by the stock exchange to ascertain the accuracy of the statements therein made, and no recourse is left to the American investor but to sit idly by while his investment suffers untold shrinkage.

NO RECOURSE

For to what source is the American private investor to appeal for aid in proving suspicions of fraud or immorality in the financing? At least the great banks of the country and the banking houses now worried by their "frozen credits" in foreign nations can demand Government support to their attempts to recuperate their losses.

But the individual private investor has nothing but a vicious loss to record his participation in the Nation's rise to "world banking leadership."

How great an outpouring of public offerings of foreign securities was experienced during the last eight years alone is graphically evidenced in the following table:

1923	$497,000,000
1924	1,217,000,000
1925	1,316,000,000
1926	1,288,000,000
1927	1,577,000,000
1928	1,489,000,000
1929	705,000,000
1930	1,087,000,000

What amazing influence had stretched itself over the United States sufficient to induce such prodigal lending? True, the Nation emerged from the war powerful in resources, and its material wealth, aside from loss of man power, was tremendously increased.

But why the staggeringly immense foreign lending?

SECRET GUARDED

Representative MCFADDEN, chairman of the Congressional Banking and Currency Committee, has publicly declared that international bankers reap commissions or profits of 8 to 10 per cent on foreign financing.

The exact figures of commissions or profits are closely guarded secrets. The New York American attempted to ascertain the figures from New York bankers, from Washington, Paris, London, Berlin, and elsewhere, but all to no avail. They may hold the secret for the great banking flotations! There has lately arisen a growing demand for congressional investigation of the whole sordid story of American foreign financing spree.

Representative MCFADDEN'S assertions, if they can be accepted, would place a possible profit to the bankers on their foreign financing operations at from twelve hundred million to fifteen hundred million dollars. At 5 per cent the profits to the security dealers would be $750,000,000.

But whatever the inducement for the great flood of foreign financing the American investor is paying the fiddler.

SOUTH AMERICA HIT

What is the record? Only facts and figures are presented.

In the course of the American's survey a compilation became available from a seemingly unprejudiced source. It is a table presenting details of the United States public's "investing" record in South America. The source is the Latin-American Bondholders' Association (Inc.), an organization formed, incidentally, because of the tragic depreciation in our investments on that continent.

The losses suffered in South American investments are fantastic.

The association's compilation relates that approximately 80 per cent of American investments in that continent had been wiped out by reason of the depreciation in market values of the "dollar loans" sold to the United States public!

Here are the association's figures:

One hundred and twenty-two South American dollar loans have shrunk in value an aggregate of eleven hundred million dollars.

Their aggregate par value is only $1,531,906,000.

WORTH ONLY 10 PER CENT

For some countries the bonds sold to American private investors dropped to an average of less than 10 per cent of their par value. Peru's bonds were selling this year at 6.8 per cent of par!

Nor was this an isolated case.

Bolivia's bonds were quoted at but 7.7 per cent of par.

But why take individual instances for recording? Here is the association's compilation country by country:

	Amounts issued	Approximate principal amounts outstanding	Approximate market value at 1931 low		Contraction in values from par
			Dollars	Per cent of par	
Argentina	$420,418,500	$389,414,000	122,035,000	31.4	$267,379,000
Bolivia	68,653,500	59,293,000	4,521,000	7.7	54,772,000
Brazil	414,130,000	359,745,000	63,035,000	18.1	296,710,000
Chile	296,112,000	282,935,000	33,947,000	12.0	248,988,000
Colombia	170,335,000	154,358,000	28,781,000	18.7	125,577,000
Peru	94,500,000	90,950,000	5,152,000	6.8	84,798,000
Uruguay	67,757,000	59,490,000	14,272,000	24.0	45,218,000
Total	1,531,906,000	1,396,185,000	272,743,000	-------	1,123,442,000

One of the Peruvian National Government issues sold at 5¼. The interest alone called for 6. The bonds were sold at 91½.

The association estimates that 200,000 investors and millions of other people in the United States are directly involved in these loans. The chairman of the association remarks:

"It is too much to hope that all of these issues will ever be paid 100 per cent."

Chile, Bolivia, and Peru already have defaulted on their bonds.

EXACT STATUS VAGUE

Brazil, while not actually in default, has made an arrangement whereby its obligations are paid by coupons of interest-bearing scrip. Considerable mystery still surrounds the actual disposition of the Brazilian debts.

The scrip policy has been officially adopted by the Government of Brazil through an arrangement with creditors, but as yet the Brazilian States and municipalities have not announced their status regarding their securities.

[No. 2, November 9, 1931]

FINANCING COMPLETED MAINLY THROUGH SALE OF "DOLLAR BONDS"

During the period 1914–1930, inclusive, $2,383,000,000 South American government and corporate bonds and stocks were sold to private investors in the United States.

The total borrowings were divided as follows:

Argentina	$924,740,000
Chile	514,652,000
Brazil	448,667,000
Colombia	219,774,000
Peru	103,710,000
Bolivia	72,930,000
Uruguay	53,918,000
Venezuela	42,892,000
Paraguay	2,272,000

The greatest portion of South American financing in this market has been through sale of "dollar bonds" to the American private investor. There are still outstanding, at par value, $1,396,000,000 of such bonds.

VALUE AT LOW PRICES

Their value, however, at the 1931 low prices, approximated $272,000,000, a depreciation of 80 per cent.

The above table of South American "investments" sold to American investors entirely excludes whatever credits have been advanced to South American governments, business enterprises, municipalities, and others, where the funds were not obtained through direct sale of securities to the American public.

It is understood that the aggregate of such credits is enormous. There has also been a huge total of offerings to the American public of securities representing United States or semi-United States companies operating in South America, but which also has been excluded from the present study.

BIG SHRINKAGE

The record of the "dollar loans" of South America bought by American private investors is dramatic evidence of the phenomenal

shrinkage in values. The complete record of each "dollar loan," as compiled by the Latin-American Bondholders Association (Inc.), is shown in the following table:

Complete record of "dollar loans"

Borrower	Amount issued	Coupon per cent	Year	Price	Approximate: Amount outstanding	Approximate: Low, 1931	Approximate: Market value, low, 1931
ARGENTINA							
National Government	$40,000,000	6	1924	96½	$35,938,000	35½	$12,758,000
	30,000,000	6	1924	95	27,657,000	35½	8,918,000
	45,000,000	6	1925	96	41,818,000	35½	14,845,000
	29,700,000	6	1925	96½	27,605,000	35½	9,800,000
	20,000,000	6	1926	98	19,008,000	35½	6,748,000
	16,900,000	6	1926	98½	15,942,000	35½	5,659,000
	27,000,000	6	1927	98¼	25,650,000	35½	9,106,000
	21,200,000	6	1927	99	20,268,000	35	7,195,000
	40,000,000	6	1927	99½	38,227,000	35	13,571,000
	20,000,000	5½	1928	97	19,217,000	31	5,957,000
Buenos Aires Province	14,472,000	7½	1926	99	12,588,000	25	3,147,000
	10,600,000	7	1926	96½	8,978,000	23½	2,110,000
	41,101,000	6	1928	96½	39,496,000	19½	7,702,000
	11,675,000	6½	1930	95½	11,500,000	18¼	2,099,000
Buenos Aires City	8,490,000	6½	1924	96½	7,676,000	30½	2,341,000
	3,396,000	6	1927	97½	3,221,000	28	902,000
	3,396,000	6	1928	98½	3,242,000	28	908,000
Cordoba Province	5,943,000	7	1925	95	4,743,000	41	1,945,000
Cordoba City	4,669,500	7	1927	98¾	4,414,000	16	706,000
	2,547,000	7	1927	97	1,750,000	30	525,000
Mendoza Province	6,500,000	7½	1927	98¾	5,000,000	18	1,062,000
Santa Fe Province	10,188,000	7	1925	96	7,734,000	30	2,320,000
Santa Fe City	2,122,500	7	1927	94½	1,795,000	25	449,000
Tucuman Province	2,122,500	7	1927	94½	1,897,000	25	474,000
Tucuman City	3,396,000	7	1928	96½	3,150,000	25	788,000
Total for Argentina	420,418,500				389,414,000		122,035,000
BOLIVIA							
National Government	2,400,000	6	1917	97½	1,279,000	7	90,000
	24,000,000	8	1922	101	22,074,000	10	2,207,000
	3,065,000	8	1924	93			
	2,188,500	8	1924	93			
	14,000,000	7	1927	98½	13,380,000	6½	870,000
	23,000,000	7	1928	97½	22,560,000	6	1,354,000
Total for Bolivia	68,653,500				59,293,000		4,521,000
BRAZIL							
Federal Government	50,000,000	8	1921	98	32,546,000	20	6,509,000
	25,000,000	7	1922	96½	17,881,000	15	2,682,000
	60,000,000	6½	1926	90½	56,121,000	17	9,541,000
	41,500,000	6½	1927	92½	39,477,000	18	7,106,000
Rio de Janeiro City	12,000,000	8	1921	97¾	8,295,000	14¼	1,182,000
	30,000,000	6½	1928	97	30,000,000	10	3,000,000
	1,770,000	6	1928	99	1,770,000	20	354,000
Ceara State	2,000,000	8	1921	99½	1,980,000	15	297,000
Maranhao State	1,750,000	7	1928	94	1,702,000	10	170,000
Minas Geraes State	8,500,000	6½	1928	97½	8,128,000	12	975,000
	8,000,000	6½	1929	87	7,812,000	12	937,000
Parana State	4,860,000	7	1928	98	4,642,000	9¼	429,000
Pernambuco State	6,000,000	7	1927	97¾	5,248,000	7	367,000
Rio de Janeiro State	6,000,000	6½	1929	91½	6,000,000	12½	750,000
Rio Grande do Sul State	10,000,000	8	1921	99½	6,000,000	25	1,500,000
	10,000,000	7	1927	98	9,748,000	12	1,170,000
	23,000,000	6	1928	94¼	23,000,000	10	2,300,000
Cons. Municipal	4,000,000	7	1930	97	3,893,000	12	467,000
Porto Alegre City	3,500,000	8	1922	99	3,105,000	12	372,000
	4,000,000	7½	1926	96	3,664,000	10	366,000
	2,250,000	7	1928	97½	2,097,000	8	168,000
Santa Catharina State	5,000,000	8	1922	101	4,705,000	12	565,000
Sao Paulo State	10,000,000	8	1921	97½	4,950,000	28½	1,411,000
	15,000,000	8	1925	99½	15,000,000	12¾	1,912,000
	7,500,000	7	1926	96½	6,914,000	10	691,000
	15,000,000	6	1928	94½	14,698,000	10	1,470,000
	35,000,000	7	1930	96	31,489,000	47	14,800,000
Sao Paulo City	8,500,000	6	1919	95½	5,706,000	19	1,084,000
	4,000,000	8	1922	100	3,174,000	14½	460,000
Total for Brazil	414,130,000				359,745,000		63,035,000
CHILE							
National Government	18,000,000	7	1922	96½	15,100,000	18	2,718,000
	42,500,000	6	1926	93¼	40,413,000	10	4,041,000
	27,500,000	6	1927	93¼	26,004,000	10	2,600,000
	16,000,000	6	1928	94	15,577,000	12	1,869,000
	45,912,000	6	1928	93½	44,152,000	12	5,298,000
	10,000,000	6	1929	93½	9,790,000	12	1,175,000
	25,000,000	6	1930	91½	24,875,000	11	2,736,000
Mort. Bank of Chile	20,000,000	6½	1925	97¾	18,700,000	12	2,244,000
	20,000,000	6¾	1926	99¼	18,623,000	23½	4,376,000
	10,000,000	6	1926	98¾	10,000,000	12	1,200,000
	20,000,000	6	1928	95¾	19,237,000	10	1,924,000
	20,000,000	6	1929	92	19,797,000	7½	1,485,000
Chilean Cons. Mun.	15,000,000	7	1929	94	14,767,000	12¼	1,809,000
Santiago City	4,000,000	7	1928	100¼	3,722,000	8	298,000
	2,200,000	7	1930	96½	2,178,000	8	174,000
Total for Chile	296,112,000				282,935,000		33,947,000

Complete record of "dollar loans"—Continued

Borrower	Amount issued	Coupon per cent	Year	Price	Approximate: Amount outstanding	Approximate: Low, 1931	Approximate: Market value, low, 1931
COLOMBIA							
National Government	$25,000,000	6	1927	92½	$23,750,000	20	$4,750,000
	35,000,000	6	1928	95	33,500,000	19	6,365,000
Agric. Mort. Bank	3,000,000	7	1926	94	2,200,000	21¼	467,000
	3,000,000	7	1927	97¾	2,600,000	20½	533,000
	5,000,000	6	1927	92	4,250,000	20	850,000
	5,000,000	6	1928	93½	4,250,000	21½	914,000
Antioquia department:							
A	3,000,000	7	1925	90	5,200,000	16½	858,000
A	3,000,000	7	1926	93			
B	6,000,000	7	1926	91½	5,100,000	16½	842,000
C	2,500,000	7	1927	96½	2,000,000	16¼	325,000
D	3,750,000	7	1928	95½	5,000,000	16¼	813,000
D	1,750,000	7	1929	93			
1st	4,000,000	7	1927	93	3,716,000	14	520,000
2d	4,000,000	7	1927	94¼	3,670,000	13	477,000
3d	4,350,000	7	1928	96½	4,121,000	13	536,000
Interest	900,000	8	1926	96½	800,000	17	136,000
Medellin City	3,000,000	7	1926	93¼	2,600,000	22	572,000
	9,000,000	6½	1923	93¼	8,350,000	14¾	1,232,000
Caldas Department	6,000,000	7½	1926	95½	8,500,000	20¼	1,721,000
	4,000,000	7½	1926	98			
Cauca Valley Department	2,500,000	7½	1926	96½	3,500,000	20	700,000
	1,500,000	7½	1927	98			
	4,500,000	7	1928	96	4,125,000	17	701,000
Cali City	2,000,000	7	1927	93	2,600,000	22	572,000
	635,000	7	1928	97			
	250,000	7	1930	97			
Cundinamarca Department	12,000,000	6½	1928	93½	11,500,000	15½	1,783,000
Bogota City	6,000,000	8	1924	98	4,900,000	25	1,225,000
	2,700,000	6½	1927	91	2,250,000	20½	461,000
Santander Department	2,000,000	7	1928	94	1,927,000	25	482,000
Tolima Department	2,500,000	7	1928	93½	2,112,000	23	486,000
Barranquilla City A	500,000	8	1925	99	190,000	25	48,000
B	500,000	8	1925	100	305,000	25	76,000
C	500,000	8	1927	101	423,000	25	106,000
D	500,000	8	1928	102	450,000	25	113,000
E	500,000	8	1930	99	469,000	25	117,000
Total for Colombia	170,335,000				154,358,000		28,781,000
PERU							
National Government	15,000,000	7	1927	96½	14,400,000	10	1,440,000
	50,000,000	6	1927	91½	48,000,000	5¼	2,520,000
	25,000,000	6	1928	91	24,400,000	7	1,708,000
Callao Province	1,500,000	7½	1927	99	1,250,000	10	125,000
Lima City	3,000,000	6½	1928	93	2,900,000	13¾	399,000
Total for Peru	94,500,000				90,950,000		6,152,000
URUGUAY							
National Government	1,505,000	5	1915	90	1,293,000	20	259,000
	7,500,000	8	1921	98½	3,500,000	30	1,050,000
	30,000,000	6	1926	96½	28,026,000	25	7,007,000
	17,581,000	6	1930	98	17,304,000	25	4,326,000
Montevideo City	6,000,000	7	1922	97	4,500,000	16¾	754,000
	5,171,000	6	1926	93¼	4,867,000	18	876,000
Total for Uruguay	67,757,000				59,490,000		14,272,000

[No. 3, November 10, 1931]

MORE THAN SIX BILLION BORROWED HERE FROM PUBLIC INVESTORS

European governments and semigovernmental agencies, when they sought loans in this country in recent years, found the American investor's pocketbook wide open.

Advised by American bankers that they were making sound and safe investments, American private investors absorbed a staggering amount of European securities.

The price they have paid for their error is colossal.

The New York American's survey discloses a depreciation of almost $800,000,000 has taken place in American private investors' holdings of European government and quasi-government securities.

What the American private investor has lost in European corporate securities (as distinguished from government and government-guaranteed issues) is another story, but equally tragic.

Since 1914 Europe as a whole obtained upwards of sixty-seven hundred million dollars from American private investors in the form of loans or through sale of stocks in this country.

This is 40 per cent of all foreign investments made by American private investors during the period 1914–1930, inclusive. In all, 15 billions of foreign offerings were floated in the American market to private investors.

Emphasis is placed on private investors throughout the present series so that there will be no misconception of the field covered.

This series deals only with foreign bonds and stocks actually sold to the private American investor through public offering by American bankers. It ignores entirely the billions lent directly by the United States Government to Europe's governments as "war loans."

Twenty-six European nations and political subdivisions dipped into the American private investor's funds at some time or other during the last 17 years. And where the government or municipality of a country or region for some reason or other failed to float an American loan, its corporations borrowed in the United States.

Governments, however, accounted for approximately five-sixths of the total borrowings.

The complete record covering the 17-year period 1914–1930 for every European country or division will be found at the right.

Not all of these securities still are outstanding. Some have been retired, and a great number of "refunding" operations have been effected whereby new securities were issued, almost invariably through the American market, to substitute for or retire issues previously outstanding.

There still are outstanding in excess of $2,400,000,000 of such European government and government-guaranteed issues, at par value. This is the total now owned by American investors.

The current market value of these issues is $1,600,000,000.

Their depreciation from par value is $772,000,000.

European securities publicly offered in the United States, 1914–1930

	Government	Corporate	Total
England	$1,470,287,000	$97,828,000	$1,568,915,000
France	1,157,295,000	21,950,000	1,179,245,000
Germany	949,842,000	430,794,000	1,380,637,000
Italy	410,795,000	206,837,000	617,632,000
Belgium	305,545,000	34,130,000	339,675,000
Norway	184,625,000	26,515,000	211,140,000
Switzerland	105,322,600	12,480,000	117,802,000
Sweden	25,000,000	142,846,000	167,846,000
Netherlands	96,451,000	18,947,000	115,398,000
Austria	99,111,000	15,009,000	114,120,000
Poland	132,075,000	39,250,000	171,325,000
Denmark	215,077,000	7,164,000	222,241,000
Danzig	3,000,000		3,000,000
Saar Territory	11,500,000		11,500,000
Hungary	48,650,000	40,293,000	88,943,000
Russia	75,000,000		75,000,000
Rumania	9,169,000		9,169,000
Finland	70,000,000	7,000,000	77,000,000
Estonia	4,000,000		4,000,000
Spain		44,400,000	44,400,000
Luxemburg		7,500,000	7,500,000
Greece	29,000,000	600,000	29,600,000
Czechoslovakia	53,750,000	5,500,000	59,250,000
Bulgaria	13,500,000		13,500,000
Ireland	15,000,000	875,000	15,875,000
Yugoslavia	64,285,000		64,285,000
Total	5,548,200,000	1,159,000,000	6,708,000,000

[No. 4, November 12, 1931]

Here is the fourth article in New York American survey of foreign securities sold to American private investors. Thus far the following facts have been shown:

First. Some fifteen billions of foreign government and foreign corporation securities have been floated in the United States since 1914.

Second. Eleven hundred million dollars' depreciation has taken place from par in American private investor's holdings of South American "dollar bonds."

Third. European government and semigovernment issues of European countries sold to American private investors have shrunk in value almost $800,000,000.

Fourth. The list of American citizens' investments in the government bonds of 16 European countries shows a loss of 43 per cent from par value at a recent figure, which was not the low figure of the European debacle.

Fifth. Banking commissions on the sale of the fifteen billion of foreign securities floated in the United States since 1914 would amount to $750,000,000 if 5 per cent can be accepted as a fair average commission.

These bankers' commissions, however, sometimes greatly exceed 5 per cent, so that an estimate of $1,000,000,000 in commissions would not be excessive.

Sixth. None of the foregoing figures have anything to do with United States Government loans direct to European nations during and immediately following the war.

Securities of 16 European governments and government agencies have shrunk in value more than 43 per cent since they were sold to American private investors.

Total depreciation from par value of these European securities amounts to more than $700,000,000.

And still this enormous loss excludes entirely the vast amount of European corporation securities which also were sold to American investors.

LOSSES TO INVESTORS

For the purpose of ascertaining the status of American private investment in European government and semigovernment enterprises the New York American survey was divided into two parts. The part dealt herewith covers those countries where the decline has been bigger than 10 per cent.

Losses to American investors run into staggering amounts. The $75,000,000 old Russian loans, for example, have been completely wiped out.

Depreciation of 50 per cent or more are frequent.

Accompanying compilation reveals the tragic consequences of America's liberality in lending billions of dollars to Europe, over and above the billions advanced by our Government as war loans.

Every country in Europe availed itself of the American liberality.

Germany was a particular beneficiary. That nation's government and semigovernment units now owe to American private investors over $700,000,000.

CURRENT VALUE

How the market rates this debt is exemplified by the current value of only $277,000,000.

Depreciation in German Government and semigovernment securities alone approximates 57 per cent.

It is a sad commentary on the German lending that some of that nation's outstanding citizens now complain that they were virtually implored by American bankers to accept loans. The proceeds in a great many instances, notwithstanding the supposedly dire needs of the country, were utilized for the construction of bathing facilities, parks, playgrounds, and similar developments.

The bankers' funds for making those loans of course came from the private American investor who bought the German bonds offered by the bankers.

But even this isn't the worst experience for the American investor, forgetting the Russian loan folly.

Bulgarian securities sold to the American private investor have dropped in value 62 per cent.

Hungarian issues have slumped 60 per cent. Yugoslavian securities are available now for 45 per cent of par, a depreciation of 55 per cent. Poland's securities have slumped 43 per cent. And so on down the line for the entire 16 nations of Europe.

Czechoslovakia, Italy, and Norway, along among the 16 countries surveyed to-day, show depreciation of 20 per cent or less. Norway's securities have slumped 10 per cent.

These facts are reflective of aggregate totals for each nation.

Individual issues have slumped as much as 75 per cent.

The table gives in detail the experiences of the average American investor in the 16 countries.

Enormous depreciation shown in American holdings of European government issues

Country	Par value of offerings now whole or in part outstanding	Actual cash invested by public of United States	Par value of outstanding issues	Current value of outstanding issues	Depreciation from par	Depreciation (per cent)
Austria	$135,611,000	$127,273,900	$132,426,000	$91,520,130	$40,905,870	−30.3
Bulgaria	13,500,000	12,870,000	13,348,537	5,209,605	8,138,932	−62.6
Denmark	151,977,500	146,190,540	149,216,750	114,940,310	34,276,440	−22.1
Estonia	4,000,000	3,780,000	4,946,500	2,967,900	1,978,600	−40
Finland	70,000,000	65,225,000	62,948,260	36,564,370	26,383,890	−41
Germany	711,192,600	656,239,950	649,089,110	277,413,160	371,675,950	−57
Greece	26,000,000	23,330,000	25,603,000	14,985,480	10,617,520	−41
Hungary	44,650,000	43,606,100	42,599,300	13,911,530	28,687,770	−60
Ireland	15,000,000	14,550,000	3,612,500	2,709,375	903,125	−25
Italy	187,150,000	176,150,000	171,610,655	137,386,302	34,224,353	−20
Norway	170,500,000	165,002,325	166,343,000	135,322,146	31,020,854	−10.8
Poland	122,075,750	114,718,250	108,280,030	61,052,800	47,227,230	−43.9
Rumania	5,419,500	4,769,160	5,419,500	3,251,700	2,167,800	−40
Russia	75,000,000	73,687,500	75,000,000	750,000	74,250,000	−99
Saar Territory	11,500,000	11,052,500	7,834,000	5,481,170	2,352,830	−30
Yugoslavia	49,286,400	45,992,200	49,285,000	22,093,000	27,192,000	−55
Total	1,792,872,000	1,684,437,000	1,667,562,000	925,559,000	742,003,000	−43

[No. 5, November 14, 1931]

1. Four hundred and fifty million dollars depreciation has taken place in value of German Government and semi-Government securities sold to American private investors.

2. American investment losses in German securities are the largest in any foreign nation.

3. There is outstanding to-day and owed to American investors more than $700,000,000 of German Government and semi-Government loans.

4. Germany has been the most prodigious European postwar borrower from the United States. Her aggregate borrowings from private investors in this country have exceeded thirteen hundred millions, almost all advanced during the period 1924–1930, inclusive. Our international bankers sold these securities to American investors, thereby earning large commissions.

5. Germany for years used her American borrowings to meet her reparations debts.

6. The ogre of a possible moratorium for Germany hangs over all her obligations.

For seven years, 1924–1930, inclusive, Germany indulged in the greatest borrowing spree the world has ever witnessed.

In that period the Reich and its political divisions and German corporations marketed in the United States more than thirteen hundred million dollars of their securities.

Liberality with which American investors' funds were advanced to Germany embodied all of the ignorance and amazing lack of foresight which characterized the whole postwar foreign financing era in the United States.

As a result American investment losses in German securities are the largest in any foreign land.

57 PER CENT DEPRECIATION

Of the thirteen hundred and seventy-two million dollars total German financing in the United States, there still is outstanding $780,000,000 of Government and semi-Government issues at par value.

Market value of these securities to-day is $329,000,000.

Depreciation totals $450,000,000, or 57 per cent.

And even this enormous shrinkage is totally exclusive of losses suffered in German corporate securities floated to an aggregate above $400,000,000.

Successful flotation of the Dawes plan loan in the international capital markets opened the eyes of Germany to the vast possibilities for enticing foreign capital into that country. There followed then a period of foreign financing for Germany which has no duplicate in world history.

From years of absolutely no German financing in the American market there developed an amazing growth of German security sales here. The United States, then in the supposedly endless era of prosperity at home, absorbed hundreds of millions in German securities.

Germany, to her amazement, found the American money markets actually eager to secure her bonds and stocks. And Germany finally discovered some embarrassment in using these foreign funds.

For several years during the fantastic era Germany utilized the proceeds of her foreign financing, chiefly from American investors, to meet her reparations requirements.

USE OF LOANS

Furthermore, German recipients of American investors' liberality deemed it advisable to build up their industrial machinery to compete once again in the world's markets. Proceeds of loans were also used in the construction of public conveniences above and beyond necessities. Playgrounds, home developments, public parks, and similar undertakings were all financed with the inflowing foreign capital.

How freely the American market absorbed German securities is evidenced in the following table. It presents yearly totals of German Government and semi-Government securities publicly sold to American private investors:

[Thousands omitted]

Year	Government	Corporate	Total
1924	$110,000	$8,000	$118,000
1925	158,750	59,500	218,250
1926	151,138	143,108	294,245
1927	150,405	80,120	230,525
1928	186,370	106,106	292,476
1929	21,476	10,149	31,625
1930	143,308	23,510	166,818
Total	941,846	430,793	1,372,639

The aftermath of this fantastic era of foreign lending by the American investor is chilling. To-day the world is rife with ugly rumors concerning Germany's capacity to pay, her inclination to meet her obligations, and similar doubts questioning the safety of all foreign investments in Germany. And the United States investor has the biggest stake of any nation's private investors. This, of course, excludes the political and intergovernmental debts.

The dollar-and-cents story of American loans to German Government and semi-Government bodies is graphically told in the accompanying table.

German State issues publicly sold in United States and now outstanding

Borrower	Amount issued	Interest		Amount current		Current value	Depreciation from par
		Rate per cent	Issue price	Outstanding	Quotation		
Free State of Anhalt	$1,750,000	7	98⅞	$1,400,000	25	$350,000	$1,050,000
Free State of Bavaria	15,000,000	6½	88½	11,250,000	35	3,837,000	7,412,000
	8,000,000	6½	92¾	7,838,000	35	2,743,000	5,094,000
Bavarian Palatinate Consolidated Cities	3,800,000	7	93⅜	3,385,000	25	846,000	2,539,000
Berlin City Electric Co	15,000,000	6½	93½	14,288,000	40	5,715,000	8,572,000
	9,651,000	6½	93½	9,541,000	41	3,912,000	5,629,000
	12,778,000	6½	90½	12,778,000	35	4,472,000	8,305,000
Berlin Elevated Underground R. R. Co	9,681,000	6½	94½	9,681,000	44	4,025,000	5,123,000
Brandenburg Electric Co	5,000,000	6	93½	4,765,000	29	1,381,000	3,383,000
Brown Coal Industrial Corporation	2,000,000	6½	93½	2,000,000	40	800,000	1,200,000
City of Berlin	13,000,000	6½	89	11,579,000	37	4,284,000	7,295,000
	178,000	6	75	133,000	25	33,000	100,000
	1,190,000	5	91⅝	671,000	65	436,000	234,000
	15,000,000	6	95	14,616,000	29	4,238,000	10,477,000
City of Cologne	8,000,000	6½	87½	7,014,000	34	2,385,000	4,629,000
German consolidated municipal loan of German savings banks and clearing-house associations	17,500,000	6	94½	16,433,000	32	5,258,000	11,174,000
Central Bank of Agriculture	19,000,000	7	93	17,300,000	51	8,823,000	8,477,000
	19,000,000	6	95	18,385,000	50	9,192,000	9,192,000
	43,405,000	6	95½	41,130,000	49	20,153,000	20,976,000
	26,000,000	6	95½	24,963,000	52	12,970,000	11,992,000
Central Bank of German State and Provincial Banks (Inc.)	3,500,000	6	95	3,340,000	31	1,035,000	2,305,000
	10,000,000	6	95	9,275,000	33	3,060,000	6,214,000
Central German Power Co. of Magdeburg	2,430,000	6	98¼	2,430,000	89	2,162,000	267,000
Consolidated agricultural loan of German provincial and communal banks	21,000,000	6½	97½	20,290,000	38	7,710,000	12,579,000
Consolidated Hydroelectric Works of Upper Wurttemburg	4,000,000	7	93	3,778,000	40	1,515,000	2,273,000
Consolidated Municipalities of Baden	4,500,000	7	93	4,135,000	30	1,240,000	2,894,000
Consolidated municipal loan of German savings banks	19,950,000	7	93¾	18,385,000	35	6,434,000	11,950,000
Dortmund Municipal Utilities	3,000,000	6½	91½	3,000,000	45	1,350,000	1,650,000
City of Dresden	3,750,000	7	94	3,174,000	32	1,015,000	2,158,000
City of Duisburg	3,000,000	7	98⅜	2,250,000	25	562,000	1,687,000
City of Dusseldorf	1,750,000	7	93⅞	1,312,500	80	1,050,000	262,500
Electric Power Corporation	5,000,000	6½	87	5,000,000	38	1,900,000	3,100,000
	2,500,000	6½	87	2,500,000	38	950,000	1,550,000
	5,000,000	6½	99½	5,000,000	35	1,750,000	3,250,000
East Prussian Power Co	3,500,000	6	91	3,426,000	30	1,027,000	2,398,000
City of Frankfort on the Main	2,800,000	7	94	2,800,000	40	1,120,000	1,680,000
	6,250,000	6½	99½	6,062,000	29	1,758,000	4,304,000
German Building and Land Bank	5,250,000	6½	98½	5,079,000	30	1,523,000	3,555,000
Government of Germany	110,000,000	7	92	83,791,000	64	53,731,000	30,060,000
	98,250,000	5½	90	98,250,000	38	37,335,000	60,915,000
Hamburg Electric Co	4,000,000	7	95½	3,000,000	84	2,520,000	480,000
Hamburg Elevated, Underground & Street Rys. Co	6,500,000	5½	92½	6,293,000	50	3,146,000	3,146,000
City of Hamburg	10,000,000	6	91¾	10,000,000	39	3,900,000	6,100,000
City of Hanover	3,500,000	7	98	3,459,000	35	1,210,000	2,248,000
City of Heidelberg	1,500,000	7½	98½	1,401,000	32	488,000	912,000

German State issues publicly sold in United States and now outstanding—Continued

Borrower	Amount issued	Interest		Amount current		Current value	Depreciation from par
		Rate per cent	Issue price	Outstanding	Quotation		
Province of Hanover Harz Water Works	$1,000,000	6	95	$1,000,000	35	$350,000	$750,000
	3,725,000	6½	94½	3,725,000	26	968,000	2,756,000
City of Leipzig	3,750,000	7	94¾	3,339,000	35	1,168,000	2,170,000
Leipzig Overland Power Co	2,425,000	6½	92½	2,101,000	30	630,000	1,370,000
Luneburg Power, Light & Waterworks (Ltd.)	1,100,000	7	98	1,087,000	40	434,000	652,000
Free State of Oldenburg	3,000,000	7	93⅞	2,403,000	45	1,081,000	1,321,000
Manheim & Palatinate Electric Co	2,675,000	7	96½	2,675,000	46	1,230,000	1,444,000
City of Munich	8,700,000	7	93½	6,525,000	34	1,631,000	4,893,000
Municipal Bank of State of Hessen	3,600,000	7	93⅜	2,700,000	30	810,000	1,890,000
Municipal Gas & Electric of Recklinhausen	1,500,000	7	98	1,384,000	25	346,000	1,384,000
Nassau Land Bank	3,000,000	6½	97½	3,000,000	45	1,350,000	1,650,000
City of Nuremberg	5,000,000	6	94	4,660,000	26	1,211,000	3,448,000
Oberpfalz Electric Power Corporation	1,250,000	7	97½	1,077,000	35	377,000	700,000
Free State of Oldenburg	3,000,000	7	93⅜	2,403,000	45	1,081,000	1,321,925
Pomerania Electric Co	3,500,000	6	92½	3,427,000	29	993,000	3,427,000
Provincial Bank of Westphalia	3,000,000	6	97¾	3,000,000	25	750,000	2,250,000
Free State of Prussia	17,500,000	6½	95	17,500,000	35	6,125,000	11,375,000
	24,500,000	6	96½	23,078,000	35	8,077,000	15,000,000
Prussian Electric Co	4,000,000	6	91	4,000,000	30	1,210,000	2,790,000
Rhine Main Danube Corporation	6,000,000	7	96	5,414,000	43	2,328,000	3,085,000
Rhine Ruhr Water Service Union	7,500,000	6	93	7,070,000	29	2,050,000	5,019,000
Rhine Westphalia Electric Power Corporation	10,000,000	7	94	8,510,000	62	5,276,000	3,223,000
	10,500,000	6	95½	10,098,000	49	4,948,000	5,150,000
	14,850,000		93	14,850,000	50	7,425,000	7,425,000
	12,500,000	6	94	12,168,000	49	5,962,000	6,206,000
Saxon Public Works	15,000,000	7	92	15,000,000	45	6,750,000	8,250,000
	11,000,000	6½	91½	10,698,000	38	4,065,000	6,633,000
	10,000,000	5	97½	10,000,000	43	4,325,000	5,675,000
Saxon State Mortgage Institutions	2,000,000	6	95	1,849,000	25	462,000	1,386,000
	5,000,000	7	93½	4,346,000	50	2,173,000	2,173,000
	4,000,000	6½	97	3,579,000	42	1,503,000	2,075,000
State of Bremen	11,250,000	7	94	10,019,000	45	4,508,000	5,510,000
Stettin Public Utilities	3,000,000	7	94½	2,400,000	30	720,000	1,680,000
Unterelbe Power & Light Co	4,250,000	6	93	4,097,000	34	1,392,000	2,704,000
United Industrial Corporation	6,000,000	6½	97½	6,000,000	36	2,160,000	3,840,000
Vesten Electric Rys	1,750,000	7	98	1,614,000	25	403,500	1,210,000
Westphalia United Power Corporation	20,000,000	6	92½	20,000,000	34	6,975,000	13,025,000
State of Wurttemberg	8,400,000	7	93⅞	6,300,000	25	1,575,000	4,725,000
Total	845,088,000			780,226,000		329,536,000	450,375,000

NOTE.—Current quotations of above table represent either last sale, last bid, or nominal price.

[No. 6, November 15, 1931]

1. Thirteen hundred million dollars have been raised by European corporations through sale of their securities to American private investors since 1914.

2. Eight hundred millions of such securities still are outstanding and held by American investors.

3. Four hundred and sixty million dollars depreciation has taken place in these securities. This represents 56 per cent loss from par value. By countries, the depreciation runs as high as 83 per cent.

4. Much of this money raised in America has been used in improving and strengthening the competitive position of foreign industries.

5. Value of many foreign corporate securities can not be ascertained because of absence of quotations.

6. German corporation securities represent almost half all American holdings of European securities. Loss in German corporate issues alone totals $210,000,000.

7. Bankers' commissions on European corporate securities ranged from 5 per cent up to several times this rate.

Through sale of their securities to American private investors Europe's corporations raised an aggregate of $1,134,000,000 new capital during the period 1914–1930, inclusive.

The American investor, through American bankers who sold them these securities, have become (a) creditor of European corporations through purchase of their bonds and notes, or (b) partner by buying their stocks.

Either "investment" has proved extremely expensive.

The American private investor still holds $826,956,000 of European corporate securities. This is entirely distinct from European government and semigovernment issues publicly floated in the United States during the same period. These latter, as disclosed in previous articles in the New York American survey, represent an aggregate loss of about $800,000,000 to the American investor.

Those American investors who bought European corporate securities have been equally unfortunate.

Depreciation of $464,398,000 has taken place in these corporate issues.

The shrinkage represents 56 per cent of their par value.

And still this stupendous loss excludes millions more lost in securities for which no present value can be established, or which represent enterprises which have virtually disappeared in recent years.

Corporations of all Europe dipped into the American investment funds for new capital, but German corporations obtained almost half the total for the entire continent.

In these German corporate issues American investors now suffer a depreciation of $210,000,000, equal to 60 per cent.

Accompanying table discloses the experiences of the American investor in Europe's corporation issues sold in this country.

The shrinkage, by countries, runs from 9 per cent for Denmark all the way up to 83 per cent for British corporate flotations in the United States.

Besides Britain and Germany, decline of 60 per cent or more is shown in corporate securities of the following countries: Belgium, 62 per cent; Luxemburg, 63 per cent; Poland, 63 per cent; Netherlands, 70 per cent.

Almost invariably the American investor's money placed in European corporate issues was used to modernize, strengthen, or otherwise improve the competitive position of the corporation. In some instances the American capital provided the wherewithal to build new plants in foreign lands. It would not be a far exaggeration to say that American private investors capitalized the postwar industrial revival of Europe.

* * * * * * *

VALUE OF UNITED STATES INVESTORS' HOLDINGS OF FOREIGN STATE ISSUES DOWN $2,000,000,000

Two billion dollars loss to American private investors who bought European and South American Government securities sold in the United States since 1914 has been disclosed to date by the New York American. These losses, covering only government and semigovernment securities, are divided as follows:

(a) Eleven hundred millions depreciation in South American "dollar bonds," which have dropped 80 per cent in value; and

(b) Eight hundred millions decline, from par, in European government and semigovernment issues sold to private American investors.

Europe and South America combined have taken the bulk of the $15,000,000,000 raised from the American private investor through sale in the United States of foreign securities during the last 17 years.

To-day's article, sixth in the series, is devoted to another phase of the foreign financing era: Sales of European corporation securities to the American public by American bankers, who, it is estimated, profited $1,000,000,000 through selling foreign government and corporation securities in the United States during the period covered by this survey, 1914–1930, inclusive.

Enormous depreciation shown in American holdings of European corporate issues

Country	Par value of offerings now in whole or in part outstanding	Actual cash investments by United States public	Par value of outstanding issues	Current value of outstanding issues	Depreciation from par	Depreciation
						Per cent
Austria	$11,400,000	$10,758,000	$8,927,000	$3,988,000	$4,939,000	55
Belgium	14,130,000	13,989,000	14,130,000	4,239,000	9,891,000	62
Denmark	7,000,000	6,672,000	4,004,000	3,647,000	357,000	9
France	17,700,000	17,350,000	17,675,000	13,685,000	3,990,000	22

Enormous depreciation shown in American holdings of European corporate issues—Continued

Country	Par value of offerings now in whole or in part outstanding	Actual cash investments by United States public	Par value of outstanding issues	Current value of outstanding issues	Depreciation from par	Depreciation
						Per cent
Luxemburg	$7,500,000	$6,937,000	$6,943,000	$2,570,000	$4,376,000	63
Norway	24,715,000	23,749,000	23,593,000	16,749,000	6,840,000	28
Poland	35,250,000	34,425,000	30,691,000	11,322,000	19,368,000	63
Switzerland	10,480,000	10,480,000	10,480,000	4,243,000	6,236,000	59
Netherlands	7,360,000	6,918,000	6,918,000	2,502,000	4,857,000	70
Sweden	131,446,000	130,924,000	131,446,000	52,713,000	78,733,000	52
Germany	380,265,000	365,759,000	349,758,000	139,464,000	210,294,000	60
Italy	153,510,000	146,193,000	144,019,000	83,826,000	60,193,000	41
Hungary	40,428,000	39,140,000	35,822,000	16,618,000	19,264,000	56
Great Britain	42,674,000	42,674,000	42,547,000	7,487,000	35,060,000	83
Total	883,856,000	855,968,000	826,956,000	363,053,000	464,398,000	56

[No. 7, November 19, 1931]

Following is seventh article in the New York American survey of foreign securities sold to American private investors since 1914. The survey has disclosed to date:

1. Approximately $15,000,000,000 of such securities have been sold to the American private investors.

2. Losses on such purchases run into billions of dollars. Nearly two and one-half billion depreciation has already been proven in three classes of foreign issues held by American investors:

(a) Eleven hundred million in South American "dollar bonds."

(b) Eight hundred million in European government issues.

(c) Four hundred and sixty-four million in European corporation issues.

3. Probably a billion dollars in commissions were made by America's international bankers in selling these foreign securities to the United States investor.

4. Depreciation of some issues run above 90 per cent; not a few issues have been entirely wiped out.

5. Above figures have nothing whatever to do with United States Government loans direct to European nations during and immediately following the war.

Capital issues of all foreign countries of the world publicly offered in the United States, 1914–1930, inclusive

Country	Government	Corporate	Total
EUROPE			
England	$1,470,287,000	$97,828,000	$1,568,915,000
France	1,157,295,000	21,950,000	1,179,245,000
Germany	949,842,000	430,794,000	1,380,637,000
Italy	410,795,000	206,837,000	617,632,000
Belgium	305,545,000	34,130,000	339,675,000
Norway	184,625,000	26,515,000	211,140,000
Switzerland	105,322,600	12,480,000	117,802,000
Sweden	25,000,000	142,846,000	167,846,000
Netherlands	96,451,000	18,947,000	115,398,000
Austria	99,111,000	15,009,000	114,120,000
Poland	132,075,000	39,250,000	171,325,000
Denmark	215,077,000	7,164,000	222,241,000
Danzig	3,000,000		3,000,000
Saar Territory	11,500,000		11,500,000
Hungary	48,650,000	40,293,000	88,943,000
Russia	75,000,000		75,000,000
Rumania	9,169,000		9,169,000
Finland	70,000,000	7,000,000	77,000,000
Estonia	4,000,000		4,000,000
Spain		44,400,000	44,400,000
Luxemburg		7,500,000	7,500,000
Greece	29,000,000	600,000	29,600,000
Czechoslavakia	53,750,000	5,500,000	59,250,000
Bulgaria	13,500,000		13,500,000
Ireland	15,000,000	875,000	15,875,000
Yugoslavia	64,285,000		64,285,000
Total	5,548,200,000	1,159,000,000	6,707,000,000
NORTH AMERICA			
British West Indies		1,500,000	1,500,000
Canada (including Newfoundland)	2,353,880,000	1,238,847,500	3,592,727,000
Costa Rica	10,820,000		10,820,000
Cuba	137,300,000	472,092,000	609,392,000
Dominican Republic	17,300,000	2,250,000	19,550,000
Guatemala	550,000	18,900,000	19,450,000
Haiti	16,000,000	21,765,600	37,765,000
Honduras	500,000	13,192,500	13,692,000
Mexico	5,796,288	44,082,900	49,879,000
Nicaragua		1,000,000	1,000,000
Panama	26,800,000	940,000	27,740,000
Salvador	7,520,000		7,520,000
Total	2,576,466,000	1,814,570,000	4,391,036,000
SOUTH AMERICA			
Argentina	824,421,000	100,313,000	924,734,000
Bolivia	63,230,000	9,700,000	72,930,000
Brazil	423,682,000	24,985,000	448,667,000
Chile	325,692,000	189,000,000	514,692,000

Capital issues of all foreign countries of the world publicly offered in the United States, 1914–1930, inclusive—Continued

Country	Government	Corporate	Total
Colombia	$172,588,000	$47,186,000	$219,774,000
Paraguay		2,272,249	2,272,000
Peru	95,710,000	8,000,000	103,710,000
Uruguay	53,918,000		53,918,000
Venezuela		31,923,750	31,923,000
Total	1,959,241,000	413,379,000	2,372,620,000
AUSTRALIA			
Australia	269,188,000	7,750,000	276,938,000
FAR EAST			
China	10,752,000	50,000,000	60,752,000
Japan	177,667,000	193,574,000	371,241,000
Netherland East Indies	153,290,000	27,136,000	180,426,000
Palestine	350,000		350,000
Total	342,059,000	270,710,000	612,769,000

World totals (1914–1930), $10,695,154,000 and $3,665,410,000	$14,360,364,000
International loans [1]	260,047,000
1931 foreign issues in United States	263,222,000
Grand total	14,883,633,000

Relatively few countries in the world passed up the opportunity to take advantage of American liberality with respect to purchases of foreign securities publicly offered in the United States during the last 17 years.

Nearly $15,000,000,000 of such securities were sold to American private investors in this period.

Of this aggregate, foreign governments received more than ten billion, or two-thirds.

Foreign corporations raised $3,665,000,000 through sale of their securities to American private investors.

The $15,000,000,000 total referred to is exclusively proceeds of the sale of foreign securities direct to American private investors.

It does not include the billions of dollars advanced by our Government to European governments as "war loans." Neither does it include the billions which have been invested abroad by American corporations.

The New York American survey is concerned only with foreign securities sold to the American private investor.

European governments and other political divisions and corporations have taken upwards of 40 per cent of the total American "investments" in all foreign securities. Three of her nations, England, France, and Germany, have taken upward of a billion dollars each.

Largest of all countries' security sales to Americans, however, is the Canadian total, $3,592,727,000. Argentina's total comes close to a billion. Other large foreign totals are Italy, with $617,000,000, Chile with a half billion, and Cuba, $609,000,000. By continents, the totals are:

	Government	Corporate	Total
Europe	$5,548,200,000	$1,159,000,000	$6,707,000,000
North America	2,576,466,000	1,814,570,000	4,391,036,000
South America	1,959,2a1,000	413,379,000	2,372,620,000
Australia	269,188,000	7,750,000	276,938,000
Far East	342,059,000	270,710,000	612,769,000

[1] Flotations which can not be charged to any specific nation.

EXECUTIVE POWER TO MEET A NATIONAL EMERGENCY

Mr. ARNOLD. Mr. Speaker, I ask unanimous consent that the gentleman from South Carolina [Mr. McSWAIN] may be allowed to extend his remarks on H. J. Res. 67.

The SPEAKER. Is there objection?

There was no objection.

Mr. McSWAIN. Mr. Speaker, we often hear the remark that legislation of a particular kind is needed and should "have teeth in it." We are face to face with a grave situation in this Nation, and if the weather during the winter is very severe and prolonged and if there is no improvement in employment, there may be a serious crisis, and in order to meet this crisis unusual and extraordinary powers should be vested in the President. If there should be distress and serious danger of great suffering for lack of food or lack of coal or lack of any other necessity of life, the President should not be left to dicker with the owner of coal and the owner of meat and meal and flour and the owner of clothing and cloth and the owner of railroads and other means of transportation. The President should have the power to give instant orders for special trains to carry either food or fuel or people from one part of the country to the other.

Of course, Mr. Speaker, we hope it will not be necessary to exercise this power; we hope that the winter will be mild and that unemployment conditions will improve. But if we stumble along motivated merely by hope and do not make provisions in advance for a real emergency, then we have not done our whole duty. It will be too late to pass such legislation after the emergency arises. We should foresee the possibility of such a situation and give the President the power to do whatever may be necessary to be done to give instant relief, and thus prevent what might prove a national disaster, and, therefore, a national disgrace.

Therefore, Mr. Speaker, I have hastily arranged and tried to express in legislative form my thoughts upon this subject, and I have included them in House Joint Resolution 67, which is herewith printed for the information of the Congress and the country. This national emergency board contemplated by my resolution is modeled somewhat after the general powers exercised by the War Industries Board, headed by the Hon. Bernard M. Baruch, during the World War. It is admitted on all hands that the work of said War Industries Board was a most powerful factor in mobilizing the material resources of the Nation for carrying on the war so successfully. While the powers exercised by the said War Industries Board were practically independent of legislative enactment, they were predicated upon the executive power functioning in time of war. The exercise of war power is a very different thing from the exercise of executive power in time of peace. But the Congress has the power to declare the existence of a national emergency even in time of peace, and to apply unusual and extraordinary remedies for its relief. My proposal is to give the President the power to declare the existence of an emergency, and then to give him the power to appoint a board which shall meet the emergency by exercising the powers conferred by the resolution.

It will be noticed that the members of the board are appointed by the President and do not have to be confirmed by the Senate and that all the powers of the board may be exercised by the chairman alone. Hence there will be no excuse to let people suffer or die or freeze in one part of the country when there is an abundance of cheap food and cheap coal in another part of the country, with plenty of idle railroads and trains to carry cheap food and cheap fuel from where it is abundant to the place where it is needed to save life or to prevent suffering. The powers of the States are inadequate in these respects because of the limits of State lines. In most cases the grain and the meat and the coal and the oil necessary to supply the needs of the people in some great congested area will have to pass over the territory of one, two, three, or more States. Furthermore, the President is given the power to commandeer and to take at the prevailing market prices or to compel the use of transportation facilities at a reasonable price, whatever is needed to meet the emergency.

Thus, if there should be a great fire in Chicago, or an earthquake in San Francisco, or hunger riots in New York, or a strike either in the coal mines or on the railroads, the President is not left powerless as he is now and compelled to beg and plead with the public to render voluntary relief. The resources of private charity are being terribly taxed. Probably the reserves of the National Red Cross Society are partly, if not largely, exhaused. When the emergency arises it will be too late to appeal to the people to raise the money to relieve distress. The power should be in the President to start the wheels moving within two or three hours after he receives information of an emergency situation. In the first hour he could appoint the board, if not already appointed, and order the chairman to act by commandeering trains, commandeering carloads of medicines, of flour, meat, coal, oil, cloth, and everything necessary to prevent the loss of human life and to prevent human suffering.

Furthermore, the President can order the Secretary of War to send out tentage, cots, blankets, medical officers, nurses, and trained personnel, and also to furnish from the Army stores food and fuel and medicine to prevent suffering and to save life. Within the next hour, under the direction of the chairman of the National Emergency Board and in cooperation with the Secretary of War, the necessary food, fuel, clothing and medicine and doctors will be on their way, going as fast as airplanes, trains, and motor trucks can carry them for the relief of the people.

This should be permanent legislation. True, it is suggested by the present possibility of an acute emergency, but the powers here proposed to be conferred should reside in the President at all times, because we can never tell when some great disaster shall overtake a section or city of our country. Due to the limitations of our Federal Constitution, there is no police power in the Federal Government, and in time of peace the authority of the President to act for the relief of the people is very different from the authority of the governors of the respective States. But under our economic structure the governors are helpless unless the things necessary to help the people exist within the State. In my own State there is no coal mine and no oil well and very little wheat grown. If our State were endangered by long seasons of terrible cold, our governor would be powerless to furnish fuel to keep our people from freezing.

Fortunately, we have an equitable climate, never severely cold in winter, nor severely hot in summer. True, our industries are dependent upon the interstate commerce for coal and oil, but we have an abundant supply of hydroelectric power, and when coupled up with the South Atlantic superpower system, we are practically independent of a foreign coal supply, except for domestic use and for use in schools, churches, hotels, and other public buildings. But I can conceive of States where the people are dependent for their coal and oil on sources hundreds of miles beyond the limits of the State and are likewise largely dependent for supplies of meat and bread from beyond the State bounds.

Therefore, the President of the whole country should have the continuous power to command every resource of the Nation in any way, at any time, to prevent suffering and loss of life on account of lack of food and fuel and on account of existing intervening State lines. For these reasons, I am urging this resolution, not only as a part of a program for economy, but as a part of the permanent powers of the President.

Joint Resolution 67, to promote the general welfare, to regulate commerce among the several States, and to create fiscal agencies for the Federal Government by authorizing a national emergency board and by defining its powers

Resolved, etc., That the President of the United States is hereby authorized to create a body, politic and corporate, by the name and title of the national emergency board, which shall consist of three persons appointed by the President, who shall designate one of the three persons to be and to exercise the powers of chairman of the board, and all the powers hereinafter conferred shall be exercised by and in the name of the chairman of said board, after consultation with the other members thereof.

SEC. 2. Said board shall have power to pledge the credit of the United States for the purpose of raising money, and shall have power to issue bills and notes in the form of public bonds not exceeding $2,000,000,000, payable in not less than 5 years nor more than 20 years at a rate of interest not exceeding 4 per cent per annum, and to use and expend said money for the purpose of relieving the state of unemployment now existing in the United States, and of thus promoting and stabilizing interstate commerce, and to that end the said national emergency board shall be and constitute a fiscal agency of the United States.

SEC. 3. Said board shall have power to commandeer for its temporary use the use of any property of any person, firm, or corporation, including any or all railroads and any special trains or services of such railroads. Furthermore, said board shall have the right to establish and fix by special order the priority in which shipments may be made, and all such orders shall be respected and obeyed, subject to the claims and penalties hereinafter described.

SEC. 4. Said national emergency board shall have power to appoint State and local committees as its agents and representatives in carrying out its powers, and name also organizations of State, county, town, and municipality, where the same may be desirable for efficiency, speed, and economy.

SEC. 5. Said national emergency board shall have power to lend money to States or to political subdivisions at a rate of interest not exceeding 2 per cent per annum, to be repaid in not exceeding 10 years, said money to be used under the general direction and guidance of said national emergency board for the building of roads, schoolhouses, educational and other public buildings, and other necessary and proper public works of such States and political subdivisions thereof.

SEC. 6. The said national emergency board is hereby authorized and empowered to cooperate with the Secretary of the Treasury of

the United States in carrying out the existing public-buildings program, and such amendments or additions thereto as shall be made by Congress so as to give employment at the earliest possible moment to the largest possible number of persons, and so as to result in the shipment of large quantities of building materials, and thus to create a demand for labor from the mine, the field, the forest, and other original sources of material.

SEC. 7. This legislation is enacted in view of the national emergency connected with the unemployment of four or five millions of persons in this Nation, thus directly affecting the means of subsistence of their dependents to the extent of twenty or twenty-five million persons, and indirectly affecting the entire population of the United States. It shall be the duty of said national emergency board to use the powers hereby conferred to the fullest extent to assist industry, commerce, and agriculture to resume full activity, and thus to minimize the sufferings incident to said emergency, and to see that no residents of the United States die from hunger or cold. The said national emergency board shall exercise its power to transport grain, fruits, vegetables, meats, and their food products, cotton and wool and their clothing products, lumber and other building materials from where they are abundant and cheap to where they are needed, and to assist and encourage their use and consumption. For such property as the said board may take and consume it shall pay the reasonable market value thereof to the owner at the place and time of taking, and for such property as the board may use, but return to the owner thereafter, it shall pay the reasonable value of such use, including the actual damages, but not including any consequential or speculative damages. In order to prevent profiteering in food, fuel, and clothing, the board shall have the power to control priority of shipments over all interstate carriers, to give preference to shipments of those persons, firms, and corporations selling or offering to sell food, fuel, or clothing at a fair and reasonable price, and to give the consuming public in congested centers of population the advantage of low prices prevailing in the agricultural and fuel-producing areas. If necessary, the said board shall commandeer for temporary use for said purpose trains and train crews, coal mines and oil wells, pipe lines and all necessary facilities and accessories. If deemed wise and expedient the said board may use railroad trains and crews to transport persons from sections of the country wherein cold prevails to the warm southern climates and to return such persons at the end of the cold season. The said board shall have power to construct temporary quarters, and the War Department shall supply such tents, cots, and blankets as the board may require, all of which shall be returned at the end of the emergency.

SEC. 8. It is hereby declared to be the policy of the United States merely to cooperate with States and municipal authorities in the administration of relief, and the primary duty of the police power of the States rests with the States and the municipalities, and the said board shall respect at all times the local authorities, and shall take initiative only when the limits of the States render State power inadequate to the situation. In lending money to the States and municipalities, the obligations of the governor and State treasurer and mayor and city treasurer, respectively, shall constitute sufficient evidence of indebtedness, leaving it to the public honor of such States and municipalities to supply later any legal deficiency and to return said money as herein contemplated.

SEC. 9. It shall be the duty of all executive heads of departments and the heads of all independent offices to cooperate with all requests of the said board, and the President is hereby empowered and directed during the period of such administration to transfer any duty or function from one department to another department, or to said board, if it may, in his judgment, expedite and facilitate the administration of relief. The Interstate Commerce Commission shall see that all orders of the board as to priority or preference in shipment be respected by the carriers engaged in interstate commerce and that the use of all trains and train crews demanded by the board be furnished by such carriers.

SEC. 10. All funds of the said board from any source shall be deposited in the Treasury of the United States, and paid out only upon the warrant of the chairman of the said board, countersigned by the secretary thereof, and such warrant shall not be questioned by any person or officer whomsoever, but shall be final and conclusive and beyond question, and promptly paid. The said chairman of the said board and the secretary thereof shall each give bond to the United States in the sum of $1,000,000 to secure and to guarantee the United States against loss and damage by reason of any malfeasance or misfeasance in office, and if they, or either of them, or any other member of said board, or employee, or agent thereof, shall knowingly and willfully draw any warrant for money not legally and honestly due by the said board, or in excess of the amount legally and honestly due, they shall be liable to a fine not exceeding $100,000 and to imprisonment not to exceed 20 years.

SEC. 11. Said board shall make monthly reports in writing to the President of the United States, and shall report oftener if the President shall demand, and shall include in such report a statement of all funds paid out and for what purpose paid, and shall make a final accounting and report of all moneys received and paid out after the President shall declare by public proclamation the emergency is ended and that the services of said board are no longer needed.

SEC. 12. Said board shall have power to employ necessary clerical help and executive assistants and to rent quarters if the same be not available in the Government buildings, and the War Department, Navy Department, and Department of Commerce shall furnish such personnel and material to assist in carrying out the plans of the board as the President may direct. No compensation shall be paid to any person drawing a salary from any State or municipal government for any extra services that may be performed by any such person in cooperation with the board in its efforts to assist the people of such State.

MINORITY EMPLOYEES

Mr. SNELL. Mr. Speaker, I present the usual minority employees resolution under the act for 1929.

The Clerk read as follows:

House Resolution 51

Resolved, That, pursuant to the legislative pay act of 1929, the six minority employees authorized therein and provided for in the legislative appropriation act, 1932, shall be the following-named persons until otherwise ordered by the House, to wit: Joseph G. Rodgers, to receive compensation at the rate of $3,180 per annum; William Tyler Page, M. L. Melitio, Bert W. Kennedy, Frank W. Collier, and James P. Griffin, to receive compensation, respectively, at the rate of $2,820 per annum, effective December 8, 1931.

The resolution was agreed to.

Mr. RAINEY. Mr. Speaker, I offer the following resolution.

The Clerk read as follows:

House Resolution 53

Resolved, That there shall be paid out of the contingent fund of the House until otherwise provided by law, compensation at the rate of $5,000 per annum, for the services of William Tyler Page and Joseph G. Rodgers, respectively, as special clerks to the minority of the House of Representatives, such employments to be in lieu of two minority employees, one at $3,180 and one at $2,820 per annum, now authorized by the act making appropriations for the legislative branch of the Government for the fiscal year ending June 30, 1932."

The resolution was agreed to.

ADJOURNMENT OVER

Mr. RAINEY. Mr. Speaker, I move that when the House adjourns to-night it adjourn to meet on Monday next.

Mr. SNELL. Will the gentleman allow me to ask him a question? Is it understood that on Monday we are to go on with the general debate on the President's message?

Mr. RAINEY. Well, we have no speakers. If the gentleman has any——

Mr. SNELL. I have one that will take 30 minutes.

Mr. RAMSEYER. Mr. Speaker, will the gentleman from Illinois yield to me to ask the gentleman from New York a question?

Mr. RAINEY. Yes.

Mr. RAMSEYER. I told some gentleman at the desk that I wanted 30 minutes on Monday in which to discuss the estate and gift tax. Does the gentleman from New York have me in mind?

Mr. SNELL. I think from requests made that we will have probably about an hour or an hour and a half.

Mr. RAINEY. That will be satisfactory.

Mr. RAMSEYER. Will the gentleman go into the Committee of the Whole, or ask specially to address the House, in view of the fact that there are so few speakers?

Mr. RAINEY. We will go into the Committee of the Whole.

The SPEAKER. The gentleman from Illinois asks unanimous consent that when the House adjourns to-day it adjourn to meet on Monday next. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. BACON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein a very appreciative editorial upon the late Nicholas Longworth, written by a very close newspaper friend of his.

The SPEAKER. Is there objection?

There was no objection.

Mr. BACON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following editorial upon the late Nicholas Longworth, written by a very close newspaper friend of his, Frank R. Kent:

"NICK"

WASHINGTON, April 9.—It is literally true that the death of NICHOLAS LONGWORTH will cause more sincere grief among more people than that of any other man now in public life. He had more real personal friends than any other, and he will be missed

in more ways, by more different groups, and for a longer time. In this respect there is no other in House or Senate to compare with him.

Distinguished as was his political position and marked as were his political gifts, it was his personality that counted. He was no back-slapping Pollyannaish politician, who liked everybody indiscriminately and spread his friendship thinly over the wide circle of his acquaintanceship. He was a man of taste and breeding, and there were plenty of people he disliked with extreme cordiality and earnestness. But he was by nature a friendly fellow, extraordinarily engaging, and of an amazing personal attraction. It was very easy to conceive an affection for Nick, and a great many people, in and out of politics, did.

People liked to be with him, not because he was Speaker of the House and a power in his party but because he was Nick. There probably has never been a man in Washington more in demand socially than he, none who mingled with and was at home in as many different classes, more welcome in all. No matter what the group he entered, he added something to it—a sparkle, a charm, a touch of gayety, a vibrant and gallant spirit, against which stilted phrases and cold formality melted like frost in the sun. It was not that Nick did not have a deeply serious side and plenty of dignity when dignity was demanded. In party conferences his clear-headed judgment, his fine sense of proportion, and his instinctive feeling for the fitness of things made him an important and often a controlling factor.

His share in the shaping of legislation and in the molding of party policies is a greater one than showed on the surface, because a large part of his achievements in these directions was through his powers of persuasion and personal influence exerted behind closed doors among a few leaders, with whom his talents as compromiser and conciliator were most effective. The things which Mr. LONGWORTH did in politics, important as some of them were, will not, however, linger as long in the memory as the charm about him personally.

He made the world a gayer place by being in it, life a pleasanter experience for his friends because he was here. It was not possible to be dull long around him. Without being shallow or trivial, he loved to laugh. It wasn't only a sense of the ridiculous he had—it was a gorgeous, God-given sense of humor that made it easy for him to see, grasp, and appreciate those subtle shades in situations and happenings which wholly escape the ordinary man. And to this gift he added the complementary one of imparting this appreciation to others. Good stories gravitated to him naturally from all parts of the country. Men liked to tell them to Nick because of the sureness and quickness of his perception, and they liked to hear him tell them because his personality gave them a rich relish and flavor few others could. He was one of those rare men whose stories could be listened to more than once with undiminished enjoyment.

As Speaker, Mr. LONGWORTH was an extraordinary success. Nearly 20 years ago the House revolted against dictatorship, radically altered its rules so as to strip the Speaker of power, limited him to being the presiding officer of the body, not its boss. The days of Cannonism were definitely over. There were to be no more czars in the Speaker's chair. Nor were there for a good many years. Speaker after Speaker came and went without being much more than a figurehead—until Nick mounted the throne six years ago. Without any revision of the rules, he completely recovered the power of the speakership and was the undisputed leader of the House, with as autocratic control as either Reed or Cannon. It is true he exercised this power with infinitely more tact and grace and gumption and without that touch of offensive arrogance that characterized former House czars. But he was just as much of a czar. What Mr. LONGWORTH clearly proved was that this matter of leadership depends not on the rules but on the man.

The authority he acquired was a real tribute to his shrewdness as a politician, his competency as a presiding officer, and the agreeableness of his personality. It also meant that beneath his uniform amiability and an unusually calm temperament there was a strong streak of real ability and genuine force. Unless there had been, he could not have gained nor held his power in the House. A fine evidence of the quality of the man was the unusual relationship between him and JOHN N. GARNER, Democratic House leader and that party's choice for Speaker in the next Congress. Politically as wide apart as the poles, each eager at all times to take every party advantage of the other, fighting almost daily in the House to the limit of their ability, personally there were never two men more devoted. Each was the other's "best friend" and had been for many years. The passing of Nick is a loss to his party, to Congress, to the country, to his many friends—but no man will miss him more keenly than JACK GARNER, his chief political rival and antagonist.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 5 minutes p. m.), under its previous order, the House adjourned until Monday, December 14, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

205. A letter from the Secretary of War, transmitting a draft of a bill to amend section 47c, national defense act, as amended, relating to military training required to entitle members of the Reserve Officers' Training Corps to receive commutation of subsistence; to the Committee on Military Affairs.

206. A letter from the Secretary of War, transmitting a draft of a bill to permit the naturalization of certain Filipinos who served in the United States Army; to the Committee on Immigration and Naturalization.

207. A letter from the Secretary of War, transmitting a draft of a joint resolution to authorize the acceptance of a bequest to the Army Medical Museum and the Army Medical Library; to the Committee on Military Affairs.

208. A letter from the Secretary of War, transmitting a draft of a bill to make provisions for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and Citizens' Military Training Camps who are injured or contract disease while engaged in military training, and for other purposes; to the Committee on Military Affairs.

209. A letter from the Secretary of War, transmitting a draft of a bill to amend section 90 of the national defense act, as amended by the act of April 21, 1928 (45 Stat. 440), pertaining to caretakers for property in the hands of the National Guard; to the Committee on Military Affairs.

210. A letter from the Postmaster General, transmitting a report to Congress of all cases where special contracts are made with railroad companies for the transportation of the mails, and the terms and reason therefor; to the Committee on the Post Office and Post Roads.

211. A letter from the national legislative chairman of Disabled American Veterans, transmitting the minutes of the Eleventh National Convention of the Disabled American Veterans held at Wilkes-Barre, Pa., June 22 to 26, 1931 (H. Doc. No. 50); to the Committee on World War Veterans' Legislation and ordered to be printed, with illustrations.

212. A letter from the quartermaster general of the United Spanish War Veterans, transmitting report of the Thirty-third National Encampment of the United Spanish War Veterans, held at New Orleans, La., September 6 to 10, 1931 (H. Doc. No. 47); to the Committee on Military Affairs and ordered to be printed, with illustrations.

213. A letter from the Secretary of the Interior, transmitting a copy of a letter from the Commissioner of the General Land Office, dated December 8, 1931, transmitting report of the withdrawals and restorations contemplated by the statute; to the Committee on Expenditures in the Executive Departments.

214. A letter from the Secretary of the Interior, transmitting a letter dated December 4, 1931, of A. M. Landman, Superintendent Five Civilized Tribes Agency, containing a special report of expenditures of that agency from the appropriation support of Indians and administration of Indian property; to the Committee on Expenditures in the Executive Departments.

215. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Rouge River, Mich.; to the Committee on Rivers and Harbors.

216. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination and survey of Runyon Creek, N. C.; to the Committee on Rivers and Harbors.

217. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of channel from Port Lavaca, Tex., to the intracoastal waterway; to the Committee on Rivers and Harbors.

218. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of San Bernard River, Tex.; to the Committee on Rivers and Harbors.

219. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on

preliminary examination of Bayou Sennette, Jefferson Parish, La.; to the Committee on Rivers and Harbors.

220. A letter from the Secretary of War, transmitting a report from the Chief of Engineers on preliminary examination of the Satilla River, Ga., to the Charlton County line, with the view of securing additional depth, width, and such other improvements as may be found advisable in the interest of navigation and commerce and to connect with the inland waterway; to the Committee on Rivers and Harbors.

221. A letter from the Secretary of War, transmitting a report from the Chief of Engineers on preliminary examination of inland waterway from Savannah, Ga., to Brunswick, by way of Harris Neck Landing; to the Committee on Rivers and Harbors.

222. A letter from the Secretary of War, transmitting a report from the Chief of Engineers on preliminary examination and survey of Starlilings Creek, Accomac County, Va. (H. Doc. No. 138); to the Committee on Rivers and Harbors, and ordered to be printed, with illustrations.

223. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Shallowbag (Manteo) Bay, N. C.; to the Committee on Rivers and Harbors.

224. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of St. Marys River, Ohio, with a view to the control of its floods (H. Doc. No. 166); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

225. A letter from the Secretary of War, transmitting report of the Chief of Engineers on preliminary examination of St. Petersburg Harbor, Fla.; to the Committee on Rivers and Harbors.

226. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of Siskiwit River, Wis.; to the Committee on Rivers and Harbors.

227. A letter from the Secretary of War, transmitting report of the Chief of Engineers on preliminary examination of the waterway connecting Swan Quarter Bay with Deep Bay, N. C., including the Swan Quarter Canal, with a view to the acquisition of said canal by the United States either through donation or purchase; to the Committee on Rivers and Harbors.

228. A letter from the Secretary of War, transmitting report of the Chief of Engineers on preliminary examination and survey of Tacoma Harbor, Mich., including the several waterways at the head of Commencement Bay, Wash. (H. Doc. No. 167); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

229. A letter from the Secretary of War, transmitting report of the Chief of Engineers on preliminary examination of Towas River, Mich.; to the Committee on Rivers and Harbors.

230. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination of waterway from Bayou Teche at New Iberia, La., to the intracoastal waterway by way of the Iberia Commercial Canal and Bayou Carlin; to the Committee on Rivers and Harbors.

231. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Bayou Terre aux Boeufs and Delacroix Island, La.; to the Committee on Rivers and Harbors.

232. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of South Newport River, Ga.; to the Committee on Rivers and Harbors.

233. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of St. Andrews Bay (Fla.) shoal opposite Davis Point with a view to securing a depth of 24 feet at mean low water; to the Committee on Rivers and Harbors.

234. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Lake St. Clair and Clinton River, Mich.; to the Committee on Rivers and Harbors.

235. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of upper St. Johns River, Fla., from Lake Harney to Lake Washington, with a view to securing a navigable channel of suitable depth and width, together with its incidental effect on flood control; to the Committee on Rivers and Harbors.

236. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination and survey of Richardson Creek, Ga., and connecting streams; to the Committee on Rivers and Harbors.

237. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Quiver (Quiner) River, Miss.; to the Committee on Rivers and Harbors.

238. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination and survey of Port Washington Harbor, Wis. (H. Doc. No. 168); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

239. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of channel from Puget Sound into Lake Crockett, Wash.; to the Committee on Rivers and Harbors.

240. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of channel from Port O'Connor, Tex., to the intracoastal waterway; to the Committee on Rivers and Harbors.

241. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Port Ludlow Harbor, Wash., and vicinity; to the Committee on Rivers and Harbors.

242. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Bayou St. John, La.; to the Committee on Rivers and Harbors.

243. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of inland waterway from a point at or near Stuart, Fla., to the Gulf of Mexico, by way of the St. Lucie Canal, Lake Okeechobee, and the Caloosahatchee River; to the Committee on Rivers and Harbors.

244. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of St. Ignace Harbor, Mich.; to the Committee on Rivers and Harbors.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York: A bill (H. R. 5459) to permit the United States to be made a party defendant in certain cases; to the Committee on the Judiciary.

By Mr. AMLIE: A bill (H. R. 5460) to amend the national prohibition act so as to restore to the States control over the liquor traffic within their borders in a manner consistent with the eighteenth amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. CONDON: A bill (H. R. 5461) to provide for the payment to veterans of the face value of their adjusted-service certificates in four equal quarterly installments; to the Committee on Ways and Means.

By Mr. CRAIL: A bill (H. R. 5462) to provide for full and complete independence for the Philippine Islands; to the Committee on Insular Affairs.

By Mr. DEROUEN: A bill (H. R. 5463) to provide for the commemoration of Nibletts Bluff in the State of Louisana; to the Committee on Military Affairs.

By Mr. DISNEY: A bill (H. R. 5464) providing for the erection of a public building in the city of Vinita, Craig

County, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5465) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. DYER: A bill (H. R. 5466) to provide for the appointment of two additional judges of the District Court of the United States for the Eastern District of Missouri; to the Committee on the Judiciary.

By Mr. GARBER: A bill (H. R. 5467) to reduce salaries, pay, and wages received from the United States during the calendar year 1932; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 5468) providing import duties on crude petroleum and its refined products imported into the United States from foreign countries; to the Committee on Ways and Means.

By Mr. GREEN: A bill (H. R. 5469) to provide for the commemoration of Fort King, in the State of Florida; to the Committee on Military Affairs.

Also, a bill (H. R. 5470) to provide for the commemoration of Fort Drane, in the State of Florida; to the Committee on Military Affairs.

By Mr. GREENWOOD: A bill (H. R. 5471) authorizing Sullivan County, Ind., to construct, maintain, and operate a public toll bridge across the Wabash River at a point in said county to a point opposite on the Illinois shore; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of South Dakota: A bill (H. R. 5472) authorizing all retired enlisted men who were on active-duty status during the period of the war with Germany and who did not serve as commissioned officers to be returned to the retired list and to receive the full pay and allowances of the grade they held during the war; to the Committee on Military Affairs.

Also, a bill (H. R. 5473) authorizing the award of campaign insignia to war correspondents and war artists; to the Committee on Military Affairs.

Also, a bill (H. R. 5474) to amend the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5475) to authorize the sale of interest in lands devised to the United States under the will of Sophie Chanquet; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5476) authorizing an appropriation for the construction of officers' quarters at the United States Naval Academy, Annapolis, Md.; to the Committee on Naval Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 5477) to add certain lands to the Columbia National Forest in the State of Washington; to the Committee on the Public Lands.

By Mr. KEMP: A bill (H. R. 5478) to extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Baton Rouge, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. MARTIN of Oregon: A bill (H. R. 5479) to amend the first paragraph of section 5 of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1930, and acts in amendment thereof; to the Committee on the Civil Service.

By Mr. BOYLAN: A bill (H. R. 5480) authorizing the Secretary of the Treasury to make an examination of certain claims of the State of Missouri; to the Committee on War Claims.

By Mr. BUTLER: A bill (H. R. 5481) authorizing the Secretary of the Interior to quitclaim to the State of Oregon for the benefit of the State all the right, title, interest, and estate of the United States in and to the lands of Goose Lake in Lake County, Oreg.; to the Committee on the Public Lands.

By Mr. CULLEN: A bill (H. R. 5482) to repeal the national prohibition act, as amended and supplemented; to the Committee on the Judiciary.

By Mr. GARBER: A bill (H. R. 5483) to provide for extending during the present emergency the time of payment of loans made by Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. SMITH of Idaho: A bill (H. R. 5484) extending the provisions of the act entitled "An act to provide for the sale of desert lands in certain States and Territories," approved March 3, 1877 (19 Stat. 377), and acts amendatory thereof, to ceded lands of the Fort Hall Indian Reservation; to the Committee on the Public Lands.

By Mr. ALLGOOD: A bill (H. R. 5485) to provide for extending the time of payment of installments of loans made by Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. BANKHEAD: A bill (H. R. 5486) amending the World War adjusted compensation act; to the Committee on Ways and Means.

Also, a bill (H. R. 5487) to encourage the development of the agricultural resources of the United States and the establishment of rural homes through Federal and State cooperation, giving preference in the matter of employment and the establishment of such homes to those who have served with the military and naval forces of the United States; to the Committee on Irrigation and Reclamation.

By Mr. BRUNNER: A bill (H. R. 5488) authorizing appropriation of funds for construction of a Federal highway from Fort Tilden, N. Y., to the border of Connecticut; to the Committee on Roads.

By Mr. CABLE: A bill (H. R. 5489) to amend the law relative to citizenship and naturalization, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. GRANFIELD: A bill (H. R. 5490) to provide for a 5-day week for certain Government employees; to the Committee on the Civil Service.

By Mr. KELLY of Illinois: A bill (H. R. 5491) to amend section 502 of the World War adjusted compensation act, as amended; to the Committee on Ways and Means.

By Mr. LUDLOW: A bill (H. R. 5492) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, approved July 3, 1926, and May 29, 1930; to the Committee on the Civil Service.

By Mr. McCORMACK: A bill (H. R. 5493) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5494) to provide a 5-day week for Federal employees; to the Committee on the Civil Service.

By Mr. MARTIN of Oregon: A bill (H. R. 5495) to amend section 217 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended; to the Committee on the Post Office and Post Roads.

By Mr. VINSON of Georgia: A bill (H. R. 5496) to amend article 6 of the articles for the government of the Navy, authorizing trial by court-martial of any person in the naval service charged with the crime of murder committed without the geographical limits of the States of the Union and the District of Columbia; to the Committee on Naval Affairs.

By Mr. WELCH of California: A bill (H. R. 5497) to amend section 19 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. FULBRIGHT: A bill (H. R. 5498) to amend the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. JOHNSON of Missouri: A bill (H. R. 5499) to provide for the commemoration of the siege of Lexington, in the State of Missouri; to the Committee on Military Affairs.

Also, a bill (H. R. 5500) to provide for the commemoration of the Battle of Wilson Creek, in the State of Missouri; to the Committee on Military Affairs.

Also, a bill (H. R. 5501) authorizing and directing the Secretary of Agriculture to extend time of payment of fertilizer, feed, and seed loans made by the Government to farmers for a period not to exceed 12 months, at a rate of interest not to exceed 3 per cent; to the Committee on Agriculture.

By Mr. KELLY of Pennsylvania: A bill (H. R. 5502) to authorize the Bureau of Mines to manufacture radium for experimental purposes; to the Committee on Mines and Mining.

Also, a bill (H. R. 5503) to establish a system of longevity pay for postal employees; to the Committee on the Post Office and Post Roads.

By Mr. McDUFFIE: A bill (H. R. 5504) to provide for the commemoration of Fort Stoddard, in the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 5505) to provide for the commemoration of the surrender of the forces commanded by General Taylor to General Canby at Citronelle, in the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 5506) to provide for the commemoration of the Battle of Burnt Corn, in the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 5507) to provide for the commemoration of Fort St. Stephens, in the State of Alabama; to the Committee on Military Affairs.

By Mr. PATMAN: A bill (H. R. 5508) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. SABATH: A bill (H. R. 5509) to provide for the independence of the Philippine Islands on July 4, 1933; to the Committee on Insular Affairs.

By Mr. McDUFFIE: A bill (H. R. 5510) to place the present senior member of the Board of Engineers for Rivers and Harbors, when retired from active service, on the retired list of the Army with the rank and pay of major general; to the Committee on Military Affairs.

By Mr. SMITH of Virginia: A bill (H. R. 5511) to provide for the construction of a bridge over the Rappahannock River as a memorial to President Madison; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN: Resolution (H. Res. 52) providing for an investigation of the sale, flotation, and allocation by banks, banking institutions, corporations, or individuals, of foreign bonds or securities in the United States; to the Committee on Rules.

By Mr. CULLEN: Joint resolution (H. J. Res. 117) proposing an amendment to the Constitution repealing the eighteenth amendment; to the Committee on the Judiciary.

By Mr. LAMNECK: Joint resolution (H. J. Res. 118) proposing an amendment of the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

By Mr. LONERGAN: Joint resolution (H. J. Res. 119) to authorize the distribution of wheat from surplus Government stock to certain recognized relief agencies; to the Committee on Agriculture.

By Mrs. NORTON of New Jersey: Joint resolution (H. J. Res. 120) to provide for a 1-year extension of time before the sale of real property in the District of Columbia on account of arrears in taxes for the year 1931; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 5512) for the relief of Cecil E. Skidmore; to the Committee on Military Affairs.

By Mr. ANDREWS of New York: A bill (H. R. 5513) to permit the United States to be made a party defendant in certain cases; to the Committee on Claims.

By Mr. BLAND: A bill (H. R. 5514) granting an increase of pension to Fannie C. Beal; to the Committee on Invalid Pensions.

By Mr. BLOOM: A bill (H. R. 5515) for the relief of Bernard Knopp; to the Committee on Claims.

By Mr. CABLE: A bill (H. R. 5516) for the relief of George Williams; to the Committee on Military Affairs.

By Mr. CARTER of California: A bill (H. R. 5517) to correct the military record of John S. Cannell, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 5518) for the relief of Ida F. Waterman; to the Committee on Military Affairs.

By Mr. CAMPBELL of Iowa: A bill (H. R. 5519) for the relief of Walford W. Watt; to the Committee on Military Affairs.

By Mr. CANFIELD: A bill (H. R. 5520) granting an increase of pension to Lizzie Robinson; to the Committee on Invalid Pensions.

By Mr. CHIPERFIELD: A bill (H. R. 5521) for the relief of the Chicago Black Horse Troop Association; to the Committee on Claims.

By Mr. CONDON: A bill (H. R. 5522) to provide for examination and survey of the Providence River and Harbor, Providence, R. I.; to the Committee on Rivers and Harbors.

By Mr. CROWE: A bill (H. R. 5523) granting a pension to Ernest P. Garlach; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 5524) granting an increase of pension to Fannie Flansburg; to the Committee on Invalid Pensions.

By Mr. EATON of New Jersey: A bill (H. R. 5525) for the relief of Woodhouse Chain Works; to the Committee on War Claims.

By Mr. FREEMAN: A bill (H. R. 5526) for the relief of the heirs of the estate of Jeremiah Simonson; to the Committee on Claims.

By Mr. FULBRIGHT: A bill (H. R. 5527) for the relief of Ada B. Clodfelter; to the Committee on Claims.

By Mr. GIBSON: A bill (H. R. 5528) granting an increase of pension to Victoria A. Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5529) for the relief of Ira L. Reeves; to the Committee on Military Affairs.

By Mr. HARE: A bill (H. R. 5530) for the relief of James P. Connelly; to the Committee on Military Affairs.

By Mr. HOPE: A bill (H. R. 5531) granting an increase of pension to Mary A. Herman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5532) granting an increase of pension to Susanah S. Dellinger; to the Committee on Invalid Pensions.

By Mr. JENKINS: A bill (H. R. 5533) granting a pension to Mary Turner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5534) granting a pension to William Patterson; to the Committee on Pensions.

Also, a bill (H. R. 5535) granting a pension to Catherine Busler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5536) granting an increase of pension to Sarah A. Howell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5537) granting an increase of pension to Maggie Ervin; to the Committee on Invalid Pensions.

By Mr. JOHNSON of South Dakota: A bill (H. R. 5538) authorizing the Secretary of the Treasury to pay Dr. A. W. Pearson, of Peever, S. Dak., and the Peabody Hospital, at Webster, S. Dak., for medical services and supplies furnished to Indians; to the Committee on Claims.

Also, a bill (H. R. 5539) for the relief of George B. Pfeiffer; to the Committee on Claims.

Also, a bill (H. R. 5540) granting a pension to Irenie Thompson; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 5541) to provide for examination and survey of the Cowlitz River from its mouth to Toledo, Wash.; to the Committee on Rivers and Harbors.

By Mr. KETCHAM: A bill (H. R. 5542) for the relief of Charles B. Holmes; to the Committee on Military Affairs.

By Mr. LAMBERTSON: A bill (H. R. 5543) for the relief of Mrs. George Logan and her minor children, Lewis and Barbara Logan; to the Committee on Claims.

By Mr. LANKFORD of Virginia: A bill (H. R. 5544) to extend the benefits of the employees' compensation act of September 7, 1916, to Solomon J. Oliver; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 5545) granting an increase of pension to Catharine Gillaspie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5546) granting a pension to Mary M. Miller; to the Committee on Invalid Pensions.

By Mr. McCORMACK: A bill (H. R. 5547) for the relief of Warren J. Clear; to the Committee on Claims.

By Mr. McMILLAN: A bill (H. R. 5548) for the relief of George Brackett Cargill, deceased; to the Committee on Naval Affairs.

By Mr. MAY: A bill (H. R. 5549) granting a pension to James I. Barnett; to the Committee on Pensions.

Also, a bill (H. R. 5550) granting a pension to Buck Combs; to the Committee on Pensions.

Also, a bill (H. R. 5551) for the relief of W. G. Tackett; to the Committee on Claims.

Also, a bill (H. R. 5552) granting a pension to Remine Combs; to the Committee on Pensions.

Also, a bill (H. R. 5553) granting a pension to Billie Allen; to the Committee on Pensions.

By Mr. MITCHELL: A bill (H. R. 5554) granting a pension to Timothy Williams; to the Committee on Pensions.

By Mr. NORTON of Nebraska: A bill (H. R. 5555) granting an increase of pension to Caroline Albrecht; to the Committee on Invalid Pensions.

By Mr. PARKER of Georgia: A bill (H. R. 5556) for the relief of John T. Rocker; to the Committee on Claims.

Also, a bill (H. R. 5557) for the relief of Henry Walden Griffin; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5558) for the relief of Hunter Silas Suddath; to the Committee on War Claims.

Also, a bill (H. R. 5559) to authorize the appointment of Technical Sergt. Tom Bowen as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. PARSONS: A bill (H. R. 5560) granting an increase of pension to Robert T. Bland; to the Committee on Invalid Pensions.

By Mr. PARTRIDGE: A bill (H. R. 5561) for the relief of Oscar R. Hahnel; to the Committee on Claims.

By Mr. RICH: A bill (H. R. 5562) granting an increase of pension to Elizabeth S. Simpson; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 5563) granting an increase of pension to Annie E. Imbler; to the Committee on Invalid Pensions.

By Mr. SPARKS: A bill (H. R. 5564) for the relief of Alexander M. Proctor; to the Committee on Military Affairs.

By Mr. STALKER: A bill (H. R. 5565) granting an increase of pension to Ellen C. Hyers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5566) granting a pension to Jess L. Chapman; to the Committee on Pensions.

Also, a bill (H. R. 5567) granting an increase of pension to Esther M. Amey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5568) granting an increase of pension to Edith Pealing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5569) granting an increase of pension to Mary L. Hamilton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5570) granting an increase of pension to Julia E. Wilkinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5571) granting an increase of pension to Laura E. Lawrence; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5572) granting an increase of pension to Mary F. Luce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5573) granting an increase of pension to Kate Small; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5574) granting an increase of pension to Louise L. Pettingill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5575) granting an increase of pension to Mary R. Hawthorne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5576) granting an increase of pension to Emma R. Hathaway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5577) granting an increase of pension to Emma Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5578) granting an increase of pension to Mary P. Bruner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5579) granting an increase of pension to Emma L. Reinhart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5580) granting an increase of pension to Martha Morphy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5581) granting an increase of pension to Elmira M. Webb; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5582) granting an increase of pension to Caroline J. Comfort; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5583) granting an increase of pension to Sallie S. Tyler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5584) granting a pension to Mary A. Fay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5585) granting an increase of pension to Laura A. Raymond; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5586) granting an increase of pension to Melvina Johnson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5587) granting a pension to Earl F. White; to the Committee on Pensions.

Also, a bill (H. R. 5588) granting an increase of pension to Frank M. Corbin; to the Committee on Pensions.

Also, a bill (H. R. 5589) granting an increase of pension to Mary L. Beers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5590) granting an increase of pension to Clarissa Strait; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5591) granting an increase of pension to Rebecca A. Decker; to the Committee on Invalid Pensions.

By Mr. SWEENEY: A bill (H. R. 5592) to reimburse the estate of Mary Agnes Roden; to the Committee on Claims.

Also, a bill (H. R. 5593) for the relief of Emanuel Lieberman; to the Committee on Claims.

By Mr. TIERNEY: A bill (H. R. 5594) for the relief of Harold I. June; to the Committee on Naval Affairs.

By Mr. YON: A bill (H. R. 5595) for the relief of Harry Manning Lee; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

115. By Mr. BOYLAN: Resolution adopted at a meeting of the New York State Chamber of Congress, favoring an amendment of the antitrust laws; to the Committee on the Judiciary.

116. Also, resolution adopted at a meeting of the New York State Chamber of Commerce on commercial relations with Russia and the Soviet economic menace; to the Committee on Foreign Affairs.

117. By Mr. CONDON: Resolution of the American Legion, Department of Rhode Island, urging the passage of legislation providing for the immediate cash redemption by the Federal Government of adjusted-compensation certificates held by veterans of the World War; to the Committee on Ways and Means.

118. By Mr. SANDERS of Texas: Petition of Archie D. Primrose, of Eustace, Tex., for the balance of pay due veterans who had from 501 to 900 days' service in the World War, beginning April 6, 1917, and were allowed adjusted compensation for only 500 days, or paid-up insurance of about $1,500; to the Committee on Ways and Means.

119. Also, petition signed by A. L. Kirby and others, of Malakoff, Tex., advocating the immediate payment of the adjusted-service certificates of veterans of the World War; to the Committee on Ways and Means.

120. Also, petition of J. B. McGinty and numerous other citizens of Terrell, Tex., for remedial measures with reference to cooperative organizations which are operated and financed by the Government; to the Committee on Agriculture.

121. By Mr. SMITH of West Virginia: Resolution of the New River Coal Operators Association, of Mount Hope, W. Va., urging that Congress remove crude petroleum and fuel oil from free entry into the ports of the United States; to the Committee on Ways and Means.

SENATE

MONDAY, DECEMBER 14, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Eternal God, who art our refuge and strength, a very present help in time of trouble, without whom life is naught, help us this day to a more intimate knowledge of our better self, a swifter recognition of all that is best in our human heritage, that encompassed by Thy love and illuminated by Thy light we may rise above life's mediocre levels to those heights where intuition, transfigured by the dawning of Thy purpose, yields her magic bloom.

By the divine alchemy of Thy grace, purify our hearts, sanctify our reason, unify our aims, clothe us with humility, remove all mordant strife, and help us to love as brethren dedicated to the Nation's weal, that in this day of the world's great need we may further the coming of Thy kingdom in the hearts of men and peace and prosperity among the nations of the world. Through Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of Thursday last, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 72) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad to be held in the United States in 1932, in which it requested the concurrence of the Senate.

EXPENSES OF SIXTEENTH SESSION, INTERNATIONAL GEOLOGICAL CONGRESS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State to the end that legislation may be enacted to authorize an appropriation of $85,000 for the expenses of the sixteenth session of the International Geological Congress to be held in the United States in 1933.

HERBERT HOOVER.

THE WHITE HOUSE, *December 14, 1931.*

COURTS IN THE PHILIPPINE ISLANDS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith two related bills enacted by the Eighth Philippine Legislature during its second session and approved by the Governor General of the Philippine Islands. They are:

S. No. 261. "An act defining the jurisdiction of the Supreme Court of the Philippine Islands, creating a court of appeals and defining its jurisdiction, and providing for other purposes"; and

S. No. 155. "An act concerning the judiciary; making provision regarding the court of appeals created by act entitled 'An act defining the jurisdiction of the Supreme Court of the Philippine Islands, creating a court of appeals and defining its jurisdiction, and for other purposes'; providing appropriation for said court of appeals; applying the provisions of certain sections of the Revised Administrative Code to said court of appeals, and for other purposes."

Briefly, the purpose of the two acts was to relieve congestion in the work of the Supreme Court of the Philippine Islands by the creation of an intermediate court of appeals between the courts of first instance and the Supreme Court of the Philippine Islands.

Act S. No. 261 purports to diminish the present jurisdiction of the Supreme Court of the Philippine Islands through transfer of certain of that jurisdiction to the proposed court of appeals. Under section 26 of the organic act of the Philippine Islands the act can not take effect without the prior approval of Congress.

The related act, S. No. 155, provides for the organization of the proposed court of appeals if, and when, authorized by Congress. It contemplated no express approval by Congress of its provisions.

The acts in question are transmitted as indicative of the form and substance of legislation which, at the time of the passage of the acts by the Philippine Legislature, was deemed advisable by that body. Subsequent, however, to the passage of these acts the Philippine Legislature passed legislation relative to the Supreme Court of the Philippine Islands which received the approval of the Governor General, and which does not require action by the Congress. That legislation (Act No. 3816, December 8, 1930) authorized an increase in the personnel of the supreme court, the jurisdiction of the court remaining unchanged.

It is believed that existing legislation affords adequate provision for meeting present needs. It is accordingly recommended that neither Act S. No. 261 nor Act S. No. 155 receive the approval of Congress.

HERBERT HOOVER.

THE WHITE HOUSE, *December 14, 1931.*

WITHDRAWALS AND RESTORATIONS OF PUBLIC LANDS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of the withdrawals and restorations of public lands under the act of June 25, 1910, during the period December 1, 1930, to November 30, 1931, inclusive, which, with the accompanying papers, was referred to the Committee on Public Lands and Surveys.

SPECIAL REPORT OF EXPENDITURES, FIVE CIVILIZED TRIBES

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a letter from the Superintendent of the Five Civilized Tribes Agency, containing a special report of expenditures of that agency from the appropriation "Support of Indians and Administration of Indian property, 1931," which, with the accompanying report, was referred to the Committee on Indian Affairs.

LABOR TURNOVER IN MANUFACTURING FIRMS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Labor, transmitting, in compliance with Senate Resolution 430, third session, Seventy-first Congress, a report of the Commissioner of Labor Statistics showing percentage changes in the number of employees and size of pay rolls of certain manufacturing firms or plants from June, 1929, to December, 1930, etc., which, with the accompanying report, was referred to the Committee on Manufactures and ordered to be printed.

REPORTS OF THE LIBRARIAN OF CONGRESS

The VICE PRESIDENT laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, his annual report to the Congress, together

with the annual report of the Register of Copyrights for the fiscal year ended June 30, 1931, which, with the accompanying reports, were referred to the Committee on the Library.

REPORT OF THE TEXTILE FOUNDATION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Textile Foundation, submitting, pursuant to law, and on behalf of the board of directors, a report of the proceedings, activities, income, and expenditures of the Textile Foundation for the fiscal year ended December 31, 1930, which, with the accompanying report, was referred to the Committee on Education and Labor.

"PROHIBITION AND SUBSTITUTION PLAN"

The VICE PRESIDENT laid before the Senate a letter from Joseph Battaglia, of New York City, N. Y., submitting a pamphlet entitled "Prohibition and Substitution Plan," which, with the accompanying pamphlet, was referred to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Commerce:

STATE OF NEW JERSEY.

Senate Joint Resolution 15 (introduced March 23, 1931, by Mr. Powell)

A joint resolution memorializing the Congress of the United States to construct a ship canal across the State of New Jersey from Raritan Bay to the Delaware River, at a point near the head of navigation

Whereas an inland waterways system has been provided along the entire Atlantic coast with the exception of the short distance through the State of New Jersey; and

Whereas the construction of a ship canal through the State of New Jersey will complete said inland waterways system; and

Whereas the State of New Jersey has heretofore appropriated considerable money for the acquisition of the right of way for such canal, and has from year to year reappropriated said moneys; and

Whereas the State of New Jersey has been and still is ready and willing to furnish the right of way for such canal in accordance with representations heretofore made to the Federal Government: Therefore be it

Resolved by the Senate and General Assembly of the State of New Jersey—

1. That the Congress of the United States is hereby memorialized and requested to appropriate a sufficient sum of money to construct a ship canal across the State of New Jersey from Raritan Bay to the Delaware River, at a point near the head of navigation, upon a right of way to be furnished by this State; be it further

2. *Resolved*, That a copy of this resolution be transmitted to the Vice President of the United States, to the Speaker of the House of Representatives, and to each Member in the Senate and House of Representatives of the United States from the State of New Jersey.

3. This joint resolution shall take effect immediately.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, memoralizing the Congress to enact legislation for unemployment reserves and compensation on a nation-wide basis, which was referred to the Committee on Education and Labor. (See resolution printed in full when presented to-day by Mr. BLAINE.)

The VICE PRESIDENT laid before the Senate a letter from Richmond P. Hobson, jr., of New York City, N. Y., submitting his suggestions and a plan for the relief of unemployment, etc., which was referred to the Committee on Education and Labor.

He also laid before the Senate a communication from Adrian H. Randall, of New Orleans, La., submitting his solution of the unemployment situation, comprising the subjects of labor, money, manufacturing, transportation, and land, which was referred to the Committee on Education and Labor.

He also laid before the Senate communications of the department of industrial relations, division of labor statistics and law enforcement, State of California (State Labor Commissioner's office), relative to the labor and material bond law on Federal public works, etc., which were referred to the Committee on Education and Labor.

He also laid before the Senate a communication from William T. McKinnon and J. D. Wooten, of Los Angeles, Calif., submitting their plan or program for the relief of unemployment, which was referred to the Committee on Education and Labor.

He also laid before the Senate letters, with accompanying matter, from E. C. Huggins, of Dalton, Ga., suggesting a plan for the relief of unemployment by imposing certain taxes and the inauguration of highway building, which were referred to the Committee on Education and Labor.

He also laid before the Senate resolutions of the Dan Colello Association (Inc.), of Jersey City, N. J., favoring the imposition of a luxury tax such as was adopted as a war measure during the World War, the income from such tax to be appropriated for the relief of the needy and unemployed throughout the country, which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Board of Aldermen of the City of Chelsea, Mass., favoring the full payment of veterans' adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Council of the City of Seattle, Wash., favoring the prompt and full payment of veterans' adjusted-service certificates (bonus), which were referred to the Committee on Finance.

He also laid before the Senate a resolution unanimously adopted by the campaign committee of the Regular Old Line Republican Organization at New Orleans, La., requesting that all recommendations and indorsements emanating from the National Republican Club of Louisiana and the Pelican Republican Club of Louisiana be disregarded for the reason that they both represent the Horace Mann policies and are therefore diametrically opposed to the principles of the Republican Party, etc., which were referred to the Committee on Finance.

He also laid before the Senate a telegram signed by John A. Gavryl and others (for the committee), representing 12 societies and over 2,000 cities, assembled in mass meeting at Bristol, Conn., on November 15, 1931, protesting against the deprivation to Poland of her only outlet to the sea (the Polish Corridor), and of her coal and iron mines, etc., which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions of the committee on Cuban-American reciprocity, Cuban Chamber of Commerce in the United States (Inc.), favoring the immediate modification of the existing treaty of commercial reciprocity between Cuba and the United States so that prompt mutual aid may be extended to agriculture and industry "in this, the greatest crisis in the history of Cuban-American trade," which were referred to the Committee on Foreign Relations.

He also laid before the Senate a letter from Walter L. Mitchell, of Haines, Alaska, submitting a proposal for the purchase or lease of the Alaska Railroad, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate copy of a letter from G. W. Hurley, Esq., of Bakersfield, Calif., relative to the case of the El Tejon Indian chief, Juan R. Lazada, in regard to land allotments, etc., which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from Walter von Brock, of the Pennsylvania State Hotel Association, of Stroudsburg, Pa., transmitting matter relative to a referendum vote of the Pennsylvania State Hotel Men's Association on the subject of repeal or modification of the prohibition law, showing "out of 520 votes polled in the association all but 18 favored repeal or modification," and favoring the sale of light wines and beer, etc., which, with the accompanying papers, was referred to the Committee on the Judiciary.

Mr. BLAINE presented the following resolution of the House of Representatives of the State of Wisconsin, which was referred to the Committee on Public Buildings and Grounds:

STATE OF WISCONSIN.

A resolution memorializing Congress to float a $5,000,000,000 bond issue in aid of the unemployed

Whereas it has been suggested that if Congress were to float a $5,000,000,000 bond issue for the purpose of speeding up public

works, there would be an early improvement in the present unsatisfactory economic conditions of thousands of the citizens of this country; and

Whereas any plan or suggestion that seeks to solve the problem of unemployment and thus bring about the return of prosperity in all lines of industrial activity and improvement in agricultural conditions is worthy of consideration: Now, therefore, be it

Resolved by the assembly, That this house hereby respectfully memorializes the Congress of the United States to enact the necessary legislation which will provide for the floating of a $5,000,000,000 prosperity loan and the inauguration of a nation-wide building program of public works and internal improvements; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. BLAINE also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Education and Labor:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact legislation for unemployment reserves and compensation on a nation-wide basis

Whereas there is general agreement that the employees in industrial establishments should be protected by unemployment reserves in a manner similar to the reserves which industries generally set up to stabilize the dividend payments to stockholders; and

Whereas legislation to this effect ought to be national, inasmuch as the competitive situation makes it difficult for any one State to act alone in this matter: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializies the Congress of the United States to enact national legislation requiring industries generally to establish unemployment reserves from which discharged workmen are to be compensated when unable to find other employment; be it further

Resolved, That properly attested copies of this resolution be transmitted to the presiding officers of both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. JONES presented a resolution adopted by the Skagit County (Wash.) Dairymen's Association, commending the Federal Farm Board for its assistance to the farmer, which was referred to the Committee on Agriculture and Forestry.

Mr. KEYES presented a petition numerously signed by sundry citizens of the State of New Hampshire, praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented petitions numerously signed by citizens of the State of Maryland, praying for the immediate cash payment in full of adjusted-service certificates (bonus), which were referred to the Committee on Finance.

He also presented a memorial numerously signed by sundry citizens of the States of Maryland and Pennsylvania, remonstrating against the proposed reduction of salaries of Government employees, which was referred to the Committee on Civil Service.

Mr. CAPPER presented resolutions adopted by Harry Easter Camp, No. 16, United Spanish War Veterans, Emporia, Kans., favoring the imposition of a tariff on crude petroleum, which were referred to the Committee on Finance.

THE WORLD COURT

Mr. CAPPER. Mr. President, I send to the desk a copy of the resolution adopted by the State convention of the Woman's Christian Temperance Union of Kansas, held at Manhattan, Kans., October 6 to 9, 1931, urging the Senate to take early action on the so-called World Court protocols, and ask that the resolution be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the World Court is the outstanding agency for settling international disputes by the application of the principles of international law; and

Whereas its usefulness has been proved by the acceptance of every one of the 35 decisions it has given during the nine years of its existence by the nations involved; and

Whereas the Senate in January, 1926, by a vote of 76 to 17, passed a resolution definitely providing for the entrance of this country into the World Court under five conditions; and

Whereas Secretary Stimson has officially declared that these conditions are entirely met by the three protocols, or treaties, which have for this reason been signed by the United States, by the authority of President Hoover, and now await the Senate's consent to ratification; and

Whereas the National Woman's Christian Temperance Union has for years declared its belief in the need of American participation in the World Court: Now, therefore, be it

Resolved, That the Kansas Woman's Christian Temperance Union meeting on October 6 to 9, 1931, heartily indorses early ratification of the three World Court protocols and earnestly requests the United States Senate to take favorable action upon them at the earliest practicable time; and be it further

Resolved, That the secretary of this meeting be instructed to send copies of this resolution early in the opening of the next session of the Senate to—

(1) Every member of the Foreign Relations Committee.

(2) Senator CAPPER, with a request that he have it printed in the CONGRESSIONAL RECORD.

(3) Senator MCGILL.

Mr. AUSTIN presented a resolution unanimously adopted by the Vermont Bar Association, which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

The following resolution was unanimously adopted by the Vermont Bar Association at its annual meeting held in Montpelier, Vt., October 6, 1931:

"Whereas at a meeting of this association held on the 3d day of January, 1924, the association adopted the following resolution:

"'*Resolved,* That the Bar Association of the State of Vermont join in what it believes to be the wise judgment of the American people that the United States ought to become one of the supporters of the Permanent Court of International Justice at The Hague and that our Government, therefore, should adhere to the protocol establishing the court in the manner set forth by President Harding in his message to the Senate on February 24, 1923, which recommendation was recently approved and renewed by President Coolidge in his message to Congress.'

"And thereafter on January 27, 1926, the United States Senate by resolutions duly adopted did advise and consent to the adherence on the part of the United States to the said protocol and the adjoined statute for the Permanent Court of International Justice (without accepting or agreeing to the optional clauses for compulsory jurisdiction), subject to certain reservations and understandings which thereby were made a part and condition of said resolutions.

"And on March 18, 1929, a protocol for the adherence of the United States to the said Permanent Court was recommended by a committee of jurists, one of whom was the Hon. Elihu Root, providing a means for the carrying out of the reservations and understandings set forth in the Senate resolution of January 27, 1926, and this protocol was opened for signature on September 14, 1929; and

"Whereas the President has now asked the consent of the Senate to the ratification of these World Court treaties or protocols:

"'1. The protocol of signature of the statute of the Permanent Court of International Justice;

"'2. The protocol of accession of the United States of America to the protocol of signature of the statute of the Permanent Court of International Justice; and

"'3. The protocol of revision of the statute of the Permanent Court of International Justice,' which were signed by the United States on December 9, 1929;

"And since the Department of State has officially declared that by these protocols the difficulties which caused the Senate's reservations of 1926 concerning advisory opinions have been fully met;

"And since the completion of the step which the United States Senate, by its resolution of 1926, took to secure the adherence of the United States to the court is in direct line with the traditional American policy favoring the judicial settlement of certain classes of international disputes; and

"Whereas this association desires to reaffirm its position taken in 1924 relative to the United States adhering to this court and believing that the ratification by the United States of America of these protocols of the Permanent Court of International Justice is required both by the self-interest of the United States and by its natural obligation as a member of the community of nations, and that such ratification is a movement for world peace: Now, therefore, be it

"*Resolved by the Vermont Bar Association in meeting assembled in Montpelier, Vt., on the 6th day of October, 1931,*

"1. That the adherence of the United States of America to the Permanent Court of International Justice is an essential step to the maintenance of world peace, the promotion of good feeling and fellowship among the community of nations, and a step desirable in itself;

"2. That the protocols protect in all respects the interests of the United States;

"3. That therefore the three protocols should be promptly ratified by the United States of America without further amendment; be it further

"*Resolved*, That the secretary of this association be instructed to send a copy of this resolution—

"1. To Senator DALE and Senator AUSTIN, with the respectful request to the latter that it shall be inserted in the CONGRESSIONAL RECORD;

"2. To every member of the Foreign Relations Committee of the United States Senate, whenever that committee begins the discussion of the World Court protocols, with the respectful request that they lend their influence to an early and favorable report on the protocols so the Senate may be able to vote upon them without further delay;

"3. To the outstanding papers in Vermont;

"4. To President Hoover and Mr. Stimson, Secretary of State."

Mr. ROBINSON of Arkansas. I ask leave to have printed in the RECORD and referred to the Committee on Foreign Relations resolutions adopted by the Arkansas Bar Association in 1930 and 1931, by the Arkansas Department of the American Legion, by the Arkansas Baptist Convention, by the Arkansas Federation of Women's Clubs, by the Woman's City Club of Little Rock, by the Cooperative Club of Little Rock, by the Pope County Bar Association, and sundry other organizations, all in the State of Arkansas, relating to the ratification of the protocols pertaining to the World Court.

There being no objection, the resolutions, with related matter, were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

INDORSEMENT OF RATIFICATION OF WORLD COURT PROTOCOLS BY ARKANSAS ORGANIZATIONS

ARKANSAS BAR ASSOCIATION

1930

Resolved, That the Arkansas Bar Association heartily approves the treaty providing that this country shall give its adhesion to the World Court; a measure which will be of incalculable value in preserving peace between the nations and spreading a spirit of good will among mankind. We therefore respectfully petition the President to transmit the treaty to the Senate at the first favorable opportunity, and we respectfully urge its ratification upon the Senate.

1931

Whereas the President has now transmitted to the Senate, and asked its consent to their ratification, three World Court protocols, already signed by the United States in December, 1929; and

Whereas one of these protocols, the protocol of accession including Mr. Root's formula for the operation of the fifth reservation concerning advisory opinions, accepts the Senate's 1926 reservations subject only to certain procedural agreements and without modification or change of the reservations themselves; and

Whereas by the report of Secretary Stimson to the President, "by these protocols the dangers which seemed to inhere in the rendering of advisory opinions by the court at the time the question was last presented to the Government in 1926 have now been entirely removed"; and

Whereas the Arkansas Bar Association has, at its last three meetings, consistently urged the adherence of the United States to the World Court: Now, therefore, be it

Resolved, That the Arkansas Bar Association, in meeting assembled on May 21, urges the Senate to give its consent to the ratification of these three protocols at the earliest practicable time in order that the Senate's resolution of 1926, providing for the adherence of the United States to the Permanent Court, may become effective.

ARKANSAS DEPARTMENT OF THE AMERICAN LEGION

Whereas the American Legion advocates the adherence of the United States to the Permanent Court of International Justice; and

Whereas steps toward this end have already been taken in the Senate's passage of the resolution providing for our adherence to the World Court; and

Whereas all that remains to put this resolution into effect and complete the adherence of the United States to the court is the Senate's ratification of the three World Court protocols, which the United States has already signed; and

Whereas it is the judgment of our National Committee on Foreign Relations that Mr. Root's formula, incorporated in the protocol accepting our Senate's reservations and offering a procedure for the Senate's fifth reservation concerning advisory opinions "fully protects the interests of the United States": Therefore be it

Resolved at a meeting of the Arkansas Legion, That we heartily approve the Senate's ratification of the three World Court protocols and hope that Senator ROBINSON and Senator CARAWAY, of Arkansas, will accurately reflect our hopes and those of thousands of their other constituents, in doing everything within their power to secure the ratification of the protocols.

ARKANSAS BAPTIST CONVENTION

Whereas the preservation of international peace is of the utmost concern to every citizen; and

Whereas it is peculiarly suitable for specifically Christian organizations to take a vigorous part in promoting the peaceful settlement of those disputes which are bound to arise between nations; and

Whereas the World Court is the outstanding agency for applying the principles of international law to the settlement of international disputes, as is indicated by the fact that the 36 decisions given by the court in the nine years of its existence have all been accepted by the nations involved; and

Whereas in 1926, the Senate, by a vote of 76 to 17, passed a resolution providing for our entrance into the World Court with five reservations; and

Whereas these reservations are, according to Secretary Stimson, entirely met by the three World Court protocols to which the signature of the United States has already been attached and which now await the Senate's ratification: Now, therefore, be it

Resolved, That the Arkansas Baptist convention, in meeting assembled hereby urges the Senate to ratify these three protocols at the earliest practicable time; and be it further

Resolved, That Senator ROBINSON be earnestly and respectfully requested to do everything in his power to further an early and favorable report upon the protocols from the Senate Foreign Relations Committee, of which he is a member, since until that committee's report is submitted to the Senate, the Senate can not vote upon ratification.

ARKANSAS FEDERATION OF WOMEN'S CLUBS

Believing that our great Nation should in these times of world-wide political and economic unrest and change take its necessary and rightful place of leadership toward world peace and international organization; and

Believing that the peaceful settlement of international disputes is a great and solemn pledge that binds our statesmen and to which the foreign policy of the United States is committed by the Kellogg-Briand pact; and

Believing that international cooperation is to-day a recognized condition of world peace, and to establish this the development of arbitration and conciliation is a first necessity, and that the rule of law must be made a common acceptance by all nations;

We, the Arkansas Federation of Women's Clubs in annual session assembled, reaffirm our State and general federations' allegiance to the great ideal of world peace and international cooperation; and

Respectfully and most earnestly urge our United States Senators, Senator ROBINSON and Senator CARAWAY, to give their full support and vote for the adherence of the United States to the World Court; and we further urge that the United States become a member of the World Court before the convening of the general disarmament conference in February.

It is further voted that a copy of this resolution be sent to Senator JOSEPH T. ROBINSON and Mrs. T. H. CARAWAY and to President Hoover and given to the press.

THE WOMAN'S CITY CLUB OF LITTLE ROCK

Whereas the President has sent to the Senate the protocols giving the adhesion of the United States to the World Court;

Therefore we urge upon our Senators that they exercise their powerful influence to secure their early adoption.

COOPERATIVE CLUB OF LITTLE ROCK, ARK.

It is hereby unanimously resolved by the Cooperative Club of Little Rock, Ark., That we look upon the World Court as one of the chief means of preserving peace and good will between nations, and that we petition our Senators to favor ratification of the treaties by which the United States gives its adhesion thereto.

POPE COUNTY BAR ASSOCIATION

Be it resolved by the Pope County Bar Association on this Tuesday, March 31, 1931, That we go on record as asking our Senators to vote in favor of our adhesion to the World Court, believing World Court is an American idea sponsored by some of our leading men in American history and because we think it would be the best thing for mankind.

BUSINESS AND PROFESSIONAL WOMEN'S CLUB OF EL DORADO, ARK.

The Business and Professional Women's Club of El Dorado, Ark., is very much interested in the completion of the adherence of the United States to the World Court, and we believe that now is the opportune time to make known our sentiment in this movement; we would therefore like to express to you, as a member of the Committee on Foreign Relations of the United States Senate, our interest in the early ratification of the protocols.

KIWANIS CLUB OF LITTLE ROCK

It is hereby unanimously resolved by the Kiwanis Club of Little Rock, Ark., That we look upon the World Court as one of the chief means of preserving peace and good will between nations and that we petition our Senators to favor ratification of the treaty by which the United States gives in its adhesion thereto.

Referenda on ratification of the World Court protocols

DAILY NEWSPAPERS IN ARKANSAS

(All of these are small)

Favorable to ratification (including all the largest dailies in the State)	27
Opposed	0
No stand	1
Impossible to classify	0
No reply	5

NATIONAL ECONOMIC LEAGUE

Favorable to ratification 20
Opposed 2

OTHER INTEREST IN THE WORLD COURT SHOWN IN ARKANSAS

During the years between 1926 and 1929, when negotiations with regard to our adherence to the World Court had lapsed, a number of important groups in this State urged the Senate to resume negotiations in order that our entry into the World Court might be completed. Letters and resolutions from the following bodies were sent to the Senate asking the resumption of negotiations:

Arkansas Bar Association; Arkansas Federation of Women's Clubs; Woman's Christian Temperance Union; Fort Smith Chamber of Commerce; Hot Springs Chamber of Commerce; Young Men's Christian Association of Little Rock; Arkansas American Association of University Women; Arkansas American Legion Auxiliary; Business and Professional Women's Clubs of Arkansas; City Federation of Clubs of Little Rock (membership, 4,000); Council of Jewish Women of Arkansas; Arkansas Young Women's Christian Association; National Young Women's Christian Association in Arkansas; Arkansas Parent-Teachers' Association; Missionary Societies of All Christian Churches in Arkansas; Missionary Society of First Methodist Church, Little Rock; Women's City Club, Little Rock; and Sorosis Club of the City of Magnolia, Ark.

In Fort Smith alone the following organizations have urged the entrance of the United States into the World Court:

Wednesday Club, Fortnightly Club, Woman's Christian Temperance Union, Delphian Society, Traveler's Aid, Sunshine Club, Catholic Daughters of America, and Public-School Teachers' Association.

CANADIAN TARIFF AND EXCHANGE

Mr. SHIPSTEAD. Mr. President, I have here a letter dealing with the question of retaliatory tariffs and foreign exchange. I send it to the desk and ask unanimous consent to have it read.

The VICE PRESIDENT. Is there objection to the reading? The Chair hears none, and it will be read.

The Chief Clerk read as follows:

NORTHERN COAL COMPANY,
Detroit, December 11, 1931.

Hon. HENRIK SHIPSTEAD,
United States Senate, Washington, D. C.

DEAR SENATOR: You are, of course, aware of the increased tariff, as well as the excise tax, invoked by Canada against our exports in her lightninglike reprisals to our Hawley-Smoot tariff.

But are you aware that with equal rapidity she issued a customs order on September 28, 1931, placing an additional duty against our commodities which at the time of writing is 17 per cent?

This September 28 customs ruling was her quick and snappy answer to the violently increased rate at which United States banks, commencing September 21, discounted Canadian funds. Its basis is the rate of such discount in effect on date of importation and applies to goods "of a class or kind produced in Canada."

Our banks contend that the exchange rate is due to "balance of trade" against Canada, but the discount rate, though higher at that time than formerly, was nevertheless only 2 to 3 per cent on Saturday, September 19, whereas it opened Monday, September 21 at 10 per cent, increasing to 20 per cent within the week. Canada could neither have purchased so tremendously of our goods on Sunday, September 20, as to justify Monday's 7 to 8 per cent increase, nor during the balance of that week to justify the 17 to 18 per cent increase.

It is significant that England went off the gold standard September 21, and the extent to which Canada's affiliation with the British Commonwealth of Nations is being used for exploitation of exchange may be a fit subject for investigation in view of its disastrous effect upon our foreign commerce and our industrial and employment situation.

Canada has not changed the standard of her currency which denominationally and otherwise is practically a counterpart of our own and in no way founded upon England's. Her affiliation with the British commonwealth is that of an independent unit, and aside from the fact that she is reputedly the world's second largest producer of gold, with other vast natural resources, she should be entitled as our, until recently, best customer to the better treatment deserved by a contiguous nation with ideals, living standards, scale of wages, and industrial development, the latter proportionate to population, comparable with our own.

Some few years ago during our industrial prosperity when the exchange rate threatened serious proportions remedial measures, designed to stabilize the rate at a maximum fluctuation of 1 per cent, were rumored, but apparently the need passed with the restoration of United States and Canadian currencies to approximate parity. If such a remedy exists, does not our present industrial and unemployment plight render its invocation doubly desirable now?

Canadian banks, among which we have heard of no failures during these trying times, are of recognized stability, and the history of United States-Canadian exchange invariably records the eventual return of the two currencies to near parity so that now, within their financing ability—

American exporters, seeking to avert the ruinous loss that would be entailed by the exchange discount incidental to their normal return to United States depositories, have in the aggregate deposited vast sums of Canadian funds received for commodities sold prior to the late September violent increase in the rate in Canadian banks.

American exporters of commodities "not of a class or kind produced in Canada," such, for example, as anthracite coal, and who must either continue accepting Canadian funds or sacrifice their Canadian trade to foreign competition with depreciated currencies, have deposited and are now depositing such funds received since late September and continually being received, in Canadian banks.

Americans, in the expectation of profiting with the expected return of United States-Canadian currencies to near parity, finding credit in the ratio of approximately $1,170 Canadian funds for $1,000 American funds obtainable in Canada at an equal rate of bank interest, have transferred deposits from United States banks to Canadian banks.

This drainage of our liquid funds threatens nullification of the beneficial effects toward liquefaction of United States banks generally expected of the National Credit Corporation, the proposed reconstruction corporation, the proposed establishment of home-loan discount banks, and other Federal remedial measures rendering them tantamount, unless the leak can be stopped, to pouring funds into this end of an open pipe line emptying into Canada.

This situation is naturally quite satisfactory to the majority of Canadians who appreciate its several advantages, of which the influx of United States funds is but one, but it is far from satisfactory to the exchange-burdened Canadian importer, to whom our commodities must look for a market, and he will not purchase any United States products at $1.17 per dollar that he can possibly get along without.

To digress, if a sales tax is enacted in response to agitation for it from some quarters, then unless our exported commodities are exempted, and by a method to render them permanently so, that will be another step toward the effacement of this country from the map as an exporting nation.

Respectfully,

E. C. CROWLEY, *President.*

The VICE PRESIDENT. The letter will be referred to the Committee on Finance.

INDORSEMENTS OF FEDERAL FARM BOARD ACTIVITIES

Mr. SMOOT. Mr. President, I have here certain resolutions forwarded to me by Jess W. Wade, secretary of the Intermountain Grain Growers (Inc.), asking that I submit them for printing in the RECORD and reference to the Committee on Agriculture and Forestry. I do so now.

There being no objection, the resolutions were ordered to be printed in the RECORD and referred to the Committee on Agriculture and Forestry, as follows:

OGDEN, UTAH, *December 7, 1931.*

Hon. REED SMOOT,
United States Senator, Washington, D. C.

DEAR SIR: Much comment has appeared in the press concerning the activities of the Federal Farm Board, the Grain Stabilization Corporation, the Farmers National Grain Corporation, and its allied agencies, and from this comment it seems probable that an attempt will be made to repeal the agricultural marketing act and limit the activities of the Federal Farm Board, as well as those groups cooperating with it.

Such a possibility has aroused the earnest attention of the farmers' organizations of the intermountain region, and accordingly boards of directors of the several local units of the Inter-Mountain Grain Growers (Inc.), as well as its own directors, have taken action to bring before you their opinion in the form of resolutions passed commending the operations of these governmental agencies to aid the interests of agriculture.

Copies of these resolutions have been prepared and we are presenting them herewith for your serious consideration when matters pertaining to the Federal Farm Board, the Grain Stabilization Corporation, the Farmers National Grain Corporation, and the agricultural marketing act come before Congress for its attention.

Yours very truly,

INTER-MOUNTAIN GRAIN GROWERS (INC.),
By JESS W. WADE, *President.*

STATE OF UTAH,
County of Weber, ss:

Jess W. Wade, being first duly sworn, deposes and says: That the Inter-Mountain Grain Growers (Inc.) is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at Ogden, Utah; that he is the duly elected, qualified, and acting secretary of said corporation; that the attached resolutions of Hansel Valley Grain Growers (Inc.), Hansel Valley, Utah; Franklin County Grain Growers (Inc.), Preston, Idaho; Ririe Grain Growers (Inc.), Ririe, Idaho; Gem Valley Grain Growers (Inc.), Grace, Idaho; Yellowstone Grain Growers (Inc.), Drummond, Idaho; Camas Prairie Grain Growers (Inc.), Fairfield, Idaho; Madison County Grain Growers (Inc.), Rexburg, Idaho; Power County Grain Growers (Inc.), American Falls, Idaho; Arimo Grain Growers (Inc.), Arimo, Idaho; Blue Creek Grain Growers (Inc.), Blue Creek, Utah; Central Utah Grain Growers (Inc.), Nephi, Utah, are true and correct copies of those now appearing in the files of Inter-Mountain Grain Growers (Inc)., at Ogden, Utah, and upon the minute books of said corporations, and that same

were passed for the purpose of expressing the confidence of the several organizations in the Federal Farm Board, the Farmers' National Grain Corporation, and the agricultural marketing act.

JESS W. WADE,
Secretary Inter-Mountain Grain Growers (Inc.).

Subscribed and sworn to before me, a notary public in and for the county of Weber, State of Utah, this 5th day of December, 1931.

[SEAL.] ELWOOD WILLIAMS,
Notary Public.

My commission expires October 23, 1934.

Resolution adopted at Central Utah Grain Growers (Inc.) meeting, Nephi, Utah, November 23, 1931

Be it resolved, That we indorse the activities of the Federal Farm Board in sponsoring organizations of farmers' cooperative marketing associations and in rendering aid to such associations in financing the marketing of farm crops and construction of storage facilities.

WILL L. HOYT, *Secretary.*

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best possible advantage: Now, therefore, be it

Resolved, That the board of directors of the Hansel Valley Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, Howard Glenn, secretary of the Hansel Valley Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on December 5, 1931.

HOWARD GLENN, *Secretary.*

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best possible advantage: Now, therefore, be it

Resolved, That the board of directors of the Franklin County Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, R. W. Geddes, secretary of the Franklin County Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on November 10, 1931.

R. W. GEDDES, *Secretary.*

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members, as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best possible advantage: Now, therefore, be it

Resolved, That the board of directors of the Gem Valley Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, Willard Call, secretary of the Gem Valley Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on August 24, 1931.

WILLARD CALL, *Secretary.*

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members, as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best possible advantage: Now, therefore, be it

Resolved, That the board of directors of the Yellowstone Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, Earl Harshbarger, secretary of the Yellowstone Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on November 5, 1931.

EARL HARSHBARGER, *Secretary.*

Copy of resolution passed by the Camas Prairie Grain Growers (Inc.), of Fairfield, Idaho, October 30, 1931

Whereas the agricultural marketing act was passed for the express purpose of aiding agriculture through the Federal Farm Board and cooperatives organized under the direction of the Farm Board;

Whereas the Farmers National Grain Corporation was organized under the direction of the Farm Board and has operated very successfully since its organization for the distinct benefit of the grain growers of the country. Now therefore be it

Resolved, That the board of directors of the Camas Prairie Grain Growers (Inc.) do hereby extend its whole-hearted support and confidence to the Federal Farm Board and the Farmers National Grain Corporation and urge all grain cooperatives to support the activities and operations of these two organizations.

I hereby certify that the above resolution was adopted at a meeting of the board of directors of the Camas Prairie Grain Growers (Inc.) held at Fairfield, Idaho, October 30, 1931.

F. B. FASHBAUGH, *Secretary.*

Resolution

It is hereby resolved, That the Madison County Grain Growers (Inc.) approve and appreciate the efforts of the Federal Farm Board and the Farmers National Grain Corporation. We urge that these organizations should be continued as at present.

The above resolution was passed at a regular meeting of the board of directors of Madison County Grain Growers (Inc.), held October 6, 1931.

MADISON COUNTY GRAIN GROWERS (INC.),
By J. S. WEBSTER, *Secretary.*

Resolution

Whereas the agricultural marketing act was passed by Congress for the purpose of aiding and assisting agricultural producers to organize and operate their own marketing cooperatives; and

Whereas the Federal Farm Board, created by the passage of the act, has very ably organized and assisted in the organization of grain cooperatives in the country; and

Whereas the Farmers National Grain Corporation was organized under the direction of the Farm Board and operated most successfully for the past 16 months for the distinct benefit of its producer members: Now therefore be it

Resolved, That the board of directors of the Power County Grain Growers (Inc.) do hereby extend a hearty vote of thanks and its whole-hearted support to the operations of the Federal Farm Board and the Farmers National Grain Corporation, and urge all cooperatives to support the Federal Farm Board movement.

I, Hyrum Lloyd, secretary of the Power County Grain Growers (Inc.), do hereby certify that the above is a true and correct copy of a resolution passed by the board of directors of the Power County Grain Growers (Inc.), in session October 8, 1931, and that same appears on the minute book of the corporation.

HYRUM LLOYD, *Secretary.*

Copy of resolution of commendation of the farm marketing act and the Federal Farm Board passed by the Arimo Grain Growers (Inc.), Arimo, Idaho

Whereas because of the great amount of opposition and misrepresentation, due to prejudice and misunderstanding, aimed at the Federal Farm Board because of its efforts to stabilize prices and protect the agriculture interests of the country during the last two years of economic stress in the United States, that is being circulated among farmers and people generally; and

Whereas it is probable that an attempt will be made by bankers, chambers of commerce, millers, and private enterprises to introduce legislation in the next Congress of the United States which will limit or annul the farm marketing act and abolish the Federal Farm Board, thus leaving agriculture communities and commodities at the mercy of the profiteers: Therefore be it

Resolved, That we, the directors of the Arimo Grain Growers (Inc.), for and in behalf of the stockholders of the aforesaid Arimo Grain Growers (Inc.), declare and we do hereby declare our approval of the actions of the Federal Farm Board in its efforts to stabilize prices and protect the agriculture pursuits of the country during the present depression. We earnestly desire the continuation of the farm marketing act and the Federal Farm Board, and will give our support and allegiance to the Federal Farm Board, the Farmers National Grain Corporation, and other agencies affiliated with them; be it further

Resolved, That this resolution be made a part of the minutes of this meeting and that a copy of it be sent to the Federal Farm Board, the Farmers National Grain Corporation, and our Senators and Representatives in the Congress of the United States.

I, Lucian C. Farr, jr., do hereby certify that the above is a true and correct copy of a resolution passed at the board of directors meeting of the Arimo Grain Growers (Inc.), held at the company's office, Friday, October 2, 1931, at 8 p. m., at which all directors were present.

LUCIAN C. FARR, JR.,
Secretary-Treasurer.

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members, as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best advantage possible: Now, therefore, be it

Resolved, That the board of directors of the Blue Creek Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation, by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, Francis Norr, secretary of the Blue Creek Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on November 5, 1931.

FRANCIS NORR, *Secretary.*

Whereas the Federal Farm Board, through the activities of the Grain Stabilization Corporation, has acquired some 200,000,000 bushels of wheat over the past two years due to stabilization activities; and

Whereas in the face of unfair opposition of the grain trade and misinformed Congressmen and Senators, the Grain Stabilization Corporation has adopted a definite policy of disposing of this accumulation of wheat: Now, therefore, be it

Resolved, That the board of directors of the Inter-Mountain Grain Growers (Inc.) in session do hereby indorse and pledge their support to the policy adopted by the Grain Stabilization Corporation in handling the disposition of the wheat carried by it; be it further

Resolved, That, due to the high class of personnel at the head of the activities of the Federal Farm Board, the Grain Stabilization Corporation, and Farmers National Grain Corporation, the board of directors of the Inter-Mountain Grain Growers (Inc.) extends a hearty vote of confidence to the executive personnel of the Federal Farm Board, the Grain Stabilization Corporation, and Farmers National Grain Corporation.

STATE OF UTAH,
County of Weber, ss:

This is to certify that the foregoing is a true and correct copy of a resolution passed by the board of directors of the Inter-Mountain Grain Growers (Inc.), in session at Ogden, Utah, July 20, 1921, which resolution appears on the minute book of said association.

In witness whereof I have hereunto set my hand and affixed the corporate seal of the Inter-Mountain Grain Growers (Inc.) this 22d day of July, 1931.

JESS W. WADE, *Secretary.*

PROPOSED CASH BONUS

Mr. COPELAND. Mr. President, I have a petition from the veterans of Erie County and the western portion of New York State, showing a vote they have taken on the cash bonus—6,500 votes in favor of it and 45 votes against it. I ask that the petition be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the petition was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

We, the veterans of Erie County and the western portion of New York State whose names are signed to the accompanying ballots, which were voted in a straw ballot conducted under the sponsorship of radio station WEBR, Buffalo, N. Y., by Capt. William A. Fox, which straw ballot was conducted for the purpose of determining the sentiment in Erie County and western New York on the question of whether the adjusted-service certificates should be paid in full at this time, and which straw ballot resulted in a return of over 6,500 votes in favor of said full payment of the bonus certificates at this time and 45 opposed;

Do hereby petition the Hon. ROYAL S. COPELAND and ROBERT F. WAGNER, Senators from the State of New York, and the Hon. JAMES M. MEAD, EDMUND F. COOKE, and WALTER G. ANDREWS, Congressmen from Buffalo and Erie County, to vote for and cooperate in passing the necessary legislation to effectuate the purposes of this petition in the form of legislation at the present session of Congress.

DISARMAMENT

Mr. WAGNER. Mr. President, I ask that there be printed in the RECORD and referred to the Committee on Foreign Relations a petition from the Parent-Teachers Association of Otego Central School favoring disarmament.

There being no objection, the petition was ordered to be printed in the RECORD, without all the signatures, and referred to the Committee on Foreign Relations, as follows:

OTEGO CENTRAL SCHOOL,
Otego, N. Y., November 5, 1931.

Senator ROBERT WAGNER,
Washington, D. C.

DEAR SENATOR WAGNER: The members of our parent-teachers association are very much interested in world peace and we hope that you will do everything in your power to further it.

We petition you to approve and support only such delegates to the disarmament conference as shall favor and can ably support the cause of disarmament (through limitation of expenditure or otherwise) and good will and confidence between nations. We are especially anxious that the conference shall not be postponed.

We are also in favor of the United States joining the World Court.

Respectfully yours,

CELIA M. CROSWELL AND OTHERS.

PROPOSED REDUCTION OF GOVERNMENT SALARIES

Mr. WAGNER presented a resolution adopted by the United National Association of Post Office Clerks, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

Resolution of protest submitted to the Congress of the United States by the United National Association of Post-Office Clerks, C. P. Franciscus, president

Whereas the dreadful and distressing conditions existing throughout our Nation because of the inability of millions of our citizens to find employment and thereby earn sufficient money to purchase the necessary commodities of life; and

Whereas this condition has seriously impeded the free and healthy circulation of our money, has stagnated industry, paralyzed trade, and blighted commerce; and

Whereas the United National Association of Post-Office Clerks believes that these dreadful conditions are due in a great part to the failure of the leaders in the financial, commercial, and industrial interests to keep faith with President Herbert Hoover and to maintain their respective activities without curtailment and without reduction in compensation or salaries; and

Whereas the postal employees of the Nation, together with all other employees in the public service, were woefully underpaid until very recent years, received no salary increases throughout the trying years of 1917, 1918, and 1919, during which period the cost of living quadrupled and the purchasing power of the dollar shrunk almost 60 per cent; and

Whereas, notwithstanding these facts, the postal employees of the Nation, and we believe all employees in the public service, closed their eyes to the allurements of the outside world and remained loyally and faithfully at their posts in the Government service; and

Whereas we believe the Government should recognize and reward such devotion to duty, and that the Government should be the model employer, that its employees should be able to maintain their homes, rear and educate their children on the highest American standard, so that such employees will at all times reflect credit on the Nation to the end that private employers the country over would be inspired to pattern their policies after the Government's: Now, therefore, be it

Resolved by the United National Association of Post-Office Clerks of the United States, That we respectfully and earnestly petition the Congress of the United States to disapprove any suggestion, movement, or proposal looking to the reduction of salaries, whether temporarily or permanently, of the employees in the public service, to the end that the Government itself might be acclaimed and credited with being the first to assist in hastening the return of happiness, prosperity, and contentment to the American people.

RELIEF OF VETERANS OF ALL WARS

Mr. JONES. Mr. President, I present to the Senate tables showing appropriations made for the relief of the veterans

of all wars for a 20-year period, namely, 1913 to 1932, both dates inclusive.

For this noble purpose, in this 20-year period, we have appropriated the sum of $11,197,542,082.01, of which $4,334,730,000 has gone for pensions to veterans and their widows and orphans, $4,373,527,025 for military and naval family allowance and compensation, insurance, and adjusted compensation, and $718,666,370 for vocational training, together with many millions for the support of the National Homes for Disabled Volunteer Soldiers.

I believe that these tables show a record of wisdom and merit with a just recognition of the rights and welfare of our brave soldiers who willingly gave their all for the defense of our beloved country.

It is a record of which all American citizens should feel proud. I ask unanimous consent that these tables be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The tables are as follows:

Total appropriations for Bureau of Pensions from 1913 to 1931, inclusive, by appropriation and act of Congress

Act	Army and Navy pensions	Salaries, Bureau of Pensions	Investigation of pension cases, Bureau of Pensions	Fees of examining surgeons, pensions	Miscellaneous expenses, Bureau of Pensions	Salaries and expenses, employees' retirement act	Financing civil service retirement and disability fund	Total
Public, No. 271, Aug. 17, 1912	$164,500,000.00	$418,666.67		$200,000.00	$27,479.17			$165,146,145.84
Public, No. 299, Aug. 23, 1912		1,536,600.00	$215,000.00		5,000.00			1,756,600.00
Sundry civil act, Aug. 24, 1912		300,000.00						300,000.00
Public, No. 425, Mar. 3, 1913	180,000,000.00			300,000.00				180,300,000.00
Deficiency act, Mar. 4, 1913	15,000,000.00			100,000.00				15,100,000.00
Public, No. 427, Mar. 4, 1913		1,852,450.00	215,000.00					2,067,450.00
Public, No. 116, June 20, 1914	169,000,000.00			150,000.00				169,150,000.00
Public Resolution No. 34, June 30, 1914		8,666.67						8,666.67
Public, No. 127, July 16, 1914		1,651,541.67	125,000.00		6,000.00			1,782,541.67
Public, No. 261, Mar. 1, 1915	164,000,000.00			100,000.00				164,100,000.00
Deficiency act, Mar. 4, 1915					4,000.00			4,000.00
Public, No. 290, Mar. 4, 1915		1,518,650.00	85,000.00		6,000.00			1,609,650.00
Public, No. 73, May 10, 1916		1,460,790.00	80,000.00		6,000.00			1,546,790.00
Public, No. 121, June 30, 1916	158,000,000.00			65,000.00				158,065,000.00
Public, No. 388, Mar. 3, 1917	160,000,000.00			60,000.00				160,060,000.00
Public, No. 381, Mar. 3, 1917		1,432,670.00	80,000.00		6,000.00			1,518,670.00
Deficiency act, Apr. 17, 1917	5,000,000.00							5,000,000.00
Deficiency act, Mar. 28, 1918	23,000,000.00							23,000,000.00
Public, No. 184, July 2, 1918	220,000,000.00			50,000.00				220,050,000.00
Public, No. 188, July 3, 1918		1,322,620.00	90,000.00		6,000.00			1,418,620.00
Public, No. 276, Feb. 25, 1919	215,000,000.00			30,000.00				215,030,000.00
Public, No. 314, Mar. 1, 1919		1,246,540.00	100,000.00		6,000.00			1,352,540.00
Deficiency act, June 5, 1919	3,000,000.00							3,000,000.00
Public, No. 231, May 29, 1920		1,210,340.00	100,000.00		6,000.00			1,316,340.00
Public, No. 244, June 4, 1920	279,000,000.00			150,000.00				279,150,000.00
Sundry civil act, June 5, 1920						$50,000.00		50,000.00
Deficiency act, June 5, 1920						2,000.00		2,000.00
Public, No. 317, Feb. 16, 1921	265,000,000.00			500,000.00				265,500,000.00
Deficiency act, Mar. 1, 1921				400,000.00				400,000.00
Public, No. 364, Mar. 3, 1921		1,174,920.00	100,000.00		6,000.00	50,000.00		1,330,920.00
Public, No. 224, May 24, 1922	252,000,000.00	1,466,720.00	100,000.00	350,000.00	21,000.00	50,000.00		253,987,720.00
Deficiency act, July 1, 1922		212,596.67			45,875.00			258,471.67
Public, No. 395, Jan. 24, 1923	253,000,000.00	1,383,720.00	120,000.00	192,000.00	10,000.00	68,940.00		254,774,660.00
Deficiency act, Mar. 4, 1923	16,000,000.00			177,015.00				16,177,015.00
Deficiency act, Apr. 2, 1924				300,000.00				300,000.00
Public, No. 199, June 5, 1924	222,500,000.00	1,470,000.00	110,000.00	450,000.00	9,000.00	77,000.00		224,616,000.00
Deficiency act, Dec. 5, 1924				60,000.00				60,000.00
Public, No. 580, Mar. 3, 1925	197,000,000.00	1,400,000.00	100,000.00	500,000.00	15,000.00	80,000.00		199,095,000.00
Deficiency act, Mar. 4, 1925				93,000.00				93,000.00
Public, No. 206, May 10, 1926	192,000,000.00	1,335,000.00	95,000.00	400,000.00	15,000.00	76,000.00		193,921,000.00
Public Resolution No. 31, May 25, 1926	10,730,000.00							10,730,000.00
Public, No. 541, Jan. 12, 1927	221,000,000.00	1,160,000.00	130,000.00	450,000.00	[1]	76,000.00		222,816,000.00
Deficiency act, Dec. 22, 1927	46,000,000.00							46,000,000.00
Public, No. 100, Mar. 7, 1928	210,000,000.00	1,165,000.00	110,000.00	450,000.00		78,000.00	$19,950,000.00	231,753,000.00
Act amending classification act, May 28, 1928		83,860.00				4,900.00		88,760.00
Public, No. 1033, Mar. 4, 1929	221,000,000.00	1,225,000.00	105,000.00	300,000.00		81,000.00	20,500,000.00	243,211,000.00
Public, No. 1035, Mar. 4, 1929	19,000,000.00		5,000.00	188,643.20				19,193,643.20
Deficiency act, Mar. 26, 1930		30,000.00	40,000.00			6.34		70,006.34
Public, No. 217, May 14, 1930	212,500,000.00	1,219,400.00	150,000.00	298,000.00		82,000.00	20,850,000.00	235,099,400.00
Deficiency act, July 3, 1930		100,000.00				28,000.00		128,000.00
Deficiency act, Feb. 6, 1931	19,500,000.00							19,500,000.00
Deficiency act, Mar. 4, 1931						729.50		729.50
Total	4,112,730,000.00	27,385,751.68	2,255,000.00	6,313,658.20	200,354.17	804,575.84	61,300,000.00	4,210,989,339.89

[1] Consolidated with contingent expenses, Department of the Interior.

Total appropriations made by Congress for national homes during fiscal years 1913 to 1931, inclusive

Date	Public No.	Fiscal year	National Homes for Disabled Volunteer Soldiers	State aid	Claims allowed	Total
Act, Aug. 24, 1912	302	1913	$3,995,660.00	$1,200,000.00		$5,195,660.00
Deficiency act, Mar. 4, 1913	434	1913	12,000.00	19,710.12	$6.00	31,716.12
Deficiency act, Oct. 22, 1913	32	1913			10,922.46	10,922.46
Act, June 23, 1913	3	1914	3,981,265.00	1,200,000.00		5,181,265.00
Deficiency act, Apr. 6, 1914	52	1914	18,000.00		1,953.39	19,953.39
Act, Aug. 1, 1914	161	1915	3,821,600.00	1,100,000.00		4,921,600.00
Deficiency act, Mar. 4, 1915	296	1915	38,073.89			38,073.89
Deficiency act, Feb. 28, 1916	26	1916			15.63	15.63
Act, Mar. 3, 1915	263	1916	3,831,009.50	1,100,000.00		4,931,009.50
Deficiency act, Sept. 8, 1916	272	1916	29,500.00	2,247.03	44.64	31,791.67
Act, July 1, 1916	132	1917	3,820,900.00	1,125,000.00		4,945,900.00
Deficiency act, Apr. 17, 1917	2	1917	248,500.00			248,500.00
Act, June 12, 1917	21	1918	3,898,900.00	1,030,000.00		4,928,900.00
Deficiency act, Oct. 6, 1917	64	1918			1.00	1.00
Deficiency act, Mar. 28, 1918	109	1918	746,722.99			746,722.99
Deficiency act, July 8, 1918	191	1918			362.56	362.56
Act, July 1, 1918	181	1919	4,635,150.00	1,000,000.00		5,635,150.00
Deficiency act, Nov. 4, 1918	233	1919			1,165.35	1,165.35
Deficiency act, July 11, 1919	5	1919	134,558.62			134,558.62
Act, July 19, 1919	21	1920	4,716,850.00	900,000.00		5,616,850.00
Deficiency act, Nov. 4, 1919	73	1920	22,000.00			22,000.00

Total appropriations made by Congress for national homes during fiscal years 1913 to 1931, inclusive—Continued

Date	Public No.	Fiscal year	National Homes for Disabled Volunteer Soldiers	State aid	Claims allowed	Tota
Deficiency act, June 5, 1920	264	1920	$242, 500. 00		$69. 40	$242, 569. 40
Deficiency act, Mar. 6, 1920	155	1920			13. 00	13. 00
Act, June 5, 1920	246	1921	4, 753, 800. 00	$1, 000, 000. 00		5, 753, 800. 00
Deficiency act, Mar. 1, 1921	338	1921	663, 100. 00	892. 09	84. 76	664, 076. 85
Act, Mar. 4, 1921	389	1922	5, 984, 800. 00	900, 000. 00		6, 884, 800. 00
Deficiency act, Aug. 24, 1921	69	1922			2. 50	2. 50
Deficiency act, Dec. 15, 1921	109	1922	106, 500. 00		146. 90	106, 646. 90
Deficiency act, Mar. 20, 1922	172	1922			95. 59	95. 59
Act, June 30, 1922	259	1923	4, 500, 800. 00	850, 000. 00		5, 350, 800. 00
Deficiency, July 1, 1922	263	1923			4. 56	4. 56
Deficiency, Mar. 4, 1923	543	1923	382, 000. 00		6. 76	382, 006. 76
Act, Mar. 2, 1923	465	1924	4, 354, 500. 00	800, 000. 00		5, 154, 500. 00
Deficiency, Apr. 2, 1924	66	1924	22, 000. 00		276. 71	22, 276. 71
Act, June 7, 1924	213	1925	6, 754, 562. 00	700, 000. 00		7, 454, 562. 00
Deficiency, Jan. 20, 1925	326	1925			640. 27	640. 27
Act, Dec. 6, 1924	293	1925	960, 000. 00			960, 000. 00
Deficiency, Mar. 4, 1925	631	1925	228, 000. 00		1, 447. 55	229, 447. 55
Act, Feb. 12, 1925	413	1926	7, 581, 200. 00	640, 000. 00		8, 221, 200. 00
Deficiency, Mar. 3, 1926	36	1926	83, 500. 00		2. 10	83, 502. 10
Deficiency, July 3, 1926	492	1926	173, 000. 00			173, 000. 00
Act, Apr. 15, 1926	123	1927	7, 685, 100. 00	570, 000. 00		8, 255, 100. 00
Deficiency, Feb. 28, 1927	660	1927			469. 04	469. 04
Deficiency, Dec. 22, 1927	2	1927	110, 909. 26	3, 373. 69	21. 35	114, 304. 30
Act, Feb. 23, 1927	630	1928	7, 755, 132. 00	570, 000. 00		8, 325, 132. 00
Deficiency, May 29, 1928	563	1928	267, 750. 00			267, 750. 00
Second deficiency, Mar. 4, 1929	1, 035	1928		4, 930. 32		4, 930. 32
Act, Mar. 23, 1928	181	1929	8, 700, 300. 00	560, 000. 00		9, 260, 300. 00
First deficiency, Mar. 4, 1929	1, 034	1929	1, 050, 000. 00		21. 33	1, 050, 021. 33
Second deficiency, Mar. 4, 1929	1, 035	1929	2, 161, 600. 00		24. 26	2, 161, 624. 26
First deficiency, Mar. 26, 1930	78	1929		24, 049. 33		24, 049. 33
Act, Feb. 28, 1929	843	1930	9, 506, 420. 00	560, 000. 00		10, 066, 420. 00
First deficiency act, Mar. 26, 1930	78	1930	1, 820, 000. 00		85. 00	1, 820, 085. 00
Second deficiency act, July 3, 1930	519	1930	773, 520. 00			773, 520. 00
Second deficiency act, Mar. 4, 1931	869	1930		24, 728. 00		24, 728. 00
Act, May 28, 1930	278	1931	10, 630, 220. 00	560, 000. 00	404. 32	11, 190, 624. 32
Second deficiency act, Mar. 4, 1931	869	1931	818, 000. 00	30, 000. 00		848, 000. 00
Total			122, 019, 903. 26	16, 474, 930. 58	18, 286. 43	138, 513, 120. 27

Statement as of June 30, 1931, showing appropriations made for relief of World War veterans to end of fiscal year 1931 and for veterans of all wars for fiscal year 1932

Act	Military and naval family allowance	Military and naval compensation	Insurance	Administration	Hospitalization	Hospital construction	Vocational training	Bonus allowance
Public, No. 20, June 12, 1917				$250, 000. 00				
Public, No. 90, Oct. 6, 1917	$141, 000, 000. 00	$12, 150, 000. 00	$23, 000, 000. 00	100, 000. 00				
Deficiency act, Mar. 28, 1918				1, 537, 800. 00				
Public, No. 178, June 27, 1918							$2, 000, 000. 00	
Legislative act, July 3, 1918				3, 591, 000. 00				
Deficiency act, Nov. 4, 1918	70, 000, 000. 00			7, 680, 000. 00				
Public, No. 254, Feb. 24, 1919								$237, 979, 340. 00
Legislative act, Mar. 1, 1919				10, 989, 630. 00				
Public, No. 326, Mar. 3, 1919					[1] $785, 333. 00	[2] $9, 050, 000. 00		
Deficiency act, June 5, 1919	39, 615, 000. 00			2, 429, 500. 00				
Naval act, July 11, 1919					[1] 1, 000, 000. 00			
Deficiency act, July 11, 1919					[1] 4, 500, 000. 00			
Public, No. 11, July 11, 1919							6, 000, 000. 00	
Sundry civil act, July 19, 1919	48, 000, 000. 00	50, 000, 000. 00		10, 000. 00	[1] 4, 000, 000. 00		8, 000, 000. 00	
Deficiency act, Nov. 4, 1919				4, 863, 176. 00			5, 000, 000. 00	
Deficiency act, Dec. 24, 1919		30, 000, 000. 00			[1] 2, 000, 000. 00			
Deficiency act, Mar. 6, 1920		55, 000, 000. 00			[1] 3, 500, 000. 00	[2] 500, 000. 00	11, 000, 000. 00	
Deficiency act, May 8, 1920					[1] 7, 666, 187. 00			
Legislative act, May 29, 1920				10, 324, 400. 00				
Naval act, June 4, 1920					[1] 100, 000. 00			
Sundry civil act, June 5, 1920		125, 000, 000. 00			46, 000, 000. 00	[2] 295, 000. 00	90, 000, 000. 00	
Deficiency act, June 5, 1920					[1] 2, 350, 000. 00		7, 000, 000. 00	
Increased compensation, June 30, 1920				[3] 1, 515, 000. 00				
Deficiency act, Mar. 1, 1921					[1] 1, 000, 000. 00	[2] 400, 000. 00		
Legislative act, Mar. 3, 1921				7, 460, 400. 00				
Sundry civil act, Mar. 4, 1921		125, 000, 000. 00			33, 000, 000. 00	[2] 300, 000. 00	65, 000, 000. 00	
Public, No. 384, Mar. 4, 1921						[2] 18, 600, 000. 00		
Deficiency act, June 16, 1921					8, 710, 272. 00	[2] 1, 250, 000. 00	15, 000, 000. 00	
Deficiency act, Dec. 15, 1921					25, 000, 000. 00		40, 000, 000. 00	
Treasury Department act, No. 145, Feb. 17, 1922						[4] 350, 000. 00		
Deficiency act, Mar. 20, 1922					20, 278, 930. 00		73, 714, 182. 00	
Public Act No. 216, May 11, 1922						12, 000, 000. 00		
Independent offices act, June 10, 1922		160, 000, 000. 00		34, 970, 974. 65	64, 658, 680. 00		146, 409, 188. 80	
Increased compensation act, June 29, 1922				[3] 4, 013, 480. 00				
Increased compensation acts, June 30, 1922				[3] 3, 703, 024. 00				
Independent offices act, Feb. 13, 1923		118, 450, 000. 00	90, 000, 000. 00	50, 284, 063. 00	48, 683, 710. 00		120, 743, 000. 00	
Deficiency act, Mar. 4, 1923			13, 235, 000. 00					
Increased compensation act, Mar. 4, 1923				3, 353, 280. 00				
Deficiency act, Apr. 2, 1924						5, 000, 000. 00	900, 000. 00	
Independent offices act, June 7, 1924		83, 000, 000. 00	88, 000, 000. 00	48, 290, 000. 00	42, 000, 000. 00		89, 000, 000. 00	
National security and defense fund allotments				4, 268, 000. 00				
Public Act No. 292, Dec. 5, 1924						3, 850, 000. 00	900, 000. 00	
Public Act No. 586, Mar. 3, 1925		127, 000, 000. 00	98, 000, 000. 00	45, 700, 000. 00	35, 000, 000. 00		38, 000, 000. 00	
Public Act No. 36, Mar. 3, 1926		11, 250, 000. 00	27, 000, 000. 00			8, 000, 000. 00		
Public Act No. 141, Apr. 22, 1926		140, 800, 000. 00	123, 000, 000. 00	44, 165, 000. 00	35, 000, 000. 00	4, 000, 000. 00		
Public Act No. 600, Feb. 11, 1927		168, 500, 000. 00	114, 000, 000. 00	42, 625, 000. 00	35, 275, 000. 00	1, 000, 000. 00		
Public Act No. 2, Dec. 22, 1927		19, 400, 000. 00						
Public Act No. 400, May 16, 1928		195, 000, 000. 00	106, 750, 000. 00	40, 135, 000. 00	31, 675, 000. 00			
Public Act No. 563, May 29, 1928						7, 000, 000. 00		
Public Act No. 778, Feb. 20, 1929		191, 450, 000. 00	115, 250, 000 00	43, 625, 000. 00	31, 650, 000. 00	6, 000, 000. 00		

[1] Administered by Public Health Service.
[2] Administered by Treasury Department.
[3] Allotments to the Bureau of War Risk Insurance, Public Health Service, and United States Veterans' Bureau from appropriations made to the Treasury Department for increased compensation of employees.
[4] Administered by Supervising Architect.

Statement as of June 30, 1931, showing appropriations made for relief of World War veterans to end of fiscal year 1931 and for veterans of all wars for fiscal year 1932—Continued

Act	Military and naval family allowance	Military and naval compensation	Insurance	Administration	Hospitalization	Hospital construction	Vocational training	Bonus allowance
Public Act No. 1035, Mar. 4, 1929				$2,494,152.00				
Public Act No. 78, Mar. 26, 1930			$7,250,000.00			$8,000,000.00		
Public Act No. 158, Apr. 19, 1930		$196,000,000.00	120,000,000.00	45,625,000.00	$35,600,000.00	2,000,000.00		
Public Act No. 519, July 3, 1930		2,200,000.00						
Public Act No. 612, Feb. 6, 1931		36,250,000.00						
Public Act No. 720, Feb. 23, 1931		267,327,025.00	121,500,000.00	110,385,707.00		11,350,000.00		
Public Resolution No. 138, Mar. 4, 1931						5,000,000.00		
Deficiency Act No. 869, Mar. 4, 1931		18,150,000.00		3,430,037.72	4,000,000.00			
Miscellaneous appropriations for relief of individuals								
Total	$298,615,000.00	2,131,927,025.00	1,046,985,000.00	577,758,624.37	523,433,112.00	103,945,000.00	$718,666,370.80	$237,979,349.00

Act	Payment of claims	Adjusted compensation			Marine and seamen's insurance	Army and Navy pensions	State and Territorial homes	Miscellaneous	Total
		Administration expenses, 1924–25	Certificate fund	Dependent pay					
Public, No. 20, June 12, 1917					$50,000,000.00				$50,250,000.00
Public, No. 90, Oct. 6, 1917									176,250,000.00
Deficiency Act, Mar. 28, 1918									1,537,800.00
Public, No. 178, June 27, 1918									2,000,000.00
Legislative act, July 3, 1918									3,591,000.00
Deficiency act, Nov. 4, 1918									77,680,000.00
Public, No. 254, Feb. 24, 1919									237,979,340.00
Legislative act, Mar. 1, 1919									10,989,630.00
Public, No. 326, Mar. 3, 1919									9,835,333.00
Deficiency act, June 5, 1919									42,044,500.00
Naval act, July 11, 1919									1,000,000.00
Deficiency act, July 11, 1919									4,500,000.00
Public, No. 11, July 11, 1919									6,000,000.00
Sundry civil act, July 19, 1919									110,010,000.00
Deficiency act, Nov. 4, 1919									9,863,176.00
Deficiency act, Dec. 24, 1919									32,000,000.00
Deficiency act, Mar. 6, 1920									70,000,000.00
Deficiency act, May 8, 1920									7,666,187.00
Legislative act, May 29, 1920									10,324,400.00
Naval act, June 4, 1920									100,000.00
Sundry civil act, June 5, 1920									261,295,000.00
Deficiency act, June 5, 1920									9,350,000.00
Increased compensation, June 30, 1920									1,515,000.00
Deficiency act, Mar. 1, 1921									1,400,000.00
Legislative act, Mar. 3, 1921									7,400,400.00
Sundry civil act, Mar. 4, 1921									223,300,000.00
Public, No. 384, Mar. 4, 1921									18,600,000.00
Deficiency act, June 16, 1921									24,960,272.00
Deficiency act, Dec. 15, 1921									65,006,000.00
Treasury Department act, No. 145, Feb. 17, 1922									350,000.00
Deficiency act, Mar. 20, 1922									93,993,112.00
Public Act No. 216, May 11, 1922									12,000,000.00
Independent offices act, June 10, 1922									406,033,843.45
Increased compensation act, June 29, 1922									4,013,480.00
Increased compensation acts, June 30, 1922									3,703,024.00
Deficiency act, July 1, 1922	$25,000.00								25,000.00
Independent offices act, Feb. 13, 1923									428,160,773.00
Deficiency act, Mar. 4, 1923									13,235,000.00
Increased compensation act, Mar. 4, 1923									3,353,280.00
Deficiency act, Apr. 2, 1924									5,900,000.00
Independent offices act, June 7, 1924									350,290,000.00
National security and defense fund allotments									4,268,000.00
Public Act No. 292, Dec. 5, 1924		$1,188,500.00	$100,000,000.00	$26,629,398.00					132,567,898.00
Public Act No. 586, Mar. 3, 1925			50,000,000.00	12,000,000.00					405,700,000.00
Public Act No. 36, Mar. 3, 1926			70,000,000.00						116,250,000.00
Public Act No. 141, Apr. 22, 1926			116,000,000.00						462,965,000.00
Public Act No. 600, Feb. 11, 1927			112,000,000.00						473,400,000.00
Public Act No. 2, Dec. 22, 1927									19,400,000.00
Public Act No. 400, May 16, 1928			112,000,000.00						485,560,000.00
Public Act No. 563, May 29, 1928									7,000,000.00
Public Act No. 778, Feb. 20, 1929			112,000,000.00						499,975,000.00
Public Act No. 1035, Mar. 4, 1929									2,494,152.00
Public Act No. 78, Mar. 26, 1930									15,250,000.00
Public Act No. 158, Apr. 19, 1930			112,000,000.00						511,225,000.00
Public Act No. 519, July 3, 1930									2,200,000.00
Public Act No. 612, Feb. 6, 1931									36,250,000.00
Public Act No. 720, Feb. 23, 1931			112,000,000.00			$222,000,000.00	$600,000.00		845,162,732.00
Public Resolution No. 138, Mar. 4, 1931									5,000,000.00
Deficiency Act No. 869, Mar. 4, 1931									25,580,037.72
Miscellaneous appropriations for relief of individuals								$287,251.68	287,251.68
Total	25,000.00	1,188,500.00	896,000,000.00	38,629,398.00	50,000,000.00	222,000,000.00	600,000.00	287,251.68	6,848,039,621.53

NOTE.—Original appropriations only shown in this table. Does not include any balances from appropriations reappropriated.

Mr. JONES. Mr. President, I also present current information showing activities of the Veterans' Administration with reference to soldiers and ask unanimous consent that the same printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

ACTIVITIES OF VETERANS' ADMINISTRATION, OCTOBER 31, 1931

As of October 31, 1931, 42,121 veterans whose hospitalization was authorized by the Veterans' Administration were receiving treatment. Of this total, 7,564 were being hospitalized for tubercular ailments, 18,728 for neuropsychiatric diseases, and 15,829 for general medical and surgical conditions. To provide the care and treatment required by the above veterans the Veterans' Administration was utilizing 321 hospitals and homes, as follows:

Branch of service	Number of hospitals	Patients remaining
Veterans' Administration	65	32,354
U. S. Marine	17	932
U. S. Navy	16	4,267
U. S. Army	7	1,939
Department of Interior	2	332
Civil and State	214	2,297
Total	321	42,121

As of the above date there were 30,148 members on the rolls of the Veterans' Administration homes, and of this number 7,428 were absent.

In addition to hospital care and treatment, the Veterans' Administration also provides out-patient relief to veterans of the World War whose disabilities are such as not to require hospital treatment. During the year ended October 31, 1931, 838,845 out-patient treatments were given and a total of 2,138,258 physical examinations were made for all purposes.

As of October 31, 1931, 313,848 veterans were receiving compensation for disabilities incurred in, resulting from, or aggravated by military service during the World War. Compensation was also being paid to dependents of 96,787 veterans whose death occurred in or resulted from service in the World War. The amount of compensation payments, depending upon the degree of impairment, ranges from $8 per month for a temporary partial disability to $200 per month for a double permanent and total disability.

A general classification of disability by type shows the following per cent: Neuropsychiatric diseases, 21 per cent; tubercular ailments, 20 per cent; and general medical and surgical conditions, 59 per cent. The average monthly payment by type of disability is as follows: Neuropsychiatric diseases, $55.93; tubercular ailments, $61.67; and general medical and surgical conditions, $34.40. The average monthly payment for disability compensation, all types, is $44.28.

The number of active awards for disability compensation has increased 130,756 since June 30, 1923. The above increase distributed by the major types of disability is as follows: Neuropsychiatric diseases, 36,899; tubercular ailments, 20,654; general medical and surgical conditions, 73,205. The largest material increase during the above period is shown for veterans suffering from general medical and surgical conditions. However, the greatest per cent of increase is shown for neuropsychiatric diseases, the increase in this class being approximately 131 per cent, as compared with 50 per cent and 65 per cent for tubercular ailments and general medical cases, respectively.

July 2, 1926, an amendment was passed authorizing the payment of compensation at the rate of $50 per month to veterans who have had an active tubercular ailment which has reached a condition of complete arrest. As of October 31, 1931, 42,811 veterans were receiving compensation under this amendment.

As of May 24, 1928, the act was approved which provides for the retirement of emergency officers of the Army, Navy, and Marine Corps who incurred physical disabilities in line of duty during the World War. This act provides that those officers who are rated not less than 30 per cent permanently disabled from disabilities resulting directly from war services or incurred in line of duty shall be retired with pay at a rate of 75 per cent of the pay to which they were entitled at the time of discharge from their commissioned service. As of October 31, 1931, 13,120 applications had been received, and of this number 6,902 had been retired with pay, 5,260 applications had been disallowed, and 951 had been retired without pay. The act further provided that the time limit for filing applications would expire 12 months after the passage of the act. However, 855 applications for retirement have been received subsequent to the expiration of the time indicated.

An amendment to the World War veterans' act was approved July 3, 1930, authorizing the payment of disability allowance to veterans of the World War for disabilities resulting from other than military and naval service which was not the result of the veterans' own willful misconduct. As of October 31, 1931, 664,236 applications for this type of benefit had been received, 580,901 of these claims had been adjudicated, and 294,286 veterans were receiving payment under the provisions of this amendment.

Monthly disbursements for compensation, emergency officers' retirement pay, and disability allowance cases were more than $21,000,000 for the fiscal year 1931. To October 31, 1931, the amount of $1,995,925,164 had been disbursed for these purposes. Pension benefits for veterans of all wars, including the Regular Establishment, are being paid to 255,269 soldiers, 542 nurses, and to the widows and dependents of 193,617 deceased soldiers. The average monthly disbursement for pensions was approximately $19,500,000 during the fiscal year 1931. During the period 1790 to October 31, 1931, the amount of $8,482,600,955 had been disbursed for this purpose.

As of October 31, 1931, term insurance was being paid in monthly installments to 12,914 permanently and totally disabled World War veterans and to the beneficiaries of 139,751 deceased veterans. In addition, 1-sum payments had been made to beneficiaries of 22,811 deceased veterans.

The benefits made available by the provisions of the World War adjusted compensation act have been extended to 3,865,276 veterans, or dependents of deceased veterans. The value of such benefits is $3,646,035,116. Of the above veterans, 3,608,694 have received adjusted-service certificates, which are equivalent to 20-year endowment insurance having a value of $3,600,595,339. The remaining veterans, or their beneficiaries, have received cash payments amounting to $41,756,940. Awards have been made on 113,119 adjusted-service certificates, amounting to $114,186,950, which have been matured by the death of the veteran.

An amendment to the World War adjusted compensation act, effective February 27, 1931, provides that the loan basis of adjusted-service certificates shall at no time be less than 50 per cent of the face value of the certificate, and the rate of interest on any loan made after the effective date of this amendment shall not exceed 4½ per cent per annum, compounded annually. As of October 31, 1931, the Veterans' Administration had made loans direct to veterans, secured by their adjusted-service certificates, amounting to approximately $1,161,594,710. In addition to this amount, it is estimated that $75,000,000 is outstanding on loans made by banks.

Beginning with the act of March 3, 1919, the first legislation providing funds for the acquisition of hospital facilities for World War veterans, the Congress has to date authorized under eight general acts the sum of $113,327,000 for new hospital, domiciliary, and out-patient facilities, of which $97,450,000 had been appropriated to June 30, 1931. In addition, the Congress has over the same period authorized by special acts covering single projects the sum of $9,425,000 for new domiciliary and hospital construction at administration homes. Further, there has been expended since 1923 over $14,000,000 from regular fiscal funds for permanent improvements and extensions to veterans' hospitals.

A total of $14,810,349,455 had been disbursed as of October 31, 1931, for the relief of veterans of all wars, their dependents, or beneficiaries. Of this amount, $8,482,600,955 was paid for Army and Navy pensions from 1790 to date, and $251,531,475 was paid for hospitalization and domiciliary care in administration homes from 1867 to date. Of the total disbursements, $942,716,572 was made available by deduction for allotment from the pay of World War veterans while in service, and from amounts collected as premiums on the various forms of Government insurance.

Veterans' Administration

SUMMARY OF ACTIVITIES AS OF OCTOBER 31, 1931

PENSIONS

	Soldiers	Widows, etc.	Nurses	Total
Number on rolls by wars, end of month	255,269	[1] 193,617	542	449,428
1812		8		8
Mexican		521		521
Indian	5,295	4,375		9,670
Civil	36,975	149,830	22	186,827
Spanish-American	195,666	34,620	520	230,806
Regular Establishment	17,293	4,251		21,544
World War	40	12		52
Claims received during month	7,215	1,332		[2] 8,564
Indian	146	59		205
Civil	331	672		1,003
Spanish-American	5,405	449		5,854
Regular Establishment	1,333	152		1,485
Claims disposed of during month	7,091	1,324		8,415
Allowed	4,635	975		5,610
Disallowed	2,249	318		2,567
Terminated	207	31		238
Deaths during month	1,068	1,124	3	2,195
Claims pending end of month	24,613	6,516		[3] 31,144
Indian	243	335		578
Civil	385	251		636
Spanish-American	16,299	5,172		21,471
Regular Establishment	7,686	758		8,444

	Pension examiners	Veterans' Administration homes	Veterans' activities	Other no-fee agencies	Total
Examinations:					
Authorized	3,076	307	2,092	135	5,610
Effected	3,140	302	2,265	137	5,844

[1] Dependents of 193,617 deceased veterans.
[2] Includes 17 miscellaneous.
[3] Includes 15 miscellaneous.

CIVIL SERVICE RETIREMENT ACTIVITIES

	Age	Disability	30-year service	Involuntary separation	Total
Claims for annuities:					
Annuitants on roll end of month	15,669	5,242	1,157	1,393	23,461
Claims received during month	248	192	83	23	546
Claims allowed during month	180	126	69	16	391
Claims rejected during month	2	23	1	1	27
Claims pending end of month	360	555	84	111	1,110

CIVIL SERVICE RETIREMENT ACTIVITIES—continued

	Accrued annuities	Refunds, pay deduction	Accumulated deductions	Service credits	Unexpended balance	Total
Other claims:						
On file end of month	$7,673	$395,610	$24,512	$12,292	$516	$440,603
Claims allowed to date	7,369	392,259	23,988	10,521	417	434,554
Claims rejected to date	30	56	7	10	----	103
Claims dismissed to date	21	2,798	69	1,555	----	4,443
Claims pending end of month	253	497	448	206	99	1,503
Disposed of during month—						
Allowed	136	1,594	362	755	62	2,909
Dismissed	----	3	----	5	----	8

VETERANS' ADMINISTRATION HOMES—MEMBERSHIP OF HOMES BY WARS AND REGULAR ESTABLISHMENTS

	Present		Absent
	In barracks	In hospitals	
Number on rolls end of month	16,308	6,412	7,428
Civil War	328	440	263
Spanish American War and Philippine insurrection	3,670	920	1,584
World War	10,691	4,143	5,028
Regular Establishment:			
1866–1898	411	164	101
1902–1917	597	245	185
1921 to date	611	500	267
Gains during month	----	----	3,607
Losses during month	----	----	2,485

Bed capacity for veterans receiving domiciliary care:	
Total beds available	17,250
Occupied	[1] 16,269
In barracks	14,725
Extra-duty beds	1,544
Unoccupied	981
In barracks	888
Extra-duty beds	93

UNITED STATES GOVERNMENT LIFE INSURANCE

	Number	Amount
Applications received	908,348	----
Applications approved to date	865,846	$3,865,330,679.00
Premiums received monthly:		
June, 1931	----	5,184,657.98
July	----	7,386,138.30
August	----	5,263,052.74
September	----	4,460,046.04
Total received in premiums to date	----	[1] 541,086,557.50
Insurance in force:		
20-payment life	166,126	724,798,401.74
20-year endowment	122,765	360,292,873.99
Ordinary life	140,145	746,673,310.18
30-year endowment	34,021	145,427,964.93
Endowment at 62	34,377	166,527,938.72
30-payment life	28,818	147,746,621.52
Extended insurance	21,863	67,103,515.13
5-year convertible term insurance duration less than 5 years	97,690	663,159,629.20
5-year convertible term insurance duration more than 5 years	186	1,089,000.00
Total	645,991	3,022,819,255.41

[1] As of Sept. 30, 1931.

GUARDIANSHIP

	Veterans	Other incompetents	Minors	Total
Fiduciaries:				
Guardians for	28,267	3,160	23,063	54,490
Custodians for	7	13	7,383	7,403
Institutional awards	3,346	----	----	3,346
Total	31,620	3,173	30,446	65,239
Wards:				
Under guardian only	25,501	2,925	31,234	59,660
Institutional award only	580	----	----	580
Both guardian and institutional	2,766	----	----	2,766
Under custodian	7	13	10,088	10,108
Total	28,854	2,938	41,322	73,114

MEDICAL

Number of treatments given outside hospitals during October	73,359
Number of patients admitted to hospitals during October	[2] 14,105
Number of examinations made during October:	
For disability compensation	64,472
For disability allowance	74,057
For insurance	3,225
For hospitalization	23,465

[1] 345 civilian employees occupy domiciliary beds.
[2] Current figures from field reports. Includes all admissions to Veterans' Administration homes.

MEDICAL—continued

Number of examinations made during October—Continued.	
For out-patient treatment	8,743
For Civil Service Commission	1,014
For Employees' Compensation Commission	193
For pension	5,693
For allied pensions	693
For membership in Veterans' Administration homes	557
Total	182,112

VETERANS RECEIVING TREATMENT IN HOSPITALS

Kind of hospital	Tuberculosis	Neuropsychiatric	General medical and surgical	Total
Veterans	5,318	15,489	5,542	26,349
Veterans' Administration homes	1,120	897	3,988	6,005
Public Health	28	8	896	932
Army	477	183	1,279	1,939
Navy	194	456	3,617	4,267
Interior Department	----	320	12	332
Contract	427	1,375	495	2,297
Total	7,564	18,728	15,829	42,121

HOSPITALS IN USE

Veterans	55
Veterans' Administration homes	10
Other Government	42
Contract	214

CLAIMS

	Compensation		Term insurance		U. S. Government life insurance	
	Death	Disability	Death	Disability	Death	Disability
Claims filed to date	229,310	1,049,126	218,341	37,794	[1] 21,572	8,774
Claims allowed	120,567	492,686	173,235	16,224	17,584	6,570
Active	96,787	313,848	139,751	12,914	2,012	6,174
Terminated	23,780	178,838	10,673	3,310	17	395
Payment of claims completed	----	----	22,811	----	15,555	1
Lump sum	----	----	22,811	----	13,941	1
Installments expired	----	----	----	----	1,614	----
Claims disallowed	108,190	526,868	43,542	21,501	3,667	1,945
Claims pending	553	29,572	1,564	69	280	221
Claims filed during October, 1931	157	6,016	13	65	240	142
Commuted value of claims allowed to date	----	----	$1,597,422,542.90		$133,110,857.96	
Commuted value of active claims Oct. 31	----	----	1,296,132,713.14		49,932,201.13	
Commuted value of claims completed:						
Lump sum	----	----	114,700,413.68		74,760,871.26	
Installments expired	----	----	----		5,551,056.94	

[1] Includes 41 claims suspended from pending file awaiting further information.
[2] Includes 38 claims suspended from pending file awaiting further information.

EMERGENCY OFFICERS' RETIREMENT

Retired with pay	6,902
Receiving retirement pay	6,459
Terminated by death	443
Retired without pay	951
Disallowed	5,260

DISABILITY ALLOWANCE

Applications on file	664,235
Applications acted upon:	
Allowed	310,038
Active	294,286
Terminated	15,752
Disallowed	270,863
Applications pending	83,335

ADJUSTED COMPENSATION

Action	During October		Total to date	
	Number	Amount	Number	Amount
Applications received	41,357	----	3,929,128	----
Applications acted upon:				
Cash payments—				
Veterans ($50 or less)	4,932	$148,931.75	142,380	$4,858,703.96
Dependents (less than $50)	64	1,721.00	7,650	207,292.00
Total cash payments	4,996	150,652.75	150,030	5,065,995.96
Dependents ($50 or over)	538	161,302.00	106,552	37,515,022.00
Certificates	28,326	16,757,720.00	3,608,694	3,600,595,339.00
$60 lump-sum payments	----	13,380.00	----	2,858,760.00
Total	33,860	17,083,054.75	3,865,276	3,646,035,116.96
Death claims approved	1,437	1,460,717.00	113,119	114,186,950.00

"BUSINESS DEFEATISM AND ECONOMIC RECOVERY"—ADDRESS BY DR. GLENN FRANK

Mr. WALSH of Montana. Mr. President, some time ago there was delivered in this city an able address on the subject of "Business Defeatism and Economic Recovery," by Dr. Glenn Frank, president of the University of Wisconsin. As certain parts of the address bear a direct relation to the payment of war debts and related subjects, I ask permission to read it.

The VICE PRESIDENT. Without objection, permission is granted.

Mr. WALSH of Montana. Doctor Frank spoke as follows:

I

The French have a word, "defaitiste," to describe the man who in spirit or policy or procedure makes for his country defeat in time of war, and in war time a nation's defeatists are kept under strict observation. I suggest that America has just now a growing body of business defeatists upon whom the Nation could profitably keep a weather eye.

The supreme battle of this generation is on just now in business circles between the deflationists and the consumptionists. The deflationists are those business leaders who think that the way out of the current economic muddles lies in reducing the standards of living. The consumptionists are those business leaders who think that the way out of the current economic muddle lies in raising the standards of living.

This is, I know, an oversimplified definition alike of deflationism and of consumptionism, but it does have the merit of cutting through a thousand and one details to the heart of the difference between these two major camps of business leadership that to-day confront one another.

The deflationists of to-day are blood brothers of the inflationists of yesterday, and they are just as bat blind to economic and social realities. The inflationists of yesterday brought the stock market to collapse. The deflationists of to-day will bring our entire business system to collapse if they succeed in seducing the majority of American business men, bankers, and industrialists, to their point of view. To speak with brutal frankness—and the times call for that sort of speaking—the deflationists are, in my judgment, little men riding in big saddles, seeking to lead a business army to which they have nothing to bring except the strategy of their fear. They are big business men who have fallen short of being big business men.

It is of this problem of the conflict between the deflationists and the consumptionists in relation to the current economic depression that I want now to speak.

Along the entire frontier of western civilization the forces that have made for the collapse of markets, the retardation of economic enterprise, and the unsettlement of mass confidence in current leadership are to-day challenging the worth and the workability of the western economic order. And in the midst of this world-wide economic depression the forces of education and the forces of industry are occupying the two most heavily shelled sectors of the western world's social battle line. We do not yet know what the outcome of this challenge and of this contest will be. The forces of education and the forces of industry may be beaten into panic retreat by the disintegrative forces of revolution or by the integrative forces of dictatorship. The captains of education and the captains of industry may rest content with defensive tactics, dig themselves more deeply in, and do no more than hold their own for some time to come. Or they may evolve a fresh strategy of advance and move forward to new conquests of economic prosperity and social good.

I am not foolhardy enough to venture a prophet's guess among these three possibilities. I am content to say that I think the third outcome is possible, and that it lies very largely with the leadership of education and the leadership of industry to say whether or not it shall be realized.

The United States is, at the moment, in the midst of the most serious economic crisis in its history. Even with markets tumbling about our ears and with salesmen reluctantly reporting their quotas unfilled, there is, save for the bread lines in our congested centers, a bright delusive air of well-being among our people that tends to hide from the average American the deeper significance of the depression through which we are passing. We have known phases of slowing down in which the American people, as a whole, were on a lower level of living than now, but in its basic character the current depression is unlike and more serious than any depression that has preceded it. It is the first general crisis that has befallen us since our machine economy has come to measurable maturity. It is not a matter of momentary maladjustment in any one section of the world. It is not a matter of momentary speculative mania disrupting an otherwise statesmanlike and stable economic program. There is nothing to be gained by beating about the bush. The entire economic order of the western world has reached an impasse from which only the most clear-headed, creative, and courageous educational, industrial, and political leadership can extricate it.

II

That this is not the facile generalization of a frightened academician is proved, I think, by four obvious but all too generally overlooked aspects of this depression, viz:

First. The current economic depression is not simply American; it is world-wide. I call a partial roll of the areas that are, in varying degrees, to-day feeling the impact of one aspect or another of economic depression: The United States, Great Britain, Canada, India, Australia, Germany, Italy, Sweden, Switzerland, Poland, Czechoslovakia, the East Indies, the Netherlands, Mexico, Chile, Peru, Brazil, Argentina, and so on. We are in the presence, gentlemen, of a world phenomenon. The Americas, Europe, Asia, Africa, and the Antipodes—all stand to-day as if some subtle spell of economic witchcraft had been put upon them.

Second. The current economic depression is not simply a financial depression; it is industrial as well. We should to-day be wrestling with forces of economic retardation even if there had been no black October in the 1929 operations of the stock exchange. The market debacle was but an eddy in a major current of economic tendency. In the United States significant sections of industry, such as the automobile industry, had been reaping the easy harvest of a first-sale market and were beginning to reach the point at which, by and large, the market was settling down to a matter of replacements and of meeting the new needs created by normal growth of population or by radically new departures in design, quality, and price. American business and industry were catching up on the postponed building and buying that had kept the air electric with enterprise in the immediate postwar decade. Various artificial stimuli to business, such as installment buying and the mania for annual models, were rounding out their pioneer push and settling down to a normal pace of development. And throughout the world the potential energies of the machine age were beginning to feel the irrational restrictions of tariffs and trade policies that had been created by an obsolete political leadership, tariffs and trade policies that stood and still stand in utter violation of the clear conclusions of common sense and of all the canons of constructive statesmanship. The current depression is more than a faux pas of the financiers, it is a kind of judgment day for industrial leadership. We might reform the stock exchange and still the ghost of this depression would not down, for it sinks its roots in all the policies and processes of our industrial order.

Third. The current depression is not simply financial and industrial in its scope; it is agricultural as well. I need not, I am sure, argue this assertion. Alongside the world-wide industrial depression there is a world-wide agricultural depression, again emphasizing the fact that the phenomenon we are facing goes to the very foundations of the economic order of the West in particular and of the world in general. The agricultural aspect of the current depression strikes, with utter impartiality, exporting and importing countries alike. Such exporting countries as the United States, Canada, and Australia are hit by an agricultural depression due primarily to economic and secondarily to political causes. Such importing countries as Germany and England are hit by an agricultural depression due primarily to political and secondarily to economic causes. For every existing agricultural surplus in any part of the world there are somewhere in another part of the world undernourished bodies enough to absorb it. But we seem not to be able to muster a statesmanship that can lift the peoples of these areas of underconsumption to the level of paying customers and bring the supply into contact with the need. And so we must admit a bankruptcy of leadership and shame ourselves by confessing a world-wide agricultural depression that would be unthinkable to a really intelligent race.

Fourth. The current economic depression is not marked by an overproduction of manufactured goods alone; it is marked by an overproduction of raw materials as well. In the last decade or two there has been a staggering increase in the production of raw materials and foodstuffs. From 1909 to 1914 the average world production of sugar was 19,363,000 short tons. By 1929 it had jumped to 29,970,000 tons, or, roughly, a 50 per cent increase. In less than two decades the United States increased its wheat acreage from 47,000,000 to 61,000,000 acres, while Australia and Canada more than doubled theirs. The world had a full year's supply of coffee on hand when this year's crop was ready for harvest. The world output of tea jumped in four years from 856,000,000 to 945,000,000 pounds. Rubber jumped from 51,000 to 68,000 long tons. From 1926 to 1929 the world output of tin jumped from 145,000 to 195,000 metric tons, lead from 1,606,000 to 1,775,000 metric tons, zinc from 1,245,000 to 1,470,000 metric tons, and copper from 1,485,000 to 1,908,000 metric tons. This expansive output of raw materials is again a world-wide phenomenon. From 1910 to 1914 Australia's average wheat production was 90,497,000 bushels. Twelve years later it had jumped to 160,762,000 bushels. In 1913 Australia's wool production was 711,500,000 pounds. In 1927 it had jumped to 883,304,000 pounds. In 1913 Chile's output of copper was 93,147,000 pounds. In 1928 it had jumped to 528,487,000 pounds. And even in the face of the rapid development of synthetic nitrates in Germany, England, and the United States, the output of Chilean nitrates jumped from 2,772,000 metric tons in 1913 to 3,163,000 metric tons in 1928. I take these figures, more or less at random, and with no attempt to paint a complete picture, in order to emphasize the fact that the current glut of manufactured goods is not the whole story of the current depression.

We are face to face, then, with a phase of economic depression that is world-wide in scope; financial, industrial, and agricultural in character; and marked by a sluggish surplus alike of manufactured goods and of raw materials. But to-day I want to do no more than suggest a point of view respecting the industrial depression in the United States, and say what I think

it implies by way of challenge to the leadership of education and the leadership of industry.

III

As the United States swung into the closing months of 1929 our machine order was never more efficient, from the point of view of potential productive capacity, but our economic order found itself swamped rather than served by the efficiency of the machine order. (I use these terms "machine order" and "economic order" in a more severely separate and limited sense than the technical economists use them. By the machine order I mean the whole array of processes by which we make goods and produce wealth; by the economic order I mean the whole array of policies by which we use goods and distribute wealth.) Never was there less defensible excuse for economic depression than in the closing months of 1929. There was no shortage of money. There was no shortage of basic resources. There was no lack of willing hands to work. There was no lack of productive efficiency. There was no plaguelike adversity of wind or weather. There was no insect pest, either nation-wide in its ravages or seriously out of hand. There was no invader hammering at our gates to terrify our spirits and to disrupt the normal processes of our enterprise.

On the contrary! There was an ample money supply. There was a surplus of nearly all basic resources. There were millions of workers ready to work. The productive efficiency of the Nation was such that the needs of its people and much besides could have been easily supplied with shorter working days and a shorter working week. At no moment in human history had a people found itself in possession of so nearly all of the material essentials for a great and glowing civilization. It was at such a moment that the United States found the shadow of a serious economic depression falling athwart its life.

At the very moment when the market collapse and economic retardation befell it the United States was basically at the point toward which the dreams of prophets and seers have pointed through the centuries. As we reread the literature of Utopian thought and list the things that the social seers have with striking unanimity set down as elementary requirements of an ideal society we find that the United States was in position to provide them all in the closing months of 1929. It had invented machines enough to emancipate its people from drudgery. It had achieved a productive efficiency that made possible the production of everything its people needed without their slaving from dawn to dusk. Leisure in which to laugh and love and adventure among things of the mind and spirit was within the Nation's grasp.

And yet, just when we had reached the point at which emancipation from drudgery, the capacity to produce all the essentials of material well-being without the slavery of inhuman hours, and the potential achievement of prosperity and leisure for all were at hand, we found ourselves victimized by a financial debacle, an economic recession, and a vast social unsettlement in which men walked hungry in the midst of plenty. What must the gods have thought as they watched this tragi-comedy!

I do not want to join the oversimplifiers and bring a false clarity to a situation that is admittedly complex. The cause of the current economic situation can not be captured in a phrase nor its cure distilled in an epigram. But one thing is, I think, sun clear: The leadership that has developed our policies for using goods and distributing wealth has proved inferior to the leadership that has developed our processes for making goods and producing wealth. We can not, of course, tear the machine order and the economic order apart in our thinking. They are too intimately interlocked. But in the deepest sense I think it is accurate to say that the current depression is, in essence, an indictment, not of the machine order but of the economic order.

IV

Let me translate these abstract observations into concrete terms. It is by now a threadbare platitude—even if a young platitude—to say that our machine economy is in trouble because our capacity to purchase has not kept pace with our capacity to produce.

Following the war some of the more far-sighted leaders of American business and industry adopted a new credo that said a stable and widely distributed prosperity and healthy industrial development required high wages, short hours, and low prices. This ran contrary to the naïve business thinking of earlier generations, that said low wages, long hours, and high prices made for maximum profit. But outstanding industries throughout the United States proved by their balance sheets that high wages, short hours, and low prices were not only good for the masses but good for the manufacturers. And we are in the grip of depression now, not because we followed this new credo of business, but because we did not follow it generally enough or apply it far enough.

The simple fact is that a machine economy must, along with the making of commodities, see to it that the consuming millions have money with which to buy and leisure in which to enjoy the products the machine economy creates. And that means higher wages than we have yet paid, shorter hours than we have yet set, and lower prices than we have yet fixed. Our machine economy is to-day sinking us in a sea of surplus production that could, if we were statesmanlike enough, be used to the advantage of ourselves and of the world. I decline to concur with the observers who insist that we are producing too many goods. There are 120,000,000 of us in this Nation, and as a people we have far from satisfied the legitimate demands of a healthy and civilized folk. There is a whole world outside our frontiers in which millions upon millions of men and women are living far below the consumption level we have known and that health and civilized values dictate. If we are at all sensitive to the physical and spiritual needs of humanity, to say that we are now or shall be for generations to come at a point where humanity is surfeited with goods and services it does not need for better living is to me too incredible to consider seriously.

But that we are producing more goods than the consuming millions are able to purchase is obvious. Production and consumption are seriously out of balance. There are two obvious ways to deal with this disturbed balance between production and consumption. We can slow down production by deliberate policy or we can speed up consumption by deliberate policy. I shall not attempt to disguise my conviction that to throw the brakes on our productive capacity would be a coward's policy and a social retreat. We have evolved a machine economy that can, if we will but bring a far-sighted statesmanship to its direction, emancipate the race from drudgery, lift the standard of physical well-being throughout the world, and give mankind at last leisure in which to cultivate values that lie beyond economics. But the machine economy will never do these things unless and until the leadership of industry sees to it that a larger share of the national income is shifted into the pockets of the consuming millions and until the margin of leisure for the millions is markedly increased. And if and when the leadership of industry assumes as one of its major duties increasing the income and the leisure of the millions, it will discover that as a by-product of this statesmanlike social ministry it has made greater profits than ever before.

A simple and single challenge lies coiled at the heart of this depression: Will the leadership of industry prove as capable in producing civilized consumers as it has proved itself capable in producing consumable commodities? Unless it does, industrial leadership must resign itself to the certainty that our machine economy will slump into chronic depression and ultimate collapse.

V

The logic of events is at last proving that the basic policies that will prove best for labor are the policies that will prove best for capital, and vice versa. It is at last evident that it is to the best interests of business that a larger share of the national income shall find its way into the hands of the masses who buy consumable commodities.

It is obviously self-defeating for business to get itself into the position to produce vast quantities of goods unless at the same time it sees to it that there are vast masses of potential consumers ready with money to buy and leisure in which to use the goods that business produces.

In the entire history of business America, every general reduction of hours and every general rise in wages, however bitterly fought by business and industrial leadership at the time, has been followed by a fresh accession of business activity and general prosperity. It is one of the ironies of history that the very things for which labor and liberalism have pleaded through the generations, on the ground of simple social justice, namely, high wages, short hours, low prices, are now seen to be the only things that can, in the interest of the solvency of capitalism, keep our industrial order a going concern.

In the field of education the narrow specialist has broken down in the face of a crisis that only the broadly educated man, who can see things steadily and see them whole, could master.

In the field of industry, the machine order—which makes goods and produces wealth—has been astoundingly successful, only to find its success turned into defeat because the economic order—which has to do with using goods and distributing wealth—has not been able to make wise use of the marvelous efficiency of the machine order for the benefit of all.

By a thousand superficial tests our captains of education and our captains of industry have been successful during the decade just closed, but in the deeper sense they failed when faced with the crucial test of their careers, namely, the prevention of the current economic depression. And before they can again lay claim to success they must help us do two things, viz:

First. They must help us make our universities once more educational institutions as well as training stations for narrow specialists.

Second. They must help us make our economic order as socially efficient in its policies for using goods and distributing wealth as they have made our machine order technologically efficient in its processes for making goods and producing wealth.

VI

During the last few months, before significant bodies of business, industrial, and financial leaders, I have made the statements I am making here, the essence of which is:

If we are to insure the solvency and success of our industrial system, we must see to it that a larger share of the national income is shifted into the pockets of the consuming millions and that the margin of leisure for the millions is markedly increased in order that the masses may have money with which to buy and leisure in which to enjoy the vast flood of goods and services our magnificent machine economy is able to produce.

Twenty years ago or less this statement would have been set down as the envious and irresponsible raving of a disinherited radical. But experience—the experience of the last year—has taught many men many things. This statement has brought to my desk a flood of letters, many of them from the undisputed leaders of American business, industry, and finance, and to date

the file of these letters contains but three dissenting opinions, and not one of these was from a great business leader. If I were free to quote the contents of these personal letters, the Nation might get a new idea of some of the men at the top of the industrial order.

What is it that has led the best brains of the business and industrial world to agree that a contention considered dangerously radical 20 years ago is to-day the soundest of sound business policy? It is surely not because the big business man has turned bolshevik.

Let me try to state the case briefly. When various important industries began to slow down production in 1929 it was not because there was a lack of purchasing power in the country, but only because there was a lack of purchasing. Here is the great paradox of our industrial civilization: At the very moment when a slump in purchasing left industries with excess products there existed in the country far more than enough purchasing power to absorb all of these excess products and to call for still greater production. Why, then, did not this purchasing power come into play? Not until we know the right answer to this question will we be in position to devise workable ways and means of bringing this adequate purchasing power back into play. To me, one of the important parts of the answer is sun clear. The reason that this surplus purchasing power was kept out of active circulation was that it existed, in large part, as a social surplus that was not, from a broad national and even business point of view, properly distributed. This inactive surplus purchasing power was, in large part, in the hands of a small minority who, for personal and family consumption, neither needed nor desired to buy more; while the large majority, who for personal and family consumption both needed and desired to buy more did not have much, if any, excess purchasing power.

During the last six months I have talked with a score of conservative big business men who agree that this is, as far as the factors under our immediate control are concerned, the root fact of our current economic situation. And they say frankly that the biggest job confronting the leadership of American business and industry is what to do about the wiser distribution of this social surplus of purchasing power.

The key to national prosperity is the release of the present inactive social surplus of buying power. And a score of America's outstanding business men, bankers, and industrialists have, as I have already suggested, told me that if a larger share of this social surplus could be wisely routed into the pockets of the consuming millions who, for personal and family consumption, both need and desire to buy more, the wheels of industry and the marts of trade would quickly begin to hum with new activity, economic depression would become a memory throughout the United States, and that, in the long run, the minority now owning this surplus buying power would actually be better off as far as total wealth is concerned.

The key problem of the United States is, if I may repeat, the problem of a wise and businesslike redistribution of social buying power. Large-scale charity does a little of this redistributing. Unemployment insurance does a little more. A gigantic program of public works, financed by governmental bonds, bought by those who now have a large part of our inactive surplus buying power, and the interest and retirement of these bonds financed by taxation of this inactive surplus of buying power would go still farther in this essential redistribution of surplus buying power. A dozen governmental devices come readily to mind.

But I should like to think that we can effect this imperative redistribution of social buying power through far-sighted business, industrial, and financial leadership, without resorting to political force. And never since I have had personal contact with representative leaders of American business and industry have so many of them been giving so much serious thought to this key problem as they are to-day.

A statesmanlike administration of the triple problem of wages, hours, and prices can go far toward resolving the economic dilemma that now confronts industrial and business America. If business and industrial and financial leadership faces fresh problems with fresh minds and becomes really convinced that only prosperous consumers make profitable customers, we can create on this continent a contented and prosperous people, immune to the allurement of reckless radicalisms. But if business, industrial, and financial leadership misses this appointment with destiny, our economic order will smash, and sooner or later the inarticulate millions of America will seek to achieve through political means what our economic order has failed to achieve for them through its normal leadership.

VII

The gist of what I have tried to say is that our panicky present is the result of our planless past. If we isolate any particular enterprise in economic America, we may find that it has been managed admirably, but if we look for general economic statesmanship, we look in vain. If we permit the present to be as planless as the past has been, if we content ourselves with hastily improvised policies to jack up morale or hastily improvised protests to provide stump-speech copy for the next campaign, we shall find ourselves citizens of a fear-ridden future in which we shall be dragged at the heels of forces and fears over which we shall be able to exert no more control than we exerted over the forces that brought a bloated market to explosion in the fall of 1929.

This fear-ridden and uncontrolled future need not be. There is genius enough in America to evolve and to execute political and economic policies that will give us a future that will, in point of material well-being and social enrichment, far outstrip the very real, if somewhat spotty prosperity of the last decade. If America does not realize this finer and more fruitful future and begin her realization of it with decent promptness, it will be either because at the top we suffer a breakdown of industrial, political, and educational statesmanship or because at the bottom the people, in a moment of leaderless confusion, fanatically follow some false prophet from either the ultrareactionary or the ultraradical camp. It will not be because the cards of destiny are stacked against us. They are not. Every card in the deck is in our hands. It is a matter of playing them expertly.

WORK OF THE TARIFF COMMISSION

Mr. REED. Mr. President, I send to the desk and ask to have printed in the CONGRESSIONAL RECORD a letter from Henry P. Fletcher, late chairman of the United States Tariff Commission, inclosing a memorandum summarizing the work of that commission since its reorganization.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter and memorandum are as follows:

NOVEMBER 17, 1931.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: I hereby tender my resignation as chairman and member of the United States Tariff Commission, effective November 30 next.

I inclose a memorandum summarizing the work accomplished since the commission was reorganized 14 months ago. This memorandum shows that, with one or two exceptions, all the investigations requested by Senate or House resolutions have been completed. The petroleum, copper, and vegetable-oil investigations are in final form and will be submitted, as requested by the resolutions, to the Congress when it assembles next month. The most important investigation now pending is that relating to raw and refined sugar, which was recently ordered and which in the nature of the case may be protracted, as growing as well as refining costs both at home and abroad are involved. Work on this and all other pending applications and investigations is proceeding as rapidly as circumstances permit.

The recent depreciation in exchange in a number of countries exporting to the United States has rendered our cost data, secured before these countries departed from the gold standard, inapplicable in view of the present instability of exchange values and negative reports were sometimes unavoidable in cases where the exchange factor entered. The facts gained in our investigations, however, are all assembled and can be utilized in case further investigation may become necessary.

The commission has been completely reorganized and is, I believe, thoroughly equipped to perform its important functions.

It is a pleasure to express my appreciation of the loyal and efficient cooperation and support I have received from my colleagues on the commission and from every member of its staff.

Faithfully yours,

HENRY P. FLETCHER.

NOVEMBER 17, 1931.

MEMORANDUM WORK OF THE UNITED STATES TARIFF COMMISSION

Since the Tariff Commission was reorganized its work may be briefly summarized as follows:

By November 30, the effective date of the chairman's resignation, 39 separate rate investigations, covering a very large number of items and different rates of duty, will have been completed and reported upon under section 336 of the tariff act. Eleven important surveys (not involving rate changes) will also have been completed.

Of the 9 investigations discontinued, 8 were dismissed by Senate resolutions; 5 applications were withdrawn by proponents; 28 applications were dismissed by the commission after careful preliminary investigation; thus 92 cases will have been disposed of.

There remains on the commission calendar 10 rate investigations and 1 survey, all in response to Senate resolutions, and 8 rate investigations of other origin, making a total of 19 investigations and surveys in progress.

Twenty-one applications for investigations are on file, some of which may be granted and some denied, depending upon the facts developed by preliminary investigation by the commission.

Thus the commission has 40 investigations, surveys, and applications on its books, compared with 92 disposed of since reorganization.

The commission is, of course, engaged in other routine work assigned to it, including the American-valuation study called for under section 340 of the tariff act of 1930, investigations under section 337, surveys, etc.

The first seven of the following surveys have been completed and the reports published, while the last four are practically completed and reports are being prepared for submission to the Congress next month:

Commodity	Investigation number	Resolution or application number
Crude-petroleum production cost	Survey	Tariff act of 1930.
Sugar differential	do	Committee on Ways and Means.
Anthracite-coal industry of Soviet Russia	do	Do.
Fish and other marine products	do	Senate Resolution 314.
Cigar-wrapper tobacco	do	
United States-Philippine tariff and trade relations.	do	
Census of dyes and of other synthetic organic chemicals.	do	
Petroleum, crude and refined, products thereof.	do	House Resolution 391.
Copper	do	Senate Resolution 434.
Vegetable oils	do	Senate Resolution 323.
Creosote oil	do	Senate Resolution 470.

The following rate investigations (sec. 336) have been completed:

Commodity	Investigation number	Resolution or application number
Pigskin leather	16	Senate Resolution 313.
Woven-wire fencing and netting	4	Senate Resolution 295.
Ultramarine blue	8	Senate Resolution 309.
Wood flour	12	Senate Resolution 313.
Wool floor coverings, n. s. p. f.	18	Do.
Straw hats	21	Do.
Maple sugar and maple sirup	23	Do.
Fourdrinier wires and cylinder wires	22	Do.
Wool felt hats	17	Do.
Tomatoes, prepared or preserved	28	Senate Resolution 324.
Smokers' articles	14	Senate Resolution 313; application 21.
Cherries, sulphured or in brine	27	Senate Resolution 324; application 30.
Edible gelatin	38	Application 47.
Pig iron	10	Senate Resolution 309.
Bentwood furniture	36	Application 5.
Hides and skins	24	Senate Resolution 313.
Cheese	26	Senate Resolution 324; application 59.
Bells	3	Senate Resolution 295.
Organs	13	Senate Resolution 313; application 18.
Dried eggs	42	Senate Resolution 389; application 29.
Hemp cords	56	Application 8.
Olive oil	25	Senate Resolution 324.

Hearings have been held and reports are being prepared for submission to the President before November 30 in the following investigations:

Commodity	Investigation number	Resolution or application number
Tomatoes in their natural state	45	Senate Resolution 414; application 7.
Peppers in their natural state	46	Senate Resolution 414; application 6.
Peas, green or unripe	47	Senate Resolution 414.
Beans, snap or string, green or unripe	58	Application 82.
Lima beans	50	Application 32.
Eggplant in its natural state	48	Application 31.
Cucumbers in their natural state	49	Do.
Okra	51	Application 33.
Pineapples	41	Senate Resolution 397; applications 34 and 44.
Pens	39	Senate Resolutions 360 and 438.
Window glass	20	Senate Resolution 313.
Crin vegetal, Spanish moss, flax tow	54	Senate Resolution 468.
Cement	5	Senate Resolution 295.
Lumber and timber	19	Senate Resolutions 313 and 321; applications 38 and 5.
Gauge glass tubes	57	Application 79.
Crude feldspar	63	Application 90.
Boots and shoes	1	Senate Resolutions 313 and 295.
Blown glass tableware	35	Senate Resolution 330; application 28.
Furniture of wood	2	Senate Resolution 295; application 2.

The following is a list of investigations undertaken mostly in response to Senate resolutions, which were rescinded and dismissed before public hearings were held largely in response to withdrawal of Senate resolutions:

Commodity	Investigation No.	Resolution or application No.
Shoe lacings	7	Senate Resolution 308.
Laces	11	Senate Resolution 311.
Reptile leather	15	Senate Resolution 313.
Sugar candy and confectionery	29	Senate Resolution 324.
Matches	32	Senate Resolution 325.
Cigarette paper	33	Do.
Refined sugar	34	Senate Resolutions 309 and 325.
Cocoa and chocolate	40	Senate Resolution 380.
Soups	37	Application 1.

Another list of more than 30 applications has been carefully investigated by the commission and applications either denied or dismissed without prejudice or withdrawn by those who made the original applications. The following items appear on this list:

Denied and dismissed	Application No.
Hats, bonnets, hoods, manufactured by machinery	49
Wool, waste, shoddy, rags, etc	4
Hemp yarn	8
Men's and boys' woolen clothing	19
Incandescent lamps	22
Tulip bulbs	24
Cut flowers	39, 57
Rough tanned walrus leather	50
Paintings, pastels, drawings, etc	77
Collodion emulsion	64
Cylinder watch parts, Swiss	48
Grapefruit	35
Pipes and smokers' articles of clay	52
Sugarcane in its natural state	85
Soybeans	46
Men's silk and opera hats	41, 42, 61
Hot rolled diameter tubing	37
Cork insulation	83
Woven fabrics of flax, etc	73
Jute paddings and interlinings	74
Calf and kip shoe leather	81
Antifriction steel balls	89
Spring rings	91
Yarn guiding apron (sec. 337)	36
Lumber and timber (sec. 337)	109
Ground pumice stone	102, 10, 15, 16
Ground chicory	111
Raw lime juice	93
Bamboo handle toothbrushes [1]	11
Crude barytes ore [1]	45
Artificial flowers [1]	70
Parachlormetacresol [1]	16
Live cattle [1]	108

[1] Withdrawn.

The following investigations called for by Senate resolutions are under way at the present time and in most cases the investigations are nearing completion. The investigations in progress are as follows:

Commodity	Investigation No.	Resolution or application No.
Umbrellas	9	Senate Resolutions 312, 309.
Infants' wear of wool	31	Senate Resolution 325.
Agricultural hand tools	6	Senate Resolution 295.
Laminated products	30	Senate Resolution 324.
Velvets and velveteens	52	Senate Resolution 440.
Casein	43	Senate Resolution 390; application 40.
Nonedible gelatin and glue	53	Senate Resolution 458.
Dried beans	44	Senate Resolution 411.
Lead	Survey.	Senate Resolution 441.

Some of these, the commission has been informed, will be dismissed by the Senate.

Other investigations in progress, based upon applications, include:

Commodity	Investigation No.	Application No.
Alsimin	55	43.
Candied fruit	61	62.
Flaxseed and linseed oil	62	17.
Sponges	64	92.
Mackerel, fresh, salted, etc	65	94, 95, 98, 99, 100, 101, 103, 107.
Sugar and molasses	66	
Cherries, sulphured or in brine	59	Request of President.
Tomatoes, prepared or preserved	60	Do.

There remain on the calendar the following applications for investigation under the provisions of section 336 of the tariff act of 1930. These applications are receiving the usual preliminary study at the present time:

Applications pending

Commodities:	Application No.
Lemons	80
Dried or fresh mushrooms, prepared or tinned	60, 96
Barley malt	53
Pulpboard in rolls for use in manufacture of wall board	10
Filaments and yarns of rayon, etc	69
Linen huck towels	51
Gloves of leather	58
Towels and napkins of flax, hemp, ramie	75
Crêpe and tissue paper hats, etc	88
Whole eggs, etc., frozen, prepared, preserved, etc	86, 87
Fluorspar	97
Chocolate, sweetened, in bars, etc	104
Canvas rubber-soled footwear, waterproof	105

Commodities—Continued:	Application No.
Rubber insulated wires and cables	106
Wooden and aluminum folding rules	112
Crude sperm oil	113
Ribbon fly catchers	114
Long-staple cotton	117, 119, 120, 121
Upholsterers' nails, thumb tacks, chair glides	118
Bicycle chains	122
Antimony oxide, antimony regulus or metal	123

THE WHITE HOUSE,
Washington, November 17, 1931.

Hon. HENRY P. FLETCHER,
United States Tariff Commission,
Washington, D. C.

MY DEAR CHAIRMAN FLETCHER: I have your letter of November 17 tendering your resignation as chairman of the United States Tariff Commission, to be effective November 30.

In accepting it I wish to express the keen appreciation I have for the great public service you have rendered. Under your chairmanship the work of the commission has made great progress in consummation of the hopes which were placed in its reorganization and increased authority. That a large number of cases have been considered and disposed of and the heavy docket for the year almost completed, all bespeak the devotion and effectiveness of the commission's work.

Yours faithfully,

HERBERT HOOVER.

ADDRESS BY GEN. HARVEY H. HANNAH

Mr. HULL. Mr. President, I ask unanimous consent to have printed in the RECORD the annual address of Gen. Harvey H. Hannah, president of the National Association of Railroad and Utilities Commissioners, delivered at Richmond, Va., on October 20, 1931.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

RAILROADS AND UTILITIES

Ladies and gentlemen, when I assumed the presidency of this great organization at Charleston I found it in the very highest state of efficiency, and that the most cordial and friendly relationships possible existed as between the respective State commissions throughout the entire Union. This was due primarily to the magnificent personnel composing the organization and the distinguished executives whom I have had the privilege and honor to succeed. I, therefore, felt that I was taking over a perfect seagoing ship, and the only question that weighed heavily upon my heart was whether I would be able to guide it from the bridge successfully and pilot it through any storms that might arise until we might drop anchor in 1931 in the harbor of the magnificent city of Richmond, the capital of the Old Dominion. Without regard to the success of the voyage we are here to-day peacefully resting at anchor.

Upon assuming the presidency I found that our pending Federal legislation looking to the regulation of motor carriers, known to us as the Parker bill, had been lost in the last closing hours of the Congress, notwithstanding the fact that our organization, through its legislative committee, headed by that tireless worker and distinguished commissioner from Wisconsin, Andrew J. McDonald, and our equally distinguished solicitor, John E. Benton, have spent six long years in trying to bring about proper Federal legislation to provide regulation of interstate motor operations, which would preserve to the States their sovereign rights and at the same time establish proper coordination of carriers through cooperation with the Federal Government under such legislation as would place both interstate and intrastate operations of all kinds upon the same legal and equitable basis.

There has, therefore, been no Congress in which this legislation could be accomplished during my term of office, growing out of the fact that it was caught in a jam in the closing days of the last Congress. However, in my opinion, I have appointed strong men and those especially qualified for service on all of the various committees of the association, and they no doubt have made exhaustive studies, not only of interstate transportation but also of all other possible Federal legislation as to interstate traffic touching such vital questions as pipe lines, electric transmission lines, telephone lines, and kindred subjects. And I am hopeful and confident that out of their study and the discussions at this convention there may be evolved a program for such legislation as may be needed, and that my distinguished successor may see his efforts crowned with success and that the next Congress may write this remedial legislation as a part of the law of the land.

The most important event during my presidency, and one involving all of the States, is the whole-hearted cooperation between the Interstate Commerce Commission and the various State commissions, growing out of the petition filed by the rail carriers of the country for a 15 per cent horizontal increase in all freight rates as an emergency measure. Upon the filing of this petition the Interstate Commerce Commission invited the State commissions to cooperate; and believing in the sound and wise policy of cooperation between the States and the Federal Government, this invitation was accepted. We formed a cooperative committee and under the leadership of the distinguished chairman of that committee, Hon. Paul Walker, of Oklahoma, the States were divided into groups, each group in turn selecting a representative to sit in with the Interstate Commerce Commission in the hearing of this very important and far-reaching case. The State commissioners so selected were Paul Walker, of Oklahoma (chairman); Andrew J. McDonald, of Wisconsin; William J. Carr, of California; J. M. Thompson, of Idaho; Herbert W. Trafton, of Maine; William D. B. Ainey, of Pennsylvania; Hugh H. White, of Alabama; and Harvey H. Hannah, of Tennessee.

The first hearing was held in Washington in July, where the carriers and their security holders presented their petition and their proof in chief. At the conclusion of their presentation the Interstate Commerce Commission deemed it best to send certain of its representatives to sit with these State commissioners in different sections of the country to hear such proof as might be offered by the shippers in opposition to the proposed increase in rates, thereby affording to the shippers in the various parts of the country easier access to the Interstate Commerce Commission to offer their proof, so as not to be required to travel from all sections of the United States to Washington to be heard. Hearings were had at Portland, Me., Atlanta, Ga., Dallas, Tex., Kansas City, Mo., Salt Lake City, Utah, San Francisco, Calif., and finally a general hearing for the great Northwest and Mississippi Valley was held in Chicago to conclude the proof on both sides of the controversy. At all of these hearings the State commissions were represented by the commissioners selected in their respective groups. The concluding hearing was in Washington, beginning on September 21, for the purpose of presentation of arguments to the entire Interstate Commerce Commission and the cooperating State commissioners. These arguments lasted practically 10 days, after which conferences lasting 2 days were held by the Federal and State commissions.

At the time of the preparation of this address no decision has been handed down by the Interstate Commerce Commission, and therefore the observance of a due regard for the ethics of the occasion would prevent my going further or in any wise discussing at this time the opinions entertained by the different State commissioners as expressed at the hearing, nor can I be permitted with propriety to forecast the probable ultimate decision which may be rendered by the Interstate Commerce Commission.

There are, however, three observations which I want to make, growing out of the handling of this case, which in no wise pertain to its decision:

First. The splendid loyalty and patriotic service rendered by the representatives of the State commissions during the long, hot summer without any extra compensation and with practically all of them having to spend more money out of their private funds than could be repaid by their States. I take this occasion to express to these faithful servants of the people my deepest and sincerest gratitude for their untiring interest and magnificent service.

Second. This summer's work in this case has demonstrated more forcefully than in any other case heretofore the wisdom of closer cooperation between the States and the Federal commission. In every way possible the chairman of the Interstate Commerce Commission and every member extended every courtesy and showed every consideration that could be hoped for or expected by the State commissions, and I wish, on behalf of my colleagues as well as on behalf of this great association, to express our appreciation as representatives of the sovereign States of the American Union.

Third. This hearing before the Interstate Commerce Commission, in Ex parte 103, on application of the rail carriers, has demonstrated to all who have heard or become familiar with the proof that motor transportation, both passenger and freight, has come to stay, and is expanding day by day until it has already become one of the great factors in the evolution of transportation. Motor vehicles; pipe lines conveying gas, gasoline, oil, etc.; and water transportation, taken together in their respective fields, are furnishing real competition to the steam railroads of America. There are many reasons why this is true, but they will be discussed more at length by representatives of the respective committees covering these subjects. The outstanding fact, however, remains that there must be regulation of interstate commerce covering these agencies of transportation. There must be a coordination of transportation agencies, both State and national, so that the commerce of the country may move at the lowest rates that are reasonable, and, at the same time, give a proper return on the property used and useful in the public service. This is the great problem now before the American people, made more acute by the general depression, which for the last two years has lain upon the country and the whole world like a blighting mildew.

As regards the operation of motor vehicles, pipe lines for gas and transmission lines for electricity, these subjects can be differentiated from the interstate commerce involved in rail transportation, because of the fact that a large percentage of the rail transportation is national in character, involving the crossing of many State lines, whereas, as to electricity, it is extremely rare that the generation shall take place in one State and that the electricity shall be transmitted over more than one State boundary, and as to natural gas and motor-bus transportation, the boundaries of more States may be involved, but the matter of regulation in the very natur of things is to a great extent regional in character and does not present a problem of national importance as does rail transportation.

Without going into detail in regard to methods of regulation, permit me to say that a report was made to the American Bar Association by one of its very able committees at its Atlantic City

meeting in September last, which is very illuminating and to which I refer. Giving due credit to the committee which prepared and submitted that report, I shall content myself by quoting a paragraph therefrom which contains a possible solution of the questions we are considering.

"Several solutions have been proposed. (1) Create a series of compacts between various States affected by interstate operations so as to permit such States by means of a joint commission to regulate the interstate commerce involved. (2) Have Congress create regional commissions subordinate to either the Federal Power Commission or to the Interstate Commerce Commission, to be made up either of commissioners from the commissions of the several States in such region or of independent Federal appointees. (3) Continue the present system of leaving unregulated the interstate commerce involved, but have the State commissions deal with problems affecting the neighboring States by consultive and joint action with the commissions of the neighboring States, (4) Have Congress enact legislation specifically divesting electricity and gas transmitted in interstate commerce of its interstate character immediately prior to the sale to the distributing company, thus making its sale subject to regulation in the State of purchase."

The able report of this committee takes up in detail a discussion of the methods, outlined above, for regulation of operations in interstate commerce and cites decisions of the Supreme Court of the United States in support of each one of these methods of regulation. I commend this report to the careful consideration of any member of this association who may care to take the time and trouble to give any thought and study to these questions.

The champions of centralized government and of federalization of the agencies of regulation, who advocate stripping the States, so far as possible, of their sovereign rights which would make them only outlying provinces as it were, will find little comfort, if they will take a survey of the Nation as it stands to-day in the shadow of the greatest financial crisis in its history, when they find that the utilities corporations, which are solely under State regulation, are weathering the storm better than are all other agencies of commerce and trade and that their securities have depreciated less than various other securities on the market to-day. This, in my opinion, grows out of the fact that the State regulatory bodies, in a vast majority of the States, must under the law pass upon the issuance of bonds and stocks of these various utility corporations and these issues are always kept within the limit of sound financing and below the rate base, which is the actual valuation of the physical properties of the corporations which are used and useful in the public service. In other words, the valuation adopted for security issues reflects what the property is actually and honestly worth with all of the water squeezed out. It is a reflection of the honest dollars prudently invested to build the property plus all other elements that go in, under the law, to make up the actual value upon which the utility may have a return and at the same time give the people the best service at the lowest rates possible.

These conditions demonstrate the wisdom of vesting in the State commissions, which are in touch with the people, in touch with the local utilities, and in touch with local financial conditions, the control over the issuance of utility securities; and they further demonstrate the wisdom of local or State regulation, which affords to the people who have just cause for complaint a local agency, easy of access, to whom they can submit that complaint, and where the complaint can have a speedy hearing and the evil, if found to exist, can be remedied speedily without the necessity of the complaining party having to go all the way to Washington to the Interstate Commerce Commission, which is already greatly overworked.

The commerce clause of the Constitution, consisting of only 16 words, must have been written on rubber, for it has been stretched by judicial and legislative construction to cover everything from a spring branch to a divorce court at Reno. To this may be added the universal challenge, hurled at State commissions by certain class of litigants, "Your act will be confiscatory under the fourteenth amendment." These two constitutional bugbears have challenged the rights of sovereign States in season and out of season; but I am glad to say that the pendulum is swinging back, that the highest courts of the land recognize the rights of the States, and that the days of centralized buccaneering, like all other evils that escaped from Pandora's box, are being wiped out by a stronger and a broader view of national problems which must obtain; and the constitutional balance is poised in the hollow of the hand of the greatest judicial tribunal in the world, the Supreme Court of the United States, which is at last the bulwark of defense of a free people.

While the Constitution of the United States was intended by its wise framers to be adjustable to new and unseen conditions which might arise in the future years after its adoption, still, with all of their wisdom, they were not capable of foreseeing many things which have taken place in the evolution of our civilization since they drafted that historical document. Since the memorable sessions which led to the adoption of our Constitution our civilization has seen the advent of steam railroads, electric railways, pipe lines for conveying natural gas over the country, electric transmission lines, telephone and telegraph lines threading the country like a net, motor vehicles carrying freight and passengers across State lines, and finally have come down to the common use of the aeroplane and radio. When the provision was inserted in our Constitution to the effect that Congress should have the power "to regulate commerce with foreign nations and among the several States and among the Indian tribes," even the most vivid imagination could not have anticipated the remarkable growth and development in our civilization which has taken place; but notwithstanding this fact, the Constitution must still stand as the fundamental law of the land.

When courts are dealing with statutory law involving solely disputes between individual litigants certain time-honored rules must be applied by the courts without regard to the personality of the judge. However, constitutional law is a matter of government and politics, which involves the relation between the individual and the State and between the State and the Nation. The Constitution is, therefore, in truth what the judges say it is, and different judges have said and are saying different things at different times. As said by Mr. Pollard in a recent article in one of the leading magazines of the country:

"Their interpretation depends upon the forces at work molding public opinion outside the court room, upon their own private economic and political predilections, their conscious or subconscious slants for or against property, and many other subtle and intangible factors. Despite the old maxim to the contrary, it is becoming increasingly apparent that ours is a government more of men than of laws."

Only a few years ago it was very frequent that Justices Holmes and Brandeis dissented in cases involving constitutional interpretation. Later, upon Justice Stone coming to the bench, his name was frequently added to the dissent. The personnel of the court was further changed by the appointment of Chief Justice Hughes and Justice Roberts to the bench. Since their coming to this court the decisions of the court have become more liberal. One of the first cases indicating this trend was a case from New Jersey involving the validity of a statute limiting the rate of commission to be charged by agents for insurance companies. The new court upheld the act as valid on the theory that the insurance agent was an integral part of the business "clothed with a public interest." The court has likewise upheld an Indiana statute taxing chain stores. It has also upheld an Ohio statute imposing a tax on natural gas brought into Ohio from another State as a valid exercise of the taxing power of the State of Ohio. In fact, an examination of the recent decisions of the Supreme Court of the United States will show a growing and fixed tendency on the part of that court to recognize the rights of the States and their power and authority to regulate and control to a certain extent agencies engaged in interstate commerce. In this connection, while the members of our judiciary may not be influenced to any great extent by public opinion and should not be influenced by unthinking mob clamor, I think it is well for our State commissions to keep up their fight for State rights, to the end that good sound public opinion may more completely and thoroughly recognize those rights and the courts of the country also recognize them in their interpretation of our fundamental law.

In conclusion let me say that I would not attempt to offer a policy for the future guidance of our great organization, for I shall be followed in this exalted office by a distinguished commissioner, far more able than I, who will take the wheel of the ship. I can only conclude by saying that my services, whatever they may be worth, will be freely given, and I shall follow the leadership of him who may be called to this exalted position.

I could not conclude this address without expressing my very deep appreciation and esteem for the man who is more responsible, probably, than any other for making these conventions and the general work of the association a success, our beloved secretary, Hon. James B. Walker.

It is needless for me to say that both the association and I feel that to leave our beloved general solicitor, Hon. John E. Benton, and our assistant general solicitor, Hon. Clyde Bailey, unmentioned would be like the play of Hamlet with Hamlet left out. To both of them I express my deepest and sincerest affection.

And you whose associations and friendships, now covering almost a quarter of a century, have made this great organization possible, will be to me in the afterglow the happiest memories of my life. Being an optimist by nature and standing here upon the sacred soil of old Virginia, the very cradle of our liberty and our civilization, I believe that our country will emerge from the fogs of depression stronger and better, and, in the providence of God, will continue to be the leader of the world.

THE WORLD COURT

Mr. COPELAND. Mr. President, I have been requested to have an article from the Philadelphia Public Ledger presented for the benefit of the Senate. I ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Public Ledger of December 1, 1931]

PHYSICIAN BACKS TRIBUNAL FOR ITS AID IN HALTING WAR—FINDS GROUP'S WORK FOR PEACEFUL SETTLEMENTS COMPATIBLE WITH SCIENCE'S AIM TO PRESERVE HUMAN LIVES

By Truman G. Schnabel, M. D., graduate school of medicine, University of Pennsylvania

About the year 1913, when certain statesmen and economists were advancing the thesis that a large-scale war was becoming virtually an impossibility, chemists were silently noting the final success of Haber's nitrogen-fixation process, realizing, as most of

the world did not, the true significance of the fact that it would no longer be necessary to depend upon saltpeter.

Certainly science made the last war what it was. But scientists as a whole, trying as they are impersonally to catch a fragment of the truth of the processes of nature, animate and inanimate, are not, I think, nevertheless, cheered by the application of their discoveries to the processes of destruction.

Those scientists, for instance, that had been working on the fixation of nitrogen with a view to its use for fertilizing and thus for increasing and improving the food supply of the world, can hardly have been greatly pleased when they see their idea converted to the manufacture of munitions for the destruction of human life.

AGREES WITH EINSTEIN

Without going all the way with Einstein when he calls upon the scientists of the world to join him in utter resistance to war, we must admit that he is right in implying that the basic scientific ideal of conserving life is violated by what he calls "the technical development which produces the means for the destruction of human life and of the dearly created products of human labor."

Those who look upon war as a salutary agent for reducing excess population and "purifying the race" have to slide over the fact that it is the fittest that war removes.

Science—medical science at least—is interested in preserving life and making it more livable. That, I think, is the ideal that has sustained those that have risked, and given, life itself in the study of X rays and radium, arsenic and cyanogen, yellow fever and malaria. They are sustained, I am sure, by the idea of developing a race which, although certainly not utterly perfectible, is capable of progressive gain in enjoyment of health, of labor, of living.

A PHYSICIAN'S VIEW

Medical men, pledged as they are to the conservation of human life, to the endless battle against disease, and to the struggle to cure it after it occurs and to prevent its occurrence, can hardly fit into their scheme and purpose the idea of war that kills and starves and mutilates.

Most of the medical men that went abroad during the war and also those who stayed at home and dealt, as we are still dealing, with the tragic results of the war among our enlisted men have developed more or less conscious conclusions about the effect of war on the development of the race. It is true that a doctor may have rejoiced professionally in the stimulus given to medical science by the war emergency in the development of more effective agents for preventing infection, in the advances made in plastic surgery, etc.

But this professional satisfaction will certainly not blot out his deeper realization of the horror and absurdity of deliberately continuing to use a process that will inevitably produce as a matter of course all that infection, all those faces half shot away, all those limbless torsoes.

NEED TO LIVE STRESSED

Let me make one point clear: It is the waste of war that the average man with scientific training would object to, the lack of logic in this method of settling international differences.

Perhaps we could define the scientist's attitude toward life as being an interest in ascertaining the law of life in the hope that it may be applied to life by those responsible for the conduct of affairs. The average scientist is not a pacifist; he spends his life observing the endless conflict of one organism with another. And it is not that he fears danger; a biologist, for example, lives and moves and has his being in a world of germs so deadly that bullets seem like snowflakes by comparison.

But, he feels, since there are so many other battles in other fields to be fought and won, so many things to be found out before we even begin to know how to live, why not at least transfer from the military to the judicial field such disputes as can be so settled?

FINDS TREATISE NEEDED

A good many treatises have been written outlining the results of the war on economic conditions and on financial stability throughout the world. Most of us have a more or less direct personal realization of the latter. It would probably be difficult, indeed, to survey in the same way the effect of the war on the physical fitness of the race, but if such a treatise could be scientifically and sanely produced, the result would be illuminating.

The whole country was shocked in 1917–18 by what the draft revealed—the tremendous number of our younger men supposedly "normal," but really gravely unfit, not merely for the trenches but also for the day's work in the mills, on the docks, in the office.

Shocked realization that we were not bringing along a more physically competent race might explain such reactions to the situation as that of the American Medical Association, when in 1929 it indorsed by resolution the national defense act, with its training camps, etc., aiming at greater physical fitness for the men of the Nation, or for a part of them.

CALLS FOR RATIFICATION

But this care for the fitness of the race in terms of preparedness is not sufficiently comprehensive and not scientifically satisfying. We want human life conserved and made more competent not merely so that we shall hold our own more satisfactorily if we are forced into war but also—and chiefly—for the pursuits of peace.

Those who see the conservation of life in this light will certainly seek every practicable means for preventing war. Among them the World Court seems to me a notable experiment. Mr. Roland Morris pointed out in these columns a few days ago how difficult and dangerous were some of the 36 questions dealt with by the court during the 10 years of its existence.

The fact that the court does not pretend to be able in all circumstances to maintain the peace of the world, that its field is sharply limited, that it undertakes to settle only questions of a legal nature when both parties to the dispute consent to submitting them makes me regard it as an experiment conceived upon sound lines.

Its actual record to date makes me regard it further as an experiment already entitled to the respect of the world and as justifying a great hope for its future. I hope the Senate coming together next week will promptly ratify the three treaties that will complete the adherence of the United States.

"THE RESTORATION OF SILVER"—ADDRESS BY SENATOR ODDIE

Mr. WATSON. Mr. President, I ask unanimous consent to insert in the RECORD an article by the junior Senator from Nevada [Mr. ODDIE] entitled "The Restoration of Silver," which appeared in the December issue of the Mining Congress Journal.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

THE RESTORATION OF SILVER

By TASKER L. ODDIE, United States Senator from Nevada

Because of the importance of silver in the world's monetary system for over 2,000 years and the difficulty which is now being experienced in attempting to impose on gold practically the entire monetary and credit burdens of the world, silver is now being more widely discussed than ever before. When Great Britain, the ruling creditor nation for 100 years following the Napoleonic wars, after a most courageous fight found it impossible to maintain the gold standard, there is no question but that the monetary and credit burdens on gold have become greatly increased in recent years.

GOLD OVERBURDENED

As silver coinage was debased by most of the principal gold-standard countries following the World War and as India was compelled to sell silver from her extensive reserves in order to acquire the gold to maintain the high 18d. parity of the rupee, the price of silver declined to the lowest levels in history and its monetary status has become seriously impaired. With the diminishing monetary demand for silver came the ever-increasing demand for gold to carry the entire monetary and credit burdens of the world, and this constitutes an important factor in the present economic depression.

The currency policy of India since 1926, when the gold-bullion standard was adopted, has operated greatly to reduce the price of silver, thereby lessening its monetary value and use. It should be emphasized that gold going into India rapidly becomes hoarded and withdrawn from monetary use, which complicates the distribution of gold. Furthermore, the withdrawal of gold from the limited available monetary reserves of the world has automatically increased the burden for them to carry. Because of this fact extensive withdrawals of gold by India since 1926 have seriously lessened the available monetary gold reserves of the world and thereby limited the amount of credit which could have been issued for the purpose of maintaining the world's normal industry and trade.

Notwithstanding the imposition of the gold-bullion standard on India, the appetite of the people for silver has not abated, as is evidenced by the large amount of silver imported since 1926 into that country.

Political chaos and the subnormal state of China's industry and trade and internal warfare have seriously weakened her position in the silver market. This summer I visited China in order to study her economic and currency problems first-hand. I found in that country that the future of silver was one of the most discussed subjects. She is still on a silver basis, and her prosperity depends more on the rehabilitation and stabilization of silver at a much higher price than that now existing than upon anything else. A restoration of political order and the cessation of internal strife would greatly assist in improving her industrial conditions, and the return of silver to its more normal monetary status preceding the World War would be reflected in a large increase in her foreign trade. A peaceful China with a well-ordered government would in itself be of most effective assistance in improving the position of silver, upon which the return to normal world economic conditions so greatly depends.

MEXICO RETURNS TO SILVER

The recent return of Mexico to the silver basis should strengthen the position of silver, especially if Mexico would remint her silver coinage on the high fineness of the old "peso fuerte." Unless this is done the inflation in wages and in the prices of supplies in Mexico which will probably occur on the present debased minting fineness of current coinage will minimize, if not altogether destroy, the benefits which otherwise might be expected from the adoption of the silver standard.

RESTORATION OF PRE-WAR STATUS

The desirability of reestablishing the pre-war status of silver and the ways and means for its accomplishment in the most expeditious manner were pointed out by Mr. Francis H. Brownell,

chairman of the board of the American Smelting and Refining Co., in an address delivered before the American Bar Association on September 16, 1931, from which I quote the following:

"There seems to be no way yet discovered of curing the growing maldistribution of gold among the nations, possibly because there is not even to-day a sufficient amount of gold to do the money work required of it. With nearly all the nations of South and Central America in a state of political instability because of monetary troubles and with the increasing difficulty in maintaining an adequate gold reserve in Germany and in central Europe, Austria, Hungary, Poland, and many other nations—even Australia and, most striking of all, Great Britain herself—it would seem wise and for the best interest of the entire world not only to stop the further destruction of the value of the only other metal which mankind has yet used as money—silver—but to go a step farther and restore the value of silver to the extent, at least, that it enjoyed in the days before the World War, thus affording a currency in which people can have confidence because it would have intrinsic value in itself and relieving the growing burden on gold.

"It requires no great study of ways and means to preserve and restore the value of silver to its pre-war status. All that is necessary is that the nations of the world retrace the steps taken since the war; that they stop any further demonetization of silver now in use; that they individually or collectively, or both, make it known that the further sale of silver by governments will cease; that the governments, while not establishing any fixed ratio between gold and silver, make clear their intention to resume the use of silver to the same extent as before the World War. This automatically would restore silver to pre-war values. It automatically would preserve it for present and future monetary needs of the world. It would lessen the present burden on gold. The step is easily taken, if the will to take it exists. It needs only cooperative action by the more important industrial nations of the world. Formal action in the shape of treaties is not required. If the British Empire, France, Germany, Italy, the United States, and Japan should substantially simultaneously recommend the adoption of such a policy and should individually announce their intention so to act, the smaller nations of the world, seeing that silver is not doomed to abandonment as money but is to be continued in use, would rapidly adopt a similar policy. An international conference, formal or informal in its nature, recommending such action, would be of the greatest help. The rapid restoration of the value of silver that would necessarily follow would effect immediate improvement of the present financial condition of so many nations in Europe, Asia, South and Central America, including Mexico, that the whole world would rapidly respond to the beneficial effect.

"No one could reasonably maintain the actions above described would alone terminate the present world depression, the greatest and most far-reaching in history. There are many other important problems, such as the steady and rapid increase of high tariffs among nations, with consequent reduction of international trade, not to mention others under general discussion. None the less, sound and stable monetary systems are of paramount and fundamental importance in all nations.

"Not until the staggering, weakening, almost failing monetary systems of a great majority of the nations of the world to-day are again restored to a proper basis may we expect a full return of the prosperity formerly enjoyed. Is there any quicker or more efficacious way of establishing confidence in the various moneys of the nations than by restoring the monetary use of silver, as before the war, thus affording to the common people of all those countries a medium of saving in which they may have confidence and a medium of exchange which will have sufficient intrinsic value in itself to supplement and support an overworked and overburdened gold reserve? Such action does not weaken nor tend to destroy any gold-standard system; rather it gives aid and support where it is now so sorely needed."

INTERNATIONAL CONFERENCE NECESSARY

The Mining Journal of London on September 26, 1931, published an editorial entitled "The Abandonment of the Gold Standard," from which the following references in connection with silver are quoted:

"Another and very interesting reaction of our abandonment of the gold standard suggests itself in connection with silver. At an important meeting convened by the China Association this week in the city, the resolution was taken to establish a silver association to impress upon governments the desirability of restoring the position of silver as a monetary and exchange factor. We have on many occasions urged the importance of a sympathetic study of the question, believing that as regards eastern trade, at any rate, appreciable advance might be made to assist the buying power of our lost markets in these areas, besides easing the strain on the world's greatly diminished supplies of free gold. As we are no longer on a gold standard, financial orthodoxy can no longer be advanced as a reason for refusing to discuss the question, and it is at any rate arguable that some reliance on silver might offer greater security against currency fluctuations than one based entirely upon the paper pound. Considering the forum in which the question was discussed on Wednesday last, the survey of the subject was largely confined to India and China, which are naturally silver-using countries.

"The suggestions put forward at the meeting followed lines very familiar to our readers from contributions which have appeared in the columns of the Mining Journal. We do not suppose that there is any section of financial or industrial thought which would not welcome an improvement in the price of silver, provided this were not brought about by artificial means which would involve disproportionate sacrifices in other directions. The anomalies of the Indian government policy have often been referred to in these pages, and it is clear that there is a growing volume of opinion in India which is highly dissatisfied with the recent course of events. This week the viceroy thought it necessary to veto the discussion of the recent financial statement of government, including the announcement that the rupee would in future be linked with sterling. While any premature discussion of such an intricate question is to be deprecated, it is obvious, particularly with the round-table conference now assembled in London, that it will be impossible not to defer ultimately to Indian opinion in a matter of this kind should there be widespread demand for a consideration of the position in relation to silver. As Mr. Brownell has pointed out, it is the policy of the Indian government, threatening at any time to throw, without notice, large quantities of silver on a depreciated market, which has done much to destroy confidence in the value of the white metal, and there would seem to be quite an important field in which constructive cooperation could be effected to improve silver prices without committing us to the more ambitious projects commonly associated with what is known as bimetallism."

This editorial presents a very sympathetic understanding of the subject, and, having its origin in Great Britain, is a most hopeful sign that something might now be done in an international conference to improve the silver situation, which is fundamental to the restoration of prosperity.

OUTLOOK FAVORABLE

Improvement in the general economic condition of the world has already resulted from President Hoover's constructive action in declaring a foreign debt moratorium for one year. While this action was principally beneficial in alleviating international financial strain, the second step taken by him in creating a supercredit bank for the purpose of lessening the credit strain within the United States has already been and will continue to be a most helpful factor in overcoming the difficulties of the present depression.

The more recent conference between President Hoover and Mr. Laval, the president of the Council of Ministers of France, should go still farther in rectifying the present disturbed monetary and economic conditions. A joint statement signed by both, dated October 25, 1931, contains the following reference to the maintenance of the gold standard and the stabilization of international exchanges:

"Our especial emphasis has been upon the more important means through which the efforts of our Governments could be exerted toward restoration of economic stability and confidence.

"Particularly we are convinced of the importance of monetary stability as an essential factor in the restoration of normal economic life in the world in which the maintenance of the gold standard in France and in the United States will serve as a major influence.

"It is our intent to continue to study methods for the maintenance of stability in international exchanges."

THE FOURTH CONSTRUCTIVE STEP

The fourth constructive step in maintaining the gold standard and in aiding those countries which are not on a gold basis to rapidly return to it would be the convening of an international conference to discuss ways and means for the restoration of silver to its pre-war status, when it carried a very substantial burden of the world's finance. Many proposals have been made for bettering the situation and these should be referred to an international conference for study and investigation. The President has full authority under a resolution passed by the Senate in the third session of the Seventy-first Congress to call such a conference. Action along this line should now meet with the hearty approval of Great Britain and a number of other nations which have recently gone off the gold standard. No more constructive step could be taken at this time to restore the gold standard as the almost universal monetary system which it was before the World War began and to expedite the return to more normal economic conditions throughout the world.

STANDING COMMITTEES OF THE SENATE

Mr. McNARY. Mr. President, from the committee on committees I submit a Senate resolution and ask for its present consideration.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 70), as follows:

Resolved, That paragraph 1 of Rule XXV of the Standing Rules of the Senate be, and it is hereby, amended so as to read as follows:

"1. The following standing committees shall be appointed at the commencement of each Congress, with leave to report by bill or otherwise:

"Committee on Agriculture and Forestry, to consist of 18 Senators.

"Committee on Appropriations, to consist of 23 Senators.

"Committee to Audit and Control the Contingent Expenses of the Senate, to consist of 5 Senators, to which shall be referred all resolutions directing the payment of money out of the contingent fund of the Senate or creating a charge upon the same.

"Committee on Banking and Currency, to consist of 19 Senators.
"Committee on Civil Service, to consist of 11 Senators.
"Committee on Claims, to consist of 13 Senators.
"Committee on Commerce, to consist of 21 Senators.
"Committee on the District of Columbia, to consist of 15 Senators.
"Committee on Education and Labor, to consist of 13 Senators.
"Committee on Enrolled Bills, to consist of 3 Senators, who shall examine all bills, amendments, and joint resolutions before they go out of the possession of the Senate, and which shall have power to act jointly with the same committee of the House of Representatives, and which, or some one of which, shall examine all bills or joint resolutions which shall have passed both Houses, to see that the same are correctly enrolled, and, when signed by the Speaker of the House and President of the Senate, shall forthwith present the same, when they shall have originated in the Senate, to the President of the United States in person, and report the fact and date of such presentation to the Senate.
"Committee on Expenditures in the Executive Departments, to consist of 7 Senators.
"Committee on Finance, to consist of 20 Senators.
"Committee on Foreign Relations, to consist of 22 Senators.
"Committee on Immigration, to consist of 13 Senators.
"Committee on Indian Affairs, to consist of 13 Senators.
"Committee on Interoceanic Canals, to consist of 9 Senators.
"Committee on Interstate Commerce, to consist of 19 Senators.
"Committee on Irrigation and Reclamation, to consist of 17 Senators.
"Committee on the Judiciary, to consist of 17 Senators.
"Committee on the Library, to consist of 9 Senators, which shall have power to act jointly with the same committee of the House of Representatives.
"Committee on Manufactures, to consist of 13 Senators.
"Committee on Military Affairs, to consist of 17 Senators.
"Committee on Mines and Mining, to consist of 13 Senators.
"Committee on Naval Affairs, to consist of 17 Senators.
"Committee on Patents, to consist of 7 Senators.
"Committee on Pensions, to consist of 11 Senators.
"Committee on Post Offices and Post Roads, to consist of 19 Senators.
"Committee on Printing, to consist of 7 Senators, which shall have power to act jointly with the same committee of the House of Representatives.
"Committee on Privileges and Elections, to consist of 17 Senators.
"Committee on Public Buildings and Grounds, to consist of 14 Senators, which shall have power to act jointly with the same committee of the House of Representatives.
"Committee on Public Lands and Surveys, to consist of 15 Senators.
"Committee on Rules, to consist of 13 Senators.
"Committee on Territories and Insular Affairs, to consist of 15 Senators."

Mr. JONES. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Washington?

Mr. McNARY. I yield.

Mr. JONES. I understand unanimous consent is asked for the immediate consideration of the resolution. I am not going to object, but I do wish to say that I think it is a very great mistake to increase the membership of our committees as it is now proposed to increase them. When we adopted our rules several years ago we put the limit on the membership of the committees very much lower even than it is now. We thought the committees were too large. We have increased them slightly since. The pending resolution proposes a much greater increase.

As I have said, I am not going to object but am simply going to express my own judgment that it is a very great mistake on our part to enlarge the committees as now proposed.

The VICE PRESIDENT. Is there objection to consideration of the resolution proposed by the Senator from Oregon?

There being no objection, the resolution was considered and agreed to.

Mr. McNARY. From the committee on committees I report an order providing for the Republican membership of the committees, including the chairmen, and ask unanimous consent that it may be acted upon by viva voce vote.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. ROBINSON of Arkansas. Mr. President, in the same connection I ask leave to report for the minority of the membership of the minority on the various committees referred to in the rule. I ask that list reported by me may be considered in connection with the list reported by the Senator from Oregon for the majority.

The VICE PRESIDENT. Without objection, it is so ordered.

The names of the chairman and members of each committee as proposed in the order submitted by Mr. McNARY, with the additions proposed by Mr. ROBINSON of Arkansas, were severally read and severally agreed to, as follows:

Ordered, That the following shall constitute the standing committees of the Senate of the Seventy-second Congress:

On Agriculture and Forestry: Charles L. McNary, of Oregon (chairman); George W. Norris, of Nebraska; Arthur Capper, of Kansas; Peter Norbeck, of South Dakota; Lynn J. Frazier, of North Dakota; John Thomas, of Idaho; H. D. Hatfield, of West Virginia; John G. Townsend, jr., of Delaware; Frederic C. Walcott, of Connecticut; Ellison D. Smith, of South Carolina; John B. Kendrick, of Wyoming; Burton K. Wheeler, of Montana; Elmer Thomas, of Oklahoma; George McGill, of Kansas; John H. Bankhead, of Alabama; W. J. Bulow, of South Dakota; Hattie W. Caraway, of Arkansas; and Henrik Shipstead, of Minnesota.

On Appropriations: Wesley L. Jones, of Washington (chairman); Reed Smoot, of Utah; Frederick Hale, of Maine; Henry W. Keyes, of New Hampshire; Hiram Bingham, of Connecticut; Tasker L. Oddie, of Nevada; Gerald P. Nye, of North Dakota; Frederick Steiwer, of Oregon; Peter Norbeck, of South Dakota; Porter H. Dale, of Vermont; James J. Davis, of Pennsylvania; L. J. Dickinson, of Iowa; William J. Harris, of Georgia; Carter Glass, of Virginia; Kenneth McKellar, of Tennessee; Edwin S. Broussard, of Louisiana; John B. Kendrick, of Wyoming; Royal S. Copeland, of New York; Carl Hayden, of Arizona; Sam G. Bratton, of New Mexico; Cameron Morrison, of North Carolina; Elmer Thomas, of Oklahoma; and James F. Byrnes, of South Carolina.

To Audit and Control the Contingent Expenses of the Senate: John G. Townsend, jr., of Delaware (chairman); Simeon D. Fess, of Ohio; Phillips Lee Goldsborough, of Maryland; John B. Kendrick, of Wyoming; and James F. Byrnes, of South Carolina.

On Banking and Currency: Peter Norbeck, of South Dakota (chairman); Smith W. Brookhart, of Iowa; Phillips Lee Goldsborough, of Maryland; John G. Townsend, jr., of Delaware; Frederic C. Walcott, of Connecticut; John J. Blaine, of Wisconsin; Robert D. Carey, of Wyoming; James E. Watson, of Indiana; James Couzens, of Michigan; Frederick Steiwer, of Oregon; Duncan U. Fletcher, of Florida; Carter Glass, of Virginia; Robert F. Wagner, of New York; Alben W. Barkley, of Kentucky; Robert J. Bulkley, of Ohio; Cameron Morrison, of North Carolina; Thomas P. Gore, of Oklahoma; Edward P. Costigan, of Colorado; and Cordell Hull, of Tennessee.

On Civil Service: Porter H. Dale, of Vermont (chairman); James Couzens, of Michigan; Smith W. Brookhart, of Iowa; Hamilton F. Kean, of New Jersey; Frederic C. Walcott, of Connecticut; Wallace H. White, jr., of Maine; Kenneth McKellar, of Tennessee; Walter F. George, of Georgia; W. J. Bulow, of South Dakota; and M. M. Logan, of Kentucky.

On Claims: Robert B. Howell, of Nebraska (chairman); Arthur Capper, of Kansas; Frederick Steiwer, of Oregon; Smith W. Brookhart, of Iowa; Otis Glenn, of Illinois; John G. Townsend, jr., of Delaware; Wallace H. White, jr., of Maine; Park Trammell, of Florida; Hubert D. Stephens, of Mississippi; Hugo L. Black, of Alabama; Josiah William Bailey, of North Carolina; Marcus A. Coolidge, of Massachusetts; and M. M. Logan, of Kentucky.

On Commerce: Hiram W. Johnson, of California (chairman); Wesley L. Jones, of Washington; Charles L. McNary, of Oregon; Porter H. Dale, of Vermont; Gerald P. Nye, of North Dakota; Arthur H. Vandenberg, of Michigan; Roscoe C. Patterson, of Missouri; Robert B. Howell, of Nebraska; George H. Moses, of New Hampshire; Hiram Bingham, of Connecticut; Wallace H. White, jr., of Maine; Duncan U. Fletcher, of Florida; Morris Sheppard, of Texas; Hubert D. Stephens, of Mississippi; William J. Harris, of Georgia; Royal S. Copeland, of New York; Harry B. Hawes, of Missouri; Edwin S. Broussard, of Louisiana; Josiah William Bailey, of North Carolina; Robert J. Bulkley, of Ohio; and Marcus A. Coolidge, of Massachusetts.

On the District of Columbia: Arthur Capper, of Kansas (chairman); Wesley L. Jones, of Washington; John J. Blaine, of Wisconsin; Hamilton F. Kean, of New Jersey; Robert D. Carey, of Wyoming; Otis Glenn, of Illinois; Warren R. Austin, of Vermont; William H. King, of Utah; Carter Glass, of Virginia; Royal S. Copeland, of New York; Millard E. Tydings, of Maryland; Thomas P. Gore, of Oklahoma; J. Hamilton Lewis, of Illinois; John H. Bankhead, of Alabama; and Henrik Shipstead, of Minnesota.

On Education and Labor: Jesse H. Metcalf, of Rhode Island (chairman); William E. Borah, of Idaho; James Couzens, of Michigan; Frederic C. Walcott, of Connecticut; Robert M. La Follette, jr., of Wisconsin; James J. Davis, of Pennsylvania; Wallace H. White, jr., of Maine; Royal S. Copeland, of New York; David I. Walsh, of Massachusetts; Park Trammell, of Florida; Hugo L. Black, of Alabama; James F. Byrnes, of South Carolina; and J. Hamilton Lewis, of Illinois.

On Enrolled Bills: Charles W. Waterman, of Colorado (chairman); Arthur H. Vandenberg, of Michigan; and Hattie W. Caraway, of Arkansas.

On Expenditures in the Executive Departments: Frederick Steiwer, of Oregon (chairman); Daniel O. Hastings, of Delaware; John J. Blaine, of Wisconsin; Hamilton F. Kean, of New Jersey; Claude A. Swanson, of Virginia; Harry B. Hawes, of Missouri; and Hubert D. Stephens, of Mississippi.

On Finance: Reed Smoot, of Utah (chairman); James E. Watson, of Indiana; David A. Reed, of Pennsylvania; Samuel M. Shortridge, of California; James Couzens, of Michigan; Henry W. Keyes, of New Hampshire; Hiram Bingham, of Connecticut; Robert M. La Follette, jr., of Wisconsin; John Thomas, of Idaho; Wesley L. Jones, of Washington; Jesse H. Metcalf, of Rhode Island; Pat Harrison, of Mississippi; William H. King, of Utah; Walter F. George, of Georgia; David I. Walsh, of Massachusetts; Alben W. Barkley, of Kentucky; Tom Connally, of Texas; Thomas P. Gore, of Oklahoma; Edward P. Costigan, of Colorado; and Cordell Hull, of Tennessee.

On Foreign Relations: William E. Borah, of Idaho (chairman); Hiram W. Johnson, of California; George H. Moses, of New Hampshire; Arthur Capper, of Kansas; David A. Reed, of Pennsylvania; Simeon D. Fess, of Ohio; Robert M. La Follette, jr., of Wisconsin; Arthur H. Vandenberg, of Michigan; Arthur R. Robinson, of Indiana; Otis Glenn, of Illinois; Bronson Cutting, of New Mexico; Claude A. Swanson, of Virginia; Key Pittman, of Nevada; Joseph T. Robinson, of Arkansas; Thomas J. Walsh, of Montana; Pat Harrison, of Mississippi; Walter F. George, of Georgia; Hugo L. Black, of Alabama; Robert F. Wagner, of New York; Tom Connally, of Texas; J. Hamilton Lewis, of Illinois; and Henrik Shipstead, of Minnesota.

On Immigration: H. D. Hatfield, of West Virginia (chairman); Hiram W. Johnson, of California; Henry W. Keyes, of New Hampshire; David A. Reed, of Pennsylvania; Gerald P. Nye, of North Dakota; James E. Watson, of Indiana; Roscoe C. Patterson, of Missouri; William H. King, of Utah; William J. Harris, of Georgia; Royal S. Copeland, of New York; Hubert D. Stephens, of Mississippi; George McGill, of Kansas; and Marcus A. Coolidge, of Massachusetts.

On Indian Affairs: Lynn J. Frazier, of North Dakota (chairman); Thomas D. Schall, of Minnesota; Robert M. La Follette, jr., of Wisconsin; Frederick Steiwer, of Oregon; Frederic C. Walcott, of Connecticut; Peter Norbeck, of South Dakota; John Thomas, of Idaho; Henry F. Ashurst, of Arizona; John B. Kendrick, of Wyoming; Burton K. Wheeler, of Montana; Sam G. Bratton, of New Mexico; Elmer Thomas, of Oklahoma; and W. J. Bulow, of South Dakota.

On Interoceanic Canals: Thomas D. Schall, of Minnesota (chairman); Smith W. Brookhart, of Iowa; John J. Blaine, of Wisconsin; Felix Hebert, of Rhode Island; W. Warren Barbour, of New Jersey; Thomas J. Walsh, of Montana; and Park Trammell, of Florida.

On Interstate Commerce: James Couzens, of Michigan (chairman); James E. Watson, of Indiana; Simeon D. Fess, of Ohio; Robert B. Howell, of Nebraska; Jesse H. Metcalf, of Rhode Island; Otis Glenn, of Illinois; Smith W. Brookhart, of Iowa; Hamilton F. Kean, of New Jersey; Daniel O. Hastings, of Delaware; H. D. Hatfield, of West Virginia; Ellison D. Smith, of South Carolina; Key Pittman, of Nevada; C. C. Dill, of Washington; Burton K. Wheeler, of Montana; Harry B. Hawes, of Missouri; Robert F. Wagner, of New York; Millard E. Tydings, of Maryland; Alben W. Barkley, of Kentucky; and M. M. Neely, of West Virginia.

On Irrigation and Reclamation: John Thomas, of Idaho (chairman); Wesley L. Jones, of Washington; Charles L. McNary, of Oregon; Samuel M. Shortridge, of California; Hiram W. Johnson, of California; Robert B. Howell, of Nebraska; John G. Townsend, jr., of Delaware; Robert D. Carey, of Wyoming; Tasker L. Oddie, of Nevada; Morris Sheppard, of Texas; Thomas J. Walsh, of Montana; John B. Kendrick, of Wyoming; Key Pittman, of Nevada; C. C. Dill, of Washington; Henry F. Ashurst, of Arizona; and Sam G. Bratton, of New Mexico.

On the Judiciary: George W. Norris, of Nebraska (chairman); William E. Borah, of Idaho; Arthur R. Robinson, of Indiana; John J. Blaine, of Wisconsin; Charles W. Waterman, of Colorado; Daniel O. Hastings, of Delaware; Felix Hebert, of Rhode Island; Thomas D. Schall, of Minnesota; Warren R. Austin, of Vermont; Henry F. Ashurst, of Arizona; Thomas J. Walsh, of Montana; William H. King, of Utah; Hubert D. Stephens, of Mississippi; C. C. Dill, of Washington; Sam G. Bratton, of New Mexico; Hugo L. Black, of Alabama; and M. M. Neely, of West Virginia.

On the Library: Simeon D. Fess, of Ohio (chairman); Robert B. Howell, of Nebraska; Hiram Bingham, of Connecticut; Peter Norbeck, of South Dakota; W. Warren Barbour, of New Jersey; Kenneth McKellar, of Tennessee; Alben W. Barkley, of Kentucky; Elmer Thomas, of Oklahoma; and Hattie W. Caraway, of Arkansas

On Manufactures: Robert M. La Follette, jr., of Wisconsin (chairman); Charles L. McNary, of Oregon; Jesse H. Metcalf, of Rhode Island; Phillips Lee Goldsborough, of Maryland; H. D. Hatfield, of West Virginia; James J. Davis, of Pennsylvania; Bronson Cutting, of New Mexico; Ellison D. Smith, of South Carolina; Burton K. Wheeler, of Montana; Morris Sheppard, of Texas; Robert J. Bulkley, of Ohio; and Edward P. Costigan, of Colorado.

On Military Affairs: David A. Reed, of Pennsylvania (chairman); Bronson Cutting, of New Mexico; Roscoe C. Patterson, of Missouri; Robert D. Carey, of Wyoming; Samuel M. Shortridge, of California; Daniel O. Hastings, of Delaware; L. J. Dickinson, of Iowa; Warren R. Austin, of Vermont; W. Warren Barbour, of New Jersey; Duncan U. Fletcher, of Florida; Morris Sheppard, of Texas; Hugo L. Black, of Alabama; William J. Harris, of Georgia; Marcus A. Coolidge, of Massachusetts; J. Hamilton Lewis, of Illinois; and M. M. Logan, of Kentucky.

On Mines and Mining: Roscoe C. Patterson, of Missouri (chairman); Tasker L. Oddie, of Nevada; Arthur R. Robinson, of Indiana; Lynn J. Frazier, of North Dakota; John Thomas, of Idaho; H. D. Hatfield, of West Virginia; James J. Davis, of Pennsylvania; Thomas J. Walsh, of Montana; Key Pittman, of Nevada; Carl Hayden, of Arizona; Duncan U. Fletcher, of Florida; and W. J. Bulow, of South Dakota.

On Naval Affairs: Frederick Hale, of Maine (chairman); Tasker L. Oddie, of Nevada; Samuel M. Shortridge, of California; Jesse H. Metcalf, of Rhode Island; Charles W. Waterman, of Colorado; Phillips Lee Goldsborough, of Maryland; Hamilton K. Kean, of New Jersey; James J. Davis, of Pennsylvania; Henry W. Keyes, of New Hampshire; Claude A. Swanson, of Virginia; Park Trammell, of Florida; David I. Walsh, of Massachusetts; Millard E. Tydings, of Maryland; Joseph T. Robinson, of Arkansas; Ellison D. Smith, of South Carolina; and George McGill, of Kansas.

On Patents: Felix Hebert, of Rhode Island (chairman); George W. Norris, of Nebraska; Charles W. Waterman, of Colorado; Phillips Lee Goldsborough, of Maryland; Ellison D. Smith, of South Carolina; C. C. Dill, of Washington; and Park Trammell, of Florida.

On Pensions: Arthur R. Robinson, of Indiana (chairman); Thomas D. Schall, of Minnesota; Lynn J. Frazier, of North Dakota; James Couzens, of Michigan; Roscoe C. Patterson, of Missouri; L. J. Dickinson, of Iowa; Burton K. Wheeler, of Montana; George McGill, of Kansas; Cordell Hull, of Tennessee; and Henrik Shipstead, of Minnesota.

On Post Offices and Post Roads: Tasker L. Oddie, of Nevada (chairman); George H. Moses, of New Hampshire; Porter H. Dale, of Vermont; Thomas D. Schall, of Minnesota; Lynn J. Frazier, of North Dakota; Felix Hebert, of Rhode Island; Arthur Capper, of Kansas; Robert M. La Follette, jr., of Wisconsin; Wallace H. White, jr., of Maine; W. Warren Barbour, of New Jersey; Kenneth McKellar, of Tennessee; Park Trammell, of Florida; Carl Hayden, of Arizona; George McGill, of Kansas; Josiah William Bailey, of North Carolina; John H. Bankhead, of Alabama; W. J. Bulow, of South Dakota; James F. Byrnes, of South Carolina; and M. M. Logan, of Kentucky.

On Printing: Henrik Shipstead, of Minnesota (chairman); George H. Moses, of New Hampshire; Arthur H. Vandenberg, of Michigan; L. J. Dickinson, of Iowa; Duncan U. Fletcher, of Florida; David I. Walsh, of Massachusetts; and Carl Hayden, of Arizona.

On Privileges and Elections: Samuel M. Shortridge, of California (chairman); James E. Watson, of Indiana; Charles W. Waterman, of Colorado; George H. Moses, of New Hampshire; Otis Glenn, of Illinois; Daniel O. Hastings, of Delaware; John J. Blaine, of Wisconsin; Felix Hebert, of Rhode Island; Warren R. Austin, of Vermont; William H. King, of Utah; Walter F. George, of Georgia; Ellison D. Smith, of South Carolina; Sam G. Bratton, of New Mexico; Tom Connally, of Texas; Robert J. Bulkley, of Ohio; Thomas P. Gore, of Oklahoma; and M. M. Logan, of Kentucky.

On Public Buildings and Grounds: Henry W. Keyes, of New Hampshire (chairman); Simeon D. Fess, of Ohio; Reed Smoot, of Utah; Samuel M. Shortridge, of California; L. J. Dickinson, of Iowa; Warren R. Austin, of Vermont; W. Warren Barbour, of New Jersey; Henry F. Ashurst, of Arizona; Park Trammell, of Florida; Claude A. Swanson, of Virginia; Millard E. Tydings, of Maryland; David I. Walsh, of Massachusetts; Tom Connally, of Texas; and Henrik Shipstead, of Minnesota.

On Public Lands and Surveys: Gerald P. Nye, of North Dakota (chairman); Reed Smoot, of Utah; Peter Norbeck, of South Dakota; Tasker L. Oddie, of Nevada; Porter H. Dale, of Vermont; Bronson M. Cutting, of New Mexico; Frederick Steiwer, of Oregon; Robert D. Carey, of Wyoming; Key Pittman, of Nevada; John B. Kendrick, of Wyoming; Thomas J. Walsh, of Montana; Henry F. Ashurst, of Arizona; Robert F. Wagner, of New York; C. C. Dill, of Washington; and Sam G. Bratton, of New Mexico.

On Rules: George H. Moses, of New Hampshire (chairman); Frederick Hale, of Maine; James E. Watson, of Indiana; Porter H. Dale, of Vermont; Reed Smoot, of Utah; David A. Reed, of Pennsylvania; Hiram Bingham, of Connecticut; Joseph T. Robinson, of Arkansas; Pat Harrison, of Mississippi; Claude A. Swanson, of Virginia; Kenneth McKellar, of Tennessee; Royal S. Copeland, of New York; and M. M. Neely, of West Virginia.

On Territories and Insular Affairs: Hiram Bingham, of Connecticut (chairman); Hiram W. Johnson, of California; Arthur R. Robinson, of Indiana; Gerald P. Nye, of North Dakota; Jesse H. Metcalf, of Rhode Island; Arthur H. Vandenberg, of Michigan; Bronson M. Cutting, of New Mexico; Charles L. McNary, of Oregon; Key Pittman, of Nevada; William J. Harris, of Georgia; Edwin S. Broussard, of Louisiana; Carl Hayden, of Arizona; Millard E. Tydings, of Maryland; Harry B. Hawes, of Missouri; and William H. King, of Utah.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

A bill (S. 1558) to amend certain laws relating to American seamen, and for other purposes; and

A bill (S. 1559) relating to the payment of advance wages and allotments in respect of seamen on foreign vessels, and making further provision for carrying out the purposes of the seamen's act, approved March 4, 1915; to the Committee on Commerce.

By Mr. WALSH of Montana:

A bill (S. 1561) authorizing an appropriation of $10,000,000 for construction of highways in drought-stricken areas; to the Committee on Post Offices and Post Roads.

By Mr. McGILL:

A bill (S. 1562) for the relief of William S. Cook; to the Committee on Military Affairs.

A bill (S. 1563) granting a pension to Matthew Mitchell;

A bill (S. 1564) granting a pension to Grover A. Moody; and

A bill (S. 1565) granting an increase of pension to William T. Conley; to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 1566) for the relief of Thomas C. Smith and others; to the Committee on Claims.

By Mr. GEORGE:

A bill (S. 1567) establishing a revolving fund to be administered by the Secretary of Agriculture for agricultural-credit purposes; to the Committee on Agriculture and Forestry.

By Mr. COPELAND:

A bill (S. 1568) to extend the benefits of the employees' compensation act of September 7, 1916, to Mary Elizabeth O'Brien, a former employee of the United States Veterans' Bureau; to the Committee on Claims.

A bill (S. 1569) for the relief of Della D. Ledendecker; to the Committee on the District of Columbia.

A bill (S. 1570) granting a pension to Alice E. Pillsbury; to the Committee on Pensions.

By Mr. KENDRICK:

A bill (S. 1571) for the relief of George Stoll and the heirs of Charles P. Regan, Marshall Turley, Edward Lannigan, James Manley, and John Hunter; to the Committee on Claims.

A bill (S. 1572) for the relief of Ralph H. Lasher, alias Ralph C. Lasher;

A bill (S. 1573) for the relief of Joseph Franklin; and

A bill (S. 1574) to provide for the commemoration of the Grattan Massacre, in the State of Wyoming; to the Committee on Military Affairs.

A bill (S. 1575) granting a pension to Clara V. Wilson (with accompanying papers);

A bill (S. 1576) granting a pension to Frances H. Carson (with accompanying papers);

A bill (S. 1577) granting a pension to Jim Bailey;

A bill (S. 1578) granting a pension to Almontie M. Webster; and

A bill (S. 1579) granting a pension to Pearl Helms; to the Committee on Pensions.

By Mr. WHEELER and Mr. WALSH of Montana:

A bill (S. 1580) to authorize the distribution of 50,000,000 bushels of surplus wheat for relief purposes (with an accompanying paper);

By Mr. WHEELER:

A bill (S. 1581) to amend section 4 of the grain futures act; and

A bill (S. 1582) to provide for the establishment of a meteorological station at Missoula, Mont.; to the Committee on Agriculture and Forestry.

A bill (S. 1583) to amend the World War veterans' act as amended; to the Committee on Finance.

A bill (S. 1584) for the relief of Jens P. Jepsen; to the Committee on Military Affairs.

A bill (S. 1585) for the relief of Moses White Horse; and

A bill (S. 1586) for the relief of the estate of Robert J. Franzel; to the Committee on Claims.

By Mr. BRATTON:

A bill (S. 1587) to provide for payments to certain property owners in New Mexico for losses caused by the floods in the Rio Grande Valley during 1929; to the Committee on Irrigation and Reclamation.

A bill (S. 1588) to authorize the Secretary of the Interior to issue patents for lands held under color of title;

A bill (S. 1589) to provide for the erection and operation of public bath houses at Hot Springs, N. Mex.;

A bill (S. 1590) granting certain public lands to the State of New Mexico for the use and benefit of the Eastern New Mexico Normal School, and for other purposes;

A bill (S. 1591) authorizing the reimbursement of Edward B. Wheeler and the State Investment Co. for the loss of certain lands in the Mora Grant, N. Mex.; and

A bill (S. 1592) to convey certain lands in San Juan County, N. Mex.; to the Committee on Public Lands and Surveys.

A bill (S. 1593) granting an increase of pension to Sarah E. Horton; to the Committee on Pensions.

A bill (S. 1594) for the relief of Albert Gonzales;

A bill (S. 1595) for the relief of the heirs of Cristobal Ascarate;

A bill (S. 1596) for the relief of Manuel A. Martinez;

A bill (S. 1597) for the relief of J. B. McGhee;

A bill (S. 1598) for the relief of Martin E. Riley; and

A bill (S. 1599) for the relief of Nicholas Gallegos; to the Committee on Claims.

A bill (S. 1600) to create a commission to collect and publish the records of American women in war; to the Committee on Education and Labor.

A bill (S. 1601) to further extend the benefits of hospitalization under the World War veterans' act, 1924, as amended, to certain veterans of the Spanish-American War, the Philippine insurrection, and the Boxer rebellion;

A bill (S. 1602) for the relief of George Harry Stranahan;

A bill (S. 1603) to amend section 19 of the World War veterans' act, 1924, as amended; and

A bill (S. 1604) to amend subdivision (7) of section 202 and section 500 of the World War veterans' act, 1924, as amended; to the Committee on Finance.

A bill (S. 1605) for the relief of William F. Singletary; to the Committee on Military Affairs.

A bill (S. 1606) granting an increase of pension to Caroline F. Hanley;

A bill (S. 1607) granting an increase of pension to Belle M. Forsha;

A bill (S. 1608) granting a pension to Rosa Risdon;

A bill (S. 1609) granting an increase of pension to Sarah M. Hatfield;

A bill (S. 1610) granting an increase of pension to Ellen E. Billingsley;

A bill (S. 1611) granting a pension to John Michael Stafford;

A bill (S. 1612) granting a pension to George R. Hutchison;

A bill (S. 1613) granting a pension to Joe Hitchins;

A bill (S. 1614) to amend section 4 of the act of March 3, 1927, granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes;

A bill (S. 1615) granting a pension to Mary Felicite Martin;

A bill (S. 1616) granting a pension to Daniel Armijo (insane);

A bill (S. 1617) granting an increase of pension to R. L. Baca;

A bill (S. 1618) granting a pension to Ida Lyons;

A bill (S. 1619) granting an increase of pension to Jennie Cooney;

A bill (S. 1620) granting a pension to Mary M. Chenowth;

A bill (S. 1621) granting an increase of pension to John L. Tenney;

A bill (S. 1622) granting an increase of pension to John Mosley; and

A bill (S. 1623) granting a pension to William Bates; to the Committee on Pensions.

By Messrs. BRATTON, CUTTING, SHEPPARD, and CONNALLY:

A bill (S. 1624) providing for the issuance of patents upon certain conditions to lands and accretions thereto determined to be within the State of New Mexico, in accordance with the decree of the Supreme Court of the United States entered April 9, 1928; to the Committee on Public Lands and Surveys.

By Mr. McKELLAR:

A bill (S. 1625) for the relief of James R. Mansfield; to the Committee on Claims.

A bill (S. 1626) for the relief of Lester L. Huff; to the Committee on Naval Affairs.

A bill (S. 1627) granting a pension to Anna Dabney (with accompanying papers); and

A bill (S. 1628) granting a pension to Guy Will Cain (with accompanying papers); to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 1629) granting a pension to Earl J. Bennett;

A bill (S. 1630) granting an increase of pension to Amelia Bee;

A bill (S. 1631) granting an increase of pension to Francis M. Britton;

A bill (S. 1632) granting an increase of pension to William A. Hawkins; and

A bill (S. 1633) for the relief of Joseph May; to the Committee on Pensions.

A bill (S. 1634) granting compensation to Joseph M. Burr; and

A bill (S. 1635) for the relief of the legal representatives of George W. McGinnis; to the Committee on Claims.

A bill (S. 1636) to provide for the erection at Parkersburg, W. Va., of a memorial monument to certain veterans of the Civil War; to the Committee on Military Affairs.

By Mr. DILL:

A bill (S. 1637) to create the United States monetary conference committee, to prescribe the duties thereof, and for other purposes; to the Committee on Finance.

A bill (S. 1638) for the relief of Hans Dahl; to the Committee on Naval Affairs.

A bill (S. 1639) for the relief of Henry Rasmussen;

A bill (S. 1640) for the relief of William W. Giles, deceased;

A bill (S. 1641) for the relief of William L. Charlton;

A bill (S. 1642) for the relief of Patrick H. Holland;

A bill (S. 1643) for the relief of Thomas M. Buist;

A bill (S. 1644) for the relief of August F. T. Oelschlager;

A bill (S. 1645) for the relief of Harry Fallon;

A bill (S. 1646) for the relief of Robert Gray Fry;

A bill (S. 1647) for the relief of Thomas O'Connor; and

A bill (S. 1648) for the relief of Edward H. Scott; to the Committee on Military Affairs.

A bill (S. 1649) for the relief of Fred Ferch;

A bill (S. 1650) for the relief of Naomi L. Thompson; and

A bill (S. 1651) for the relief of William M. Wiser; to the Committee on Claims.

By Mr. WAGNER:

A bill (S. 1652) for the relief of Gustav A. Ringelman; and

A bill (S. 1653) for the relief of Francis Stephen Smith; to the Committee on Naval Affairs.

By Mr. McNARY:

A bill (S. 1654) relating to the retirement of the present senior member of the Board of Engineers for Rivers and Harbors; to the Committee on Military Affairs.

A bill (S. 1655) for the relief of Charles J. Lauman; to the Committee on Claims.

A bill (S. 1656) to authorize the Secretary of the Navy to make a long-term contract for a supply of water to the United States naval station at Guantanamo Bay, Cuba; to the Committee on Naval Affairs.

By Mr. FESS:

A bill (S. 1657) granting a pension to Sarah Pennel (with accompanying papers); and

A bill (S. 1658) granting an increase of pension to Sarah E. Marsh; to the Committee on Pensions.

By Mr. BYRNES:

A bill (S. 1659) to authorize the Secretary of the Treasury to purchase coupons upon outstanding bonds of the Federal land banks; to the Committee on Banking and Currency.

By Mr. BINGHAM:

A bill (S. 1660) to provide for placing certain educational orders to familiarize private manufacturing establishments with the production of certain ordnance and to provide for manufacture of certain ordnance by Government-owned arsenals; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 1661) for the relief of James G. Gott; to the Committee on Claims.

By Mr. HAYDEN:

A bill (S. 1662) equalizing annual leave of employees of the Department of Agriculture stationed outside the continental limits of the United States; to the Committee on Agriculture and Forestry.

A bill (S. 1663) to prohibit the sending of unsolicited merchandise through the mails; to the Committee on Post Offices and Post Roads.

A bill (S. 1664) for the relief of Harry H. A. Ludwig; to the Committee on Civil Service.

A bill (S. 1665) for the relief of John W. Adair; and

A bill (S. 1666) for the relief of Harold E. Mitchell; to the Committee on Claims.

By Mr. MORRISON:

A bill (S. 1667) granting a pension to Boyd E. Scott (with accompanying papers);

A bill (S. 1668) granting a pension to George P. Silvy; and

A bill (S. 1669) granting a pension to Emory M. Farrar; to the Committee on Pensions.

A bill (S. 1670) granting Harry P. Cooper the privilege of filing application for benefits under the emergency officers' retirement act; to the Committee on Finance.

A bill (S. 1671) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Ira L. Elliott, a former employee of the Panama Canal, Canal Zone;

A bill (S. 1672) for the relief of William J. Cocke; and

A bill (S. 1673) for the relief of Charles C. Bennett; to the Committee on Claims.

By Mr. JONES:

A bill (S. 1674) to provide for the appointment of an additional district judge for the western district of Washington; to the Committee on the Judiciary.

A bill (S. 1675) to amend section 19 of the World War veterans' act; to the Committee on Finance.

A bill (S. 1676) to provide for the establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes; to the Committee on Commerce.

A bill (S. 1677) to amend the act of February 12, 1925 (Public, No. 402, 68th Cong.), so as to permit the Cowlitz Tribe of Indians to file suit in the Court of Claims under said act; to the Committee on Indian Affairs.

A bill (S. 1678) to authorize the purchase of an electric-generating, transmission, and distribution system in the Mount Rainier National Park, and for other purposes; and

A bill (S. 1679) releasing and granting to the State of Washington any right, title, and interest of the United States in an island near the mouth of the Columbia River, commonly known as Sand Island, and for other purposes; to the Committee on Public Lands and Surveys.

A bill (S. 1680) for the relief of Theophilus Steele;

A bill (S. 1681) for the relief of volunteer officers and soldiers who served in the Philippine Islands beyond the period of their enlistment; and

A bill (S. 1682) waiving the maximum age limit in the case of First Lieut. William E. Parker and making him eligible for appointment in the Judge Advocate General's department, Regular Army; to the Committee on Military Affairs.

A bill (S. 1683) for the relief of Stillwell Bros. (Inc.);

A bill (S. 1684) for the relief of Heimo Sarkkinen; and

A bill (S. 1685) for the relief of C. H. Reynolds, assignee of the Bitu-Mass Paving Co., of Spokane, Wash.; to the Committee on Claims.

A bill (S. 1686) to amend the naval record of Kenneth A. Kellog, alias Frank Barry; to the Committee on Naval Affairs; and

A bill (S. 1687) granting a pension to Edward W. Jones (with accompanying papers); to the Committee on Pensions.

A bill (S. 1688) granting an increase of pension to Henry Ellis (with accompanying papers); to the Committee on Pensions.

By Mr. REED:

A bill (S. 1689) to provide for the commemoration of the action at Jumonville Camp, in the State of Pennsylvania;

A bill (S. 1690) to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes;

A bill (S. 1691) to amend section 47c, national defense act, as amended, relating to military training required to entitle members of the Reserve Officers' Training Corps to receive commutation of subsistence;

A bill (S. 1692) to amend section 90 of the national defense act, as amended, relative to the employment of caretakers for National Guard organizations;

A bill (S. 1693) to provide for appropriate military records for persons who, pursuant to orders, reported for military duty but whose induction into the service was, through no fault of their own, not formally completed on or prior to November 30, 1918; and

A bill (S. 1694) to authorize the Secretary of War to exchange obsolete, surplus, deteriorated, or unserviceable supplies or equipment for new supplies or equipment of the same general character; to the Committee on Military Affairs.

A bill (S. 1695) to permit the naturalization of certain Filipinos who have served in the United States Army (with accompanying papers); to the Committee on Immigration.

By Mr. REED:

(By request.) A bill (S. 1696) to amend the World War veterans' act, 1924, as amended; and

(By request.) A bill (S. 1697) to provide for the establishment of a permanent medical service in the Veterans' Administration; to the Committee on Finance.

By Mr. BANKHEAD:

A bill (S. 1698) providing for regulation of the transportation of cotton in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LOGAN:

A bill (S. 1699) for the relief of Charles B. Arrington; and

A bill (S. 1700) for the relief of Elmer Blair; to the Committee on Military Affairs.

A bill (S. 1701) for the relief of James Earl Johnston; and

A bill (S. 1702) for the relief of Luther Foster; to the Committee on Naval Affairs.

By Mr. BULKLEY:

A bill (S. 1703) for the relief of the Fred G. Clark Co.; to the Committee on Claims.

A bill (S. 1704) authorizing certain investigations and surveys of the water resources of the State of Ohio, and for other purposes; to the Committee on Commerce.

By Mr. WALSH of Massachusetts:

A bill (S. 1705) for the relief of Samuel C. Davis; to the Committee on Claims.

A bill (S. 1706) for the relief of Harry Siegel; to the Committee on Military Affairs.

By Mr. SHIPSTEAD:

A bill (S. 1707) amending the public building act approved March 4, 1931, authorizing acquisition of building sites and construction of public buildings at Hibbing, Minn., and other places; and

A bill (S. 1708) authorizing the Secretary of the Treasury to grant and convey to the city of Duluth an easement for park purposes upon certain lands constituting the site of the former post office, customhouse, and courthouse building in said city, together with the right to wreck and remove said structure thereon; to the Committee on Public Buildings and Grounds.

A bill (S. 1709) for the relief of George Johnson (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 1710) providing for a per capita payment of $50 to each enrolled member of the Chippewa Tribe of Minnesota from the funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

A bill (S. 1711) relating to the war-risk insurance of Olaf O. Quarve; to the Committee on Finance.

By Mr. HULL:

A bill (S. 1712) granting a pension to Herbert Hale; and

A bill (S. 1713) granting a pension to Nora Binnix; to the Committee on Pensions.

By Mr. ROBINSON of Arkansas:

A bill (S. 1714) for the relief of Furman E. McCammon; to the Committee on Military Affairs.

By Mr. JOHNSON:

A bill (S. 1715) amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands; to the Committee on Public Lands and Surveys.

By Mr. BARKLEY:

A bill (S. 1716) to confer additional jurisdiction on the United States Board of Tax Appeals, and for other purposes; to the Committee on Finance.

A bill (S. 1717) for the relief of the American-La France & Foamite Corporation of New York; to the Committee on Claims; and

A bill (S. 1718) granting a pension to Philip T. West; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 1719) amending the act of Congress entitled "An act authorizing the Wichita and Affiliated Bands of Indians in Oklahoma to submit claims to the Court of Claims," approved June 4, 1924;

A bill (S. 1720) to authorize the expenditure of $25,000 for nurses' home and equipment at the Fort Sill Indian Hospital, Lawton, Okla.;

A bill (S. 1721) to authorize the expenditure of $40,000 for a fireproof gymnasium-auditorium, a shop building, and for other repairs and equipment at the Fort Sill Indian School, Lawton, Okla.; and

A bill (S. 1722) to authorize the expenditure of $40,000 to construct a fireproof gymnasium-auditorium, addition to school building, and other repairs and equipment at the Riverside Indian School; to the Committee on Indian Affairs.

A bill (S. 1723) for the relief of J. Worrell Henry; and

A bill (S. 1724) for the relief of Charley Bokis; to the Committee on Military Affairs.

A bill (S. 1725) granting an increase of pension to Peter F. Weasel; to the Committee on Pensions.

By Mr. SCHALL:

A bill (S. 1726) to provide for the nomination and selection of candidates for the offices of President, Vice President, Senators, and Representatives in Congress, for the election of such candidates to office, and for other purposes; to the Committee on Privileges and Elections.

A bill (S. 1727) providing for payment of $50 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

By Mr. SHIPSTEAD:

A bill (S. 1728) for the relief of Charles D. Jeronimus; to the Committee on Naval Affairs.

A bill (S. 1729) to amend and correct the military record of Albert Kaman;

A bill (S. 1730) to amend and correct the military record of Robert J. Smith;

A bill (S. 1731) for the relief of Albert M. Cassidy; and

A bill (S. 1732) for the relief of William Kiefer; to the Committee on Military Affairs.

A bill (S. 1733) granting an increased annuity to Thomas A. Kelly; and

A bill (S. 1734) to provide for a 5-day week for certain Government employees; to the Committee on Civil Service.

A bill (S. 1735) for the relief of the heirs of John Booren, deceased;

A bill (S. 1736) for the relief of Vincent J. Conrad;

A bill (S. 1737) to adjudicate the claim of Knud O. Flakne, a homestead settler on the drained Mud Lake bottom, in the State of Minnesota;

A bill (S. 1738) for the relief of Catterina Pollino;

A bill (S. 1739) for the relief of John C. Seebach;

A bill (S. 1740) for the relief of L. Elbert Van Buren;

A bill (S. 1741) for the relief of Fred W. L. Wallman;

A bill (S. 1742) for the relief of Gustave C. Wetterling;

A bill (S. 1743) for the relief of John Gorman;

A bill (S. 1744) for the relief of Pete Jelovac;

A bill (S. 1745) for the relief of Alvina Hollis; and

A bill (S. 1746) for the relief of Joseph Watkins; to the Committee on Claims.

A bill (S. 1747) granting a pension to Katherine M. Owens (with accompanying papers);

A bill (S. 1748) granting an increase of pension to Adaline A. Allen (with accompanying papers); and

A bill (S. 1749) granting a pension to Jane Price (with accompanying papers); to the Committee on Pensions.

By Mr. HAWES:

A bill (S. 1750) to amend the act approved May 15, 1928, entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes"; to the Committee on Commerce.

By Mr. NORBECK:

A bill (S. 1751) to amend the Federal farm loan act, as amended, to provide for additional capital for Federal land banks, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 1752) to authorize an appropriation for the purchase of land in South Dakota for use as camp sites or rifle ranges for the National Guard of said State; to the Committee on Military Affairs.

A bill (S. 1753) authorizing the expenditure of funds for the thinning out of timber and the planting of young trees in the burnt-over areas in the Black Hills and Harney National Forests in the States of South Dakota and Wyoming; to the Committee on Public Lands and Surveys.

A bill (S. 1754) granting an increase of pension to Joseph T. Stapleton;

A bill (S. 1755) granting a pension to David F. Gritton;

A bill (S. 1756) granting a pension to Howard J. Sheehan;

A bill (S. 1757) granting a pension to Amos O. Cox;

A bill (S. 1758) granting a pension to Bill H. D. Wing;

A bill (S. 1759) granting an increase of pension to Esther A. Dixon (with accompanying papers);

A bill (S. 1760) granting a pension to Harriett Warne (with accompanying papers);

A bill (S. 1761) granting an increase of pension to Mary F. Dobson (with accompanying papers);

A bill (S. 1762) granting a pension to Daniel R. McKay (with accompanying papers); and

A bill (S. 1763) granting a pension to Gustav Van Overschelde; to the Committee on Pensions.

By Mr. GLENN:

A bill (S. 1764) for the relief of T. D. Randall & Co.; and

A bill (S. 1765) for the relief of the heirs of Julius Nowak; to the Committee on Claims.

By Mr. GOLDSBOROUGH:

A bill (S. 1766) for the relief of Southern Overall Co.; and

A bill (S. 1767) for the relief of Sallie S. Twilley; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 1768) to provide for the opening and closing of roads within the boundaries of the District of Columbia workhouse property at Occoquan, Fairfax County, Va.; and

A bill (S. 1769) to authorize pay patients to be admitted to the contagious-disease ward of the Gallinger Municipal Hospital; to the Committee on the District of Columbia.

A bill (S. 1770) for the relief of Stanton & Jones; to the Committee on Claims.

A bill (S. 1771) granting a pension to Hannah A. Smith (with accompanying papers); and

A bill (S. 1772) granting a pension to Allison J. Little (with accompanying papers); to the Committee on Pensions.

By Mr. PATTERSON:

A bill (S. 1773) giving jurisdiction to the Court of Claims to hear and determine the claim of the Cherokee Fuel Co.; to the Committee on Claims.

A bill (S. 1774) granting an increase of pension to Rosina Dohon (with accompanying papers);

A bill (S. 1775) granting a pension to Eliza Ford (with accompanying papers);

A bill (S. 1776) granting a pension to Belle Hockensmith (with accompanying papers);

A bill (S. 1777) granting a pension to Susie Fike (with accompanying papers);

A bill (S. 1778) granting an increase of pension to Elizabeth Cole (with accompanying papers);

A bill (S. 1779) granting a pension to Charles T. Almond (with accompanying papers);

A bill (S. 1780) granting a pension to Martha Day (with accompanying papers);

A bill (S. 1781) granting an increase of pension to Emma S. Jones (with accompanying papers);

A bill (S. 1782) granting a pension to Sarah K. Copeland;

A bill (S. 1783) granting a pension to Rilla M. Hatfield;

A bill (S. 1784) granting a pension to Jemima M. Metcalf;

A bill (S. 1785) granting a pension to Mary A. Lane;

A bill (S. 1786) granting an increase of pension to Susan A. Taylor;

A bill (S. 1787) granting a pension to Daniel T. Boisseau;

A bill (S. 1788) granting a pension to Henry Coonce; and

A bill (S. 1789) granting a pension to Willie S. George; to the Committee on Pensions.

By Mr. BLAINE:

A bill (S. 1790) for the relief of James W. Harrison; to the Committee on Military Affairs.

A bill (S. 1791) for the relief of Joseph Abel; to the Committee on Claims.

A bill (S. 1792) granting an increase of pension to Archie C. Woods (with accompanying papers);

A bill (S. 1793) granting a pension to George Larson (with accompanying papers);

A bill (S. 1794) granting a pension to Patrick Quinlan (with accompanying papers);

A bill (S. 1795) granting a pension to Ove H. Gram (with accompanying papers);

A bill (S. 1796) granting an increase of pension to Mary Jane Evans (with accompanying papers);

A bill (S. 1797) granting an increase of pension to Rosa Helms; and

A bill (S. 1798) granting an increase of pension to Frank Brown; to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 1799) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Pensions.

By Mr. SHORTRIDGE:

A bill (S. 1800) for the relief of Patrick Shaughnessy; and

A bill (S. 1801) for the relief of Glenn Catterall; to the Committee on Naval Affairs.

A bill (S. 1802) for the relief of Malven A. Williams;

A bill (S. 1803) for the relief of George A. Turner;

A bill (S. 1804) for the relief of Howard F. Trenholm;

A bill (S. 1805) for the relief of Robert Clyde Scott;

A bill (S. 1806) for the relief of James Perkins;

A bill (S. 1807) for the relief of Aloysius E. O'Flaherty;

A bill (S. 1808) to correct the military record of John Malik;

A bill (S. 1809) for the relief of Samuel S. Knox;

A bill (S. 1810) to correct the military record of Jacob Kaufmann;

A bill (S. 1811) for the relief of Alfred O. Huestis;

A bill (S. 1812) to correct the military record of James D. Henderson; and

A bill (S. 1813) for the relief of Thomas Burns; to the Committee on Military Affairs.

A bill (S. 1814) granting a pension to Ethel V. Walker;

A bill (S. 1815) granting a pension to George Thornes;

A bill (S. 1816) granting a pension to Cohen R. Thomason;

A bill (S. 1817) granting an increase of pension to Anna L. Sweet;

A bill (S. 1818) granting a pension to Lena Shaw;

A bill (S. 1819) granting an increase of pension to Albert M. Ryan;

A bill (S. 1820) granting an increase of pension to Austin T. Rogers;

A bill (S. 1821) granting a pension to John O. Pelto;

A bill (S. 1822) granting a pension to Mary Nichols;

A bill (S. 1823) granting an increase of pension to Florence E. Moseley;

A bill (S. 1824) granting a pension to Hiram E. Morrill;

A bill (S. 1825) granting an increase of pension to Alexander Lewis;

A bill (S. 1826) granting a pension to Arthur Hunt;

A bill (S. 1827) granting a pension to Frank B. Hayes;

A bill (S. 1828) granting a pension to Anna Furman;

A bill (S. 1829) granting a pension to Olive M. Fritz;

A bill (S. 1830) granting a pension to Horace Burson;

A bill (S. 1831) granting an increase of pension to Royal L. Brooks;

A bill (S. 1832) granting an increase of pension to George Bingham;

A bill (S. 1833) granting a pension to Elizabeth P. Bell; and

A bill (S. 1834) granting a pension to Harold G. Bates; to the Committee on Pensions.

A bill (S. 1835) granting disability allowance to Harvey Wilson; and

A bill (S. 1836) for the relief of William D. Barbee; to the Committee on Finance.

A bill (S. 1837) for the relief of the Yosemite Lumber Co.; and

A bill (S. 1838) for the relief of John F. Considine; to the Committee on Claims.

By Mr. BRATTON:

A joint resolution (S. J. Res. 45) proposing an amendment to the Constitution providing for the exclusion of aliens in the apportionment of Representatives among the several States; to the Committee on Commerce.

A joint resolution (S. J. Res. 46) providing for the designation and maintenance of a national cemetery at Fort Bayard, N. Mex.; to the Committee on Military Affairs.

By Mr. FESS:

A joint resolution (S. J. Res. 47) for the improvement of Chevy Chase Circle with a fountain and appropriate landscape treatment; to the Committee on the Library.

By Mr. REED:

A joint resolution (S. J. Res. 48) to authorize the acceptance on behalf of the United States of the bequest of the late William F. Edgar, of Los Angeles County, State of California, for the benefit of the museum and library connected with the office of the Surgeon General of the United States Army; to the Committee on Military Affairs.

A joint resolution (S. J. Res. 49) granting consent of Congress to a compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River Joint Commission and specifying the powers and duties thereof; to the Committee on Commerce.

By Mr. GOLDSBOROUGH:

A joint resolution (S. J. Res. 50) to authorize the Commissioners of the District of Columbia to close upper Water Street between Twenty-second and Twenty-third Streets; to the Committee on the District of Columbia.

By Mr. SCHALL:

A joint resolution (S. J. Res. 51) proposing an amendment to the Constitution of the United States, providing for popular election of President and Vice President; to the Committee on the Judiciary.

PROPOSED ACCEPTANCE OF SILVER IN PAYMENT OF FOREIGN DEBTS

Mr. SMOOT. Mr. President, I am introducing a bill for the purpose of relieving the distressed condition of silver.

I have been, and am still, in hope that we will ultimately be successful in securing an international conference on this most vital problem.

I want to assure the Senate and the country that I am of the firm opinion that England and France will sooner or later come to the inevitable conviction that an international conference on silver will be to their advantage as well as to the advantage of the rest of the world.

The bill (S. 1560) to authorize and direct the Secretary of the Treasury to accept silver in payment of foreign debts was read twice by its title.

Mr. SMOOT. I move that the bill be referred to the Committee on Finance.

The motion was agreed to.

BROADCASTING PROCEEDINGS OF SENATE

Mr. DILL. I submit a resolution relative to broadcasting the proceedings of the Senate, which I ask unanimous consent to have printed in the RECORD and referred to the Committee on Rules.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The resolution (S. Res. 71) was referred to the Committee on Rules and ordered to be printed in the RECORD, as follows:

Resolved, That the Sergeant at Arms of the Senate is hereby directed at as early a date as practicable, to equip the Senate Chamber with the proper electrical connections to which microphones for radio broadcasting may be attached, and also to install microphones, control switchboards, and all other apparatus necessary for connection of microphones with any broadcasting station or stations for the purpose of broadcasting speeches, debates, or proceedings of the Senate as may be decided from time to time by the Senate Committee on Rules, and the necessary expense for such installation of electrical connections and equipment and for the maintenance and operation of the same is hereby authorized to be paid out of the contingent fund of the Senate.

The Committee on Rules of the Senate is hereby authorized to make arrangements for the broadcasting of such proceedings of the Senate as the committee may determine through such radio broadcasting stations as it may be possible to arrange for broadcasting without expense to the Senate or the Government.

RELIEF OF UNEMPLOYMENT

Mr. WAGNER. I offer a resolution which I ask to have read for the information of the Senate.

The resolution (S. Res. 72) was read, as follows:

Whereas the Secretary of Commerce has reported that in January, 1931, there were in the United States 6,050,000 persons ready, willing, and able to work, totally unemployed, seeking jobs, and unable to find any; and

Whereas according to the Bureau of Labor Statistics employment in manufacturing establishments in the United States declined from an index of 73.1 in January, 1931, to an index of 67.3 in October, 1931; and

Whereas the index of pay-roll totals paid in manufacturing establishments in the United States has declined from 62.3 in January, 1931, to 53.7 in October, 1931; and

Whereas the number of bank suspensions, which in the first 10 months of 1930 amounted to 747, has in the first 10 months of 1931 reached a total of 1,753; and

Whereas production, as measured by the Federal Reserve Board, has declined from an index of 82 in January, 1931, to an index of 77 in September, 1931; and

Whereas freight-car loadings have, according to the report of the Federal Reserve Board, declined from an adjusted index of 82 in January, 1931, to an adjusted index of 69 in September, 1931; and

Whereas the total volume of the foreign commerce of the United States, as reported by the Department of Commerce, has declined from $6,629,000,000 during the first 9 months of 1928 to $3,460,000,000 during the first 9 months of 1931, a decline of 48 per cent, which decline is in greater detail represented as follows:

Exports

1928, January through September	$3,559,000,000
1929, January through September	3,844,000,000
1930, January through September	2,954,000,000
1931, January through September	1,842,000,000

disclosing a falling off during the first 9 months of 1931 in the sale of American goods abroad of $1,717,000,000, as compared with the volume of the first nine months of 1928, a decline of 49 per cent.

Imports

1928, January through September	$3,070,000,000
1929, January through September	3,359,000,000
1930, January through September	2,401,000,000
1931, January through September	1,618,000,000

disclosing a falling off during the first nine months of 1931 in American imports of $1,452,000,000, as compared with the volume of the first nine months of 1928, a decline of 48 per cent.

Whereas the index of wholesale prices of all commodities has declined from 77 in January, 1931, to 69 in September, 1931; and

Whereas the volume of construction as measured by the value of contracts awarded as reported by the Federal Reserve Board has been as follows:

July, August, and September, 1928	$1,629,000,000
July, August, and September, 1929	1,586,720,000
July, August, and September, 1930	1,046,700,000
July, August, and September, 1931	770,200,000

disclosing a decline in the volume of construction for the third quarter of 1931 of $858,800,000, as compared with the third quarter of 1928, a decline of 53 per cent; and

Whereas from January, 1928, through September, 1928, the volume of building contracts awarded amounted to $5,010,000,000, and from January, 1931, through September, 1931, the volume of building contracts awarded amounted to $2,562,700,000, which discloses a decline of $2,447,300,000, or 48.8 per cent; and

Whereas the volume of construction of public works and public utilities, as measured by the value of contracts awarded, has been as follows:

From January to September, 1929	$1,039,043,000
From January to September, 1930	1,383,300,000
From January to September, 1931	982,700,000

and

Whereas the wholesale prices of building materials have declined from an index of 82.9 in January, 1931, to 74.9 in September, 1931; and

Whereas the amount of money spent for relief in the larger American cities, as reported by the Russell Sage Foundation of New York, was in September, 1931, 142 per cent greater than in September, 1930, and in October, 1931, 113 per cent greater than in October, 1930; and

Whereas all of the available economic data give evidence of the fact that there has been a continuous and substantial increase of the number of persons unable to secure employment and of the number of families whose resources have been exhausted and who are, therefore, dependent upon the help of public and private agencies for the means of existence; and

Whereas the Federal Government is, for reasons which spring from the very purpose of its organization, charged with the duty of providing for the general welfare of the United States and must, therefore, exert its full powers to promote the improvement of business conditions and alleviate suffering; and

Whereas it is in the public interest and in furtherance of public morale wherever possible to provide work rather than charity for those in need of employment; and

Whereas it is in consonance with the dictates of sound and prudent economy to utilize the idle time of those who are willing and ready to work in the construction of such public works and the prosecution of such public projects as will contribute to the permanent wealth and progress of this Nation; and

Whereas the prompt and vigorous prosecution of an extensive public-works program in an amount of $2,000,000,000 would not only provide useful employment to many hundred thousands of workers now unwillingly idle but would, in addition, stimulate private trade, revitalize private industry, and put into circulation a stream of purchasing power which would bring new life to every branch of the economic efforts of the American people, agricultural as well as industrial; and

Whereas it is both feasible and sound by financing the cost thereof through long-term bonds to conduct such a public-works program without adding to the immediate tax burden; and

Whereas Congress has made provision for such a situation by the enactment of the employment stabilization act of 1931, intending thereby that "during periods of business depression" the power of the Federal Government shall be exercised through its construction agencies "to aid in preventing unemployment" and to relieve the hardships and rigors which it imposes: Therefore be it

Resolved, That the President, the Federal Employment Stabilization Board, the Director of the Bureau of the Budget, and the construction agencies as defined in the Federal employment stabilization act (46 Stat. 1084) are severally requested to exercise the authority conferred upon them by said act to the end that supplemental estimates of public-works emergency appropriations in an amount of $2,000,000,000 may at the earliest possible time be transmitted to Congress pursuant to such act, so that an emergency public-works program may be inaugurated and the policy of Congress declared in such act may be effectuated.

Mr. WAGNER. Mr. President, I ask that the resolution may lie upon the table, to be called up at a later date.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the resolution will lie on the table.

PROPOSED RECOGNITION OF SOVIET GOVERNMENT OF RUSSIA

Mr. BORAH submitted the following resolution (S. Res. 73), which was referred to the Committee on Foreign Relations:

Resolved, That the Senate of the United States favors the recognition of the Soviet Government of Russia.

HEARINGS BEFORE THE FOREIGN RELATIONS COMMITTEE

Mr. BORAH submitted the following resolution (S. Res. 74), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Foreign Relations, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

PROPOSED INVESTIGATION OF ANTITRUST LAWS

Mr. KING submitted the following resolution (S. Res. 75), which was referred to the Committee on the Judiciary:

Whereas to prevent monopolies and combinations in restraint of trade and efforts to obtain monopolistic control of trade and commerce laws were enacted by the Congress which are still in force; and

Whereas notwithstanding the enactment of said laws, monopolies and organizations seeking monopolistic control of industry, trade, commerce, and credit still exist, and the contention is made that some of them are not within the terms of said laws; and

Whereas it is believed that said laws should be strengthened in order that the purpose for which they were enacted might be realized: Now, therefore

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized to conduct an investigation for the purpose of determining what, if any, legislation is required to strengthen and extend the provisions of said laws.

The committee shall report as soon as practicable the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings; to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second and succeeding Congresses until the final report is submitted; to employ such clerical and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

RETAIL PRICES OF WHEAT, MEAT, AND SUGAR PRODUCTS

Mr. McNARY submitted the following resolution (S. Res. 76), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolutions No. 374, agreed to January 16, 1931, and No. 407, agreed to January 19, 1931, authorizing and directing the Committee on Agriculture and Forestry to investigate the failure of retail prices of wheat, meat, and sugar products to reflect the decline in prices paid the producer of such food products, hereby are continued in full force and effect during the Seventy-second Congress.

EMPLOYMENT OF EXPERT IN HISTORY OF BILLS AND RESOLUTIONS

Mr. McNARY submitted the following resolution (S. Res. 77), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he is hereby, authorized and directed to employ an expert in the history of bills and resolutions, who shall report daily to the office of each Senator, in writing or otherwise, any change in status of or action on such bills and resolutions as may have been introduced by such Senator or in which such Senator may be interested. Said expert shall be paid from the contingent fund of the Senate at the rate of $2,400 per annum until otherwise provided by law.

LIZZETTE K. BAER

Mr. SHORTRIDGE. Mr. President, I submit a resolution for the relief of Lizzette K. Baer, widow of a faithful messenger of the Sergeant at Arms. I request the committee to which the resolution shall be referred to take favorable action on it.

The resolution (S. Res. 78) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Lizzette K. Baer, widow of Nathan Baer, late a messenger of the Senate

under direction of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE COMMITTEE ON INDIAN AFFAIRS

Mr. FRAZIER submitted the following resolution (S. Res. 79), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Indian Affairs, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON EDUCATION AND LABOR

Mr. METCALF submitted the following resolution (S. Res. 80), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Education and Labor, or any subcommittee thereof, is hereby authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. KEYES submitted the following resolution (S. Res. 81), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Public Buildings and Grounds, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per one hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

WILLIAM E. KENNEY

Mr. BLAINE submitted the following resolution (S. Res. 82), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms of the Senate is authorized and directed to employ William E. Kenney as doorkeeper at a salary of $2,040 per annum, to be paid out of the contingent fund of the Senate until otherwise provided by law.

PAGE FOR THE SENATE LIBRARY

Mr. WATSON submitted the following resolution (S. Res. 83), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms hereby is authorized and directed to employ a page for the Senate Library, to be paid at the rate of $120 per month from the contingent fund of the Senate, until otherwise provided by law.

SHORT SELLING ON STOCK EXCHANGES

Mr. TOWNSEND (for Mr. HASTINGS) submitted the following resolution (S. Res. 84), which was referred to the Committee on Banking and Currency:

Whereas many people believe that the practice of "short selling" of listed securities tends to reduce the price of such securities below their actual or normal value; and

Whereas the New York Stock Exchange insists that such practice is justifiable and tends to stabilize the market for such securities; and

Whereas it is essential that the Senate be fully informed with respect to the actual effect of "short selling" upon security values: Therefore be it

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed (1) to make a thorough and complete investigation of the practice of "short selling" of listed securities upon the various stock exchanges and the effect of such practice upon the actual or normal values of such securities, and (2) to report to the Senate as soon as practicable the results of such investigation, and if in its judgment such practice should be prohibited, to submit with such report its recommendations for the necessary remedial legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places during the first session of the Seventy-second Congress; to employ such experts and clerical, stenographic, and other assistants; to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $3,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

OCEAN MAIL CONTRACTS

Mr. McKELLAR submitted the following resolution (S. Res. 85), which was ordered to lie on the table:

Resolved, That the Postmaster General be, and he is hereby, requested and directed to furnish to the Senate at the earliest practicable moment the following information, as of date June 30, 1931:

1. A list of the various ocean mail contracts made under title 4, merchant marine act, 1928, with steamship companies for carrying ocean mail, such list showing the date of the contract, the name of the contractee, the mileage of the contract, the amount of compensation, the route of the contract, the number of voyages in fact made, the amounts of mail in pounds of each class carried under said contract on each such voyage, and the name of the vessel making each such voyage. If a space contract has been entered into, the amount of space purchased and paid for, and give reasons for entering into such space contracts.

2. The amounts of compensation which would have been paid for transporting such mail, each voyage, had there been no such contract.

3. State whether such contracts are uniform with each mail-ship company; and if so, furnish a copy of the contract entered into. If the several contracts differ, point out the differences in such contracts and furnish copies of each of same; also copies of the advertisements on which the bids were based, with date of first insertion.

4. The number and names of the corporations carrying ocean mail for the Government under such contracts, whether the said companies are organized under a State or National law or organized under the laws of foreign countries. If such companies, or any of the same, are owned or controlled by aliens or by foreign steamship companies, or other holding companies, then give the names of such owning, holding, or controlling company, with the names of the board of directors of each contracting company and of each holding, controlling, and operating company.

5. The name of any other person or company bidding on contracts and the bids of which were rejected; the amounts of such rejected bids, and the reason for rejecting such bids, if such were rejected.

6. An ocean map showing the route and mileage of all such contracts and showing the name of the company carrying each.

7. Give the names and officers and attorneys of each such contractor, together with the board of directors of each company.

8. Finally, a tabulated statement concerning all these contracts showing, among other things, the number of bids received, the amount of each bid and the reasons for acceptance or rejection of same, the bids accepted, the changes made in the contracts of any steamship company if changes have been made, the amounts paid per mile, the amount of space, the number of pounds for transportation by each steamship under the original contracts and the changes or extensions of contracts, the payments actually made to various mail-carrying ocean carriers, including the method of payment and the amounts of appropriation and the amounts actually expended out of said appropriation, and finally any other information pertinent to these contracts available in your office.

OPERATIONS OF FEDERAL LAND AND JOINT-STOCK BANKS

Mr. McKELLAR submitted the following resolution (S. Res. 86), which was ordered to lie on the table:

Resolved, That the Federal Farm Loan Board be, and it is hereby, requested and directed to report to the Senate at the earliest possible moment the number of farm loans held by the Federal land banks and joint-stock banks now in arrears, giving the same by States up to December 1, 1931; also how many foreclosures have been made or ordered during the years 1929 and 1930 and 1931 up to December 1. The Farm Loan Board is further requested and directed to furnish the Senate with the number of farms bought in by the various land banks at their foreclosure sales, and the number of farms still owned by the banks.

CONDITIONS IN MANCHURIA

Mr. JOHNSON submitted the following resolution (S. Res. 87), which was referred to the Committee on Foreign Relations:

Resolved, That the Secretary of State be, and he is hereby, requested to transmit to the Senate the notes, correspondence, and communications from the Government of the United States to the Governments of China and Japan or to the government of any other nation relating to the present existing conditions in Manchuria, and the controversy between China and Japan, which has

resulted in armed encounters in Manchuria; and particularly any messages, notes, or communications from the United States Government to either the Governments of Japan or China referring to the treaty entered into at the city of Washington on the 6th day of February, 1922, by the United States, Belgium, British Empire, China, France, Italy, Japan, the Netherlands, and Portugal, known as the 9-power treaty, and referring to the treaty entered into by Japan and China, the United States, and other nations, and commonly known as the Kellogg pact; and also the notes, messages, letters, and communications sent or transmitted by the Government of the United States to the League of Nations, or any individual or committee representing the League of Nations, relating to the said conditions in Manchuria, and the said Chinese and Japanese controversy; or sent or transmitted to any individual or individuals representing the Government of the United States in said matters acting with or in conjunction with the League of Nations or the Council of the League of Nations, or any individual or committee representing the League of Nations or the Council of the League of Nations.

CHANGE OF REFERENCE OF BILLS

Mr. KING. Mr. President, on the 9th instant I submitted a bill (S. 10) authorizing the Commissioners of the District of Columbia to designate an officer to represent the District government on the floor of the Senate and House of Representatives, which was referred to the Committee on the District of Columbia. I have discovered that perhaps it should have gone to the Committee on Rules. I therefore ask that the Committee on the District of Columbia be discharged from the further consideration of the resolution and that it be referred to the Committee on Rules.

The VICE PRESIDENT. Without objection, that order will be made.

Mr. BINGHAM. Mr. President, I ask unanimous consent that the bill (S. 418) to extend the admiralty laws of the United States of America to the Virgin Islands, which was referred to the Committee on Territories and Insular Affairs, be rereferred to the Committee on Commerce. It concerns the admiralty law, and should go to that committee.

The VICE PRESIDENT. Without objection, the Committee on Territories and Insular Affairs will be discharged from the further consideration of the bill, and the bill will be referred to the Committee on Commerce.

DEDICATION OF COLONIAL NATIONAL MONUMENT (S. DOC. NO. 19)

Mr. SWANSON. Mr. President, Dr. Ray Lyman Wilbur, Secretary of the Interior, delivered a very interesting address at Yorktown, Va., on October 16, 1931, upon the occasion of the dedication of the Colonial National Monument. I ask that the address may be printed as a public document.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED MONETARY CONFERENCE

Mr. DILL. Mr. President, I desire to address the Senate on a bill I have just introduced.

The VICE PRESIDENT. Is there objection to the Senator from Washington addressing the Senate? The Chair hears none, and the Senator from Washington will proceed.

Mr. DILL. Mr. President, the senior Senator from Utah [Mr. SMOOT] has to-day introduced a bill which proposes to place silver on a monetary basis to the extent of allowing one kind of debtors of this Government to pay their debts in silver. I rise to discuss the proposal for a few moments, and also a proposal which I have made in the form of the bill which I have introduced myself.

It seems to me that the proposal of the Senator from Utah is not fair to the interests of this country. It is not just, because it is a one-sided bargain. Either all debtors should be allowed to use silver in payment of their debts, or none should be allowed to do so.

Any such plan as is suggested by the Senator from Utah would inevitably result in the dumping of large quantities of silver from our debtor nations into this country.

Last summer we were told that the reason why the President would not call the international conference on the silver question requested by the Senate resolution agreed to at the last session of Congress was that England was not willing to enter such a conference. To-day England and other countries owing this Government are desirous of having their debts revised. They are coming to this Government for a favor, and it would seem that if they want a favor they should be willing to enter a conference and consider things which might be a favor to this country and result, as I believe, in great benefits to the world.

If this Government is to accept silver in payment of debts owing it, there is but one fair and sensible and economic thing to do, and that is to make silver a basis for money, give it a monetary value, establish it as a medium of world exchange, and let it be used as a basis for the payment of public and private debts, whether between governments or between individuals.

For the reasons I have stated, namely, that the countries of Europe which owe us money are desirous now of bargaining with us as to the payment of their debts, it seems appropriate that we should propose an international conference for the purpose of working out a basis for the use of silver as money, and when such proposals have been agreed upon and ratified by the governments concerned, we may then authorize the President to accept silver or gold in payment of these debts, but not until that is done.

I have therefore introduced a bill proposing that a monetary conference committee be appointed, with a membership of 9, 3 of them to be chosen by the President, 3 from the Senate by the Vice President, and 3 from the House of Representatives by the Speaker of the House, and that that committee be authorized to meet with the representatives of other governments which this Government may invite for the purpose of agreeing upon silver as a monetary basis and a basis for world exchange; and that if such proposals are made and ratified, then it will be lawful for the President to provide that these annual payments may be made in silver so long as those countries continue to retain silver as a standard of value for money.

Mr. President, I can not refrain from saying a few words about the developments since Congress met, in connection with the foreign-debt proposal.

Mr. SHORTRIDGE. Mr. President, will the Senator suffer a question before he enters upon the discussion of that feature?

Mr. DILL. Yes; I yield to the Senator.

Mr. SHORTRIDGE. These several nations agreed to pay us certain sums of money at certain times. Did they not agree to pay us in gold?

Mr. DILL. They did.

Mr. SHORTRIDGE. Why do they not do it?

Mr. DILL. I think primarily because they have not the gold, and they can not get the gold; and the fact that they can not get the gold is the best reason on earth why we and they should be willing to enlarge the basis of currency throughout the world.

Mr. SHORTRIDGE. We have bonds outstanding payable in gold, have we not?

Mr. DILL. Yes.

Mr. SHORTRIDGE. Does the Senator know of any way by which our Government can be relieved from meeting those obligations by payment in gold?

Mr. DILL. Mr. President, that is another question, which I do not think I shall undertake to discuss at this time, because that relates to the redemption of our own bonds by payments from our own Treasury, and while it might be considered somewhat connected I do not think it necessarily is involved in this discussion, and I would rather not be led into such discussion, because I do not want to speak at any length upon this subject to-day. At a later date I shall hope to discuss this whole question in greater detail and in connection with the many ramifications it involves.

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Utah?

Mr. DILL. I yield.

Mr. KING. I did not quite understand from the Senator the function which the President is to perform in connection with this monetary conference. Is it left to his discretion as to whether he will invite nations? If that is true, I suggest that the Senator amend his bill to compel the President by the act to invite nations.

Mr. DILL. I did not place a mandatory provision in the bill. It seemed to me that if the bill were passed or if a bill of this kind were passed by both Houses of Congress and the President signed it, that would be sufficient. If the President gave his assent to it as a law, for I propose it as a law, that would be sufficient. However, that is a matter which could be considered by the committee.

I was about to say when I was interrupted that the President proposed in his message to Congress on this subject a revival of the World War Foreign Debt Commission. Not within my knowledge—and I doubt if in recent history—has any proposal by a President on an international subject been turned down so completely and so overwhelmingly in so short a time by members of both parties in Congress as was his proposal. Within 48 hours it became evident that there was not a chance for such a bill to be passed. In the words of the Senator from Idaho [Mr. BORAH], I believe it was, it was "as dead as Julius Cæsar."

Then the Secretary of the Treasury attempted to resurrect the dead proposal. In his explanation of what the President meant he said that the administration is opposed to cancellation. He proceeded to explain what the President meant, and as I read it I was impressed that it was in reality a proposal to balance the British budget. He gave as a basis for his argument the fact that owing to the depreciation of the value of the English pound it would be necessary, if we held to the present annual payment, for England to increase almost 50 per cent the number of pounds to be paid to the United States, and that in the interest of the British budget, in effect, we should cut down the annual payment to an amount that would cause England to be required to pay no greater number of pounds, inflated though they may be, in paying her debt to this country.

But the Secretary of the Treasury, this man who had been compared to Alexander Hamilton before the hard times came upon us, this man whom some one has described in a book as "the man who stayed too long," would have the Congress and the American people believe that this is not cancellation. I do not know whether the Secretary of the Treasury considers the Members of Congress and the people a "bunch of boobs" or whether he was trying to draw a red herring across the trail of thought so strong against cancellation. If that principle is to be recognized it is an invitation to every government that owes the United States to inflate its currency, because every time it might inflate its currency, every time it might cheapen its money, we would revise our agreement with it so it will not need to pay any more than the same number of pounds or francs or whatever its money may be. That proposal died, I think, almost before it was born, because it was worse than an outright proposal of cancellation.

The Senator from Utah [Mr. SMOOT] now comes forward with a plan that is still one-sided, but it does have the merit of calling attention to the fact that silver might very properly be used in the payment of international obligations. However, it still has the fatal weakness that the President's plan has, that Mr. Mellon's explanation has, namely, that it will benefit nobody except the countries who are to be relieved of their debts to the extent that they would be relieved by this proposed method. It is about time that somebody proposed something in relation to this matter that will benefit the rest of the world and particularly the United States. I suggest an international conference to be called now, that will establish silver as one of the bases of money in the world, as a basis for world exchange. This would not only benefit the debtor nations of the United States but will benefit the people of the United States and the rest of the world. God knows there is need of some such proposition being adopted by the nations of the world.

The senior Senator from Nevada [Mr. PITTMAN] a few days ago in a masterful address showed quite conclusively the advantages of using silver as a basis of money throughout the world. I shall not attempt at this time to repeat or enlarge upon what he said, but I do want to call attention to the great need of money throughout the world for world trade. A year or so ago, when Soviet Russia was reported to be exchanging goods with other countries for other goods, newspaper and magazine editors, economists, and Government officials of this country pointed to it as an example of the failure of the Soviet Government. They said it proved the inability of the Soviet Government to meet the needs of modern civilization and modern trade. Yet within a few months afterwards we saw our own Farm Board, an arm of our Government, trading and bartering our wheat for Brazilian coffee.

I noted yesterday a newspaper article by Carl Duisberg, known as the Rockefeller of Germany, which opened with the statement that the nations of the world are now bartering like the Negro tribes of Africa. While that is probably an exaggerated statement, it does call attention to the fact that we are no longer using money for trade as we did in the past, but we are resorting to barter. Within our own borders we have seen the bartering system carried out in a remarkable manner. Out in the wheat country, where they produced vast quantities of wheat last year, we saw advertisements in the newspapers where theater managers were offering to give the people a theater ticket or two theater tickets for a bushel of wheat. We saw great furniture stores advertising chairs and settees and various pieces of dining-room furniture for so many bushels of wheat. We saw certain quantities of groceries offered for so many bushels of wheat; a pair of shoes for so many bushels of wheat; and a suit of clothes for so many bushels of wheat. I heard only the other day that the State Fair Association of Indiana, from which State hails our beloved colleague the leader on the Republican side [Mr. WATSON], charged a bushel of wheat as an admission to the State fair this year.

I mention these things simply to call attention to the fact that there is need of an enlargement of our currency system in order to provide a broader basis for the money of this country and of the world. Unless we do establish a broader base for the currency of this land and of the world, then we can only go on enlarging the great credit structure upon the ever-narrowing base of gold. The only proposal we have before us along that line is one coming from the President, and is that we shall take the taxpayers' money and shall loan it upon securities upon which good bankers and private investors will not loan money to-day, or, what is worse, take up the frozen securities of banks that have defaulted because the loans were not such as could be liquefied, and doubtless in these times could not be made to pay even the value of the amount of the loan.

I shall not enlarge upon the subject at this time; but I did want, in the light of discussions going on in newspapers and proposals being made, all of them in the interest of foreign governments alone, to offer something that it seemed to me would give this Government a chance to bargain a little bit and get something on its side of the ledger in dealing with these foreign debts. When we had the former debt revision commission we got nothing except cancellation of practically two-thirds of our foreign indebtedness. I think that fact more than any other is the reason why the Members of Congress and the American people immediately turned against the proposal to revive the World War Foreign Debt Commission. They have been taught by bitter experience with the last one that when we deal with the word "revision" in connection with foreign debts it means cancellation. Congress has consented to all of the cancellation that they believe should be consented to. If the foreign countries can not pay their debts, then let them come forward frankly and say so, and let them delay or repudiate as best they may; but let us not be guilty by our own action of giving them credits upon which to continue building up their vast armaments and, worst of all, after getting ready for another war, have credits upon which they can borrow funds throughout the world as a result of the cancellation of their just debts which we have granted.

ECONOMIC CONDITIONS IN THE UNITED STATES

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Charles G. Ross which appeared in the St. Louis Post-Dispatch on

November 29, 1931. There are conclusions in the article with which I can not agree, but it is a very comprehensive discussion of the economic situation.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the St. Louis Post-Dispatch, Sunday morning, November 29, 1931]

THE COUNTRY'S PLIGHT—WHAT CAN BE DONE ABOUT IT?—PRESENT-DAY DISTRIBUTION OF WEALTH FOUND TO BE THE ROOT CAUSE OF BOTH "OVERPRODUCTION" AND UNEMPLOYMENT—AN EXPOSITION OF WHAT PRESIDENT HOOVER HAS CHARACTERIZED AS "THE GREATEST CRISIS THE WORLD HAS EVER KNOWN"—THE SIGNIFICANT FACTS UNDERLYING THE NATIONAL PREDICAMENT WHICH WILL BE PRESENTED TO THE COMING CONGRESS

By Charles G. Ross, chief Washington correspondent of the Post-Dispatch

I.—Hard times have produced hard thinking—The capitalistic system of government is on trial

WASHINGTON, November, 1931.—To a greater extent than ever before in this generation the people of the United States are thinking in realistic terms. The old slogans by which the thought—or the emotion—of the country was guided in the Coolidge era have been examined and found to be but a form of words. The mood in which the country accepted as inspired doctrine the prophecies of "a chicken in every pot" and "a job for every man" has changed into one of doubt and questioning. Now that "this, the greatest crisis the world has ever known," as President Hoover called it in his Indianapolis speech last summer, has run into its third year, the voices of even the most confident believers in the early return of prosperity are pitched in a lower key.

Too much gilt has been rubbed off the forecasts of the past for any political or industrial seer to tell us in the present state of things that "prosperity lies just around the corner." We have begun to see, as the wise Mr. Justice Holmes said in another connection, that "certitude is not the test of certainty." We know now that "we have been cocksure of many things that were not so."

CHALLENGE TO BE MET

Events have forced us to consider the facts. Phrases do not feed the hungry, or give jobs to the six or seven million who want work and can not find it. The jobless man can derive no comfort from the proclamation that we are merely in one of those "cyclical" depressions which are bound to come every so often and, having passed, leave us better off than before. Hard times have produced hard thinking. In one line, at least, underconsumption is not to be deplored. We are consuming less and less of the buncombe engendered in the lush days of our prosperity—and in this fact lies some measure of compensation for the plight into which we have got ourselves.

One need not go into the field of radical writing to find vigorous expression of the view that the capitalistic system is on trial. In growing numbers, highly placed defenders of capitalism, men who have prospered under it and who desire its basic features preserved, are saying that if capitalism is successfully to meet the challenge of other forms of social organization, it must clean house.

Not Norman Thomas, the Socialist leader, but Daniel Willard, the president of the Baltimore & Ohio Railroad, told the Wharton School of Finance and Commerce last spring that a system which permitted five or six million men to be out of work in a country bursting with wealth "can be said to have failed in at least one very important detail." It was Willard, again, and no member of a proscribed order, who said that if he were one of the jobless in those circumstances he would steal before he would starve.

WARNING FROM CAPITALISTS

No upholder of the Marxian philosophy, but Robert S. Brookings, wealthy retired manufacturer, president emeritus of Washington University, of St. Louis, wrote in the Post-Dispatch this year, in advocating a modified form of capitalism, that "our western civilization must vindicate its worth if it is to endure." And he added that it could vindicate its worth "only by demonstrating its ability to correct its own defects and its consequent capacity for constructive development."

Prof. F. W. Taussig, of Harvard, sees "control and power concentrated in a few hands to an ominous degree," and Henry W. Anderson, conservative Virginia lawyer and a member of the Wickersham Commission, finds in his recent survey of the causes of crime that the American people, as an incident to the exploitation for private gain of one of the most fruitful areas of the world, have "created the widest spread between the extremes of wealth and poverty existing in the western world."

Senator JAMES COUZENS, of Michigan, who helped to create the Ford Motor Co. and made a fortune out of it, sounds the warning that "people will not suffer indefinitely in the midst of plenty," and Dr. L. D. Coffman, president of the University of Minnesota, declares that "communism in its various forms will not be held at bay by negative actions."

MORE THAN A "DEPRESSION"

Dr. Nicholas Murray Butler, president of Columbia University, asserts that we are passing through no ordinary depression but through a revolutionary period brought on by long-accumulating forces. What the country needs, he says, is "personalities who are not anxious, like the jockey, to keep their seats in politics but who are willing to tell the people the truth and to guide them toward a constructive, a liberal, and a progressive solution of these vast problems."

Dean Wallace B. Donham, of the Harvard Graduate School of Business Administration, author of Business Adrift, said to the recent meeting of the International Chamber of Commerce in Washington that if there were not sufficient brains and good will in the world to solve the problems of the depression, "then our mass production, our scientific progress, our control over nature may actually destroy civilization."

Quotations of this sort might be multiplied. They are appearing in our newspapers and magazines almost daily. They represent the views not of revolutionists who would destroy capitalism but of thoughtful men who believe in capitalism and would save it from its own excesses.

II.—We must know the facts if we are to deal intelligently with the depression

It is the purpose of this article to set out, as simply as may be, the elements—the A, B, C—of the plight in which the country finds itself. Diagnosis is the chief aim, not prescription. One of the writers already quoted, Professor Taussig, says that we have made hardly any progress toward obviating or even minimizing the curse of unemployment; that with respect to prevention or remedy we are all very much in the dark. Decrying the assumption that "one simple panacea" will bring back prosperity, he pleads "for moderation and good sense, for cessation of sham talk about sham remedies, for an earnest facing of the really great, really ominous problems."

That is, if we are to get anywhere at all toward the solution of our problems, we must know the root facts out of which they spring. Such is the confusion of counsel from various sources that it is no wonder the people are at times bemused. What are we to believe when the Chamber of Commerce of the United States and Gerard Swope, the president of the General Electric Co., present to us hopefully plans for the "stabilization" of industry, while, on the equally authoritative other hand, Albert H. Wiggin, the chairman of the board of the Chase National Bank, informs a Senate committee that "no commission or any brain in the world" will avail to prevent future depressions?

STATING THE REAL ISSUES

What are we to believe when we find business groups in solemn conclave adopting resolutions against the interference of government in business, and then, the next day, running to the Government for subsidies and subventions? How shall we choose between the mutually destructive theses that we should build up a large foreign trade as a guaranty against unemployment, and that we should take no step to lower our tariff barriers or reduce the war debts?

We must know the facts underlying our depression if we are to form enlightened judgments upon it. Because of the babel of tongues offering remedies, we mistake, too often, the symptom for the disease, and in the clamor for Government action we are prone to forget there are limits beyond which the Government, under the Constitution, can not go. We need to distinguish between the sham remedy, designed to meet the political expediency of the moment, and the remedy that strikes at the root of the disease.

The coming session of Congress will have before it economic issues of transcendent importance. It will be, at the least, a highly interesting session. It may be historic. Only if the citizen has certain essential facts clearly in mind can he follow the unfolding of the drama at Washington with intelligence and understanding.

III.—The distinction between the Government's depression and the general depression—Why the Government is in debt

It is important in our thinking about the American depression to keep clear the distinction between the United States, meaning the whole people thereof, and the Government of the United States. These two entities are often confused; hence, for one reason, the loose assumption that whatever the Government may do to get itself out of its depression will likewise help to get the American people out of their depression.

The problem is not so simple. The Government is a part of the whole. It follows that if the American people, with or without Government aid, regain a measure of prosperity, this prosperity will be reflected in the financial status of the Government; but it does not follow that the curing of the Government's particular depression—its excess of outgo over income—will spell good times for the country.

GOVERNMENT'S PLIGHT SEPARATE

In other words, the American depression presents a duplex problem. The Government is head over heels in debt. It ran a deficit during the last fiscal year of $903,000,000, and the deficit for the current fiscal year, which began last July 1, stood on November 1 at $661,000,000. Private industry and business are likewise in a bad way, and hence the people of the United States, who are dependent upon private industry and business for their wages or dividends, are in a bad way. Each person, therefore, has a dual interest in the depression. He wants his Government to get out of the hole it is in, so that it will stop calling on him (or his children) for increased taxes, and he wants industry and business to get out of their depression, so that his income may be brought back to a satisfactory level.

The Government's depression flows from and is a part of the general depression in the United States. It needs, however, because of the special set of problems involved, to be considered separately.

FROM A FEAST TO A FAMINE

Only 14 years ago we were marveling that the Government had reached a billion-dollar level of receipts and expenditures. To-day by virtue of the normal expansion of Government activities in a fast-growing country and the abnormal expansion caused by the war, it is spending more than $4,000,000,000 a year. Nearly a billion of this goes for military pensions, compensation, etc., and the care of disabled veterans, and more than a billion for interest on and statutory retirement of the war debt. As long as the country remained fairly prosperous it was easy enough to collect the revenues to cover our outlays. It was so easy, in fact, that notwithstanding four successive tax reductions since the war (five if we count the temporary reduction of 1929), the Government had an unbroken series of surpluses from 1920 down to and including the fiscal year 1930.

The change began in the fiscal year 1931, when the effects of the general business depression began to make themselves felt. These effects were double-barreled: They sharply reduced the proceeds from income and miscellaneous taxes and from customs tariffs and they heightened expenditures for relief. In addition, there was a further drying up of nonrecurrent sources of revenues, such as the sale of surplus property and the returns from war-time loans to the railroads—items which, by contributing to the impressive Treasury surpluses of earlier days, had helped to make the fame of Secretary Mellon as "the greatest Secretary of the Treasury since Alexander Hamilton."

EXPENSES KEEP RIGHT ON

Under our present revenue system, the Government depends on corporation and individual income taxes for more than half its receipts. These taxes combined yielded for the fiscal year 1930 $2,410,986,977, and for the following year only $1,860,201,640. The proceeds of miscellaneous internal-revenue taxes (such as the tobacco tax), which form the second largest source of income, dropped from $628,308,035 in 1930 to $567,978,579 in 1931. The total decline in internal-revenue receipts from all sources (income tax and miscellaneous) was about 20 per cent, or $611,965,513. Customs receipts fell from $587,721,925 to $300,856,473.

Now, as we have seen, while the Government's revenues have been thus dwindling as a result of hard times, expenses have piled up on an ascending scale. The interest on the war debt must be paid, and the President has said that the statutory provisions for retirement of the debt should not be disturbed. Pensions and annuities must be paid, loans must be advanced to war veterans on their bonus certificates, hospitals for disabled veterans must be maintained. All these items growing out of wars are first charges against the Government, and there is constant pressure upon Congress from the outside, and upon the President from Congress, to have the benefits to veterans increased.

EVEN A DOLE LOOMS UP

There is a postal deficit to be paid; there is money to be advanced to the States under the Federal road acts; there are Government buildings to be erected under an expanded program; there are rivers and harbors to be improved. In prosperity or depression these expenses go on, and some of them are increased by depression.

The Government is in the same position as a manufacturing plant which has suffered a severe loss of business but has been unable to cut its overhead expenses. In the present fiscal year, moreover, the Government may have to spend large sums—whether as dole or in some other guise—for the relief of distress caused by unemployment. Certainly there will be strong demands in Congress for new relief measures.

The farm problem, notwithstanding the $500,000,000 appropriated by the last Congress for the uses of the Federal Farm Board, remains urgent. And it should be noted, to complete this rough picture of the Government's financial plight, that in this fiscal year, under the Hoover moratorium, it is foregoing the collection of about $260,000,000 due it on the foreign war debt.

IV.—Economy in government is a good thing, but it can't cure the deficit

Economy in government is a good thing, but it can't cure the deficit.

What can the Government do in order to balance its budget? First and obviously, it can economize. In times like these the cry goes up throughout the land, from people and politicians, that the Government should cut expenses. "Economy" is the promise and watchword of every administration; the slogan of every candidate for office. Chambers of commerce demand a "businesslike" pruning of expenditures, and the average citizen is certain that if he were given control there would be wholesale firing of useless Government clerks and a slaughter of boards, bureaus, and commissions. Equally with the alphabet and the multiplication table economy commands the support of us all.

Economy in government is the easiest thing in the world to preach, because all agree upon it in principle, and the hardest thing in the world to practice. Undoubtedly a material saving would be effected by a thorough overhauling and reorganization of the Government departments. As everybody knows, the present set-up is illogical in many respects and is filled with duplication and overlapping of functions.

The root difficulty here is in unregenerate human nature. Every department wants reorganization and economy—but it wants them only for the other departments. Every Congressman wants the Government to save money—but not by separating any of his own constituents from the pay roll. Every community is willing that the Government shall spend less money, on the whole, for public buildings, Army posts, navy yards, and the like—but it flies to arms if the curtailment reaches into its own midst.

What has lately been happening in connection with the President's effort to pare down the Budget for the next fiscal year is illustrative of the difficulties in the way of effective economy in Government.

THAT NAVY TEMPEST

The President asks the Navy Department to cut a certain sum from its estimates. Immediately the advocates of a big Navy (or, depending on the point of view, an adequate Navy) spring furiously into action. The chairman of the Navy League, a civilian organization, lets out a blast accusing the President of "abysmal ignorance" of the needs of the Navy. A flood of propaganda is loosed with the purpose of showing that if the President has his way the United States will sink to the level of a third-rate naval power.

There is still another reason why the taxpayer can expect only the most modest results from the President's call for reduced outlays. As has been shown he has a limited field in which to operate. Half of every dollar collected by the Government goes to pay the cost of past wars, in the form either of veterans' relief or of interest and amortization charges on the public debt. He must do his shaving on the other half—the half which pays for national defense (future wars); the general administration of the Government; sites for public buildings and their construction; general law enforcement; the promotion and regulation of commerce, industry, and agriculture; the postal deficiency; the building of roads; flood control and the improvement of rivers and harbors, and the promotion of public health, public education and scientific research.

BIG SLICE OUT OF EVERY DOLLAR

National defense, which means the upkeep of the Army and Navy and the building of armaments, has been taking close to 20 cents of the dollar, making the total chargeable to war, past and future, about 70 cents. Manifestly, if the essential Federal services are not to be crippled, there can be only cheese-paring economies in the field of activities covered by the remaining 30 cents, and no saving of this kind, however desirable it may be, can have any appreciable effect on the present financial position of the Government. It is possible, therefore, to applaud the President's economy drive without becoming optimistic as to its outcome. Real economy, translatable into terms of the taxpayer's dollar, can only be achieved by laying the ax vigorously to our expenditures for future war. Whether this should be done is a question for the people, through the Government, to decide.

V.—Should the Government in this emergency depend on borrowing or on new taxation?—How should the burden of new taxation be distributed?

Since it is not possible for the Government, by any conceivable present measures of economy, to make a saving even remotely commensurate with the size of the deficit, it is clear that more money must be found than is now being taken in.

There are two ways in which additional money can be had: By borrowing and by taxation. During the year ended October 31, the public debt was increased, through Treasury short and long term borrowing, by more than a billion dollars, or to a total of $17,291,000,000. The question that faces Congress is whether the Government should continue to meet its needs by borrowing or should resort, for all or part of the required new revenue, to increased taxes. The question is whether we should shift the burden of the deficit to the future, or, so far as practicable, pay as we go.

There is a growing belief among Congressmen that taxes should be increased. Some, like Senator Borah and Senator Norris, have held from the time the deficit first appeared that the Government should reach with a longer arm into the big incomes in the upper brackets. Others, representing the administration point of view, took the position originally that a tax increase at all costs must be avoided.

AGAINST BIGGER TAXES

Higher taxes, they said, would hurt business and thereby retard economic recovery. All the familiar arguments against cutting into the incomes of the very rich—that the whole people ultimately would pay the bill, that higher levies in the upper brackets would drive an increasing amount of wealth into tax-exempt securities, that the Government should not take money needed in industry—were heard.

It was said, moreover, that with the revival of business, which lay just around the corner, Government revenues would speedily go back to normal; the Government meantime should tide itself over the emergency with new loans, which could easily be paid off in the rosy future.

So ran the case against a tax increase, and it looked until recently as if this counsel would prevail. For one thing, it squared with the philosophy of conservative Republicanism, and, for another, it appealed to that section of the Democratic Party which is eager on the eve of a presidential election to prove that big business has nothing to fear from the Democrats. The present

staggering size of the deficit—it is four times as great for the first four months of the current fiscal year as it was for the corresponding period of the previous year—has materially changed the outlook. Even some of those who previously stood against any revision of the present tax schedules have come to the reluctant conclusion that an increase to supplement the money raised by loans will be necessary.

WHO IS GOING TO PAY?

If new taxes are levied, what shall be their incidence? On this question there are, roughly speaking, two schools of thought, and the difference between them goes down to the fundamental issue that divides men in Congress (and in the Nation and the world) on every vital politico-economic question. Labels in politics are delusive, but in general it may be said that the fight is between conservatives and liberals—between those who believe that the first function of government is to establish prosperity among a privileged class at the top, whence it may diffuse itself at the direction of this class over less fortunate groups, and those who believe that government should concern itself primarily with the welfare of the mass.

A Marxian would say that the battle is merely a part of the age-long struggle between the House of Have and the House of Have Not.

This definition may oversimplify the matter, but no such objection can lie against the statement quoted approvingly by Prof. John Dewey in his book on Individualism, Old and New, that all the great political questions in Washington come back ultimately to problems connected with the distribution of income. The question of how the burden of new taxes shall be apportioned falls precisely within this category.

WEALTH'S DISTRIBUTION

We come now to a point in this article where two topics—that of the Government's depression and that of the whole people's depression—begin to converge. We reach the proposition that the Government, through its taxing power, not only can cure its depression—that is to say, close the gap between receipts and expenses—but by the radical use of that tremendous power can profoundly affect the whole economic and social structure of the country. It can help to bring about a redistribution of wealth.

Let us see, briefly, what the available evidence tells us about the present distribution of wealth. Our best source of information is the annual Statistics of Income, published by the Treasury Department.

In the calendar year 1929, the last year for which figures have been published, about 1 per cent of those making income-tax returns to the Federal Government had about 25 per cent of the aggregate income reported. Persons with incomes of more than $100,000 each, forming a little more than one-third of 1 per cent of all those reporting, had more than 17 per cent of the income. The number of taxpayers with incomes of more than $100,000 shows a steady increase from 1921 to 1929, broken only by the stock-market crash of the latter year. In 1921 the total was 2,352; in 1928 it reached the top figure of 15,977; and in 1929, according to the Treasury's preliminary report for that year, it stood at 14,701.

GROWING GREAT FORTUNES

The same progression held good in the class with more than $1,000,000 income each. Its numbers grew from 21 in 1921 to 511 in 1928, dropping in the following year (preliminary figures again) to 504. Not even the stock-market crash halted the steady upward trend of the curve representing the supremely fortunate few with incomes of more than $5,000,000 each. There were only 4 persons in this class in 1921; in 1928 there were 26; and the next year there were 36.

Figures could be piled up to show how wealth, in increasing degree, has become concentrated in the hands of a small fraction of the people, but a few more must suffice. The Federal Trade Commission, in a comprehensive study of the national wealth and income of the United States, surveyed the estates of 43,512 decedents in 24 selected counties in 13 States for the period from 1912 to 1923. It found that 1 per cent of the decedents owned 59 per cent of the estimated wealth and that 13 per cent owned 90 per cent of the wealth. The average value of all the estates was $3,800, but over 91 per cent of the decedents had estates of less than this average. The commission's tables indicate, as it conservatively says, "a rather high degree of concentration."

WHAT THE POOR OWN

It is impossible, of course, to arrive at the exact proportions in which the national wealth is distributed, but certain figures are suggestive. The Industrial Relations Commission has estimated that the rich (2 per cent) own 60 per cent of the accumulated wealth of the Nation, the middle class (33 per cent) own 35 per cent of the wealth, and the poor (65 per cent) own 5 per cent of the wealth.

Reverting to income, as distinguished from accumulated wealth, it is illuminating to note that only 1 person out of every 50 in the United States has a net income of sufficient size to require him to pay a tax upon it to the Federal Government. About 2,500,000 persons, or 2 per cent of the population, pay all that is collected under the Federal income tax; 98 per cent pay none of it. Secretary Mellon uses these figures to support his contention that the income-tax base should be "broadened." They are equally pertinent in showing the maldistribution of wealth in the United States.

INCOMES OF SUPERRICH

The 504 supermillionaires at the top of the heap in 1929 had an aggregate net income, for taxation purposes, of $1,185,000,000. These 504 persons could have purchased with this income virtually the entire wheat and cotton crops of 1930—the two chief cash crops of the Nation, representing the labor of 1,300,000 wheat farmers and 1,032,000 cotton farmers. When these figures were first put together by Dr. George L. Knapp, of the railway men's newspaper, Labor, the result was called by Senator NORRIS, of Nebraska, "one of the most astounding statements that has ever appeared in print."

Knapp further showed, from official statistics, that in comparison with the $538,664,187 net income of the 85 wealthiest taxpayers in 1929, the 421,000 workers in the cothing industry received in wages $475,318,677. In other words, "these 85 men could have paid the entire wage bill of the clothing industry and still had left for themselves about three-quarters of a million apiece."

The point need not be labored. There is growing concentration of American wealth in the hands of a few; there is steady accentuation of "the widest spread between the extremes of wealth and poverty existing in the western world." More and more, thoughtful observers who by no stretch of the imagination can be described as revolutionary or radical are calling our attention to this condition and its dangers.

SOURCES TO BE TAXED

Figures such as the foregoing led the Federal Council of Churches, in a Labor Day message, to point to the "grave imperfections in an economic order which makes possible the stark contrast of vast fortunes and breadlines," and they have prompted such a good conservative as Congressman BACHARACH, of New Jersey, a Republican member of the House Ways and Means Committee, to take a leaf from the Progressive book and propose higher surtaxes, higher estate taxes, and the reimposition of the gift tax. It would be better, says BACHARACH, for Congress to adopt a "timely program with reasonable rates than to delay until the situation becomes more desperate and the door is open to more radical legislation with unreasonable rates."

The various tax proposals coming before Congress may be grouped under two heads. On the one side are those which would "broaden" the tax base and on the other are those which would use the taxing power for the double purpose of raising revenue and breaking up, to some degree, the vast accumulations of wealth revealed by the income-tax statistics. Whether or not there will be a movement to increase income taxes in the lower brackets has not become apparent, but the drive is already under way for a general sales tax or a "selective" sales tax on such commodities as gasoline, radio sets, automobiles, and (in addition to the heavy impost they already bear) cigarettes. A sales tax is the income tax in reverse. It is large or small according to the amount consumed by the taxpayer; the income tax, called by economists one of the fairest taxes ever devised, is large or small according to capacity to pay. A sales tax bears inequitably upon persons of small means; as Prof. E. R. A. Seligman, of Columbia University, has testified, it "sins against the cardinal principle of equality in taxation." The fight for and against a sales tax brings into head-on collision the opposing theories of government which have been mentioned. The tax is advocated at this time, manifestly, in an effort to avert higher levies on the rich.

There are three main items in the opposing program: An increase in the higher brackets of the income tax, an increase in the estate tax, and the restoration of the gift tax.

Under the war-time rates, applicable through the calendar year 1921, the Government collected surtaxes running up as high as 65 per cent on amounts of income over $1,000,000. Successive general tax reductions have brought the top rate down to 20 per cent and have stopped the graduation of incomes at $100,000. The rate is 20 per cent—that is to say, no matter how small or how large the excess over $100,000.

INCOME TAXES IN GREAT BRITAIN

What has happened in respect to the taxes of the very rich can better be shown by a comparison based on the average tax per return and the average rate of tax on incomes in excess of $1,000,000. In 1918 such incomes paid to the Government an average tax of $1,326,645 and the average rate of tax worked out at 64.65 per cent. In 1928 the average tax in the same bracket was only $362,309, and the average rate of tax was $16.70.

It is interesting to observe that the supermillionaires—those with incomes of more than $1,000,000, including the topnotchers with incomes of more than $5,000,000—paid a lower average rate of tax than persons with incomes from $300,000 to $1,000,000. The Progressives in Congress are asking why the upward graduation of rates, which is effective through all the brackets from $10,000 up to $100,000, should cease at that point. It has been suggested that the rates be stepped up until they reach a maximum figure of 35 or 40 per cent on amounts of income over $500,000. Forty per cent was the maximum rate carried in the revenue act of 1924.

In urging that the bulk of any increased tax burden be laid on taxpayers with net incomes in excess of $100,000, Congressman BACHARACH pointed out that there had been an increase of more than 5,000 in the number in this class since 1925 and drew the conclusion that "the rich are getting richer and the poor poorer."

The American income-tax rates invite comparison with the British. Great Britain in 1929–30 had 130 persons with incomes of $500,000 and upward. Their average income was $930,000. We had 1,471 in this group in 1929, with an average income of $1,250,000. The total net income of the 1,471 was $1,848,585,793, on which they paid a tax of about 16 per cent, or $291,337,965. If they had been assessed at the British rates then effective, they would have paid a tax of about 48 per cent, or approximately $900,000,000.

OVEREXPANDED INDUSTRIES

One of the main arguments by which Congress on three occasions was led to reduce the surtax rates was that urgently needed money would thereby be released for the expansion of industry. From this expansion, it was said, would flow great and widely distributed benefits. If this argument ever had any validity—which is seriously to be doubted—it surely has none now. Industry to-day is tremendously overexpanded—that is its great trouble and the country's trouble. Proponents of low surtaxes have been forced to fall back on their second line of defense, the contentions that high rates (1) drive wealth into hiding and (2) are ultimately passed on to the whole people. We shall hear all the changes rung on these arguments in the coming debates.

The second item in the Progressive program calls for a sharp increase in the estate tax, and the third, a necessary accompaniment of this increase in order to prevent evasions, calls for restoration of the gift tax, which Secretary Mellon was successful in having repealed in 1926. The present estate tax runs from a minimum of 1 per cent to a maximum of 20, which is effective on amounts over $10,000,000. There is an exemption of $100,000 before the tax begins to apply, and a credit up to 80 per cent of the Federal tax is allowed on account of inheritance levies paid to the States. Prior to the estate tax act of 1926 the maximum rate was 40 per cent and the credit allowed for payments to the States was only 25 per cent.

TAX ON ESTATES

Secretary Mellon has been a constant advocate of complete repeal of the estate tax. In this position he had the warm support of President Coolidge, who argued that the field of estate taxation was one that belonged peculiarly to the States. Coolidge also said that the Government should not "seek social legislation in the guise of taxation"; that if we were going to adopt "socialism" we ought to present the issue to the people "as socialism and not under the guise of a law to collect revenue." Apparently in this philosophy it is sound enough policy for the States to adopt socialism but unwise and dangerous for the Federal Government to do it.

Secretary Mellon is strongly against the use of the estate tax as a social weapon. He says that "the social necessity of breaking up large fortunes in this country does not exist"; that "in a few generations any single large fortune is split into many moderate inheritances."

As to that, let us see. Here are some statistics read into the CONGRESSIONAL RECORD when the estate tax was under debate in 1926. John D. Rockefeller has given to his children $2,000,000,000. He has in his own right (1924) $500,000,000, and John D., jr., has an income of $40,000,000 a year. Bear in mind that this was several years ago; the fortunes named have materially increased since then. The Pratt fortune, of Standard Oil origin, grew from $10,000,000 to over $300,000,000 in 30 years. The Harkness fortune, also from Standard Oil, was less than $50,000,000 when Stephen V. Harkness died. It has become more than $400,000,000. Meyer Guggenheim died in 1905, leaving $50,000,000. He had nine children. His estate increased in 20 years to a sum sufficient, if divided, to give each of the children more than the original whole. The fortune of Alexius du Pont was $40,000,000. It was estimated in 1926 that the 40 descendants in the fourth and fifth generations were each worth more than that.

TWO INTERESTING DEATH TAXES

Again the argument is made that the estate tax constitutes a levy on capital. The reply to this is that even a fairly heavy tax can be liquidated through annual payments from the income of the estate if sufficient time is allowed. The estate of Harry Payne Whitney furnishes an illuminating case in point. Valued at $186,579,746 at the time of his death in 1927, it paid death taxes to the Federal Government and the States of $22,179,274, or 12 per cent of the value of the estate. Between 1927 and 1929 the estate increased in value by $52,721,270, or nearly two and a half times the amount of the death duties.

Secretary Mellon says that wealth is invested in tax-exempt securities as a means of escaping taxation; he asks for a constitutional amendment to close this loophole. If he is genuinely anxious to get at investments in tax-free securities, he can do so through a weapon immediately available, the estate tax. It is the only such weapon.

It is said that the estate tax should be left to the States. The reply is that the only authority which can levy the tax without discrimination is the Federal Government.

VIEWS OF RICH MEN

Proponents of the estate tax urge it frankly as a social weapon as well as a revenue producer. In a message to Congress in 1906, Roosevelt advocated heavy death duties, with the primary object of putting "a constantly increasing burden on the inheritance of those swollen fortunes which it is certainly of no benefit to this country to perpetuate." Andrew Carnegie wrote in his Gospel of Wealth: "Of all forms of taxation, this seems the wisest. It is difficult to set bounds to the share of a rich man's estate which should go at his death to the public through the agency of the State." Prof. Thomas S. Adams, of Yale, says that "we should raise from this source enough revenue to measurably relieve the farmers and the general taxpayers," and Prof. Seligman, of Columbia, observes that "wherever we have democracy we have two things—an income tax and an inheritance tax."

The case for the gift tax is adequately summed up by Senator COUZENS when he says: "There is no logic in an estate tax when a man, through gifts in his lifetime, can evade the tax. The gift tax would enable us to collect on transfers of property whether they were made before or after the giver's death."

VI.—Our general depression is homemade, and it is due fundamentally to the maldistribution of wealth

There is now to be considered the general depression in the United States, to which the plight of the Government is due.

Let us note some of the stages in our slow and painful progress, as a people, toward a realistic appraisal of the facts. As long ago as 1928, in the very midst of the boom times, when Coolidge was still President and John J. Raskob was telling us that all we needed to do in order to get rich was to put our money in investment trusts, a few men raised their voices in warning.

There was, for conspicuous example, the Very Rev. William R. Inge, the "gloomy dean," of St. Paul's, London, who wrote in his notable contribution to the fiftieth-aniversary edition of the Post-Dispatch, in December, 1928: "Already, I believe, there are signs that the law of diminishing returns is beginning to operate, and production is only maintained at full speed by frantic advertising. The advantages already won by the American worker, such as his cheap car, his radio, and his bathroom, are solid and permanent; but the limits of 'consumptionism'—an ugly word for which I am not responsible—are probably not far off."

CHORUS OF REASSURANCES

The small minority who dared preach this heresy were prophets without honor in the United States. Were not President Coolidge and Secretary Mellon assuring us that we had come permanently into a new and shining era? Was it not proclaimed by the Schwabs, the Insulls, and others that anybody who "sold America short" would be punished for his sins? The twin bubbles of industrial overexpansion and of stock-market speculation continued to grow. When the market bubble burst in the fall of 1929 the prophets of continuing prosperity said the collapse was merely a chastening episode in an orgy of gambling. There was no connection, they said, between the break and the condition of the Nation's business. From the mimeograph machines of the administration came a flood of statements, for months on end, that American industry was fundamentally sound.

When it became evident to the least observant that something, after all, was wrong with industry—when the buying not only of jewelry and furs by the speculators but of shoes and groceries by the rest of the people began to fall off, and men were seen walking the streets in search of work—when these things happened, the tune was changed. It was admitted that depression had come to America, but this unhappy condition, it was said, was due to world-wide forces over which we had no control. That the industrial captains of the United States could be at fault was unthinkable. That we as a people could be at fault was even more unthinkable. We are caught, said the publicists, official and otherwise, in a net not of our own making. Along with this easy diagnosis ran another—that the depression was largely psychological. Advertisements were inserted in the newspapers by various business organizations exhorting the people to resume buying and promising that if they did this prosperity would soon come back.

FINDING OUT THE TRUE REASONS

Above a din compounded of facile explanations, of depression blues, and of happiness choruses led by the Raskobs and the Dr. Julius Kleins, certain clear voices of economists and of some of the more thoughtful industrial and political leaders began, in the spring of 1931, to make themselves heard. Dissenting from the carefully propagandized theory of world-wide responsibility for the American depression, these men brought a new note of realism and sincerity into the discussion.

Dean Donham, of Harvard, for one, said in an interview published in the Post-Dispatch in May that our economic troubles had been intensified, but not caused, by the world depression. He said that our recovery was not necessarily dependent upon world recovery. Taking issue with the theory that we should seek a vast expansion of our export trade, Dean Donham said the better course was to build up purchasing power at home. He pointed out that our export trade was less than 10 per cent of our total production; this indicated to him that the domestic market always had been our principal consumer and that we should look to it rather than to foreign markets for future expansion.

The views of the Harvard dean were echoed presently, in another Post-Dispatch interview, by Senator COUZENS of Michigan, "Our depression," he said, "would have come whether there was a world depression or not. Why? Because for a long period before the crash our production had been outrunning our consumption. The workers were producing more than they could buy with the wages they received. Our predicament is primarily due to the inequitable distribution of the earnings of industry as between capital and labor. I have not seen a single denial of that statement—even by the bankers who are urging wage reductions."

HOME MARKET EXCELS FOREIGN

"Dean Donham," added the millionaire Senator, "is everlastingly right. We've gone crazy on the subject of exports. * * * Our manufacturers have the best market in the world right at

their doors, providing they pay their workers sufficient wages to buy what the workers produce."

Other distinguished experts could be called to the stand in support of this diagnosis, but only one more need be heard. This is President Hoover. We turn to his speech to the editors at Indianapolis last June. He was arguing, it is true, that world influences accounted in large degree for our depression, but on the subject of the part played by the decline of our exports this is what he said:

"Our average annual production of movable goods before the depression was about $50,000,000,000. We exported yearly about five billions, or 10 per cent. The world disruption has temporarily reduced our exports to about three and one-half billions. In other words, the shrinkage of foreign trade by one and one-half billions amounts to only 2 or 3 per cent of our total productivity. Yet as a result of all the adverse forces our production has been reduced by, roughly, ten or twelve billions. This sharp contrast between a national shrinkage of, say, twelve billions, and a loss of one and one-half billions from export trade is *an indication of the disarrangement of our own internal production and consumption entirely apart from that resulting from decreased sales abroad.*"

And in the same speech the President said, in opposing a large bond issue for new public works, that "the remedy for economic depression is not waste, but the creation *and distribution* of wealth."

(Italic letters are the writer's.)

"HALF STARVED, HALF GORGED"

It is not intended here to minimize the importance of foreign trade in our national economy. A healthy volume of exports is greatly to be desired; to some businesses, it represents the margin between profit and loss. The point is simply that the shrinkage we have experienced in a trade which consumes, at best, less than 10 per cent of our total annual production is only one factor, and a very small factor, in our depression.

We have reached, at last, a stage in our national thinking in which it is being more and more widely understood, and more and more generally proclaimed by thoughtful leaders of opinion, that our present depression is primarily of our own making, and that the underlying cause is the maldistribution of wealth. In terms less pungent but meaning the same thing, an ever-increasing number of upholders of the capitalistic order, men of the type of Senator COUZENS and Daniel Willard and the others quoted in the introduction to this article, are saying, with the picturesque Governor Murray, of Oklahoma, that "just as a nation could not live half free and half slave, so this republic can not continue half starved and half gorged."

MIDDLE GROUND BECKONS

Looking abroad, these inquiring minds see two significant national experiments. They see Soviet Russia slowly retreating from its originally declared policy of pure communism; they see England (notwithstanding the apparent check given the movement by the last elections) going steadily and with seemingly fixed intention away from unrestricted capitalism. They see both these nations seeking a tenable middle ground, and they are asking whether the United States, in order to prevent a swing to the left, should not consciously turn its face toward the middle.

Men who are not afraid to question the wisdom of unrestricted capitalism—which is practically what we have to-day—are the real conservators of our institutions. The real threat to them comes not from the handful of communists in our midst but from the conservative extremists who are not willing to yield an inch. There is vastly more danger to the established order from the economic reactionaries in Congress than there is from the so-called radicals.

WHY MILLIONS CAN NOT BUY

After the admission that our depression was homemade, it became fashionable to attribute it to "overproduction," and that word, together with "underconsumption," still runs through public discussion of the problem. Both these words express only part of the truth—they do not go to the root cause of our troubles. That cause can only be found in the distribution of the national wealth, in a system, or lack of system, which permits—to cite but one glaring result—36 persons in the United States to receive an annual income averaging nearly $10,000,000 each, or, in the aggregate, a greater income, after all the deductions allowed by law, than the sum of the wages paid to the 428,000 persons employed in the manufacture of cotton goods.

Under this system only 2 per cent of the people have incomes large enough to interest the Federal tax collector. The other 98 per cent, obviously, have little or no share in the country's prosperity. Gov. Harry Woodring, of Kansas, in a Fourth of July speech, called the depression a "panic of plenty," and that is precisely what it is. There is plenty of everything in the country. The trouble is that the millions of unemployed and underemployed lack the means to buy what they could use—lack, in many thousands of cases, the means of decent subsistence. This is the reason for "underconsumption."

VII.—How the machine has accelerated the growth of this economic disease

Some of the writers in the fiftieth-anniversary edition of the Post-Dispatch said the machine age, with its wholesale displacement of workers, did not really begin until 1920. Why, then, did not large-scale unemployment begin at the same time? The answer is, first, that large numbers of workers were absorbed by new industries, such as those connected with radio transmission and receiving sets; and, second, that the sales and advertising divisions of industry were enormously expanded. Coincident with the latter development was the introduction on a huge scale of personal-credit and time-payment sales plans. Dean Inge's reference to our "frantic advertising" has been noted. This frantic campaign, plus time payments, enabled the producers to dispose of the output of their machines far longer than would otherwise have been possible.

WHAT STOPPED SALES SPREE

Sales would be booming to-day if the credit manager, an obscure fellow usually stuck off in a dark corner of the great offices, had not made himself heard. One day, when the sales manager came in with John Doe's paper for a new automobile, a new electric icebox, a new radio, or a new Heaven-knows-what, the credit manager rebelled. "I can't take any more of John Doe's paper," he said. "I have a bale of it now, and he is behind on interest and principal." This went on all over the country. It helped to bring about the collapse of the installment business, which, of course, was soon followed by the breakdown of jobbing and manufacturing.

Whether in the cosmic view of things the machine is a blessing to mankind or a curse is a question for the philosopher. It need not detain us here. For the machine, whatever we may think of it, is with us to stay, and our problem is so to readjust its effects as to minimize its evils and equitably distribute its benefits.

The maldistribution of wealth is the fundamental cause of our economic sickness. If we liken society to a tree, we may say that disease has attacked the roots, causing the tree to give off instead of the luxuriant foliage of which it is capable the withered leves of unemployment. The progress of this disease, this concentration of vast wealth in a few hands, has been greatly accelerated in the last 10 years by the machine.

REAL BENEFICIARIES OF MACHINES

The true function of the machine is to spread leisure, which is the highest expression of wealth, through the whole mass of society. From this use it has been increasingly perverted. Wealth has grown amazingly, and with it has grown the possibility of the "good life"—leisure with the means to enjoy it—for an ever-widening circle of workers. The measure by which we have fallen short of this ideal is the measure of the failure of capitalism as now organized. How far short we have fallen the stark figures testify. The wealth created by the machine has gone in appalling disproportion to the owners of the machine. To the millions of manual workers displaced by the machine it has given not leisure with the means to enjoy it but the evil twin of leisure, which is idleness. The perversion of the machine from its proper use has brought about our present condition of unemployment.

CAPITAL AS GRAVEDIGGER

Realization of the close relation between unemployment and "purchasing power" has been forced upon the owners of the machine. They see a vicious circle nearing completion. They see the products of the machine, which heretofore have spelled ever-increasing wealth, beginning to appear in part as dross. For no product of the machine has any real value until it is put to use. It can not be put to use until somebody buys it, and the number of buyers has been progressively decreased by the growth of unemployment. Just as profits increased during an earlier stage of the circle, so now they decrease.

What is the remedy? How are we to prevent the fulfillment of Marx's prophecy, in the communist manifesto of 1848, that capitalism in the end will provide "its own gravediggers"? In the opinion of many thoughtful observers, there is only one possible answer: Human greed must curb itself or be curbed. There must be shorter work hours, so that all who need work may find it, and this change must be effected not at the expense of wages but, as Senator COUZENS and others have bluntly said, at the expense of profits. It is not merely the wage scale that must be kept up but the amount of wages that a worker receives over the course of a year. This is only another way of saying that what we need, fundamentally, is a broader distribution of the profits of industry.

Let us take for illustration the case of a pioneer farmer with four sons. They worked every available minute to make a living for the family and a modest surplus against misfortune. When the first machine came in, enabling the father to carry on with two sons, he did not turn the other two adrift. Father and sons all worked shorter hours and all enjoyed the virtues of the machine and escaped its evils. This is precisely what is being proposed to industry to-day by the advocates of shorter work hours. The owners of the machine are being asked to share more of its benefits with the workers. Theoretically, if the present ratio of distribution of benefits is continued, the owners will find themselves, in the final stage of the machine's evolution, with great plants on their hands and nobody to buy their products. The masses of the people, through the operation of unemployment, will have starved to death. With no "purchasing power" to give value to the machines, they will be no better than junk, and the owners will have to start grubbing a living out of the land. Capitalism will then have provided its own gravediggers.

WHEN WAGES LAGGED

It is sometimes argued that labor has nothing to complain of, since labor in the flush days before the depression was highly rewarded. However large was the proportion of profits taken by capital, runs this contention, labor also got a full share of benefits. Therefore, it is said, labor can have no just grievance now if its wages are cut. This is the typical banking argument for the reduction of wages.

There has been no better answer to this specious line of reasoning than that given by Senator COUZENS in the interview to which we have referred. "Notwithstanding the general assumption that wages were high," he said, "all available statistics show that during the years preceding the depression the increase in productivity per man was greater than the increase in wages. In other words, although the worker got more money, he produced still more goods. Somebody got the difference, and we all know who it was. The strange thing is that the fellows who got it couldn't see that they were spoiling their own game."

SOME COMPARATIVE FIGURES

There are, as Senator COUZENS says, ample figures to prove his point. William Green, president of the American Federation of Labor, gave some of them in a speech before the Progressive conference in Washington last spring. Between 1919 and 1929, he showed, the productivity of industry in the United States increased 50 per cent, while real wages paid the workers increased only 27.5 per cent. He challenged any economist to tell him how the country could continue on that ratio and still consume the products of industry.

He gave some other illuminating statistics. In 1899 the value of goods produced in the United States was $11,406,927,000. The wage bill was $2,808,361,000. Labor, that is, got 17.5 per cent of the value of the goods produced. In 1929, this value rose to $69,417,516,000 and the amount paid in wages rose to $11,421,631,000. The percentage of wages to the value of goods was 16.5, or less than it was in 1899.

VIII.—The wages of capital and the wages of labor—The balance between consumption and production can only be restored at the expense of dividends.

If the views of all those discussing the subject are distilled we find that they are in agreement as to the condition prevailing in the country to-day—relative overproduction and lack of purchasing power. This situation may be more accurately stated as the maldistribution of wealth, the primary cause of which is the disproportion between the wages of capital and the wages of labor As this disproportion grows, it tends to aggravate overproduction, for the gains of capital are constantly being thrown into new industry and business in order to produce more capital. Thus the bubble of overexpanded industry is blown up till it breaks. From whatever angle we approach the problem we are led inevitably to the conclusion that we can not hope to prevent the recurring crises in the business "cycle" unless we are willing to attack the basic cause of the trouble. Any cure which does not probe to the bottom can have but temporary value.

THE "CUT" OF CAPITAL

At the risk of repetition, the problem may be restated in terms of the labor hour. This is the foundation on which rests the creation of wealth. A man is able in a work day to create wealth equivalent to his necessaries for subsistence and something over. The employer gets together a number of laborers and receives all or part of this surplus for himself. His income is in proportion to the number of human-labor hours which he controls and out of which he makes his profit. If the employer installs a machine which enables 1 man to produce in 8 hours, let us say, the equivalent of 80 human-labor hours, then the employer is in the same position with respect to income as if he had 10 men instead of 1 working for him.

Now, the vital difference between the wages of capital and the wages of labor is this: The labor hour once expended is nonexistent, but the product of the labor hour turned over to the employer and by him exchanged for capital goes on working forever. That is, the workman's labor hour does its share in supporting his life for a day and then expires. The employer takes his profits and invests them, and thereafter for the rest of his life and the lives of his heirs and assigns forever these profits are capable of working and producing more profits for whoever controls them.

Of course it will be objected that this is too simple a statement of the case, but fundamentally it tells the story. It will be objected, for one thing, that the laborer by thrift and industry can save money and graduate into the capitalist class. This is true, but only to a very small degree. And if everybody could become rich and retire to live on his profits, the whole capitalistic structure would collapse when the last worker laid down his tools. Why is this? Because, as stated, only labor can create wealth, and enough labor must be in operation all the time to create the wealth—the goods—needed by all the people.

PRODUCTION AND CONSUMPTION

Dropping fancies and considering only prospective realities, we see that a balance must be maintained between production and consumption. This, again, is a point on which all the debaters are in agreement. At this time production exceeds consumption. Obviously, balance can be reestablished or approximated, since there are only two factors in the problem, by subtracting from one and adding to the other. In practice, consumption or purchasing power must be maintained on the level of production, which latter can be controlled and stabilized by a progressive decrease in the number of labor hours as invention and improvements increase the output per labor hour. But this remedy will be effective to maintain purchasing power on a level with production only if wages are kept on a level that will give the worker, per year, a sufficient income for his reasonable needs. And this, as we have shown, can only be done at the expense of dividends.

IX.—The issue is drawn between labor and capital—Solution of the problem rests primarily with industry and not with the Government

Within the last few weeks the issue has been clearly drawn between labor and capital. We see it crystallized in two statements—that of the American Federation of Labor at its Vancouver convention and that of a special committee of the Chamber of Commerce of the United States.

In demanding the 5-day week in industry, the federation adopts the slogan of "work for all." Through its spokesman, President Green, it says: "Labor will no longer subscribe to the doctrine that work and relief must be conferred; it now holds that *the right to work is fundamental* and is as sacred as the right to enjoy freedom, life, liberty, and happiness." (Italic letters are the writer's.)

This is radically new doctrine. In our Constitution, grounded as it is in property rights, nothing is said of the right to work; to the contrary, there are the fifth and fourteenth amendments, construed by the Supreme Court to cover a wide area, with their inhibitions against the taking of private property save by "due process of law." The question therefore arises: Can the Government under the Constitution compel private industry, through the 5-day week, to reduce its share of the benefits of the machine?

WORK DAYS AND CONSTITUTION

It has been held in numerous cases that efforts of State regulatory commissions to fix a lower return for public utilities than a "fair" return as defined by the courts were attempts at "confiscation." If the 5-day week means anything, it means the 5-day week without a cutting of the weekly wage. The American Federation does not say this, but it is implicit in the demand for shorter work hours. Anything else would be a mere palliative; it would not restore the balance between production and purchasing power that we have seen to be essential. This balance can only be restored and maintained at the expense of the profits of capital. Hence the 5-day week, with its necessary concomitant in lower profits, would be an apparent invasion of property rights; in the meaning of the law it would be "confiscatory," and the courts, bound by the rules laid down by the Constitution, in all probability, would so hold.

It may be contended that the Supreme Court's favorable decision on the Adamson Act of 1916, which gave the 8-hour day to railroad workers, warrants a different conclusion. But it must be remembered that the railroads are not on the same footing as industry in general. The business of the railroads, as the court has repeatedly said, is charged with a public interest and the right of Congress to regulate them under the interstate commerce clause of the Constitution is beyond dispute. The Adamson law was rushed through Congress to meet the threat of a general railroad strike; and while it fixed the 8-hour day standard permanently, it fixed wages only for a limited term of months, to bridge the gap until the contending parties could arrive at a wage standard of their own.

WAGES PRIVATE MATTER

The court held that the power of Congress to establish an 8-hour day on the railroads did not beget the power to fix wages. "The right to fix by agreement between the carrier and its employees a standard of wages to control their relations," said the court, "is primarily private." Notwithstanding the narrow application of the law, 4 of the 9 Justices of the Supreme Court—Day, Pitney, Van Devanter, and McReynolds, the latter 2 of whom are still on the bench—dissented from the majority finding on the ground that the act was an unconstitutional invasion of property rights.

Whether we like it or not, the conclusion must be that through no orderly political process short of amendment of the Constitution can we reasonably expect the Government to effect redistribution of wealth through the device of shorter work hours at a maintained wage.

The problem of restoring the balance between production and purchasing power is primarily the problem of industry itself. Our Government, as we shall show, can not be absolved of responsibility; there is, indeed, a heavy burden of responsibility upon it; but it rests with industry to do the things most needful to be done if the disease at the root of the tree is to be cured. Will industry act to save itself? Will it curb the thirst for more profits that in the final analysis is the cause of our depression?

"The business leaders of the country," says Senator COUZENS, "have the ability to solve the problems of the depression. The trouble is that they personally have not been hurt. True, their profits have fallen off, but they are living just as comfortably as they were. Let them face actual deprivation of the sort that the workers are undergoing, and they would put their heads together and pull the country out of this slump. Dan Willard told the truth when he said that what they lack is the will to do."

At least, to a very large degree, industry could "adjust production to consumption" without Government intervention or any central planning board, if it were so disposed. The control of the situation is in a remarkably few hands. As shown in a recent article in the American Economic Review, 200 corporations with fewer than 2,000 directors control 35 to 45 per cent of the business wealth of the United States (excluding from business wealth that of the Government, agriculture, and the professions), and these corporations are growing three times as fast as 300,000 smaller corporations.

WHAT INDUSTRY MIGHT DO

Great industrial organizations could do what the crossroads merchant does—provide seasonally for the demand which experience has told him is to be expected. Instead, industry has followed the policy of steaming up production to the highest possible speed and then telling the sales manager to go out and sell the stuff. As we have seen, the great business peak of 1929 was made possible, in part, by the new market created by time payments and "frantic" advertising, and the collapse came when even that rich new market became quickly oversupplied. What has kept industry from putting on the brakes is, of course, the desire for larger and larger dividends.

Parenthetically, an interesting contrast between industrial conditions here and in France may be noted. The United States lives on the future and France on the past. That is to say, American industry is so overexpanded that it exists largely upon sales which can only be paid for out of the future earnings of the mass of the people.

French industry does business largely on a cash basis. The French pay for what they buy to-day with the savings of yesterday, and, as Mark Seguin, French consul in St. Louis, said recently in a radio speech, French industry never expands in anticipation of increased demand nor does it do much to stimulate demand. It follows the conservative policy of meeting current demand and really prefers that demand should exceed supply.

MODIFIED FASCISM

In contrast with labor's manifesto are such proposals as those of the chamber of commerce and Gerard Swope, both of which look to a kind of fascism. Schemes of this sort would set up a business dictatorship with the Government as a benevolent overlord. They would require the scrapping of the antitrust laws, which are designed to protect the people against extortion, and the substitution of laws designed primarily to protect business from slumps. The welfare of the people, in this new philosophy, would be subordinated to the welfare of business. Mergers and combinations, on a scale ever more grandiose, would be the fount from which all blessings would flow. If this, as some say, is the destined next development of the machine age, it is well that we should recognize it frankly for what it is—the negation of our boasted individualism—and not let ourselves be taken in by the delusive terminology of the big-business propagandists. We should see that what is proposed is the Soviet Russian system, except that the profits which there go to the state would here be in the hands of private business.

In none of the "stabilization" plans put forward by business is it conceded that the "right to work," as asserted by labor, is fundamental and sacred. The chamber of commerce, it is true, urges that work be "rotated" during the present emergency in order that employment may be spread among "the largest possible number of employes in accordance with their needs." But this falls a long way short of accepting labor's thesis. It is, in fact, a restatement of the doctrine of "conferred work and relief" to which labor specifically objects.

X.—But there are certain important things the Government can do—a possible program covering taxation, the tariff (with a note on the plight of the farmer), the public utilities, the 5-day week for Federal employees, prohibition, our part in world affairs.

We come now to the important question of what the Government, within the framework of the Constitution, can do toward ending our "panic of plenty" and preventing the recurrence of similar conditions in the future. What is the answer to the unthinking who cry out, at the appearance of each new symptom of a basic economic disorder, "Let the Government act"?

The question is not what might be done under a dictatorship, either of the proletariat as in Russia or a fascism as in Italy, but what can be done now, or in the not astronomical future, in the United States. Even the experience of Great Britain, in its groping for a tenable middle ground between communism and unregulated capitalism, provides but a partial analogy. For the British governmental system, in contrast with the rigidity imposed by our Constitution (the "rat-trap rigidity," as Winston Churchill has called it), is highly flexible. The British Government can move quickly through orders in council, and new public questions, arising unexpectedly, can be submitted to the people and decided by them at the polls within a few weeks. British political leaders, moreover, appear to have moved farther than ours toward acceptance of the view that politics is "concentrated economics." They are willing to make temporary changes, as in the matter of the tariff, to meet emergencies, whereas American politicians tend to be hidebound in devotion to historic concepts of national policy.

SOURCES OF GREAT WEALTH

It may be laid down as fundamental, before we proceed to an examination of specific remedies, that in the United States there are four great sources of wealth and income whose relation to the general public differs from that of other sources. These are: (1) Natural resources, such as oil, minerals, and water power; (2) transportation—the railroads; (3) other public utilities; (4) tariff-protected manufactures. There is here, of course, a certain degree of overlapping, but roughly the classification will stand. The reason why these sources of wealth differ from the others is that the Government, in one way or another, intervenes in their affairs. It is possible within the space limits of this discussion to state only briefly the nature of this intervention. The Government permits (1) the exploitation for private gain of resources that belong naturally to the whole people; it undertakes, (2) and (3), to assure a "fair" rate of return not only upon actual money investment but also upon values donated (as in the case of land grants to the railroads) or created by the people; and to certain manufacturers (4) it grants a tariff far in excess of any rates conceivably needed for "protection"; this tariff is a subsidy which the public pays for the benefits of a favored few.

Now, if these four sources yield a considerable proportion of the income of the country—as they do—it follows that the withdrawal of Government intervention on their behalf, or its modification or employment in a different direction, would affect the distribution of wealth favorably to the general public.

We are confronted with an enormous paradox. The spectacle of the Government intervening with its antitrust laws (which it is now being besought to modify or repeal) for the protection of the many against a predatory few, and, on the other hand, intervening with the high tariff laws for the benefit of a few at the expense of the many.

THE SIMPLE SOMETIMES COMPLEX

Obviously, then, there are measures by which the Government, notwithstanding its constitutional limitations, can materially influence the flow of wealth. And by this we do not mean the picayunish things that are sometimes urged upon it as cure-alls by those who mistake the symptoms for the disease or confuse the Government's depression with the general depression or merely feel that the Government "ought to do something." If the administration cuts expenses, there may be a bad effect upon business and individuals. If it buys less paper, for example, the paper industry is hurt; and if it lays off clerks, unemployment is increased, individuals suffer, and business generally is adversely affected through the resultant decrease of "purchasing power." Things of this sort are merely robbing Peter to pay Paul.

We have recently seen the quandary in which the Interstate Commerce Commission found itself when the railroads asked for a general 15 per cent freight rate increase. The commission desired to help the railroads out of their undoubtedly serious predicament, but it could only do so, as soon became evident from its hearings, at the expense of other industries, especially agriculture, which is even worse off than the railroads.

Again, it has been proposed that the Government engage in a great public-works building program, at a cost of three to five billion dollars, in order to aid general industry and provide employment. Economists are divided on this proposal. Some of them, including men of distinction in their field, believe that such a program would be appreciably helpful in lifting us out of the depression. But it would be at best a palliative, and it would immediately increase the operating costs of the Government, the excess of which over its income is the cause of what we have called the Government's depression.

FIRST, THE TAX LAW

What remedial measures of permanent value are open to the Government?

First. As already has been pointed out, the Government could help to check the drift of wealth into a few hands and at the same time obtain needed revenue for itself by imposing heavy surtaxes on great fortunes, increasing death duties, and reinstalling the gift tax. It could tax swollen individual incomes to such a point as almost to remove the incentive for piling up vast personal fortunes, a condition which has been approximated in the Scandinavian countries.

Second. It could reduce the tariff to schedules sufficiently only to protect American business and American jobs from immediate destructive competition. The classic argument of the protectionists is that a high tariff is necessary to the maintenance of high wages. This is untrue. Wages are high in the United States as compared with Europe not because of our tariff wall but because of the greater productivity of American labor, our superior manufacturing technique, and our vastly greater natural resources. Reduction in the tariff would be reflected in lower prices to the consumer. It would be of particular benefit to the farmer, part of whose plight is due to the fact that he must buy in a protected and sell, by reason of the nature of his product, in an unprotected market. The resultant disparity in prices has long been an important factor in his depression. Reduction in the tariff would operate against the concentration of wealth, which has brought about the present overexpansion of industry and its consequent stagnation.

HELP FROM LOWER TARIFFS

Lowering of the tariff would hurt only a minute fraction of the people, and they would be hurt only to the extent of their excess profits above a reasonable return on investment. According to the estimate of the late Joseph S. McCoy, actuary of the Treasury, there are only about 3,300,000 individual stockholders in the United States, and the Post-Dispatch has shown (in an article October 13, 1929) that not more than one-tenth of these are in tariff-protected corporations. They are the only persons who would suffer any direct loss from a downward revision of the tariff to a reasonable basis. Since the enactment of the Hawley-Smoot bill—enacted by Congress and signed by the President in plain violation of the President's call for a sharply "limited" revision—the reprisals of foreign nations have added new weight to the demand for lower duties. No one can doubt that the Hawley-Smoot law (which Senator WATSON, of Indiana, said would bring back prosperity in 30 days) has played a leading part in the strangulation of world trade and in driving Great Britain to reconsider its hostoric free-trade policy.

Not only the congenital advocates of low schedules but powerful leaders in big business, including Thomas W. Lamont, a partner in J. P. Morgan & Co., are demanding a revision. A characteristic view is that of Dr. B. M. Anderson, economist, in a bulletin issued by the Chase National Bank of New York. "American labor," he says, "has nothing to fear and everything to gain, by and large, from a lowering of the tariffs in the United States. I propose such a reduction as will avoid a further drift of population from country to city, and further abandonment of farms. I propose a reduction not in the interest of readjustment and change, but in the interest of stability."

WHY FARMERS WOULD BENEFIT

Since the tariff bears so intimately upon the farm problem, this is as good a place as any to mention the particular depression of agriculture. There is space for only a bare outline of that tragic story. The farmer has had depression with him for a decade. In that time his land values have shrunk from $66,000,000,000 to $48,000,000,000, his income has declined from $12,000,000,000 to $9,500,000,000, and his taxes have increased 172 per cent. In the five years from 1926 to 1930, inclusive, 682,850 farms, or more than one-tenth of the number in the United States, were lost to their owners through forced sales. The economic distress of the farmer is closely bound up with the general condition of the country. The chamber of commerce is within conservative bounds when it says: "This country can not be permanently prosperous until it has a reasonably prosperous agricultural population. Ten million workers and 30,000,000 people are dependent upon the farm for their support. A large proportion, perhaps the majority, are receiving meager return for long and arduous labor."

PUBLIC UTILITIES

Coming back to the matter of specific weapons which the Government has power to invoke against the increasing concentration of wealth, we reach, third, the privately owned public utilities. "Judicial orders and decrees," as Samuel Untermyer has said, have placed a deadly handicap on the regulation of public utilities by State commissions. If these utilities were publicly owned, the advocates of that policy argue, huge sums in profits would be diverted from the few hands into which they have been made to flow through the device of the holding companies. Profits could be distributed to the public through reduction in rates, or decreased taxes.

Congress has twice proposed Government operation of the Muscle Shoals power plant, only to have its action meet two presidential vetoes.

Doctor Coffman, president of the University of Minnesota, has said that "the chief weakness of a democratic people is its unwillingness or its inability to set up remote goals and to strive to attain them." If it wishes, the Government can set up the goal, remote or otherwise, of complete Government ownership of the railroads. The Government could take over the railroads with the proceeds of a long-term bond issue, cut out the waste and duplication in the present service, and charge rates sufficient to pay whatever net revenue on the investment it might decide upon. It is for the people, through their representatives, to say whether this shall be done.

SHORTER-WEEK POSSIBILITIES

Fourth. The Government could make itself a model employer by establishing the 5-day week for Federal employees without change of pay. Just as the Adamson law became a great weapon of persuasion in the hands of organized labor, so this reduction of working hours without reduction of pay by the Federal Government would have a progressive influence in private industry. Bills for the 5-day week in the Federal service will be introduced in the coming session of Congress.

Fifth. The Government could repeal prohibition. It is unnecessary here to review the arguments for and against prohibition. Repeal would increase the revenue of the Government, decrease its expenses, and aid general business and employment to some extent. In a business way, the principal, if not the sole, sufferer from repeal would be the bootleg traffic.

LEAGUE OF NATIONS

Sixth. The Government could promote international stability, and thereby contribute to the improvement of general conditions at home, by joining the League of Nations. Former Premier Baldwin, of Great Britain, with the guarded speech which marks the public utterances of British statesmen on the subject, said at a great peace meeting in London last summer: "It is not for us to cajole or advise the United States to get into the League of Nations, yet I tell you that every international problem since the Versailles treaty has been made imponderably more difficult because of the absence of the United States from the league."

We have seen what are the costs of war to the American people. The expenditures of the other great nations are on a similar or larger scale. As President Hoover recently told the International Chamber of Commerce, five and a half million men are actively under arms in the world to-day and 20,000,000 more are in reserve. The world is spending on armaments the colossal sum of $5,000,000,000 annually. Some progress has been made toward decrease in naval disarmament since the war, but not much.

PROSPECTS OF DISARMAMENT

There is to be held at Geneva next February, under the auspices of the League of Nations, the first general disarmament conference. It will deal with the land, sea, and air armaments of all the nations. The alternative to the success of this fateful conference, Viscount Cecil has said "is too sinister for any man or woman of good sense and good will to contemplate." In the view of official Washington, the outlook for success is not bright. Can anyone doubt that it would be immeasurably better if the United States were in the league and not out of it?

France demands additional treaty "security" before she will consent to any material reduction in her armament. This we have declined to grant. We have even refused to enter into a mild pact calling for "consultation" if war threatens in the Atlantic. France's demand is the great stumbling block in the way of success at Geneva. There is ground for her thesis. We may feel that ours is the better one—that security will follow reduction of armament—but we have got to admit the logic in the French position. There would be no logic in it if we were a member of the league.

If the United States, richest and strongest of the nations, were in the league, article 16 of the covenant—the sanctions article—would mean something. As it is the article has small virtue, perhaps none. Certainly the members of the league will hesitate to coerce a covenant-breaking state so long as the United States remains on the outside. This was plainly shown in a memorandum of the British Government in 1925, in which it was stated that any effort to enforce sanctions would put upon Britain the responsibility of cutting maritime communications between the offending nation and the United States. In view of the historic American doctrine of the freedom of the seas this course would involve a risk of conflict with the United States which the British Government, said its memorandum, did not care to assume.

BOUND TO BE INVOLVED

The international police club placed in the covenant by article 16 was in effect taken out of it when the United States refused to join the league. But the chances of our being drawn into war have not been reduced. We have a finger in every big financial pie in the world, and because of this fact we stand alert at the drumbeats of war in any region.

We seek to use the league, as in the present Manchurian crisis, when it suits our convenience to do so. Should we not, then, accept a share of its responsibilities? One thing is certain: If another world cataclysm comes, our aloofness from the league will not make us immune. Everything else aside, our purse strings have tied us, even more inescapably than in 1917, to the rest of the world. The war changed us from a debtor to a creditor Nation. Our stake abroad has gone up by great leaps; at the end of 1930 it stood at $17,500,000,000, exclusive of the war debts. Enlightened self-interest should take us into the league.

WAR DEBTS A TRADING POINT

What of the war debts? A growing body of opinion holds we could well afford to trade them off for the armament reduction that would be made possible by our entrance into the league. The sum of them bulks large, but the annual payments to us are only 6 per cent of our normal Budget. The saving to us in armament costs would offset the loss of these payments. Cancellation of the debts, with a reciprocal cut in German reparations by the former Allies, would hasten the economic recovery of Germany and the world. If by the same means we should effect a measurable reduction of armaments throughout the world, which reduction would be reflected in lower government costs and lower taxes, the total result would make the price, by comparison, infinitesimally small.

To say, with Mr. Coolidge, of our debtors that "they hired the money" and must pay it back is to ignore the plain facts. We are not going to war to collect the debts. Nicholas Murray Butler has said: "You might just as well try to make somebody pay the cost of the sunset as to pay the cost of the war. It can not be done."

Anything we might buy with the debts in the way of world peace or prosperity would be clear gain. Unquestionably the debts have a trading value.

XI.—Conclusion: Conceivably we can usher in a new prosperity through a readjustment of the distribution of the benefits of the machine—Amendment of men's economic and social ideals is the great need

Restoration of world prosperity would help us, but there would remain the great underlying problem that this article has sought to outline—the problem of how to bring about the readjustment made necessary by the concentration of too great wealth, with the aid of the machine, in comparatively few hands. Is the machine to be the servant or the master of the people? This is a question that each nation must answer for itself.

Through a shorter work week, without reduced pay, conceivably we in the United States could so diffuse the benefits of the machine among the people that "purchasing power" would be brought back to the production level and the Nation set on the way to a new prosperity—a healthier prosperity than that of the vaunted Coolidge era. This, as we have shown, can only be done through the voluntary or enforced renunciation of excessive profits. The alternative is public or private relief, or both, for the workers displaced by the machine.

Justice Brandeis once said: "Instead of amending the Constitution, I would amend men's economic and social ideals." And that, whatever else we may do or try to do, clearly must be accomplished if we are to solve the problem of the great depression.

PROPOSED BROADCASTING OF SENATE PROCEEDINGS

Mr. HOWELL. Mr. President, I send to the desk a resolution, which I ask may be read, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The legislative clerk read the resolution (S. Res. 28) submitted by Mr. HOWELL on the 9th instant and referred to the Committee on Rules, as follows:

Resolved, That a special select committee of three Senators, to be appointed by the President of the Senate, is authorized and directed to investigate the practicability of broadcasting proceedings of the United States Senate, and to report to Congress as soon as practicable the results of such investigation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution? The Chair understands that the resolution having been referred to the Committee on Rules, a motion would first have to be made to discharge the committee.

Mr. ROBINSON of Arkansas. Let the resolution go over.

The VICE PRESIDENT. Objection is made.

ADMISSION TO UNITED STATES OF FOREIGN PARTICIPANTS IN OLYMPIC GAMES

Mr. WAGNER. Mr. President, there was transmitted to the Senate to-day a joint resolution, House Joint Resolution 72, which proposes to permit the temporary entry into the United States under certain conditions of alien participants in the Tenth Olympic Games, to be held in the United States in 1932. There is no objection to the joint resolution at all, and therefore I ask unanimous consent that it may be immediately considered.

Mr. REED. Mr. President, I think it ought to go to the Committee on Immigration.

Mr. WAGNER. The Labor Department, the State Department, and the Bureau of Immigration jointly drew the joint resolution and are in favor of it. It confers merely upon the foreign participants in the Olympic games the same privilege which our athletes were granted by the countries which were the hosts of the Olympic games in former years.

Mr. REED. Then, doubtless, the committee will report it out favorably almost at once.

Mr. JOHNSON. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from California?

Mr. WAGNER. I yield.

Mr. JOHNSON. It is purely a formal matter. Similar action has been taken on every occasion of the Olympic games. The House immediately passed the joint resolution upon its being reported out from the committee. The desire of the House was that it be passed by the Senate without delay. Of course, the committee will approve it; there is no doubt about that. It relates only to the participants in the Olympic games next year.

Mr. WAGNER. I may say to the Senator that the reason for haste is that the winter Olympic games are to be held at Lake Placid in February. The participants in those games from other countries are about ready to leave their home countries. There are some 23 nations interested.

Mr. REED. Then, will the Senator defer his request long enough to allow a few of us to read the joint resolution?

Mr. WAGNER. Certainly.

Mr. JONES. Mr. President, we may as well dispose of this matter at once. I shall have to object. I objected to a similar request of the Senator from Utah [Mr. SMOOT] the other day. The joint resolution ought to go to the committee. The committee can act and report it back this afternoon. I shall have to object and ask that the resolution be referred to the committee.

The VICE PRESIDENT. Objection being heard, the joint resolution will be read twice by title and referred.

The joint resolution (H. J. Res. 72) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the third Olympic winter games and of the games of the tenth Olympiad, to be held in the United States in 1932, was read twice by its title and referred to the Committee on Immigration.

THE CALENDAR

The VICE PRESIDENT (at 1 o'clock and 12 minutes p. m.). Morning business is closed. The calendar is in order. The clerk will report the first bill on the calendar.

The CHIEF CLERK. A bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish, and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply, and for other purposes.

Mr. ROBINSON of Arkansas. Mr. President, I do not see in the Chamber the Senator from Connecticut [Mr. WALCOTT], who reported the bill. It is apparently a very important measure. I have no objection to proceeding to its consideration, but I would not want it to pass in a perfunctory manner.

Mr. McNARY. Mr. President, the Senator from Connecticut [Mr. WALCOTT] is chairman of the Special Committee on Conservation of Wild-Life Resources. He has given a great deal of time to the subject matter contained in the bill, and I am sure is in hearty accord with its provisions and would like to have it passed. If there is any objection, however, let the bill go over.

The VICE PRESIDENT. The bill will be passed over. That concludes the calendar.

ELECTION OF PRESIDENT PRO TEMPORE

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, which is the election of a President pro tempore.

Mr. ROBINSON of Arkansas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Cutting	Kean	Sheppard
Bailey	Dale	Kendrick	Shipstead
Bankhead	Davis	Keyes	Shortridge
Barbour	Dickinson	King	Smith
Barkley	Dill	La Follette	Smoot
Bingham	Fess	Lewis	Steiwer
Black	Fletcher	Logan	Swanson
Blaine	Frazier	McGill	Thomas, Idaho
Borah	George	McKellar	Thomas, Okla.
Bratton	Glenn	McNary	Townsend
Brookhart	Goldsborough	Metcalf	Trammell
Broussard	Gore	Morrison	Tydings
Bulkley	Hale	Moses	Vandenberg
Bulow	Harris	Neely	Wagner
Byrnes	Harrison	Norbeck	Walcott
Capper	Hatfield	Norris	Walsh, Mass.
Caraway	Hawes	Nye	Walsh, Mont.
Carey	Hayden	Oddie	Waterman
Connally	Hebert	Patterson	Watson
Coolidge	Howell	Reed	Wheeler
Copeland	Hull	Robinson, Ark.	White
Costigan	Johnson	Robinson, Ind.	
Couzens	Jones	Schall	

Mr. HARRISON. I desire to announce that my colleague the junior Senator from Mississippi [Mr. STEPHENS] is necessarily detained from the Senate by illness. He has a general pair with the junior Senator from Indiana [Mr. ROBINSON]. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present. The question is the election of a President pro tempore. On that question the Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I am paired on this vote with the senior Senator from Delaware [Mr. HASTINGS]. I transfer that pair to the senior Senator from Arizona [Mr. ASHURST] and vote for Senator PITTMAN.

Mr. MOSES (when his name was called). Announcing once more my long-suffering pair, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Missis-

sippi [Mr. STEPHENS] who is detained at home on account of illness. I therefore withhold my vote. If permitted to vote, I should vote for Senator MOSES.

The roll call was concluded.

Mr. BINGHAM (after having voted for Senator MOSES). I inquire if the junior Senator from Virginia [Mr. GLASS] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. BINGHAM. Having a general pair with that Senator and being unable to obtain a transfer, I must withdraw my vote.

The roll call resulted—

FOR SENATOR PITTMAN—42

Bailey	Coolidge	Hull	Smith
Bankhead	Copeland	Kendrick	Swanson
Barkley	Costigan	King	Thomas, Okla.
Black	Dill	Lewis	Trammell
Bratton	Fletcher	Logan	Tydings
Broussard	George	McGill	Wagner
Bulkley	Gore	McKellar	Walsh, Mass.
Bulow	Harris	Morrison	Walsh, Mont.
Byrnes	Harrison	Neely	Wheeler
Caraway	Hawes	Robinson, Ark.	
Connally	Hayden	Sheppard	

FOR SENATOR MOSES—31

Austin	Goldsborough	Metcalf	Steiwer
Barbour	Hale	Norbeck	Townsend
Carey	Hatfield	Oddie	Vandenberg
Dale	Hebert	Patterson	Walcott
Davis	Johnson	Reed	Waterman
Dickinson	Kean	Schall	Watson
Fess	Keyes	Shortridge	White
Glenn	McNary	Smoot	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	Jones	Thomas, Idaho
Borah	Cutting	La Follette	
Brookhart	Frazier	Norris	
Capper	Howell	Nye	

FOR SENATOR NORRIS—1

Shipstead

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 42 votes, Senator MOSES 31 votes, Senator VANDENBERG 13 votes, and Senator NORRIS 1 vote. Eighty-seven votes have been cast; necessary to a choice, 44. No Senator having received a majority vote, there is no election, and the Secretary will again call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). On this question I have a pair with the junior Senator from Oregon [Mr. STEIWER]. I understand that if present he would vote for Senator MOSES, and if at liberty to do so I should vote for Senator PITTMAN. I withhold my vote.

Mr. HARRISON (when his name was called). Making the same announcement as before, I vote for Senator PITTMAN.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as on the preceding ballot, I withhold my vote.

The roll call was concluded.

Mr. HAYDEN. My colleague the senior Senator from Arizona [Mr. ASHURST] is necessarily absent from the Senate on official business. He is paired with the Senator from Delaware [Mr. HASTINGS]. If present, my colleague would vote for Senator PITTMAN.

The roll call resulted—

FOR SENATOR PITTMAN—42

Bailey	Copeland	Hull	Smith
Bankhead	Costigan	Kendrick	Swanson
Barkley	Dill	King	Thomas, Okla.
Black	Fletcher	Lewis	Trammell
Broussard	George	Logan	Tydings
Bulkley	Glass	McGill	Wagner
Bulow	Gore	McKellar	Walsh, Mass.
Byrnes	Harris	Morrison	Walsh, Mont.
Caraway	Harrison	Neely	Wheeler
Connally	Hawes	Robinson, Ark.	
Coolidge	Hayden	Sheppard	

FOR SENATOR MOSES—31

Austin	Glenn	McNary	Smoot
Barbour	Goldsborough	Metcalf	Townsend
Bingham	Hale	Norbeck	Vandenberg
Carey	Hatfield	Oddie	Walcott
Dale	Hebert	Patterson	Waterman
Davis	Johnson	Reed	Watson
Dickinson	Kean	Schall	White
Fess	Keyes	Shortridge	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	Jones	Thomas, Idaho
Borah	Cutting	La Follette	
Brookhart	Frazier	Norris	
Capper	Howell	Nye	

FOR SENATOR NORRIS—1

Shipstead

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 42 votes, Senator MOSES 31 votes, Senator VANDENBERG 13 votes, and Senator NORRIS 1 vote. Total number of votes cast 87, necessary to a choice 44. No Senator having received a majority of the votes cast, there is no election, and the clerk will call the roll.

Mr. BRATTON (when his name was called). Repeating the announcement made on the previous vote, I withhold my vote.

Mr. McNARY (when Mr. DILL's name was called). The senior Senator from Washington [Mr. JONES] and the junior Senator from Washington [Mr. DILL] are absent on account of public matters. They are paired. If the senior Senator from Washington were present, he would vote for Mr. VANDENBERG. If the junior Senator from Washington were present, he would vote for Mr. PITTMAN.

Mr. HARRISON (when his name was called). Making the same announcement as before, I vote for Senator PITTMAN.

Mr. ROBINSON of Indiana (when his name was called). I find I can transfer my general pair with the junior Senator from Mississippi [Mr. STEPHENS] to the senior Senator from Ohio [Mr. FESS], and I can therefore vote. I vote for Mr. MOSES.

I wish to announce that if the senior Senator from Ohio [Mr. FESS] were present, he would vote for Senator MOSES.

The roll having been concluded, it resulted as follows:

FOR SENATOR PITTMAN—41

Bailey	Copeland	Kendrick	Swanson
Bankhead	Costigan	King	Thomas, Okla.
Barkley	Fletcher	Lewis	Trammell
Black	George	Logan	Tydings
Broussard	Glass	McGill	Wagner
Bulkley	Gore	McKellar	Walsh, Mass.
Bulow	Harris	Morrison	Walsh, Mont.
Byrnes	Harrison	Neely	Wheeler
Caraway	Hawes	Robinson, Ark.	
Connally	Hayden	Sheppard	
Coolidge	Hull	Smith	

FOR SENATOR MOSES—31

Austin	Goldsborough	Metcalf	Smoot
Barbour	Hale	Norbeck	Townsend
Bingham	Hatfield	Oddie	Vandenberg
Carey	Hebert	Patterson	Walcott
Dale	Johnson	Reed	Waterman
Davis	Kean	Robinson, Ind.	Watson
Dickinson	Keyes	Schall	White
Glenn	McNary	Shortridge	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	La Follette	Thomas, Idaho
Borah	Cutting	Norris	
Brookhart	Frazier	Nye	
Capper	Howell	Shipstead	

The VICE PRESIDENT. On this ballot Senator PITTMAN received 41 votes, Senator MOSES 31 votes, Senator VANDENBERG 13 votes. Total number of votes cast, 85; necessary for a choice, 43. There having been no election, the Secretary will again call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Repeating the announcement made on the previous vote, I withhold my vote.

Mr. HARRISON (when his name was called). Making the same announcement as before, I vote for Senator PITTMAN.

Mr. ROBINSON of Indiana (when his name was called). Again announcing the transfer of my general pair to the senior Senator from Ohio [Mr. FESS], I vote for Senator MOSES.

The roll call was concluded.

Mr. McNARY. With respect to the two Senators from Washington [Mr. JONES and Mr. DILL], I desire to make the same announcement for the RECORD.

The result was announced, as follows:

FOR SENATOR PITTMAN—41

Bailey	Copeland	Kendrick	Swanson
Bankhead	Costigan	King	Thomas, Okla.
Barkley	Fletcher	Lewis	Trammell
Black	George	Logan	Tydings
Broussard	Glass	McGill	Wagner
Bulkley	Gore	McKellar	Walsh, Mass.
Bulow	Harris	Morrison	Walsh, Mont.
Byrnes	Harrison	Neely	Wheeler
Caraway	Hawes	Robinson, Ark.	
Connally	Hayden	Sheppard	
Coolidge	Hull	Smith	

FOR SENATOR MOSES—31

Austin	Goldsborough	Metcalf	Smoot
Barbour	Hale	Norbeck	Townsend
Bingham	Hatfield	Oddie	Vandenberg
Carey	Hebert	Patterson	Walcott
Dale	Johnson	Reed	Waterman
Davis	Kean	Robinson, Ind.	Watson
Dickinson	Keyes	Schall	White
Glenn	McNary	Shortridge	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	La Follette	Thomas, Idaho
Borah	Cutting	Norris	
Brookhart	Frazier	Nye	
Capper	Howell	Shipstead	

The VICE PRESIDENT. On this ballot there were 41 votes cast for Senator PITTMAN, 31 for Senator MOSES, and 13 for Senator VANDENBERG. A total of 85 votes were cast. Forty-three being necessary for a choice and no Senator having received a majority, there is no election.

Mr. WATSON obtained the floor.

Mr. ROBINSON of Arkansas. Mr. President, may I be indulged for just a brief statement?

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Arkansas?

Mr. WATSON. Certainly.

Mr. ROBINSON of Arkansas. Mr. President, I should like the privilege now of observing that for several days the Senate has been voting in the election of a President pro tempore. Under an order adopted many years ago, once a President pro tempore is elected he serves until his successor is chosen, or until the end of his term of office as a Senator of the United States.

The vote on each successive ballot has shown a united front on this side of the Chamber in support of the Democratic nominee for President pro tempore. On the other side of the Chamber it has shown a division which it seems to me threatens to perpetuate itself or to continue indefinitely. I do not believe that the Senate will be justified in prolonging this contest to the prevention of the consideration of important legislation. There is now only one bill on the calendar, which is a bill reported from a special committee by the Senator from Connecticut [Mr. WALCOTT]. It is an important measure.

So far as I am concerned, and I think I speak for the Senator from Nevada [Mr. PITTMAN] himself, who is cordially supported by everyone on this side of the Chamber for this distinction, unless it can be made to appear that there is a reasonable probability of bringing the issue to a conclusion I shall favor proceeding with legislation when measures of importance are presented here.

On the first ballot to-day the Senator from Nevada [Mr. PITTMAN] received 42 votes, the Senator from New Hampshire [Mr. MOSES] 31, the Senator from Nebraska [Mr. NORRIS] 1, and the Senator from Michigan [Mr. VANDENBERG] 13. On the last ballot that has been supplied to me the vote for my good friend the Senator from Nebraska [Mr. NORRIS] completely disappeared. I think I may be pardoned for saying that I am surprised and regretful that the Senator has not made a stronger showing in this contest. [Laughter.] His powers of argument, his knowledge of parliamentary law, his skill in legislation are all well recognized.

The significant fact is that whatever happens, the Senator from New Hampshire [Mr. MOSES] does not gain. He comes down to battle with 31 votes—stalwart, loyal, indomitable. I do not believe the Senate is justified in entering into an arrangement, if such an arrangement were proposed, as that entered into some years ago when it was agreed that one Senator should serve as President pro tempore for a fixed period and that for a similar period another Senator should serve. Nothing is to be accomplished by such a procedure. The issue was precipitated for a test of strength in the Senate. When legislation of importance is ready for consideration, so far as I am personally concerned, I shall favor proceeding to its consideration, unless assured that there is a prospect for the election of my candidate or for some other method of reaching a solution of this very difficult issue.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages in writing from the President of the United States making sundry nominations, which were referred to the appropriate committees. (For nominations this day received see the end of Senate proceedings.)

INVESTIGATION BY TARIFF COMMISSION—LEAD

Mr. KING. Mr. President, at the last session of Congress Senate Resolution No. 441 was adopted, directing the Tariff Commission to investigate the differences in the cost of production during the calendar years 1928, 1929, and 1930, in the following domestic and foreign article: Lead; and to report thereon to the Senate as soon as possible. Soon after the resolution was adopted those who had requested me to submit it to the Senate and ask for its consideration stated that the circumstances, in their opinion, did not warrant the Tariff Commission proceeding. I immediately communicated with the chairman of the Tariff Commission, as well as a number of the members, and called their attention to the request which had been made that I have the resolution rescinded. The Senate in the meantime had adjourned so that such action was impossible. The Tariff Commission, responding to the suggestion which I made, did not proceed with the investigation. However, they had many other matters which challenged their attention. I promised that as soon as the Senate met I would move to rescind the action by which the resolution to which I have referred was adopted. I, therefore, submit a resolution rescinding the resolution to which I have referred and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution (S. Res. 88) was considered and agreed to, as follows:

Resolved, That Senate Resolution 441, Seventy-first Congress, agreed to February 16, 1931, to investigate the production costs of lead for the years 1928, 1929, and 1930 be, and the same is hereby, rescinded.

LATIN AMERICAN BONDS—THE GOLD STANDARD

Mr. KING. Mr. President, I ask unanimous consent to have printed in the RECORD an address recently delivered by Mr. Walter Lafferty before the Latin American Bondholders Association on the subject of Latin American bonds and effects of the gold standard.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Gentlemen, being a holder of Latin American bonds, you have asked me to join your association, and I have cheerfully done so. This is the first intelligent and concerted effort I have seen to do something to right matters.

The problem of preserving the integrity of South American bonds is inseparable from that of restoring world commerce and finance.

Through this organization the serious minded of North America will make common cause with the equally serious minded of Latin America and Europe in finding a way out, and in a manner to preserve present friendships and bind us closer in the future.

The paradox of distress, public and private, in the midst of plenty is subject to clarification and remedy.

Personal suffering, unemployment, and even hunger are just as great in the United States as in Latin America and the rest of the world, and the destruction of private fortunes and life's savings has been heavier here than in any other country.

"What is the matter with the world?" is a question which has for months been in the mind of every thinking person. Members of the international banking fraternity, although knowing full well what the trouble is, have not, for selfish reasons, seen fit to tell us. On the contrary, they have sought to keep us in the dark by offering the alternate alibis of "overproduction," "postwar adjustments," and "necessary cyclical depressions."

The world's credit structure is an inverted pyramid, its apex resting on a fine point of gold, and when the gold moves the least bit of the whole structure trembles.

The present disequilibrium between monetary value and property and commodity values is what is the matter with the world.

Owing to its scarcity and its being locked up in legal reserves of central banks of issue gold has taken on an artificial value which amounts to legalized extortion against those compelled to buy gold exchange to pay their debts and against those who must surrender their securities, property, and commodities for a gold-exchange dollar.

Your property, securities, or commodities, which would have readily exchanged three years ago for $100 of gold-exchange money, will not bring you more than $25 of gold-exchange money to-day.

That, and only that, is what is the matter with the world.

During the past three years hundreds of billions of world wealth, invested in good faith in railroads, real estate, and securities, have been ruthlessly wiped out and world commerce and industry prostrated and millions thrown out of employment by this ghastly spectacle of gold's failure to discharge its function as a stable and adequate medium of exchange.

They ask us to stand by the gold standard. But the gold standard has not stood by us. It has gone into hiding, into legal reserves, and to get one dollar of it or of gold-exchange money, which is the same thing, we must surrender four or five dollars' worth of property, securities, or commodities.

This situation is not only unnatural, it is repulsive. The world might as well allow its property to be destroyed by a conflagration as by such a wholly unnatural and artificial cause. The world will not much longer stand for this legalized robbery and confiscation of legitimate values, this sacrifice of manhood and womanhood, as well as private fortunes, to the whims of a pampered and worshiped tyrant, the impotent single gold standard.

There are less than eleven billions of monetary gold in the world. It has ceased to actually function as a medium of exchange, as was primarily intended, but hundreds of billions of debts and taxes are due and owing in gold exchange. This gold exchange must be bought with labor and commodities, and owing to the scarcity of gold its value has artificially skyrocketed into the heavens, while all property and commodities have taken a plunge into the depths as a necessary corollary.

Thus we find to-day a wholly artificial and actually dishonest disparity between monetary value as measured by the single gold standard, on the one hand, and property and commodity values on the other. This unnatural disparity has become so great as to shock the conscience and sense of justice of the world. It is so great and so glaring as to be inherently a fraud upon fair and honest commerce and financial dealing.

As one of the results we holders of Latin American bonds stand to lose unless we do something constructive, as some of our bonds for which we paid par are now selling at 10. And we are in the same boat with holders of domestic bonds, stocks, and real estate, and we make common cause with them in demanding a remedy now long overdue.

"Overproduction" is no longer offered even by the international single gold standard bankers as an alibi for the colossal maladjustment between monetary value and property and commodity values, for it has been shown to be notoriously false. Commodities and property not overproduced are down with the rest. Farm lands and city real estate have depreciated over half. Securities of railroads, independent banks, and great industrial plants have depreciated correspondingly with real estate. Wheat, corn, cotton, coffee, copper, rubber, tin, and other key commodities, the world need for which is normally uniform, have actually fallen below the cost of production. Hundreds of independent banks have gone under, leaving desolation and anguish in their wake.

The single gold standard has become a Frankenstein which has turned tyrant against the world and rendered its commerce and finances prostrate.

The total debt of the world is over four hundred billions as measured in dollars. Those debts must be paid, if at all, in commodities whose value must be measured by exchange for some other commodity used as money.

When we seek another commodity to add to the world's monetary base we naturally turn to silver because of its traditions and historic background. For thousands of years gold and silver were used side by side as basic money. In volume 1 of our Statutes at Large, page 248, we find where George Washington signed our first act of Congress establishing our monetary system, and it provided that the silver dollar, containing 416 grains of standard silver, should be the unit of value, and that a gold dollar, containing 27 grains of standard gold, should pass current at equal value with the silver dollar.

It is only during the past 120 years that efforts have been made from time to time in different parts of the world to make gold the sole base of all money. Great Britain first tried it in 1816, and it proved disastrous. It has since been tried there many times and as often departed from. When the seasoned financiers of Great Britain again decided to go off the single gold standard last September, it is reasonable to predict that they marked the first turn for the better in the present world depression.

Only France and the United States, representing less than 10 per cent of the world's population, are now holding out as bitter-enders for the survival of the archaic and destructive single gold standard. This stubbornness on the part of France and the United States is absolute folly. If, by any miracle, they should succeed in keeping alive the single gold standard, the only result would be a brief period of tolerable prosperity when we would again run into a so-called and wholly unnecessary cyclical depression as soon as world credits were increased to meet the needs of world commerce. If France and the United States shall persist in their struggle to maintain the single gold standard, and fail (as they will), they will only needlessly have prolonged our present agony and postponed world recovery.

Sir Archibald Alison tells us in his History of Europe that the demonetization of silver by Great Britain in 1816 added 50 per cent to the weight of debts and taxes; that small landed proprietors were ruined by the fall in prices; that distress was universal and seriously affected all branches of industry; that 160,000 landowners were reduced numerically in a few years to less than 30,000; and that 15 per cent of the population became objects of charity.

Sir Thomas Gresham, speaking of the same experiment, said:

"For every less sum owing a greater shall be paid; with the fall of prices farmers have no profits, the landlord no rent, the manufacturer no customers, and the laborer no employment."

The conditions so graphically described by Alison and Gresham have been exactly paralleled in the United States and the world the past three years, because of the artificially increased value of gold, due to its scarcity, its inadequacy, and its inefficient supply being locked up in legal reserves of central banks of issue.

What remedy do the great international single-gold-standard bankers of France and the United States propose? None, except to let the world sweat it out, till the world's pyramid of credit shall be reduced through defaults, cancellations, bankruptcies, receiverships, and failures, till it again becomes small enough to be supported for a time by their pitiful eleven billions of gold. What is their selfish object? It is to retain the world's credit concession on the small base of gold, so they can control it, even if the rest of us and the whole world must go bankrupt in the process. They appeal to our patriotism and generosity to support the unemployed and hungry while their selfish program is being carried out. They offer threadbare alibis to keep the people quiet, and ask us to grin and bear it. They ask us to wait. What for? Again, till the pyramid of credit has been still further reduced by more failures and more suffering to a point where it can be supported by gold alone. They tell us consolingly that the world has always emerged from past depressions, and will from this one, and expect us supinely to wait, wait, wait.

Why should the twenty hundred millions of people of the world longer kneel before a pitiable pot of eleven billions of gold, and regard it as something mystic or sacred, as the heathens of old worshiped their idols of clay? Through the hearts of these twenty hundred millions of people course the pulsating life blood of the human race, which was placed on this globe by Almighty God to progress and move ever onward. Why should the world have its happiness and progress obstructed by such an unnatural and purely artificial barrier, such a man-made device, such an impersonation of actual fraud and duress?

Even though the single gold standard may have been adopted originally in the best of faith, changed circumstances through the growth of world commerce, which could not be foreseen, and the further fact that the gold is now all locked up in legal reserves of central banks of issue, which could not have been foreseen, have made the present working of the single gold standard so oppressive, extortionate, and unconscionable as to amount to a legal fraud upon fair dealing. It is the law of every civilized nation that when an arrangement, although originally fair, ceases to be fair through changed circumstances not in the original contemplation of the parties the courts will not permit the party which is thus given the upper hand to take advantage of his wholly uncontemplated power to oppress the other. A great chancellor has said that in such a case no honest man would accept benefits from such an unforeseen change and that, therefore, no dishonest man will be permitted to do so.

The time has come for action. The United States Senate last February, without a dissenting vote, asked Mr. Hoover to call an international conference to reach an understanding on silver. Mr. Hoover has not done so, but echoes Wall Street and Paris in asking us to wait, wait, wait.

The present disparity between the price of gold exchange, due to the distorted price of the almost unobtainable gold, presents to the world a spectacle of stern reality more grotesque and hideous than was ever painted in fiction.

The miserable pot of less than eleven billions of monetary gold has sprung up as an evil giant and spread havoc throughout the world, while normally powerful nations, states, municipalities, and corporations have for the present become helpless dwarfs unable to function in a normal way.

Great cities of the United States, like Chicago, are unable to pay school-teachers and employees, and great States, like Tennessee, offer bonds to meet deficits and find no adequate bids. Many of the great cities and republics of Latin America and Europe, and many great municipalities and domestic corporations at home find themselves unable to buy gold exchange with their ordinary revenues with which to meet their pay rolls and maturing interest. The great Federal Government of the United States would be unable to pay all its employees and meet its maturing obligations except for its capacity to borrow more, and many less fortunate countries do not now have that capacity.

In the face of this unspeakable and wholly unnecessary world tragedy the international single-gold-standard bankers ask us to wait, wait, wait. They tell us that their deflation program must run its course. But their deflation program means inflation to the value of their gold and deflation only to the rest of the world. What they really mean is that as soon as our securities are all defaulted and wiped out they will again transfer some of the inflated value of their gold into the form of bonds and ask us to buy them with the products of our toil and labor, and to hold them until they shall find it necessary to deflate us again. But

every time we are deflated the international single-gold-standard bankers are inflated, and in that way the world has become the stupid slave to a putrid pot of less than eleven billions of gold.

If Al Capone were out of jail, and he and his gang should capture all the gold there is and take it "for a ride" in a fleet of rum runners, and dump it in the deepest part of the Atlantic, where it could never be recovered, it would be a God's blessing in the present state of the world. Overnight the human race would find a better and more adequate medium of exchange to carry on its trade and commerce, and such an era of lasting prosperity and progress would be upon us as has not been seen since the morning stars first sang together.

ADJOURNMENT

Mr. WATSON. I move that the Senate adjourn, the adjournment being until to-morrow at 12 o'clock noon.

The motion was agreed to; and (at 2 o'clock and 17 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, December 15, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 14, 1931

COMMISSIONERS OF IMMIGRATION

Edward Corsi, of New York, to be commissioner of immigration at the port of New York.

Alexander Maxwell, of Pennsylvania, to be commissioner of immigration at the port of Philadelphia, Pa.

PUBLIC HEALTH SERVICE

Asst. Surg. Ralph Gregg to be passed assistant surgeon in the Public Health Service, to rank as such from December 28, 1931.

The following-named doctors to be assistant surgeons in the Public Health Service, to take effect from date of oath:

Benton Oliver Lewis.
Charles T. Meacham, jr.
Henry L. Wollenweber.
David C. Elliott.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Rear Admiral Orin G. Murfin to be Judge Advocate General of the Navy, with the rank of rear admiral, for a term of four years.

Capt. Edgar B. Larimer to be Chief of the Bureau of Ordnance in the Department of the Navy, with the rank of rear admiral, for a term of four years.

Capt. Samuel M. Robinson to be Engineer in Chief and Chief of the Bureau of Engineering in the Department of the Navy, with the rank of rear admiral, for a term of four years.

Capt. William C. Watts to be a rear admiral in the Navy, from the 1st day of April, 1931.

Capt. Yancey S. Williams to be a rear admiral in the Navy from the 1st day of June, 1931.

The following-named captains to be rear admirals in the Navy from the 1st day of July, 1931:

Joseph K. Taussig, an additional number in grade.
Edward C. Kalbfus.
Clark H. Woodward.
Claude C. Bloch.

Commander Thomas Withers, jr., to be a captain in the Navy from the 23d day of January, 1931.

Commander Harry L. Pence to be a captain in the Navy from the 1st day of April, 1931.

Commander Frank H. Roberts to be a captain in the Navy from the 1st day of May, 1931.

Commander Andrew S. Hickey to be a captain in the Navy from the 1st day of June, 1931.

The following-named commanders to be captains in the Navy from the 4th day of June, 1931:

Charles C. Hartigan.
George A. Alexander.

The following-named commanders to be captains in the Navy from the 30th day of June, 1931:

Roland M. Brainard.
Sherwoode A. Taffinder.
Lesley B. Anderson.
John S. McCain.
John T. G. Stapler.

The following-named commanders to be captains in the Navy from the 1st day of July, 1931:

Matthias E. Manly.
Alexander Sharp, jr.
Hollis M. Cooley, an additional number in grade.
Aubrey W. Fitch.

Commander Edward D. Washburn, jr., to be a captain in the Navy from the 1st day of August, 1931.

Commander Fred F. Rogers to be a captain in the Navy from the 1st day of September, 1931.

The following-named commanders to be captains in the Navy from the 1st day of November, 1931:

Claude a Bonvillian, an additional number in grade.
Edwin A. Wolleson.

Lieut. Commander John H. Wellbrock to be a commander in the Navy from the 1st day of January, 1931.

Lieut. Commander Clarkson J. Bright to be a commander in the Navy from the 23d day of January, 1931.

Lieut. Commander William D. Kilduff to be a commander in the Navy from the 1st day of April, 1931.

Lieut. Commander Stewart A. Manahan to be a commander in the Navy from the 1st day of May, 1931.

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of June, 1931:

Herbert O. Roesch.
John F. Donelson.

The following-named lieutenant commanders to be commanders in the Navy from the 4th day of June, 1931:

Webb Trammell.	Herbert R. Hein.
Charlton E. Battle, jr.	Thomas S. King, 2d.
Robert M. Griffin.	Scott D. McCaughey.
Robert H. Skelton.	Frank Loftin.
Alfred G. Zimermann.	George B. Ashe.
Roger W. Paine.	John C. Thom.
Delavan B. Downer.	Ralph F. Wood.
Oliver L. Wolfard.	Ames Loder.
Ellis S. Stone.	John W. Reeves, jr.
Harry L. Merring.	Robert P. Hinrichs.
Francis S. Craven.	Elliott B. Nixon.
Lybrand P. Smith.	Sherwood Picking.
William D. Chandler, jr.	George A. Rood.
Harry W. Hill.	Pat Buchanan.
Bernhard H. Bieri.	John W. McClaran.
Oscar C. Badger.	Carlos A. Bailey.
James C. Byrnes, jr.	Wells E. Goodhue.
Robert K. Awtrey.	Wallace B. Phillips.
Howard S. Jeans.	Frederick L. Riefkohl.
Edward W. Hanson.	John W. Gates.
Daniel J. Callaghan.	William C. Barnes.
Frank J. Lowry.	Van Leer Kirkman, jr.
Thomas Baxter.	Harry D. McHenry.
Walter A. Riedel.	Alfred S. Wolfe.
Edgar R. McClung.	Richard S. Field.
John H. Magruder, jr.	Robert P. Molten, jr.
Lewis W. Comstock.	Jay K. Esler.
Thomas S. McCloy.	George D. Murray.
Lyell St. L. Pamperin.	Harry R. Bogusch.
Frank C. McCord.	Robert H. English.

The following-named lieutenant commanders to be commanders in the Navy from the 30th day of June, 1931:

Oliver M. Read.	William M. Quigley.
George J. McMillin.	Calvin H. Cobb.
Howard F. Kingman.	Robert B. Simons.
James G. B. Gromer.	

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of July, 1931:

Donald C. Godwin.
Howard D. Bode.

Lieut. Commander Richard H. Booth to be a commander in the Navy from the 1st day of August, 1931.

Lieut. Commander Robert M. Hinckley to be a commander in the Navy from the 1st day of September, 1931.

Lieut. Commander Charles H. McMorris to be a commander in the Navy from the 1st day of October, 1931.

Lieut. Commander Guysbert B. Vroom to be a commander in the Navy from the 4th day of June, 1931.

The following-named medical directors to be medical directors in the Navy, with the rank of rear admiral, from the 7th day of December, 1926:

James F. Leys.
Charles P. Kindleberger.

The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, from the 22d day of January, 1931:

Myron C. Baker.
Howard F. Lawrence.
Ernest W. Brown.

Medical Inspector Harry H. Lane to be a medical director in the Navy, with the rank of captain, from the 1st day of June, 1931.

The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, from the 1st day of December, 1931:

Ralph W. McDowell.
George C. Thomas.
Alfred L. Clifton.
Lucius W. Johnson.
George F. Cottle.
William L. Mann, jr.
John G. Ziegler.

The following-named pay inspectors to be pay directors in the Navy, with the rank of captain, from the 1st day of July, 1929:

Charles E. Parsons.
Robert K. Van Mater.

Professor of Mathematics Theodore W. Johnson to be a professor of mathematics in the Navy, with the rank of captain, from the 1st day of August, 1931.

Naval Constructor James O. Gawne to be a naval constructor in the Navy, with the rank of captain, from the 11th day of May, 1930.

The following-named civil engineers to be civil engineers in the Navy, with the rank of captain, from the 1st day of May, 1931:

Norman M. Smith.
Glenn S. Burrell.
Ralph Whitman.

MARINE CORPS

Col. Frederic L. Bradman to be a brigadier general in the Marine Corps from the 20th day of May, 1931.

Lieut. Col. Percy F. Archer, assistant quartermaster, to be an assistant quartermaster in the Marine Corps with the rank of colonel from the 30th day of January, 1931.

Lieut. Col. Seth Williams, assistant quartermaster, to be an assistant quartermaster in the Marine Corps with the rank of colonel from the 20th day of May, 1931.

Lieut. Col. Gerard M. Kincade to be a colonel in the Marine Corps from the 1st day of July, 1931.

Lieut. Col. Jesse F. Dyer to be a colonel in the Marine Corps from the 1st day of September, 1931.

Lieut. Col. James J. Meade to be a colonel in the Marine Corps from the 1st day of October, 1931.

Maj. William W. Buckley to be a lieutenant colonel in the Marine Corps from the 1st day of December, 1930.

Maj. William D. Smith to be a lieutenant colonel in the Marine Corps from the 30th day of January, 1931.

Maj. Harold B. Pratt to be a lieutenant colonel in the Marine Corps from the 20th day of May, 1931.

Maj. Randolph Coyle to be a lieutenant colonel in the Marine Corps from the 1st day of July, 1931.

Maj. Philip H. Torrey to be a lieutenant colonel in the Marine Corps from the 1st day of September, 1931.

Maj. Robert L. Denig to be a lieutenant colonel in the Marine Corps from the 1st day of October, 1931.

Maj. Charles F. B. Price to be a lieutenant colonel in the Marine Corps from the 29th day of October, 1931.

Capt. Thad T. Taylor to be a major in the Marine Corps from the 30th day of June, 1930.

Capt. James M. Bain to be a major in the Marine Corps from the 30th day of January, 1931.

The following-named captains to be captains in the Marine Corps to correct the dates from which they take rank as previously nominated and confirmed:

Moses J. Gould from the 1st day of September, 1930.
George R. Rowan from the 29th day of September, 1930.
Richard H. Schubert from the 1st day of October, 1930.

First Lieut. George W. Walker to be a captain in the Marine Corps from the 2d day of September, 1930.

First Lieut. Theodore H. Cartwright to be a captain in the Marine Corps from the 1st day of October, 1930.

First Lieut. William J. Whaling to be a captain in the Marine Corps from the 1st day of December, 1930.

First Lieut. Herman H. Hanneken to be a captain in the Marine Corps from the 1st day of December, 1930.

First Lieut. Daniel R. Fox to be a captain in the Marine Corps from the 24th day of December, 1930.

First Lieut. William Ulrich to be a captain in the Marine Corps from the 1st day of January, 1931.

First Lieut. Ralph W. Culpepper to be a captain in the Marine Corps from the 1st day of January, 1931.

The following-named first lieutenants to be first lieutenants in the Marine Corps to correct the dates from which they take rank as previously nominated and confirmed:

Walter I. Jordan from the 2d day of April, 1930.
Arthur W. Ellis from the 10th day of April, 1930.
Edwin C. Ferguson from the 19th day of April, 1930.
Homer L. Litzenberg, jr., from the 30th day of April, 1930.
Wilburt S. Brown from the 12th day of May, 1930.
Theodore B. Millard from the 1st day of June, 1930.
Floyd A. Stephenson from the 29th day of June, 1930.
Albert L. Gardner from the 30th day of June, 1930.
Samuel S. Ballentine from the 1st day of July, 1930.
James P. S. Devereux from the 9th day of July, 1930.
Edward J. Trumble from the 1st day of August, 1930.
Martin S. Rahiser from the 1st day of September, 1930.
Frank J. Uhlig from the 2d day of September, 1930.
Adolph Zuber from the 16th day of September, 1930.
Robert E. Hogaboom from the 29th day of September, 1930.
James Snedeker from the 1st day of October, 1930.
John D. Blanchard from the 12th day of October, 1930.
John N. Hart from the 1st day of November, 1930.
Lionel C. Goudeau from the 2d day of November, 1930.
Hawley C. Waterman from the 1st day of December, 1930.

Second Lieut. James O. Brauer to be a first lieutenant in the Marine Corps from the 24th day of December, 1930.

Second Lieut. Thomas C. Green to be a first lieutenant in the Marine Corps from the 31st day of December, 1930.

Second Lieut. Andrew J. Mathiesen to be a first lieutenant in the Marine Corps from the 1st day of January, 1931.

Second Lieut. Joseph C. Burger to be a first lieutenant in the Marine Corps from the 1st day of January, 1931.

Second Lieut. David L. Cloud, jr., to be a first lieutenant in the Marine Corps from the 1st day of January, 1931.

Second Lieut. Calvin R. Freeman to be a first lieutenant in the Marine Corps from the 7th day of January, 1931.

Second Lieut. Francis J. Cunningham to be a first lieutenant in the Marine Corps from the 30th day of January, 1931.

Second Lieut. Verne J. McCaul to be a first lieutenant in the Marine Corps from the 1st day of February, 1931.

Second Lieut. Leslie F. Narum to be a first lieutenant in the Marine Corps from the 1st day of February, 1931.

Second Lieut. Ion M. Bethel to be a first lieutenant in the Marine Corps from the 18th day of February, 1931.

Second Lieut. John F. Hough to be a first lieutenant in the Marine Corps from the 1st day of March, 1931.

Second Lieut. Robert L. Griffin, jr., to be a first lieutenant in the Marine Corps from the 1st day of March, 1931.

Second Lieut. Glenn M. Britt to be a first lieutenant in the Marine Corps from the 1st day of April, 1931.

Second Lieut. Archie V. Gerard to be a first lieutenant in the Marine Corps from the 12th day of April, 1931.

Second Lieut. Edward L. Pugh to be a first lieutenant in the Marine Corps from the 20th day of May, 1931.

Second Lieut. William M. O'Brien to be a first lieutenant in the Marine Corps from the 1st day of June, 1931.

Second Lieut. Lawrence Norman to be a first lieutenant in the Marine Corps from the 7th day of June, 1931.

Second Lieut. Granville K. Frisbie to be a first lieutenant in the Marine Corps from the 15th day of June, 1931.

Second Lieut. Earl H. Phillips to be a first lieutenant in the Marine Corps from the 20th day of June, 1931.

Second Lieut. Paul A. Putnam to be a first lieutenant in the Marine Corps from the 25th day of June, 1931.

Second Lieut. Matthew C. Horner to be a first lieutenant in the Marine Corps from the 1st day of July, 1931.

Second Lieut. James M. Ranck, jr., to be a first lieutenant in the Marine Corps from the 1st day of July, 1931.

Second Lieut. Presley M. Rixey, 3d, to be a first lieutenant in the Marine Corps from the 25th day of July, 1931.

Second Lieut. Lee N. Utz to be a first lieutenant in the Marine Corps from the 31st day of July, 1931.

Corpl. Richard W. Hayward, a noncommissioned officer of the Marine Corps, to be a second lieutenant in the Marine Corps, probationary for two years, from the 10th day of February, 1931.

The following-named midshipmen to be second lieutenants in the Marine Corps from the 4th day of June, 1931:

Austin R. Brunelli.	John A. White.
Lewis C. Hudson, jr.	Samuel G. Taxis.
Edmund B. Games.	Edward J. Dillon.
Albert J. Keller.	Harold I. Larson.
Luther S. Moore.	Clifton R. Moss.
Harry S. Leon.	Bankson T. Holcomb, jr.
Nelson K. Brown.	Frederick L. Wieseman.
Charles R. Jones.	Robert S. Brown.
Clifford H. Shuey.	Harlan C. Cooper.
Wayne H. Adams.	Robert E. Fojt.
John H. Cook, jr.	William K. Pottinger.
Edward H. Forney, jr.	Billy W. King.

James H. Brower, a citizen of New York, to be a second lieutenant in the Marine Corps, probationary for two years, from the 11th day of June, 1931.

George R. Shell, a citizen of Virginia, to be a second lieutenant in the Marine Corps, probationary for two years, from the 11th day of June, 1931.

Quartermaster Clerk Joseph C. Brochek to be a chief quartermaster clerk in the Marine Corps, to rank with but after second lieutenant, from the 27th day of May, 1930.

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 14, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. J. Shera Montgomery, D. D., offered the following prayer:

We beseech Thee, O Lord our God, for that which we need. We pray Thee that Thou wilt grant that the cause of justice and peace may prevail among all nations. May all disturbances which tend to break into war be succumbed. May nation join nation until at last there shall be concord in all the earth. Send forth Thy light and drive farther and farther away the darkness of suffering and the tragedy of cruelty. We thank Thee, our Father, that Thou hast not sent upon us the frowns of anger, but Thou hast been revealed unto us as an all-loving Father through the Master of Sorrows. Within His realm there is warmth and hope and cheer and blessing. Breathe upon us, O Christ of God. Amen.

The Journal of the proceedings of Friday, December 11, 1931, was read and approved.

MESSAGE FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 39. Joint resolution extending the time within which the War Policies Commission is required to submit its final report.

The message also announced that the Vice President had appointed Mr. COUZENS and Mr. SMITH members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Federal Radio Commission.

EXTENSION OF REMARKS

Mr. GLOVER. Mr. Speaker, I hold in my hand some poetry on George Washington, recently composed by a distinguished educator who lives in my county and town. I think it will be a wonderful contribution to the bicentennial celebration.

I ask unanimous consent to extend my remarks in the RECORD to include this poetry.

Mr. UNDERHILL. Mr. Speaker, I object.

PERMISSION TO COMMITTEE ON WAYS AND MEANS TO SIT DURING SESSIONS OF THE HOUSE

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have the privilege of being in session while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question? I am not going to object.

Mr. COLLIER. I yield.

Mr. SNELL. Can the gentleman give the House and the country any indication as to when he expects the moratorium resolution to come forward for the House to act upon?

Mr. COLLIER. I will be glad to do so. I have just dropped the moratorium resolution in the basket, and it is expected to hold hearings on that resolution before the Committee on Ways and Means at 2 o'clock to-morrow.

Mr. SNELL. When does the gentleman expect it to come on the floor of the House?

Mr. COLLIER. I hope we will be able to get it up on the floor of the House by Thursday.

Mr. RANKIN. Reserving the right to object, does the gentleman from Mississippi mean that that is all the investigation which this question is going to receive before the Ways and Means Committee?

Mr. COLLIER. I may say to my colleague from Mississippi that we expect to begin hearings to-morrow. If there is anyone who desires to be heard, he certainly will not be precluded from having a hearing. How long the hearings will continue I am unable to state definitely at this time. I have just stated to the gentleman from New York that my hope is that we may conclude the hearings in two days.

Mr. RANKIN. I, for one, should like very much to be heard.

Mr. COLLIER. The gentleman will certainly be given an opportunity.

Mr. RANKIN. I have a resolution that is now before the Rules Committee asking that we go into this thing thoroughly and investigate it thoroughly. My opinion is that when we do the moratorium resolution will never pass this House.

The facts developed relative to this so-called moratorium on foreign debts to the United States reveal one of the boldest schemes of financial buccaneering ever attempted against the unsuspecting people of the United States.

The international bankers who are behind this scheme have been telling the American people that unless this moratorium were granted our debtors would default on their payments. The truth is that these payments have already been made, or deposited in the New York banks, to be turned over to the American Government. Especially is that true as to England, France, and Italy. They are the only three nations involved to whom Germany owes anything. None of them asked for this moratorium. It has been contended that the object of it is to help Germany, indirectly, although Germany has recently loaned $800,000,000 to red Russia.

As to the other eight nations involved, none of whom asked for this moratorium, it is now shown that Germany does not owe them one cent. But they all do owe these international bankers who are back of this movement.

In his frantic efforts to pull the administration out of the hole in which it now finds itself, Ogden L. Mills, Wall Street's representative in the Treasury Department, says:

> There has never at any time been any intention of coupling the President's approval to re-create the World War Foreign Debt Commission with the proposal for a one year's suspension of payments on foreign debts.

Then why did he ask for the re-creation of the World War Foreign Debt Commission? There can be but one answer. It was to scale down, reduce, or cancel these foreign debts to the United States and unload the burden of paying them onto the American people.

This money, now deposited in New York to be turned over to the United States in settlement of these debt payments, will not be returned to Europe if this moratorium goes through. It will simply be transferred to these international bankers, who are urging Congress to act before it has ample time to investigate.

If the Ways and Means Committee of the House and the Finance Committee of the Senate will take their time and investigate this question thoroughly in the light of these recent revelations, in my humble opinion, there will not be enough Members in either House to favor it to secure a roll call.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. COLLIER]?

There was no objection.

MEMBERSHIP OF COMMITTEES OF THE HOUSE

Mr. RAINEY. Mr. Speaker, I offer a resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 54

Resolved, That during the Seventy-second Congress the Committees on the Judiciary, on Interstate and Foreign Commerce, on Agriculture, and on Rivers and Harbors shall each be composed of 23 members.

The resolution was agreed to.

THE PRESIDENT'S MESSAGE

Mr. RAINEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message, with Mr. LOZIER in the chair.

Mr. PURNELL. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL.]

Mr. UNDERHILL. Mr. Chairman, if I were not jealous of the reputation of this body I would not detain you for even five minutes.

A speech was made on the floor of the House on Friday last which has had considerable publicity, and, I suppose, that was the purpose of the speech; but there was nothing constructive in the speech, and the only good feature was the apology which followed its delivery.

I shall pass over the complimentary reference to the lady Members of the House and the insult offered to the men of this House, or possibly to some charming old ladies, to whom we were compared; but I want to address myself particularly to the following, speaking of the gentleman from Ohio [Mr. COOPER]:

> He is not that type of a dry who goes to the wash room, takes a drink of liquor, and then goes back on the floor and votes dry. He is honest. There are a few of that type left.

Mr. Chairman, the gentleman has been a Member of this body sitting here for five legislative days. I do not recall that there were any wet or dry votes during that time, and yet the gentleman makes a statement of which he has no knowledge and which is a reflection on every Member of this House, wet or dry.

I ask the Members of the House, those who have been associated with me for the last 12 years, whether they know of instances where any of the Members retired to the cloakroom or retired to the wash room to take a drink before a vote was to be taken on any subject. He has designated each and every one of us either as toters of flasks or else intimated that there is a plentiful supply of liquor on hand in the wash room.

Now, Mr. Chairman, after he has been here as long as I have he will begin to appreciate that the men in the House are not as he designates them later, namely, hypocrites, but are honestly and earnestly backing the propositions which appeal to them. I have never heard a wet or a dry in this House impugn the integrity or honesty of any man on the other side of the question. [Applause.]

The greatest evil that has come from the eighteenth amendment is the defeat of many of our former Members, both wet and dry, whose services to their country were of the greatest value, and I deplore that feature of the eighteenth amendment more than all of the other evils it has brought, and the good it has done has been offset because the Nation has been deprived of the services of many very able statesmen.

I say that if this is allowed to go on, and the new Members of the House rise in their places and repeat the canards and falsehoods spread through the land by the sensational press, they will befoul their own nests and, furthermore, they will bring discredit upon this great body, which is the only constitutional body we have at present for the passing of our laws. [Applause.]

So, Mr. Chairman, more in sorrow than in anger, I chide this Member for rushing on the floor in his first five days of service, criticizing the Speaker for his inability to keep order, likening the Members to old women, and casting a reflection upon 90 per cent of the Members of this House, when he says they retire to the cloakroom before a vote is taken on a measure in order to fortify their courage with some of the Dutch product.

Mr. Chairman, it ill becomes a Member of this body to make any such statements when they are absolutely and entirely without foundation. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. BECK]. [Applause.]

Mr. BECK. Mr. Chairman and my fellow Members of the committee, the course of last week's debate must be somewhat disconcerting to any thoughtful man. The wide variety of subjects that were discussed gave little indication of a unity of purpose, which should characterize the Congress of the United States in one of the gravest crises of all history, and, in the second place, the shadow boxing of political polemics, which also marked that debate, gave little ground for encouragement that in this supreme crisis of civilization there will be any disposition, such as there should be, to subordinate questions of mere party politics to the great task, to which, under the providence of God, this Nation seems to be destined in the critical years that are ahead of us.

If I may commence with some good-natured raillery, I would say that even from the standpoint of entertainment the debate also proved somewhat disappointing. I never saw such impenetrable gloom as fell upon the majority after the speech of the gentleman from Alabama [Mr. HUDDLESTON]. The trouble was a lack of efficient stage management. If the distinguished leader of the majority, in staging his show, had consulted his colleague from New York [Mr. BLOOM], he would have known that in any well-regulated performance it is always desirable to commence in a lighter vein and then have a crescendo of interest until the great climax is sought to be attained. But in this case, with the first rising of the curtain, there was discovered the heavy tragedian of the Democratic Party. [Applause.] It was as though the play of Hamlet with the rising of the curtain disclosed the melancholy Dane and that the first words of the immortal tragedy were:

> The time is out of joint, oh cursed spite!
> That ever I was born to set it right.

Even Shakespeake's masterpiece could not have survived such "bad theater," to use a theatrical phrase. [Laughter and applause.]

Had our distinguished colleague, Mr. RAINEY, as the impresario, commenced with our witty colleague from New York [Mr. BLACK], and then as a preliminary to the rather tragical speech of Mr. HUDDLESTON had next brought on that admirable example of melodramatic politics, with which his colleague from Alabama [Mr. BANKHEAD] entertained the House, then there would have been the preliminary ground for the final act of the show on that sad first day. Let me say as to the speech of Mr. HUDDLESTON, that if it were designed—and I hesitate to think it was so designed—as an appeal to class passion and to "play politics with human misery," then it was very admirably adapted to that purpose. That could be its only effect, however far it may have been from the purpose of the distinguished Representative from Alabama. It is therefore gratifying to know that when the next day I sought for the speech—which I only had heard in part—in the RECORD, I failed to find it, and day after day I looked for the full text of the magnum opus but in vain, until on Friday I found that either by the volition of the Member from Alabama or possibly by the wise counsel of his colleagues on the majority side, the speech had found its final resting place in that part of the RECORD, the Appendix, where it would be least likely to be read. That reminds me of a story. When King Edward had an operation for appendicitis—and at his time of life the operation was fraught with danger—and when the crisis was successfully passed, there were thanksgiving services in nearly every church in England, and in one of them the pastor, desiring to announce a hymn that by a chance had been printed in the supplement to the hymn book, announced it in this way, "We will now sing 'Peace, Perfect Peace,' in the appendix." [Laughter.] And thus this fiery appeal, as it must inevitably be regarded, to class passion has had its perfect peace in the Appendix, and there may it rest forever. [Laughter.]

In a very different spirit than that of mere partisanship the present Congress should approach its grave duties. This Congress will be one of the most critical in the history of our Government. It approaches far graver tasks than those with which many previous sessions of this body have been confronted.

If 75 years from now an historian attempted to view in retrospect the first 2,000 years of Christian history, I think he would say that it was characterized by four major catastrophies that dwarf all others. The first, the fall of the Roman Empire, which required eight centuries before Europe was again restored to an appearance of stability and order. The second was the Thirty Years' War, which required a full century before civilization was again enabled to resume its normal functions. The third, the period of the Napoleonic wars, lasted some 20 years, and although we sometimes think that Europe was quickly restored, as a matter of fact it was more than a half century before there was any normalcy, to use President Harding's phrase, in Europe. As a matter of fact, following the Napoleonic wars came the revolutions of 1830 that swept through Europe, and the far greater upheaval of 1848.

The fourth of these major catastrophies since the birth of Christ is the World War with the attendant crisis through which civilization is now passing. The present economic collapse is the inevitable aftermath of the greatest war in history. In its implications upon all forms of government it is more serious than the World War itself.

The World War was a majestic struggle, physical and moral, between great nations, but this economic crisis is a deadly paralysis that is attacking all civilization, and the end of it no one can safely predict.

Certainly, with nations dissolving in disorder and ruin, with 18 nations having defaulted upon their national obligations, with 15 nations abandoning the gold standard, with the fires of revolution springing up everywhere, so that revolution succeeds revolution, almost treading upon each other's heels, it can not be gravely questioned by any thinking man that the world at the moment is in a far graver condition than it was when Europe shook under the thunder of millions of men in the terrible years of 1914–1918.

The thought that it seems to me should be uppermost in the minds of the Congress is that the one Nation that can possibly stabilize—and it will be the work of many years—a distracted and disorganized civilization is our own.

If we can not afford hope to the world, then, seemingly, there is no hope.

We were, in our great epic beginnings, in a sense the liberator of mankind, in that we gave those liberal ideas which, until the World War, so largely influenced the affairs of men. We were in a sense the pacificator of the world when we put out in 1918, by the valor of our armies, the mighty conflagration which threatened to destroy all Europe; but now a far graver task awaits us—that of being something more than either liberator or pacificator. The task awaits us that by wise statesmanship, unless western civilization is to perish, we must do our part in stabilizing a completely disorganized economic civilization.

I remember once talking with Lloyd George, and he made a remark to me that I shall never forget. He said, "Mr. BECK, Europe could have stood three years of the war and recovered. The fourth year was fatal." And it may be that the future will vindicate that rather tragic prophecy of that statesman who, if he is not always profound, has yet a very brilliant and acute intellect; at all events, it is a serious question whether or not western civilization, so far at least as it is represented by that European civilization of which we are a part, although a distant part, will survive the tragic consequences of the greatest war in history.

This leads me to a question, to which I challenge the very earnest consideration of the House: How is the United States to render the great part which, apparently, the God of nations intended it to play in this great crisis? We can do so, in my judgment, only if in the matter of foreign affairs we stand by the President. Please observe that I say "the President," and I am saying this as a friendly admonition to the gentlemen on the Democratic side of the aisle. You have a confidence, and it may be a confidence justified under present conditions, that the next President of the United States will be of your party. A great deal may happen between now and the ides of November, and I will not put my speech on a political plane by discussing how far your confidence is justified or otherwise; but I do agree, and I think it is an undoubted fact, that your party has to-day a possibility of electing the next President, which everyone must take into consideration. Therefore my plea is not for the present President of the United States, but for the President of the United States, whether he be as now a Republican or in a few years from now a Democrat. There can be no real influence of America in world affairs unless in the matter of international relations there be a generous support of the President of the United States, whether Republican or Democrat, in that which he sees fit to do in attempting to have this country play its destined part in international relations upon this wide and universal theater of man.

That is quite in accord with our constitutional form of government.

I was somewhat surprised that so eminent a lawyer as my friend from Texas, Judge SUMNERS, should have raised this question of constitutional power in his speech of last Friday, and while I am not going to discuss that at any length, because I understand my colleague from Massachusetts [Mr. LUCE] intends to reply to the soundness of Judge SUMNER'S argument, I want very briefly to suggest to the House this fact in American history. Prior to the Constitution of the United States there was no Executive, and all foreign relations were the exclusive prerogative of the Continental Congress, and, as a result, we had easily the worst conduct of foreign relations in our history, and all that saved this country from pitiful disaster in its War for Independence was the fact that we had in Paris a wise and great statesman and diplomat in the person of Benjamin Franklin. Without Franklin our foreign policy would have been

one of extreme ineptitude and folly. That was recognized by the framers of the Constitution, and while in the Constitution they said little textually with respect to the powers of the President in foreign affairs, yet when they said, not merely that he should negotiate treaties by and with the consent of the Senate, not only that he was to appoint our ambassadors and receive foreign ambassadors and ministers, and thus be the appropriate organ of communication with foreign lands, but, far more, when the Constitution vested the "Executive power" in a President of the United States it conferred a great power.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield for a question?

Mr. BECK. I would gladly be interrupted a little later, if the gentleman will pardon me, for if I once lose the thread of what I am saying, I might find difficulty in picking it up again. I don't want to be discourteous to the gentleman.

Mr. SUMNERS of Texas. Oh, not at all.

Mr. BECK. I would rather not yield at present.

The Executive power was the biggest grant of power in two words in all the Constitution, and it can only be explained by reference to the Executive power as it existed at that time. At all events, from the very beginning of the country, the practical interpretation of the Constitution—for the Constitution itself was but a working plan, the superstructure of which successive generations had to build on the ground plan of the great architects—the practical construction of the Constitution has been that, subject only to the clause that a treaty which permanently commits the Unted States to a policy must have the consent of two-thirds of the Senate, and that no war can be declared unless the whole Congress shall support such a declaration—with those exceptions the practical administration of the Government has been, and wisely been, that the President, by virtue of the executive power, is the appropriate organ to confer with foreign nations governing their relations with us. Washington himself set the precedent, because when the Jay treaty came back to America and there was a storm of dissent, Washington was asked by this House to submit to it all the communications that had passed between him and the British Government, and Washington, in a message to this House, which I have not the time to read, but which I shall venture to incorporate in my remarks, made, as I recall, the one reference that he ever made to his great participancy in the Constitutional Convention, and said in substance that he declined to submit such papers, as he knew, as a member of the Constitutional Convention, that the executive power clothed the President with the power to negotiate and conduct our foreign relations.

He said in this message of March 30, 1796:

* * * Having been a member of the general convention and knowing the principles on which the Constitution was formed, I have ever entertained but one opinion on this subject; and from the first establishment of the Government to this moment my conduct has exemplified that opinion—that the power of making treaties is exclusively vested in the President, by and with the advice and consent of the Senate, provided two-thirds of the Senators present concur; and that every treaty so made and promulgated thenceforward became the law of the land. It is thus that the treaty-making power has been understood by foreign nations, and in all the treaties made with them we have declared and they have believed that, when ratified by the President, with the advice and consent of the Senate, they become obligatory. In this construction of the Constitution every House of Representatives has heretofore acquiesced, and until the present time not a doubt or suspicion has appeared, to my knowledge, that this construction was not the true one. Nay, they have more than acquiesced; for till now, without controverting the obligation of such treaties, they have made all the requisite provisions for carrying them into effect.

He concluded:

As, therefore, it is perfectly clear to my understanding that the assent of the House of Representatives is not necessary to the validity of a treaty, as the treaty with Great Britain exhibits in itself all the objects requiring legislative provision, and on these the papers called for can throw no light, and as it is essential to the due administration of the Government that the boundaries fixed by the Constitution between the different departments should be preserved, a just regard to the Constitution and to the duty of my office, under all the circumstances of this case, forbids a compliance with your request.

His right to refuse to submit his confidential negotiations with foreign nations assumed his right to conduct them. It is a very interesting fact, and one that we may have occasion to remember hereafter, if we do not now support the President in his attempt to extricate America and, indeed, all civilization from the morass of disaster in which it now finds itself, that when the American people at first distrusted any President in his conduct of foreign relations, they afterwards found in most instances that the President was right, and that they in their temporary opinion with only partial knowledge of affairs, were wrong. The Jay treaty came back to America, and a perfect storm of dissent was raised, and it is humiliating to me to recall that in my own city of Philadelphia a thousand men hooted George Washington to his dwelling place because of his espousal of the Jay treaty. Yet when the storm had passed away the surpassing wisdom of the Jay treaty in saving our country from a war with England in our infancy was beyond any question.

Again, when Jefferson acquired Louisiana, he told his commissioner to buy it for $15,000,000, and there was then a storm of dissent, not merely as to the policy of taking that great trans-Mississippi region but also as to the power of the President to negotiate for the purchase, and yet the gentlemen on the Democratic side, who represent great sovereign States that were carved out of the Louisiana Purchase, must recognize to-day that Jefferson, in what was a crisis for continental America, was right. When France would not pay the French spoliation claims, Jackson issued a declaration so aggressive and militant that its only justification was the unwillingness of France to pay what she had agreed to pay. France withdrew her ambassador, and we in turn dismissed her ambassador; but when the storm had died down again the policy of the President had its ample vindication in final results. France paid.

Lincoln was criticized and his policy doubted when he acquiesced in the return of Mason and Slidell to the British Government, and yet we know now that but for the wisdom of Lincoln overruling Seward we might have found ourselves in a serious situation. Let it also not be forgotten that one factor in the peaceful solution of this controversy was the forebearance and generosity of the Prince Consort of England, whose dying act was to prevent such a message from Lord John Russell as would have inevitably meant a war with the Union at a time when we were incapable of defending ourselves because we were in the midst of a civil war. The wisdom of Lincoln was again justified.

Perhaps one thought may have arisen in the minds of the gentlemen on the majority side of the aisle. They will say, "Did the Republican Members of Congress support Mr. Wilson in the matter of the League of Nations?" That is a fair challenge. Let me, therefore, briefly speak upon that point. There were many of us, and I was one, who did question the policy of Mr. Wilson during the two and one-half years when he was committed to a policy of neutrality. I believed then, and I believe now, that had we gone into the war after the sinking of the *Lusitania*, not only would we have saved civilization but we would have saved many human lives and an immense loss of property, because at that time Russia had not crumbled, and our entry into the war would have been the beginning of the end. But from the moment that President Wilson gave to the Congress of the United States his immortal declaration of purpose to declare war there never was among the Republican Members of Congress the slightest hesitation, but in the most ungrudging way, as testimony was given in the debate last week, we supported the President to the limit. [Applause.] If it be to the immortal glory of Woodrow Wilson that he led this country successfully into the greatest war in history, and proved its determining factor, he would be grudging, indeed, and wanting in generosity if he did not recognize the cordial cooperation of the Republican Party. Then all were for the state and none for party.

Two things unhappily followed. First, our reward was for President Wilson, when there was this moratorium on politics, to issue a call demanding the return of a Democratic

Congress; and we would have taken the blow on both cheeks if, with such challenge to party spirit at the very time when we had subordinated party spirit, we had not taken up the challenge.

But even then we supported the President in every war measure until his proposal to implicate us permanently in the entangling relations of Europe by participation in the League of Nations. Let it not be forgotten that when he attempted that he not only knew that more than one-third of the Senate had said they would never consent to such a treaty, but when he came back from Paris and made his first speech in this country he arrogantly said to the American people and the Congress of the United States that he had so interwoven the League of Nations covenant with the peace treaty that we no longer had any power of opposition or resistance and had to take his proposal that we should be a permanent part of European politics, because the only alternative was a continuance of the war. Nevertheless, we did not support the President in the matter of the League of Nations. There were many patriotic Democrats who supported us in that stand, and certainly the people of the country sustained the Republican Party by an overwhelming majority. Their decision was a just one, for the last 11 years have indubitably shown that America can play a far greater, a more beneficent part in the tangled affairs of civilization by remaining outside of the League of Nations and as each recurring crisis arrives decide what it can do as its contribution to civilization than if she had sent a representative to Geneva and asked that the faith and power and credit of the United States should be compromised by every little quarrel that might arise. [Applause.]

All of our history has demonstrated the practical wisdom of our recognizing that the President, in matters of foreign affairs, has a peculiar function, and that without that function there could be no unity in the foreign policy of the Government, and that without such unity of purpose our ship of state would drift upon the great ocean of world politics without chart or compass.

Some of you may recall from more than one of my modest addresses on the floor of this House that I have never been one of those who believed in the aggrandizement of the President. I have at times differed from him in some of his domestic policies. I believe there has been an unhealthy accretion of power in the Executive under the administrations of both parties. In the matter of domestic policies it is not only our privilege to differ with him, but it is our solemn duty, because the Constitution made the Congress of the United States the great council of the Republic. [Applause.] We determine the policies of the Nation with respect to internal affairs and we determine the methods by which such policies shall be carried out, and the President is but the first servant of the state in executing the will of Congress. But it is not so with foreign affairs, except to the extent I have indicated, that a treaty must be ratified by the Senate and that only war can be declared by Congress. With that exception, if the Republic is to play the part that George Washington intended, if it is to afford to all mankind, using the words of his farewell address, "the great and too novel experiment of a nation always guided by exalted benevolence and justice," whether the original text of the Constitution expressly so provides in words or not, there must be an institutional policy of the Congress that in matters of foreign affairs it will support the President of the United States, except where there may be some question of fundamental importance which would affect the whole form and character of our Government.

[Here the gavel fell.]

Mr. PURNELL. I yield to the gentleman from Pennsylvania 10 additional minutes.

Mr. BECK. I am like a man trying to jump over a hill. I have taken too much time in the preliminary run, because I want to apply that which I have been saying in general to the question of the debts. Of course, that is the particular application of the moment, but I am afraid I shall have too little time and possibly must ask some further occasion adequately to express my views on that serious question. To make the application briefly, to be expanded later, we are told that when the President of the United States, having informally taken the judgment of a large majority of the Senate and the House, proposed a moratorium for one short, fleeting year—and that moratorium of such importance that if it had not been granted, there would have been a crash in the financial world that would have overwhelmed not merely the peoples of Europe but the people of this country in far worse disaster than it is in even now—I say to charge that when he did that he in some way was wanting in due recognition of the limitations and functions of his great office is incorrect, and I deny it.

How could the President, in view of the economic crisis that was presented to him, do otherwise than confer with foreign powers to see whether they would be disposed to temporarily forbear pressing their debtors if we showed a like forbearance to them? He said it was to be subject to the approval of Congress, and maybe technically he was required to do so; but the fact remains that with scrupulous regard for the constitutional proprieties he proposed the moratorium, and his wise action is now assailed.

In doing so, undoubtedly, he was only proposing a temporary palliative. In the beginning of my speech I considered, with design, the long periods of time that were requisite to recover from the three great preceding catastrophes of civilization, because, in my judgment, the man is not living in this Chamber who will see the ultimate results of the economic crisis which the destructive World War has inflicted upon humanity. Therefore, we must build ahead and must consider what can be done to lift the cloud from the economic world and pull civilization out of its present rut.

I am not in favor of canceling the debts. I think it would be unwise, from the standpoint of international credit in the indefinite future, for us to formally cancel the debts. I am not aware that our debtor nations have in any official way asked us to do so. But there is a vast difference between the canceling of debts and forbearing to press them when your debtor is in a condition of absolute helplessness in the matter of payment. Therefore, we adopted a policy worthy of President Wilson's peace policy, and it was one of the finest points of his foreign policy that at the treaty of Versailles he refused to take one inch of soil from the conquered nations or to participate in the somewhat ignoble division of territorial spoils. Following that policy, which did him and his Nation infinite credit, we adopted in the succeeding administration the policy that the debts due us should be paid to the extent of the capacity of the nations to pay.

Who is going to determine that capacity? This Congress? What facilities has it to do so? It has none. If it decided it, could it do it with any reasonable unity of purpose?

Assuming that the Congress is not bound under the Constitution by the President's action in this particular international relation, yet nevertheless the wise policy of our country is to give to him a very generous and broad discretion in determining what is, after all, a matter of detail, the question of a temporary forbearance in the payment of these debts.

We will hear a great deal on this subject, and much bitter language has already been uttered and much more bitter is probably to follow, but nevertheless let us remember this, that America can not fulfill its manifest duty unless we stand by the President. I do not know whether President Coolidge ever said it; I do not believe he did, although it was imputed to him; but he is quoted as once saying of the debt problem:

> Well, they hired the money, did they not?

Yes; they hired the money, but that is no answer. Shylock, when challenged on the validity of his bond, could have said as much to Antonio.

So it is not a question of the legal obligation of debtor nations to pay but of their moral obligation to pay if they are unable to pay, because you can not get blood out of a stone, and with nations whose industries are disorganized, whose wheels of trade are hopelessly stuck in the mire, to

take a harsh and repellant attitude toward those nations would reflect, in my judgment, lasting discredit upon this country and would be quite unworthy of that generous policy of President Wilson, to which I have already referred in the matter of territorial division of Germany's colonies. But it will be said, and I hope you will give me time for this final thought, why, all this final talk of forbearance is for the benefit of the international bankers, and we will probably have the changes rung on this subject throughout the session.

Let me tell you, what in my judgment, the situation is in respect to that. There are three classes of international bankers, so called.

The first class were wise and far-seeing men who after the end of the World War perceived that the only thing that would save the economic structure of European civilization was a transfusion of blood in the form of credit. It was exhausted, prostrate, bleeding, and almost dying. We had banks overflowing with money, and therefore these bankers did make many investments which, probably, to-day they may regret, to infuse new credit into the veins of what otherwise might prove to be a dying civilization. This is to their credit, even if it proves but another contribution of America to the salvation of the world.

In the second place, there are a number of so-called international bankers whose vision does not go much beyond the Bronx and who, with a mad idea of reaping high-interest rates, did peddle the moneys of the United States in every part of Europe, without discrimination or reason. These were generally the great banks of our leading cities, and they believed in good faith that they were acting for the advantage and profit of the stockholders of their banks and, generally, the commercial interests of the country. There was, however, a third class of private bankers who floated these foreign loans with no higher thought than the one to obtain the banker's commission and to float the securities upon the country. They have a very heavy responsibility. Some of them may have erred more in ignorance than in cunning. Some of them erred in cunning, and these adventurers, who had no higher motive than ignoble gain, are the third and least defensible class.

I can mention one international banking house, and lest I be misunderstood, it is not at Broad and Wall—that to my knowledge went through Europe literally forcing, and when I say forcing I mean pushing as one pushes a marked card, loans upon municipalities and corporations in Germany, with no thought of the future and with absolute indifference as to who should bear the loss if Germany should collapse.

These international bankers, whether they acted wisely or unwisely, whether they acted selfishly or unselfishly, represent billions of dollars that are now in the possession of the American people. If you destroy Germany's ability to repay, you will not hurt them half as much as banks, large and small, throughout the Nation, which have these securities to the tune of many billions of dollars.

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. BECK. At all events, whatever the merits or the demerits of these international bankers may have been—and how could our economic machinery function without international bankers—the fact remains, and I invite the attention of the majority of the House to it, that if this House by failure to support the President, as he attempts to pull some order out of chaos, destroys the ability either of foreign governments to pay us, when possible, their obligations, and also their minor governmental entities, like cities and business enterprises to pay us, you will have inflicted a disaster upon America to which the present crisis will compare as a spring zephyr to a cyclonic storm on the plains of Nebraska.

You can not ruin the so-called international banks without bringing irretrievable disaster upon the whole body of the American people, because we are so interlinked, economically, with banking and railroad and other instrumentalities of commerce, that if you strike a blow in one place, it will be felt from the crown of the head to the foot. Therefore you can not simply dismiss the matter by saying, "Let the international bankers take care of themselves." It is all part of one problem the national debt due us, the debts owed by business corporations and municipal subdivisions of those foreign nations to us, and all of it must be worked out in order that credit may be restored, and if credit is to be restored, it must be restored in Europe before it can ever be really restored here, because, whether we like it or not, we are a part of a situation world-wide in extent and beyond the power of any one nation to solve.

I am one of those who believe that it may become the part of wisdom, but this we must leave to the sound discretion of the President, whether he be a Republican or a Democrat, to adjust both Government and non-Government debts in a manner that will inflict the least loss to investors and more quickly and effectually restore the prosperity of the United States.

Mr. BLANTON. Will the gentleman yield?

Mr. BECK. Certainly.

Mr. BLANTON. Is the radio speech which the gentleman is to make to-night, and to which we all expect to listen with interest, to be made on the subject of supporting the President?

Mr. BECK. No.

Mr. BLANTON. I understood that the gentleman was to speak to-night in behalf of the American Taxpayers' League or under its auspices.

Mr. BECK. That is right.

Mr. BLANTON. Are the subjects interrelated?

Mr. BECK. No; there is no connection between what I shall say to-night and what I am trying, ineffectually, to say here.

Mr. BLANTON. But the question of standing by the President in this instance does relate to taxation.

Mr. BECK. Oh, no, no.

Mr. BLANTON. That must follow as a corollary.

Mr. BECK. Not at all. The question of taxation is one of the domestic problems of the United States, but I beg my friend not to interrupt me further.

Mr. BLANTON. I shall not anticipate the gentleman's speech to-night. But later I shall have something to say about the American Taxpayers' League. If money now due us is not paid, it is only by taxation that we can get money to replace it.

Mr. BECK. Mr. Chairman, I have already trespassed far too long upon the patience of the House, and in conclusion I shall say only this, that in this matter—not of canceling debt but of forbearing to press the nations that are prostrate—it is well for us to remember that the "quality of mercy is not strained." There can not be any adequate solution except by acting through the one appropriate organ that the Constitution of the United States provides. If we fail to support the President, political chaos will inevitably result and the economic structure of civilization may fall into cureless ruin. If the President of the United States, with his knowledge as President of conditions in Europe—and I am not referring to him personally but to the exceptional knowledge which any President has and which Congress can not have—pulls one way and we pull another, and we deny to him that just and generous discretion in the arduous and almost impossible task that confronts him and will confront his successor, then the world will regard this Nation as having little of that unity of purpose or that effectiveness that is proportioned to the magnitude of its potential resources. So I plead with you, let us subordinate politics in this matter of international relations. Let the best men of both parties say to the President, this hard-working President, who in this crisis has given his all and his best to his country, We will stand by you. He may not do the wise thing at the moment, but at least he is entitled to feel that he has the united country behind him. [Applause on Republican side.]

If he has such support, I am so convinced of the great prestige of the United States that I believe, as far as I can see into the future, whether it be 5 or 25 or 50 years, that the United States will add to all of its immeasurable contributions to the welfare of mankind the supreme glory of

having found the world in a state of wreckage and of having lifted it from that wreckage to that former plane of prosperity and well-being that preceded the World War. Ah—

> The quality of mercy is not strained;
> It droppeth as the gentle rain from heaven
> Upon the place beneath: it is twice bless'd;
> It blesseth him that gives and him that takes:
> 'Tis mightiest in the mightiest; it becomes
> The throned monarch better than his crown;
> His sceptre shows the force of temporal power,
> The attribute to awe and majesty,
> Wherein doth sit the dread and fear of kings;
> But mercy is above this sceptred sway;
> It is enthroned in the hearts of kings,
> It is an attribute to God himself.

I have quoted Shakespeare, but let me remind you of a parable which a greater Teacher once spoke, in which he likened the Kingdom of Heaven to a certain king who would take account of his servants. One was brought who owed him 10,000 talents who had not wherewith to pay, but who, falling on his knees, besought the mercy of his lord. Whereupon the king, moved by pity, forgave him the debt. But this same servant went out and found one of his fellow servants who owed him a hundred pence and, laying hands on him, demanded payment of the debt. His fellow servant fell at his feet, beseeching mercy, for he could not pay. But the first servant would not be patient, and cast his fellow servant into prison until he should pay the debt. But when the lord saw this deed he called the servant before him.

> Then his lord, after that he had called him, said unto him "O thou wicked servant, I forgave thee all that debt, because thou desiredst me:
> Shouldest not thou also have had compassion on thy fellow servant, even as I had pity on thee?"
> And his lord was wroth, and delivered him to the tormentors

And if we are true to the God of nations and the God whose providential powers have been so manifested in our own history, then we will subordinate all questions of party advantage or consideration and as one man we will fall behind the President as the leader of America in international affairs and hold up his hands in his attempt to restore a nearly destroyed civilization. [Applause on the Republican side.]

Mr. Chairman, I did promise to answer a question of the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. I am going to have two minutes of my own time, and so I will not want to ask the gentleman from Pennsylvania the question I had in mind.

Mr. RAINEY. Mr. Chairman, I yield two minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, the gentleman from Pennsylvania [Mr. BECK] has indicated that some gentleman from Massachusetts is to reply to my remarks of Friday last. At this time I shall take only a couple of minutes. May I say to the gentleman from Pennsylvania that I agree, of course, as we all do, that it is the business of the President to negotiate treaties. The answer then on that point is that this is not a treaty being considered now, otherwise the matter would not now be considered in the House. I agree with him that we ought to follow the President in all matters having to do with Executive responsibility. My reply to that observation is that the Congress of the United States has definitely declared its position in regard to these foreign debts, and by that declaration fixed the duties of the President with regard to these debts. He is the Executive but not the Government. If the President, any President, decides that to execute the will of the Congress, as expressed, would be hurtful, his duty is clear and his power ample to submit his views to Congress, take its judgment afresh, and if the Congress agree with the President, he can then proceed constitutionally in harmony with the plan and the common sense of our system of government. [Applause on Democratic side.]

I agree with the gentleman that we should support the President in his field of responsibility, and I agree that we should not be petty with regard to incidental crossings over the line. I agree that we ought not to quarrel with the President unless something fundamental is involved, but I say that when you come to deal with the revenues of a country, you are dealing with the most fundamental thing in government. He who controls the purse strings of a nation controls the nation. The wisdom of the ages has shown that it is not a proper privilege or prerogative or power of an executive. That is settled. It is so fixed in our constitutional system. The gentleman from Pennsylvania says he does not favor extending by encroachment the power of the Executive. I agree with the gentleman. I am not in favor of extending it and the public revenue either by encroachment of the Executive or by surrender of the Congress. It will not do. Experience in government has demonstrated the danger. We are not dealing with theories, we are disregarding the instruction of experience. Instead of letting this go along and establish a precedent, thus adding to further abuse, it is the solemn duty of the legislative branch of the Government to support, sustain, and defend and to hold to itself as trustee for the generations to come those constitutional powers and prerogatives which the framers of the Constitution lodged here and not with the President of the United States. [Applause on the Democratic side.]

Mr. RAINEY. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, I was deeply impressed with the histrionic manner of the gentleman from Pennsylvania [Mr. BECK], who started out with the fall of the Roman Empire and wound up with the destruction of Europe, unless we agree to the moratorioum. I shall not get into a controversy with him as to whether the fall of the Roman Empire was one of the four great catastrophes of the world, because we could spend weeks in debate here as to when it fell and where it lit, and all that sort of thing.

Let us not get mixed up on that kind of thing. The gentleman from Pennsylvania has gone back too far in order to get the soup, as the Irishman said when they offered him oxtail soup.

The gentleman said there was a pall of gloom settled over the faces of the Members on the Democratic side of the House after the gentleman from Alabama [Mr. HUDDLESTON] made his speech the other day. After the brilliant portrayal of the desperate condition of the country, of the desperate condition of nearly 10 per cent of this country being without work and without resources, and of the desperate condition of the agricultural interests and business interests of this country after 11 years of Republican rule, it was a gloom which the Democrats naturally felt, in sympathy for this country when it remembered that it had to have at least another year of that same rule. [Applause.]

The matter that gave us gloom was that matter.

Now, I want to disabuse the mind of anyone who may have any doubt about my position on this moratorium. It is already granted, and in conformity with my judgment of what was best to be done, when I was asked whether I would support it or not in June, it looked to me as though it was the proper thing to say to the President, "We will back you. You use your best judgment." And I am doing so. There is no question about my loyalty to my party when I say that I expect to vote for it. Therefore I am not to be considered as one of those who is baiting the President.

My friend from Pennsylvania also very artfully brought in the fact that President Wilson in 1918, although he had adjourned politics, asked for a Democratic House. I may remind the gentleman that in that same communication one Herbert Hoover joined. So if it was treason in President Wilson it was treason in the present President of the United States. [Applause.]

He not only did that, but he supported this heresy known as the League of Nations. Mr. Hoover was in favor of that. So we are not so far apart.

But I want to talk about some practical things. Did you know that the farms of this country are being sold every day by the institutions established by this Government and people are being driven from their homes because they are unable to make the payments that are required of them? We should do something for these people when it comes to moratoria, and I am in favor of doing something for them.

I want to know if my friends on the minority side are likewise in favor of doing something for them.

Mr. STEAGALL. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. STEAGALL. I might add in that connection that the farmers of this country are standing by their contracts and undertaking to pay all they ever contracted to pay, and they have never asked for any reduction. [Applause.]

Mr. STEVENSON. Yes. They are not asking to have it cut to 50 per cent. The farmers are entitled to some consideration as well as the Dutchmen and the Frenchmen and the Englishmen. Now, they propose to do it. We have bills before us already, coming from the administration, and they propose to create two or three more great boards at $12,000 a year, appointed by the President, to function as the Federal Farm Board has functioned and the Federal farm land banks have functioned, and all the other boards and commissions, exercising all of their authority and forgetting the man who is being sold out, when it comes to the crucial date, in front of the courthouse door. Why, gentlemen, talk about the farm business! My friend from Kansas said the other day it was because we had overproduction. If the President of the United States would require all the commissions he has appointed on everything, from the commission on Haiti up to date, to eat American wheat bread, they would have eaten the surplus before this time. [Laughter.] If he had required all of them to wear cotton underclothes, including cotton nightshirts, the cotton surplus would have been gone before this time. They would have done a great deal more good than they have done by any of their other performances. But I say to you that this matter of the appointment of boards is one which is becoming nauseous to the people of the United States, because they see so many people elevated into positions of power and trust who do not carry out their trusts. For instance, take the Federal Farm Board that was created and appointed by the President. I do not say that the law is not all right. I voted for it. But the board that was appointed was a set of incompetents, and I do not hesitate to say so.

Ladies and gentlemen, when it developed that we were going to make a big crop of cotton, their advice was to plow up and destroy every third row of cotton. I could take that board and the evidence of their operations about this question of surplus before a jury of the District of Columbia and I could get a verdict committing them to St. Elizabeths as being incompetent if the jury reflected its proper and normal conclusions. [Applause.]

That is the kind of boards we have got, and now we are offered more of them to help the people some more. I am in favor of helping the folks, but I want to know something about who is going to administer the laws this time.

Again, take the wheat business. When MrKelvie from Nebraska, who had never grown a bushel of wheat, who was one of these newspaper wheat editors, was appointed; he put all the money, or a great deal of it, into cooperatives with which he had been connected. They rigged up a lot of cooperatives to compete with the farmers' cooperatives, and instead of producer-owned cooperatives handling the wheat situation, the newspaper farmers with their cooperatives handled it, and the thing has been a complete debacle.

The other day my friend, Mr. STRONG of Kansas, talked about the tariff on wheat and the tariff we must have on it. Why, gentlemen, as a matter of fact, under the administration of this beneficent Farm Board, wheat is sold for less than the tariff on it. If you had brought a bushel of wheat in here from Canada at times you would have had to sell the wheat and pay 10 cents more on account of the tariff on it. That is what you would have done. That is the kind of a board we are getting, and the farmer has been getting it in the neck.

I submit this to you: I think we need some legislation that will amount to something, that will give some relief, that will give a little moratorium to the fellow who is tied up, who has put up everything he has and is about to be sold out. We should do all of that before we begin to give a moratorium to Europe, and I am in favor of it.

Well, you say, what is the matter with the farmer? What is the matter with the whole country? Why, the matter is this: The people in foreign countries can not buy from us. Why can they not buy? It is because all of the gold has flowed here, and that was all they could buy with.

My friend said he would like to know what the tariff has to do with the farmer.

[Here the gavel fell.]

Mr. RAINEY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. STEVENSON. The tariff is such that the Chinaman and the Indian, 700,000,000 of them, in buying our products can not pay us with their goods. They can not buy our goods because they can not pay us with their goods. Their silver has gone down to about one-third what it was, and when they go to buy exchange in dollars it takes three times as much silver now as it did two years ago, and they can not buy our stuff because they can not afford to pay three prices in their money for what they buy and what they use. The result is they can not buy. Their gold has already come here and it is concentrated. The same thing applies to Europe very largely. When an English merchant buys a bill of goods from New York and wants to pay for the goods he can only get $3.75 for his pound where it used to be worth $4.86. That increases the cost of his goods to such an extent that he does not buy from us and he can not. It is the same with all of Europe. For that reason they are not buying our stuff and they will never be able to do it so long as that discrepancy exists. The farmers who produce and those who convert his products into articles of manufacture can not sell their goods. They can not sell the manufactured articles nor can they sell the raw products abroad. The result is we are confronted with a condition that is unspeakable and has become more so for the last eight or nine years.

Oh, our friends say it is a world condition. Well, I will guarantee that if Al Smith had been elected President of the United States and he was in the White House now these fellows would say it is Al Smith and not a world condition. That is the answer to them. But it is a world condition and it is superinduced by the inability of the other peoples of the world to buy our goods, and much of that condition has been brought about by reason of the tariff that has been put upon us. Another thing is the concentration of gold here, and that is indirectly the result of the tariff. The concentration of gold here and in France has deprived the balance of the world of the basic money upon which to issue their currency. What is the result? They either have to contract their currency or have currency out that is not good, that does not stand for par, that is depleted to the extent that it is not receivable in foreign countries except at a very low rate. That again brings about an inability to buy our products and do anything to relieve our conditions here.

So I say we are not to be considered as bolsheviks of we ask Mr. Hoover for some reason as to why he has granted this moratorium. So far as I am concerned, I am satisfied with the reasons, but it is not right to accuse a person of being a bolshevik if he rises and says no President can pledge away the money of the United States without the consent of Congress.

They talk about the Louisiana Purchase. My friend over there had a descending climax, to a certain extent. He started out with George Washington, then Thomas Jefferson, Andrew Jackson, and Abraham Lincoln, and he wound up with Mr. Hoover. That was a sort of anticlimax to me. I will not contradict the fact that the gentleman from Pennsylvania is a scholar. He knows more Shakespeare than I know about the Bible and all that kind of thing, but when he is so indiscreet as to undertake to set up in a row Washington, Jefferson, Jackson, Lincoln, and Herbert Hoover, he makes an anticlimax and he makes the President look exceedingly small in this House and country. [Applause.]

Mr. RAINEY. I yield 20 minutes to the gentleman from Mississippi [Mr. COLLINS].

Mr. COLLINS. Mr. Chairman, after the failure of the Geneva naval conference, 1927, the tension between the

United States and Great Britain increased. The situation was further endangered by the 31-ship bill which was passed by the House but failed in the Senate. The British, as a gesture, delayed the building of two cruisers already authorized. During this period of tension the British-French naval negotiations, which were completely misunderstood in this country, increased the extreme anti-British feeling.

Thus, until Ambassador Gibson's speech at the preparatory disarmament conference in April, presenting President Hoover's determination to bring about genuine reduction and lift the burdens from the war-weary nations, political expediency could not be reconciled with armaments, compatible with security. Europe, thinking in terms of the next war, still remained more or less an armed camp, with a larger trained military personnel and reserves than obtained when the World War broke. Naval programs called for the expenditure of billions of dollars.

The United States attitude, as evidenced by the Gibson speech and the Briand-Kellogg pact, changed this whole situation. Premier MacDonald, of Great Britain, let it be known that he would welcome an invitation from the United States to visit this country. President Hoover immediately invited him.

The visit of Mr. MacDonald, besides making a misunderstanding impossible between the two Nations, was a symbol of the new preeminence of the United States in world affairs. It also was a tribute to Great Britain, as the President had held informal conversations with the head of the nation most deeply concerned about the race in armaments. Directly out of the visit came the London Naval Conference of 1930. No one doubts the wisdom of President Hoover in issuing this invitation, the outcome of which has contributed so directly to the better understanding between nations.

Yet the favorable impression created by the MacDonald record and personality in this country was not shared by all the European countries. France exhibited considerable irritation, refused to regard the visit as a new step toward naval and general limitation of armaments, but as a move in the British desire for an Anglo-American entente, thus enabling the British Labor Party to carry out a policy of breaking loose from continental Europe. France professed to believe that the MacDonald visit was directed against some one rather than a mission to obtain mutual understanding and concerted action in regard to certain international problems.

Mr. Hoover having been so highly successful in his first great international undertaking as President of the United States again entered the international arena by proposing a year's moratorium on intergovernmental debts and reparations.

The British Government first sensed the approaching collapse of the finances of Germany with the resultant effect on international finance. American financiers realized the dangers to this country. The President of the United States, realizing the seriousness of the situation, proposed, on June 20, 1931, a year's moratorium on intergovernmental debts and reparations. Not until July 6, however, was it possible for him to announce that accord had been reached with all important creditor nations.

In the interval what had happened? France, conscious of having won the World War and with a truly pre-war lack of cooperation, protested against the Hoover plan. The delay was fatal to Germany. Almost immediately Great Britain, having made extensive loans to Germany, betrayed financial weakness. Manipulators, not unconnected with France, dealt severe blow to British finances, with the result that in September Great Briain went off the gold standard, followed by several smaller countries. This deplorable state of national and, consequently, internaional finance, with its accompanying unemployment, affected all countries, including the United States.

An unfriendly feeling against France developed in the United States and still continues. Franoe, conscious of her position as the most powerful state in Europe politically, financially, and militaristically—having the most successful diplomacy of any state since the World War, possessing the second largest gold supply, the largest army in the world, the second largest air force, the best artificially fortified frontiers, and a contemplated fleet equal in strength to the combined fleets of Germany and Italy—resented the intrusion and the lack of consideration shown her by the United States. Conscious of the enmity existing between the two nations, certain American groups, feeling that personal contact between the heads of the two nations would engender good relations, unofficially suggested to French officials that the French Premier should visit the United States. When Premier Laval stated that he would welcome an invitation, Mr. Hoover invited him.

Yet before the arrival of Premier Laval to the United States France withdrew gold in enormous quantities from her reserves in this country, and the flight from the dollar was in evidence in Europe, without any financial or economic reason but manipulated by a so-called international group with headquarters in Paris. Manipulation for political reasons was strongly suspected. The press openly warned us that the same forces that undermined the pound sterling were now at work on the dollar. Among the things accomplished during the Hoover-Laval conversations were the assurances by Premier Laval that abnormal movement of gold from New York would be stopped.

The Laval visit in October was followed the next month by Sigñor Grandi, Foreign Minister of Italy, on the invitation of Secretary Stimson. Why did he visit this country? He himself stated that he came to bring "a message of friendship from the Italian to the American people," "to offer the Italian contribution to the common work for the common good," to further "the peaceful cooperation of all nations in the world," and in the Italian Senate last Friday he added that he had made the trip as "a simple gesture of good will." He was desirous of coming, and was invited to reveal the Italian viewpoints and to learn the American viewpoints on such subjects as arms reduction, reparations, the gold standard, and treaty revision. It was an antidote to the Laval visit. The Italian views on most European problems are directly opposed to those of the French. The visit of Grandi offset any suspicion that the United States were taking sides in the Franco-Italian naval controversy, yet has tended to smooth the difficulties which will necessarily arise in the approaching disarmament conference, and should leave the United States in a more advantageous position, as the Italian and United States views on disarmament are in agreement. As no communique memorandum was issued it is extremely difficult to state in detail the exact value of the conference. But President Hoover is to be commended for this diplomatic move in including Italy in the countries invited to the United States. The wisdom of the Grandi invitation may be appreciated and seen in its true light when it is realized that during Laval's visit to this country the Italian Foreign Minister was meeting with German officials in Berlin. He could, therefore, present not only the Italian but the German viewpoint to President Hoover.

This particular phase of Grandi's mission recalls to our mind that there are not only three great powers in Europe but a fourth, namely, Germany. We are reminded that our President has issued three out of four invitations, the last of which was mainly of etiquette. Could it be possible that he inadvertently overlooked this fourth great European power? Does he not realize that it is 13 years since the World War, and that international organization and international good will must be, as its name implies, truly international? Did the President not perceive the joy of the French-America population during the Laval visit and the excitement of the Italian-American population over Grandi's sojourn? Did he not sense the dejection and disappointment of our citizens of German extraction at his failure to so honor a German statesman? The good will and interests of 11,000,000 of our population should not be so lightly disregarded. If courtesy was the basis of the Grandi invitation, surely an invitation is due Germany.

Possibly, however, the topics discussed during the Laval conversations were not of interest to Germany. It was the German press which stated that Grandi would be able to give

Mr. Hoover the latest information about Germany. In Germany at least German interests would bulk largely in the Hoover-Laval conversations. What are the facts? The French desire the cooperation of the United States in a program of reconstruction based upon a recognition of the existing territorial situation in Europe, and a recognition that the peace treaties can not be revised. Laval hoped that the President would implement the Kellogg pact by promising support against a recognized aggressor state, or at least to suspend any economic or political intercourse with such aggressor state. Surely all these questions—territorial status quo, the unrevised peace treaty, and putting teeth into the Kellogg pact—are of supreme interest to Germany.

Disarmament was also discussed. Laval revealed the usual French thesis, that security must precede disarmament and that France intends to maintain its present armaments and its political alliances with the States of Central Europe until the French nation obtains guarantees. This problem, too, is of vital interest to Germany. If France with her present armaments feels insecure, imagine the feeling of insecurity of Germany condemned by the peace treaty to remain absolutely unprotected. It is not to be surprised that Germany has declared that unless the other nations abide by their agreement to disarm that she will rearm. This impending danger could, by itself, furnish topic for an American-German conversation, such as has taken place between Laval and Hoover and Grandi and Hoover. By showing our sympathy with Germany and the justice of her cause, friendly counsel could allay German uneasiness until the other states of Europe awakened a consciousness of their responsibilities and their treaty obligations.

Debts and reparations as well as the moratorium were discussed in the Laval-Hoover conversation. Laval explained to the President the European situation viewed through the French eyes. Yet Germany so far has not been permitted the same privilege nor the same honor. Moreover the agreement in this regard is not very flattering to either Germany or the United States. France received the President's consent to the continuance of the Young plan of German reparation payments, the willingness of the United States to revise, if necessary, the European debt-funding agreements without exacting in return a promise that France would reduce her heavy land armaments and the satisfaction that any proposal by the United States to extend the Hoover moratorium would not be put forward without consulting France—all problems that concern the very life of Germany. It is extremely difficult to understand how President Hoover could really issue invitations to other countries. Since he has blessed the attempt of France to arrange Europe according to her own plans he could have little but meaningless courtesies to exchange with other foreign statesmen.

Have we not been approaching this problem from the wrong point of view? At the preparatory disarmament conference, Mr. Gibson warned " so long as the approach to the problem is based upon old fears and old suspicions there is little hope of disarmament." Has this not been our policy? Could we not assist Germany by showing her more consideration? Germany is a pivotal point in continental politics. It is a great possible storm center in present-day world finance. The critical nature of events in Germany and the importance of Germany in Europe is attested by the events of the past few days.

On what basis has President Hoover decided to reject the German point of view? For what purpose has he failed to take into account the existence of this proud nation and the feelings of 28 per cent of our population? Could we not prevail on the President to send an invitation to the President of Germany to visit the United States himself or to send a representative? At the present time, President von Hindenburg is the one great remaining bulwark against extremists' excesses in Germany. He was nominated and elected by a nationalist bloc, but proved a sore disappointment to his nationalistic sponsors. A facist coup in Germany would almost certainly shake all Europe. The present structure of European stability is too flimsy to make welcome new shocks. Hindenburg by preventing Hitler obtaining power by force, although he may do so by constitutional means, has contributed directly to the stability of Europe. An invitation to President von Hindenburg would be most pleasing to the American citizens of German extraction, most acceptable to the Germans themselves, and serve as a prelude to a finer understanding and sympathy in the conduct of international relations. [Applause.]

Mr. HILL of Alabama. Mr. Chairman, on behalf of the majority leader I yield 10 minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Chairman, ladies and gentlemen of the House, I am not going to engage in any political discussion, but I shall try in the time allotted of 30 minutes to give my views on the question that is now before us for consideration, which is the moratorium proposed by the President. This is a question that is being brought out by every reading man and woman in the United States.

We have heard much said this morning in criticism of some of the declarations on this side, and if I should make a statement that is not borne out by the truth and the record, I invite your criticism.

We had here this morning one gentleman on your side, either appointed or self-elected, who is the watchdog of the Treasury and the guardian censor of the RECORD, that denied me the privilege of putting into the RECORD an article in honor of the first President of the United States, who was so ably lauded by our distinguished friend from Pennsylania, Mr. BECK.

If the gentleman from Massachusetts should devote his whole life to the study of George Washington he could not put into print as much with reference to that great President, George Washington, as this tribute to him did.

Then we had another thing to happen—the gentleman from Pennsylvania criticized our young boy from Alabama, Mr. HUDDLESTON. I do not need to say anything for him, because he can take care of himself anywhere.

We are to-day considering the message sent in the usual way by the President of the United States to the Congress.

We have three departments of government—the legislative, the executive, and the judicial. These three departments of government should ever function, under the Constitution of the United States, separate and apart from interference with each other.

The question of the right of the President to make treaties has been correctly stated here, and the gentleman from Texas [Mr. SUMNERS] this morning very ably answered that by saying that this is not a treaty. He could not make a treaty without confirmation by the other body—the Senate—and that is the reason that it was placed there as a safeguard for the making of treaties.

I agree with the gentleman from Pennsylvania [Mr. BECK] that in dealing with international questions we ought to deal with them fairly, and we ought to follow the President of the United States as far as consistency and safety and the best interests of our country demands, but no farther.

Let us look at the question before us here to-day. I am not placed in the attitude of some of my friends in this legislative body.

I presume that I received the same wire from the President of the United States which each of you received.

I knew that this question was brewing when we were here in Congress assembled before adjournment. You knew it and your President knew it. I ask you and I ask him why, if he can explain to the country—why it was that he waited until the Congress had adjourned and then, in a way not provided by the Constitution of the United States, asked each Member of Congress to commit himself—not for permission to make a treaty but permission to do what? To give a moratorium. That was a matter which Congress had well settled, as was stated by the gentleman from Texas this morning. Congress acted on this, and a settlement was made and the President of the United States had as much right to call on you to give your consent on a question of modification of the prohibition act as he had on this question.

I say to you that this procedure is setting a dangerous precedent. I immediately wired the President myself the same day that I got his message that I did not think his proposition was wise at this time, for the reason that our country was not in a position to carry out this moratorium if we wanted to.

He is not going to be disappointed in me when I vote against this moratorium, because I gave him that information on the day that he gave me his.

The President of the United States says that he initiated this proposition, and that is true. The German Government never initiated it or asked for it even. Whoever heard before of a great nation that had a debt owing to it and before it was due, long before, taking up negotiations with the creditor to keep him from paying? Some of the press is carrying to-day the information that some of these foreign nations were ready and had made provision for paying this debt now, but are being advised by one of the departments of this Government that it is not necessary to do so, that it is not going to be taken now. When you go back and face Bill Jones at home, how are you going to square your actions with that situation? On the other hand, you look in the face of a man and tell him you are ready to give him a moratorium on your debt and let it pass back to him, and then come back and plead that we are facing a $2,000,000,000 deficit in the United States and ask that taxes be levied on the now debt-burdened public to raise this sum.

I want to show you gentlemen, if I can—and I am honest in my conclusion on this—that it is the proposed moratorium that is one of the things that has hurt business conditions in the United States. Our people are not a set of dumb corpses. They are reading. They know very well, and you are learning now, the trend of this whole matter and what it means. It is not a question of the $246,000,000 a year payment that would come to us now so much, had it not been for this moratorium, but the agitation goes very much further. Here we come, now, facing this question with another matter of the reappointment of the committee to revise the debts already passed on and agreed to by foreign nations. No man is so blind that he can not see the purpose underlying this whole thing. How has it affected the country? The business men of this country know very well that whatever financial burden you take off the shoulders of England and France and Germany and other nations you are going to lay back on the shoulders of the American business men and American taxpayer, and no man can escape that conclusion. The business world knew that.

The President tells you that money is paralyzed; that about half of it is, and I think 60 per cent, not only paralyzed, but hidden away, and so far as the business relations of this country are concerned it is dead. How are you going to get it into action? Not only that, but the business men see very plain the earmarks of some one else who is to be benefited by this. I don't charge the President of the United States with being in league with the international bankers and working for them, but I do say this, and every man who is capable of thinking knows very well, that the international banker is the man who is going to be benefited by it. Here they are with their billions that are due them. If they can get the United States to step out of the way and roll back its debt, and they get theirs, then maybe the debtor will pay you afterwards, if he can. Not only that, but here is the worse effect it has had upon the business in the United States. You talk about frozen assets and paralyzed money, and money that is hidden away, and the destruction of confidence. What does it mean? Every man who thinks knows that the $11,000,000,000 that the foreign nations owe us now is involved in this question. I believe as firmly as I believe I am here, and you know it, that if we pass the moratorium now, we will never collect the full amount of the indebtedness that is justly due us. The business world knows that. The business world knows that if you give $11,000,000,000 more to these foreign nations that the debt burden must come back and lie on their shoulders and their business. And you come in here with your tax measure and tell them that you are going to do it. Talk about frozen assets! You are going to have them congealed. You are going to make an iceberg out of the finances of America with the procedure that you are starting out on. The business world knows that if $11,000,000,000 is given to foreigners they must bear that burden. We owe now about $16,500,000,000 of money for bonds that have been sold to our people.

You are fixing to lay that burden back on the shoulders of the business interests of the country and that is the reason that you are paralyzing it. It is your policy, your frozen policy, your policy that is going to wreck and ruin, as it has almost done now, the business of America. Oh, you have your big meetings over in another country. One of our humorists said last year that if the President was going to have a Cabinet meeting he would have to call it in Berlin, Paris, or London, in order to get a quorum. If the thought and energy that has been put into this had been put into a solution of the business problems of America, would not our condition to-day have been far different from what it is now? What did they do over there? Seven of the great powers got together, sat there and dined—I do not know whether they wined or not; I do not suppose they did—but they dined over there for about 10 days, and passed a resolution which is a wonderful thing. They passed a resolution asking the creditor who had loaned Germany $100,000,000 for 30 days to extend it for 90 days. That was a wonderful achievement, was it not? God bless you, in America at the same time, our streets and street corners were congested with people going to the banks trying to get an extension on their indebtedness and could not get it. They were asking for that while Germany has not asked you for this. Are you going to take the bread away from your American people and feed some one else in a foreign land?

Much has been said here to-day about the conditions prevailing with reference to money in other countries. That is one of the troubles now, and you see it in the press to-day, that possibly there is going to be a scaling down because a certain nation has gone off a certain standard, and their money will not have such a buying power in the United States. Are you going to try to underwrite the loss of foreign nations? If our Government is committed to a policy of that kind in general, we will be a wrecked nation financially. We will have a nation that will have no confidence in business, and you can not restore business.

The President says that the railroads are in bad condition and that they must have some legislation for help. They certainly are in a bad condition. Something like two years ago I stood on the floor of this House and told you in a speech of some of the conditions that were hamstringing the railroads of the country, that have almost wrecked and ruined them by this time. I speak of the Interstate Commerce Commission, with its power to make rules and regulations, that has absolutely paralyzed the railroads. They have made a rate with a penalty to it; they fixed a rate from every shipping point in a State to every other point, and with a penalty against them if they were to cut their rate in any manner. They should cut loose from that and turn the railroads loose and let them have a chance to run their own business awhile. If you will do that you will help them very materially.

We have heard much argument here to-day about the effect of the tariff. Now, in the time that is allotted to me I can not give you my views on that. I do not think there is a man who is fair and not partisan but who will acknowledge that the last tariff bill is out of joint. It is not a tariff bill that America needs or demands or wants. I am not opposed to a well-balanced tariff. We, as Democrats, were the authors of it, and you have run away with it. What we need in America is a well-balanced tariff bill and a scaling down of rates where it keeps us out of competition or out of a chance of trading with other nations. We need now, which we do not have in the bill, a reciprocal trading relation with other countries. We will have to come to the posi-

tion of Germany, which last week wanted to buy some wheat from us, and Russia owed her money, and she said, "You must take wheat for money."

One of the smartest things which our Farm Board has done is that it traded wheat to Brazil for coffee. If you can not let us have any money, if you are going to adopt a policy that is going to freeze it and paralyze it, then give us some chance to open trade relations with other countries and sell our cotton to them at a price that will permit the continued raising of it.

The President says there is lack of confidence. Well, why not? Who, as a business man, is going to have confidence in the conditions that prevail. It is said that 95 per cent of the business of the world is done on confidence. This is not a partisan measure. We will do everything in our power, working with the President, to try to right conditions that prevail. I want a policy on the part of Democrats, a constructive policy, which will lead us out of this dilemma in which you Republicans have placed us. The President says in his message, and that is one of the peculiar things, that this is a farm-relief measure. That it is going to give relief to the farmers of the country. Do you know that at the time the moratorium was declared cotton was worth 11 cents a pound? You saw it go down to 5 and 6 cents where it is now. Wheat was worth around 40 cents, and it went down to 25 cents. If you call that farm relief, then give us just as little of it as you possibly can. I believe in farm relief. I would like to see a measure passed that would be effective. I think the schedules put into the tariff bill on farm products were a slight help in some respects. Eighty per cent of them are not effective at all, but some of them have been effective. I think we should get together and write a common-sense tariff, well balanced, that the country would have confidence in. Then let us establish trade policies that will restore confidence. The main thing to restore confidence is to let the world know that we are not going to give away $11,000,000,000 in money that is owed to us, and force it back on the backs of our tax-burdened people.

The Under Secretary of the Treasury the other night made a speech to raise $800,000,000, and he wants to raise it largely by taxation. I would suggest to him that if we would stop the moratorium where it is now and let them pay this debt he will have almost half of it in cash, which belongs to this Government, and then he can float some bonds like they have been doing, and the world will be glad to take them. The United States will take them. They will all take them.

The President pleads for economy. I am for the kind of economy which he pleads for, but not for that which has been practiced by his administration. In my opinion, Congress was never more reckless in many of its appropriations. You will remember the first fight I ever made on the floor of this House—and I made it single-handed and alone—for economy. If you had heard my words of warning and practiced that you would have been far better off than you are now.

The President does give one feature in his message that is consoling to us. He said the health of the country is better. I guess that is a Republican blessing, but I thought it came from above and not from the White House. [Laughter and applause.]

Here is another hue and cry from the Post Office Department wanting to raise the price of postage on a letter that John Jones writes to his daughter in some other county. Ah, gentlemen, you heard the distinguished Texan [Mr. PATMAN] stand here on your subvention idea and your recklessness in postal expenditure, and he showed exactly what has brought about that condition. I will say to that department that whenever you get out that bill raising postage higher than 2 cents on letters, I am ready to contribute my part in defeating that proposition. The country does not want it. The country will not have it. Bring your expense of operation within the revenue derived from it.

It is not caused by first-class postage. If you want to raise the rates on postage, place the increased rates on something else rather than on letters. Place it where the deficit comes from and on that class of mail.

There are many other things I would like to talk to you about, but time is valuable and I shall not. I would like to talk to you about the farmers and the conditions from which our farmers are suffering. You remember that in the last session Members from my State and myself stood here and plead with you for a people that was suffering at that time in a drought-stricken area. There they were, suffering through no fault of their own. At first you wanted to lend them a pittance of $25,000,000, but we persuaded you to give them a $65,000,000 loan. I am glad to say to you, coming back from those people, that to-day those people are much better off. They were an energetic people and they put forth every effort within their power, so that to-day they have more food for man and more feed for beast than they have ever had before. That is because of the energy that has been put forth by my people. But they have no money and can not sell what they have produced.

I do not see my distinguished friend from Indiana, Mr. WILL WOOD, but you will remember that he stood in his place as chairman of the Appropriations Committee and said that a hunger movement which started at England, Ark., in my district, was a communistic movement. I would like to say to him in the RECORD, if he is not here, that the very people who were relieved by the charity and good graces of those who could help made a great crop, and 15 trucks from England, Ark., were loaded to the brim with food and carried over to Henrietta, Okla., to feed the starving miners. That is the kind of a movement it was and that is the kind of people we have there.

Let us get together on this proposition of restoring confidence in the people, and there is not an argument that will convince them quicker than to say to the American people once for all that this Congress is committed against any further revision of the debts; that that is a thing that is past; that the debts must be paid and not borne by the people of this country. That will restore their confidence. If you force these debts on the backs of the people, then you will be in trouble.

There is another thing suggested in the President's message that I do like. There is a reference in it with regard to home building and the securing of homes. I believe in that. With the disturbed conditions in the United States our agricultural sections will have to take care of more than half of the population of the United States. If we can lend any hand of help to them by way of financing, in buying a little farm, in buying a little home and having credit to pay it off, I am with the President on it. I want to see some policy adopted that will encourage home building. The very first evidence of a good citizen is he who when he is able purchases and owns a little home, in which he can be the ruling king.

What is our condition to-day? We have the greatest crop that was ever made and no place to market it; no price for anything they have to sell.

If I thought the moratorium was the remedy I would support it, but I say to you that my honest conviction is that the suggestion along this line and the now proposed reconsideration of that question is a disturbing feature in our land. Let us silence that alarm by saying we will not do it. There may be enough of you committed to the President's plan of a moratorium to pass it, but I am sorry for you, and I do not know what you are going to say to John Jones when you go home. My people know where I stand. I am not going to have to apologize for breaking faith with the President, because I have never been with him on this proposition, and I am sorry for those who are. If it is the wise thing to do, so much the better. If I am wrong in my contention and you are right I hope the country will get the benefit of it. But I say to you gentlemen that if you pass this bill providing for a moratorium there ought to be an amendment put on it which would say to the world that thus far and no farther thou shalt go. It is now time for you gentlemen to say whom you will serve. Choose you

this day whom you will serve. Will it be the people or the international banks? Will you serve the foreign nations further or will you serve your home people? You have been generous and kind. We have given them $10,000,000,000. That is, you have; I voted against it. We went over there and sacrificed billions of dollars ourselves which we asked nobody to pay. We have gone over there and sacrificed human lives and shed the blood of the best boys of America in order to pay a debt of gratitude to them and to restore the peace of the world. We have gone far enough. Let us say that America hereafter shall be for the development of America. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. LUCE]. [Applause.]

Mr. LUCE. Mr. Chairman, the subject to which I am to address myself has been admirably summarized by the gentleman from Pennsylvania [Mr. BECK] in a remarkable address that should receive reflection on the part of all Members of the House and, indeed, of all thoughtful citizens. It falls to me to take up the more prosaic task of confuting the gentleman from Texas [Mr. SUMNERS] out of the mouths of those who wrote the Constitution and were its contemporary expounders.

The gentleman from Texas on Friday, in the course of his remarks relating to the moratorium, for debts owed to us by foreign countries, said the President—

> Had no authority to negotiate, much less authority to act. Neither the Constitution nor the Congress directed or commissioned him to proceed.

And farther on—

> The President of the United States had no more authority to do what he did than John Smith or Bill Brown or anybody else.

And still farther on—

> If it is not a treaty which he undertook to negotiate, in so far as he presumed to speak for this Government, it was, in a sense at least, a usurpation of power bestowed by the Constitution on the Congress.

The gentleman from Texas is one of the most respected Members of the House, a man we all recognize as eminent in the practice of his profession, and there is no man in the House on either side of the aisle who does not rejoice that inasmuch as his party is to organize the House he is to be the chairman of the Committee on the Judiciary. [Applause.]

But sir, even the ablest lawyers, when not thinking a matter through, have reached wrong conclusions. That is a trait of human nature. Even Homer nodded, and in this instance, the gentleman from Texas, in my opinion, has nodded grievously. He disclosed in the course of his remarks that he had not recently perused the pages of history relating to the purchase of Louisiana. I fear that in the hurry of his tasks here he has not of late reread statements pertinent to this matter by those who framed and those who advanced and those who put into force the Constitution.

I would recall to him that the doctrine of the separation of the powers, wherein I most heartily agree in general with his views, was advanced by Montesquieu in the Spirit of Laws, and had more to do than any one other influence with shaping our frame of government. Montesquieu developed this doctrine in describing the Government of England. In that country never had it been dreamed that anybody save the chief executive, the Crown, should take charge of foreign relations. When our fathers saw fit to form the Government under which we live it was the universal belief throughout the world that foreign affairs were an executive function.

After the Constitution had been framed its adoption by the States was in large measure secured by the publication of the papers that put in one volume came to be known as the Federalist. This volume and Madison's Journal are our most authoritative sources of information as to what the Constitutional Convention meant by what it said. To them we turn for light on such a question as this.

The Federalist was the work of James Madison, Alexander Hamilton, and John Jay, the first two of whom had sat in the convention. I would read for the benefit of the gentleman from Texas and the House what Alexander Hamilton said about the functions of the executive department. It is to be found in the sixth of his papers on the subject of the Executive, No. 72 of the Federalist:

> The actual conduct of foreign relations, the preparatory plan of finance, the application and disbursement of the public moneys in conformity to the general appropriations of the legislature, the arrangement of the Army and Navy, the direction of the operations of war—these and other matters of like nature constitute what seems to be most properly understood by the administration of government.

Here a member of that convention, expounding to the country what it had done, places at the very head of the functions of the executive department "the actual conduct of foreign relations."

There was another man in that convention, a man who sat in the chair of the presiding officer all through its deliberations, George Washington. He became our first President, and his was the first duty to put in force the Constitution, to live up to its principles, to follow closely what had been prescribed. Surely no man here will deny he knew what he was doing when he became President of the United States. The instrument he was to enforce contained a provision that my friend from Texas has wholly overlooked:

> The President shall from time to time give to the Congress information of the state of the Union and recommend to their consideration such measures as he shall judge necessary and expedient.

George Washington had not occupied the presidential chair for two years before he had occasion to follow out this injunction in a matter here completely relevant. I would read one of his messages that you may know what the first President understood as to the duties of the President. In those days the President conceived that he should split his annual message into parts addressed, respectively, to the Senate, to the House, and to the Senate and House, allotting to each part of the message the information and recommendation that he thought, in view of constitutional provisions, might be appropriately considered by the Senate alone, the House alone, or by both the Senate and House. Special messages were likewise addressed with meticulous care as to the constitutional proprieties. In the message I will next read not only notice the stage in the proceedings involved that had been reached but also pay attention to the implications of the form of address.

> UNITED STATES, *February 14, 1791.*
> *Gentlemen of the Senate and House of Representatives:*
> Soon after I was called to the administration of the Government I found it important to come to an understanding with the Court of London on several points interesting to the United States and, particularly, to know whether they were disposed to enter into arrangements by mutual consent which might fix the commerce between the two nations on principles of reciprocal advantage. For this purpose I authorized informal conferences—

Mark you that. The first President, the man who had presided over the Constitutional Convention, in his first message throwing linght on the issue of the present moment, said to the Senate and the House, not to the Senate alone, as would have been the case had it been a treaty matter—

> I authorized informal conferences with their ministers, and from these I do not infer any disposition on their part to enter into any arrangements merely commercial. I have thought it proper to give you this information, as it might at some time have influence on matters under your consideration.
>
> G° WASHINGTON.

Will you tell me that George Washington knew nothing about the separation of the powers? Will you tell me that he knew nothing about the duties of the Executive? Will you tell me that he usurped the functions of the House of Representatives when he authorized his ministers in London to engage in informal conferences in order that the results thereof might be put before the House of Representatives?

Mr. SIROVICH. Will the gentleman yield?

Mr. LUCE. Not at the moment.

I would further quote from another message of the first President, addressed likewise to the "Gentlemen of the Senate and the House of Representatives," on the 28th of February, 1795, after four years of opportunity to reflect

upon whether in 1791 he had made that wretched mistake now attributed to the President of the United States.

He said:

> Our minister near the French Republic has urged compensation for the injuries which our commerce has sustained from captures by French cruisers, from the nonfulfillment of the contracts of the agents of that Republic with our citizens, and from the embargo at Bordeaux.

You will see he still believed that negotiations with foreign powers, even though not necessarily leading to treaties, were a duty imposed upon him by the Constitution, a belief that has been accepted by every President since, a belief unquestioned until—I hope not but I fear—for some political purpose, it is brought into this discussion.

I am willing to follow the gentleman from Texas in matters of law when only legalistic ends are involved, but if and when he engages in constitutional argument for political advantage, I decline to tread in his footsteps.

He appears to base his argument on the proposition that such negotiations as those referred to in the messages from which I have quoted might result in treaties and, therefore, would come within the power of the President to make treaties—a power which, of course, includes the preliminaries—but the quoted language warrants no such inferences. Clearly the negotiations reported by Washington did not necessarily involve the treaty-making power.

Possibly he could have advanced this argument with some weight when I asked him about the purchase of Louisiana, but he took another angle of the subject when he answered he was advised that Thomas Jefferson had the consent of Congress before he engaged in the Louisiana purchase.

"He was advised." He admitted in effect that he had not reviewed the circumstances of the case. My surmise is that the information came to him from another Member near at hand who also is highly respected by reason of his knowledge of constitutional matters as well as his personal qualities and who doubtless gave the information without refreshing his memory. Very likely neither gentleman grasped the scope and purpose of my inquiry. Our minds did not meet. My interest was not in what came after Congress took a hand in the matter, but in the earlier negotiations. Let me tell you of them.

Hardly had Thomas Jefferson taken the oath of office when news came from Rufus King, our minister in London, that Spain had made a secret cession of our great Louisiana Territory to France, its former owner.

In September, 1801, Robert Livingston, duly appointed minister to Spain, was told before sailing that if he could obtain West Florida from France or by means of French influence, such a proof on the part of France of good will toward the United States would reconcile us to seeing Bonaparte at New Orleans. In April and May of 1802 the cession of the Floridas, or at least of West Florida, was pressed by the President still more directly and earnestly, and it was not until the following winter that Congress took any part in this matter. Toward the end of December the President laid before the House certain considerations which led it to shut its doors and to pass a week in secret deliberations. After that week, after those deliberations, the historians give us to understand that as a result came the first proposal by Congress or either branch for the purchase of Louisiana. You will see that more than a year earlier, without consulting the House, without informing the country, Jefferson had instructed his minister to proceed in this particular matter, and that in respect of protest no treaty possibility was involved.

I know my friend from Texas [Mr. SUMNERS] will say that a treaty followed. He will attempt to draw the thin line between treaties and other arrangements. He lays down before us a proposition that the President may negotiate for the making of a treaty, but may not negotiate for the making of a law. Such finespun, casuistical argument ought not to be offered in this discussion. It is a theme for constitutional experts who like to quarrel over minute details. It is not a matter that ought to be introduced into this solemn discussion of what should be done to save the world. It is brought in, I fear—I hope not—but everything indicates that it is brought in to befog the issue, to take us away from the main question at stake, the question of whether we will back up the President in the conduct of foreign relations that was imposed on him by the Constitution of the United States. It may be that men in this body will be so biased by the hair-splitting argument that they will stop reflecting on the real issue. It may be that they will attempt in still other ways to confuse this issue, but I am sure that the people of the United States will look through all these subterfuges, all these pretexts, all these flimsy reasons for taking our attention away from the main question, and will demand that we back up the President of the United States in his conduct of foreign relations. [Applause on the Republican side.]

Mr. HILL of Washington. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman and members of the committee, it has been intimated that the question immediately under consideration has been raised in order to becloud the main issue. I reply that the main issue is injected into this particular phase of the discussion in order, under its screen, to justify and fix a dangerous precedent. At the beginning of my remarks I want to say that in my judgment no Member on either side of the House ought to be influenced in his vote upon the moratorium by the question which I have raised and which has just been discussed by the gentleman from Massachusetts [Mr. LUCE]. Let us get that clear and get that out of the way. This question, this matter of the precedent, ought not to be discussed from a partisan standpoint. It is a matter of no importance whether this question immediately under consideration arose during the administration of a Republican President or a Democratic President. I feel justified in observing to my friend, the gentleman from Massachusetts, that it ought to be possible for a Member of the House on either side of the Chamber to discuss a matter of the privileges of the House without his motives being brought in question.

Whenever the time comes that a Member of the House may not stand in his place and defend what he believes to be the constitutional rights, privileges, and duties of the legislative branch without embarrassing himself or without embarrassment to anybody else, then I say to my good friend from Pennsylvania [Mr. BECK] that his desire to prevent the Executive from absorbing the power of this Government will be of no avail. I undertook, I think I made it clear, that in my view at least it does not matter what Presidents may have done in the past.

Let us see where we are. I am going to discuss this question in such terms that any layman at home may understand. I, myself, do not quite appreciate how the history and tragedy of Rome becomes involved in this question. It is a clear-cut question. By the process of elimination we get rid of the treaty powers of the President, because this is not a treaty. Everybody agrees with that? The House has nothing to do with treaties. If it were a treaty, it would not be here. Then why confuse this consideration by talking about treaties? The gentleman from Massachusetts [Mr. LUCE] says I have overlooked the powers conferred upon the President by section 3 of Article II of the Constitution, from which he read:

> He shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient.

The gentleman from Massachusetts failed to read the language immediately following, which is—

> He may on extraordinary occasions convene both Houses.

The gentleman from Massachusetts failed to read the only part of that section which is pertinent. The section does show the constitutional plan for dealing with such questions and such conditions as the President, without authority, has dealt with. The plan and the power is in an extraordinary occasion to call Congress together and lay his views and information before it, and then, as the Executive, execute what Congress legislatively determines and makes a law. The constitutional powers of the President

justifying this action with reference to the moratorium can not be found under either the treaty provisions of the Constitution or under section 3, Article II, which is the power to deliver messages to Congress and under extraordinary conditions to convene Congress in extra session.

Certainly, I agree the President has the general responsibility of negotiating with foreign countries in behalf of this Government. But he is not this Government and he can not speak for it in such matters as the proposed moratorium, which included a revenue item of over $11,000,000,000. He not only is not given that power by the Constitution but by the Constitution it is expressly denied to the Executive and given to the Congress—to the House in the first instance. As Mr. BECK said this morning, the President is the Chief Executive. He is not the originator of revenue policies.

The Constitution has put some very definite responsibilities upon the legislative branch of the Government, and a very definite responsibility upon the House of Representatives of the Congress. Perhaps its most important duty is to deal with the public revenue. Certainly it is its most distinctive responsibility. So here we have the picture—the responsibility of the House to deal in the first instance with revenue matters, the duty of the Congress as a whole to determine the revenue policy of the Government in its details, and the duty of the President to execute the will of the Government, which is expressed through Congress. The Congress of the United States is the official spokesman for the American people with regard to their revenue policies. If that power is to be turned over to the President and Congress become a rubber stamp, why have a Congress; why not have a king and save the expense? When the President undertook to deal with this matter he certainly did not undertake to deal with it as the Executive. Suppose you think about that for a moment. What was he trying to execute? May I draw your attention to the fact that Congress had acted definitely on this proposition of the payment of the principal and interest of the foreign debts with regard to which the President acted. The judgment of the Congress has been taken with regard to this matter, and the President became then the executor of the will of Congress expressed in this Chamber and in the other Chamber. Will anybody dispute that? We appointed a debt-funding commission which made an examination of the whole question and made a report to the Congress. The Congress examined this report of the Debt Funding Commission and legislated on that report. As the Executive there were two courses authorized by the Constitution. One was to have the law carried out as it had been enacted.

The other course, if the President felt that subsequent events made the carrying out of the law hurtful, an "extraordinary occasion," then to convene Congress, submit his message, as provided for in the provision of the Constitution quoted, and get a new law, a new judgment from Congress, if it agreed. Then go to our foreign creditors as the Executive of the Government. The act referred to is the law. It was the last word which the President of the United States ever had from that branch of the Government of whose will he is the executor. That will is as clear as it can be expressed in language. The President undertook upon his own responsibility, not to make a treaty, not to execute a law, but to disturb an arrangement solemnly declared and made in this Chamber and in the Senate and approved by the President of the United States. It became a law. Is that not true? Nobody will question that. How can a President, under the guise of executing the will of Congress as the Executive do that contrary to the expressed will of Congress? Possibly Congress was wrong. It may be that if the President had called Congress into session the Congress would have given the President authority to do what the President did. This is not a pleasant duty for me but it is a duty. Our Constitution is not changed solely by the method provided in the instrument itself. It is changed, speaking practically, by precedents also. The decisions of the Supreme Court show it. Our own obedience to precedents shows it. If the power exercised by the President in this instance is fixed by precedents, it will be to the hurt of representative government.

It is true the President sent some message to Members of the Congress—Members of the Senate and the House—inquiring of their attitude; but, gentlemen, you can not conduct the affairs of a great government by telegraph or even by parcel post. You can not change the direction given to the President by law in that way. How are we to preserve the division of the powers fixed in the Constitution—and that fixation is wise—if Members of Congress acquiesce, merely because the person whose conduct is under examination happened to be of their political party. What I said last week I repeat. The President of the United States in these negotiations had no more authority than Bill Smith or Tom Brown in my district or yours. His duties are fixed. He has his job cut out for him by the Constitution, and we have our responsibilities here—responsibilities to determine the very things that were determined when we examined the report of the fiscal commission and declared the legislative judgment, made a law for the guidance of the President in the discharge of his executive duties.

Now, I hope you will credit me with sincerity when I say that I regret this question has become involved in the consideration of the major question. But we are acting for the future as well as for the present. Ladies and gentlemen of this House, we have a responsibility here to the generations that are to come, because we know how powerful a precedent is.

I make the statement that the sort of procedure which has been had with reference to this transaction will inevitably result in confusion at home and discredit abroad. I do not care if it had been a Democratic President instead of a Republican President; that is not involved. The procedure had is not only contrary to the plan and the powers granted by the Constitution, but as a matter of fact it is too much power to put in the hands of one man. The Constitution did not put it there. The Constitution places the responsibility of dealing with the revenue of a great people in its own Congress. That is where it ought to remain.

What should have been done and the regular constitutional way to do it and the way I hope this Congress will give Presidents to understand it must be done, is that if a President feels that a thing ought to be done with regard to which Congress alone has the power to authorize him to do and the situation is too acute to await the regular convening of Congress, he should call the Congress into session and submit the matter. [Applause.]

Members of Congress are as concerned for the public interest as is the President. Members would have gladly responded to his call. That is the constitutional way, it is the natural way, not only in harmony with the Constitution but in harmony with the philosophy of representative government.

[Here the gavel fell.]

Mr. HILL of Washington. Mr. Chairman, I yield to the gentleman from Texas two additional minutes.

Mr. SUMNERS of Texas. All Presidents should submit such matters to the judgment of the Congress, and then when they go to Europe, or any other country, that country will know and it will be a fact that they speak by authority of the Government. Let me direct your attention to some very significant language. This is the introductory sentence of the President in this moratorium negotiation:

> The American Government proposes the postponement during one year of all payments on intergovernmental debts.

And so forth. How does he know the American Government does it? When did it come that the President of the United States is the American Government? I do not care if he said, "Subject to the approval of Congress," or whatnot. Where in the Constitution does the President get the right to speak, with regard to a revenue matter, the voice of the Government, especially when what he says is in the teeth of and contrary to the last expression of the Government?

Now, if any of you gentlemen want to answer that you can have plenty of time.

How can the President of the United States, when he speaks with regard to the revenue, say that the American Government speaks? These are the words of the President. As a matter of fact, the American Government had spoken back there a few years ago when it approved the conclusions and ratified the recommendations of the Debt Funding Commission, and that was the last word the President had from the American Government.

Ladies and gentlemen, I do not want to take any more time, but I want to plead with you—and I hope what I said in the beginning will be understood—that this question ought not to interfere with or influence the vote of any Member on this main question; but, ladies and gentlemen of the House, charged with the responsibility of supporting the Constitution of the United States, just because your President happened to do this, you ought not to surrender the right, the duty, the responsibility which the Constitution places in you to guard the distribution of powers as fixed in the Constitution, remembering that division resulted not from the judgment alone of those who sat in our Federal Constitutional Convention. That division had been recognized and fixed in the constitution of all the States. It had been fixed for centuries before the Revolution. That division has stood the test for centuries. It is perhaps the most substantial thing in our written Constitution. I would feel myself recreant to as high a duty as I owe, and I speak only for myself, if I did not register earnest protest against the character of procedure had in the matter. In concluding and in justice to the President I want to say I understand he had the approval of many Members of Congress before he acted. I regret that it is impossible to combat the precedent establishing tendency of these transactions without referring to the official out of whose actions the danger has developed. If I am concious of the motives which have prompted me during this debate, it is to prevent in what has occurred the establishment of a precedent acquiesced in by the House. If established, as certain as there is wisdom in the constitutional division of our powers, such a precedent would plague us, the Government, in the future. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield 30 minutes to the gentleman from Iowa [Mr. RAMSEYER].

ESTATE AND GIFT TAXES

Mr. RAMSEYER. Mr. Chairman, ladies, and gentlemen of the House, what I am about to say has absolutely no relation to anything that has been discussed here this afternoon, nor will it likely have relation to anything that will be discussed during the balance of the afternoon. I asked for time on last Friday to make some observations on the estate, inheritance, and gift taxes.

You older Members of the House know that that subject has been rather close to me ever since the war. Following the war for seven or eight years there was much agitation to repeal the Federal estate tax. Every time the Ways and Means Committee held hearings on tax measures I appeared in defense of the Federal estate tax. I did that on the bill of 1921, on the bill of 1924, on the bill of 1926, and on the bill of 1928.

For the benefit of you younger Members, I want to tell you that the Federal estate tax law was enacted in 1916. In 1918 the estate law was amended, making the maximum rate 25 per cent on that portion of an estate over $10,000,000.

In 1924 the estate tax rates were increased by an amendment which I myself sponsored, making the highest rate on that portion of the estate over $10,000,000, 40 per cent. In 1924 we secured this increase which I thought was fair, which the majority of both Houses of Congress thought was fair, and which became law. Following the enactment of these rates in 1924 there was a tremendous drive to repeal the entire estate tax law. Then was enacted the revenue law of 1926, which reduced the highest rate on that portion of the estate over $10,000,000 from 40 per cent to 20 per cent, and increased the exemption from $50,000 to $100,000 and that is the law now. The exemption is $100,000 and the rates run from 1 to 20 per cent, the 20 per cent taking effect on that portion of the estate over $10,000,000.

Some of the best economists of the country and some of the leading business men and well-known statesmen of the country have favored the estate tax. I am not going to take time to-day to quote from them. During the last three or four months four large organizations of producers have gone on record in favor of increasing the estate tax. They are the American Farm Bureau Federation, at its convention held in Chicago recently; the National Grange, at its annual convention in Madison, Wis.; the National Farmers' Union, at its annual convention in Des Moines, Iowa; and the American Federation of Labor, at its annual convention held this year at Vancouver, in British Columbia.

Last spring, after Congress adjourned, instead of going home like many of you folks did, I stayed here chiefly to study the tax problem and the problem of stabilizing the purchasing power of money. What I am giving to you to-day is the result of my study last spring on taxation. I intend at some early future date to address you on the subject of stabilizing the purchasing power of money.

Confronted with a Treasury deficit for this fiscal year and the next the revision of our tax laws to yield more revenue will be pressed for consideration. Those interested in a just and equitable system of taxation should not delay a careful and thorough study of our tax problems. The ordinary expenditures of Government should be met by revenue derived from taxation. Borrowing in peace time to meet the public expenditures can not be carried on over a period of years without grave results. Public debts can be justified only for two purposes: First, to meet a temporary emergency, and second, to provide permanent public improvements. Debts for the latter purpose should be limited and with sinking-fund provisions to retire them within at least 25 years.

During the last 40 years we have witnessed a great and an unwarranted increase in the ordinary expenditures of Government—Federal, State, and local. The total for 1890 was $855,000,000; for 1928 the total was $12,813,000,000. These sums for the years referred to are allocated as follows:

1890	
Federal	$291,000,000
State	77,000,000
Local	487,000,000
1928	
Federal	3,970,000,000
State	1,826,000,000
Local	6,813,000,000

The World War is responsible for the major portion of the increase in Federal expenditures. Since that war the Federal Government has reduced taxes and debts. The State and local governments have increased taxes and debts. Now the Federal Government is confronted with a curtailment of its debt-reduction policy and also a revision of the tax laws in the near future to increase the receipts.

For an increase in Federal revenues, to what sources shall we turn? My answer is to estate, inheritance, and gift taxes.

Andrew Carnegie, one of the richest men of his generation, was an intelligent, enthusiastic, and persistent advocate of estate and inheritance taxes. It was his view that every fortune left by a hoarder should contribute to the support of government in proportion to its size, leaving exempt small amounts to dependents of the decedent, but graduate the rates upward until with the enormous fortunes reaching into many millions, at least one-half should go to the Public Treasury.

The estate tax is a just tax and does not in the least stifle enterprise, initiative, and the accumulations of wealth. Of all forms of taxation this seems the wisest. The objects of estate and inheritance taxes are: First, to prevent the accumulations of wealth in the hands of those who contributed nothing or little to its creation, and, second, to lighten the burdens of taxation weighing so heavily on the backs of the masses.

No one can view the concentration of wealth and the concentration in the control of wealth during the last 30 years in this country without apprehension and alarm.

The World War stimulated the tendency toward concentration of wealth. We have had a Federal income tax since 1913. A study of the income-tax returns is illuminating on this point. The number of individuals making returns of incomes of $50,000 and over for the year 1914 was 7,509; for the year 1919 the number was 18,846; and for the year 1929 the number was 38,650.

For the five years 1925–1929 the individual net income class under $10,000 required to file returns under the law decreased from 3,844,033 to 3,662,948; the net income class between $10,000 and $100,000 increased from 317,458 to 357,053; and the net income class over $100,000 increased from 9,560 to 14,701.

Taking into a separate group the individuals who made returns on $1,000,000 and over, we find an increase from 290 in 1925 to 504 in 1929. During the same time the total incomes of this group increased from $465,002,745 in 1925 to $1,354,123,656 in 1929. There is but one deduction from these figures and that is that since 1914 there has been a large increase in the concentration of wealth, the rich have grown richer, while those with net incomes under $10,000 and the great mass of those who do not have sufficient incomes to file income-tax returns have had a hard time to hold their own and possibly lost ground. It is apparent that this latter group is not getting its share of the fruits of industry and at the same time is carrying a constantly increasing burden imposed by State and local governments.

We have had a Federal estate tax since 1916. Since the war there have been several drives to repeal the law. Those seeking repeal almost succeeded in 1926. Under the 1926 law the exemption on each estate was raised from $50,000 to $100,000. The maximum rate is 20 per cent on the brackets over $10,000,000, and the States by adjusting their laws to the Federal law can retain 80 per cent of the estate tax imposed by the Federal Treasury.

Now, here are some figures which I want you to get, and if you get nothing else from this address I want you to get the facts and figures that I am about to give you.

In recent years the total Federal and State estate and inheritance taxes amounted to about $180,000,000 annually, of which around $60,000,000 go into the Federal Treasury. In a few years the part going to the Federal Treasury under existing law will be about $40,000,000 a year.

How much revenue should be derived from estate and inheritance taxes? In 1892 Mr. Carnegie, in a carefully prepared statement based on the national wealth and the amount of property that devolved on account of the death of the owners, estimated that at moderate rates $300,000,000 annually could be collected from this source, a sum at that time more than sufficient to pay all the ordinary expenditures of the Federal Government. He said:

> Every dollar of taxes required might be obtained in this manner without interfering in the least with the forces which tend to the development of the country through the production of wealth. It would be a tax easily and surely collectible.

Now our national wealth and the amount of property that devolves on account of the death of the owners are six times what they were in 1892. On the same basis of computation used by Carnegie we could now collect from this source six times $300,000,000, or $1,800,000,000 "without interfering in the least with the forces which tend to the development of the country through the production of wealth," instead of $180,000,000 now collected from this source by both Federal and State Governments.

Great Britain during the fiscal year ended March 31, 1931, collected from death duties nearly $400,000,000. The conservatives of Great Britain are responsible for the productiveness of their inheritance taxes. Our national wealth is four times that of Great Britain. On a proportionate basis we would collect $1,600,000,000 annually.

Recently I asked the chief of staff of the Joint Committee on Internal Revenue Taxation to prepare a schedule of rates which would collect a half billion dollars, that is, $500,000,000 annually. I have that table before me, and I am going to insert it in the RECORD. I am not going to read it to you nor discuss it. However, I have stated on other occasions that in my judgment we could easily collect at least $500,000,000 or $600,000,000 from this source. Certainly we could collect from this source $500,000,000 or $600,000,000 very much easier than Great Britain can collect $400,000,000, with only one-fourth of the national wealth we have. As I have stated, Great Britain collected $400,000,000 during the last fiscal year, and I am reliably informed that this year it is estimated she will collect $450,000,000 from estate taxes.

Mr. HOCH. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. HOCH. Will the gentleman give us the maximum rate under the figures submitted by the Treasury?

Mr. RAMSEYER. The figures are from the experts of the Joint Committee on Internal Revenue Taxation. In the table I have before me the exemption is $50,000. It starts with a rate of 1 per cent on the first $10,000 above the exemption; then the rates are increased to 45 per cent on that portion of the estate over $15,000,000. The rates run from 1 per cent to 45 per cent.

Mr. LAGUARDIA. That is less than the English rate?

Mr. RAMSEYER. The English maximum rate is 40 per cent.

Mr. STEVENSON. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. STEVENSON. What would be the gentleman's attitude toward creating from five to ten billion dollars more of nontaxable securities? We have legislation pending before the Banking and Currency Committee looking to about that amount, as I figure it.

Mr. RAMSEYER. That question really is not relevant to what I am discussing. I have on a number of occasions discussed the debt problem, and my attitude has always been against increasing the public debt and in favor of paying off the public debt just as fast as possible.

Mr. STEVENSON. This, however, is not the public debt but refers to proposed issues of absolutely tax-free securities by semigovernmental institutions.

Mr. RAMSEYER. If the Banking and Currency Committee reports out such bills, the gentleman is a member of that committee, and a mighty good member of the committee, then with the assistance of his enlightened judgment I shall try to arrive at right and sound conclusions.

The productiveness of our estate and inheritance taxes is greatly reduced by the wholesale avoidance of those taxes by the rich. By gifts and trusts their estates escape the inheritance and estate taxes. This is a loophole in our laws that can only be closed by the imposition of a gift tax. Recently the Supreme Court denied a writ to review a case from the lower court holding over 95 per cent of the John Wanamaker $40,000,000 estate exempt from the estate tax because of a gift made thereof by the father to his son within two years of the father's death. In 1919 John D. Rockefeller was reputed to be the largest income-tax payer, running into many millions. Public records disclose that since the war he pays as little as $12,000 annual income tax. It is generally understood that Edsel Ford is a larger income-tax payer than his father, Henry Ford. Why either a Rockefeller or a Ford should pay no tax on the transfer of hundreds of millions of dollars to his son and a Whitney should pay $20,000,000 on the transfer of a little over $100,000,000 to his son is not apparent. In the one case the transfer was made before death, while in the other the transfer was made after death. A tax on gifts and trusts is absolutely essential to preserve and to make productive the estate and inheritance taxes. [Applause.]

The provision of the Federal estate tax allowing an 80 per cent credit to the States is unjust and unsound economically. A large fortune is interstate in character and but a small part thereof may have been produced in the State where the owner lives. For instance, New York pays a large share of the income and estate taxes into the Federal Treasury. That is not due entirely to the income produced and the tangible wealth within New York. In New York are the evidences of the title to much of the property scattered throughout the United States. Because of this situation New York, under this 80 per cent credit provision, is en-

abled to derive revenue from estates out of all proportion to the basic wealth of the State, the wealth actually produced in the State, or the population of the State. The 80 per cent credit provision should be either repealed or the credit allowed States greatly reduced on large estates.

By reducing the exemption, by revising and increasing the rates, by imposing a gift tax—all within constructive and moderate bounds—the estate and inheritance taxes can be made productive of large revenue to meet public expenditures, to pay off the national debt, and to relieve tax burdens. This is a job for the Federal Government. The States can not and will not develop this form of taxation.

To those who may still doubt the wisdom, justness, and expediency of estate and inheritances taxes with productive rates and effective provisions I commend a study of Carnegie's article entitled "The Gospel of Wealth."

Especially to the younger Members of this House who have never given much study to this proposition, I recommend the reading of this essay of Andrew Carnegie. All you have to do is to send over to the Library for it and you can read it in an hour.

Then he has another essay entitled "My Partners, the People." I think this is better than his Gospel of Wealth. This was published in the British Review of Reviews back in the nineties sometime, and there is nothing more enlightening that you can read, either on wealth or on the justness of estate taxes, than Andrew Carnegie's two articles to which I have just referred.

I also commend to you the writings of economists from John Stuart Mill down to the able and learned economists of our own day.

The prophet Hosea, in a period of his country's distress, cried out, "My people are destroyed for lack of knowledge." The need of the present to solve the economic problems before us is knowledge and courage.

I thank you. [Applause.]

Mr. GOSS. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. GOSS. Did I understand the gentleman to say that all States had increased their debts since the war?

Mr. RAMSEYER. I stated that the States and local governments had increased debts.

Mr. GOSS. I wish to call the gentleman's attention to the fact that my State of Connecticut during this period has reduced its debt and is now out of debt.

Mr. RAMSEYER. I am glad to have that information. I congratulate the government of the gentleman's State on its exceptional record in debt reduction.

Mr. Chairman, under leave to extend my remarks I submit the following for printing in the CONGRESSIONAL RECORD:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
Washington, December 11, 1931.

Hon. C. W. RAMSEYER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: You recently requested a statement as to the rates of estate tax which it would be necessary to impose upon all estates with a net value in excess of $50,000 in order to produce a total revenue of approximately $500,000,000 without taking account of any credit allowed for State inheritance taxes paid.

It is estimated that the following schedule of rates would produce an annual revenue of $415,000,000 if imposed on all estates of over $50,000.

Amount of estate after $50,000 exemption:	Rate, per cent
0 to $10,000	1
$10,000 to $20,000	2
$20,000 to $30,000	3
$30,000 to $40,000	4
$40,000 to $50,000	5
$50,000 to $75,000	6
$75,000 to $100,000	7
$100,000 to $150,000	8
$150,000 to $200,000	9
$200,000 to $250,000	10
$250,000 to $300,000	11
$300,000 to $400,000	12
$400,000 to $500,000	13
$500,000 to $600,000	14
$600,000 to $700,000	15
$700,000 to $800,000	16
$800,000 to $1,000,000	17
$1,000,000 to $1,250,000	18
$1,250,000 to $1,500,000	19
$1,500,000 to $1,750,000	20
$1,750,000 to $2,000,000	21
$2,000,000 to $2,250,000	22
$2,250,000 to $2,500,000	23
$2,500,000 to $2,750,000	24
$2,750,000 to $3,000,000	25
$3,000,000 to $3,250,000	26
$3,250,000 to $3,500,000	27
$3,500,000 to $3,750,000	28
$3,750,000 to $4,000,000	29
$4,000,000 to $4,250,000	30
$4,250,000 to $4,500,000	31
$4,500,000 to $4,750,000	32
$4,750,000 to $5,000,000	33
$5,000,000 to $5,500,000	34
$5,500,000 to $6,000,000	35
$6,000,000 to $6,500,000	36
$6,500,000 to $7,000,000	37
$7,000,000 to $7,500,000	38
$7,500,000 to $8,000,000	39
$8,000,000 to $8,500,000	40
$8,500,000 to $9,000,000	41
$9,000,000 to $9,500,000	42
$9,500,000 to $10,000,000	43
$10,000,000 to $15,000,000	44
Over $15,000,000	45

It is estimated that the net value of the estates subject to the above rates would be about $4,000,000,000 annually before subtracting the specific exemption of $50,000 each. Thus the average rate of tax on these estates at the rate set forth is about 10 per cent.

Our national wealth is now estimated to be in the neighborhood of $360,000,000,000. If we assume that property devolves on the average of about once in 35 years, then approximately $10,000,000,000 in gross value of property devolves annually. Of course, there is a very considerable amount of property passing in the smaller estates in connection with which we have no statistics.

Trusting the above will meet your requirements,

Very respectfully,

L. H. PARKER,
Chief of Staff.

A.—*Table showing proposed rates and amounts of tax on given net estates*

Net estate (after exemption)	Rate of tax	Amount of tax
	Per cent	
0 to $10,000	1	$100
$10,000 to $20,000	2	300
$20,000 to $30,000	3	600
$30,000 to $40,000	4	1,000
$40,000 to $50,000	5	1,500
$50,000 to $75,000	6	3,000
$75,000 to $100,000	7	4,750
$100,000 to $150,000	8	8,750
$150,000 to $200,000	9	13,250
$200,000 to $250,000	10	18,250
$250,000 to $300,000	11	23,750
$300,000 to $400,000	12	35,750
$400,000 to $500,000	13	48,750
$500,000 to $600,000	14	62,750
$600,000 to $700,000	15	77,750
$700,000 to $800,000	16	93,750
$800,000 to $1,000,000	17	127,750
$1,000,000 to $1,250,000	18	172,750
$1,250,000 to $1,500,000	19	220,250
$1,500,000 to $1,750,000	20	270,250
$1,750,000 to $2,000,000	21	322,750
$2,000,000 to $2,250,000	22	377,750
$2,250,000 to $2,500,000	23	435,250
$2,500,000 to $2,750,000	24	495,250
$2,750,000 to $3,000,000	25	557,750
$3,000,000 to $3,250,000	26	622,750
$2,250,000 to $3,500,000	27	690,250
$3,500,000 to $3,750,000	28	760,250
$3,750,000 to $4,000,000	29	832,750
$4,000,000 to $4,250,000	30	907,750
$4,250,000 to $4,500,000	31	985,250
$4,500,000 to $4,750,000	32	1,065,250
$4,750,000 to $5,000,000	33	1,147,750
$5,000,000 to $5,500,000	34	1,317,750
$5,500,000 to $6,000,000	35	1,492,750
$6,000,000 to $6,500,000	36	1,672,750
$6,500,000 to $7,000,000	37	1,857,750
$7,000,000 to $7,500,000	38	2,047,750
$7,500,000 to $8,000,000	39	2,242,750
$8,000,000 to $8,500,000	40	2,442,750
$8,500,000 to $9,000,000	41	2,647,750
$9,000,000 to $9,500,000	42	2,857,750
$9,500,000 to $10,000,000	43	3,072,750
$10,000,000 to $15,000,000	44	5,272,750

Mr. HILL of Washington. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. SWANK].

Mr. SWANK. Mr. Chairman and members of the committee, we have assembled here in this, the greatest law-making body on earth, and our mission is to legislate for the American people, whom we have the honor to represent. It is, therefore, our solemn duty to do everything within our power for the people. Regardless of what certain favored and high-powered politicians may say, we are now confronted with the most serious situation that we ever faced. On every hand we see poverty, misery, and suffering unequaled in your time or mine. Heretofore a man could find some kind of work to provide for himself and family. Now our highways are filled with men, women, and little children trudging along looking for work, and many times, in their extremities, begging for bread. Never before in America have so many men and women been out of work. And yet, Mr. Chairman, the ear of this administration has not heard the cry of our women and children, and if it heard it heeded not, and the same administration has been in complete control of this Government for the past 11 years. There should always be work in this country that our citizens may not suffer for something to eat and wear. These people who walk the highways looking for work are not beggars, tramps, and worthless wanderers. In most instances they would like an opportunity to work, but it can not be found at any price.

Some of our large industrial concerns, headed by the so-called captains of industry, are engaged in wage reduction and the replacing of man power with machinery, and that without any reduction in the hours of employment for their workers. Then, in addition to this foolish policy advocated by some of these same captains of industry, a general reduction in wages is advocated. I am opposed to such a plan and would like to see a condition whereby all workers in private enterprises and in public work would receive reasonable wages, that they could properly provide for their families. When our town and city workers receive good wages they buy more of the farmers' produce, and the farmers are helped, as are the rest of the people. Our farmers should receive a fair price for what they produce in order that they can also live like other people and enjoy some of the comforts of life as well as the bare necessities. Agriculture is our basic industry and the one upon which all others depend. All that we eat and all that we wear are produced on the farm. When the farmers receive a fair price for the products of their toil there is a general wave of prosperity throughout the land, but when depression hits them, then it is felt in every line of business. When we legislate for agriculture and our wage earners we legislate for all the people. Out on the farm and among those who work we find our real Christian Americanism. Our farmers and wage earners ask no special favors of this Congress and only ask to be treated like other citizens.

Mr. Chairman, I would like to see this administration look to our own domestic affairs instead of trying to get a moratorium on the debts owing us by foreign countries and which they agreed to pay, and stirring up sentiment for complete cancellation of those debts, to which I am opposed. [Applause.] We often hear the question of what caused this depression and what can be done about it. One of the chief causes is the Smoot-Hawley tariff law enacted by this Republican administration in the last Congress. That law has almost destroyed our foreign markets, as the figures show. In 1920 our foreign exports amounted to the enormous sum of $8,100,000,000, and under the present tariff law our exports have dwindled to $3,843,181,000 in 1930. Then, some politicians ask what caused the slump. In order to have a good price we must have a market in which to sell our so-called surplus. By reason of this destruction of our foreign markets we have seen the farmers' products fall to the lowest level for many years. The records of the Department of Agriculture show that it cost our farmers on an average 89 cents per bushel to produce corn in 1930. The same year it cost them $1.09 per bushel to produce wheat, and from 50 cents to 54 cents per bushel to produce oats. These same records show that it cost our cotton farmers 16 cents per pound to produce cotton in 1930. The production costs for these products will be about the same for 1931, and this fall corn sold for from 25 cents to 30 cents per bushel, wheat as low as 25 cents per bushel, oats 15 cents per bushel, and cotton as low as 4 cents per pound in the lint. The farmers can not continue to produce under such conditions.

Mr. Chairman, on the 24th day of September, 1931, Congressman MARTIN DIES, of Texas, and I, personally, presented to the President of the United States the following program, which would do much to relieve the present unemployment situation and also provide permanent relief:

PROGRAM SUBMITTED

WASHINGTON, D. C., *September 24, 1931.*

To Hon. HERBERT HOOVER,
President of the United States:

Believing that the present economic crisis is wholly unjustified in view of the tremendous wealth and surplus that exist in every line of industry and the inexhaustible resources of our country, we feel that an immediate special session of Congress is urgently needed. The situation is national and Congress can find and apply an adequate solution. To sit idly by and indulge the vain hope that the situation will right itself is to acknowledge the inability of popular government to promote and insure the happiness and welfare of its people. Even should the situation right itself, the tremendous loss in wages and earnings, the destruction of public confidence, and the suffering and privation entailed would constitute an indictment against our administration of government.

If the present situation could be traced to famine, droughts, and unavoidable events, little could be expected from legislative enactments except temporary relief measures. But with an abundance of wealth and surplus of everything, unemployment and wholesale bankruptcies are inexcusable and must be attributed to unnatural causes that can be controlled by Congress.

We, therefore, respectfully request that Congress be immediately convened in extraordinary session, and that a constructive program be submitted that will provide temporary and permanent relief; that we devise ways and means of forever preventing a recurrence of the ridiculous spectacle of widespread unemployment, want, and suffering in a land of plenty. We submit that such a program, in order to be adequate and effective, must include the following:

(1) An appropriation of sufficient money to immediately inaugurate a great construction and improvement program in every part of the Nation, to provide for immediate employment for our people. To insure this employment we suggest that provision be made on all public highways for the work to be done by man power and that labor-saving devices and machines be dispensed with, so far as possible. The same aid should be given farm-to-market or post roads as is given to State highways. This provision will immediately give employment to all. Such a program will not only give employment now but will insure needed improvements and construction. This building program would consist of Federal buildings, waterways improvement, and flood-control work. Many of our waterways and deep-water projects are receiving inadequate aid from the Government. For example, the Sabine-Neches waterways of southeast Texas, over which one-fifth of the tonnage of the Nation moves, and which urgently need deepening, widening, and many other necessary improvements. We urge prevention of flood damage on the Mississippi and tributaries by impounding the waters in reservoirs. This work, in addition to assisting in controlling the floods, will relieve droughts, furnish needed food, and give jobs to thousands of worthy citizens. In Oklahoma surveys have been made and sites located for reservoirs.

We cite these instances because they are familiar to us. They illustrate the great need throughout the Nation for public improvements that would, from a business standpoint, amply justify the expenditure, provide employment, and restore normal conditions. Such a program, to be effectual, must be inaugurated at once and carried on with vigor and energy, and not postponed until the next presidential campaign. Most of the States of the Nation, and especially Texas and Oklahoma, are ready to cooperate, and, with conferences with industrial concerns and business enterprises throughout the Nation, private cooperation can be secured and the hours and days of work shortened to offset the displacement of man power by the labor-saving devices, so that every man in the United States desiring work can be immediately given a job, and within 90 days the economic depression will be lifted and the Nation restored to prosperity.

(2) That the Government use cotton paper, cloth, and twine, exclusive of all other kinds and that a national program be inaugurated by the President and the Department of Agriculture, enlisting the support of the American people in an effort to use more cotton clothing and cotton goods. This will create a great demand for cotton and double the price.

(3) Prevent the Department of Agriculture in making crop estimates from including "bollies" in the estimates. The enactment of laws to prevent interstate shipments of "bollie" cotton. This will do much to stimulate the price.

(4) That a moratorium for one year be granted on mortgage foreclosures on homesteads and, if necessary to make this effective, that Congress enact such laws with reference to Federal loans

and that the several States be urged to enact similar laws on State foreclosures.

(5) All immigration from every country should be prohibited for a period of five years to enable us to absorb the labor surplus. We should enact at once adequate deportation laws that will enable us to immediately deport the several million foreigners illegally in our country and those who are legally here but have committed a criminal offense.

(6) We urge the enactment of necessary laws to prevent gambling and wild speculation on the stock exchange. One of the contributing causes of our present economic crisis was the inflation of stocks and securities beyond all reasonable proportions, that unscrupulous promoters might make untold millions at the expense of the unsuspecting public.

(7) The regulation of our banking system in order to restrain the individual greed in the management of our banks, our railways, and large industrial corporations. It is difficult to believe that any country as rich as ours and in the midst of plenty would be embarrassed as we are and faced with distress and unemployment if we had a well-balanced banking system. Take that control out of the hands of a few men.

The submission of these questions, along with other matters that your judgment may dictate, will enable Congress immediately to provide for temporary and permanent relief and will prevent untold suffering and privation this winter, save billions of dollars in loss of wages and earnings, and accelerate the return of normal conditions. The legislatures of different States are meeting in special session, but they find it difficult, if not impossible, to adequately deal with the situation that is national in cause and effect.

In conclusion, we wish to assure you that our only motive in submitting this request is to cooperate with you in this distressing time in restoring confidence in our Nation and bringing immediate relief to the millions of our fellow citizens who find themselves unemployed, their resources exhausted, and their future darkened. These questions can be handled before the hardships of winter begin by a special session of Congress now.

Respectfully submitted.

MARTIN DIES, M. C.,
Second Texas District.
F. B. SWANK, M. C.,
Fifth Oklahoma District.

A great construction and improvement program should be started at once and not wait until 1932, when the campaign will begin. If such a plan were adopted and the work done with man power instead of with machinery so far as possible, it would put every man to work now. Large construction on our waterways and flood control needs to be done which would be of great benefit to the country in general and to Oklahoma in particular. I have communicated with the Bureau of Reclamation and the Bureau of Public Roads on the use of more man power and mention this to show that I am trying to do something to relieve present conditions. New uses for cotton must be found. Only recently the Post Office Department submitted bids for 1,300,000 pounds of cotton twine for six months for that one department of Government. That one item alone, in one department, will cause to be used 5,200 bales more of cotton each year. All other departments of the Government should follow suit. Our program calls for that to be done. The newspapers carried reports that the sugar industry was going to use cotton sacks instead of imported burlap. Then, in my judgment, the Department of Agriculture should not include "bollie" cotton in its production estimates, for it depresses the price and thereby injures the cotton farmers. In my opinion there should be a thorough and complete investigation of the Federal Farm Board to determine its activities in relation to the wheat and cotton crop, and I shall exert my efforts for a congressional investigation.

This plan also provides for a moratorium of one year on mortgage foreclosures, and if this time were granted many homes could be saved without loss to anyone. Then all immigration should be prohibited for at least a time. Workers should not be imported from other countries when we have so many millions of our own people out of work. The stock exchanges can and should be controlled or abolished. All that is necessary to achieve this result is to have an administration that wants to control them and prevent their wild and unscrupulous speculations and ruinous policy toward our people. Our banking system must be taken out of the hands of a few men and placed back in Congress, for the Constitution provides that the Congress shall have power to "coin money and regulate the value thereof." Congress can and should issue money and not pay the large banks to issue the money.

Mr. Chairman and Members of the House, this program would be of lasting benefit to our country, and let us unite and do something to relieve the distressful conditions that confront us. I am ready to support any plan that will provide relief for the people of our common land. Work must be provided or a direct appropriation made, for our hungry must not starve and our needy freeze this winter.

I am glad to say that our program has the personal indorsement of many citizens. The president of the Farmers Union of Oklahoma, Hon. Tom W. Cheek, wrote me that this program is right in line with the Farmers Union program. I also received the following letter from the Oklahoma City Trades and Labor Council:

OKLAHOMA CITY, OKLA., *October 17, 1931.*

Hon. F. B. SWANK,
House Office Building, Washington, D. C.

DEAR MR. SWANK: At the meeting of the Oklahoma City Trades and Labor Council, held October 15, a motion was unanimously adopted indorsing your recommendation to the President of the United States for an extra session of Congress to consider the program outlined in your petition.

Trusting that you may get fruits from this move and thanking you for your interest in the cause of the unemployed, we are

Yours very truly,
OKLAHOMA CITY TRADES AND LABOR COUNCIL.
JOHN HOWE, *Secretary.*

These indorsements come from great labor organizations which are interested in the general welfare of our country, and I appreciate them more than words can tell. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. MCGUGIN].

Mr. McGUGIN. Mr. Chairman, ladies, and gentlemen, when I came to this session of Congress I was opposed to the moratorium. The reason why I was opposed to it was because I believed that it directly benefited only the international bankers and the citizens who had investments in foreign loans. Last summer when the President wired the Members of Congress asking their position on the moratorium I replied that I should not be interested in the moratorium unless it was associated with a program which would stabilize other lines of business as well as the investments in foreign securities.

The message of the President to the Congress outlines a program which should aid and stabilize the financial structure of this country from Wall Street to Main Street.

Aid for Federal land banks, a home-loan discount bank to give immediate relief to embarrassed savings banks and building and loan associations, a reconstruction corporation to handle credits and securities of all kinds until property values return to a more normal value, together with the moratorium, should stabilize our entire financial system, which is tottering.

The President in his message advised the Congress that a few weeks since the huge sum of $250,000,000 was weekly being withdrawn from the banks in currency and hidden away. If this situation had continued for 20 weeks the entire $5,000,000,000 in circulation and outside of the Federal Treasury would have been withdrawn from American banks. Such a condition would have closed every bank in America, from the largest to the smallest. The chaos which would follow such a situation no man can comprehend. The time has come for quick and effective action upon the part of the Government. The Government is the only possible institution in America which can meet this emergency. The immediate and vital needs of the Nation demand that the Congress act posthaste and lay aside until a later date partisan bickering and personal animosity.

As to the moratorium, no man has less use for the international bankers and their conduct in making foreign loans than have I. When they made these loans they were far more interested in brokerage fees than in safe security. For several years they have been running the banking business of the country in a high-handed manner. They have been instrumental in centralizing the banking system and the wealth of the country until the Government can not

permit these New York banks to go broke without carrying down with them the banks throughout the Nation.

No matter what these international bankers made in the past, they do not have the money at this time. Their profits have been book profits and have vanished. I call the attention of the Congress to the selling prices of the stock in these banks. The stock in the Chase National Bank has gone from a top of $893 in 1928 down to $40 on November 30, 1931, and on down to $31 Saturday, December 12, of this year. The value of the stock in this bank has decreased 25 per cent during the last 12 days. The stock of the National City Bank of New York has fallen from a top of something like $650 a share to $51 a share on November 30 of this year, and to $41 a share on December 12 this year. The stock of this bank has decreased 20 per cent within the last 12 days.

No man in Congress has any idea that the interest is going to be paid on these foreign loans, whether Congress approves or disapproves the moratorium. Congressional approval or disapproval of the moratorium can have no other effect than possibly to stabilize or further to demoralize an already tottering world-wide banking system.

The President has submitted a general program to the Congress which will stabilize the banking and business conditions in America from New York City to Elk City, if indeed it is possible to accomplish that much needed and desired purpose. I take it that Secretary Mellon was apprised of the contents of the President's message before it was sent to the Congress. Since that message includes Federal Government support for frozen credits down to deposits in closed banks, it is an unconditional surrender on the part of centralized wealth. It is an open admission by big business that it can not be saved unless individual business is saved. If we Congressmen from rural sections may quickly realize that small business can not be stabilized if big business completely and abruptly fail, then there is some promise that America is on the highway leading to the land of hope.

I regret exceedingly that partisanship is running so high in the debate on the moratorium. If it must be viewed in a partisan sense, I should ask the question: Which party and which administration is deserving of the more censure, the party and administration which can not collect the interest on some worthless foreign debts or the party and administration which granted these worthless loans to foreign countries? [Applause.] There has never been a day since these loans were made that the United States could collect them. When these loans were made the Wilson administration evidently thought they were virtually worthless and would never be paid. At least, that administration did not go to the trouble of so much as obtaining a written I O U for them.

I am not here to criticize the making of those loans. I assume that the Wilson administration made them upon the theory that it was absolutely necessary for the Government of the United States to lend this money to a war-impoverished Europe in order that a world-wide banking structure might again be reestablished. It seems apparent that this administration is foregoing the interest on these loans for another year upon the theory that it is necessary to do so in order to try to preserve a world-wide banking structure. I do not assume for a moment that Woodrow Wilson made these loans for the purpose of throwing away the money of the American people. I do not assume for a moment that Herbert Hoover is foregoing the receipt of the interest on these loans for the purpose of beating the taxpayers of the United States out of something they might otherwise receive.

The Government of the United States at this moment must either take its choice in letting the liquidation go on or step into the breach and endeavor to check it. The executive branch of the Government has chosen to take the course of endeavoring to check the liquidation. It is now squarely up to the Congress to make the last and final decree as to whether the liquidation shall go on or use the full power of the Government of the United States to endeavor to check the liquidation. This is a choice between two evils; it is the choice between two very expensive burdens. Probably no man knows which of these evils is the lesser and which of these burdens is the lighter.

If the liquidation goes on it would seem that general bankruptcy of the financial and industrial world is inevitable.

If the liquidation goes on, it simply means forcing the financial and industrial world down to the present bankrupt level of agriculture and other raw products. The standard of agriculture is about 40 per cent below the pre-war standard. Liquidation means tearing down the industrial and financial world to 40 per cent below the pre-war level. That means wholesale cutting and slashing of wages, increased unemployment, and other human misery in untold proportions. Maybe that is the way out of it; it is an awful price to pay, but sooner or later there must be a parity between the prices of raw products of the mine and of the farm and the prices of the products of industry. It is to be hoped that a checking of the liquidation will bring these raw products up to some sort of a parity with industry rather than dragging industry and finance down to the present low level of agriculture and mining.

If the liquidation goes on, agriculture is not going to be in any worse shape than it is now. The farms of the Nation will be sold when the mortgages are foreclosed; however, the farmers will buy their land back for less than the mortgage. So, after all, it is the financial world which is going into complete bankruptcy rather than agriculture. If the liquidation goes on, the farmers will lose their farm machinery for the mortgage debt, but they will buy it back for less than the mortgage. If the liquidation goes on, the millions of people engaged in agriculture and mining are not going to buy the products of industry until these industrial products are down to an exchange value with the prices of farm and mineral products. Agriculture and mining are as low as they can get. There is no way for the manufacturing industry and finance to go other than down to agriculture and mining unless the liquidation is stopped. I do not undertake even to so much as suggest that I know whether or not the President's program or any other program can check the liquidation which is coming about by the downward plunge of finance and industry to the 40 per cent below the pre-war level of agriculture and mining.

We should not be in this present situation if from 1919 to 1929 industry and finance had exercised a fair, decent, and equitable regard for the raw products of the farm and of the mine. However, that is water over the dam and the day of reckoning has come. Industry and finance are learning from bitter experience that "the mills of the gods grind slowly but exceedingly fine."

If the liquidation can be checked, the President's plan should check it. I do not believe that the Government is going to be able to do it with any $2,000,000,000. I should sooner think that in the end it will be nearer $10,000,000,000. Industry and finance must pay the bill. They must either pay it as they are now paying it, through the inescapable demand of the economic law to liquidate, or pay it through taxes necessary to pay the expenses of the Government in its effort to check the liquidation. There is no right way, in the sense of an easy way, out of this depression. It is the case of getting out of it the best that we can.

Hope springs eternal in the human breast.

I do not firmly believe, I only hope, that the President's program, if accepted by the Congress, will check the cruel liquidation. I can not say that wisdom and judgment prompt this hope. It may only be a vain human struggle to avoid the human suffering which will be the inevitable consequence of a continuation of the present liquidation under the economic law. [Applause.]

Mr. PURNELL. May I ask the gentleman from Illinois what his plans are?

Mr. RAINEY. My purpose is to move that the committee rise in one minute from now.

Mr. PURNELL. And general debate will continue tomorrow?

Mr. RAINEY. Yes. Mr. Chairman, I now yield to the gentleman from Indiana [Mr. CROWE].

Mr. CROWE. Mr. Chairman, ladies and gentlemen of the committee, much has been said concerning the state of the Union, its condition and of world-wide conditions.

World-wide conditions are a matter of concern always to us all. We are much nearer our European neighbors than we formerly were, with our fast-sailing ocean liners, our airplanes, dirigibles, our cables, our wireless. These tend to bring countries that were once far away now very near at hand. We are our brother's keeper to be sure, and we want to lend every possible aid and assistance to the nations of Europe that we can in justice to ourselves and our own people.

On June 20 last I was interviewed by the press as to whether I would support a 1-year moratorium on world intergovernmental debts. I answered through the press as follows:

I desire to support President Hoover, but I would not favor any moratorium whatever until the needs of our own people have been taken care of. I would not favor any measure that would in any manner or way tend to the cancellation of any debts of the European powers.

If one year's moratorium could be granted and our rights entirely safeguarded and if it were conclusively shown that it would be used to help and strengthen busines conditions and not result in a wedge to their later obtaining further concessions and cancellation of any part or parts of the debts of foreign countries, I am inclined to think that I would favor it. However, I want to see our own people cared for first.

I would favor any reasonable policy that would give the European powers a breathing spell if it were not permitted to be used in building up armaments. If they could be safely bound, then and only then would I favor assisting them.

On June 23 President Hoover wired me asking if I would support his moratorium proposal. I at once answered him as follows:

I favor action by the United States which will prevent the collapse of the German Republic. I favor your plan, Mr. President, suspending payments of war debts to us from France, England, Germany, Italy, Belgium, and other nations if such action will help economic conditions in those countries and in the United States, on the following conditions:

First. The tax burden upon our own people should not be increased by such moratorium.

Second. We should be assured that such action will, in some measure, tend to relieve our own economic distress and unemployment.

Third. We should know that such action will strengthen the position of the United States in the coming disarmament conference.

Fourth. Foreign countries should guarantee to the United States that they will not take advantage of the situation by way of increased expenditures for armament.

Fifth. Our own people should be assured that such action on our part is not an opening wedge leading to the cancellation of war debts to the United States.

Sixth. The Government of the United States should assure our own people that the loss of income from debt payment for the coming year will not interfere with relief needed by our own citizens and should guarantee that, in this land of plenty and surplus food, no one shall starve or suffer from prolonged hunger.

While we desire to help and aid Europe, we shall not overlook the terrible conditions staring us in the face here at home.

Furthermore, how far can we and should we be expected to go with Europe, and have we not already gone quite far enough?

Should we be required to extend the moratorium to other European countries in order to assist Germany? Could we not extend a helping hand to Germany and assist her in her crisis temporarily, if need be, and yet require the other nations to continue paying us?

Will the moratorium not be a wedge tending to further reparations reductions and ultimate cancellation?

To aid Germany, why was it necessary to suspend the payments due us from France, England, Italy, and other nations? Why was it necessary to suspend payments due us from Czechoslovakia, Estonia, Finland, Hungary, Lithuania, Latvia, Poland, and Yugoslavia? They are not indebted for war-time advances but loans were made them after the termination of the war and for other than war purposes. The loans of those eight nations total more than $400,000,000. On these, as well as other European debtors, the plan of their settlement does not even provide for a reasonable return on the money, they to pay only 3.2 per cent per annum.

UNITED STATES TO LOSE PRINCIPAL

Under the plan of this settlement we do not expect, neither can we hope, to ever be paid the principal, these countries to pay 3.2 per cent per annum for 62 years; then the debt is canceled.

What excuse or reason is there for a moratorium for these countries, and why give them additional time, when our farmers, our merchants, our workingmen are being ground to dust trying to raise the money to pay taxes, a part of which is to go to pay the interest on money loaned Europe?

In the case of France, after our boys returned, excepting the fallen heroes who rested in Flanders fields and other parts of France and Europe, there remained some $2,000,000,000 worth of supplies, railroad-equipment improvements we had made, foods of all kinds, and other supplies. Unfortunately, on account of our agreement respecting tariff duties, we only had one customer for all this, namely, France. She drove a bargain and purchased the $2,000,000,000 with promises to pay of $400,000,000, or 20 cents on the dollar. Prior to the armistice France, when hard pressed, secured loans from us of approximately $2,662,000,000. After the war was all over, listening to her further pleadings, we loaned France additional money until her total debt was $4,231,000,000. This total is generally considered and probably was under the amount really owed us by France. However, it was the figure arrived at.

This money was raised in the United States by sale of Liberty loan bonds, thrift stamps, and so forth, on which our Government pays the investors 4 per cent in the main, and when due they are to be retired by the owner receiving face value for them. We received in turn from France her promise to pay us 2½ per cent per annum for 62 years, at which time, instead of her paying off her obligations, the debt will be canceled.

Other European nations settled on terms most advantageous to them and to our great loss and disadvantage.

On the state of the Union, we had a deficit of some $900,000,000 last year, and it promises to be near $2,000,000,000 this year.

The amounts due us from Europe per year, according to settlements made with European powers, would be something over $300,000,000 per year. That money is needed to assist our own people, to help them carry some of their heavy load.

If the nations of Europe, other than Germany, are hard hit, let them forego the building of armaments and reduce their armies and navies. France, with her tremendous army, navy, and air corps, is paying nearly $2,500,000,000 yearly; that in two years would wipe out their debt to the United States. We have gone quite too far already in aiding Europe. Charity begins at home.

He that careth not for his own house hath denied the faith, and is worse than an infidel.

So reads the Good Book. If we are prepared to help, let us help our own countrymen.

While I am unalterably opposed to a dole, or a near approach to it, I oppose it when given to Europe, in moratorium and cancellation of debts, just the same and just as vigorously as I do to our own people, but at that we can not let our own people starve in this land of plenty.

If we can give so much aid to Europe, why not aid our own farmers, who are breaking under loads of debt and interest charges partly brought about by high taxation? I would prefer to extend a moratorium to our farmers and others who are under mortgage and losing their farms and homes.

VETERANS

If we are in position to offer help so generously to Europe, I ask instead that we give more careful consideration to the needs of our veterans. I shall introduce bills in Congress and try to get them written into legislation to be of benefit and help to the veterans and their dependents.

I may vote for the ratification of the 1-year moratorium as sponsored by President Hoover, but I am unalterably opposed to any further extension of time and shall never consent to any further reduction of reparations payments.

I am opposed to even any further discussion with European powers concerning reparations.

While the settlements we have made with the powers of Europe are not satisfactory they are no doubt much more satisfactory than any new settlements we would make.

I have too much respect for the fathers and mothers in the United States who bought Liberty bonds, and of their sons who offered their lives as a sacrifice for their country, to vote for any further extension of the moratorium or any cancellation whatever of European debts due us. [Applause on the Democratic side.]

Mr. PURNELL. Mr. Chairman, I yield one minute to the gentleman from Pennsylvania [Mr. MCFADDEN].

Mr. MCFADDEN. Mr. Chairman, I intended to ask that these letters I hold in my hand be read from the desk this morning, but it was not possible to do that. I ask unanimous consent that I may insert them in the RECORD at this point following the remarks I have made. They constitute correspondence between the Under Secretary of the Treasury, the Secretary of State, and myself, pertaining to the moratorium and the war-debt situation.

The CHAIRMAN. Is there objection?

There was no objection.

The letters referred to are as follows:

DECEMBER 12, 1931.

Hon. OGDEN L. MILLS,
Under Secretary of the Treasury, Treasury Department, Washington, D. C.

MY DEAR MR. MILLS: The Washington Post this morning carries the following:

"MILLS TO MEET SENATORS

"Ogden L. Mills, Under Secretary of the Treasury, will go to the Capitol this morning to discuss the Hoover 1-year moratorium on war debts with five influential Senators.

"'I am going to talk about the December 15 payments and nothing else,' Mr. Mills said last night.

"He was referring to the payments which certain European countries were scheduled to make to this country next Tuesday, but which, under the Hoover moratorium, would be postponed and paid later over a 10-year period.

"It is now evident that Congress can not adopt the moratorium resolution until after Tuesday. Thus it becomes necessary for Henry L. Stimson, Secretary of State, to issue a statement explaining to the debtor nations that they are not expected to make the December 15 payments.

"Mr. Mills wants to consult the Senators about the form this statement should take.

"Mr. Mills, who is regarded as the President's principal adviser with respect to the international economic situation, will meet with the group of Senators this morning in the office of Majority Leader WATSON."

I desire to call your attention to the fact that the Secretary of State has no authority whatsoever to issue a statement to any debtors of the United States affected by the Hoover moratorium that they need not make payment of debts due the United States on December 15, 1931, pending action on the moratorium which is now before the Congress.

The Hoover moratorium was negotiated by the President of the United States without the authority of Congress, and now certainly the Secretary of State has no authority, and if he takes such action as indicated by you it will be a reversal of his position taken in July, 1929, when the Government of France asked for a short delay before executing the Mellon-Berenger agreement, wherein his position then was stated to France to be that the disposition established by the Mellon-Berenger accord could not be modified save by a law enacted by Congress, and he further stated that Congress was not in session and that the United States held the French documents of indebtedness and would proceed to an execution upon France if the Mellon-Berenger accord were not modified immediately.

Under my responsibility as a Member of Congress, I challenge the right of the Secretary of State to issue such a communication.

Very truly yours,

L. T. MCFADDEN.

DECEMBER 12, 1931.

Hon. HENRY L. STIMSON,
Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: This morning's Washington Post carries the following article:

"MILLS TO MEET SENATORS

"Ogden L. Mills, Under Secretary of the Treasury, will go to the Capitol this morning to discuss the Hoover 1-year moratorium on war debts with five influential Senators.

"'I am going to talk about the December 15 payments and nothing else,' Mr. Mills said last night.

"He was referring to the payments which certain European countries were scheduled to make to this country next Tuesday, but which, under the Hoover moratorium, would be postponed and paid later over a 10-year period.

"It is now evident that Congress can not adopt the moratorium resolution until after Tuesday. Thus it becomes necessary for Henry L. Stimson, Secretary of State, to issue a statement explaining to the debtor nations that they are not expected to make the December 15 payments.

"Mr. Mills wants to consult the Senators about the form this statement should take.

"Mr. Mills, who is regarded as the President's principal adviser with respect to the international economic situation, will meet with the group of Senators this morning in the office of Majority Leader WATSON."

I am inclosing copy of letter that I have this day sent to the Under Secretary, and now call it to your attention, and desire to be informed immediately as to whether or not you have issued such a letter to the creditors of the United States or whether you have in contemplation such action.

Under my responsibility as a Member of Congress, I challenge your right to issue such a communication.

Very truly yours,

L. T. MCFADDEN.

THE UNDER SECRETARY OF THE TREASURY,
Washington, December 12, 1931.

Hon. LOUIS T. MCFADDEN,
House of Representatives.

MY DEAR MR. MCFADDEN: I have your letter of December 12, which presumably was written before you talked to me over the telephone. Let me repeat what I said to you then: I never stated that the Secretary of State would issue a statement to the effect that our debtor nations are not expected to make the December 15 payments. To my knowledge neither the Secretary of State nor any other responsible officer of the Government has any intention of making any such statement.

Since you quote from the Washington Post of this morning, may I call your attention to the fact that the Washington Post does not say that I made any such statement. It quotes me as follows: "I am going to talk about the December 15 payments and nothing else."

Yours truly,

OGDEN L. MILLS,
Under Secretary of the Treasury.

DECEMBER 14, 1931.

Hon. OGDEN L. MILLS,
Under Secretary of the Treasury, Washington, D. C.

MY DEAR MR. MILLS: I received your letter of the 12th replying to mine of the same date, which communication was written before I talked to you over the telephone. But, notwithstanding your denial over the telephone, after advice that I received that you had been discussing with Representatives GARNER, RAINEY, LINTHICUM, and COLLIER, SNELL, and HAWLEY, the very subject that you denied to me, and being further reassured by newspaper correspondents who were present at some of these interviews, I mailed you my letter. And now you have acknowledged in your interview printed in this morning's press that you did secretly try to get congressional approval by discussing not only with the above Members of the House, but with Senators WATSON, BORAH, REED, and others.

I now desire to reiterate what I said in my last letter to you and emphasize, so far as I am able, the fact that you are now attempting to do, by acquiescence and indirectly, what you know and what you have told me you have no right to do. I again repeat to you that you and those associated with you in this undertaking have no legal authority to do what you are doing, and you are laying yourselves personally liable to the people of the United States for any losses which they may incur by your assurance either directly to the debtor nations or to their legally constituted representatives.

The article in which you are quoted this morning says that the flurry of opposition to the President's moratorium is expected to die down as soon as Congress has learned that no connection is intended between the 12 months' debt holiday and the re-creation of the World War Foreign Debt Commission. You are directly quoted as saying, "There has never at any time been any intention of coupling the President's proposal to re-create the World War Foreign Debt Commission with the proposal for a 1-year suspension of payments on foreign debts." You know perfectly well that this statement is intended to deceive the Congress. You know how utterly impossible this would be. If this moratorium is ratified, war debts and reparations are irrevocably mixed. And you must know this when the present international bankers committee and the committee operating under the Bank for International Settlements are acting to ascertain Germany's capacity to pay, not only reparations but indebtedness of Germany, both short and long time, and that there is to be convened an international conference to deal with the question of the reduction of war debts and reparations. So why try to deceive Congress and the American people in regard to this vital matter at this time?

You are to appear before the Ways and Means Committee tomorrow to present your argument as regards the moratorium pro-

posal. I hope at this meeting that you will not only include what you have prepared to say to this committee but that you will furnish to this committee the information which I have been asking for from the Secretary of the Treasury as per the inclosed copy of letter, and which information has not been forthcoming, but also furnish the information which I have been asking the Federal Reserve Board to produce as per the inclosed letter and which they have failed to produce. This information is vital in connection with the consideration which Congress is to give to this moratorium.

Very truly yours,

L. T. MCFADDEN.

DECEMBER 14, 1931.

Hon. HENRY L. STIMSON,
Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: I have had no reply from you to my letter of December 12.

Supplementing what I said to you then, I desire to quote from this morning's Washington Post covering an announcement yesterday by Under Secretary of the Treasury Ogden L. Mills, as follows:

"The flurry of opposition to the President's moratorium is expected to die down as soon as Congress has learned that no connection is intended between the 12 months' debt holiday and the re-creation of the World War Foreign Debt Commission. This was emphatically declared by Mr. Mills yesterday. He said:

"'There has never at any time been any intention of coupling the President's proposal to re-create the World War Foreign Debt Commission with the proposal for a 1-year suspension of payments on foreign debts.'"

Under my responsibility as a Member of Congress, I again challenge your right to make any modifying statement to the debtors of the United States affected by the Hoover moratorium whose payments are due to-morrow and who will, I understand, if you do not deprive them of the opportunity, pay into the United States Treasury approximately $125,000,000.

I protest that you have no right whatsoever to mislead the representatives here of the countries affected. This debt settlement agreement can not be modified without the approval of Congress; you have no authority until Congress gives it to you in this instance. I desire to point out to you that the acquiescence of a small number of Representatives and Senators is not the approval of Congress. Congress is now in session and is dealing with the subject.

I desire to now notify you that you and all of those associated with you in this attempt to deprive the United States of what is legally due them from these countries will be held personally responsible, and I demand that you advise me what communications or verbal assurances or acquiescences have been directly given to the debtor countries or their legal representatives here or elsewhere.

Very truly yours,

L. T. MCFADDEN.

NOVEMBER 21, 1931.

Hon. ANDREW W. MELLON,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. MELLON: In connection with the consideration that will be given in the coming session of Congress relative to the Hoover moratorium of war debts and reparation payments, I shall be pleased if you will advise me at once full information relative to Germany's debt, both short and long term, and to what countries and banks they are owed, and the amounts; and, also, if you will furnish we a complete statement of all war debts and reparations involved in this moratorium. I am particularly anxious that this statement shall cover the short-term indebtedness, which by agreement among American and foreign bankers has been extended to February, 1932, and any other amount of short-term indebtedness which may not have been covered by this agreement.

I am particularly anxious to know, also, the amount of short-term indebtedness represented by acceptances or notes made in other countries indorsed or guaranteed by the German Government, or German States or financial institutions, and to what amount, if any, such obligations are held in the United States, and by whom.

In other words, I am asking you for full and complete information relative to the financial situation of Germany as affected by this moratorium, and I would also like you to include, if possible, the entire debt which the German Government or her States and political subdivisions or her people owe to this country or any other country. Your prompt attention to this will oblige.

Respectfully yours,

L. T. MCFADDEN.

NOVEMBER 23, 1931.

FEDERAL RESERVE BOARD,
Washington, D. C.

GENTLEMEN: In connection with the consideration that will be given by the coming session of Congress to the Hoover moratorium, I shall be pleased if you will advise me the total amount and character of all short-term German indebtedness which is now in the United States and by whom held and the amounts. I should like this to include not only direct borrowings between banks, banking or acceptance houses on the part of the Germans or any of their institutions but also any obligations indorsed or otherwise guaranteed by the German Government or any company or banking institution or individuals in or outside of Germany—in other words, to show the entire situation of German short-term indebtedness, together with any agreements as to extension or payments, or any acceptances or other obligations now held by Federal reserve banks taken through any foreign acceptance house or banks.

I should also like to have particularly identified a list of the names of the holders, and the amounts held by each, of the short-term indebtedness in the United States covered by the American and English extension agreement which runs until February, 1932.

I should also like a statement of all loans or credits established by the 12 Federal reserve banks to other central banks or the Bank for International Settlements, and the character of such loans or credits and in each instance how secured, and the total itemized amounts now unpaid.

Also, please advise me what commitments on the part of the Federal reserve banks or the Federal Reserve Board are outstanding relating to loans, credits, or gold; also, whether or not any agreement or understanding exists at the present time with any of the central banks or their governments, including the Bank for International Settlements, in regard to changes of discount rates or gold movements.

I should also like to be informed as to what amount, if any, of the so-called short-term German, English, or Russian acceptances were held at the time of the moratorium, or are now held by any of the 12 Federal reserve banks and the amount so held by each bank, and please state whether such banks procured these acceptances by direct purchase or through rediscount for member banks.

Also, please advise the amount of money the Federal reserve banks now have on deposit with the Bank for International Settlements and what amount, if any, of paper the Federal reserve now holds taken from the Bank for International Settlements, or any other agreements upon which the Federal reserve banks are bound in any manner whatsoever.

If any amount of these German, English, or Russian acceptances were, on the date of the moratorium, or are now, held by the Federal reserve banks, what amounts of each are held by any of the Federal reserve agents as security for outstanding Federal reserve notes?

Very truly yours,

L. T. MCFADDEN.

NOVEMBER 30, 1931.

FEDERAL RESERVE BOARD,
Washington, D. C.

GENTLEMEN: In connection with the consideration that is about to be given to the Hoover moratorium I desire you to advise me what amount of short-term indebtedness, acceptances or otherwise, is held by the 12 Federal reserve banks or member banks originating or in any way guaranteed or issued by Austria or any of her institutions, thus enabling me to know the amount of short-term Austrian debts held in the United States.

Awaiting your reply, I remain, sincerely yours,

L. T. MCFADDEN.

Mr. RAINEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LOZIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the President's message and had come to no resolution thereon.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, the special committee on the District of Columbia are filing their report to-day or to-morrow. They would like to have a little time to explain the report to the House before it is taken up in the House. If it is agreeable to the gentleman from Illinois [Mr. RAINEY], I wish we could arrange to give them from 40 to 60 minutes to-morrow.

Mr. RAINEY. That would be entirely satisfactory. At what time?

Mr. SNELL. I think perhaps the first thing.

The SPEAKER. The Chair has not seen that report, but he is under the impression that it would be a matter to be considered in the Committee of the Whole House on the state of the Union.

Mr. SNELL. They want to make an explanation of the resolution they are going to introduce in advance of its introduction.

Mr. RAINEY. And not consider the report?

Mr. SNELL. No.

SIXTEENTH SESSION, INTERNATIONAL GEOLOGICAL CONGRESS

The SPEAKER laid before the House the following message from the President of the United States, which was read,

and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State, to the end that legislation may be enacted to authorize an appropriation of $85,000 for the expenses of the Sixteenth Session of the International Geological Congress to be held in the United States in 1933.

HERBERT HOOVER.

THE WHITE HOUSE,
Washington, December 14, 1931.

SUPREME COURT, PHILIPPINE ISLANDS

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

I transmit herewith two related bills enacted by the Eighth Philippine Legislature during its second session and approved by the Governor General of the Philippine Islands. They are:

S. No. 261. "An act defining the jurisdiction of the Supreme Court of the Philippine Islands, creating a court of appeals and defining its jurisdiction, and providing for other purposes"; and

S. No. 155. "An act concerning the judiciary; making provision regarding the court of appeals created by act entitled 'An act defining the jurisdiction of the Supreme Court of the Philippine Islands, creating a court of appeals and defining its jurisdiction, and for other purposes'; providing appropriation for said court of appeals; applying the provisions of certain sections of the revised administrative code to said court of appeals, and for other purposes."

Briefly, the purpose of the two acts was to relieve congestion in the work of the Supreme Court of the Philippine Islands by the creation of an intermediate court of appeals between the Courts of First Instance and the Supreme Court of the Philippine Islands.

Act S. No. 261 purports to diminish the present jurisdiction of the Supreme Court of the Philippine Islands through transfer of certain of that jurisdiction to the proposed court of appeals. Under section 26 of the organic act of the Philippine Islands the act can not take effect without the prior approval of Congress.

The related act, S. No. 155, provides for the organization of the proposed court of appeals if and when authorized by Congress. It contemplated no express approval by Congress of its provisions.

The acts in question are transmitted as indicative of the form and substance of legislation which at the time of the passage of the acts by the Philippine Legislature was deemed advisable by that body. Subsequent, however, to the passage of these acts the Philippine Legislature passed legislation relative to the Supreme Court of the Philippine Islands, which received the approval of the Governor General and which does not require action by the Congress. That legislation (Act No. 3816, December 8, 1930) authorized an increase in the personnel of the supreme court, the jurisdiction of the court remaining unchanged.

It is believed that existing legislation affords adequate provision for meeting present needs. It is accordingly recommended that neither Act S. No. 261 nor Act S. No. 155 receive the approval of Congress.

HERBERT HOOVER.

THE WHITE HOUSE, *December 14, 1931.*

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 36 minutes p. m.) the House adjourned to meet to-morrow, Tuesday, December 15, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

245. A letter from the Secretary of War, transmitting a draft of a bill to provide appropriate military records for persons who, pursuant to orders, reported for military duty but whose induction into the service was, through no fault of their own, not formally completed on or prior to November 30, 1918; to the Committee on Military Affairs.

246. A letter from the Secretary of War, transmitting a draft of a bill to authorize the Secretary of War to exchange obsolete surplus, deteriorated or unserviceable supplies on equipment for new supplies or equipment of the same general character; to the Committee on Military Affairs.

247. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations for the fiscal year 1932 and prior years for the legislative establishment, certain executive departments, and independent establishments and the District of Columbia, amounting in all to $136,352,420.77 (H. Doc. No. 169); to the Committee on Appropriations and ordered to be printed.

248. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of South Edisto River, S. C.; to the Committee on Rivers and Harbors.

249. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Wacissa River, Fla.; to the Committee on Rivers and Harbors.

250. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Urbanna Creek, Middlesex County, Va.; to the Committee on Rivers and Harbors.

251. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Thunderbolt Harbor and the inland waterway between Thunderbolt and Oglethorpe Hotel; to the Committee on Rivers and Harbors.

252. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Woods Hole Channel, Mass.; to the Committee on Rivers and Harbors.

253. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Yantic River, Conn.; to the Committee on Rivers and Harbors.

254. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Three Mile Creek, Ala.; to the Committee on Rivers and Harbors.

255. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Tombigbee River, Miss.; to the Committee on Rivers and Harbors.

256. A letter from the Secretary of the Interior, transmitting a statement submitted by the Director of the Geological Survey in compliance with the act of May 10, 1926 (44 Stat. 1487); to the Committee on Indian Affairs.

257. A letter from the Librarian of Congress, transmitting annual report as Librarian of Congress, together with that of the Register of Copyrights, for the fiscal year ending June 30, 1931; to the Committee on the Library.

258. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on Skunk River, Iowa, covering navigation, power development, and irrigation; and also its effects upon the lower Mississippi River with regard to flood control (H. Doc. No. 170); to the Committee on Rivers and Harbors and ordered to be printed with illustrations.

259. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Chippewa River, Wis., covering navigation, flood control, power development, and irrigation (H. Doc. No. 171);

to the Committee on Rivers and Harbors and ordered to be printed with illustrations.

260. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Bayou Yscloskey (Ysclosky), La.; to the Committee on Rivers and Harbors.

261. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination and survey of Lake Charles Deep Water Channel, La., with a view to maintaining said channel to its enlarged dimensions and to reporting the amount of contributions in land and money heretofore furnished by local interests for such waterway (H. Doc. No. 172); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

262. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of channel from Palacios, Tex., and the Texas National Guard Camp through Tres Palacios and Matagorda Bays to a connection with the Intracoastal Waterway; to the Committee on Rivers and Harbors.

263. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of the Combahee and Big Salkehatchie Rivers, S. C.; to the Committee on Rivers and Harbors.

264. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Pithlachascotee River, Fla.; to the Committee on Rivers and Harbors.

265. A letter from the Secretary of War, transmitting a draft of a bill to provide for the care and maintenance of the Guilford Courthouse National Military Park; to the Committee on Military Affairs.

266. A letter from the Secretary of War, transmitting a draft of a bill to authorize the construction of a sea wall at Fort Randolph, Panama Canal; to the Committee on Military Affairs.

267. A letter from the Secretary of War, transmitting a draft of a bill to authorize certain funds heretofore appropriated for certain construction at military posts to be made available for certain other construction at the same posts; to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H. R. 5596) to provide for the regulation of common carriers by motor vehicle in the same manner as common carriers by railroad; to the Committee on Interstate and Foreign Commerce.

By Mr. BECK: A bill (H. R. 5597) to amend the national prohibition act, as supplemented, in respect of the definition of intoxicating liquor; to the Committee on the Judiciary.

By Mr. CLANCY: A bill (H. R. 5598) to extend the time in which applications may be made for the benefits of the disabled emergency officers' retirement act of May 24, 1928; to the Committee on World War Veterans' Legislation.

By Mr. CONDON: A bill (H. R. 5599) to amend section 32 (a) of the act of March 2, 1929, entitled "An act to supplement the naturalization laws, and for other purposes"; to the Committee on Immigration and Naturalization.

By Mr. EATON of New Jersey: A bill (H. R. 5600) to provide for the commemoration of Middlebrook Heights, near Bound Brook, N. J., where George Washington was in camp at the time of the adoption of the United States flag by Congress, June 14, 1777; to the Committee on Military Affairs.

By Mr. GOSS: A bill (H. R. 5601) to provide for placing certain educational orders to familiarize private manufacturing establishments with the production of certain ordnance and to provide for manufacture of certain ordnance by Government-owned arsenals; to the Committee on Military Affairs.

By Mr. JAMES: A bill (H. R. 5602) to authorize the acquisition for military purposes of land in Virginia for use as an addition to Langley Field, and for other purposes; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 5603) to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, Township 131 north, range 29 west, in the county of Morrison, Minn.; to the Committee on the Public Lands.

By Mr. OVERTON: A bill (H. R. 5604) to provide for the commemoration of the military historic events which occurred at Alexandria, in the State of Louisiana; to the Committee on Military Affairs.

By Mr. WICKERSHAM: A bill (H. R. 5605) authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have or claim to have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. BANKHEAD: A bill (H. R. 5606) relating to loans to veterans upon their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. BOLAND: A bill (H. R. 5607) to authorize the erection of a United States Veterans' Bureau hospital in Lackawanna County, Pa.; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5608) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. FULBRIGHT: A bill (H. R. 5609) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes," approved May 15, 1928; to the Committee on Flood Control.

By Mr. FULMER: A bill (H. R. 5610) to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina; to the Committee on Military Affairs.

Also, a bill (H. R. 5611) to provide for the commemoration of the Battle of Clouds Creek, in the State of South Carolina; to the Committee on Military Affairs.

Also, a bill (H. R. 5612) to limit the purchases of the Post Office Department, so far as possible, to articles of the growth, production, or manufacture of the United States; to the Committee on the Post Office and Post Roads.

By Mr. HOPE: A bill (H. R. 5613) relating to the sale and disposition of wheat held by the Wheat Stabilization Corporation; to the Committee on Agriculture.

By Mr. JOHNSON of Missouri: A bill (H. R. 5614) providing for the purchase of a site and erection of a public building at Slater, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 5615) to authorize the expenditure of $40,000 to construct a fireproof gymnasium-auditorium addition to school building, and other repairs and equipment at the Riverside Indian school; to the Committee on Indian Affairs.

Also, a bill (H. R. 5616) to authorize the expenditure of $25,000 for nurses' home and equipment at the Fort Sill Indian hospital, at Lawton, Okla.; to the Committee on Indian Affairs.

Also, a bill (H. R. 5617) to authorize the expenditure of $40,000 for a fireproof gymnasium-auditorium, a shop building, and for other repairs and equipment, at the Fort Sill Indian school, Lawton, Okla.; to the Committee on Indian Affairs.

By Mr. MAAS: A bill (H. R. 5618) to provide a judicial method of trying charges against postal employees; to the Committee on the Post Office and Post Roads.

By Mr. MARTIN of Massachusetts: A bill (H. R. 5619) to authorize the erection of a United States veterans' hospital in southeastern Massachusetts or Rhode Island and to authorize an appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. NELSON of Missouri: A bill (H. R. 5620) to provide for the commemoration of the Battle of Boonville in the State of Missouri; to the Committee on Military Affairs.

By Mr. PARKER of New York: A bill (H. R. 5621) to amend the trading with the enemy act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. RICH: A bill (H. R. 5622) to provide for disposing of the Muscle Shoals properties of the United States; to the Committee on Military Affairs.

By Mr. TINKHAM: A bill (H. R. 5623) to confer certain additional powers upon the Federal Trade Commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITE: A bill (H. R. 5624) to amend the national prohibition act, as amended and supplemented; to the Committee on the Judiciary.

By Mr. BLAND: A bill (H. R. 5625) to provide for the construction of a bridge over the Rappahannock River as a memorial to President Madison; to the Committee on Interstate and Foreign Commerce.

By Mr. SELVIG: A bill (H. R. 5626) authorizing the States of Minnesota and North Dakota, the county of Polk, Minn., the county of Grand Forks, N. Dak., or any one or more of them, to construct, maintain, and operate a free highway bridge across the Red River of the North, at or near Bygland, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH: A bill (H. R. 5627) for the creation of a national park to be known as Temple Hill National Park, in the town of New Windsor, Orange County, N. Y.; to the Committee on Military Affairs.

By Mr. JAMES: A bill (H. R. 5628) to authorize appropriations for construction of buildings, utilities, and appurtenances at Maxwell Field, Ala.; to the Committee on Military Affairs.

Also, a bill (H. R. 5629) to authorize appropriations for construction of buildings, utilities, and appurtenances, and for other purposes, at Fort Leavenworth, Kans.; to the Committee on Military Affairs.

Also, a bill (H. R. 5630) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto, and for other purposes, at Marshall Field, Kans.; to the Committee on Military Affairs.

Also, a bill (H. R. 5631) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto at Crissy Field, Calif.; to the Committee on Military Affairs.

Also, a bill (H. R. 5632) to authorize appropriations for construction and for other purposes at Post Field, Okla.; to the Committee on Military Affairs.

Also, a bill (H. R. 5633) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto at Selfridge Field, Mich.; to the Committee on Military Affairs.

By Mr. SEGER: A bill (H. R. 5634) to reduce the rate of interest on loans upon adjusted-service certificates, to provide that such loans may be made immediately after issuance of such certificates, and to provide for the payment of the face value of such certificates to permanently disabled veterans; to the Committee on Ways and Means.

By Mr. BARBOUR: A bill (H. R. 5635) to regulate commerce between the United States and foreign countries in crude petroleum and fuel oil and all distillates obtained from petroleum, including kerosene, benzine, naphtha, gasoline, paraffin, and paraffin oil; to the Committee on Ways and Means.

By Mr. FREE: A bill (H. R. 5636) to amend section 2 of an act entitled "An act to promote the welfare of American seamen in the merchant marine of the United States, to abolish arrest and imprisonment as a penalty for desertion, and to secure the abrogation of treaty provisions in relation thereto and to promote safety at sea"; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 5637) to amend section 4530 of the Revised Statutes of the United States; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 5638) authorizing pursers or agents of vessels of the United States to perform the duties of the masters of such vessels in relation to entrance and clearance of same in customs-collection districts of the United States; to the Committee on the Merchant Marine and Fisheries.

By Mr. GRANFIELD: A bill (H. R. 5639) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. HAUGEN: A bill (H. R. 5640) to amend an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, as amended; to the Committee on Agriculture.

Also, a bill (H. R. 5641) to amend the filled milk act; to the Committee on Agriculture.

Also, a bill (H. R. 5642) to authorize and direct the transfer of Widows Island, Me., by the Secretary of the Navy to the Secretary of Agriculture for administration as a migratory-bird refuge; to the Committee on Agriculture.

By Mr. JOHNSON of Washington: a bill (H. R. 5643) to construct a public building for a post office at the city of South Bend, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5644) to construct a public building for a post office at the city of Raymond, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5645) to construct a public building for a post office at the city of Centralia, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. KELLY of Pennsylvania: A bill (H. R. 5646) to authorize the construction of buildings for certain post offices, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. LAGUARDIA: A bill (H. R. 5647) to prohibit bands and musicians of the United States Navy from furnishing music on any occasion beyond the scope of their naval duties; to the Committee on Naval Affairs.

By Mr. LEAVITT: A bill (H. R. 5648) authorizing transfer of an unused portion of the United States Range Livestock Experiment Station, Montana, to the State of Montana for use as a fish-cultural station, game reserve, and public recreation ground, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 5649) to extend the life of "An act to permit a compact or agreement between the States of Washington, Idaho, Oregon, and Montana respecting the disposition and apportionment of the waters of the Columbia River and its tributaries, and for other purposes"; to the Committee on Irrigation and Reclamation.

By Mrs. NORTON of New Jersey: A bill (H. R. 5650) to provide for the opening and closing of roads within the boundaries of the District of Columbia workhouse property at Occoquan, Fairfax County, Va.; to the Committee on the District of Columbia.

Also, a bill (H. R. 5651) to amend chapter 15 of the Code of Law for the District of Columbia, relative to the condemnation of land for public use; to the Committee on the District of Columbia.

Also, a bill (H. R. 5652) to authorize the assessor of the District of Columbia to testify in condemnation proceedings; to the Committee on the District of Columbia.

Also, a bill (H. R. 5653) to authorize pay patients to be admitted to the contagious-disease ward of the Gallinger Municipal Hospital; to the Committee on the District of Columbia.

By Mr. PATTERSON: A bill (H. R. 5654) to provide for the commemoration of Fort Jackson (Fort Toulouse), in the State of Alabama; to the Committee on Military Affairs.

By Mr. SHOTT: A bill (H. R. 5655) to provide for cooperation with the several States and Territories in the physical rehabilitation, education, vocational guidance, and vocational education of physically handicapped children and their placement and follow-up in employment, and for other purposes; to the Committee on Education.

By Mr. VESTAL (by request): A bill (H. R. 5656) to extend the patent system to promote science and useful arts; to the Committee on Patents.

By Mr. COCHRAN of Missouri: A bill (H. R. 5657) forbidding the transportation of any person or persons in interstate or foreign commerce, kidnapped or otherwise unlawfully detained; to the Committee on the Judiciary.

By Mr. DISNEY: A bill (H. R. 5658) to provide for a duty on mineral oils; to the Committee on Ways and Means.

By Mr. FISH: A bill (H. R. 5659) authorizing the Department of Justice to investigate revolutionary propaganda and communist activities in the United States; to the Committee on the Judiciary.

By Mr. LONERGAN: A bill (H. R. 5660) to provide for a 5-day work week for Federal employees without any decrease in present salaries; to the Committee on the Civil Service.

By Mr. SMITH of Idaho: A bill (H. R. 5661) to provide for the retirement of officers and employees of the legislative branch of the Government, and for other purposes; to the Committee on Accounts.

By Mr. STEAGALL: A bill (H. R. 5662) to amend the Federal farm loan act by providing for the extension of payments on mortgages; to the Committee on Banking and Currency.

By Mr. BANKHEAD: Resolution (H. Res. 55) to authorize the procurement of a marble bust of Oscar W. Underwood, late a Representative from the State of Alabama; to the Committee on Accounts.

By Mr. GARBER: Resolution (H. Res. 56) providing for an investigation of the activities and operations of the Federal Farm Board; to the Committee on Rules.

By Mr. SABATH: Resolution (H. Res. 57) to appoint a select committee to investigate the short selling of stocks on stock exchanges; to the Committee on Rules.

By Mr. SIROVICH: Resolution (H. Res. 58) appointing a committee of seven to investigate the prohibition bureau in the city of New York; to the Committee on Rules.

By Mr. RAYBURN: Resolution (H. Res. 59) to investigate the ownership and control of stock, securities, or capital interests in any public-utility corporation engaged in the transportation of persons or sale of property, energy, or intelligence in interstate or foreign commerce by holding companies, etc.; to the Committee on Rules.

By Mr. GREEN: Resolution (H. Res. 60) authorizing the appointment of assistant clerk to the Committee on Disposition of Useless Executive Papers; to the Committee on Accounts.

By Mr. BECK: Joint resolution (H. J. Res. 121) to provide for the erection of a suitable memorial to the memory of Comte de Grasse; to the Committee on the Library.

Also (by request), joint resolution (H. J. Res. 122) to provide for clarifying and reorganizing the accounts of the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLIER (by request of the Treasury Department): Joint resolution (H. J. Res. 123) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932 and their repayment over a 10-year period beginning July 1, 1933; to the Committee on Ways and Means.

By Mr. CARTER of California: Joint resolution (H. J. Res. 124) to create the transcontinental highway commission, and for other purposes; to the Committee on Roads.

By Mr. FULBRIGHT: Joint resolution (H. J. Res. 125) forbidding any official of any Federal land bank in foreclosure proceedings from issuing judgment on foreclosure until 12 months after date of such judgment; to the Committee on Banking and Currency.

By Mr. MEAD: Joint resolution (H. J. Res. 126) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H. J. Res. 127) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's memorial day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committe on the Judiciary.

By Mr. TILSON: Joint resolution (H. J. Res. 128) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. JOHNSON of Washington: Joint resolution (H. J. Res. 129) providing for the filling of vacancies in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; to the Committee on the Library.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the State Legislature of the State of New Jersey, memorializing the Congress of the United States to appropriate a sufficient sum of money to construct a ship canal across the State of New Jersey from Raritan Bay to the Delaware River at a point near the head of navigation, upon a right of way to be furnished by the State of New Jersey; to the Committee on Rivers and Harbors.

By Mr. EATON of Colorado: Memorial of the Twenty-eighth General Assembly of the State of Colorado, urging the setting apart of the Sand Dunes in Colorado as a national park or monument; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 5663) granting a pension to Catherine E. Burke; to the Committee on Pensions.

Also, a bill (H. R. 5664) granting an increase of pension to Charlotte C. Hay; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 5665) granting an increase of pension to Cora C. Cheever; to the Committee on Pensions.

By Mr. BECK: A bill (H. R. 5666) granting a pension to Timothy A. Linehan; to the Committee on Pensions.

Also, a bill (H. R. 5667) for the relief of Michael Baldino; to the Committee on Claims.

By Mr. BLAND: A bill (H. R. 5668) to provide for a survey of Winter Harbor, Mathews County, Va., with a view to its improvement for sanitary reasons; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 5669) to confer jurisdiction upon the Court of Claims to hear and determine the claim of the legal representatives of Henry H. Sibley, deceased; to the Committee on War Claims.

By Mr. BOLTON: A bill (H. R. 5670) granting a pension to Narcissus Ammons Griggs; to the Committee on Pensions.

By Mr. BOYLAN: A bill (H. R. 5671) for the relief of Francis Stephen Smith; to the Committee on Naval Affairs.

By Mr. BRUNNER: A bill (H. R. 5672) granting a pension to Lena Margraffe; to the Committee on Invalid Pensions.

By Mr. BOEHNE: A bill (H. R. 5673) for the relief of Lieut. P. A. Haas; to the Committee on Naval Affairs.

By Mr. BRAND of Georgia: A bill (H. R. 5674) for the relief of the heirs-at-law of Antoine Poullain, deceased; to the Committee on War Claims.

By Mr. BOWMAN: A bill (H. R. 5675) granting an increase of pension to Margaret Michaels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5676) granting a pension to William F. Helms; to the Committee on Invalid Pensions.

By Mr. BURDICK: A bill (H. R. 5677) for the relief of Thomas Connors; to the Committee on Military Affairs.

Also, a bill (H. R. 5678) granting a pension to Emma S. Boutwell; to the Committee on Pensions.

By Mr. CANNON: A bill (H. R. 5679) granting a pension to Louisa E. Gardner; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 5680) granting a pension to Frank D. Clegg; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 5681) granting an increase of pension to Viola Schaub; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 5682) for the relief of Miles Thomas Barrett; to the Committee on Claims.

By Mr. CARDEN: A bill (H. R. 5683) granting a pension to Mattie Bumgardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5684) granting a pension to Annie Peterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5685) granting an increase of pension to Sallie Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5686) granting a pension to Mary Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5687) granting an increase of pension to Mariah Buchanan; to the Committee on Invalid Pensions.

By Mr. CARLEY: A bill (H. R. 5688) for the relief of the Union Ferry Co., of New York and Brooklyn, owners of the ferryboat *Montauk;* to the Committee on Claims.

By Mr. COYLE. A bill (H. R. 5689) granting an increase of pension to Mary E. Benner; to the Committee on Invalid Pensions.

By Mr. CONDON: A bill (H. R. 5690) for the relief of Charles B. Malpas; to the Committee on Claims.

By Mr. CRAIL: A bill (H. R. 5691) granting an increase of pension to Ella M. Colibert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5692) for the relief of Russell H. Doak; to the Committee on Military Affairs.

Also, a bill (H. R. 5693) granting a pension to Nannette F. Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5694) granting a pension to Lucille B. Walley; to the Committee on Pensions.

Also, a bill (H. R. 5695) for the relief of Samuel S. Knox; to the Committee on Military Affairs.

Also, a bill (H. R. 5696) for the relief of Arthur Layrer; to the Committee on Military Affairs.

By Mr. CROWTHER: A bill (H. R. 5697) granting a pension to Elizabeth Johnson; to the Committee on Pensions.

By Mr. DISNEY: A bill (H. R. 5698) granting a pension to Sarah Hammons; to the Committee on Invalid Pensions.

By Mr. DOMINICK: A bill (H. R. 5699) granting a pension to Paul T. King; to the Committee on Pensions.

By Mr. EATON of New Jersey: A bill (H. R. 5700) providing for the examination and survey of the Delaware River between Philadelphia, Pa., and Trenton, N. J.; to the Committee on Rivers and Harbors.

By Mr. EATON of Colorado: A bill (H. R. 5701) granting an increase of pension to Kate M. Kirby; to the Committee on Invalid Pensions.

By Mr. FIESINGER: A bill (H. R. 5702) for the relief of Nancy Finnigan, widow of John Finnigan, alias John Cooney; to the Committee on Military Affairs.

Also, a bill (H. R. 5703) granting an increase of pension to Amanda Hess; to the Committee on Invalid Pensions.

By Mr. FISH: A bill (H. R. 5704) authorizing the Secretary of War, under the direction of the President, to order Joseph E. Myers, major, United States Army, retired, before a retiring board for a rehearing of his case and upon the findings of such board either confirm his retirement under the provisions of section 24–b, act of Congress of June 4, 1920, or place him on the retired list as provided by section 1251 of the Revised Statutes for disability incurred in line of duty; to the Committee on Military Affairs.

Also, a bill (H. R. 5705) granting an increase of pension to Ellen V. Gillson; to the Committee on Invalid Pensions.

By Mr. FULBRIGHT: A bill (H. R. 5706) for the relief of Myrtle Anderson; to the Committee on Claims.

By Mr. FULMER: A bill (H. R. 5707) for the relief of Mrs. James W. Goodwin; to the Committee on Claims.

By Mr. GAMBRILL: A bill (H. R. 5708) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Washington Parker, a former employee of the United States Naval Academy Dairy Farm, Gambrills, Md.; to the Committee on Claims.

Also, a bill (H. R. 5709) granting an increase of pension to Edward Jacob Stewart; to the Committee on Pensions.

Also, a bill (H. R. 5710) for the relief of John D. Butler to appeal from the decision of the Commissioner of Patents relative to a medical compound; to the Committee on Patents.

By Mr. GARNER: A bill (H. R. 5711) granting a pension to Henry W. Baylor; to the Committee on Pensions.

Also, a bill (H. R. 5712) granting a pension to James Whitecotton; to the Committee on Pensions.

Also, a bill (H. R. 5713) granting an increase of pension to Wyatt E. Heard; to the Committee on Pensions.

Also, a bill (H. R. 5714) granting an increase of pension to George W. Baylor; to the Committee on Pensions.

Also, a bill (H. R. 5715) granting an increase of pension to Sidney J. Baylor; to the Committee on Pensions.

Also, a bill (H. R. 5716) granting an increase of pension to members of Troop G, First Texas Volunteer Cavalry (commonly known as Montell Guards); to the Committee on Pensions.

By Mr. GARRETT: A bill (H. R. 5717) for the relief of William M. Bartlett; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 5718) granting a pension to Hugh Alexander; to the Committee on Pensions.

Also, a bill (H. R. 5719) granting an increase of pension to Catherine Meyers; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 5720) for the relief of Ward A. Jefferson; to the Committee on Claims.

By Mr. GRANFIELD: A bill (H. R. 5721) granting a pension to Peter Koutsaymanes; to the Committee on World War Veterans' Legislation.

By Mr. HARTLEY: A bill (H. R. 5722) granting an increase of pension to Josephine Bell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5723) granting a pension to Mary H. Wright; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 5724) granting a pension to Lina Buckley; to the Committee on Invalid Pensions.

By Mr. HESS: A bill (H. R. 5725) for the relief of Albert King; to the Committee on World War Veterans' Legislation.

By Mr. HILL of Alabama: A bill (H. R. 5726) for the relief of Warren F. Avery; to the Committee on Military Affairs.

By Mr. HILL of Washington: A bill (H. R. 5727) for the relief of certain tribes or bands of Indians in Washington, Idaho, and Montana; to the Committee on Indian Affairs.

By Mr. HOGG of Indiana: A bill (H. R. 5728) granting an increase of pension to Margaret C. Louthan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5729) granting an increase of pension to Margaret A. Secrist; to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 5730) granting an increase of pension to Sarah C. Friend; to the Committee on Invalid Pensions.

By Mr. JAMES: A bill (H. R. 5731) prescribing a rate of retired pay for an Army officer of outstanding service; to the Committee on Military Affairs.

By Mr. JOHNSON of Illinois: A bill (H. R. 5732) granting an increase of pension to Martha C. Howe; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Missouri: A bill (H. R. 5733) granting a pension to George E. Sandbach; to the Committee on Pensions.

By Mr. KELLY of Illinois: A bill (H. R. 5734) for the relief of Jackson A. Smith; to the Committee on Military Affairs.

By Mr. KNIFFIN: A bill (H. R. 5735) granting a pension to Myrtle Oldfield; to the Committee on Invalid Pensions.

By Mr. KURTZ: A bill (H. R. 5736) granting an increase of pension to Elizabeth Koontz; to the Committee on Invalid Pensions.

By Mr. LAMBERTSON: A bill (H. R. 5737) for the relief of Mike Prkovich; to the Committee on Military Affairs.

Also, a bill (H. R. 5738) for the relief of Stanton & Jones; to the Committee on War Claims.

Also, a bill (H. R. 5739) granting a pension to Merton M. Pennington; to the Committee on Pensions.

Also, a bill (H. R. 5740) for the relief of Mary Bogner; to the Committee on Claims.

By Mr. LAMBETH: A bill (H. R. 5741) granting a pension to Lella Deal; to the Committee on Pensions.

By Mr. LAMNECK: A bill (H. R. 5742) granting an increase of pension to Virginia Bower; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5743) for the relief of William J. Lucks; to the Committee on Claims.

Also, a bill (H. R. 5744) granting an increase of pension to Mary A. Layne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5745) for the relief of Harry R. Walters; to the Committee on Military Affairs.

Also, a bill (H. R. 5746) granting a pension to Viola E. Mather; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5747) granting an increase of pension to Eleonore Kopp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5748) granting a pension to Alice M. Stites; to the Committee on Invalid Pensions.

By Mr. LEAVITT: A bill (H. R. 5749) for the relief of Moses White Horse (Moses Carlson) of the Fort Peck Indian Reservation; to the Committee on Indian Affairs.

By Mr. McFADDEN: A bill (H. R. 5750) granting a pension to Mary Turk Wilmot; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 5751) granting an increase of pension to Irene (or Rena) Tevis; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 5752) granting an increase of pension to Mary V. Calderwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5753) for the relief of Michael S. Spillane; to the Committee on Military Affairs.

Also, a bill (H. R. 5754) for the relief of Elmer Fritsch, jr.; to the Committee on Naval Affairs.

By Mr. MAJOR: A bill (H. R. 5755) granting an increase of pension to Nancy Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5756) granting an increase of pension to Clara C. Berry; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 5757) granting an increase of pension to Maggie L. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5758) granting an increase of pension to Sarah A. Lofton; to the Committee on Invalid Pensions.

By Mr. MILLARD: A bill (H. R. 5759) providing for the examination and survey of Echo Bay Harbor, N. Y.; to the Committee on Rivers and Harbors.

By Mr. MILLIGAN: A bill (H. R. 5760) granting an increase of pension to Delilah Taylor; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 5761) granting an increase of pension to Louisa Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5762) granting an increase of pension to Hanah C. Johnson; to the Committee on Invalid Pensions.

By Mr. NOLAN: A bill (H. R. 5763) for the relief of Edwin Lockwood MacLean; to the Committee on Military Affairs.

Also, a bill (H. R. 5764) granting a pension to Katharine May Smith; to the Committee on Pensions.

Also, a bill (H. R. 5765) for the relief of D. E. Tracy; to the Committee on Claims.

Also, a bill (H. R. 5766) granting additional war-risk insurance to Anna Christine Jones; to the Committee on Claims.

Also, a bill (H. R. 5767) for the refund of Federal income and profits taxes erroneously collected; to the Committee on Claims.

By Mrs. NORTON of New Jersey: A bill (H. R. 5768) for the relief of Thomas Kinnane; to the Committee on Naval Affairs.

By Mr. PARKER of Georgia: A bill (H. R. 5769) authorizing the President of the United States to present in the name of Congress a medal of honor to Thomas H. Laird; to the Committeee on Naval Affairs.

Also, a bill (H. R. 5770) for the relief of George Tatum; to the Committee on Military Affairs.

By Mr. PARKER of New York: A bill (H. R. 5771) granting an increase of pension to Hattie M. Harris; to the Committeee on Pensions.

Also, a bill (H. R. 5772) granting an increase of pension to Alice Ward; to the Committee on Invalid Pensions.

By Mr. PERKINS: A bill (H. R. 5773) for the relief of Walter Northrop; to the Committee on War Claims.

Also, a bill (H. R. 5774) for the relief of Martin-Walsh (Inc.); to the Committee on Claims.

Also, a bill (H. R. 5775) providing for the examination and survey of the Passaic River above the Eighth Street Bridge, Wallington, N. J., to the Passaic Street Bridge, Garfield, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 5776) granting an increase of pension to Amanda Hoppock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5777) granting compensation to Thomas Peraglia; to the Committee on Claims.

Also, a bill (H. R. 5778) for the relief of George S. Conway; to the Committee on Claims.

By Mr. PERSON: A bill (H. R. 5779) for the relief of Edward H. Cotcher; to the Committee on Military Affairs.

Also, a bill (H. R. 5780) for the relief of Mary Orinski; to the Committee on Claims.

By Mr. REILLY: A bill (H. R. 5781) granting a pension to Wealtha V. Waite; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5782) granting a pension to George Beck; to the Committee on Invalid Pensions.

By Mr. ROBINSON: A bill (H. R. 5783) granting a pension to Ruvira Jerolaman; to the Committee on Invalid Pensions.

By Mrs. ROGERS: A bill (H. R. 5784) granting an increase of pension to Emma Middleton; to the Committee on Invalid Pensions.

By Mr. RUDD: A bill (H. R. 5785) for the relief of Thomas F. Kenney; to the Committee on Claims.

Also, a bill (H. R. 5786) for the relief of Essie Finger; to the Committee on Naval Affairs.

Also, a bill (H. R. 5787) for the relief of George Henry Purnhagen (deceased); to the Committee on Naval Affairs.

By Mr. SEIBERLING: A bill (H. R. 5788) granting an increase of pension to Sarah J. F. Youngker; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 5789) granting an increase of pension to Mary B. McDonald; to the Committee on Invalid Pensions.

By Mr. SINCLAIR: A bill (H. R. 5790) for the relief of Mary Many Wounds; to the Committee on Indian Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 5791) for the relief of the Lynn Brothers' Benevolent Hospital; to the Committee on Claims.

By Mr. SMITH of Virginia: A bill (H. R. 5792) for the relief of Basil A. Embrey; to the Committee on War Claims.

Also, a bill (H. R. 5793) for the relief of Lawrence A. Jett; to the Committee on Claims.

Also, a bill (H. R. 5794) to extend the benefits of the employers' liability act of September 7, 1916, to Mary Ford Conrad; to the Committee on Claims.

By Mr. SOMERS of New York: A bill (H. R. 5795) to correct the military record of Everett S. Pillion; to the Committee on Military Affairs.

Also, a bill (H. R. 5796) for the relief of Peter Burns; to the Committee on Military Affairs.

By Mr. MALONEY: A bill (H. R. 5797) granting a pension to Edith Chambers Feehan; to the Committee on Pensions.

By Mr. SPENCE: A bill (H. R. 5798) granting a pension to James R. Daniel; to the Committee on Pensions.

Also, a bill (H. R. 5799) granting a pension to Kate F. Phares; to the Committee on Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 5800) granting an increase of pension to Hattie V. Wilson; to the Committee on Invalid Pensions.

By Mr. SWANSON: A bill (H. R. 5801) for the relief of Clyde W. Edwards; to the Committee on Claims.

Also, a bill (H. R. 5802) granting a pension to Anna Agnew; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 5803) granting an increase of pension to Harriet Andres; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5804) granting an increase of pension to Emma E. Sperry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5805) for the relief of Capt. Charles M. Shailer; to the Committee on War Claims.

Also, a bill (H. R. 5806) granting an increase of pension to Gertrude E. Shorey; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 5807) granting a pension to Joseph F. Williams; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 5808) granting an increase of pension to Jane Ault; to the Committee on Invalid Pensions.

By Mr. WASON: A bill (H. R. 5809) for the relief of Ella P. Clark; to the Committee on Claims.

Also, a bill (H. R. 5810) for the relief of Emery Cormier; to the Committee on Patents.

By Mr. WICKERSHAM: A bill (H. R. 5811) for the relief of Ragnor Dahl; to the Committee on Claims.

By Mr. WIGGLESWORTH: A bill (H. R. 5812) granting a pension to Mary Spear; to the Committee on Invalid Pensions.

By Mrs. WINGO: A bill (H. R. 5813) granting a pension to George Leo Haight; to the Committee on Pensions.

Also, a bill (H. R. 5814) granting a pension to Julia Pitts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5815) granting a pension to Bettie Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5816) for the relief of Isaac Pierce; to the Committee on Military Affairs.

Also, a bill (H. R. 5817) for the relief of James M. Ray; to the Committee on Military Affairs.

By Mr. WILLIAMS of Texas: A bill (H. R. 5818) for the relief of Carl C. Baxter; to the Committee on Military Affairs.

Also, a bill (H. R. 5819) granting a pension to J. M. Waide; to the Committee on Pensions.

Also, a bill (H. R. 5820) for the relief of J. H. Wallace; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

122. By Mr. BOHN: Petition of the Knights of Kaleva, Hancock, Mich., for a protective tariff on copper; to the Committee on Ways and Means.

123. By Mr. BRUNNER: Petition of the Association Against the Prohibition Amendment, through its president, Henry H. Curran, submitting it to be the duty of Members of Congress to repeal national bone-dry prohibition; to the Committee on the Judiciary.

124. Also, resolution of Woodhaven Post, No. 118 (Inc.), Woodhaven, N. Y., that Woodhaven Post is in favor of the bill known as the widow's veterans' pension bill and urging support of same by the United States Congress; to the Committee on World War Veterans' Legislation.

125. By Mr. CHIPERFIELD: Petition of American Legion of the Department of Illinois, urging maintenance of adequate Army and Navy; to the Committee on Military Affairs.

126. By Mr. ENGLEBRIGHT: Petition of board of directors of the Orland Unit Water Users' Association, asking for a 3-year moritorium in the payment of the construction charges and the spreading over a period of 40 years the payments becoming due thereafter; to the Committee on Irrigation and Reclamation.

127. Also, petition of the Los Angeles section, California State Mining Association, asking Congress to initiate an international conference for the purpose of considering and, if possible, securing the stabilization of silver as a metal of ultimate redemption in conjunction with gold at a ratio of not more than 20 ounces of silver to 1 of gold; to the Committee on Mines and Mining.

128. Also, petition of directors Westwood Auto Club, relative to the fireproofing of the national forests; to the Committee on the Public Lands.

129. Also, petition of Sacramento section, American Society of Civil Engineers, asking for sufficient appropriations to carry out the purpose of the Temple Act, Public Law No. 498, Sixty-sixth Congress, February 27, 1925; to the Committee on Appropriations.

130. Also, petition of Federal Employees' Union, No. 1, San Francisco, Calif., through its president, Mr. J. F. Whelan, opposing any decrease in wages of Federal employees; to the Committee on the Civil Service.

131. Also, petition of grand officers of the Grand Parlor of the Native Sons of the Golden West opposing any modification of the present immigration laws; to the Committee on Immigration and Naturalization.

132. By Mr. FULMER: Resolution of farmers, bankers, and business men of Columbia, S. C., relative to the passage of the agricultural marketing act and indorsing the action of the Federal Farm Board; to the Committee on Agriculture.

133. By Mr. GARBER: Letter from R. F. Smith, captain Three hundred and eightieth Infantry, Oklahoma City, Okla., urging appropriations sufficient to train 40,000 reserve officers during the year 1932–33 and protesting against any reduction in military appropriations; to the Committee on Military Affairs.

134. Also, letter from Mrs. G. E. Thomas, Spokane, Wash., urging merit of the Columbia Basin irrigation project; to the Committee on Irrigation and Reclamation.

135. Also, letter from the president and secretary of the Farmers' Educational and Cooperative Union of America, Oklahoma division, expressing opposition to the Federal Farm Board; to the Committee on Agriculture.

136. Also, petition of committee against repeal of the eighteenth amendment, urging opposition to move for resubmission of the eighteenth amendment; to the Committee on the Judiciary.

137. By Mr. HALL of North Dakota: Petition of the county legislative delegation of McLean County, N. Dak., for an emergency appropriation for revetment and riprapping the Missouri River on the west side of the bank in sections 15 and 16 in township 144, north of range 82 and west of the fifth principal meridian; to the Committee on Rivers and Harbors.

138. By Mr. HORR: Petition of the Seattle Chamber of Commerce, advocating a breakwater at Neah Bay, Wash.; to the Committee on Rivers and Harbors.

139. Also, petition of the Skagit County Dairymen's Association, advocating congressional cooperation with the Federal Farm Board; to the Committee on Agriculture.

140. Also, petition of a committee of five of the War Veterans' National Bonus Campaign Organization, of Seattle, Wash., who waited on Mr. HORR on December 10, 1931, together with a list of names of several thousand petitioners; to the Committee on Ways and Means.

141. By Mr. JOHNSON of Texas: Petition of Texas Bar Association, protesting against importation of commodities from Soviet Russia; to the Committee on Ways and Means.

142. By Mr. MEAD: Petition of New York State Federation of Labor, for modification of the Volstead law; to the Committee on the Judiciary.

143. By Mr. MILLARD: Petition by members of the Court of St. Gregory, 675, Catholic Daughters of America, Harri-

son, N. Y., protesting against the passage of the so-called education bill; to the Committee on Education.

144. By Mr. PERSON: Petition of citizens of Detroit, Mich., and vicinity, to enact legislation to curb the activities of the chain-store system; to the Committee on the Judiciary.

145. Also, resolution of Hazel Park Post, No. 25, American Legion, Hazel Park, Mich., urging immediate cash payment at full-face value of adjusted-compensation certificates; to the Committee on Ways and Means.

146. By Mr. RUDD: Petition of New York Board of Trade (Inc.), favoring a sales tax; to the Committee on Ways and Means.

147. By Mr. SINCLAIR: Petition of North Dakota Water and Sewage Works Conference, for legislation that will utilize the flood waters of the Missouri River and others to the fullest extent for the people of the State and Nation; to the Committee on Flood Control.

148. Also, telegram from the William G. Carroll Post, No. 26, of the American Legion, Minot, N. Dak., favoring the immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

149. By Mr. SMITH of Idaho: Resolutions adopted by the following organizations indorsing activities of the Federal Farm Board: Franklin County Grain Growers (Inc.), Preston; Ririe Grain Growers (Inc.), Ririe; Gem Valley Grain Growers (Inc.), Grace; Yellowstone Grain Growers (Inc.), Drummond; Camas Prairie Grain Growers (Inc.), Fairfield; Madison County Grain Growers (Inc.), Rexburg; Power County Grain Growers (Inc.), American Falls; and Arimo Grain Growers (Inc.), Arimo, of the State of Idaho; Blue Creek Grain Growers (Inc.), Blue Creek; Central Utah Grain Growers (Inc.), Nephi; and Hansel Valley Grain Growers (Inc.), Hansel Valley, of the State of Utah.

SENATE

TUESDAY, DECEMBER 15, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, Father of all mercies, who hast brought us to this hour of serving Thee, we bless and magnify Thy glorious name for all the gracious gifts of Thy bestowal as day by day Thy gentle breath revives for us life's grace and beauty. We thank Thee for the sanctities of home, for those whose love is as a quiet sanctuary of the soul when the ills of life oppress us, for those whose need and sorrow evoke our tender sympathy, our worthiest compassion. Give us, therefore, an understanding heart to discern Thy will, a noble courage to fulfill it, and, crowning all, a joy in service that shall inspire this Nation with a sure and steadfast purpose which shall dissipate all clouds of gloom and fear and point the way once more to our eternal destiny. We ask it in the name of Him who is the desire of nations, Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. MCNARY and by unanimous consent, the further reading was dispensed with and the Journal was approved.

ANNUAL REPORT OF THE COMPTROLLER OF CURRENCY

The VICE PRESIDENT laid before the Senate a communication from the Comptroller of the Currency, transmitting, pursuant to law, his annual report covering the activities of the Currency Bureau for the year ended October 31, 1931, which, with the accompanying report, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Legislature of Rhode Island, which was referred to the Committee on the Judiciary:

STATE OF RHODE ISLAND AND
PROVIDENCE PLANTATIONS,
IN GENERAL ASSEMBLY,
JANUARY SESSION, A. D. 1931.

Resolution recommending to the Congress of the United States the passage of legislation providing for the repeal of the eighteenth amendment of the Constitution of the United States

Whereas in the year 1637 Roger Williams, the founder of this State, dedicated a Commonwealth to the great idea of liberty and law, and for the first time saw that great idea take an organic form in a civil community and become expressed in a social compact; and

Whereas it has been the fortune of the State of Rhode Island and Providence Plantations, from her first settlement to the present hour, to balance herself between liberty and law and to wage war as occasion might require against those who sought to encroach upon her liberty or those who denied her right of self-government in accordance with her ancient law; and

Whereas in assertion of her right to liberty the general assembly of this State on May 4, 1776, with but six dissenting votes, declared her independence of Great Britain, thus anticipating by two months the Declaration of Independence, and thus daring to stand against tyranny even though, like her great founder, she stood alone; and

Whereas the people of this State have always insisted, and do still insist, that the liberty of a State to control the conduct of its citizens is the most precious possession of a democracy, and that the solution of local problems can come only from experience within the State and can never come from intervention from without; and

Whereas in the course of her history the State of Rhode Island and Providence Plantations attempted to enforce prohibition by law upon her people, and in the year 1886 the legislature of this State voted to submit to the people the following amendment to the constitution of the State:

"The manufacture and sale of intoxicating liquors to be used as a beverage shall be prohibited," this amendment being approved by the people in April, 1887, by a vote of 15,113 to 9,230; and

Whereas so numerous were the violations of this prohibitory law, so general was the defiance of the law by the citizens of this State, so great were the evils which accompanied this prohibitory method, that in January, 1889, the assembly voted that the previous prohibitory amendment should be annulled, and in June the people concurred in their opinion by a vote of 28,315 to 9,956; and

Whereas when the eighteenth amendment to the Constitution of the United States was proposed to the State of Rhode Island and Providence Plantations this State, mindful of its disastrous experience and failure in the effort of this State to enforce prohibition by law and conscious that this amendment was an encroachment by the Federal Government upon the State sovereignty which was the chief concern of those who framed the Constitution, directed its attorney general to test the legality of this amendment as adopted by the legislatures of three-fourths of the States; and

Whereas the State of Rhode Island and Providence Plantations has always refused and does still refuse to ratify and adopt the eighteenth amendment to the Constitution of the United States; and

Whereas the qualified electors of the State of Rhode Island and Providence Plantations at the election held November 4, 1930, by a vote of 171,960 to 47,652 declared against the further retention of the eighteenth amendment to the Constitution of the United States: Therefore be it

Resolved, That the General Assembly of the State of Rhode Island and Providence Plantations does hereby express the will of the people of Rhode Island and of this general assembly that the eighteenth amendment to the Constitution should be repealed, because said amendment is contrary to the purpose and spirit of the Constitution, debasing our fundamental code of political rights and duties by the addition of a legislative fiat of a purely sumptuary nature; because said amendment, which has so greatly abridged and affected the rights and habits of the people of the United States, was not approved by the people of the United States, or by conventions called by the people of the various States, or by legislatures of the various States elected to vote upon such amendment; because said amendment seeks to enforce prohibition by law rather than to promote temperance by education and self-discipline and attempts an experiment never successful in any country at any time; because said amendment is designed to prevent the personal use of intoxicating liquor, no matter how moderate such use may be, and thereby incurs the resentment of millions of our people who see nothing criminal or immoral in such use; because said amendment and the Volstead Act place the restraining hand of law upon practices that are at most only of doubtful character and sacrifice the wholesome distinctions which for centuries have separated debatable habit from indisputable crime, enact penalties so utterly disproportionate to the offense that they offend the universal sense of justice and thus can not only never be enforced but rather will always be either cunningly evaded or contemptuously ignored; that said amendment and the Volstead Act, running counter to public opinion in certain States, have inspired neither respect for their justice nor fear of their enforcement and because of such lack of respect or fear have resulted in a Saturnalia of crime and corruption fatally injurious to government and morals; and because such amendment creates an irrepressible issue now dividing and destined to further divide

the States of our Union to the detriment of national unity, progress, and strength; and be it further

Resolved, That the Representatives and Senators in Congress from Rhode Island be instructed to initiate, work, and vote for legislation requiring Congress to call a convention under Article V of the Constitution of the United States for the purpose of proposing an amendment or amendments to the Constitution amending, modifying, revising, or repealing Article XVIII; and be it further

Resolved, That the secretary of state of the State of Rhode Island be, and he is hereby, directed to forward copies of this resolution to the President of the United States, to the Vice President of the United States, to the Members of the United States Senate, and to the Members of the House of Representatives 10 days before the convening of the Seventy-second Congress.

STATE OF RHODE ISLAND AND
PROVIDENCE PLANTATIONS,
OFFICE OF THE SECRETARY OF STATE,
Providence, March 23, 1931.

I hereby certify the foregoing to be a true copy of the original (H. 805) resolution recommending to the Congress of the United States the passage of legislation providing for the repeal of the eighteenth amendment of the Constitution of the United States passed by the General Assembly of the State of Rhode Island and Providence Plantations and approved by the governor on the 21st day of March, A. D. 1931.

In testimony whereof, I have hereunto set my hand and affixed the seal of the State aforesaid this 23d day of March, A. D. 1931.

[SEAL.] ERNEST L. SPRAGUE,
Secretary of State.

The VICE PRESIDENT also laid before the Senate the following joint resolution of the Legislature of Illinois, which was referred to the Committee on Military Affairs:

STATE OF ILLINOIS,
OFFICE OF THE SECRETARY OF STATE.

To all to whom these presents shall come, greeting:

I, William J. Stratton, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of Senate Joint Resolution No. 23, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of the State of Illinois. Done at the city of Springfield this 12th day of August, A. D. 1931.

[SEAL.] WILLIAM J. STRATTON,
Secretary of State.

STATE OF ILLINOIS,
FIFTY-SEVENTH GENERAL ASSEMBLY, 1931,
SENATE.

Senate Joint Resolution 23

Whereas Gen. John J. Pershing was born at Laclede, in Lynn County, Mo., and spent his boyhood days and grew to manhood there; and

Whereas there is a widespread sentiment to promote and influence the location of a national military park at Laclede to perpetuate the name and memory of General Pershing: Now, therefore, be it

Resolved by the Senate of the Fifty-seventh General Assembly of the State of Illinois (the House of Representatives concurring herein), That the Seventy-second Congress of the United States be respectfully requested to enact necessary laws establishing a national military park at Laclede, Mo., in honor of General Pershing; and be it further

Resolved, That a copy of this preamble and resolution be transmitted to the President of the United States, the Vice President, the Speaker of the House of Representatives of the Seventy-second Congress, and to each Member of the Senate and House of Representatives of the Seventy-second Congress from the State of Illinois.

Adopted by the senate June 18, 1931.

FRED E. STERLING,
President of the Senate.
J. H. PADDOCK,
Secretary of the Senate.

Concurred in by the house of representatives June 19, 1931.

DAVID E. SHANAHAN,
Speaker of the House of Representatives.
GEORGE C. BLAMER,
Clerk of the House of Representatives.

The VICE PRESIDENT also laid before the Senate the following joint resolutions of the Legislature of the State of Illinois, which were referred to the Committee on Finance:

STATE OF ILLINOIS,
OFFICE OF THE SECRETARY OF STATE.

To all to whom these presents shall come, greeting:

I, William J. Stratton, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of Senate Joint Resolution No. 3, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of the State of Illinois.

Done at the city of Springfield this 12th day of August, A. D. 1931.

[SEAL.] WILLIAM J. STRATTON,
Secretary of State.

STATE OF ILLINOIS,
FIFTY-SEVENTH GENERAL ASSEMBLY, 1931,
SENATE.

Senate Joint Resolution 3

Whereas the young manhood of this country immediately responded to the call of our Government in doing its great work in the late World War, and in the face of death performed such valiant and heroic service as to bring credit to themselves and crown the American arms with glory and victory; and

Whereas these loyal and brave men, in making this world safe for democracy, gave up the benefits of home life and the opportunities of financial gain and now are in large numbers unemployed and in destitute circumstances; and

Whereas legislation is now pending in Congress to provide for the cash payment to veterans of the World War of the cash surrender value of their adjusted-compensation certificates issued under the World War adjusted compensation act; and

Whereas fairness and justice demand that our Government come to the aid of these veterans of the World War in their present distress: Now, therefore, be it

Resolved by the Senate of the Fifty-seventh General Assembly of the State of Illinois (the House of Representatives concurring herein), That the President of the United States and the Senate and House of Representatives of the present Congress be memorialized to enact legislation to provide for the immediate cash payment to veterans of the World War of the cash surrender value of their adjusted-compensation certificates issued under the World War adjusted compensation act; and be it further

Resolved, That a copy of this preamble and resolution be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the present Congress, and to each Senator and Representative therein from the State of Illinois.

Adopted by the senate January 27, 1931.

FRED E. STERLING,
President of the Senate,
J. H. PADDOCK,
Secretary of the Senate.

Concurred in by the house of representatives January 28, 1931.

DAVID E. SHANAHAN,
Speaker of the House.
GEO. C. BLAEUER,
Clerk of the House.

STATE OF ILLINOIS,
OFFICE OF THE SECRETARY OF STATE.

To all to whom these presents shall come, greeting:

I, William J. Stratton, secretary of state of the State of Illinois, do hereby certify that the following and hereto attached is a true photostatic copy of House Joint Resolution No. 55, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of the State of Illinois. Done at the city of Springfield this 12th day of August, A. D. 1931.

[SEAL.] WILLIAM J. STRATTON,
Secretary of State.

House Joint Resolution 55

Whereas in a recent radio address William Randolph Hearst, addressing himself to the American people, advocated that the Congress of the United States authorize the issuance of a $5,000,000,000 bond issue for the purpose of speeding up public works, with a view of relieving the present unsatisfactory economic condition of the country, particularly pointing out that such act would furnish employment to numberless citizens who are now out of work; and

Whereas the suggestion made by Mr. Hearst is the first concrete plan offered by any outstanding American to relieve the unemployment problem and thus bring about a return of prosperity in all lines of industrial activity and improvement in agricultural conditions; and

Whereas the feasibility of the Hearst plan has been demonstrated by the $6,000,000,000 oversubscription of last week's Government bond issue: Now, therefore, be it

Resolved by the House of Representatives of the General Assembly of the State of Illinois (the Senate concurring herein), That the Legislature of Illinois does hereby indorse the suggestion and plan of William Randolph Hearst that Congress float a $5,000,000,000 prosperity loan and enact the necessary legislation which will provide for the inauguration of a nation-wide building program of public works and internal improvements; be it further

Resolved, That properly attested copies of this resolution be transmitted to the President of the United States and to the officers of both Houses of the Congress of the United States.

Adopted by the house June 10, 1931.

DAVID E. SHANAHAN,
Speaker of the House of Representatives.
GEORGE C. BLAEUER,
Clerk of the House of Representatives.

Concurred in by the senate June 11, 1931.

FRED E. STERLING,
President of the Senate.
JAMES H. PODDOE,
Secretary of the Senate.

Mr. CAREY presented the following joint resolution of the Legislature of Wyoming, which was referred to the Committee on Commerce:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Wyoming, ss:

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of original Senate Joint Resolution 1 as passed by the Twenty-first Legislature of the State of Wyoming, as approved March 3, 1931.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 4th day of March, A. D. 1931.

[SEAL.] A. M. CLARK,
Secretary of State.
By H. M. SYMOUR,
Deputy.

Enrolled Joint Resolution 1, requesting the President of the United States to negotiate a treaty with Canada providing for the construction of the Great-Lakes St. Lawrence seaway

Whereas it appears that the construction of the shipway from the Great Lakes to the sea is imperative for the future development of a vast area in the interior of the continent and that it has been estimated that the capital cost of the waterway and that the economic importance of the improvement would be far greater than the savings made upon the actual tonnage transported, important though that would be; and

Whereas the growth of the State of Wyoming, the development of her agricultural and mineral resources, her present prosperity, and her future welfare all demand permanent relief from the existing high transportation costs to and from the markets of the world, and require that freedom to enter into world commerce now denied by reason of her distance from the ocean, a situation resulting in a combined rail-and-ocean transportation cost prohibitive to many of her potential industries, and oppressive to those industries that now exist; and

Whereas the St. Lawrence seaway would give to the State of Wyoming a sea base more than a thousand miles nearer to her eastern border than at present, and by such removal would permanently lower her rail-and-ocean cost of transportation to and from world markets, would increase the demand for her agricultural products, would stimulate the development of her mineral wealth, would invite new enterprise, and generally would assure to her citizens an enlarged and abiding prosperity: Be it

Resolved, That the State of Wyoming in legislature assembled does most earnestly urge upon the President of the United States the imperative national need of such seaway, and that it does further express to him the desire of this State that immediate steps be taken for the negotiation of a treaty with Canada to that end, and that certified copies of this resolution be forwarded to the Senators and Representatives in Congress from the State of Wyoming.

CHARLES B. MANN,
Speaker of the House of Representatives.
CLARENCE GARDNER,
President of the Senate.

Approved at 3.30 p. m. March 3, 1931.

A. M. CLARK,
Acting Governor.

Mr. CAREY also presented the following joint resolution of the Legislature of Wyoming, which was referred to the Committee on Banking and Currency:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Wyoming, ss:

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of original Senate Joint Memorial No. 3, as passed by the Twenty-first Legislature of the State of Wyoming, as approved March 3, 1931.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 4th day of March, A. D. 1931.

[SEAL.] A. M. CLARK,
Secretary of State.
By H. M. SYMOUR, *Deputy.*

Enrolled Joint Memorial No. 3, memorializing the Federal Farm Loan Board and the Federal Land Bank of Omaha to provide loans in reasonable amounts upon Wyoming farm lands and ranches

Whereas many owners of farm and ranch lands in Wyoming are in need of long-term loans, such as are provided for under the provisions of the Federal farm loan act, in order to finance their undertakings in a manner commensurate with their ability to pay; and

Whereas a reasonable program of financial assistance through Federal and State farm loans would afford a practical means of farm relief as now needed in support of agriculture; and

Whereas the Federal Farm Loan Board and the Federal Land Bank of Omaha were created by an act of Congress for the purpose of extending financial aid to agriculture; and

Whereas there is at the present time ample opportunity to extend further reasonable financial aid to agriculture in Wyoming and there is available a large amount of attractive security for money loaned in this State; and

Whereas during the years of 1928 and 1929 the Federal Land Bank of Omaha made loans upon farm lands and ranches in the State of Wyoming in the sum of only $264,000, which amount represents a material decrease from the amount of loans previously made in the said State; and

Whereas the said amount of loans made denotes a marked inactivity of the Federal Land Bank of Omaha as to loans in the State of Wyoming when compared to loans in the amount of $1,780,550 as made by the State of Wyoming, acting by and through the Wyoming Farm Loan Board for the years of 1928 and 1929; and

Whereas it would therefore appear that the Federal Land Bank of Omaha is not doing its reasonable share in the loaning of money within the State of Wyoming for assistance in the advancement of the agricultural interests of said State: Now, therefore, be it

Resolved by the Senate of the Twenty-first Legislature of the State of Wyoming (the House of Representatives concurring), That the Federal Farm Loan Board and the Federal Land Bank of Omaha be earnestly requested to again provide loans in reasonable amounts upon Wyoming farm lands and ranches for the purpose of further extending this practical form of aid to agriculture in this State; be it further

Resolved, That copies of this memorial be promptly forwarded by his excellency, the Governor of Wyoming, to the Federal Farm Board at Washington, D. C., the Federal Land Bank of Omaha at Omaha, Nebr., United States Senator JOHN B. KENDRICK, United States Senator ROBERT D. CAREY, and Hon. VINCENT CARTER, Representative in Congress, with the request that they make special effort to effectuate the objects of this memorial.

CLARENCE GARDNER,
President of the Senate.
CHARLES B. MANN,
Speaker of the House of Representatives.

Approved at 3.35 p. m. March 3, 1931.

A. M. CLARK, *Acting Governor.*

Mr. SHIPSTEAD presented a petition of sundry citizens of Ortonville, Minn., praying for the passage of legislation known as "the farmers' farm relief act," which was referred to the Committee on Agriculture and Forestry.

Mr. BARBOUR presented a paper from Judge Richard Hartshorne, chairman of the New Jersey World Court committee, transmitting numerous resolutions adopted by clubs, societies, and sundry other organizations in the State of New Jersey, favoring ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

THE PETROLEUM INDUSTRY

Mr. SHORTRIDGE. Mr. President, I offer and ask to have printed in the RECORD a letter in the nature of a petition addressed to me by Mr. Wirt Franklin, president of the Independent Petroleum Association. I respectfully invite the attention of Senators to this letter. It is a very good answer to a certain editorial appearing in one of the Washington newspapers this morning.

There being no objection, the letter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

TULSA, OKLA., *December 11, 1931.*

Senator SAMUEL M. SHORTRIDGE,
Senate Office Building.

DEAR SENATOR: Exercising the right of petition, guaranteed by the Constitution, the Independent Petroleum Association of America requests your careful consideration of the needs of the petroleum industry in this country, and what they believe is an imperative necessity for either proper tariff protection of this industry or some adequate restriction upon the importation of cheap foreign oil now entering our ports to the practical destruction of this American business.

It is utterly impossible for American petroleum producers to compete with the cheap foreign oil now being admitted duty free. Aside from higher labor costs, the American petroleum industry carried tremendous burdens of taxation in the various States and has an overhead from which the foreign oil producers are free. Continuation of free importation of foreign oil must mean the ultimate disappearance of the American independent producer, refiner, and marketer. We trust you will carefully consider the need of appropriate legislation for the following reasons, which we have endeavored to make as concise as clarity will permit:

The production of petroleum is one of the basic industries of this Nation. It would employ under normal conditions 2,000,000 people. Upon it, directly or indirectly, 22,000,000 people depend for their livelihood. These 22,000,000 constitute the mass of population of one-third of the area of this Nation.

The prostration of the independent oil industry has not merely reduced these 22,000,000 people to penury but has utterly wiped

out the markets, worth many billions of dollars, normally provided by these millions for the industrial output of the manufacturing States. This has greatly increased the unemployment in those States.

The destruction of the purchasing power of the great oil States of the Nation has naturally reduced freight movements from manufacturing communities to these portions of the country, thus cutting railroad receipts, necessitating the lay-off of railroad workers, affecting dividends and stock values, and intensifying industrial unrest.

The farmers in the oil States have been receiving millions of dollars in lease bonuses and annual rental payments on actual or potential oil lands. This source of income has largely been cut off. It would be restored and greatly increased if the American producer could be assured of a fair field against his foreign rivals. In a number of the oil States two-thirds of the farmers should be receiving these annual payments. Proper protection for the oil industry would be one of the most effective methods of farm relief.

Our merchant marine would find almost immediate use for many ships now laid up which would be required for the coastwise transportation of the various products of petroleum. This would be a very practical cure for much of the unemployment of sailors and officers, since at least 14,000 officers and sailors, with an annual pay roll of $4,000,000, would be required to man the vessels required.

All the oil-producing States impose very heavy production taxes upon the oil industry. These taxes have been the most important element in many State budgets. Because of the decrease in production through the elimination of home markets for American petroleum and its products, many of these States face embarrassing deficits and will probably be forced to make a redistribution of taxes, with higher levies, to the demoralization of the business life of those commonwealths.

The Federal tax receipts from income taxes and taxes paid by corporations have been affected by the destruction of the independent petroleum industry, although the amount thus lost to the Federal Treasury can not be accurately ascertained at present.

The independent petroleum producers have exercised an unparalleled self-restraint in limiting production. They have supported the organized activity of the various States to make such limitation official. In 1930 they shut in 109,000,000 barrels of oil at the very time that 105,000,000 barrels of imported and refined products were taking our home markets. They have done all within their power to stabilize the industry. They believe that equivalent burdens should be placed upon the foreign oil which is now in unfair competition with our product. Any reference to the governmental figures will show that the American production of petroleum is much less than our consumption. We are surrendering to foreign competitors and to foreign labor markets which should be our own.

We sincerely believe that the return of prosperity and the early employment of most of those who are at present out of employment depends upon the restoration of the independent oil industry more than it does upon any other single factor. In this we find outstanding economists and industrialists concur.

Since we made our former request fields with tremendous output, such as the east Texas field, have been discovered. The total amount of petroleum in sight to-day is so vast that the fears which lay at the base of the former conservation program are now known to be unfounded. Our oil reserves are practically inexhaustible. It is within the realm of possibility that before we have approached their exhaustion the oil age will have passed and some synthetic fuel or other means of releasing energy will have been discovered. It is important for our national development that we shall utilize these petroleum resources before they become obsolete.

The arguments we have here merely indicated we developed at full length in the hearings held by the Senate Committee on Commerce and by the Ways and Means Committee of the House at the closing session of the last Congress. Reference to the published hearings will give not only our arguments but the only objections which were offered by those who at that time opposed the proper protection of the independent oil industry. We will be very glad indeed to furnish additional information to any Member of Congress who may desire it. We feel assured, however, that the justice of our cause is apparent to all and only regret that the forecasts of industrial depression which we uttered as warnings when it was evident that our earlier requests for protection would be refused have turned out to be accurate prophecies.

We trust that Congress will speedily remedy the present situation.

Very respectfully yours,

INDEPENDENT PETROLEUM ASSOCIATION,
WIRT FRANKLIN, *President*.

CLASSIFICATION, ETC., OF DATA SUBMITTED BY NATIONAL COMMISSION FOR LAW OBSERVANCE AND ENFORCEMENT

Mr. SHIPSTEAD, from the Committee on Printing, reported a resolution (S. Res 92), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Joint Committee on Printing be, and is hereby, authorized to expend not to exceed $15,000, to be paid from the contingent fund of the Senate, for the classification, arranging, compiling, and indexing of the documentary evidence, statistics, records, and other data submitted to the Senate by the National Commission for Law Observance and Enforcement in response to Senate Resolutions Nos. 423 and 463, and ordered printed as Senate Document No. 307, Seventy-first Congress, third session, under authority of Senate Resolution No. 474, reported to the Senate from the Committee on Printing on February 26, 1931, and agreed to; and for the employment of the necessary assistance in connection with the publication of all other matters authorized by the Senate during said session to be printed under the direction of the Joint Committee on Printing.

ADMISSION TO THE UNITED STATES OF FOREIGN PARTICIPANTS IN OLYMPIC GAMES

Mr. HATFIELD. From the Committee on Immigration I report back favorably without amendment the joint resolution (H. J. Res. 72) to permit the temporary entry into the United States, under certain conditions, of alien participants and officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad to be held in the United States in 1932, and I ask unanimous consent for its present consideration.

There being no objection, the Senate proceeded to consider the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed, as follows:

Resolved, etc., That alien participants, officials, and other accredited members of delegations to the Third Olympic Winter Games and to the games of the Tenth Olympiad to be held in the United States in 1932, and members of the immediate families and servants of the foregoing, all the foregoing who are nonimmigrants, if otherwise admissible into the United States under the immigration laws, shall be exempted from the payment of the tax of $8 prescribed by section 2 of the immigration act of 1917, and exempted from the fees prescribed under the law to be collected in connection with executing an application for a visa and visaing the passport or other travel document of an alien for the purpose of entering the United States as a nonimmigrant, and such aliens shall not be required to present official passports issued by the governments to which they owe allegiance: *Provided*, That such aliens shall be in possession of official Olympic games identity cards duly visaed without charge by American consular officers abroad: *And provided further*, That such aliens shall comply with regulations not inconsistent with the foregoing provisions which shall be prescribed by the Secretary of Labor and the Secretary of State: *Provided, however*, That nothing herein shall relieve an alien from being required to obtain a gratis nonimmigrant visa if coming to the United States as a nonimmigrant, or an immigration visa if coming to the United States as an immigrant: Be it further

Resolved, That such aliens shall be permitted the free entry of their personal effects and their equipment to be used in connection with the games, under such regulations as may be prescribed by the Secretary of the Treasury.

Passed the House of Representatives December 10, 1931.

FUNERAL EXPENSES OF THE LATE SENATOR CARAWAY

Mr. TOWNSEND, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported back favorably without amendment the resolution (S. Res. 7) submitted by Mr. ROBINSON of Arkansas on the 8th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Thaddeus H. Caraway, late a Senator from the State of Arkansas, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

HEARINGS BEFORE THE COMMITTEE ON THE LIBRARY

Mr. TOWNSEND, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported back favorably without amendment the resolution (S. Res. 25) submitted by Mr. FESS on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on the Library, or any subcommittee thereof, is hereby authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE COMMITTEE ON CLAIMS

Mr. TOWNSEND, from the same committee, reported back without amendment Senate Resolution 29, submitted by Mr.

HOWELL on the 9th instant, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Claims, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during sessions or recesses of the Senate.

FUNERAL EXPENSES OF THE LATE SENATOR MORROW

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 31) submitted by Mr. KEAN on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the Vice President in arranging for and attending the funeral of Hon. Dwight W. Morrow, late a Senator from the State of New Jersey, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

MARY L. TOMLIN

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 32) submitted by Mr. TRAMMELL on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Mary L. Tomlin, widow of Robert R. Tomlin, late clerk to Senator Park Trammell, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE COMMITTEE ON MANUFACTURES

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 33) submitted by Mr. LA FOLLETTE on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Manufactures, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

B. FLOYE GAVIN

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 34) submitted by Mr. HAYDEN on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to B. Floye Gavin, daughter of Christian A. Taylor, late additional clerk in the office of Senator CARL HAYDEN, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

KATHERINE C. M'GEE

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 35) submitted by Mr. BRATTON on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Katherine C. McGee, mother of Ruth E. McGee, late an assistant clerk in the office of Senator SAM G. BRATTON, a sum equal to six months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE APPROPRIATIONS COMMITTEE

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 36) submitted by Mr. JONES on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Appropriations, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON MILITARY AFFAIRS

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 40) submitted by Mr. REED on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Military Affairs, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE COMMITTEE ON RULES

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 56) submitted by Mr. MOSES on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Rules, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

EMPLOYMENT OF PAGE FOR SENATE PRESS GALLERY

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 62) submitted by Mr. WATSON on the 10th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Sergeant at Arms hereby is authorized and directed to employ a page for the Senate press gallery to be paid at the rate of $120 per month from the contingent fund of the Senate until otherwise provided by law.

HEARINGS BEFORE THE JUDICIARY COMMITTEE

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 64) submitted by Mr. NORRIS on the 10th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on the Judiciary, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE AGRICULTURAL COMMITTEE

Mr. TOWNSEND, from the same committee, reported back favorably, without amendment, the resolution (S. Res. 65) submitted by Mr. MCNARY on the 10th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any subcommittee thereof, is hereby authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON BANKING AND CURRENCY

Mr. TOWNSEND, from the same committee reported back favorably, without amendment, the resolution (S. Res. 66)

submitted by Mr. NORBECK on the 10th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Banking and Currency, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE NAVAL AFFAIRS COMMITTEE

Mr. TOWNSEND, from the same committee, reported back favorably, without amendment, the resolution (S. Res. 67) submitted by Mr. HALE on the 10th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Naval Affairs, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE COMMERCE COMMITTEE

Mr. TOWNSEND, from the same committee, reported back favorably, without amendment, the resolution (S. Res. 68) submitted by Mr. JOHNSON on the 10th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Commerce, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Mr. SHORTRIDGE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SHORTRIDGE. I introduced a like resolution with respect to hearings before the Committee on Privileges and Elections. May I inquire whether it has been reported?

The VICE PRESIDENT. It is not among those reported.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

A bill (S. 1839) to authorize the creation of Indian trust estates, and for other purposes; to the Committee on Indian Affairs.

A bill (S. 1840) for the relief of Elijah Spence; to the Committee on Military Affairs.

A bill (S. 1841) granting a pension to Lena Montgomery (with accompanying papers); and

A bill (S. 1842) granting a pension to Samuel Roy Turner; to the Committee on Pensions.

By Mr. COPELAND:

A bill (S. 1843) for the relief of Edward & John Burke (Ltd.); to the Committee on Claims.

By Mr. NORRIS:

A bill (S. 1844) granting an increase of pension to Nancy E. Dawson; to the Committee on Pensions.

A bill (S. 1845) to amend section 289 of the Criminal Code;

A bill (S. 1846) to amend section 35 of the Criminal Code of the United States; and

A bill (S. 1847) to reduce the number of court officials in the Territory of Alaska; to the Committee on the Judiciary.

By Mr. VANDENBERG:

A bill (S. 1848) granting a pension to Dorothy Crosby Allen; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 1849) to purchase and erect in the city of Washington the group of statuary known as the Indian Buffalo Hunt; to the Committee on the Library.

A bill (S. 1850) granting an increase of pension to Virley A. McCasland (with accompanying papers); to the Committee on Pensions.

By Mr. WHITE:

A bill (S. 1851) granting a pension to Harriet E. Hatch; and

A bill (S. 1852) granting an increase of pension to John W. Fish; to the Committee on Pensions.

By Mr. TRAMMELL:

A bill (S. 1853) for the relief of the heirs of the late Lewis G. Norton; to the Committee on Public Lands and Surveys.

By Mr. BORAH:

A bill (S. 1854) granting a pension to Ann Wakeman; to the Committee on Pensions.

By Mr. REED:

A bill (S. 1855) to provide for the care and maintenance of the Guilford Courthouse National Military Park; to the Committee on Military Affairs.

By Mr. GLENN:

A bill (S. 1856) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. NORBECK:

A bill (S. 1857) to amend the act of April 25, 1922, as amended, entitled "An act authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government-land purchases within the former Cheyenne River and Standing Rock Indian Reservations, N. Dak. and S. Dak.; to the Committee on Agriculture and Forestry.

By Mr. DICKINSON:

A bill (S. 1858) for the relief of Harriette Olsen; to the Committee on Claims.

By Mr. HALE:

A bill (S. 1859) for the relief of Clarence Leroy Witham; to the Committee on Naval Affairs.

By Mr. SHEPPARD:

A bill (S. 1860) for the relief of Leonard Theodore Boice; to the Committee on Military Affairs.

By Mr. FESS:

A bill (S. 1861) authorizing the George Washington Bicentennial Commission to print and distribute additional sets of the writings of George Washington; to the Committee on the Library.

By Mr. McNARY:

A bill (S. 1862) to provide for the protection of forests from losses caused by insects; and

A bill (S. 1863) to authorize and direct the transfer of Widows Island, Me., by the Secretary of the Navy to the Secretary of Agriculture for administration as a migratory-bird refuge; to the Committee on Agriculture and Forestry.

By Mr. DILL:

A bill (S. 1864) to amend the law relative to citizenship and naturalization, and for other purposes; to the Committee on Immigration.

A bill (S. 1865) to prohibit appointment of Members of Congress to offices of the Federal Government for a period of two years after the expiration of their term of service in Congress; to the Committee on the Judiciary.

A bill (S. 1866) relating to suits for infringement of patents where the patentee is violating the antitrust laws; to the Committee on Patents.

A bill (S. 1867) authorizing the appointment and retirement as a brigadier general, United States Army, of W. R. Abercrombie; and

A bill (S. 1868) for the relief of Joseph E. Goddard; to the Committee on Military Affairs.

A bill (S. 1869) granting a pension to Albert J. Thomas; to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 1870) authorizing the appointment of Roy L. Cecil as a major, Ordnance Department, United States Army; to the Committee on Military Affairs.

A bill (S. 1871) granting an increase of pension to Patrick C. Wilkes; to the Committee on Pensions.

A bill (S. 1872) for the relief of T. C. Napier; and

A bill (S. 1873) for the relief of Arthur Bussey; to the Committee on Claims.

By Mr. THOMAS of Idaho:

A bill (S. 1874) to amend section 23 of the Federal farm loan act; to the Committee on Banking and Currency.

A bill (S. 1875) to extend the provisions of the act approved March 20, 1922 (42 Stat. 465), to certain additional lands in the State of Idaho; to add certain public lands to the Coeur d'Alene and St. Joe National Forests, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. WATSON:

A bill (S. 1876) for the relief of Edward Ellis; to the Committee on Claims.

By Mr. WHEELER:

A bill (S. 1877) for the relief of Francis N. Dominick; to the Committee on Military Affairs.

By Mr. SHORTRIDGE:

A bill (S. 1878) granting a pension to Charles F. Jermyn; to the Committee on Pensions.

A bill (S. 1879) granting compensation to Willard Henry Amlaw;

A bill (S. 1880) granting compensation to A. L. Anderson;

A bill (S. 1881) authorizing the payment of war-risk insurance to Laura E. De Armoun;

A bill (S. 1882) for the relief of Paul Little;

A bill (S. 1883) for the relief of Stephen Sawyer;

A bill (S. 1884) granting disability allowance to Dan V. Smith;

A bill (S. 1885) granting compensation to John Spiropoulos; and

A bill (S. 1886) granting an increase of compensation to Addie Weeks; to the Committee on Finance.

A bill (S. 1887) for the relief of Sprague B. Wyman;

A bill (S. 1888) to correct the military record of Joseph N. Williams;

A bill (S. 1889) for the relief of Charles A. Wegner;

A bill (S. 1890) for the relief of Hamilton Stone Wallace;

A bill (S. 1891) to amend the military record of John F. Walker;

A bill (S. 1892) for the relief of John L. Waldron;

A bill (S. 1893) for the relief of John M. Twomey;

A bill (S. 1894) for the relief of D. W. Thickstun;

A bill (S. 1895) for the relief of John Elliot Taylor;

A bill (S. 1896) to establish a military record for Daniel P. Tafe;

A bill (S. 1897) for the relief of Florence Sullivan;

A bill (S. 1898) for the relief of Eugene Sullivan;

A bill (S. 1899) for the relief of Dennis H. Sullivan;

A bill (S. 1900) providing for the appointment of Roderick R. Strong as a warrant officer, United States Army;

A bill (S. 1901) for the relief of Walter Perry Story;

A bill (S. 1902) for the relief of Roy Snyder;

A bill (S. 1903) for the relief of John Shannon;

A bill (S. 1904) authorizing the appointment of John Rowland as a warrant officer, United States Army;

A bill (S. 1905) for the relief of Thomas M. Ross;

A bill (S. 1906) for the relief of Brig. Gen. Harry Rethers, United States Army;

A bill (S. 1907) for the relief of Walter E. Price;

A bill (S. 1908) for the relief of Michael Power;

A bill (S. 1909) to authorize the President to appoint Le Roy K. Pemberton a first lieutenant, Officers' Reserve Corps, United States Army;

A bill (S. 1910) for the relief of Walter W. Newcomer;

A bill (S. 1911) for the relief of the next of kin of Herbert Myers;

A bill (S. 1912) for the relief of Bernard G. Molsberger;

A bill (S. 1913) to authorize the appointment of Staff Sergt. Stephen Miller, retired, United States Army, to master sergeant, retired, United States Army;

A bill (S. 1914) for the relief of Richard C. Miller;

A bill (S. 1915) for the relief of Harry F. Miller;

A bill (S. 1916) for the relief of Thomas F. McVeigh;

A bill (S. 1917) to authorize the presentation to Charles H. Mann of a distinguished-service medal;

A bill (S. 1918) for the relief of Genevieve W. Magagnos;

A bill (S. 1919) for the relief of Eustace J. Lancaster;

A bill (S. 1920) for the relief of Frank Knighthart;

A bill (S. 1921) for the relief of Raymond Kleinberger;

A bill (S. 1922) for the relief of James R. Kiernan;

A bill (S. 1923) for the relief of Harry J. Kennedy;

A bill (S. 1924) for the relief of William Kelley;

A bill (S. 1925) for the relief of Samuel Kaufman;

A bill (S. 1926) for the relief of Napoleon Johnson;

A bill (S. 1927) providing for the appointment of Julia Johnston as a warrant officer, Quartermaster Corps, United States Army;

A bill (S. 1928) for the relief of Harry Breeze Johnson;

A bill (S. 1929) for the relief of John Irwin;

A bill (S. 1930) for the relief of Jerry M. Humphrey;

A bill (S. 1931) to correct the military record of John W. Howard;

A bill (S. 1932) for the relief of Charlie Hoover;

A bill (S. 1933) for the relief of Harry E. Hale;

A bill (S. 1934) for the relief of Joseph Gottlieb;

A bill (S. 1935) to correct the military record of Herbert Horrell;

A bill (S. 1936) for the relief of Eddie Gordon;

A bill (S. 1937) for the relief of John W. Fisher;

A bill (S. 1938) for the relief of Phillip Fay;

A bill (S. 1939) for the relief of Theodore Ernst;

A bill (S. 1940) for the relief of Edward Hewitt;

A bill (S. 1941) for the relief of Fred Helm;

A bill (S. 1942) for the relief of Ira L. Duncan;

A bill (S. 1943) for the relief of Thomas H. Duggan;

A bill (S. 1944) for the relief of George A. Dobbs;

A bill (S. 1945) for the relief of Charles P. Dinger;

A bill (S. 1946) for the relief of Charles B. De Crevecoeur;

A bill (S. 1947) for the relief of George Deck;

A bill (S. 1948) for the relief of Joseph L. Davis;

A bill (S. 1949) for the relief of H. K. Cowes;

A bill (S. 1950) for the relief of James Covington;

A bill (S. 1951) for the relief of Howard P. Cornick;

A bill (S. 1952) to correct the military record of James William Cole;

A bill (S. 1953) to authorize the appointment of Capt. M. M. Cloud, retired, to the grade of major, retired, in the United States Army;

A bill (S. 1954) for the relief of George H. Clayberger;

A bill (S. 1955) for the relief of Frank Christ;

A bill (S. 1956) for the relief of Frank W. Campbell;

A bill (S. 1957) authorizing the Secretary of War to award a congressional medal of honor to Henry M. Brinkerhoff;

A bill (S. 1958) for the relief of Robert E. Blair;

A bill (S. 1959) for the relief of Edwin Black;

A bill (S. 1960) for the relief of Philip Bender;

A bill (S. 1961) for the relief of Nels D. Anderson; and

A bill (S. 1962) for the relief of Charles Amiss; to the Committee on Military Affairs.

By Mr. DILL:

A joint resolution (S. J. Res. 52) proposing an amendment to the Constitution of the United States relative to election and qualification of judges; and

A joint resolution (S. J. Res. 53) proposing an amendment to the Constitution of the United States authorizing Congress to take private property for public use during time of war with or without compensation; to the Committee on the Judiciary.

By Mr. FRAZIER:

A joint resolution (S. J. Res. 54) creating a commission to study proposals for a national system of express motor ways, and for other purposes; to the Committee on Post Offices and Post Roads.

REGULATION OF CARRIERS BY WATER

Mr. JOHNSON. I introduce a bill heretofore prepared by the Shipping Board. I have not had the opportunity or time carefully to go through it, but I introduce it for reference to the Commerce Committee, with two letters that accompany it, and ask that they be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SHIPPING BOARD,
Washington, December 12, 1931.

Hon. HIRAM W. JOHNSON,
Chairman Committee on Commerce,
United States Senate, Washington, D. C.

SIR: The United States Shipping Board in its fifteenth annual report to the Congress under the heading "Recommendations" submitted the following:

"Legislation should be enacted to provide for additional regulatory authority over common carriers by water. Particularly is such legislation needed as respects jurisdiction over minimum rates and as respects restriction of operation of common-carrier services by industries or by industrially owned or controlled organizations."

The Shipping Board on December 11, 1931, adopted the inclosed entitled "Shipping Act, 1932," as a tentative draft of proposed legislation in accord with the terms of the foregoing recommendation and directed its committee on legislation and ocean mail contracts to present the same to the Congress.

In accord with the vote of the Shipping Board, I have the honor to herewith submit a copy of said "Shipping Act, 1932," for such consideration as your committee, in its good judgment, sees fit to accord the same.

For your information I beg to advise that a copy of said "Shipping Act, 1932," will be submitted to the Committee on the Merchant Marine and Fisheries of the House as soon as its personnel is announced.

Respectfully,
COMMITTEE ON LEGISLATION AND OCEAN MAIL CONTRACTS,
By E. C. PLUMMER, *Chairman.*

UNITED STATES SHIPPING BOARD,
Washington, December 11, 1931.

Memorandum for committee on legislation and ocean mail contracts: Commissioner Plummer, Commissioner O'Connor, Commissioner Cone

The Shipping Board, at a meeting on December 11, 1931, considered your memorandum dated December 11, 1931, and draft of proposed legislation submitted therewith, copies of which are attached hereto, relative to shipping act, 1932, and directed the committee on legislation and ocean mail contracts to present the matter to the Congress as a tentative draft of proposed legislation in accord with the terms of the recommendation to the Congress made on page 10 of the fifteenth annual report of the United States Shipping Board.

The proper officers of the Shipping Board and/or Merchant Fleet Corporation were authorized and directed to take any and all actions necessary and proper to carry the action of the board as above set forth fully into effect.

SAMUEL GOODACRE, *Secretary.*

The bill (S. 1963) entitled "Shipping Act, 1932," amending the shipping act, 1916, as amended, for the purpose of further regulating carriers by water engaged in interstate and foreign commerce of the United States, and for other purposes, was read twice by its title, and, with the accompanying papers, referred to the Committee on Commerce, as follows:

S. 1963

Amending the shipping act, 1916, as amended, for the purpose of further regulating carriers by water engaged in interstate and foreign commerce of the United States, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled:

SECTION 1. That section 1 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 1. When used in this act the term 'common carrier by water in foreign commerce' means a common carrier, except ferryboats running on regular routes, engaged in the transportation by water of passengers or property between the United States or any of its Districts, Territories, or possessions, and a foreign country.

"The term 'common carrier by water in interstate commerce,' as used in this act, means a common carrier, except ferryboats running on regular routes, engaged in the transportation by water of passengers or property between one State, Territory, District, or possession of the United States and any other State, Territory, District, or possession of the United States, or between places in the same Territory, District, or possession; and an intrastate common carrier by water participating in any such transportation under any through-route arrangement with any common carrier by water in interstate commerce as here defined shall, except as otherwise provided in this act, be deemed a common carrier by water in interstate commerce.

"The term 'possession,' as used in this act shall include the Philippine Islands and the Canal Zone: *Provided, however,* That nothing contained herein shall affect the authority of the Government of the Philippine Islands vested by the second proviso of section 21 of the merchant marine act, 1920, as amended.

"The term 'common carrier by water,' as used in this act, means a common carrier by water in foreign commerce or a common carrier by water in interstate commerce as above defined.

"The term 'other person subject to this act' means any person carrying on the business of forwarding or furnishing wharfage, dock, warehouse, or other terminal facilities in connection with a common carrier by water.

"The term 'person' as used in this act includes any individual, partnership, firm, corporation, company, or association, or any mercantile, agricultural, or manufacturing society, or other organization, or any body politic or municipal organization.

"The term 'vessel' includes any water craft or other artificial contrivance of whatever description and at whatever stage of construction, whether on the stocks or launched, which is used or is capable of being or is intended to be used as a means of transportation on water.

"The term 'documented under the laws of the United States' means registered, enrolled, or licensed under the laws of the United States."

SEC. 2. That the shipping act, 1916, as amended, is amended by the addition after section 1 of two new sections, as follows:

"SEC. 1A. From and after one year from date of enactment of the shipping act, 1932, it shall be unlawful for any common carrier by water in interstate commerce to transport any article or commodity manufactured, mined, or produced by, or under authority of, or owned in whole or in part by, such carrier, or by any person, directly or indirectly, controlling, managing, or operating such carrier, or in which such carrier or person may have any interest, direct or indirect: *Provided, however,* That nothing contained in this section shall apply to such articles or commodities as may be necessary and intended for the use of such carrier in the conduct of its business as a common carrier. Any common carrier by water in interstate commerce transporting any article or commodity contrary to the provisions of this section shall be punished by a fine of not less than $5,000 nor more than $10,000 for each offense, to be recovered by the United States in a civil action.

"SEC. 1B. Within 60 days after date of enactment of the shipping act, 1932, every common carrier by water in interstate commerce shall file with the board in full and complete detail and under oath statement of all transportation services engaged in by it, directly or indirectly; such statement to specifically show the ports between which such services are operated, the corporate name, or if not a corporation the name and the owner or owners of the carrier operating each particular service and the trade name or names, if any, used in connection therewith, the number of ships operated, the frequency of sailings to and from each port served, and with definiteness the character of the transportation service engaged in, such as whether of general cargo without restriction, of a limited class of freight, of refrigerator cargo, or of passengers.

"From and after date of enactment of the shipping act, 1932, no person shall inaugurate any service as a common carrier by water in interstate commerce unless and until there shall first have been applied for and obtained from the board a certificate that such service by such common carrier by water in interstate commerce is in the public interest justified. From and after such date of enactment no common carrier by water in interstate commerce shall, except by reason of force majeure, increase the number of ports served by it, the number of ships operated by it, the frequency of sailings, nor substitute one port for another, nor change the character of its service, nor shall any such carrier effect a change in its corporate or other identity or trade name or names, unless and until upon application by the carrier the board has issued a certificate that the public interest will not be adversely affected by such increase, substitution, or change. From and after such date of enactment no common carrier by water in interstate commerce shall, except by reason of force majeure, abandon its common-carrier service, nor decrease the number of ports served by it, the frequency of sailings, or the number of ships operated by it, except after 30 days' notice to the board of such abandonment or decrease: *Provided, however,* That upon application to the board setting forth exceptional circumstances and good cause the board may by permit authorize such abandonment or decrease upon shorter notice than here specified. From and after such date of enactment it shall be unlawful for any common carrier by water in interstate commerce to operate otherwise than in accordance with statement, certificates, notices, and permits filed or issued as provided for by this section, or to fail to operate in accordance therewith.

"All applications for issuance of certificates or permits as in this section provided shall be under oath, and all such applications and all notices filed as in this section provided shall comply with such rules and regulations as the board may prescribe.

"The board shall have power, after hearing, to issue certificates as provided for by this section, to deny issuance thereof in appro-

priate instances, or to attach to certificates issued such terms and conditions as in its judgment the public interest may warrant, and to which terms and conditions the applicant shall have consented. In all instances where a certificate is denied, or is issued with terms and conditions attached, there shall at the time be duly entered by the board of public record statement of its opinion as to how the public interest would be adversely affected should the certificate as applied for be issued.

"The statements of information, applications filed, copies of certificates and permits issued, and notices of abandonment or decrease provided for by this section shall be kept on file and of record in the offices of the board at Washington, D. C., and shall be open to public inspection.

"Any violation of any provision of this section shall be punished by a fine of not less than $1,000 nor more than $5,000 for each act of violation and/or for each day such violation continues, to be recovered by the United States in a civil action.

"For the purposes of this section no intrastate common carrier by water participating in transportation with a common carrier by water in intrastate commerce shall be deemed a common carrier by water in interstate commerce."

SEC. 3. That the shipping act, 1916, as amended, is amended by the addition after section 16 of a new section, as follows:

"SEC. 16A. Any person or any officer, agent, or employee thereof who shall deliver property for transportation to any common carrier subject to the provisions of this act, or for whom, as consignor or consignee, any such carrier shall transport property, and who shall knowingly and willfully, directly or indirectly, by false billing or any other device or means, whether with or without the consent or connivance of the carrier, its officer, agent, or employee, obtain transportation for such property at less than the regular rates and/or charges then in force by such common carrier; or who shall knowingly and willfully, directly or indirectly, by false representation or other device or means, obtain any allowance, refund, or payment in connection with or growing out of the transportation of such property, whether with or without the consent or connivance of the carrier, whereby the compensation of such carrier shall be less than or different from the regular rates and/or charges in force by such common carrier at the time of such transportation, shall be deemed guilty of a misdemeanor and shall, upon conviction thereof in any court of the United States of competent jurisdiction, be subject for each offense to a fine of not less than $1,000 nor more than $5,000."

SEC. 4. That section 17 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 17. No common carrier by water in foreign commerce, or other person subject to this act, shall demand, charge, collect, observe, or enforce any rate, fare, charge, classification, rule, regulation, or practice which is unjust or unreasonable; nor any rate, charge, classification, rule, regulation, or practice which is unjustly prejudicial to exporters of the United States as compared with their foreign competitors.

"Whenever the board finds any rate, fare, or charge, or any rates, fares, or charges, or any classification, rule, regulation, or practice, demanded, charged, collected, observed, or enforced by any such carrier or such other person to be unjust or unreasonable or unjustly prejudicial in violation of this section it may determine and by order prescribe the maximum rate, fare, or charge, or the maximum rates, fares, or charges, or the classification, rule, regulation, or practice, to be observed by such carrier or by such other person, or by order requre removal of such unjust prejudice in such manner as in its judgment appears warranted."

SEC. 5. That section 18 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 18. Every common carrier by water in interstate commerce and every other person subject to this act shall observe and enforce just and reasonable rates, fares, charges, classifications, rules, regulations, and practices.

"Every common carrier by water in interstate commerce shall file with the board and keep open to public inspection schedules showing all the rates, fares, and charges for or in connection with transportation between points on its own route; and, if a through route has been established, all the rates, fares, and charges for or in connection with transportation between points on its own route and points on the route of any other such carrier. The schedules filed and kept open to public inspection as aforesaid by any such carrier shall plainly show the places between which passengers and/or freight will be carried, and shall contain the classification of freight and of passenger accommodations in force, and shall also state separately each terminal or other charge, privilege, or facility granted or allowed, and any rules or regulations which in any wise change, affect, or determine any part or the aggregate of such aforesaid rates, fares, or charges, or the value of the service rendered to the passenger, consignor, or consignee. Such schedules shall be plainly printed, and copies shall be kept posted in a public and conspicuous place at every wharf, dock, and office of such carrier where passengers or freight are received for transportation, in such manner that they shall be readily accessible to the public and can be conveniently inspected.

"No change shall be made in the rates, fares or charges, or classifications, rules or regulations, which have been filed and posted as required by this section, except by the publication, filing, and posting as aforesaid of a new schedule or schedules, which shall become effective not earlier than 10 days after date of posting and filing thereof with the board, and such schedule or schedules shall plainly show the changes proposed to be made in the schedule or schedules then in force and the time when the rates, fares, charges, classifications, rules, or regulations as changed are to become effective: *Provided*, That the board may, in its discretion and for good cause, allow changes upon less than the period of 10 days herein specified.

"The names of the several carriers which are parties to any joint schedule shall be specified therein; and each of the parties thereto, other than the one filing the same, shall file with the board such evidence of concurrence therein or acceptance thereof as may be required by the board, and where such evidence of concurrence or acceptance is filed it shall not be necessary for the carriers filing the same to also file copies of the schedules in which they are named as parties.

"From and after 90 days following enactment of the shipping act, 1932, no person shall engage in transportation as a common carrier by water in interstate commerce unless and until its schedules as provided by this section have been duly and properly filed and posted; nor shall any common carrier by water in interstate commerce charge or demand or collect or receive a greater or less or different compensation for the transportation of passengers or property or for any service in connection therewith than the rates, fares, and charges which are specified in its schedules filed with the board and duly posted and in effect at the time; nor shall any such carrier refund or remit in any manner or by any device any portion of the rates, fares, or charges so specified, nor extend or deny to any person any privilege or facility, except in accordance with such schedules.

"The board shall by regulations prescribe the form and manner in which the schedules required by this section shall be published, filed, and posted; and the board is authorized to reject any schedule filed with it which is not in consonance with this section and with such regulations. Any schedule so rejected by the board shall be void and its use shall be unlawful.

"Whenever the board finds any rate, fare, or charge, or rates, fares, or charges, or any classification, rule, regulation, or practice, demanded, charged, collected, observed, or enforced by any common carrier by water in interstate commerce or by any other person subject to this act to be unjust or unreasonable, it may determine and by order prescribe the maximum rate, fare, or charge, or the maximum rates, fares, or charges, or the classification, rule, regulation, or practice, to be observed by such carrier or other person."

SEC. 6. That section 19 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 19. Upon sworn petition by any common carrier by water alleging the charging of any unduly low rate, fare, or charge, or unduly low rates, fares, or charges, by any other such carrier with which the petitioner is in competition, the board may investigate and, after hearing, determine and by order prescribe such minimum rate, fare, or charge, or minimum rates, fares, or charges, to be observed by such other carrier, and/or such minimum rate, fare, or charge, or minimum rates, fares, or charges to be observed by the petitioning carrier as in the board's judgment the competitive situation between such carriers and existing circumstances may warrant. Upon its own motion and with the same powers the board may investigate any competitive situation between common carriers by water in which from information before it there appears to be involved the charging of unduly low rates, fares, or charges."

SEC. 7. That section 21 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 21. That the board, in aid of the administration of this act, and without statement of reason other than that such action is deemed to be in the public interest, may require any common carrier by water, or other person subject to this act, or any officer, receiver, trustee, lessee, agent, or employee thereof, to file with it any periodical or special report, or any account, record, rate, fare, or charge, or any memorandum of any facts and transactions appertaining to the business of such carrier or other person subject to this act. Such report, account, record, rate, fare, charge, or memorandum shall be under oath whenever the board so requires, and shall be furnished in the form and within the time prescribed by the board. Whoever fails to file any report, account, record, rate, fare, charge, or memorandum as required by this section shall forfeit to the United States the sum of $100 for each day of such default.

"Whoever willfully falsifies, destroys, mutilates, or alters any such report, account, record, rate, fare, charge, or memorandum, or willfully files a false report, account, record, rate, fare, charge, or memorandum shall be guilty of a misdemeanor and subject upon conviction to a fine of not more than $1,000 or imprisonment for not more than one year, or to both such fine and imprisonment."

SEC. 8. That section 22 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 22. Any person may file with the board a sworn complaint alleging a violation of this act by a common carrier by water, or other person subject to this act, and asking reparation for the injury, if any, caused thereby. The board shall furnish a copy of the complaint to such carrier, or such other person, who shall within a reasonable time specified by the board satisfy the complaint or answer it in writing. If the complaint is not satisfied, the board shall investigate it in such manner and by such means, and make such order, except as otherwise provided in this act, as it deems proper. The board, if the complaint is filed within two years after the cause of action accrued, may order the payment,

on or before a day named, of full reparation to the complainant for the injury, if any, caused by such violation.

"The board, upon its own motion and with the same powers, except as to orders for the payment of money, may investigate any situation as to which, in the opinion of the board, a violation of this act may exist."

SEC. 9. That section 23 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 23. Orders of the board relating to any violation of this act shall be made only after full hearing and upon a sworn complaint or in proceedings instituted by the board upon its own motion.

"All orders of the board other than for the payment of money made under this act shall continue in force until the board's further order, or for a specified period of time, according as shall be prescribed in the order unless the same shall be suspended, modified, or set aside by the board, or be suspended or set aside by any court of competent jurisdiction.

"Whoever knowingly fails or neglects to obey any order lawfully made by the board under authority of this act shall forfeit to the United States the sum of $5,000 for each offense. Every distinct violation shall be a separate offense, and in case of a continuing violation each day shall be deemed a separate offense. Such forfeiture shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States, brought in any district where the carrier or other person subject to this act against which the order is made, or its agent, maintains an office. It shall be the duty of the various district attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of such forfeitures. The costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of the United States."

SEC. 10. That section 24 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 24. That the board shall enter of record a written report of every investigation conducted in pursuance of section 19 or section 22 of this act, stating its conclusions, decision, and order, and, if reparation is awarded, the findings of fact on which the award is made, and shall furnish a copy of such report to all parties to the investigation.

"The board shall publish such reports in the form best adapted for public information and use, and such authorized publications shall, without further proof or authentication, be competent evidence of such reports in all courts of the United States and of the States, Territories, districts, and possessions thereof."

SEC. 11. That section 27 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 27. For the purpose of conducting investigations as provided for by this act the board may by subpœna compel the attendance of witnesses and the production of books, papers, documents, and other evidence from any place in the United States, or any Territory, District, or possession thereof, at any designated place of hearing. Subpœnas may be signed by any commissioner and oaths or affirmations may be administered, witnesses examined, and evidence received by any commissioner or examiner, or, under the direction of the board, by any person authorized under the laws of the United States or of any State, Territory, District, or possession thereof to administer oaths. Persons so acting under the direction of the board and witnesses shall, unless employees of the board, be entitled to the same fees and mileage as in the courts of the United States. In case of disobedience of any subpœna lawfully issued under authority of this section, the board, or any party to the proceeding concerned, may invoke the aid of any court of the United States in requiring obedience thereto."

SEC. 12. That section 28 of the shipping act, 1916, as amended, is amended to read as follows:

"SEC. 28. That no person shall be excused on the ground that it may tend to incriminate him or subject him to a penalty or forfeiture from attending and testifying, or producing books, papers, documents, and other evidence, in obedience to the subpœna of the board or of any court in any investigation or proceeding under or resulting from any provision of this act; but no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing as to which, in obedience to a subpœna and under oath, he may so testify or produce evidence, except that no person shall be exempt from prosecution and punishment for perjury committed in so testifying."

SEC. 13. This act may be cited as "Shipping Act, 1932."

REGULATION OF COTTON SUPPLY IN INTERSTATE AND FOREIGN COMMERCE

Mr. BANKHEAD. Mr. President, yesterday I introduced a bill (S. 1698) proposing a plan with reference to the supply of cotton in interstate and foreign commerce, and it was referred to the Committee on Agriculture and Forestry. I have here a statement I made last summer, which was published in certain Alabama newspapers, explaining the provisions of the bill. I ask unanimous consent to incorporate it in the RECORD, together with the bill.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The statement and bill are as follows:

BANKHEAD PLAN PUTS COTTON CUT UP TO FARMERS—SENATOR ELECT WOULD LET PLANTERS VOTE AND THEN MAKE DECISION BINDING—PRESENT LAW USED—PRODUCTION AGREED UPON WOULD BE LIMITED BY INTERSTATE COMMERCE ACT

By Senator JOHN H. BANKHEAD

Overproduction of cotton is now recognized as one of the great problems confronting the southern people.

The mere announcement of a crop one and a half million bales more than was expected reduced the price to a level that made the crop of 15,500,000 bales worth $100,000,000 less than a 14,000,000-bale crop would have brought.

Acreage planted to cotton during the last six years has averaged approximately 10,000,000 acres more than the average for the preceding six years. The average yield is a bale to three acres. A surplus of more than 9,000,000 bales had accumulated prior to this year's crop.

Can overproduction be regulated so as to avoid, over a period of years, undue depression of prices and at the same time not unduly decrease consumption?

All economic discussion of the effect and prevention of a surplus has centered around the above question.

As it is conceded that an excess surplus is a constant factor of large proportions in depressing commodity prices, why not go direct to the root of the trouble and control the supply in a way that is consistent with economic principles and established laws of trade?

PUTTING IT UP TO THE FARMER

I propose a plan based upon the law of supply and demand. It puts the farmers in position collectively to regulate the marketing of their crops. It does not undertake any price-fixing. It is not a burden upon the taxpayers. It enables the farmers to limit the supply of certain staple commodities to the reasonable requirements of consumption.

The plan does not directly limit production. I know of no way under the Constitution for Congress to do that. The operation of the plan will, however, tend to reduce production when it is decided the supply should be reduced.

Can a way be found for all the farmers to reach an agreement on the quantity they will sell? I propose reaching an agreement by taking a vote of the farmers.

Can the agreement, when reached, be enforced? I propose using the commerce clause of the Constitution of the United States to regulate and limit sales in interstate and foreign commerce in accordance with the agreement and policy adopted by the farmers.

THE PLAN

Without attempting to state the administrative details, but merely presenting the general outline and speaking in terms of cotton, the plan is as follows. The same plan would apply to wheat and probably to corn:

Use an average of production for the preceding five years as a beginning point. That average in cotton is 15,000,000 bales.

Arrange for a vote by the farmers, each owner of land used for production of the commodity to have one vote. The object of the vote is to ascertain whether a majority favor limiting the quantity that may be transported in interstate and foreign commerce during the crop year.

The vote should be taken through the mail at Government expense and under the supervision of suitable agencies. This could easily be done by sending a supply of ballots to postmasters and rural carriers throughout the area involved, with no postage required.

On the ballot should be presented the question: "Do you favor a regulation of the supply of cotton for the next crop year?"

On the same ballot should be provided a method of voting for the quantity to be transported in interstate and foreign commerce. That could be done by putting on the ballot the number of bales of cotton to constitute the supply, or by using percentages of reduction with the previous 5-year average as a basis.

If a majority vote for regulating the supply, but do not agree upon the quantity, an average of all the votes could be accepted as the will of the majority.

HOW ALABAMA WOULD FARE

Assuming that a 20 per cent reduction is voted for cotton, that would provide 12,000,000 bales which could be allocated to the States engaged in cotton production upon the previous 5-year average. For illustrations, let us suppose that out of the 5-year average total production Alabama has produced a 5-year average of 1,250,000 bales. A 20 per cent reduction would entitle Alabama to supply 1,000,000 bales.

Within Alabama its total could be apportioned to each county on a 5-year average production for that county, making a total of 1,000,000 bales for the State.

In each county a local board could apportion to the landowners on a 5-year average production for the various farms in cotton production, adjusting the total to fit the quantity to which the county is entitled. The 5-year average is suggested to take care of the varying weather conditions in different sections of the cotton area in different years.

When the apportionment to the various farms has once been made a basis for subsequent years will be fixed. Thereafter the local boards will have little to do except to make adjustments to fit the size of the crop voted for the succeeding year and to make adjustments for new land coming into and old land going out of cotton production.

A vote should be taken each year so as to adjust the size of the crop to current conditions and prospects and to abandon the plan if it did not prove satisfactory.

If a 20 per cent reduction should be voted, the farmer who has been producing 10 bales would have the right to sell eight bales for transportation in interstate and foreign commerce. If he produces more than eight bales he could carry the excess over until he had a short crop, or sell it to some one who did not produce his limit. If weather conditions reduce his production any year below his allotted amount, his license would be good in subsequent years until his licensed amount for all years had been supplied. If he can produce 24 bales in two years he would have his supply for three years. He can then devote the third year to other crops and also have his share of cotton for sale the third year.

WOULD YIELD MORE MONEY

This plan would adjust supply to demand and thereby stabilize and increase the price. It would save labor and cost and also acreage for other purposes and provide time and fields for diversified farming and for raising hogs and hominy at home. An annual crop of 12,000,000 bales would yield much more money than an annual crop of 15,000,000 bales.

Under the plan proposed each farmer would get a license permitting a fixed number of pounds of cotton, or its manufactured products, to go into foreign or interstate commerce. Practically all cotton or its manufactured product goes out of the State where the cotton is grown. It would be made unlawful to transport cotton in interstate or foreign commerce without a license.

The cotton buyer would require the shipping license from the grower. Local cotton mills would require the shipping license to support the right to ship the manufactured products. Interstate carriers could not haul the cotton or the mill products without the supporting license. The net result would be that without the shipping license cotton would not be salable in interstate and foreign commerce, and thus the agreement voted by the farmers would be enforced. The voluntary agreement would then have the force and effect of a Federal statute by making the agreement in practical operation the law of the land.

WOULD REASSURE FARMER

The farmers realize the disastrous results of too much cotton. A farmer who favors reduction does not reduce because he has no satisfactory assurance that a pro rata reduction by all others will be generally and uniformly made.

Here is a plan to make effective any limitation of supply that may be agreed upon by the producers.

About two-fifths of the world's consumption of cotton is produced outside of the United States. If too high a price is charged for American cotton, production abroad will be stimulated and substitutes like rayon will increase in use; but that fact should not cause the American producers to break the world prices by dumping huge surpluses on the market.

The laws of trade, national and international, will adjust the matter of prices after the farmer is put in position to get for his product all that the trade will reasonably stand by employing good business methods in marketing the crops. The farmer can avoid destroying a fair market by stopping his present destructive dumping of cotton on glutted markets. An increase in prices to a compensating level will not be materially reflected in the retail prices of cotton cloth.

Can such an agreement for limitation of sales be made effective and legally enforceable?

THE PLAN'S LEGAL ASPECTS

Under the power to regulate foreign and interstate commerce Congress can require a license to engage in such commerce. There seems no good reason why it can not under a licensing system limit the quantity of a particular commodity that may be transported in interstate or foreign commerce. The radio decisions are the nearest license case in point. Congress has required broadcasting stations to obtain a license to operate. That is done under the interstate commerce clause.

The license fixes the quantity of power the stations may use, and limits the frequency and hours for broadcasting. Congress has passed laws restricting, regulating, and prohibiting many uses of interstate commerce, and nearly all of these laws have been sustained by the courts. I can find no decision of the Supreme Court holding that Congress can not exercise the power I am proposing, for limiting under a license system the flow in interstate and foreign commerce of any commodity.

Why should an excessive surplus be offered on the market at the expense of buying it out of the market by the farmers or taxpayers if an excessive surplus can be kept out of the channels of trade and commerce?

The essence of the plan is the uniting of all the producers of a staple farm commodity into a cooperative to regulate the supply by the simple process of taking a vote of the producers to secure their decision on the quantity of the supply, and then to make their decision effective by exercising the power granted Congress to regulate commerce with foreign nations and among the several States.

To meet possible changes in economic conditions or changes in world consumption which may develop after the vote has been taken, flexible power could be given to the President, acting on the recommendation of the Secretaries of Agriculture and Commerce, to increase the quantity to be supplied.

If the price of cotton can be stabilized and increased so that our cotton farmers can realize a fair return on their investment, and a fair compensation for their work each year, and if the farmers will produce diversified crops on the acreage released from cotton under this plan and will turn their attention to improving the staple of their cotton, the South will again become the garden spot of America.

S. 1698

A bill providing for regulation of the transportation of cotton in interstate and foreign commerce, and for other purposes

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to provide for taking a vote, during the crop year 1932 and subsequent crop years, of the owners of lands used for the production of cotton during the calendar year preceding that in which such vote is taken, for the purpose of determining whether or not such owners favor the regulation by Congress of the transportation of cotton in interstate and foreign commerce and the amount of cotton which, in the opinion of such owners, should be so transported during the calendar year next succeeding that in which such vote is taken. Such vote shall be taken by mail by means of ballots prepared under the supervision of the Secretary of Agriculture and made available for distribution in such manner as he shall prescribe. Each such owner shall be entitled to one vote. Such vote shall be taken during the week beginning on the first Monday in November of each year except that for the crop year 1932 the President is authorized by proclamation to fix the period within which such vote shall be taken. Upon the issuance of such proclamation notice thereof shall be posted in a conspicuous place in the post offices of each State in which any such lands are located.

SEC. 2. The ballots shall be mailed without requirement of postage to agents to be designated by the Secretary of Agriculture for the counties, parishes, or other similar political subdivisions in which such lands are located. No ballot contained in an envelope bearing a postmark later than the last day of the period within which any such vote is to be taken shall be counted in making up the returns. Within five days after the taking of any such vote all ballots submitted as herein provided shall be counted publicly by such agents and immediately thereafter the results of the vote shall be certified to the Secretary of Agriculture, who shall make a report thereon to the President. Such report shall show the number of votes cast in favor of and in opposition to such regulation by Congress and the average number of pounds of cotton which, in the opinion of the persons voting, should be transported in interstate and foreign commerce during the next succeeding calendar year. Such average number of pounds shall be determined by (1) taking the total number of pounds specified by such voters and adding thereto, for each voter who voted against such regulation and who failed to specify any amount in his ballot, an amount equal to the average number of pounds produced in all the States during the five calendar years preceding that in which the vote was taken, and (2) dividing the same by the total number of ballots cast less the number of ballots in which the voters who voted in favor of such regulation failed to specify the amount which, in their opinion, should be so transported in interstate and foreign commerce. In the event that a majority of the persons voting are in favor of such regulation by Congress, the Secretary of Agriculture shall also include in his report to the President a statement showing the average number of pounds of cotton produced in each State and in each county, parish, or other similar political subdivision thereof during the five calendar years preceding that in which such vote is taken. Upon the receipt of any such report the President is authorized by proclamation to make public the result of the vote and, if the report shows that a majority of the persons voting are in favor of such regulation by Congress, the proclamation shall also specify (1) the total amount of cotton to be transported in interstate or foreign commerce during the calendar year next succeeding that in which such vote was taken, which shall be equal to the average number of pounds determined pursuant to the vote as herein provided; and (2) the part of such total amount to be so transported from each State during such year, which shall be determined by the ratio of the average number of pounds produced in such State during the five calendar years preceding that in which the vote was taken to the average number of pounds produced in all the States during the same period. Upon the issuance of any such proclamation it shall be unlawful during such calendar year to transport any cotton or any manufactured or processed article containing 90 per cent or more of cotton in interstate or foreign commerce except as provided in section 3 of this act. Each such proclamation shall be issued on or before the 1st day of December of the year in which such vote is taken except that the first such proclamation shall be issued within 15 days after the taking of such vote.

SEC. 3. (a) The Secretary of Agriculture is authorized (1) without regard to the civil service laws to appoint a local board, to be composed of three members for each county, parish, or other similar political subdivision in each such State, for the purpose of issuing licenses to transport cotton in interstate and foreign commerce during the calendar year specified in any such presidential proclamation; and (2) without regard to the classification act of 1923 to fix the compensation of the members of each such board. Any person entitled to vote under this act may secure such a license upon filing an application therefor with the board under such regulations as the Secretary of Agriculture shall prescribe, accompanied by a statement under oath showing the approximate amount of cotton produced on the lands of the applicant in such county, parish, or other similar political subdivision during the five calendar years preceding that in which

such vote was taken. The license shall specify the amount of cotton to be so transported, and such amount shall be determined by the ratio of the average amount of cotton produced on such lands of the applicant during such 5-year period (or part thereof during which cotton was so produced) to the average amount produced during such 5-year period in the State in which such lands are located. Such licenses may be transferred or assigned in whole or in part, and shall be issued with detachable coupons, or in such other form to be prescribed by the Secretary of Agriculture as will facilitate such transfer or assignment. Each such license shall be effective from the 1st day of January of the year next succeeding that in which such vote was taken and shall remain in effect until surrendered and canceled as hereinafter provided. The amount of cotton for which licenses may be issued during any one calendar year by any such local board shall be determined by the Secretary of Agriculture by the ratio of the total amount of cotton produced in the county, parish, or other similar political subdivision in which such board is located during the five calendar years preceding that in which such vote was taken to the total amount of cotton produced in the State during the same period.

(b) During any calendar year for which such licenses are required no cotton, nor any manufactured or processed article containing 90 per cent or more of cotton, shall be transported in interstate or foreign commerce from any State until it is stamped or labeled for purposes of identification, nor until there shall have been surrendered to an agent to be designated by the Secretary of Agriculture for such purpose licenses or parts thereof issued under this section sufficient to cover the amount of cotton and/or the manufactured or processed articles containing 90 per cent or more of cotton to be so transported. For the purposes of this provision the Secretary of Agriculture shall prescribe a uniform method to be followed by such agents (1) for determining the number of pounds of cotton contained in any such manufactured or processed articles and (2) for the stamping or labeling of such cotton and manufactured or processed articles. The licenses or parts thereof so surrendered shall thereupon be canceled under rules and regulations to be established by the Secretary of Agriculture. The provisions of this paragraph shall not apply to articles containing 90 per cent or more of cotton which are manufactured or processed in a State other than that in which the cotton in such articles is produced.

(c) If the President is of opinion, upon the joint recommendation of the Secretary of Agriculture and the Secretary of Commerce, that conditions warrant an increase of the amount of cotton to be so transported under license, he may by proclamation specify the additional amount to be transported from each State. Upon the issuance of any such proclamation the Secretary of Agriculture shall immediately notify the local boards in each State of the additional amount of cotton, determined as hereinbefore provided, for which they may issue licenses.

(d) For the purposes of this section, each such local board is authorized, by one or more of its members, to prosecute such inquiries and to require the production, by subpœna or otherwise, of such books, papers, and other documents as may be necessary to carry out the functions vested in it by this act.

SEC. 4. (a) The Secretary of Agriculture is authorized (1), in accordance with the civil service laws, to appoint and, in accordance with the classification act of 1923, to fix the compensation of such additional officers, experts, examiners, clerks, and employees, and (2) to make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, and for law books, books of reference, and periodicals) as are necessary for executing the functions vested in him by this act. As far as practicable, the agents to be designated under sections 2 and 3, and the members of the local boards provided for in section 3, shall be persons employed in the field services of the Department of Agriculture.

(b) The Secretary of Agriculture is further authorized to make such rules and regulations as may be necessary to carry out the provisions of this act, including regulations for the surrender and cancellation of licenses and for the stamping or labeling of cotton, and manufactured and processed articles containing 90 per cent or more of cotton, transported in interstate or foreign commerce pursuant to this act.

(c) The Postmaster General is authorized and directed to cooperate with the Secretary of Agriculture to the fullest extent possible the distribution of ballots to persons entitled to vote under this act.

SEC. 5. Any person who makes, or causes to be made, any false, misleading, or deceptive statement for the purpose of obtaining a license required by this act, or who willfully alters, or attempts to alter, the terms or conditions of any such license, or who, without being so authorized, attaches or removes, or causes to be attached or removed, any stamp or label required under this act or under regulations of the Secretary of Agriculture, or who transports or attempts to transport any cotton in interstate or foreign commerce in violation of this act shall, upon conviction thereof, be fined not more than $1,000 or imprisoned not more than one year, or both.

SEC. 6. As used in this act, the term "person" includes an individual, partnership, association, or corporation.

SEC. 7. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

CONSERVATION OF WILD LIFE

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish, and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply, and for other purposes, which was ordered to lie on the table and to be printed.

FINANCE COMMITTEE INVESTIGATIONS

Mr. SMOOT. Mr. President, I offer a Senate resolution and ask that it be referred.

Mr. WALSH of Montana. May the resolution be read?

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read the resolution (S. Res. 89), as follows:

Resolved, That the Committee on Finance, or any subcommittee thereof, hereby is authorized to sit during the sessions or recesses of the Seventy-second Congress at such times and places as they may deem advisable; to make investigations into internal revenue, customs, currency, and coinage matters, and other matters within its jurisdiction, and to compile and prepare statistics and documents relating thereto as directed from time to time by the Senate and as may be necessary; and to report from time to time to the Senate the result thereof; to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses of such committee shall be paid from the contingent fund of the Senate; and the committee is authorized to order such printing and binding as may be necessary for its use.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

RADIO-KEITH-ORPHEUM PROPOSED RECEIVERSHIP

Mr. DILL. Mr. President, the other day I submitted Senate Resolution 58, authorizing an investigation of the refinancing of Radio-Keith-Orpheum Corporation. It now lies on the table. I am informed that it should go to the Committee to Audit and Control the Contingent Expenses of the Senate. I desire to modify the resolution by adding a paragraph at the end thereof covering the expenses of the investigation. I ask that the resolution, as modified, be referred to the committee.

There being no objection, the resolution, as modified, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Whereas Radio Corporation of America has a substantial stock interest in Radio-Keith-Orpheum Corporation; and

Whereas Radio-Keith-Orpheum Corporation has publicly declared it has been unable through any bank or banks to secure necessary financial assistance; and

Whereas a proposed plan for refinancing Radio-Keith-Orpheum Corporation requires subscription by each stockholder to a pro rata of $11,600,000 debentures of said corporation and by failure so to do such stockholder is deprived of three-fourths of his shares of stock and the same is turned over to Radio Corporation of America as a bonus for purchasing such stockholder's unsubscribed debentures; and

Whereas such plan unfairly affects the interests of over 25,000 stockholders of 10 or more shares of Radio-Keith-Orpheum Corporation stock, and gives Radio Corporation of America other special privileges and shares of stock; and

Whereas the stockholders have been threatened by the president of Radio-Keith-Orpheum Corporation with a receivership of said corporation unless the plan is carried out and that a receivership would probably result in the loss of the entire investment of stockholders: Therefore be it

Resolved, That the Committee on Banking and Currency, or any subcommittee thereof, as authorized by Senate Resolution No. 71, of the Seventy-first Congress, agreed to May 5, 1930, is hereby authorized and directed to fully investigate the refinancing of Radio-Keith-Orpheum Corporation, and particularly the ownership, sale, and transfer and price on the New York Stock Exchange of the stock of said corporation during the calendar year 1931, and the committee, or any subcommittee thereof, is authorized and empowered to exercise for the purposes of this resolution all the powers and authority contained in said Senate Resolution No. 71.

The expenses of this investigation, which shall not exceed the sum of $5,000, shall be paid out of the contingent fund of the Senate upon vouchers approved by the chairman of said committee, or any subcommittee thereof.

AGNES O'CONNOR MOORE

Mr. LA FOLLETTE submitted the following resolution (S. Res. 90), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Agnes O'Connor Moore, widow of Peter H. Moore, late a messenger of the Senate under the supervision of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE COMMITTEE ON TERRITORIES AND INSULAR AFFAIRS

Mr. BINGHAM submitted the following resolution (S. Res. 91), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Territories and Insular Affairs, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

SHORT SELLING ON STOCK EXCHANGES

Mr. CAPPER submitted the following resolution (S. Res. 93), which was referred to the Committee on Banking and Currency:

Whereas a high percentage of the commerce among the several States and with foreign nations is carried on by corporations whose stocks, bonds, and/or other securities are listed and/or dealt in upon stock exchanges, such as the New York Stock Exchange, which are voluntary associations governed only by regulations made by their members, whose profits come chiefly from commissions on sales and purchases on such stock exchanges; and

Whereas the market value of the stocks, bonds, and/or other securities so listed and/or dealt in has an important, close, and direct relation to and effect upon the whole business of this country, and use is made of the Postal Service and of the various instrumentalities of commerce among the several States and with foreign nations in the purchase and sale of such stocks, bonds, and/or other securities on such stock exchanges and in the circulation of information with respect thereto; and

Whereas in the fall of 1929 a tremendous break in the market value of such stocks, bonds, and other securities inaugurated a widespread depression in this country, which has since continued and which has caused, and is causing, immense demoralization, stagnation, unemployment, loss, and suffering in all kinds of commerce and among people in every walk of life; and

Whereas according to accredited statistics, notwithstanding the previous declines in security values during the period already covered by the depression, there occurred (a) in the months of March, April, and May, 1931, a progressive decrease which aggregated $14,520,780,805 in the market value of the common and preferred stocks listed on the New York Stock Exchange alone, and (b) in the single month of September, 1931, there occurred a decrease of $12,259,988,669 in the market value of the common and preferred stocks and of $4,207,526,124 in the market value of the bonds listed on the New York Stock Exchange alone, and during said month of September total failures were the highest and bank failures the second highest for all time, and the foundations of our financial structure seemed threatened; and

Whereas according to a public address made by Mr. Richard Whitney, president of the New York Stock Exchange, the short sales of the stocks listed on that exchange reached a peak of 5,589,700 shares on May 25, 1931, and again reached a peak of 4,480,000 shares on September 11, 1931; and

Whereas it is charged, and there is reason to believe, that the unnecessary short selling of securities on the various stock exchanges has contributed to the prolongation and intensification of the depression, in which view such important organizations as the Chamber of Commerce of the United States and the American Bankers Association, through their appropriate committees, have expressed concurrence; and

Whereas in view of the foregoing facts it is essential that there should be a full investigation of all matters pertaining to the short selling of securities on the various stock exchanges, followed by the adoption of such regulatory measures as may be found to be warranted: Therefore be it

Resolved, That the Committee on Banking and Currency of the Senate, or any duly authorized subcommittee thereof, is hereby authorized and directed to investigate and ascertain fully and in detail (1) the short selling of stocks, bonds, and/or other securities which has occurred on the various stock exchanges, or by or through the members or stockholders thereof and the brokers and traders thereon, during the years 1929, 1930, and 1931; (2) the borrowing and lending of stocks, bonds, and/or other securities that has taken place for that purpose; (3) what persons, firms, associations, or corporations have participated in such short selling, borrowing, and/or lending, and in what securities and what amounts, either alone or in conjunction with others; (4) the practices, rules, regulations, and course of conduct of such exchanges, members, brokers, and traders with respect to such short selling, borrowing, and lending; and (5) the causes and methods of such short selling, borrowing, and lending, and the effect of such short selling on security values, on commodity values, and on the various businesses of the country. The committee shall report to the Senate as soon as practicable the results of such investigation and shall include in its report such recommendations for remedial legislation as it deems to be necessary from the facts ascertained by such investigation.

The Secretary of the Treasury, the Comptroller of the Currency, the Federal Reserve Board, and the Federal Trade Commission are hereby requested to place at the service of the committee, or any duly authorized subcommittee thereof, such data and records, and to procure from time to time such information within their control, and to detail such assistants in connection with such investigation as the committee or subcommittee may from time to time request.

As used in this resolution (1) the term "stock exchange" means any place, board, or market, however created, organized, or conducted, where stocks, bonds, and/or other securities of corporations are bought and sold or offered for purchase and sale by owners or customers in person, or by or through stockholders or members of any such place, board, or market or brokers or traders acting on their behalf, and (2) the term "short selling" means any sale of a share of stock, bond, and/or other security in consummation of which there is delivered by or on behalf of the seller any stock, bond, and/or security not bona fide owned by such seller at the time of making such sale.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such public hearings, to sit and act at such times and places during the sessions and recesses of the Seventy-second and succeeding Congresses, to employ such experts and accountants, and clerical, stenographic, and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per 100 words. The expenses of the committee, which shall not exceed $———, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

IMPORTATION OF MECHANICALLY GROUND WOOD PULP, ETC.

Mr. McNARY submitted a resolution (S. Res. 95), which was ordered to lie on the table, as follows:

Resolved, That the United States Tariff Commission is directed to make a thorough investigation of the effect of the depreciation in value of foreign currencies upon the importation into the United States of mechanically ground wood pulp, chemical wood pulp, unbleached or bleached, and pulpwoods, and to report to the Senate as soon as practicable the results of such investigation.

ADDRESS BY GOVERNOR WOODRING, OF KANSAS

Mr. McGILL. Mr. President, I request unanimous consent to have printed in the RECORD an address delivered by Gov. Harry H. Woodring, of Kansas, before the National Women's Democratic Club in Washington, D. C., on December 11, 1931.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

The well-settled conviction of most easterners that the political beliefs of westerners are radical has as little foundation as the Kansas reputation for cyclones. True it is that in the nineties the Populist Party rose to supremacy in the West upon a platform so radical as to horrify the reactionary East. These men, evidently the "wild jackasses" of whom we have heard, advocated such ridiculous things as a direct primary, the income tax, the election of United States Senators by direct vote of the people, woman's suffrage, and reform of the monetary system. Then the wild-eyed radicals of 1910 and 1912, the political sons of the wild jackasses of the nineties, wrote these theories into the laws of our country under the leadership of a college professor who had a sound knowledge of the history of government and a genius for its practical administration. These radicals, under his guidance, marshaled the progressive and enlightened political thought of the world behind the banner of Woodrow Wilson.

To-day, as one of the political grandsons of these "wild jackasses," I will attempt to transmit to you the political and economic beliefs of the most truly conservative section of this country. We are progressive but not radical, and are therefore conservative without being reactionary. The westerner is an individualist.

Our forefathers who settled our western country would have scorned to ask the Government for aid or even advice in the operation of their business affairs; they had confidence that they, as individuals, could wrest prosperity from an unpromising land and deal on equal terms with their neighbors and with the world. True, there are western leaders who have achieved national prominence, who advocate panaceas involving governmental interference in private business; but it is a peculiarity of the West that the people have not taken seriously the effect of the administration of the national Government upon their individual prosperity, and men are elected to office because of their personality and personal integrity rather than because of their political convictions. It seems to be the rule rather than the exception, that the two Senators from many of the Western States are opposed in their political convictions and theories.

Since arriving in Washington a few days ago I have heard on many a lip: "What of the West?" In my opinion upon the correct answer to the question, "What of the West?" depends the success of the Democratic Party in the next campaign, and upon the success of the Democratic Party under sane leadership, upon a sound platform, depend the prosperity and well-being of our country.

It would be fatal for the Democratic Party in the next campaign to appeal for western votes by advocating panaceas involving further governmental interference in private business, with a promise of artificial prosperity created by legislative act. The platform upon which the party will ride to success in the next election in the West must be constructed upon a basis, politically and economically sound.

Those who have read the history of this and of other nations realize that we are passing through that period of depression which inevitably follows an unbalanced prosperity. We also know that just as inevitably will our great Nation resume its irresistible onward surge toward a more enlightened, more prosperous civilization; but the untaught and unthinking see nothing beyond the temporary retreat, seeing before us a hopeless economic condition and would turn back from all progress, abandon every position won, and discard the greatest economic organization ever created by the intelligence, thrift, and industry of men. While calling attention to the failure of the present administration and its leadership we must not be prophets of gloom and desolation but do our part at this time in emphasizing the soundness of the principles upon which our western civilization is founded and the imperative need of continued faith in their ultimate merit.

What are these principles? We may differ in their definition but not in our recognition of the main objective to be attained. What we all seek, among other things, is prosperity and the leisure to develop our culture that comes with prosperity. The answer is that we have prosperity. It is elementary that wealth does not consist of money, which can not be eaten or worn and has no value except as a medium of exchange. Wealth consists of usable goods, the product of nature and the labor and intelligence of man. Since man first tilled the soil or tended his cattle, we have sought to increase the production of wealth. We have praised the man who made two blades of grass grow where but one grew before, or who increased the pounds of beef per acre of grass. We have spent millions in developing new areas from which wealth could be produced. We have acclaimed the inventive genius who, through modern machinery, multiplied the productiveness of the individual. We have mastered the machine, the flood, and the desert to increase the production of wealth. We have been successful. We have produced and now have wealth beyond the wildest dreams of our fathers. Our granaries are bursting. Our warehouses overflow with wealth. We have developed mass production in both industry and agriculture. With this wealth we can defy the specter of want and famine that once stalked periodically in our midst.

Our leaders proclaimed that finally man had mastered his environment, and in 1928 the Republican leaders assured us that we were entering upon a period of permanent prosperity, provided, of course, that these leaders were reelected to office. Yet to-day there is want and privation in our country. Large numbers of able-bodied men, eager and willing to work, can not earn the bare necessities of life for their families. We have a panic of plenty, and the existence of the situation is a tremendous indictment of our economic and governmental organization. Must we confess the indictment and discard our system? Of course, we will do so if we can find something better; but we should pause before we discard our traditional system for one new and untried. Before we advocate discarding it let us learn something about it and we will be convinced that the indictment can not stand. We will find that our ills are caused by our failure to remain true to our own principles.

First, ours is a popular form of government, a democratic organization of society that has as its fundamental theory the principle of government by and with the consent of the governed. No individual is long permitted to usurp dictatorial powers or to encroach upon the rights of the collective citizenry of the Nation.

Second, in our economic organization we are intensely individualistic. Our tremendous industrial organization, our modern development of an industrial civilization is a monument to the genius and intelligence of the individual American. Such cooperative effort as we have exerted has been by the voluntary association of individuals working for their own advancement and own interest and not by coercion of the Government.

The economic and governmental organization are not inconsistent in theory. Our Nation is completely individualistic. The collective control of the Government is the organized expression of the wishes of the individual American. The fate of governments in city, State, and Nation is subject to the wishes and desires of a majority of the individual voters.

Our Government has pursued its sometimes bungling course throughout the rise and fall of kings, emperors, dictators, and other governmental organizations in other lands. The uneven but continuous rise in the prosperity and well-being of our country, with its minimum of the horrors of revolution, has entrenched in the minds of every thinking American a belief in the present organization of our Government which approaches a form of religion. This firm belief can not be uprooted by fallacious arguments and theories advanced by the radical champions of unsound political ideas, who are continually urging us to throw overboard our traditional theories and enter upon some new Utopia.

Many of these new ideas may seem plausible. The man of the street who does not have time for research into political philosophy and can not refute the arguments advanced nevertheless refuses to abandon his faith in his constitutional Government. This faith is based upon the collective experience of his race as taught at his mother's knee and confirmed in the schools until it will and does withstand and disregard argument and persuasion.

The merit of our economic organization is not so firmly established in the minds of the people. From the inception of our Government there have been constant assaults upon the theory of free individual economic action. Governmental control of business and governmental operation of business enterprises have been advocated and are now advocated by men of influence who occupy high places in our Government. It might be, and in fact often is, argued that if the people collectively are competent to run the Government, they are competent to control the vast industrial enterprises which serve our Nation. This theory is based upon a lack of comprehension of the fundamental differences in the governmental and economic functions.

The Government is and should be a fixed and known quantity. The chief merit of any form of government is permanency. The advantage of our form of government is that the heads of the Government may change but the form is permanent, while the death of a dictator may overnight entirely change the form of his government. Generally speaking, changes in our fundamental governmental organization are unnecessary as government is static in its nature. It is most permanent when controlled by the collective action of the individuals of the Nation.

On the other hand, our economic organization presents an entirely different situation. Economic forces generated over world-wide areas and, influenced by caprice of nature and the inventive genius of man, are in a state of constant movement. It is not possible for anyone to predict the action of these forces. Under our present system the individual capitalizes and exploits the resources of nature and the developments of modern science and invention. The deposits of coal, oil, and other raw materials are exploited and result in the wealth of individuals. Modern inventions may bring an individual or individuals wealth far beyond a reasonable compensation for their services to society. On the other hand, many individuals labor hard and intelligently in other fields but suffer privation and want. It is this system which is attacked by those who would have the Government appropriate all natural wealth and inventive genius and distribute the benefits among the people. Our individualistic system is attacked as wasteful. In the Russian communists' primer, which has circulated somewhat in our country, some very disturbing statements are made concerning our wasteful methods as compared with the well-planned activities of the Russians under their 5-year plan. I will admit that our system is somewhat wasteful, but nature itself is wasteful. Untold billions of young animals, insects, and plants are born each year; but only a minute percentage of the most fit survive. So in our business and industrial organizations thousands of business and industrial enterprises are launched each year and only a small percentage of them survive. These survive because they are most fit economically to serve the people. By this process of elimination we keep our economic organization at highest efficiency. The efficient survive, the inefficient perish. This is wasteful and sometimes cruel.

Thousands of business and industrial enterprises are perishing, with resultant want and privation for those connected with them as owners or employees. At this time the Russian plan stands out as having merit because it is in the process of construction. It may, for a time, succeed beyond the expectation of any of us. Eventually, however, changing conditions and economic evolution will render obsolete some of the factories, whole industries will require reorganization, then the weakness of the communistic structure will destroy it. The fundamental weakness in an economic organization is the element that lends strength to government; it is its permanence and resistance to change. The government in business will be static as in its other functions. The nation which permits its government to operate and control its business and industrial enterprises will be left far behind by the nations in which freedom of individual action permits continued progress, increasing change, and, therefore, increasing efficiency in its economic organization.

The present distressing economic conditions can not be charged to defects in our economic theories. On the contrary, they are to be charged directly to our failure to adhere to our individualistic system. Something more than half a century ago a new political organization arose from the ashes of the parties which had fought vainly for 50 years to destroy the Democratic Party. This new

Republican Party rode into power in the Nation upon the great moral issue of slavery. Following the Civil War, its chief issue gone, containing no cohesive forces within itself, leaderless after the untimely death of Lincoln, the direction of the party was assumed by predatory interests. Under their control the party embarked upon a program of subsidizing industry. The theory was that by giving special privileges to a few, who would thereby prosper greatly, some of this prosperity would be distributed to the multitude. In other words the Congress of the United States, composed of men of all classes, few of them with any specialized knowledge of political economy, attempted, by law, to interfere with the operation of economic forces. They were fortunate. Their program was instituted at a time when the whole world was entering upon a period of industrial expansion. Credit for every advance made by the business and inventive genius of the United States was claimed by the party in power. The protective tariff, greatest of governmental subsidies, became the gospel of the wealthy class which used the Republican Party to serve its own interests.

We prospered, not because of the tariff but in spite of it. The unbalanced prosperity which should naturally follow the artificial stimulation of the prices of manufactured goods was balanced by the increase in value of new land opened in the West. The profits of the East were poured back in investments and loans in the West, thereby maintaining its buying power in spite of increasing prices of manufactured products. The final reckoning came when the value of western land and western products reached and passed the peak.

Following the World War other nations, seeing our prosperity, likewise assumed that it was builded upon the rock of protection; tariff walls were raised against us; the world market for our agricultural products was immediately injured. Our market was not only curtailed by the retaliatory tariff but also by a lack of ability to exchange goods for our exports. Finally, in 1926, for the first time in history, the exports of agricultural products dropped below the exports of manufactured products; the agricultural West was gradually losing its world market and its consuming power correspondingly decreased. We found a large section of our country selling its products below the cost of production upon a vanishing world market and at the same time purchasing its manufactured goods upon a protected market at a high price. No permanent prosperity in this Nation could exist under such conditions. The consuming power of the West vanished and the manufacturing East suffered and is now suffering the penalty of its greed. For a time the industrial machine moved on of its own momentum; from the West came cries of distress which were unheeded.

The leader of the remnant of a once great Republican Party has continued to speak of individualism as opposed to paternalism in government; but when these effects of governmental interference became apparent, the administration has sought to give us a larger dose of the medicine that has caused our ills. We subsidized the Shipping Board, with the well-known lamentable results; we lost the money invested and lost the shipping. The Smoot-Hawley bill—farm relief tariff bill, designed to artificially stimulate prices, resulted in the collapse of the values of industrial stocks and brought about a world-wide depression. Then the Farm Board undertook to save the wheat farmers, and at an expense of nearly $200,000,000 managed to bring the price of wheat to the lowest in the memory of all present, involving the utter collapse of the market for all farm products. Then we had the moratorium, through which a gift of the taxpayers' money to foreign nations was expected to return us to prosperity by making possible the construction of a few more battleships in Europe. And, lastly, we have the great credit plan through which the taxpayers' money will be loaned upon security which good bankers or conservative private investors will not accept. We have an abundance of private money available for loans on good security, so the new credit plan can be helpful only as it puts the money of the large income-tax payers into circulation by loaning it upon doubtful security. The invalid who goes from one doctor to another, seeking relief for his disease, when nature finally effects the cure, gives credit to the last doctor that gave him a pill. It may be that the great depression is over and that we are on the upgrade. If so, I assume credit will be claimed for the last effort made by the floundering national administration.

The Democratic Party must not be misled by the clamor of some political leaders in the West, who, despite the horrible example before us, advocate governmental assistance as a means or permanent relief for agriculture. I will admit that our tariff can not be immediately abandoned. It is no mere coincidence that the panic of 1929, as all panics of history, immediately followed a drastic revision of the tariff laws or tinkering with our monetary system. The lowering of tariff schedules must be started immediately, but must be gradual; and in the meantime we of the younger generation, we grandsons of the wild jackass, are not content to point at the mistakes of the past. We are looking to a better day, but we have the immediate pressing need of the present. We can not permit men and women to starve in the midst of plenty while awaiting the slow operation of economic laws to adjust and repair the havoc wrought by past mistakes. We will not suffer continued discrimination against our section of the United States. If any party or administration attempts to restore an artificial prosperity to industry at the expense of the rest of the Nation you will find the West in political rebellion. If the policy of the Federal Government is to subsidize industry, then we demand subsidies for the agricultural West. Sound, conservative principles will not permit us to consent to continue to pay tribute to one section of this country. Western industries must be placed temporarily upon a parity with the East so as to restore a normal balance. But while the West may demand a tariff on oil to save a stricken industry and ask that the benefits of the tariff be extended to agriculture through a tariff-debenture plan, such a practice will not be acceptable as a means of even temporary relief unless coupled with a permanent program leading to the elimination of all governmental subsidies and unnecessary governmental interference with business. It is not necessary that we negotiate for the reduction of retaliatory tariffs or await the action of foreign countries to remove the obstructions from the channels of world trade. We can not be injured by any influx into this country of wealth in the form of usable goods that might follow the gradual lowering of our tariff walls.

While I have advocated individualism and opposed governmental interference in business, it does not follow that the Government has no concern with economic problems. There are certain functions which are necessarily governmental. One of the first and primary duties of government with relation to business is the maintenance of a sound but flexible currency and monetary system to provide a medium of exchange the face value of which does not fluctuate. Internal order and amicable international relations can only be maintained by wise and sane leadership in the national administration. We should have no concern with the political or military problems of other nations other than to offer our services as mediator in international disputes, as an individual nation or as a member of an organization of nations formed for that purpose. With one branch of business organiaztion the Government is vitally concerned. While we commend and develop competition in individual enterprise, in one field there is no place for competition. Modern science has created a supply and modern civilization has created a demand for certain services which by their very nature must be rendered by monopolies. The service of gas, water, light, telephone, etc., can not best serve and be competitive. In order to obtain efficient service it is necessary to grant certain privileges to the individuals, or public-utility corporations, which render the service. Since these public utilities are natural monopolies and are owned and operated by individuals, we find that the greed which directs the actions of many individuals is not lost when those individuals become the stockholders or officers of corporations. Corporations reflect the minds and souls of their officers, and we have in this country corporate interests directed by executors as rapacious, greedy, and ruthless as the fiercest pirate that ever scuttled a ship or ravaged a seaport. It is a settled policy of this country to provide regulations preventing unreasonable charges to the consumer which would naturally follow such a noncompetitive system when in the hands of greed. The large scope of these public-utility corporations makes it necessary that the National Government assist in their regulation and control, and they should be regulated and controlled by whatever means are necessary, even though it be through the retention of governmental control and ownership of some of our natural resources.

In the early days of this country the construction and maintenance of highways was a private enterprise, but the consistent policy of municipal, State, and National Governments in this country has been to consider this as a governmental function. Since this is now a purely governmental function, it would be better for the Government to devote its resources and expend its income, or use its credit, to relieve the unemployment situation and facilitate the return of business activity by permanently investing in highway construction the enormous sums which are now being expended in futile and disastrous attempts to interfere with economic forces and artificially stimulate the prosperity of private enterprises.

In conclusion, I wish to repeat that I do not come from the West to seek relief but to point out that the relief for eastern distress can not be found in an unbalanced prosperity that does not increase the consuming power of the West. Prosperity will return when the economies of mass production are passed on to the consumer with similar profits and lower distribution costs; when the product of a given number of hours of skilled labor on the farm may be exchanged for the product of the same number of skilled hours in the factory or the channels of distribution, with the farmer, the manufacturer, and the merchant receiving a reasonable return upon his prudently invested capital. We in the West know adversity; but on western farms to-day happy families are living in good health, enjoying the wonderful western weather; western farm children are attending grade schools, high schools, and colleges in the best school systems ever produced by civilization. We have butter, eggs, milk, livestock, and bread grain in abundance. In time past the West has weathered many a panic and survived—the West will again survive and the sun of prosperity will again smile down on western plains. Again the western farmer will demand and get the standard of living which is the right of every honest, intelligent, and industrious citizen of America; but that day will not be hastened by an excess of an unreasoned panic or by an abandonment of our fundamental principles.

Our institutions are builded upon the rock of unrestricted individual initiative. I do not fear that they will be torn down unless the foundation be destroyed by an increase of our dependence upon governmental aid and paternalism. I, for one, do not wish to see the Democratic Party aid in its destruction. We should seek new stones to add to its strength and security, and those stones are a greater and further reliance upon the initiative

and the inventive and business genius of the individual American. Come to the people of the West with such a rock-ribbed, conservative platform, radical only in its simplicity, and we will drive from the citadels of our Government the shortsighted, greedy, industrial autocracy which has controlled our Nation. This industrial autocracy which has sought to use the Government as an instrumentality for its private profit, whose tentacles of corruption in the past have reached into the inner circles of the national administration and undermined the faith of the people in the integrity of their public servants. Write into your platform the principles of Thomas Jefferson, without panaceas, and the people of the West will place the Democratic Party at the helm of the ship of state on its return journey from the depths of the Hoover depression.

My friends, out of the West come the grandsons of the wild jackass, proud of their heritage that christens them progressive but not radical, conservative but not reactionary.

ECONOMIC CONDITIONS

Mr. ASHURST. Mr. President, I ask unanimous consent to have printed in the RECORD four editorials appearing in the Arizona Daily Star.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The editorials are as follows:

[From the Arizona Daily Star, December 5, 1931]

A DANGEROUS PLAN

The recommendation of a committee of President Hoover's conference on home building and ownership, now in session at Washington, of mass production of homes through the instrumentality of a credit corporation of $5,000,000,000 is a matter of grave importance to the country. Such a recommendation if carried out would lead to the gravest sort of consequences.

First of all, such a plan would depreciate the value of every home and apartment house now standing. The addition of such a supply to the housing of the country at this time would empty thousands, in fact, hundreds of thousands of homes that are now standing. Empty homes and apartments can not pay interest on existing mortgages, and neither can they pay the taxes and street assessments. Hundreds of thousands of people who have invested their money in houses and apartments would stand to lose entirely the equities they now own.

No need exists to-day for the mass production of homes. Even a growing city like Tucson has plenty of empty houses and apartments, the owners of which are having a difficult time meeting interest charges, street assessments, and taxes. But there are comparatively few growing cities like Tucson in the country. Most of the towns and cities of the country are overburdened with empty houses and apartments, the owners of which face a real struggle in meeting interest and other charges. Many of these houses represent lifetime savings and were bought with the idea of having something for income in old age. To-day many of these owners face a serious problem of meeting living expenses on account of the loss of income. The proposal to add millions of additional homes will wipe out the investments and incomes of hundreds of thousands of people.

Not only will such plan destroy the investments of the owners but it will seriously affect security owners, owners of mortgages on existing homes. As many of these mortgages are owned by banks and building and loan associations the banking situation will be strained even more.

The President's statement that a need exists for a financial organization for financing home building, which will permit people of small means to own homes, is a great exaggeration and misstatement of fact. In his speech before the conference he stated that the proposed organization would finance home ownership up to 75 per cent of the cost, the home owner providing the rest. He did not state that all of that can be done to-day without a national financial organization. Anybody of good character can to-day, here in Tucson, build a new home by furnishing 25 per cent of the cost as a down payment. In fact, here in Tucson to-day it is possible to buy a home by paying down 10 per cent of the purchase price and agreeing to pay out the balance in monthly payments no larger than the usual monthly rent. In fact, it is possible to purchase a $5,000 home in Tucson to-day by paying down as small an amount as $250. Why, then, should there be a mass production of new homes? What need is there for a national home-financing organization?

The gravest effects from the execution of the plan proposed by the conference would not be felt for several years. For a few years it would bring immense activity to the building industry, but at the end of a few years the home building of the country would have been anticipated for so many years that the building trade and skilled laborers involved would be without work for many, many years. It must be remembered that our rate of population growth is declining rapidly, and that by 1950 our population will be stationary.

The President's proposal carries with it such grave and dangerous consequences to the entire social and financial structure of the country that it is hard to believe that he really means what he says. It is inflation, dangerous inflation, which in the long run will do irreparable harm, not only to the financial structure of the country but to the cause of home ownership as well.

[From the Arizona Daily Star, October 9, 1931]

A DISAPPOINTING PROGRAM

The mountains groaned and a mouse was born. President Hoover assembled a number of business and political leaders at the White House to work out some kind of a definite plan for relieving economic distress. Now comes word that as a result of these deliberations all that is to be done is to form some kind of a discount bank to take over frozen banking and credit assets and to create some type of credit structure to furnish money for home building. President Hoover expressed himself as believing that such measures will alleviate the credit stringency and promote business and industrial activity.

It can be said in favor of the President that the plan to create a credit structure to take over the frozen banking and credit assets might be of some temporary benefit, although much can be said against it. It will give temporary relief, but it is merely a narcotic. It is an attempt to doctor the result of an illness and not to remove the cause. It can not rectify the fundamental reason of our economic distress. Rather it is but a postponement of attempting to cure the causes. The plan to make available a large amount of credit for home building overlooks the fact that the unwise and senseless expansion of credit of the past seven years is one of the fundamental causes of our economic dislocation. The results of the conference at the White House are thus comparatively negligible as far as going to the root of our present troubles.

Many hoped, when they heard that the President was working with business and political leaders in the conference at the White House, he had awakened to the fact that the time had come to end the propagation of economic nostrums and trying to alleviate economic distress by Government edict. The lesson the country has learned from the operations of the Farm Board and other such Government activities seems to have been forgotten, and instead of getting down to fundamentals, the real causes of present conditions, the President comes forth with another program of Government relief and activity which will merely aggravate conditions rather than help. It amounts to nothing short of political and economic humbuggery.

The principal cause of present world conditions has been excessive public expenditures. For 15 years the world has been mortgaging the future by means of bond issues and other types of borrowing to carry on wars, impossible government social programs, and reckless government expenditures. Now, instead of profiting by the lessons to be learned from Australia, England, Germany, Austria, and other countries, the President proposes to follow in their footsteps. The world has been consuming wealth faster than it has been created. That is one of the principal reasons of the present dislocation. The President proposes to add more.

These ambitious programs have imposed an impossible burden on industry. They have created a feeling that a government by simple edict can create wealth and restore the economic balance. Without exception they have led to political unrest, loss of confidence, and a mental condition of hopelessness throughout the world. And now President Hoover advocates similar plans which will inevitably end in disaster.

Before economic balance can be restored several fundamental errors must be corrected. The political animosity between Germany and France is being buried. That is one of the most encouraging things that has happened. A general election in England will take place soon. If the national government is returned and England brings a halt to her unwise experiments, that will be another long step in stabilizing political conditions and economic conditions in that country. The international war debts must be scaled down. They can not be paid, regardless of the fact that they should be paid. It is sheer political humbuggery, deliberate ignorance of actual conditions and misrepresentation to claim that they must be paid. The insane tariff walls erected by all nations, the impossible trade restrictions imposed, must be changed to a lower level. Normal trade conditions can not return until there is the freest possible flow of goods in international commerce. Imagine what chaos we would have in this country if each State erected a tariff wall. The excessive armaments of the world are another factor, but what would it profit the world to reduce them and then spend the money on other wealth-consuming projects?

The President's announcement is a keen disappointment. It is a mere sop thrown to the public. The measures he proposes will be of no more value than the Farm Board and will breed still more such valueless and senseless schemes, all of which must be paid for by additional taxes. They add to the burden of the country. They do not help.

Many people believed that as a result of the conference the President would dare to become the leader of his country, that he would fearlessly acquaint the American people with the true situation and ask them to support him in calling for an international conference to settle permanently the question of war debts, another conference to reduce the tariff walls and to remove senseless trade restrictions, and to ask for their support in reducing excessive public expenditures in every department of government which are blighting industry the world over by the heavy taxes they impose.

Unfortunately the President seems to doubt the good sense of the American people. More and more it becomes apparent he lacks courage and determination to do what he knows must be done. The White House conference and the results announced

from it are a complete fizzle. The mountains groaned and a mouse was born. The American people will realize it before the next year passes.

[From the Arizona Daily Star, October 14, 1931]

THE PROPOSED DISCOUNT CORPORATION

Yesterday afternoon the Tucson clearing house, composed of all Tucson banks, deferred action on participation in the formation of the national discount corporation planned by President Hoover. Its reasons for this delay may be summed up by stating that all of the Tucson banks are in a liquid and sound condition, are capable of meeting all demands of their depositors, and that since subscription on their part would amount to around $250,000, such a subscription would weaken their conditions without any compensating advantage. None of the Tucson banks is in need of the help the discount corporation is designed to give.

An adverse decision of the clearing house is, we believe, a wise one. The Tucson banks are in a liquid and sound condition. Subscription to the discount corporation proposed by the President would impair their position. They have been called upon, together with all other banks throughout the country, to subscribe 2 per cent of their deposits to the formation of the corporation. With the funds thus subscribed the discount bank plans to purchase slow loans from banks to enable banks with such loans to meet the demands of their depositors. As the banks of Tucson have no need of this help they would be furnishing over $250,000 to aid incompetent or dishonestly managed banks located elsewhere. In other words, it would mean that they would freeze 2 per cent of their deposits for the benefit of weak and badly managed banks by investing in the debentures of the discount corporation which have no assured earning power or market value.

The success of the President's plan depends upon the willingness of the banks of the country to subscribe 2 per cent of their net time and demand deposits. Although the New York banks subscribed their share immediately upon announcement of the plan, there is good reason to believe that the banks of the country will hesitate to follow suit. Most of the weak banks of the country have been eliminated. The successful and conservative banks that remain, which have kept themselves in a liquid and sound condition and which have followed honest banking practice, will view with disfavor any plan that requires them to freeze 2 per cent of their assets. It is not sound and proper banking practice. It will not be surprising if the discount corporation fails to obtain the necessary subscriptions. Refusal of the banks of the country to participate, instead of being a calamity, will be a blessing, for it will mean that competently and honestly managed banks will continue to maintain their liquid position and not impair their capital and surplus by tying up 2 per cent of their deposits in securities of doubtful value.

It might be well to give some other details of the plan. Elsewhere in this issue is published the telegram received by the Tucson clearing house. It is the only information it has received, and it is upon this information that it has been asked to act. Briefly it might be summed up as follows: As a means of relieving the strain on banks and liquidating the receiverships of ones that have been closed, President Hoover recommends the formation of the national discount corporation. The corporation will be formed under the laws of Delaware, with a capital stock composed of 12 shares of stock, one for each Federal reserve district. It will have power to issue debentures (bonds without a definite interest or security) to the extent of $1,000,000,000. Half of this amount will be issued immediately upon subscription by the banks of the country. All banks, State and national, are called upon to subscribe 2 per cent of their deposits and take in return these debentures. The money subscribed will be used to purchase slow loans of the type which can not be discounted by the Federal reserve banks. By this means it is hoped when a bank faces a crisis it can discount its slow paper with the discount corporation and get in return cash with which to meet the demands of its depositors. The plan contemplates aid in liquidating closed banks by taking over slow and frozen loans and making the funds thus set free available to waiting depositors.

The weakness of the plan lies in the fact that it calls upon good banks to weaken their own position for the benefit of weak, incompetently, and dishonestly managed banks. For a subscription of 2 per cent of its discounts to debentures of the discount corporation does mean freezing 2 per cent of the deposits and impairing the capital structure to that extent. Analysis of the causes of the failures of so many banks shows that most of the closed banks have been closed on account of inexcusable incompetency, extravagant expansion, failure to diversify loans, and shameful looting by officers and directors. Authorities charged with acting upon the reports of examiners have failed to act and for political or other reasons have temporized with such managements and allowed the situation to get beyond control.

The President's plan, as far as the formation of the discount corporation is concerned, amounts to the century-old plan of guaranteeing bank deposits in a new dress. It has been proven unsound in theory and practice time and time again. Developments of the next few weeks will show that the good bankers of the country will refuse to impair their own institutions by declining to subscribe to the debentures of the corporation, just as the Tucson banks should do.

[From the Arizona Daily Star, November 27, 1931]

CONGRESS AND THE HOOVER MORATORIUM

When the Hoover moratorium comes up in Congress this winter it will arouse a storm of oratory and acrimonious debate. Particularly will this be true in the Senate, where the rules permit unlimited debate and where already formidable opposition has raised its head.

One of the strongest and most popular arguments against the adoption of the moratorium proposal is that it is a scheme whereby the United States will forego collection of the international war debts that the international bankers may collect what is due them. For, it will be shown, since the signing of the treaty of peace in 1919 the international bankers of New York have loaned Germany over a billion dollars in direct loans, besides many additional billions in investments in German industrial enterprises. Proponents of this argument will point out either that what the Allies owe us for war debts can not be connected with what Germany owes the Allies in reparations or they will declare that the reparations from Germany and the war loans are an underlying lien and come ahead of all subsequent loans. On this ground the opponents will attack the moratorium as a scheme of the international bankers to get their money back and make the Government wait for what is due it.

This line of argument has considerable truth in it. In fact, it has so much truth in it that it reveals the reasons why the reparations and war debts must be scaled down and ultimately canceled. The American public does not realize that these Government debts are intimately intertwined with politics. We may say quite truthfully and correctly that the allied debts to us can not be connected with reparations, but merely saying so and announcing such a policy does not change the situation. It is true that we do not consider these debts as political ones, but the Allies do, while the Germans consider the reparations as distinct unbearable political burden.

The only money the Germans owe direct to international bankers are the short-term loans amounting to around $600,000,000 in the form of trade acceptances and German treasury bills. The trade acceptances are owed by German firms who bought goods, such as cotton and copper, from the United States and paid for them by giving a promise to pay for them at the end of a short period. They constitute purely private debts and have no political connections. The treasury bills bought by the banks are similar to what we call in this country tax-anticipation certificates such as our own State sells pending the receipt of tax money twice a year. They have no direct political connection.

In this connection it is well to remember that this money advanced by the international bankers was used to pay for Arizona cotton and copper, Middle West wheat, and a host of other things. Had these advances not been made the industrial and agricultural situation in this country would be much worse than it is. If Congress or Germany says that the payments of these loans must follow reparations loans, the international bankers will say: Very well, we will take our loss, but in the future we will advance no money for the purchase of American products by German private industrialists, nor will we advance any more money to the German Government in the form of tax-anticipation loans. International trade with Germany would come to a standstill without the short-term financing granted by international bankers, of which the short-term credits now frozen in Germany are a typical example.

Since the adoption of the Dawes plan private and international bankers did loan many hundreds of millions of dollars to German municipalities and German industrial corporations. That they loaned too much money, and that much of the money was wasted, everybody admits. But it was loaned in an effort to help Germany rehabilitate her industry and start her industrial enterprises so that she might pay off the reparations. Had these loans not been made the question of the war debts would have reached a crisis long ago.

Furthermore, the money represented by these loans is not owed to the international bankers. It is owed to thousands of individual savers and estates and other investors who bought them from the international bankers. They, not the bankers, stand to lose.

Of course, the bankers can be criticized for selling such loans. But suppose the bankers had refused to make the loans? They would have been denounced for not helping to make America's resources available to help Germany. As all of these loans bore high rates of interest they were on their face speculative. Safe loans do not bear high rates of interest.

This consideration of the entire question reveals that it is futile and a waste of time to attack President Hoover's proposal on the ground that it is a scheme of the international bankers to get their money. The intergovernment war debts are political debts and must be treated as such. If Germany did not owe a dime of other debt, she would continue to storm and use every possible means to escape payment of reparations, because she feels it is an unjust burden placed on her by superior force. As long as the reparations exist in an amount and form unacceptable to the majority of her people they will be a subject of bitter controversy, and the principal disturbing factor in a strained international situation.

Since his conversations with Premier Laval and Signor Grandi and the conversations between Laval and Bruening, President Hoover undoubtedly will recommend action that will bring this long and bitter question to a peaceful and satisfactory solution.

Nothing Congress could do to help the unemployment situation would be of more value than to give hearty support to the Chief Executive who alone with the Secretary of State can conduct negotiations on international questions. No revival of business can come until this question is settled on a fair and just basis to all.

CONGRESS AND THE DEBTS

Mr. COPELAND. Mr. President, in the New York Herald Tribune of this morning is a very illuminating article by Mr. Walter Lippmann on Congress and the Debts. In view of the discussion we have had in the Senate I think this article is well worth reading and I therefore ask unanimous consent that it be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the New York Herald Tribune, December 15, 1931]

By Walter Lippmann

Even though Congress will not have approved the moratorium before December 15, when debt payments are due, there is, of course, no question that eventually approval will be given. The necessary votes have been pledged, and the debtor governments can in no sense be considered to be in default.

Nevertheless, the fact that the payments will have been suspended without the formal approval of Congress may have considerable practical effect. For once it is admitted that the approval need not be given by December 15, there is no compelling reason why Congress should not investigate and debate the matter at its leisure. There is no longer a fixed date when the business must terminate, and experience shows that the more a debate involving foreign affairs is drawn out, the greater the strength of the irreconcilable faction. Therefore, although the moratorium will be ratified, unless the matter is now taken promptly and firmly in hand by the responsible leaders of both parties, we may well see a debate in the course of which the irreconcilables will succeed in exacting as the price of ratification commitments which will paralyze the Government in arranging a settlement for the future.

A study of the debate last week will show, I believe, that this is no empty speculation. Two things were made plain. The first was that in both parties there is a deep resentment at the action of the Executive in committing Congress to the moratorium by the extra legal methods of last June. The feeling is deep that the President has tried to deprive Congress of its right to consider so important a matter carefully, that in refusing to call a special session he allowed Congress only eight days in which to organize itself and deal with the moratorium, that his procedure proclaimed his distrust of the Congress and infringed its dignity, that he and the world at large must be made to realize that Congress is a coordinate branch of the Government.

It may be regrettable that Congress is so touchy. But Congress has always been touchy, and it would have been the part of wisdom to remember it. An unnecessary amount of trouble could have been avoided on this score by calling Congress into special session one month earlier. The moratorium would now have been ratified, and a debate bound to disturb the delicate negotiations now in progress abroad, terminated.

The second point brought out by the debate last week was the extent to which the Congressmen, owing to their long absence from Washington, have lost touch with the realities of the world crisis. They have been at home confronted with the pressing difficulties of their constituents, and many of them have not had time or opportunity to understand the difficult and complex matters which they are now called upon to determine. The administration has, so to speak, grown up with the situation by daily practical experience. Most of the Congressmen have had only the most meager information for the last nine months, and quite evidently do not realize what has been happening in the world.

Thus many Congressmen approach the question of the debts believing that, first, it is within the power of Congress to determine whether the debt payments shall or shall not be made; second, that these debt payments are of great importance to the United States; and, third, that the plea for a year's moratorium and of subsequent reduction is simply a scheme worked out by the bankers who have frozen credits in Germany. These beliefs arise not out of bad will but out of misunderstanding, which it is the business of the administration and of responsible newspapers to clear up patiently and sympathetically. It is a pity that the time is short, for events are moving fast, but there is no short cut under our system of government.

In regard to the assumption that Congress has a free choice as to the debts, it may be said that international debts from great nations can not be collected by force. The real choice is not between payment and nonpayment, but between a settlement which the debtors can execute, and one which throws them into bankruptcy. If Congress insists upon the letter of the bond, it can create financial chaos in central Europe, but it can not compel all the payments to be made.

In regard to the belief that debt payments are of vital importance to us, it may be pointed out that this year the suspended payments are about one-sixteenth of our Federal expenditures and slightly more than one-tenth of the deficit. On our financial scale they are a small item. A reduction by one-half would be less costly than the losses of the Farm Board. It would be less than the deficit in the Post Office.

In regard to the international bankers, it may be pointed out that there is no conflict of interests between taxpayers and the holders of foreign bonds and credits. The private creditors have already taken heavy losses on their foreign investments. They will, no matter what happens, have to write off more than the taxpayers will be asked to write off on the governmental debts. Both need a world recovery to recoup. In a world collapse both suffer. Neither group can get out at the expense of the other, for in a general bankruptcy both must lose and in a general recovery the whole problem would disappear.

If Congress will just make up its mind that what is at stake is not its dignity or the President's, not $250,000,000 of the taxpayer's money or $2,000,000,000 of private money, but the recovery of the world from a great depression, it will be seeing the matter in its true perspective. In the last analysis Congress is not dealing with the German Government and the British Government; it is dealing with the two markets which are more valuable to American producers than all of Asia and South America combined. If, moreover, Congress will realize that the economic fate of the Continent of Europe is inextricably tied up with the fate of Britain and Germany, and then will look at the figures, it will see that even last year in the deepest depression the purchases of Europe were greater than all the rest of the world put together.

The problem before Congress is to help make the world a going concern. Congress represents the greatest producing Nation, and it would wholly fail in its task if it forgot that fact in order to concentrate its energies on making itself a mere debt collector.

CHICAGO AN OCEAN PORT

Mr. LEWIS. Mr. President, I ask unanimous consent to have printed in the RECORD a short address delivered by Col. William Nelson Pelouze, chairman of the Illinois Deep Waterway Commission, at the convention of governors at Chicago in the present month.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

It would be difficult to adequately visualize the benefits that will accrue to Chicago and the other cities on the Great Lakes, as well as to the great interior of the United States, when the St. Lawrence River is open to through navigation for deep-draft ocean-going vessels.

The cities on the Great Lakes will then become ocean ports. Eighty-five per cent of the vessels of the world will be able to ascend the St. Lawrence River and enter the Great Lakes. Manufacturers and farmers of the Central West will then be on an equality basis, so far as cost of water transportation is concerned, with their seaboard competitors to the markets of the world.

There are 40,000,000 people who live adjacent to the Great Lakes who are practically landlocked, so far as having access to the ocean. This vast population is entitled to buy and sell in the markets of the world and should be privileged to do both at the lowest possible cost in transportation. The St. Lawrence is the world's greatest natural waterway and is destined to be the world's most useful seaway.

Quite recently two foreign vessels sailing from commercial ports of Continental Europe have arrived in the port of Chicago, carrying cargoes consigned to one of our largest commercial houses. Another vessel from Norway has just arrived at South Haven, Mich., with a cargo of 3,000 tons of wood pulp. This is reported to be the first of nine vessels that will arrive at that port with similar cargoes before the 1st of January. Within the past three years the Kohler Co., of Kohler, Wis., has received 11 cargoes of china and ball clays from England. These cargoes were discharged at Sheboygan, Wis., after a voyage of 4,000 miles across the Atlantic, up the St. Lawrence, through four of the Great Lakes, to their Wisconsin destination in 30 days. Ex-Governor Kohler, the president of the company, stated that by using the St. Lawrence route there has been a saving of $4.16½ per ton, as compared with the combination water-and-rail rate over the old ocean haul to Philadelphia and thence by rail to Kohler, Wis. He stated that in the past three and one-half years the saving to his company on freight by way of the St. Lawrence River has amounted to $89,000. This offers ample evidence of the economic soundness of the St. Lawrence project. The vessels were of a size that could navigate the present 14-foot locks of the St. Lawrence River. These few instances should be all we need to visualize what it will mean to the great Central West when the present locks of the St. Lawrence River are replaced by locks of 30-foot depth, so that deep-draft ocean-going vessels will be able to ply between the cities on the Great Lakes and the commercial markets of the world.

It is officially reported that there are 125,000,000 tons of water freight that originate on the Great Lakes annually. The records show that during the past year of navigation over 100,000,000 tons passed through the Detroit River. That is more than the tonnage that passed through the Panama Canal during the first nine years of its operation.

As a further indication of what might be expected when the St. Lawrence project is completed, the records show that from the 1st of April to the 10th of December of last year the number of ships that passed through the locks of the St. Lawrence River exceeded one for every half hour, night and day, Sundays and holidays, and was equivalent to over 8,000,000 tons.

There is more involved in the St. Lawrence waterway than the saving of freight. New opportunities will be opened by this new line of communication. It will afford to the manufacturers of the Central West a road to markets that is now closed to them. It will open avenues by which they can draw their raw materials from all parts of the world that are now inaccessible. Its benefits can be indicated but they are beyond calculation.

The railroads must realize the important part they will play in the transfer of cargoes to and from the cities of the Great Lakes when they become ocean ports.

Sir Henry Thornton, president of the Canadian National Railways, in an address made at Cornwall, Ontario, stated:

"Much has been said of the development of the St. Lawrence as a deep-draft waterway. I hope that the day will eventually come. We do not regard the development of any such great natural waterway as a competitor, but look upon it as something which will build up traffic, assist in the industrial development of the Dominion, and in the last analysis we will find that we shall have gained very much more than some people imagine we will have lost. In the interior of the United States and Canada there lies a great inland ocean—the Great Lakes—and they are connected with the ocean by the noble St. Lawrence River. To my mind it is inconceivable that a barrier shall exist or be permitted to exist between the area of this great inland sea and the ocean. I believe that it is inevitable that the Great Lakes and the ocean must be connected by a waterway of sufficient draft to accommodate ocean-going vessels."

When Cartier discovered the St. Lawrence in 1534 and other explorers followed him up into the Lakes, across to Rainy Lake and the Lake of the Woods, and then up the Saskatchewan another thousand miles, and again through the Wisconsin Valley into the Mississippi and by the Illinois route down to the Gulf of Mexico, they marked out the main paths that traffic would follow in the civilization of the North American Continent.

It was settled more than a hundred years ago, when Canada built the first shallow canal to overcome the St. Lawrence Rapids. It has been more firmly settled with every passing year as the commerce of that natural highway has steadily expanded.

From the head of navigation on Lake Michigan to the Atlantic Ocean is 2,500 miles, all an active water highway. For a thousand miles between Chicago and Buffalo there is the busiest inland marine traffic in the world. For a thousand miles from the ocean up the St. Lawrence to Montreal there is a volume of commerce that has made Montreal the second largest port on the North Atlantic seaboard.

There is no great public improvement pending to-day that is of more vital concern or promises greater benefits to the industrial and agricultural interests of the United States and Canada than the Great Lakes-St. Lawrence Deep Waterway.

The St. Lawrence project presents no extraordinary engineering problems. It has been proven to be feasible, workable, and practical. The only wonder is that it has not been completed and in operation these many years. It is the natural outlet and offers the line of least resistance for a navigable waterway to connect the Great Lakes with the Atlantic Ocean for ocean-going vessels.

We are told that the St. Lawrence River flows from Lake Ontario to the Atlantic Ocean, a distance of 1,000 miles. As a matter of fact the St. Lawrence as a river proper is only about 350 miles long, because the Gulf of St. Lawrence extends inland as an open sea nearly to Quebec. The St. Lawrence River is 80 miles wide at its mouth. It is a tidal river for about 500 miles. Its width throughout its entire length is measured in miles.

The engineers tell us that there is no river on the American continent that is so well known, so well understood from an engineering standpoint as the St. Lawrence. They inform us that a survey made anywhere in the St. Lawrence River to-day will be found to be practically the same 25 years hence. This condition does not prevail in most rivers, where variations occur from year to year.

From the city of Quebec to the city of Montreal the entire distance is now open to deep-draft, ocean-going vessels. In the distance of 182 miles between Montreal and Lake Ontario about 138 miles are now open to practically unrestricted navigation. This would leave, therefore, approximately only 45 miles to be covered in completing the St. Lawrence development.

There are two impediments to connecting the Great Lakes with the Atlantic Ocean by way of the St. Lawrence River. One is the Niagara Falls and the other is the three groups of rapids just west of Montreal.

These rapids are separated by two lakes, Lake St. Louis, 16 miles long, and Lake St. Francis, 30 miles long. To overcome these rapids it is proposed to build eight locks, each lock 860 feet long, 80 feet wide, and 30 feet deep. The locks will lift the ships 220 feet.

The other impediment, Niagara Falls, separating Lake Ontario from Lake Erie, is now overcome by the new Welland Canal, recently constructed by the Canadian Government at a cost of $130,000,000. The old Welland Canal has become obsolete or inadequate owing to its limited draft of only 14 feet.

The new Welland Canal is the fourth canal built by Canada since 1833. The length of the canal is 25 miles. All the lifting of ships will be done within a distance of 7 miles west of Lake Ontario. There are seven locks, of the same width and depth as the locks that will overcome the rapids farther east. These seven locks will lift ships 326 feet and will take the place of the 26 locks in the old Welland Canal. While it has taken a ship drawing but 14 feet of water 16 hours to overcome Niagara Falls in the old Welland Canal it will only take a ship drawing from 20 to 25 feet 8 hours to overcome the falls in the new Welland Canal.

The Welland Canal is an integral part of the lakes-to-the-sea navigation problem. That the Canadian Government has expended $130,000,000 in building this new canal is practically an assurance that Canada is going through with her part of the comprehensive project. The outstanding achievement on the part of Canada seems all the more remarkable when it is realized that the population of the Dominion of Canada is only a little in excess of the State of Illinois. The United States will have equal access to the use of the canal without the payment of tolls, as provided for under treaty agreement.

In 1918 an amendment was offered in the Senate of the United States, to the rivers and harbors bill, requesting the International Joint Commission to investigate and report what further improvement was necessary in the St. Lawrence River to make it navigable for ocean-going vessels.

Fortunately the International Joint Commission had been created by the Treaty of 1909 between Great Britain and the United States. One of the provisions of the treaty being that the commission in addition to its duties specifically set forth in the treaty, was to investigate and report on any matter that might be referred to it by either Government. The International Joint Commission was, therefore, qualified to take up the important matter of the St. Lawrence development.

In July, 1921, after two years of a most thorough and painstaking investigation, the International Joint Commission reported to the Governments of Canada and the United States unanimously favorable to the St. Lawrence project. The commission based its report on the great commercial need of connecting the Great Lakes with the Atlantic Ocean for ocean-going vessels.

With ocean terminals at our lake ports loaded cars could be sent to these ports, their loads turned over to the waterways with unlimited transportation facilities, and the cars returned for more loads.

With the St. Lawrence waterway completed the ships would go right through to the commercial ports of Europe. Freight rates would be reduced, all congestion would be removed, and the ships would reach their destination without loss or delay.

The St. Lawrence is not an inland waterway, as that term is generally used. The St. Lawrence way is not to get out to the ocean, but to move the ocean inland, and make the Great Lakes an integral part of the ocean for "world marketing."

When we speak of inland waterways we are thinking of getting to an ocean port where loading can be had on an ocean-going ship. When we speak of the St. Lawrence we are thinking of placing ocean ports on the shores of the Great Lakes. We are thinking of the larger thing of giving these lake ports a sea base for rate making to world markets.

The St. Lawrence is the natural way of connecting the ocean with the Great Lakes—the greatest inland sea of the world. The St. Lawrence is the connection that links the ocean to these great inland seas, with an adjacent population of 40,000,000, and now carrying 27 per cent of the total tonnage of the United States.

The States of the upper Mississippi Valley form the greatest food-producing region in the world. The production could be multiplied many times as the demand grows. The annual grain production in the area that will be influenced by the St. Lawrence waterway averaged about 3,660,000,000 bushels. If the United States is to continue to export grain, it must be able to meet competitive world-market prices. The cost of transportation, therefore, seriously enters into the price. It is conservatively estimated that when the St. Lawrence River is open to through navigation there will be a saving of about 10 cents a bushel on the grain for export. The price of the crop is the price of the surplus. If only one-half of this saving was to attach to the producers, whose price is the market price less the cost of transportation, the American farmers would benefit to an amount of $150,000,000 annually. If, to the saving of freight on grain alone, we add the saving in our shipments of industrial products, you can readily visualize what the Great Lakes-St. Lawrence deep waterway will mean to the producers of this country from the standpoint of dollars and cents. It is estimated that there will be a saving of $10 a ton in the shipments of meats, lard, and dairy products; and on our heavier products, such as steel, from $5 to $6 per ton.

Illinois exported an average during the years 1928, 1929, and 1930 of manufactured products to the value of $215,000,000. Her averaged imports amounted to $49,000,000 during the same years. Most of the exports went by rail to the seaboard cities of New York, Philadelphia, and Baltimore, where the cars were unloaded, the products transported across the cities and reloaded in ocean-going vessels.

With the St. Lawrence Waterway completed for deep-draft ocean-going vessels, these export products will be loaded in ocean vessels at Chicago and shipped direct to the commercial ports of Europe at a tremendous saving in freight. Chicago will then be on an equality basis, so far as the ocean base rate is concerned, with New York.

Every importer and exporter in the States adjacent to the Great Lakes would be an enthusiastic advocate of the St. Lawrence project, because it will mean to them increased profits by the saving of millions of dollars in transportation costs. The same will apply to our imports. The ships now discharging imports at New York which are later brought to the interior of the country by rail will come up the St. Lawrence River and enter the Great Lakes and their cargoes discharged at Chicago and other cities

on the Great Lakes. The long railroad haul both to and from New York with the excessive handling charges will be eliminated.

As all exports must meet competition on the basis of supply and demand in the various "world markets," it is obvious that the cost of transportation must be deducted before the producer is paid.

The farmer who sells wheat in Liverpool must accept the price there minus the transportation and handling costs. He must meet in the Liverpool market the seller from every part of the world. The "routes and rates" are therefore vital; they directly enter into and affect his profits.

Seventy per cent of the grain exported goes direct to Liverpool, and the St. Lawrence route is the shortest and most direct and, therefore, the cheapest in the cost of transportation.

Rates on the ocean usually average about one-tenth the rail rates between important shipping points. Rates on the Great Lakes are about on a parity with ocean rates and average less than 1 mill per ton-mile.

It costs almost precisely the same to ship a bushel of wheat by rail from Kansas City to St. Louis (8.1 cents), a distance of 277 miles, as it does to ship it from New York to Liverpool, a distance of 3,578 statute miles under normal conditions.

Assuming that the St. Lawrence waterway is open for ocean-going vessels and that the cities on our Great Lakes are now ocean ports, the rate on grain from Chicago to Liverpool will be 10 cents a bushel. This gives the farmer of the Middle West who gets his grain to a lake port the advantage of the base ocean rate of 10 cents per bushel. It puts him on a parity with the farmer who now has the advantage of the Atlantic, Gulf, and Pacific base rate.

At present the route and rate is from Chicago or Duluth to Buffalo, by water, 3 cents per bushel; Buffalo to New York, rail, 9.1 cents; New York to Liverpool, 8 cents; total, 20.1 cents per bushel. The new St. Lawrence rate will be Chicago or Duluth to Liverpool direct, 10 cents per bushel. The savings, therefore, by the new route to the "world markets" will be 10 cents per bushel.

Presidents Wilson, Harding, Coolidge, and Hoover all strongly advocated the St. Lawrence project.

In 1924 President Coolidge appointed a commission with Secretary Hoover as chairman. A similar commission was appointed by the Premier of Canada. The function of these commissions was to review the report of the International Joint Commission and make further investigation. Associated with the commissions were three eminent engineers of Canada and of the Regular Army of the United States.

These two commissions reported to the Governments of the United States and Canada under date of November 16, 1926, following the example set by the International Joint Commission of five years before, by reporting unanimously in favor of carrying out the Great Lakes-St. Lawrence project.

There are 23 States committed to the St. Lawrence waterway. These States are associated in an organization known as the Great Lakes-St. Lawrence Tidewater Association. The Council of States is made up of the governors of these 23 States together with the members of the Commissions appointed by the governors in pursuance to the acts of their legislatures.

Some of the States make appropriations. The money is used to finance and support the Tidewater Association, which is national in scope and whose activities and functions can be more economically administered than though the States acted independently.

Egypt and Phœnicia led the world when trade began. Then Greece, Rome, and Carthage; in later years Venice and Constantinople. From one to another shore the supremacy shifted, but it never left the Mediterranean coast.

The scepter passed, however, when the ships put to sea on the wider ocean. First Spain and Portugal, then Holland and England gained the world's leadership. The scepter passed from hand to hand, but it stayed with the seafaring states.

Industrial development gave a new bearing to commerce. Supremacy was for the people who had coal, iron, and skill. Old England was first in Europe, New England was first in America. Access to the raw materials gave advantage to the island kingdom and the seaboard States.

New times have come to America, new times have come to the world. The trade of the world is more closely knit. Its competition is keen. Success will follow as ever on power, resources, and energy. The greatest reward will come to those who are located on the world's highways.

America has been busy these hundred years in winning this western world. Now a new continent has at last been subdued. The energy of a great people, bred of high purpose and enterprise, now seeks a new direction. The West is ready to place itself besides the Englands, old and new. We have the land, we have the people, the power, the resources, and the energy; there is just one thing lacking—the Great Lakes-St. Lawrence way to the sea.

THE SILVER QUESTION

Mr. BORAH. Mr. President, I ask permission to have printed in the RECORD an article by a former Member of this body, Charles S. Thomas, of Colorado, entitled "The Unimportance of Silver."

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

THE UNIMPORTANCE OF SILVER

(A reply)

If the revived interest in the subject of international bimetallism is merely "a bubble of silver relief," it will, like all bubbles, soon collapse under external pressure and hardly prove even of transient concern to anyone beyond the dwindling circle of those yet identified with silver production, who retain little beyond the right in common with all others to invoke the aid of their Government for the relief of a distressed industry, however untenable or even ridiculous their appeals may prove to be. I dare to assert, however, that the verdict of silver's unimportance at this time of stress is not only premature but is not sustained by Mr. Lawrence's very interesting contribution to the World's Work for August.

I concede at the outset that expedients finding shelter under the broad advocacy of bimetallism, and sponsored by some distinguished disciples of the subject, have been urged for the relief of a serious and distressing situation in the Orient which can not recommend themselves to mature reflection.

But these are by-products of every movement, successful or otherwise, which becomes prominent in the march of human affairs, and if we permit them to shut out the perspective of the picture, we can not hope to form an intelligent judgment upon its merits.

The immediate concern of the silver producer in the tremendous issue of bimetallism is obvious, but is only that of the gold producer in the prevalent monetary scheme, and deserves similar consideration, albeit, the silver miner as such is almost an extinct species. His argentiferous mines are virtually exhausted; and the dominant producers of the metal are now the great copper and smelting companies, which are relatively few. Indeed, the prospector and his burro, symbol of the miner of 50 years ago, has long been a reminiscence. Gold also is becoming more and more a by-product of the copper miner, with little prospect of change; so let us strive, if we can, to consider the merits of the double standard from the more impersonal viewpoint of the public needs.

Silver, like gold, was primary money in our country down to 1873, and served us well while it so functioned. In that year it was summarily deprived of its sovereign attribute by a statute approved by a President who afterwards protested that he never suspected its real purpose.

Those of us who have devoted over half a century to a fairly comprehensive study of the double system may readily assure the public that we fully concede the impossibility of securing free coinage for silver by encouraging such empirics as silver pools, utilization of our silver reserves, or loans of silver bullion to other countries.

We feared the Bland and Sherman silver compromise bills of 1878 and 1900 would prove Trojan horses cunningly thrust inside the walls by the manipulators of the time, and designed to fasten the strangle hold of the new dispensation upon the Republic. Events confirmed our apprehensions. Both were laws establishing the compulsory coinage on Government account of specified amounts of silver bullion purchased in a competitive market; and both were to be administered by unfriendly officials. The Sherman Act, to be specific, expressly provided that the Treasury certificates issued thereunder should be redeemed in gold or silver coin at the discretion of the Secretary. In administering that law, Secretary Windom promptly transferred the option to the creditor, on the pretense that parity was not otherwise attainable. Mr. Carlisle, his successor, followed his example; which not only made possible but encouraged the raids of 1894–95 upon the Treasury gold reserves, and which in turn apparently justified Mr. Cleveland's bond issues, handled by Mr. Morgan with such credit and profit to himself. Thus the train was laid for the triumph of the gold standard in 1896.

Space forbids anything more than the barest outline of a background for this inquiry into the merits of the rapidly renewing demand for a return to bimetallism. At the outset it must be borne in mind that nothing new is involved in the movement; for the system, before its ruthless extinction, had stood the test of more than 40 centuries, and functioned better than any other method of determining values thus far devised. During all that time, the legal ratios applied to the two metals have conformed with remarkable accuracy to the relative ratios of their production; and the small occasional variations in value from them have automatically adjusted themselves.

The white metal, being the more abundant and least valuable in bulk, has not only done monetary service in those minor transactions of everyday occurrence, which comprise the vast bulk of the world's activities involving the common people and representing their property values everywhere, but represents the hoarded savings of 20 generations of Asiatics; it was never abundant nor more than 16 to 1 in bulk with the yellow metal; it was never rejected in the service of the world's commerce until degraded or debased by legislation conceived and enacted by and in the interest of the public creditor. Yet, in defiance of such legislation, it has persisted as the measure of values for and the money of more than half the population of the globe, albeit every fall in its gold price decreases the value of their possessions, enhances the burden of their debts and impairs their purchasing power. Through and because of its debasement, the single gold standard has become the silent but most effective method of universal confiscation ever devised. Hence, the values thereby lost will

inevitably return to silver with the repeal of the edicts by which it has been outlawed.

When, in February, 1873, the bill innocently entitled "An act revising and amending the laws relative to the mints, assay offices, and coinage of the United States" was tendered to President Grant for approval, that dignitary signed it in ignorance of its real purport. Had he dreamed that its title was a deception, he would, of course, have disapproved it. At the time the measure was passed, the bullion value of the silver dollar was 101 cents in gold. The only attention given by the press to the bill throughout its consideration was the Associated Press dispatch of January 17, 1873, announcing that "The mint and coinage bill that passed the Senate this afternoon is a codification of all existing statutes on the subject." This was due not to its indifference, but because the newspapers, like Congressman, knew nothing about it.

For some time afterwards the public remained either ignorant of or indifferent to the tremendous fact that, under the cover of a mintage act, the monetary system of the country had been profoundly altered; that silver had been deprived of its right of legal tender, denied access to the mints, degraded to a commodity, and that gold had become the sole standard of value and alone available for the payment of public and private debts in excess of sums of $10; and national, State, municipal, and corporate bonds had been enormously enhanced in value overnight by a trick of legislation. The primary cause of the panic of 1873 was thus revealed to an astonished Nation about a twelvemonth after it had run its ghastly course of misery and despair.

The effect of the exposure may be easily imagined. The expressions of public wrath were unrestrained. Speaker Blaine of the House, leading Members, prominent Senators, Cabinet officers, solemnly announced their ignorance of the character and purpose of the bill for whose enactment many of them were responsible, while the demand for its prompt repeal was unanimous. For the first time since the Civil War the people in 1874 elected a Democratic House by a 2-to-1 majority. A monetary commission, appointed under joint resolution of August 15, 1875, reported on March 2, 1877, affirmed the charges made against the act and the manner of its enactment. The testimony supporting the report is even yet of absorbing interest and should have borne prompt and affirmative results. But those who engineered its framing and enactment and whose fortunes were ultimately more than doubled through the Nation's travail, were on guard. The press, the banks, the Federal Treasury, obsequious politicians and rival parties all were drafted in the cause of "sound money," and the wrong yet remains to be righted. The havoc it has wrought during over a half century of existence admits of no exaggeration.

Our experience has been that of other nations under identical conditions similarly created. England in 1816, and Germany in 1873, victors of two great wars, the first loaded with an enormous debt, the second about to harvest an enormous indemnity, demonetized their silver, destroyed values, increased the burden of the public securities, and robbed the people of their substance.

When, after the Great War, and responding to the needs of the world's economic revival, silver rose to the unprecedented gold price of $1.40 per ounce, and the horizon was gilded with the promise of prosperity to all the nations, it was our own Treasury Department which, running true to form, quietly, illegally, and successfully abstracted 13,000,000 of silver dollars from the national reserves and used them to break the foreign silver market. The details of this disgraceful episode will be elaborated hereafter.

But we are cheerfully assured that "silver is unimportant," that the agitation for its monetary restoration is merely "a brand of special pleading"; and reasons are assigned to support the charge so made. If they sustain it, there is nothing more to be said.

At the outset we are told that silver is in dire distress. That is true of all commodities, and the two causes assigned for it apply to all of them. They are "the drop in the price of the white metal and the unfavorable turn in the exchanges" of the silver-using countries. These conditions, however, are said to attend a paradox; "for as the value of all other goods and services declines, the value of gold goes up. This is a bull movement in the gold market when all other markets appear helpless in the face of bear pressure."

True; but the so-called bull movement in the gold market has operated intermittently for over 115 years. The drop in silver prices and the rise in gold values are always reciprocal. It is the expression of the same thing in another way. It is the gold vampire in action, sucking the life blood from the substance of mankind, insatiate and unappeaseable. And like other vampires, it gorges itself as long as its victim has any blood to yield, then turns its fangs upon itself and dies by suicide. There is nothing paradoxical about it, and the formula is simple. When one end of a seesaw descends, the other must rise. It would be a paradox if it didn't. Decrease commodity values and you increase the burden of debt. Make the debtor pay $2 for every one he agreed to pay or take all he has upon default; such is the mission of the single standard. Just now, as in 1873 and 1893, it is garnering its harvest. "Silver is unimportant." Neither are wheat, nor oil, nor sugar, nor anything but gold.

The statement quoted defeats the author's entire argument. One material substance, infinitessimal in quantity, is absorbing the material possessions of mankind, transferring their substance to its owners, wasting their energies, destroying their ambitions, and reducing them to economic slavery. The one solution of the problem known to human experience is bimetallism, condemned as usual without hearing and spurned as a nostrum of special pleading. The only alternative would be another abnormal increase in gold output such as immediately succeeded the Bryan defeat in 1896; a phenomenon not likely to repeat itself.

Mr. Mark Sullivan tells us in his History of Our Times that two obscure engineers in South Africa, McArthur and Forrest by name, unconsciously cleared our financial skies in 1897 by discovering the cyanide process for cheap extraction of gold from low-grade ores, thereby prodigiously increasing the world's annual production. The discovery of the Rand and Klondike deposits synchronizing with the development of the new process supplied the void caused by silver demonetization, thus bringing to naught for the time the forecasts of the economists of the day. But this was to postpone, not to prevent the final show-down. The golden harvest is drawing to its close, with no prospect of its renewal; the lean years preceding 1896 are returning and with them the problems then so insistent for permanent solution.

We are reminded that, China, Persia, and Eritrea excepted, the world is upon a gold basis. As a yardstick of debt measurement and collection that is true, even in the countries named. But the fact remains, and history demonstrates, that silver can no more be expelled from the world's exchanges than can man live without respiration. Even when gold ceases to function, as it so frequently does, silver remains the universal handmaiden of commerce. A drudge she may be, but man's indispensable servitor she remains. The Kemmerer recommendation may be forced down the throat of starved and stricken China's 500,000,000 paupers, but will gold supplant silver or ever circulate in the marts of Shanghai? Will the change do anything whatever for that country beyond handing her a yardstick for her debts which she never sees but which she has been compelled to employ for a hundred years under the commercial guns of the "sound-money" nations?

The effect of a fall in the gold value of silver is admirably described by Mr. Lawrence; but here again he ignores the fact that unless some antidote be provided against it the consequence is ruin. It is true that silver varies in price, just as any other commodity, but so does gold when measured as everything ultimately must be, not by itself, but in terms of merchandise. The "paradox" just quoted emphasized the startling variation in gold values; upward, it is true, but for that reason the more ruinous, since the "commodity" is all too inadequate for its purpose; having been endowed by the international creditor with power to register the prices to which all else must conform, and to change those prices in his own interest "anywhere, any time, any place" with no right of appeal by prince or pauper. Hence, those controlling the gold supply control credit and therefore dominate the world.

Especial sympathy is extended to Mexico because silver's fall has prevented her "for the moment from carrying out her external obligations." Her domestic ones seem not to be important, an attitude which those immediately concerned may not appreciate. But the fact itself is not new to Mexico. Because of this fall she defaulted in her external obligations years ago. Since then she has compromised them and defaulted the compromise. Her troubles are chronic and conform to the time when the Mexican dollar began its flight from par to 50 cents in gold in London and New York. That value is now almost too low to estimate. She can not pay her obligations, and would be morally blameless if she declined to pay them at all until the constant decline in her material wealth, reflected in the descent of her dollar toward the zero point, shall have been arrested and restored by the same forces which caused it.

"What ails silver?" The answer is clear beyond all doubt. It has been legislated into bankruptcy in the interest and through the agency of the public creditor, who proposes to give it the final coup de grace with the aid of the Kemmerer Commission. The statement that it has been fighting a losing battle, reflected in the steadily declining trend of silver prices "since the discovery of America," is not true. Reliable tables from 1687 to date prove the contrary. Indeed, this writer never encountered the statement before. Not even the British coinage act of 1816 immediately affected its value. The credit for that belongs to the Federal statute of 1873, succeeding that of Germany in 1871. Then, contracts everywhere began to be made expressly payable only in gold or its equivalent. When our people permitted its financiers to thus stigmatize its own money, the price of silver began to decline.

Bimetallism is also challenged upon the ground that silver is relatively unimportant as a commodity, and its pending economic distress does not warrant its plea for relief. As to the first consideration, it should be sufficient to say as a mere commodity neither gold nor silver ever was of much consequence. Deprive gold of its money function, it would, like silver, lose the bulk of its demand and become a drug on the market. The vast bulk of the world's gold is precious only because of its place in the world of finance which rests wholly upon legislation, and which it maintains solely because its limited quantity restrains its undue expansion; which is true of no other metallic substance, silver alone excepted. (This statement of course takes no account of the very rare metals absorbed by the demands of industry.) Coupled with the persistent maintenance of their relative production through the centuries, this indeed is a remarkable phenomenon in history. Hence their primal selection for the symbols of exchange everywhere. To stress, therefore, the fact that the market value of the world's annual production of silver is far less than that of rubber, silk, cotton, etc., can not aid us at all in a solution of the problem. The production of silver was larger in 1929 and worth less in gold than ever before. When the metal was debased in 1872, the fact was defended on the assumption that its produc-

tion had become unduly prolific. Now its relative worthlessness constitutes its principal offense.

Moreover, its decline in value compared with that in other raw material prices "entitles it to no hearing." This is amusing; since it has been common knowledge for half a century that silver being the money of more than half the world, is the index of its purchasing power, and that whatever affects its value is reflected in the market price of most basic commodities. This truism appeared in the tables of Jevons and Soetbeer as long ago as 1849 and 1885. Unless I am mistaken, this is an accepted economic fact, subject, of course, to the influence of temporary or unusual conditions either of local or general character. It follows that the decline in the prices of ordinary commodities is due in large degree to the fall in that of silver.

It is true that the use of silver in fractional currency has been impaired by reducing the silver in its coinage by most European countries or by supplanting it with other metals. This was largely due to the exigencies of the war, and it is gratifying to note that more recently these nations are restoring the coins to their normal ratio. The fact is of little importance in any event, for the malady is not seriously affected by it. Give the white metal its old prerogative and the values filched from it will take care of themscives.

It is interesting to note that the abnormal yield of gold from California and Australia in the sixth decade of the last century so alarmed Michael Chevalier that he attacked it as a monetary standard in 1857 in a brochure entitled "The Probable Fall in the Value of Gold." This greatly impressed Mr. Cobden, who translated and circulated it throughout Great Britain. Chevalier there anticipated all the arguments afterwards urged for the abandonment of the white metal. He alarmed England, which stabilized the prevailing values by compelling the Bank of England to purchase all gold offered for sale at the equivalent of $20.60 per ounce. On the other hand, several continental countries, notably Prussia and the Latin Union, were persuaded to establish the silver standard, which persisted until Germany began ridding herself of her silver after 1871. The Chevalier crusade was based upon an anticipated deluge of gold, which, like the subsequent fear of silver overproduction, did not and never will materialize.

But we are told that "the part played by silver in the war" should bar it from any special favors now. It is asking for none. Neither does it apologize for the tremendously important rôle which our despised "143 carloads of silver dollars" filled in the German war. The "unsavory" feature of the tale was its aftermath, and for that the Treasury Department must account, if it can.

The silver coinage of the United States consists of $539,962,000 in dollar units, and $118,619,000 in fractional currency; a total of $658,581,000. Except $93,162,000, all this money is and long has been in active circulation at par either in specie or in paper, the latter being expressly redeemable only "in silver dollars"; and it is not recorded that any one of them was ever dishonored in the Nation's exchanges.

Such was the situation when, in March, 1918, the Indian silver crisis confronted Great Britain, which plead for the purchase of $350,000,000 in ounces of silver. She could obtain it nowhere else and her need was dire. Should we have given it to her? She did not ask it. How then could we have replenished our store of domestic money? Should we have sold it at the market price of silver? It cost much more than that. How then should we have justified the deficit? We did the obvious thing, melted the dollars, sold the bullion at $1 per fine ounce to Great Britain and to our mint for fractional currency, and appropriated the proceeds to the purchase of an identical quantity of bullion at the same figure from American mines for recoinage in replacement of the melted dollars. We lost nothing and should have gained nothing by the transaction. But, in May, 1923, the Secretary of the Treasury, repudiated the law as to nearly 15,000,000 ounces sold to the mint, albeit he had previously ordered their purchase under the terms of the law which he then declared to be mandatory.

This incident was more than unsavory, it was dishonest; it netted the Treasury $14,589,730.13, contrary to the legislative intent. It is true that, then as now. the vaults of the Treasury "bulged with cartwheels," whose paper symbols were and are doing duty everywhere. It is equally true that then and now the same vaults also bulged with double eagles, supporting an active paper circulation. Then as now, vastly more silver than gold specie circulated among the people. Gold indeed has disappeared entirely from the exchanges. If silver accumulates in the Treasury vaults because the American public contemptuously spurns it, the same must be equally true of gold.

The opposition to the enactment of the Pittman Relief Act which is so graphically outlined comes to me with all the interest of a first-heard fairy tale. The attitude of the western Senators toward it differed not at all from that of their colleagues. It was outlined without dissent by the Committee on Mines and Mining, composed of members of both parties. It was unanimously reported for passage and as unanimously approved, after a very brief discussion which was entirely devoid of acrimony. A brief note of hostility, designed for political effect, was voiced in the House during the two hours devoted to its discussion, which neither received nor deserved the slightest notice.

The charge that in the administration of the act our Government spent approximately $210,000,000, not a dollar of which was necessary, is an amazing one in view of the fact that it is not true. The repurchase of silver thereunder cost the Government not one penny. Even the coin was melted at British expense. The arbitrary and reprehensible repudiation of the act by the department on February 11 and November 19, 1922, leaving the balance in the account just mentioned, is the only unsavory thing about it.

I have referred to the fact that following the armistice the oriental demand for silver sent its price skyward. In the fall of 1919, it reached the maximum figure of $1.40 per ounce, or 11 cents above the American ratio of 16 to 1. Ordinarily, this would have caused a movement of the metal to Asia. But its exportation was prohibited under penalty by the Espionage, Trading with the Enemy, and the Pittman Acts. Notwithstanding this fact, the Secretary of the Treasury and the Federal Reserve Board determined to break the booming silver market. The first two embargo acts were therefore lifted at the very time when they were needed, the third embargo having been overlooked or ignored. Then pretending our subsidiary coinage to be in danger of export, these officials on December 6, 1919, quietly contracted with the Asia, International, and Park Union Banking Corporations that "with the purpose to prevent the price of silver from rising above the point of exportation" (which point had been reached and passed several months before), agreed to "furnish" these banks not to exceed 20,000,000 silver dollars against current funds to be melted and used in Shanghai for that purpose, the net profits on the transaction to be turned over to the Federal Division of Foreign Exchange. The agreement was performed to the letter until mutually abandoned, when, after melting and dumping $13,000,000, the price of silver was forced to about 62 cents. The net profit on this nefarious transaction, $190,937.47, was duly paid to the Federal reserve banks. An additional 16,000,000 silver dollars was also melted for the same purpose through other agencies, but how or by whom has never been disclosed. I have asserted, and I repeat, that this transaction was not only unwarranted by but was entered into and consummated wholly without authority, statutory or otherwise. The silver coin "furnished" to the banks was part of a conspiracy to break a foreign market, the occasion was deliberately created for it, but the mandate of the Pittman Act against exportation was during all that time and still is the written law of the land.

A brief, matter-of-fact reference to this sinister incident, possibly half a page in length, appears in the Report of the Secretary of the Treasury for the Fiscal Year 1920 and apparently so framed as to escape attention. The scheme was, of course, a complete success. This great quantity of silver bullion, dumped into the oriental exchanges, carrying bullion silver to less than half its market price within the brief period of six months, stifled the reborn energies of oriental traffic, bankrupted many of its leaders and so disorganized its industries that the British Parliament, yielding to the consequent clamor of India, created the Indian currency commission of 1925 on whose recommendation the Indian Government struck the rupee from its fiscal system, forced its sudden fall from 60 to 30 cents the ounce, thus depriving 350,000,000 human beings overnight of half their purchasing power. I deliberately affirm that the recent India currency act was the immediate and logical result of our Treasury's lawless war upon silver in 1919–20, an episode as yet unknown to the vast majority of the American public. To add to this appalling calamity, comes the Kemmerer report of the Chinese commission and ostensibly designed to aid that unfortunate people in its hour of supreme industrial misery, which counsels it to abandon silver (as if it could), embrace the gold standard, and encircle the globe with its yellow symbol of industrial bondage. One wonders if the commission was not appointed for the purpose as the final act in that progressive state of misery to which the Orient has been committed since Rothschild reached the London Stock Exchange on that foggy morning after the Battle of Waterloo.

A prominent economist has just challenged the truth of what he calls the "gold-shortage fallacy," which can be barely referred to here. He may call it whatever he pleases, but he will hardly so characterize the increasing burden of debt, which is reflected in the decrease of commodity values everywhere. Gold may abound in New York and Paris, but when silver falls from 60 to 30 cents the ounce in less than a fortnight, thereby requiring twice as many commodities as before to liquidate a gold bond and England suspends specie payments, there is a ruinous shortage somewhere; and this is the crux of a situation which always develops with the extension of the single standard. It can develop but little further without catastrophe; as those who are "sitting on the lid" well realize.

Said Mr. Goschen, Chancellor of the Exchequer, in 1878 at Paris: "If, however, other states were to carry on a propaganda in favor of a gold standard and the demonetization of silver, the Indian Government would be obliged to reconsider its position and might be forced by events to take measure similar to those taken elsewhere. In that case, the scramble to get rid of silver might provoke one of the gravest crises ever undergone by commerce." This prophecy now being verified for the third time emphasizes the wise forecast of one of the wisest and greatest of British statesmen. And the center of that crises is now the British Empire so long the fortress of the gold-standard citadel.

Mr. Goschen well knew that all the silver and gold in the world would, if coined at the ratio of 15½ to 1, in his day fall below $15,000,000,000, as we know that it would not now exceed $25,000,000,000. Since his time, the volume of commerce and of credits have quadrupled. The amount is inadequate for the world's stock of primary money. The scramble to get rid of silver came soon after him and stays with us. Has the ensuing crisis measured up to his prophecy?

In conclusion, let me emphasize the outstanding fact that our country is and always was the advocate of bimetallism. For many years it enjoyed the system. It was never wholly away from it. On November 1, 1893, by what is now section 311 of the Revised Statutes, it solemnly declared it "to be the policy of the United States to continue the use of both gold and silver as standard money and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States in the markets and in the payment of debts."

Unless that statute is a lie, unless it was a concession dishonestly given, it expresses the purpose and policy of the American people. As such it deserves their support until and unless the Congress in its wisdom shall otherwise declare.

PROHIBITION ENFORCEMENT

Mr. LEWIS. Mr. President, I ask permission to have printed in the RECORD a letter sent to Senators by Hon. Ralph M. Shaw, counselor at law, of Chicago, on pending prohibition legislation, together with an extract from a letter sent by Mr. Shaw to correspondents in the South relating to the same subject matter.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters referred to are as follows:

[Letter to Senators sent by Hon. Ralph M. Shaw, counselor at law, Chicago, on pending prohibition legislation]

NOVEMBER 17, 1931.

DEAR SENATOR: The inclosed clipping from the Chicago Tribune of this date tells its own story.

The article strikes a thoughtful man with terror. It not only indicates but it convinces one that this country is headed as fast as it can go along the same road which has brought England to the verge of financial ruin and which will complete its destruction within a few years.

The proposed boost in taxes, if it takes place, will shoulder onto between 2,000,000 and 2,500,000 out of a total of 130,000,000 citizens the entire burden of making up the deficit created by an extravagant Government. These 2,000,000 to 2,500,000 citizens compose the bone and sinew of the Nation. They are made up of earnest, hard-working professional or high-salaried men, who have little or no capital except their health, who take care of their own business and don't interfere with the business of others, and to destroy or discourage whom is to destroy and discourage the very element which the country needs for its continued success.

The very rich will not be burdened with the taxes. They have tax-exempt securities. The moderately well-to-do will pay little, if any, tax, and those millions of people who are protected by the great power of the Federal Government and who ought to contribute something at least to its support will be exempt from any contribution to their Government whatsoever.

It seems weird to me that instead of boosting taxes the Congress of the United States hasn't sufficient patriotism, courage, and intelligence to cut down expenses. As an illustration:

Why should citizens of New York and Chicago be taxed to furnish a water supply to the city of Los Angeles?

Why should high-salaried and professional men be taxed in order to loan money at lower than the prevailing rates of interest to the farmers' cooperative societies?

Why should the Farm Board function at all?

Why shouldn't the expenses of bureaus such as the Federal Trade Commission and the Interstate Commerce Commission be greatly reduced and their transcendent powers so fixed that instead of using them to throttle business they could do nothing other than preserve and aid it?

Of course, the ideal tax is a sales tax. Under such a tax the very rich, who buy a great deal, would pay the greater portion of taxes, and the very poor, who buy very little, would pay very little, if any, taxes; yet each would contribute to the Federal Government, which is supposed to protect and defend all citizens and not to exploit some citizens for the benefit of other citizens.

And just one more question:

Why shouldn't the Federal Government recede from its absurd position of calling beverages "intoxicating" which are not "intoxicating in fact," and levy such taxes as may be levied lawfully under the eighteenth amendment and thus make up its deficit out of a revenue from a business which it has been wholly incapable of stopping and which is now pouring more profits into the pockets of bootleggers than the entire income of the Federal Government from income taxes?

My dear Senator, I have been a Republican all my life; but if the Republican Party proposes an income tax upon what little there is left of the accumulated wealth of the country for the purpose of continuing the socialistic experiments by which some people are exploited for the benefit of others and declines to raise revenue which it might lawfully do from sources where it would not be felt—such as the taxation of alcoholic beverages which are not intoxicating in fact—it will surely ring the death knell upon itself not only in the campaign of 1932 but for the next quarter of a century.

I beg to remain very faithfully yours,

RALPH M. SHAW.

[Extract from a letter sent by Hon. Ralph Shaw, counselor at law at Chicago, to correspondents in the South]

DEAR SIR: I have your favor of November 14.

Since then I have read the article in Collier's to which you referred and which had previously escaped me.

While I know of no reason why an expression of my views can be of much special value, since I am not in public life, nevertheless, one is always more or less flattered to have one's views requested, and in the particular case I am glad to give them.

Although I have been a Republican all my life, I have about reached the conclusion that, owing to the combined effect of the wide-open split in the Republican Party in the North on the liquor question, as evidenced by votes in Massachusetts, New York, Connecticut, New Jersey, Ohio, and Illinois, and also to the existing economic depression and the dissatisfaction which has resulted therefrom, there is little, if any, chance for Republican success next autumn if the Democratic Party handles itself with any degree of cleverness.

As I have stated, in the North the prohibition question has ripped society wide open. Those of us who live in the larger and more populated sections know that unless the liquor traffic (which goes on just the same as it did before prohibition, except under cover, lawlessly and untaxed) is regulated, instead of being prohibited and untaxed, society will be destroyed.

The Democratic Party of the North knows this to be true, as evidenced by the many expressions of opinion not only of the voters but of its leaders.

It seems to me that the only thing which is essential for Democratic success next autumn is for the Democrats of the South to unite with the Democrats of the North on some compromise policy which:

(a) Will reassert the Jeffersonian principles of State rights;

(b) Will result in some amendment to the Constitution which can be supported by both elements of the party and will permit the liquor business to be taxed and regulated and the revenues now going to the bootleggers taken by the Government; and

(c) Then the nomination of a man who will inspire the confidence of millions of Republicans who are looking for a real business leader.

I do not know whether these views will meet with your personal approval or not, but it seems to me very sane and very logical for the Democrats to reassert their State-rights principles and to retake that which they so futilely surrendered in 1919.

CONSERVATION OF WILD LIFE

The VICE PRESIDENT. Morning business is closed, and the calendar under Rule VIII is in order. The Secretary will state the first bill on the calendar.

The CHIEF CLERK. A bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply; and for other purposes.

Mr. WALSH of Montana. Mr. President, I see that the Senator from Connecticut [Mr. WALCOTT], who introduced and reported this bill, is present, and I trust he will explain it.

Mr. WALCOTT. Mr. President, the purpose of this bill is to eliminate overlapping of effort and certain duplications of expenditures, and to consolidate, so far as possible, without any physical change in any department, the various efforts at conservation throughout the country of our wild-life resources, both mammals and fishes, and also our forests, in connection with which there has grown up through the years a great deal of duplication of effort.

The enactment of this bill will not cost the Government a cent. One of its chief objects is to save money, to eliminate waste, and to suggest rather than to order the various departments concerned with the conservation of our natural resources that they carefully consider what effect any project that comes under their purview or under their jurisdiction may have upon such natural resources.

Many times large enterprises have been undertaken by this or that department of the Government without due consideration of the question of the conservation of our natural resources. The purpose of the bill is to bring the

attention of the various departments, chiefly the Biological Survey and the Bureau of Forestry of the Department of Agriculture, and the Department of the Interior, to the necessity at all times of considering and protecting these resources.

I very much hope that the bill will pass, because there is a large and a growing interest all over the country in this particular effort to save our natural resources.

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Washington?

Mr. WALCOTT. I yield.

Mr. DILL. Mr. President, has this bill ever previously been before Congress?

Mr. WALCOTT. This bill has never been before Congress; it is a new bill; but it has been considered by the select Senate committee.

Mr. DILL. I have not had time to examine the bill with any care, and I should like to ask the Senator this question: Does the bill propose to authorize the appointment of additional game wardens or other Federal employees?

Mr. WALCOTT. No; it does not. It proposes no additional expenditure whatever and no additional personnel. The tendency of the bill, should it be enacted into law, should be to reduce somewhat the personnel, to reduce overlapping enterprises.

Mr. DILL. At whose instigation was this bill introduced?

Mr. WALCOTT. I do not think I understand the Senator's question.

Mr. DILL. In other words, what forces in the country are behind the bill?

Mr. WALCOTT. Various organizations are partially sponsors for it. It originated in the minds of the committee in cooperation with the various departments through the committee's effort to secure the facts pertaining to the conservation of wild life. By cross-questioning officials of the various departments chiefly concerned and by securing definite reports on this whole subject we found there were certain duplications of effort. Consequently we set to work in April last and devoted four months to the consideration of this whole subject with the heads of the various departments interested in the conservation of wild life. They sat in with us and they thoroughly approve the bill. The Izaak Walton League, the American Game Protective Association, and other associations interested in the conservation of wild life are very much interested in the passage of the bill, and believe that much good will come from its enactment into law.

Mr. DILL. I do not want to object to the bill or to make any fight against it; I am very much interested in the whole subject; but I think it is a bill of such magnitude and importance as to justify giving the Senate a little more time to examine it and find out just what it proposes to do.

Mr. HAWES. Mr. President——

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Missouri?

Mr. WALCOTT. I do.

Mr. HAWES. I will say to the Senator from Washington that the Special Committee on Conservation of Wild-Life Resources has been making extensive investigation in various portions of the United States and has ascertained that there exists to-day a real emergency. Never before in our history have we been confronted with such a shortage of game as exists to-day.

This bill does not carry a dollar of appropriation; it does not put a single additional man upon the Government pay roll. All it does is to seek a coordination of effort between the present agencies of the Government so that they may work together in the effort to conserve the wild life of the country.

Our committee had before it the heads of every executive department of the United States Government having to do with the subject. They all approved this bill, and we are very anxious that it pass immediately, so that it may be given consideration on the House side. We should like to have it go over there at once. I assure the Senator from Washington that there is no particular force back of the bill. There is no objection to the bill. The bill is the thought of the five Senators on the Committee on Conservation of Wild-Life Resources.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HAWES. Certainly.

Mr. McKELLAR. Was the committee unanimous in its report?

Mr. HAWES. Not only is the committee unanimous but the heads of the various executive departments of the Government having to do with the subject are in favor of the bill.

Mr. McKELLAR. I notice in the bill as reported that its first purpose is to lend trained men to State commissions for aid in the work of investigation. To what extent is that effort to be carried on?

Mr. HAWES. The Senator is now getting into a large subject.

Mr. McKELLAR. I understand that; but we ought to know whether we are going to have additional men put on the pay rolls. The Senator said there would be no appropriation required by this bill, but it is manifest if we lend trained men to State commissions that it will require a great many men for that purpose. Therefore the appropriations will be greatly increased. I was just wondering if the Senator from Missouri or the Senator who is chairman of the committee would tell the Senate just what the increase would amount to?

Mr. HAWES. In dollars and cents it will not amount to anything, because there is no appropriation in the bill, and none is required.

What the provision to which the Senator referred means is this: In the State of Tennessee there is a very able conservation commission, but, with its limited resources, it can not make a scientific study of the destruction by predatory animals and that sort of thing. The ultimate hope of this bill is that it will develop trained men who may be loaned temporarily to the State of Tennessee, and the colleges of Tennessee, for instance, to explain these different subjects. The bill, however, does not increase the personnel of the Government service one man nor does it call for a dollar of appropriation.

If the Senator would like to have an illustration of what it will do, I will tell him. Some years ago the Congress passed what is called the upper Mississippi wild life bill. The last Congress appropriated $90,000,000 for building dams and impounding the waters of the upper Mississippi River. By consulting with the Chief of Engineers we found that we could preserve the wild life and the fish life there by erecting six dams instead of one dam at a less cost to the Government. The conferences held between the Chief of Engineers and our committee were informal; but all in the world this bill proposes to do is to provide the machinery for exchange of ideas and discussion between the heads of the executive departments of the Government. I assure the Senator from Tennessee that there is no provision in the bill for any additional personnel.

Mr. VANDENBERG. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Michigan?

Mr. HAWES. I yield.

Mr. VANDENBERG. Will the Senator make it plain, please, whether in relation to cooperation with the States there is any invasion of the jurisdiction of the conservation departments of the States?

Mr. HAWES. There is none whatever.

Mr. President, I hope this bill may be passed.

Mr. PITTMAN. Mr. President, I simply wish to indorse what has been said by the Senator from Connecticut [Mr. WALCOTT] and the Senator from Missouri [Mr. HAWES]. I am a member of the committee which considered this subject, and I participated in the study of it. We now have a Bureau of Biological Survey, a Bureau of Fisheries, and so forth, and we have some very expert men in those branches of the service. They have studied not only animal diseases and destruction of wild life caused by predatory

animals but they have studied also the raising of upland birds and matters of that kind, and they already have acquired a great deal of information that should be made available to the State commissions if they shall desire to use it. However, as has been stated, it is only on the invitation of the State commissions that the contemplated aid will be rendered. I can not conceive of any way in which the enactment of the bill will increase the cost to the Government; in fact, if there shall be a coordination between the Forest Service, the Park Service, the Biological Survey, and the Commissioner of Fisheries, not only should the work be performed more effectively but there should result a material reduction in cost.

Mr. BLAINE. Mr. President, I am sorry that I can not agree with the interpretation placed on this bill by the distinguished Senator from Missouri [Mr. HAWES]. I want to call the attention of the Senate to section 8, for I propose to submit an amendment to strike out that section, which is a coercive measure, and will be very effective in its operations if it shall be adopted.

Section 8 is designed to coerce States into the adoption of laws dictated by a department in Washington, and it is proposed to be done by a sort of underhanded scheme; that is, appropriations shall not be used in any State under the terms of section 8 unless such State shall have enacted certain specific laws relating to the protection of fish and game demanded and dictated by the Federal Government. Section 8 means the surrender of the sovereignty of the State, of the right of the State to enact its own laws in the exercise of its police powers respecting the subject of fish and game. I think section 8 is as plain as the English language can make it. Section 8 provides that—

> Appropriations for the propagation of game and fish shall not be expended for stocking areas within any State in which, in the judgment of the Secretary of Agriculture with respect to game and fur-bearing animals, or the Secretary of Commerce with respect to fish, there are not adequate laws for the protection of such animals or fish.

Under that provision, if the Secretary of Agriculture or the Secretary of Commerce, in their opinion, conclude that there are not sufficient protective laws within a State, then that State is to be deprived of all appropriations under this bill.

Further, identically the same theory is carried out, only a little more vigorously. These appropriations for the propagation of game and fish shall not be expended—

> in any State in which the Director of the Bureau of Biological Survey or the Commissioner of Fisheries or their duly authorized agents are not accorded full and free right to conduct such operations, and all operations necessary therefor, in such manner and at such times as is considered necessary and proper by the said heads of these bureaus or their agents.

Let us examine into the effect of that provision. For instance, take the Upper Mississippi Valley Wild Life Refuge, the States located within what is known as the Northwest Territory.

Mr. HAWES. Mr. President——

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. BLAINE. I do.

Mr. HAWES. Let me say to the Senator that if the section would do what he thinks it would do, I should be opposed to it; and, so far as I am concerned, it may be stricken out, because if there is any one thing that I do not want to advocate it is dictation of the Federal Government over the departments of the States.

Would it satisfy the Senator if section 8 were stricken out?

Mr. BLAINE. I see no particular objection to the bill if section 8 is stricken out; but I desire to conclude what I was about to say regarding the effect of this measure as applied to the States located in the northwest territory.

Under the Ordinance of the Northwest Territory those States are guaranteed certain rights respecting fishing, as binding upon the Federal Government as is any part of the Constitution. When the Government established the Upper Mississippi Valley Wild Life Refuge, the State of Wisconsin accepted that, reserving, however, coordinate power, concurrent power, reserving its rights under the Ordnance of the Northwest Territory, and reserving all other rights that were reserved by the respective States of Minnesota, Iowa, Illinois, and Missouri, if it affected Missouri.

Those rights ought not to be set aside, the guaranties under the Ordinance of the Northwest Territory ought not to be set aside, upon the judgment and the dictation of some subordinate official of the Federal Government; and yet, under section 8, if it were to become a part of the law of this land, we would at once have a contest on.

Moreover, that contest would be resolved in favor of the Federal Government before it began, because by this section the Federal Government says that not one dollar of appropriations shall be expended in that area for any of the purposes designed by the bill unless the State of Wisconsin and other States likewise situated surrender their sovereign power and the rights that are guaranteed to them; and as it affects that area it will affect every State in the Union—every one of them. They are not all likewise situated; but every State in the Union has its police power, and in the exercise of that police power it passes laws for the protection and conservation of wild life; and yet, if those laws do not meet with the approval of a Government official, the Government of the United States says that no money shall be spent within the boundaries of that State!

I shall not carry on this discussion further; but I think it is very clear that section 8 by all means should be stricken out, and I offer an amendment for that purpose.

Mr. SHORTRIDGE. Mr. President, I rise merely to ask a question of the Senator. What would happen if the Federal Government made appropriations and the States did not make like appropriations? What would be left of the bill?

Mr. BLAINE. I might suggest to the Senator that the bill is not designed as an aid to the States, and does not make appropriations to be met by the States; but no appropriation can be expended by the Federal Government in any State for any of the purposes set forth in the bill if, in the judgment of any of the departments or their agents, they decide that the laws of that State do not conform with their opinion of what the laws ought to be.

Mr. SHORTRIDGE. Could the Federal Government make appropriations to carry on the work that the Congress thought necessary?

Mr. BLAINE. The Federal Government, of course, can make an appropriation to carry on any appropriate undertaking on the part of the Federal Government; but——

Mr. SHORTRIDGE. Within the given State, say of Wisconsin?

Mr. BLAINE. But this section says that no such appropriation shall be expended in any State that does not conform its laws to the judgment of a Federal official.

Mr. SHORTRIDGE. But if section 8 is eliminated from the bill?

Mr. BLAINE. Then, of course, all of that is set aside.

Mr. SHORTRIDGE. Then the Federal Government could make appropriations to carry on conservation in a given State without the consent of the State?

Mr. BLAINE. No; then the bill would not deal with appropriations in any way whatever; but, as I understand, merely with coordination of the several departments. To that I have no objection.

I offer my amendment, Mr. President.

The VICE PRESIDENT. The amendment can be offered at the proper time.

Mr. WALSH of Montana. Mr. President, I rise simply to address myself to the suggestion made that this bill involves no additional expense at all on the part of the Government. It is said that it carries no appropriation, which is true; but, of course, the most casual study of the bill will disclose to anyone that it will, as a matter of fact, add to the general expenditures of the Government, and that when the various departments come to present their estimates, if they desire to exercise the authority conveyed by this bill they will, of course, ask appropriations to carry out the authority thus conferred upon them.

For instance, in section 4:

Before any public works or other improvement project likely to affect wild life (including aquatic life, bird life, animal life, and plant life) is constructed, the project shall be referred to a board of inquiry—

That, of course, includes all rivers and harbors; it includes all reclamation work; it includes all flood-control work. That must be referred to the committee.

The project shall be referred to a board of inquiry—

Whose members shall be designated by the President, one each from the Bureau of Biological Survey, the Bureau of Fisheries, the Forest Service, and the National Park Service, and any other agency or establishment of the Government whose activities are or may be involved.

Thus, they are authorized to make inquiry.

Then the bill provides:

Such board shall investigate the project and submit its recommendations to the President, who shall have full authority to impose such restrictions in the construction of such project as he may deem desirable in the interests of wild-life conservation.

Of course, an appropriation will be necessary to carry out the authority thus conveyed. The board of inquiry will be obliged to send experts and students to look into the particular project on the ground, and to make a report; and all that, as a matter of course, involves more or less expense.

This is simply an authorization to the board of inquiry. The board of inquiry may deem it inadvisable to conduct any investigation. It may conduct it or it may not, as it sees fit. It is authorized to do it; but if it should do it—and usually, as Senators know, these boards expand—it necessarily involves no little expense.

Again, in section 5:

In the event that any department of the United States Government has for disposal any lands that are of no further use to such department for the purpose or purposes for which such areas were acquired or taken under administration, and if such lands are not required for other principal purposes by that or other departments, such areas shall first be offered to other various governmental agencies authorized by Congress to engage in the conservation of wild life, including fishes and forests, to ascertain if such areas are suitable and are desired to be taken under administration by such Federal conservation agencies to assist in carrying out the purposes of this act. Whenever such areas having been so offered shall upon investigation be found to be suitable for these purposes—

Which, of course, implies that an investigation of the particular purpose should be made for the purpose of determining whether steps ought to be taken to conserve wild life in connection with it.

I do not mean to say that all these things are not very desirable indeed. Indeed, I am in hearty sympathy with the idea of preserving the wild life of the country, and particularly of increasing it, so far as it furnishes food supplies to the people; but let us not deceive ourselves into the belief that this bill does not mean additional expenses to the Government.

Then you will find, all along down the list, that these surveys are to be made. Section 7:

The Bureau of Biological Survey and the Bureau of Fisheries are hereby authorized to make surveys of the wild-life resources of the public domain, or of any lands owned or leased by the Government, to conduct such investigations as may be necessary for the development of a program for the maintenance of an adequate supply of wild life in these areas, to establish game farms and fish-cultural stations commensurate with the need for replenishing the supply of game and fur-bearing animals and fish thereon, and, in cooperation with the National Park Service, the Forest Service, or other Federal agencies, the State agencies, to coordinate and establish adequate measures for wild-life control on such areas.

In these distressful times I rather regret this proposal thus to expand the powers and duties of these various departments of the Government.

Mr. HAWES. Mr. President, there are 13,000,000 men and women scattered through the 48 States who pay an annual license fee for the privilege of hunting and fishing; and the American public invests annually $650,000,000 in these forms of outdoor recreation.

I know the Senator from Montana is sympathetic with the general idea of this bill; and it may be well to explain how it would operate.

For instance, the Senator referred to flood control. Our Government has worked out two plans for relieving the flood waters in the lower Mississippi Valley. One involves a spillway of some 100 miles on one side of the river and another project involves a spillway of 125 miles on the other side of the river.

In that gigantic problem, involving some $300,000,000, all we are asking is that the Biological Survey and the Bureau of Fisheries shall consult and advise with the engineers as to the best way to proceed with the construction, but giving consideration to conserving wild life. That is all the bill is intended to do.

The Biological Survey and the Bureau of Fisheries have examiners now. They have their experts. They could tell just what animals and just what fish would prosper and grow in particular areas. All this bill is intended to accomplish is that the National Park Service, the Bureau of Fisheries, the Biological Survey, and the Interior Department shall, in making improvements and in spending Government money, consider the conservation of wild life.

That has not heretofore been done. The Bureau of Fisheries had under its jurisdiction one subject, the Biological Survey has another subject, the Bureau of Indian Affairs has another subject, and the Bureau of Engineers still a fourth subject. All this bill requires is that in considering these developments, and in spending Federal money, the wild-life resources of our country should be carefully considered.

Mr. President, our committee for long months this summer consulted with the head of every executive department in the Government. We have had long statistical reports. We have the result of our own investigations, and of the investigations of these departments. We do not believe this would cost an additional dollar. We believe, on the contrary, that it would be a Government economy, because the cooperation, the coordination, the explanation, and the exchange of opinion of these different departments will bring economy in service.

I may say, Mr. President, in perfect frankness, that we have another bill which may call for an expenditure of money for a great game farm, but that is not in this bill. All this bill intends to do is to secure a meeting of minds of the different departments of the Government and to have called to their attention the reckless waste of wild game and fish life in America.

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Washington?

Mr. HAWES. I yield.

Mr. DILL. I would like to ask the Senator this question: Is there anything now which prevents the department heads and the secretaries herein referred to, or their appointees, from conferring and doing the very things this bill authorizes them to do? This bill does not provide for the consolidation of anything. It just provides that they can cooperate. Can they not do that anyhow?

Mr. HAWES. These department heads met with our committee during the summer and, as the report shows very clearly, they cooperated very intelligently and very faithfully. But that is a voluntary cooperation. There is no instruction in the law, there is no directing force back of that cooperation. This bill simply proposes that they shall consult from time to time when these great projects arise.

Mr. DILL. Mr. President, will not this be the practical result of this bill, that after it becomes a law, with this statute directing the departments to cooperate, each department will want additional employees to take charge of this cooperation in these different departments? It is proposed that there be set up in each department a sort of wild life bureau, which will be entirely unnecessary, it seems to me, and will be an additional burden of bureaus upon the Government.

Mr. HAWES. Mr. President, we carefully avoided that. There is in the minds of the conservationists of the country the thought of one great department of conservation, under which all these branches would be united, either with a place

in the President's Cabinet or an under secretary; but, as our report points out, the investigation of our committee has not reached that point where we believe we are justified in recommending a new department of that kind. In the meantime this bill would direct the heads of departments to the necessity of considering conservation in connection with public work.

Mr. President, we formerly had three months of duck shooting in the United States. We now have only one. We find that our black bass are disappearing and that our quail are disappearing. There is complaint from every commission of the 48 States about the game conditions and the fish conditions in the United States. All this bill is intended to do, and all, in my opinion, that it would do, would be to move the situation from voluntary cooperation to one where cooperation would be directed.

Mr. DILL. Let me call the Senator's attention to section 4:

> Before any public works or other improvement project likely to affect wild life (including aquatic life, bird life, animal life, and plant life) is constructed, the project shall be referred to a board of inquiry, whose members shall be designated by the President, one each from the Bureau of Biological Survey, the Bureau of Fisheries, the Forest Service, and the National Park Service, and any other agency or establishment of the Government whose activities are or may be involved.

The Senator is proposing to create a board here to pass on every dam that is to be built on any river in the United States. He is proposing to set up here another organization besides the Power Commission, for that matter, to pass on such questions.

May I ask the Senator this: Has there been any disposition on the part of the Power Commission not to regard wild life in the granting of licenses?

Mr. HAWES. Mr. President, the difficulty has been that none of these commissions have given consideration to the subject of wild life in America. In our investigations we find that there is not a single department of the Government, there is not a single Cabinet officer, who does not in some way come in contact with the problem of conservation of wild life. This bill, for the first time officially, calls the attention of these departments to the necessity of cooperation. It would not result in stopping any public work; of course, no member of our committee would say that a great dam project should be endangered for the protection of fish or wild life of any kind. But it does call to the attention of these departments the fact that in considering these problems they should add to the practical, mechanical considerations the thought of conserving the wild life of the Nation.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Tennessee?

Mr. HAWES. I yield.

Mr. McKELLAR. The Senator states that this is the first attempt that has been made really to get cooperation in the conservation of wild life in America. I call the Senator's attention to the Budget report, pages 137 to 145, which shows that the President has recommended to the Congress for the coming fiscal year an appropriation of $1,794,710 for the conservation of wild life during the year, and it is proposed that there be set up 13 different bureaus in the Department of Agriculture for the purpose of conserving wild life in America for the coming year.

I want to call the Senator's attention to the very first act which was passed which provides especially for the very thing the Senator now argues this bill for the first time provides for. I read from page 137:

> For salaries and employment of labor in the city of Washington, * * * including cooperation with Federal, State, county, or other agencies or with farm bureaus, organizations, or individuals.

That first law sets up bureaus and provides for the payment of salaries in the sum of $83,135, of which $78,543 is for personal salaries, paid largely here in the District of Columbia.

Then there are 12 other bureaus set up here in the Department of Agriculture, just where this additional bureau will be set up later on if this bill passes, for the preservation of wild life, all of them having the very purpose set out in the Senator's bill.

Under those circumstances, where the administration has cut this appropriation for the conservation of wild life from $2,229,170 to $1,794,710, it seems to me that at such a time as this we should not come along and set up an additional bureau in the Department of Agriculture, and perhaps one in the Department of Commerce, and possibly one in the War Department.

I am in favor of the conservation of wild life, but just at this time, when we are spending $1,794,000 in the conservation of wild life, I think is an unfortunate time to add other bureaus and other departments to help do the same job these 13 bureaus are already doing.

Mr. HAWES. Mr. President, as a matter of fact, the Senator was reading the report of expenditures which have been going on for many, many years in the Government.

Mr. McKELLAR. Yes; and this is just another bureau.

Mr. HAWES. There is no proposal to increase the Budget for next year. There will be a big decrease. We do not propose to create a single department of the Government. The Senator seems to be under the impression that we were proposing a very unusual appropriation this year, when, as a matter of fact, we are not. The Senator seems to be under the impression that we are creating new agencies, which we are not doing.

Mr. McKELLAR. Will the Senator yield further?

Mr. HAWES. I yield.

Mr. McKELLAR. I have been here a long time, and I happen to be a member of the Appropriations Committee, and know what I am talking about when I say that I have never known of a bill like this passing without this happening, that as soon as the bill becomes a law, in the consideration of the very next deficiency bill, a recommendation is made from the department, sent to us by the Executive, for an appropriation to carry out what is provided for in such a bill as this. I will say to the Senator that I believe that when we are now spending the enormous sum of $1,794,000 for the conservation of wild life in America, with men and women hungry in our country, we could let this bill go by for a little while. With 13 bureaus already established in the Department of Agriculture alone for this very purpose, it seems to me we might wait a little longer.

Mr. BORAH. Mr. President, may I ask the Senator from Missouri a question? The Senator from Tennessee says there are 13 bureaus doing this same work. Are there 13 bureaus engaged in the preservation of wild life?

Mr. HAWES. No.

Mr. McKELLAR. Will the Senator yield to me?

Mr. HAWES. I yield.

Mr. McKELLAR. I hand the Senator from Idaho the 1933 Budget, and ask him to look for himself under the head of Biological Survey, on page 137, where he will see that there are 13 bureaus.

Mr. HAWES. Mr. President, the bill does not create a new bureau. The amount of money appropriated this year is less than the amount appropriated last year. The carrying out of the provisions of the bill will not cost a single dollar. That is the opinion of the five Senators who spent long, weary months investigating the matter. That is the opinion of the heads of the departments. It means simply a cooperation of effort, if you please, a correlation of effort.

Mr. President, before I yield the floor may I say that I had not intended to discuss this matter. It seemed simply a process of bringing together the minds of the heads of the different departments so that they could concentrate upon the subject. The bill does not propose to give them any new power, no power which they did not formerly possess. The only thing it does is to propose that when great public works are undertaken, consideration shall be given to the wild-life resources of that vicinity.

May I repeat that the American public spends some $650,000,000 a year in its outdoor recreation and that 13,000,000 men and women take out licenses for that purpose. There will be another measure presented by our committee which will call for an appropriation of money, and I hope that bill

will be considered and discussed upon its merits. But there is not in the bill now before us anything that extends the activities of the departments or that extends their jurisdiction or extends the personnel of the Government. All it does is to ask that they shall sit together in conference when public enterprises are undertaken and give thought to the subject of wild-life conservation.

Mr. McKELLAR. Mr. President, will the Senator yield again?

The PRESIDING OFFICER (Mr. COUZENS in the chair). Does the Senator from Missouri yield to the Senator from Tennessee?

Mr. HAWES. I yield.

Mr. McKELLAR. Perhaps the objection I have raised can be obviated by a simple amendment which would provide that under no condition shall any additional appropriation be made for the purpose of carrying out the provisions of the bill or any part of it. If that language is put in the bill, we can easily come to a conclusion about it.

Mr. HAWES. That is the thought back of the bill, that it shall not cost any additional money.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. HAWES. I yield.

Mr. WALSH of Montana. Let me inquire of the Senator from Missouri whether the first process under the bill will not be to establish a board of inquiry, under the provisions of section 4? When that board of inquiry is established, of course, it will have to keep a record of its proceedings. It will have to have an executive secretary to keep a record to tell what the board did, what its resolutions have been, and what its course of action has been. That means an office force. Whenever a public work is contemplated or is under process, an investigation must be made, and the board of inquiry must have the necessary force with which to carry on the investigation. How can it be done without an additional expenditure?

Mr. HAWES. I do not anticipate there will be any additional expense. As a practical illustration, take one of the great projects that we know of, the spillway in the Mississippi Valley. All that would be necessary to do would be to have the Biological Survey, on the one side, and the Bureau of Fisheries, on the other side, report to whoever is undertaking that work for the Government that this kind of construction would be helpful and that kind of construction would be harmful.

Mr. WALSH of Montana. But let us take the first proposition. When the board of inquiry is created, will it not be necessary to have a secretary who will have charge of the records of the board, for instance, and keep an account of what it does? Will it not likewise be necessary to have some one sent out to make the inquiry contemplated by the provisions of the bill?

Mr. HAWES. The agency is there now to make the inquiry.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Idaho?

Mr. HAWES. I yield.

Mr. BORAH. I have not had time to read the bill very carefully, but there are some things which at the first reading seem to me to be very important to our part of the country. The bill provides:

> Hereafter, whenever any dam is authorized to be constructed either by the Federal Government itself, or by any private agency under Government permit, the Bureau of Fisheries shall be consulted and before such construction is begun or permit granted, when deemed necessary, due and adequate provision shall be made for the migration of fish life from the upper to the lower and from the lower to the upper waters of said dam by means of fish lifts, ladders, or other devices.

Does the bill go any further than simply to provide that the Bureau of Fisheries shall be consulted with reference to the manner of preserving the fish in the reservoir?

Mr. HAWES. That is all. It is not compulsory.

Mr. BORAH. They do not have any authority to stay the building of a dam?

Mr. HAWES. No. At the present time it is not even their duty to call attention to the matter.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Washington?

Mr. HAWES. I yield.

Mr. DILL. I invite attention to section 4 of the bill, under which the President is required to appoint a separate commission to pass on that question. It provides that the President may impose restrictions as the result of that investigation.

Mr. BORAH. Section 4 of the bill reads as follows:

> SEC. 4. Before any public works or other improvement project likely to affect wild life (including aquatic life, bird life, animal life, and plant life) is constructed, the project shall be referred to a board of inquiry, whose members shall be designated by the President, one each from the Bureau of Biological Survey, the Bureau of Fisheries, the Forest Service, and the National Park Service, and any other agency or establishment of the Government whose activities are or may be involved. Such board shall investigate the project and submit its recommendations to the President, who shall have full authority to impose such restrictions in the construction of such project as he may deem desirable in the interests of wild-life conservation.

That raises the question as to whether or not the project shall go forward.

Mr. HAWES. I invite the Senator's attention to the language on page 3, section 3, where we have inserted this qualifying provision: That none of the recommendations shall be "inconsistent with the primary use of the waters and/or the constitutional rights of the States."

Mr. BORAH. Where is that language to be found?

Mr. HAWES. On page 3 of the bill. If further language is required to make that clearer, I have no objection.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Michigan?

Mr. HAWES. I yield.

Mr. VANDENBERG. In response to a recent question from me the Senator gave me his opinion that there is no invasion of the jurisidiction of State conservation authorities in the bill. May I ask whether the authority described in section 8, which seems to give the Secretary of Agriculture and the Secretary of Commerce a right of veto upon appropriations by the States, is an existing power or a new one?

Mr. HAWES. It is a policy or regulation, as I understand it, that has always been observed in the past. But, as the Senator from Wisconsin [Mr. BLAINE] has raised the question that this may confer some arbitrary power in the Federal Government over the States, so far as our committee is concerned—I have not conferred with all of them, but I believe they will agree—section 8 may be stricken out.

Mr. VANDENBERG. I think that would be wise under the circumstances.

Mr. McKELLAR. Mr. President, I would like to offer an amendment if it is in order.

Mr. DILL. There is an amendment pending.

The PRESIDING OFFICER. The amendment of the Senator from Wisconsin [Mr. BLAINE] is pending, to strike out section 8.

Mr. McKELLAR. May I offer an amendment to lie on the table and be called up at a later time?

The PRESIDING OFFICER. That may be done.

Mr. McKELLAR. I propose to amend the bill, on page 7, line 9, by striking out the period after the word "act" and inserting a semicolon and the following language:

> *Provided*, That no authority is given in this bill for setting up any additional bureau or division in any department or commission, and shall not authorize any additional appropriation for carrying out its purposes.

Mr. DILL. Mr. President, I should like to offer an amendment and have it pending. I move, on page 4, lines 14 to 16, inclusive, to strike out section 4, in the following language:

SEC. 4. Before any public works or other improvement project likely to affect wild life (including aquatic life, bird life, animal life, and plant life) is constructed, the project shall be referred to a board of inquiry, whose members shall be designated by the President, one each from the Bureau of Biological Survey, the Bureau of Fisheries, the Forest Service, and the National Park Service, and any other agency or establishment of the Government whose activities are or may be involved. Such board shall investigate the project and submit its recommendations to the President, who shall have full authority to impose such restrictions in the construction of such project as he may deem desirable in the interests of wild-life conservation.

Mr. KENDRICK. Mr. President, I desire to ask the Senator in charge of the bill whether it is the intention to proceed to-day with the consideration of the bill to its conclusion?

Mr. WALCOTT. Mr. President, I am perfectly agreeable to letting the bill go over until to-morrow, providing it does not lose its place on the calendar.

Mr. KENDRICK. I hope the Senator will do that, because I wish to offer an amendment to the bill and would like an opportunity and time to prepare it.

Mr. McNARY. Mr. President, the parliamentary situation is that under objection the bill will go over unless a motion is made to make it the unfinished business.

Mr. DILL. I understand not to-day.

Mr. McNARY. I am very sure of my position. In any event, if the Senator from Connecticut [Mr. WALCOTT] desires, he can ask unanimous consent that the bill go over without losing its place.

Mr. WALCOTT. I submit that request.

Mr. FLETCHER. Mr. President, I understand that section 8 has already been stricken out. Has that amendment been agreed to?

The PRESIDING OFFICER (Mr. BRATTON in the chair). That amendment is the pending question.

Mr. FLETCHER. I understood the Senator from Missouri [Mr. HAWES] to say that the committee was agreeable to having it stricken out, so we might as well dispose of that now.

Mr. McNARY. I think the whole matter should go over.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request submitted by the Senator from Connecticut that the bill go over without losing its place? The Chair hears none, and it is so ordered.

INTERGOVERNMENTAL INDEBTEDNESS

Mr. McKELLAR. Mr. President, I desire to discuss the subject of the proposed Hoover moratorium. Some years ago, and extending over quite a period of time, what are known as the foreign debts were settled by a Debt Funding Commission composed of the then Secretary of Commerce, Mr. Hoover; former Senator Burton, of Ohio; the then Secretary of State, Mr. Hughes; the senior Senator from Utah, Mr. SMOOT; and the Secretary of the Treasury, Mr. Mellon. So far as I can recall, these gentlemen composed the membership of the commission when the debts were really settled. That commission finally settled the debts known as foreign debts owing to this country by virtually canceling the entire war debt. I believe some time after its organization, Messrs. CRISP, of Georgia, and Olney, of Massachusetts, were added to the commission.

Mr. President, the various debts that were owed to us by our allies were incurred for two purposes. The first purpose was for them to carry on the war. After the war was over they again borrowed money from us for the purpose of rehabilitating their several countries. The substance of what our Foreign Debt Commission did, as I shall more specifically point out in a moment, was to cancel the war debts and leave the postarmistice or commercial debts to be paid over a period of 62 years, the debtors paying some principal and some interest each year.

Mr. President, last June a propaganda campaign was started in this country for the purpose of bringing about a moratorium. That campaign was started by the President of the United States, Mr. Hoover. He stated the other day in his message to Congress that it was done by his initiative. Foreign nations owe us enormous sums of money. They had been paying us regularly; the debts had been adjusted to their satisfaction; none of them was complaining of those debts, so far as the general public knew. Not a single proposal on the part of any foreign nation, so far as I ever heard, had been advanced for a moratorium or for the cancellation of its debts; such a proposal had not been made to our Government; but, like a bolt out of a clear sky, the President announced that he had arranged a moratorium, that he had polled the Senate and the House of Representatives, and that he had found that a majority of Congress favored a moratorium as he favored it.

In the first place, Mr. President, I want to say that that is a new method of legislation in our Government. Under our Constitution the President has the initiative in all matters in our foreign relations, of course; but before an agreement can be made with a foreign government, it is necessary either to have the sanction of the Senate or to have the sanction of both Houses of Congress by legislative action.

If the President had wanted Congress to cooperate with him and to ratify the moratorium he had suggested, the legal way to have done it, the constitutional way to have accomplished that purpose would have been to call Congress in session and have it ratify what he had done as our representative in dealings with foreign nations. That course, however, was not pursued by him, but the statement was printed in the newspapers that a majority of both Houses thought the moratorium ought to be granted. I apprehend that that statement is correct. How correct it is I can not say. I have seen the figures resulting from the so-called poll, but I do not recall exactly what they are.

Now, Mr. President, I want to ask what is the real reason behind this proposed moratorium? So far as the public knew, no foreign government had asked for a moratorium. The Senator from California [Mr. JOHNSON] has offered a resolution asking for an investigation of the matter, and I want to say that I think that is a desirable step, and the Senator from California deserves the thanks of the taxpayers of this Nation for his timely act; for whatever else may be said, whatever may be the reason for the moratorium or for any of the subsequent steps that have been taken about it, the effect of the moratorium and the effect of those subsequent steps will be an entering wedge to the cancellation of the foreign debts that are due us, and according to the highest authority, Mr. Mellon, whose own words I shall quote in a few moments, and who was a member of the Debt Funding Commission, whenever those debts are canceled or partially remitted, it will to that extent mean a removal of tax burdens from foreign taxpayers and the placing of those tax burdens on the backs of the American taxpayers.

My objection to the moratorium is that the method of its accomplishment by the President is unknown to the American Constitution and to the American system of legislative action.

Mr. President, in my humble judgment, there never was a more inopportune time for the American Government to cancel, in whole or in part, these already compromised debts due us by foreign governments. With our Treasury already $1,700,000,000 "in the red," with over 6,000,000 of our people out of employment, with business gone awry, with many of our great financial institutions failing, with people harder up financially in this country than perhaps ever before in our history, it seems to me to be a wholly inopportune time to take tax burdens from the backs of the people of other nations, who justly owe us, and impose those burdens on the already overburdened taxpayers of this Nation. I want, as one Representative in this body, to protest against such action.

What is the purpose of this moratorium? I take it that when the committee, of which the Senator from California [Mr. JOHNSON] is a member, shall report, it will go more accurately into that question, but I want to suggest what I believe is the purpose.

Mr. President, since the war our international bankers have loaned enormous sums of money to European nations. I saw in one newspaper where our private bankers, interna-

tional bankers, wholly apart from the debt that Germany may owe this Government, had loaned to German citizens or corporations or municipalities something like $3,000,000,000. They loaned this money with their eyes wide open. They knew these national debts existed. They loaned it for purely private gain. They loaned their private money all over Europe, and then when Europe got hard up, when prosperity was no longer there, or these gentlemen thought it was no longer there, the gentlemen who have been loaning their money in foreign countries wanted to get it back; they wanted to be certain that it would be repaid; and they saw, as I believe, that the Government obligations of foreign countries to the United States were standing in their way. What did they do? They immediately started a propaganda for the cancellation of the national foreign debts due us. Their first plea was that it would make other people feel more kindly toward us, that it would put those foreign nations in a good humor toward us. Another plea was that it would increase our foreign trade, that it would give these foreign countries some money with which to trade with us. The idea of submitting an argument like that, when we have such a high tariff wall around our country that foreign nations are virtually prohibited from trading with us.

It could not be that reason. So what is the reason? It seems to me that there can be but one reason, and that reason is that our international bankers want to put the debts due them ahead of the debts due the Government of the United States.

Mr. COPELAND. Mr. President, will the Senator yield?

Mr. McKELLAR. I will yield in just a moment. They want the debts which foreign governments owe us canceled, so as to make the payment of their own private debts assured.

None of these international bankers are hungry. None of them are starving. None of them are without clothes or without shoes. For the most part they are living in luxury still, and will continue to do so, even if this enormous indebtedness is not canceled for their benefit.

To cancel this indebtedness for their benefit, while millions of men and women are without employment in this country, some of them hungry, would be little short of criminal, and I do not believe the Congress will ever agree to it.

I have no quarrel with the international bankers; I presume they are doing just what anyone self-interested as they are would do; I am not blaming them for the course which they take; but, as a representative of all the people, I want to say it seems to me that the rights of all the people should be protected as well as the rights of international bankers, and that these debts owing to our Government, owing to all the people collectively, should not be canceled in the interest of the better security of these private debts.

Mr. President, there has been a great deal said about a dole. I wish to say, right at the outset, that I am opposed to the dole system; I think England made a great mistake when she adopted the dole system; but if our international bankers can get their debts secured and paid in full by the cancellation of all the billions of dollars of public indebtedness that foreign nations owe to us, why is not that a dole to the international bankers? Not only is it a dole, but it is the most monstrous dole that was ever given by any government in the history of all time!

It is true that some newspapers have suggested that the reason the President was so insistent upon a moratorium and another debt-funding commission was that he was more interested in foreign nations than he was in America. I do not take any stock in that view. While I do not speak for President Hoover, of course, I do not believe he is more interested in any other government than he is in America; but I do believe that those who want these debts canceled for selfish reasons have interested Mr. Hoover in their behalf. At all events, he certainly takes their view and is working strenuously to put it into effect.

I first want to speak of the Debt Funding Commission and just how debts were funded. There are some foreign nations that call our Government "Uncle Shylock." I want to say, after a very careful examination of the facts, that America has acted more generously, more splendidly generously, than any nation has ever acted in regard to a financial transaction in all history.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. SMOOT. I wish the Senator would also add that the Government of the United States has acted more generously than any other nation will ever act in a similar condition in the days to come.

Mr. McKELLAR. In my judgment, that is true. As I shall point out in a moment, we canceled all the war debts; we merely asked our foreign debtors to pay the commercial debts which were due us, and not even all of them. I want to take them up somewhat in order. I am going to refer only to four nations; the others are smaller and need not be mentioned.

The first one I desire to refer to is France. According to the report of the Debt Funding Commission, of which my distinguished friend across the aisle, the senior Senator from Utah [Mr. SMOOT], was a member, France owed to us at the end of the war more than $4,000,000,000. Let me get the figures. I want to have no mistake about them, Mr. President. The report gives it as $4,025,000,000, on page 329.

Substantially all of France's war debts were canceled. All of Italy's war debts were canceled, and nearly half of her post-war debts were canceled. Belgium and other small nations were treated quite as well. That settlement left the war debts of all nations canceled except the so-called war debts of Great Britain; and when we come to examine the debts of Great Britain we find that all of her actual war debts were canceled, too, as I shall point out in a moment. I am sure the senior Senator from Utah will agree with me in that statement.

OFFICIAL FIGURES AS TO DEBTS OF PRINCIPAL EUROPEAN COUNTRIES TO THE UNITED STATES GROWING OUT OF THE WORLD WAR

BELGIUM

Total indebtedness refunded (act of April 30, 1926), $417,780,000.

Of the foregoing, $246,000,000, in round numbers, represents post-war advances. On page 168 of its Combined Annual Reports the World War Foreign Debt Commission said:

Repayment of the postarmistice debt, amounting at date to about $246,000,000, has been arranged on the general lines accorded to other countries.

FRANCE

Total indebtedness refunded (act of December 18, 1929), $4,025,000,000.

Of the foregoing, $1,655,000,000 represents postwar advances. On page 272 of the report Secretary Mellon, under date of July 16, 1926, made the following statement:

For obligations incurred by France to America after the war ended, France owes us to-day $1,655,000,000. The present value of the entire French-American settlement, at the rate of interest carried in France's existing obligations, is $1,681,000,000. In effect, therefore, America has canceled the obligations of France for all advances during the war, and France in the Mellon-Berenger agreement has undertaken only to repay the advances and obligations subsequent to the armistice. No other creditor of France has accorded such generous treatment.

ITALY

Total indebtedness refunded (act of April 28, 1926), $2,042,000,000.

Of the foregoing, $616,869,197.96 represents post-war advances. On page 233 of the report the House Committee on Ways and Means, in reporting the debt settlement, says:

Of this total indebtedness $1,030,000,000 was loaned before the armistice and $616,869,197.96 after the armistice.

GREAT BRITAIN

Total indebtedness refunded (act of February 28, 1923), $4,600,000,000.

Of the foregoing, $581,000,000 represents post-war advances. On page 299 of the report a Treasury Department statement under date of July 20, 1926, says:

The total principal advances to England after the armistice were $581,000,000.

The same statement includes an item of $261,643,388.81 spent by Great Britain in the United States for silver, and further says:

Of this amount—

The amount of $5,366,000,000 mentioned in the statement—

$1,682,000,000 represents "exchange and cotton purchases." The greater part of this expenditure was for the maintenance of sterling exchange, not necessary for purchases in America, but which enabled England to make purchases in other countries at an undepreciated exchange rate; $2,643,000,000 was for food and tobacco. A part of this item is probably included in the account out of which England was reimbursed by the other allies and a part was resold by England to its own civil population.

In a letter from Secretary Mellon, found on pages 302–306 of the report, he says (p. 304):

Let us see what relation the burden of our debt settlements bears to our loans after the armistice. * * * In the case of England, postarmistice advances with interest amounted to $660,000,000, and the present value of the entire debt settlement is $3,297,000,000. It must be remembered that England borrowed a large proportion of its debts to us for purely commercial as distinguished from war purposes—to meet its commercial obligations maturing in America, to furnish India with silver, to buy food to be resold to its civilian population, and to maintain exchange. Our loans to England were not so much to provide war supplies as to furnish sterling for home and foreign needs and to save England from borrowing from its own people.

France's after-the-war indebtedness with interest amounts to $1,655,000,000. The settlement negotiated by Ambassador Berenger with the American Debt Funding Commission has a present value of $1,681,000,000.

Belgium's postarmistice borrowings with interest were $258,000,000, and the present value of the settlement is $192,000,000. * * *

With Italy the situation is similar. Its postarmistice indebtedness with interest is $800,000,000, and the present value of its debt settlement is $426,000,000. * * * In view of these facts, in what respect do you still believe America has been unfair to its allies? [Answering a criticism made by a correspondent in a letter to the President.]

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Utah?

Mr. McKELLAR. I yield.

Mr. SMOOT. I do not know whether or not the Senator plans to refer to the indebtedness of France in this connection.

Mr. McKELLAR. Yes; I do.

Mr. SMOOT. If the Senator will allow me for just a moment, in the settlement of the war debts with France we also included a debt that she owed for the purchase of American goods that were in France at the close of the war. She settled with us on the basis of $407,000,000 for over two billions of American products. That was included and put in the obligation known as the war debts, or money that was advanced to her during the war and after the war.

Mr. McKELLAR. Yes.

Mr. SMOOT. I will also say to the Senator that there was more money advanced to France after the war than there was before the close of the war.

Mr. McKELLAR. Why, of course. Not only that, Mr. President, but under the act passed by the Congress in furtherance of the commission's report we did but about collect the postwar indebtedness of France. I want to read from the record for a moment.

These statements are made on the highest authority, Mr. President—the authority of Mr. Mellon and Mr. Hoover and Mr. Smoot and the other members of the commission when the then cancellations were being entered into.

I quote from Mr. Mellon's statement of July 16, 1926, in behalf of the World War Foreign Debt Commission, page 272 of the combined reports of that body. Mr. Mellon said:

The American settlement with France embraces all of France's indebtedness, and represents, in the opinion of the American commission, France's capacity to pay. For obligations incurred by France to America after the war ended, France owes us to-day $1,655,000,000. The present value of the entire French-American settlement, at the rate of interest carried in France's existing obligations, is $1,681,000,000. In effect, therefore, America has canceled the obligations of France for all advances during the war, and France in the Mellon-Berenger agreement has undertaken only to repay the advances and obligations subsequent to the armistice. No other creditor of France has accorded such generous treatment.

And yet there are people in this country who talk about its being a true statement that the American Government is a Shylock and that it has acted as a Shylock toward France! These figures show how unjust such statements are.

I now quote from Mr. Mellon on Italy, July 14, 1926, page 304 of the report already referred to:

With Italy the situation is similar. Its postarmistice indebtedness with interest is $800,000,000, and the present value of its debt settlement is $426,000,000.

In other words, Mr. President, the facts reported by the Debt Funding Commission, reported by the President himself and by the Secretary of the Treasury and by the Senator from Utah [Mr. SMOOT], show that we canceled Italy's debt, and then virtually divided the postarmistice debt in half, and arranged for her to pay the last half of the postarmistice debt in 62 years.

Mr. Mellon goes on to say:

It is the same as regards Serbia. In view of these facts—

Says Mr. Mellon—

in what respect do you still believe America has been unfair to its allies?

America has not been unfair to her allies. She has already been marvelously generous to her allies.

It will thus be seen that according to Mr. Mellon we not only canceled the Italian war debt, but we canceled $374,000,000 in addition to her war debt for the purpose of reestablishing her country and probably giving her the money to pay her soldiers a cash bonus, as we did with France, as we did with Great Britain, as we did with practically every other one of our allies.

Mr. President, we declined to pay our own soldiers a cash bonus, but we furnished to our allies the money to pay their soldiers a cash bonus after the war was over; and yet people talk about America being ungenerous and speak of our Government as "Uncle Shylock."

As to Belgium, Mr. Mellon, on page 304, says:

Belgium's postarmistice borrowings with interest were $258,000,000, and the present value of the settlement is $192,000,000.

Nearly a third removed!

Nearly a third canceled!

Mr. SMOOT. Forty-one per cent, as I remember.

Mr. McKELLAR. Forty-one per cent, as the Senator from Utah says.

In addition Belgium has a share of the German reparations sufficient to pay her prearmistice debt to America.

Belgium was treated with the greatest leniency.

Thus we find that we not only canceled Belgium's war debt but we canceled $66,000,000 of her after-the-war debt; and now it is proposed by two—or shall I say three as I look at Senator SMOOT?—of the members of that very debt funding commission further to cancel and cut down these debts!

I stop here long enough to read the Senate a statement made by Mr. Mellon. I desire to say here that I do not indorse all of Mr. Mellon's statements—far from it—but here is one that I indorse absolutely.

I quote from page 422 of the report heretofore referred to. Listen to this. What a splendid rule of conduct it is for the Senate to-day and for the Congress to-day!

Public officials—

Says Mr. Mellon—

Whether in the legislative or executive branch of the Government, are essentially trustees. They are trustees for the citizens of their own country.

A strange doctrine in these later days!

They are trustees for the citizens of their own country. They are not free to give away the property of the beneficiaries of the trust. An individual can do what he will with his own property. A public official, however, must keep firmly in view that he is dealing not with his own property but with the property intrusted to his care by the citizens of his country.

I also quote the following from Mr. Mellon.

On July 14, 1926, Mr. Mellon said (p. 305 of report of Debt Funding Commission):

When cancellation of debts is viewed from the standpoint of the United States, you fail to recognize that the Debt Commission, the President, and the Congress act, not in their individual capacities according to sentiment, but as *trustees* for those whom they represent, the American people. If these foreign debts are canceled the United States is not released from its obligation to pay the very bonds which were sold to our citizens to make the advances to the foreign governments. *We must collect through taxation from our people* if our debtors do not pay to us what they can.

Mr. President, let me say here that in dealing with these foreign debts—already as a whole pared down more than 50 per cent by the Debt Funding Commission, already dealt with in the most generous fashion—I want to ask each Senator and, if I may, each Congressman to remember Secretary Mellon's words when he says that we must keep firmly in view the fact that we are not dealing with our own property, but we are intrusted by the citizens of this country with their property, and we should deal with it as trustees. We have no moral right to give it away. We have no moral right to cancel it.

Again, says Mr. Mellon:

Moreover, those who urge a complete forgiveness of debts ignore entirely the effect upon the country whose debt is forgiven. All self-respecting people desire to discharge their obligations. This is true of nations as of men. It is true of France.

And I think it is true of all these nations, Mr. President. I want to say that I admire the self-respecting spirit, the sincerity, and the honesty of these foreign nations, having had all their war debts canceled, when they decline to ask for further cancellation of these debts. All honor to them! They are looking after the interests of their own people. It is our duty to act as trustees for our people in dealing with these great interests. I believe they will pay these just debts. I believe they want to pay these honest debts, money borrowed after the war to rehabilitate their countries.

I want to quote Mr. Mellon again on the subject of what happened.

In a public statement of May 5, 1927, about the British Government's offer to cancel, Mr. Mellon, among other things, said (p. 631):

By implication this means that should the United States further reduce British obligations to the United States, the British Government would cancel a like amount of obligations due to it from its debtors. It is very obvious that the British Government would neither lose nor gain in such a transaction. The United States Government is, however, in a very different position. The British Government is both creditor and debtor. The United States Government is a creditor only; and *every dollar of debt canceled by the United States represents an increase by just that amount of the war burden borne by the American taxpayer.*

No statement could be straighter or truer than that statement at this time. I hope my brother Senators will remember, when called upon either to vote on this moratorium or to vote on the reestablishment of the Debt Funding Commission or to vote on the cancellation of any of these debts, that whenever they vote to cancel them in whole or in part they are simply taking away the tax burdens of foreign nations which honestly, justly, and fairly owe these debts and putting those burdens upon the taxpayers of America. Of all times under the sun for putting additional tax burdens on the American people, to my mind, this is the poorest time that could ever be selected.

Mr. President, I said that, taking the debts as a whole, we canceled the war debts of all these countries. Apparently, an exception should be made to that statement in the case of Great Britain; but when we come to look into it, Senators, we find that exactly the same thing is true of Great Britain. I say so upon the authority of the Debt Funding Commission and upon the authority of Mr. Mellon, who was the real head of it.

It is but fair to say that the settlement with Great Britain was the best settlement that the American commission made, it being, as I recall, 66 per cent of the value of the British debt to us. That is correct, is it not?

Mr. SMOOT. Mr. President, I think it is a little more than that. As I remember, taking the rate of interest at 3 per cent for the first 10 years and 3½ per cent thereafter, and taking that as a fair basis of interest—and at that time it was, on our bonds—England agreed to pay us about 82 per cent of the value of the debt.

Mr. McKELLAR. But its cash market value at that time——

Mr. SMOOT. I mean under those conditions.

Mr. McKELLAR. The Senator is correct about the situation under the conditions he stated, but the fair cash market value of the indebtedness was about 66 per cent, which was more than the Debt Funding Commission collected from any other country, and it is fair and right to say that at this place.

There was a reason for the agreement, however, and that reason was specifically stated by Mr. Mellon at the time, for collecting that much money from Great Britain; and I now propose to give the reason. I quote from page 304, from Mr. Mellon's statement:

In the case of England, postarmistice advances with interest amounted to $660,000,000.

It will be remembered that the whole debt was in the neighborhood of four billion, so it is manifest that the remainder of the debt over the $660,000,000 was not canceled, and therefore, in one sense, it could be said that all her war debt was not canceled. But listen to Mr. Mellon:

It must be remembered that England borrowed a large proportion of its debts to us for purely commercial as distinguished from war purposes—to meet its commercial obligations maturing in America, to furnish India with silver, to buy food to be resold to its civilian population, and to maintain exchange.

As I recall it, and if I am wrong I hope some Senator will correct me, because I do not want to make a statement that is not correct, Great Britain had been borrowing from private sources in America very large sums before we entered the war, at very high rates of interest, and some of this money was used to pay those loans. Senator JOHNSON will no doubt ascertain this fact accurately. But Mr. Mellon says it was used "for purely commercial purposes, to meet its commercial obligations maturing in America, to furnish India with silver." It will be remembered that a very large portion of the money borrowed from us was used for that purpose, and it was a very proper purpose; I am not complaining of the purpose at all.

To buy food to be resold to its civilian population.

That was not a war purpose.

To maintain exchange.

Very large sums were used for that purpose.

Finally Mr. Mellon says:

Our loans to England were not so much to provide war supplies as to furnish sterling for home and foreign needs and to save England from borrowing from its own people.

The statement of Mr. Mellon there and in regard to these other debts tells the whole story. America has generously, more than generously, canceled every war debt of her allies, and what the foreign nations want now, and what President Hoover seems so insistent upon, is the cancellation of the commercial debts—money loaned for the purpose of rehabilitating those countries. Some of them even used the money, we were told, in building up great armies and navies, for paying cash bonuses to their soldiers, and even for lending other nations to build up armaments.

Mr. President, I have taken the trouble to prepare for the Senate a statement of some of the borrowings after the armistice. I am not going to read them all, but let us take those to France. The armistice was signed on the 11th day of November, 1918. On November 15, four days later, the proper officer of France applied to our Treasury and received $40,000,000. Other amounts were borrowed, as follows:

Dec. 10	$71,427,000
Dec. 23	5,000,000
Dec. 26	10,000,000

1919

Jan. 25	10,000,000
Jan. 28	81,050,800
Feb. 13	10,000,000
Feb. 20	5,000,000
Feb. 21	5,000,000
Mar. 4	10,000,000
Mar. 6	20,000,000
Mar. 11	30,000,000

It was almost a daily transaction.

Mar. 13	$10,000,000
Mar. 14	10,000,000
Mar. 18	20,000,000
Mar. 20	10,000,000
Mar. 25	15,000,000
Mar. 27	10,000,000
Mar. 31	85,000,000

Then April 1—they did not pass the 1st of April—$15,000,000.

Apr. 3	$10,000,000
Apr. 8	10,000,000
Apr. 10	10,000,000

They seemed to have forgotten something, and borrowed $40,000,000 on the 15th of April.

April 22	$20,000,000

April 24, 1919, six months after the war was over, $20,000,000.

Apr. 29	$10,000,000
May 6	10,000,000
May 8	10,000,000
May 15	15,000,000
May 20	10,000,000
May 29	10,000,000

Let us see what that amounts to per month. That was $55,000,000 during the month of May. That was doing pretty well. I do not think Uncle Sam ought to be called "Uncle Shylock" when we thus generously dealt with one of our former allies!

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. SMOOT. I simply want to say this, that I know of no law ever passed by Congress authorizing those advances on the dates on which the money was advanced. Those advances were after the close of the war, and I know of no legislation which authorized the Government of the United States to make those advances after the close of the war.

Mr. McKELLAR. Mr. President, I will have to look that up. I am sure there was full legal authority.

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Virginia?

Mr. McKELLAR. I yield.

Mr. GLASS. There was a definite authorization, and I am astonished that the chairman of the Finance Committee of the United States Senate was not aware of it.

Mr. SMOOT. I would like to have the Senator from Virginia point to the law.

Mr. GLASS. I did on one occasion point the Senator definitely to the law, when he made a similar statement which indicated a lack of information as to what the law was.

Mr. SMOOT. If the Senator did, I am not aware of it, and I do not remember it.

Mr. GLASS. If the Senator will look at the RECORD, he can very easily see where I very definitely enlightened him on the subject.

Mr. McKELLAR. Mr. President, I want to say that I will consult with the Senator from Virginia and get the exact wording of the law and put it in my remarks before I print my speech. I have since ascertained, the law authorizing these loans was full, ample, and complete.

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the junior Senator from Utah?

Mr. McKELLAR. I yield.

Mr. KING. The statement made by the Senator from Virginia is accurate. It should also be stated as a fact with which Senators should be familiar that the allied nations employed most of the credits extended to them by Congress for the purchase of military supplies and food imperatively required in the prosecution of the war. The money which came from the Treasury of the United States under these credits was paid to Americans who furnished supplies to the allied nations to the value of billions of dollars. Some of the contracts entered into by the allied nations with Americans for these supplies were not fully met at the time of the armistice; that is, payments had not been made in full to contractors, but the obligations of the allied nations existed. The duty rested upon the United States, having extended the credits, to meet the obligations which had been contracted. Accordingly, it may appear that large payments were made after the armistice, but, as indicated, substantially all were on obligations to American citizens or corporations for supplies purchased for war purposes.

It is to be noted, too, that the war had not terminated when the armistice was entered into.

Mr. GLASS. Mr. President, will the Senator from Tennessee yield to me again?

Mr. McKELLAR. I yield.

Mr. GLASS. The junior Senator from Utah is precisely right. The Treasury simply discharged commitments which it was obliged to discharge. The confusion of the senior Senator from Utah, the chairman of the Finance Committee, arises out of the fact that he thinks the war ended when the last shot was fired and the armistice was signed, when, under the statute, the war ended when the President of the United States so declared by proclamation.

Mr. McKELLAR. Mr. President, I want to impress these after the war loans upon Senators, and I am going to take a little time to read just a few more of the French loans.

On June 5 they got $10,000,000. On June 16 they got $5,000,000. On June 18 they got $10,000,000.

July was sort of a generous month, and the loans made to France were as follows:

July 1	$10,000,000.00
July 3	20,000,000.00
July 8	5,000,000.00
July 10	15,000,000.00
July 17	5,000,000.00
July 22	5,000,000.00
July 24	5,000,000.00
July 29	5,000,000.00
July 31	5,000,000.00

They got $75,000,000 in July. Later loans were as follows:

Aug. 5	$5,000,000.00
Aug. 7	10,000,000.00
Aug. 19	5,000,000.00
Aug. 25	10,000,000.00
Aug. 28	5,500,000.00
Sept. 2	15,000,000.00
Sept. 4	5,000,000.00
Sept. 11	10,000,000.00
Sept. 18	15,000,000.00
Sept. 25	10,000,000.00
Sept. 26	30,000,000.00
Oct. 1	10,000,000.00
Oct. 7	10,000,000.00
Oct. 17	10,000,000.00
Oct. 21	10,000,000.00

They could not let Armistice Day go by. It seems to have been a holiday, but France borrowed $10,000,000. Other loans were made as follows:

Dec. 8	$10,000,000.00

1920

Jan. 2	10,000,000.00
Feb. 3	10,000,000.00
Feb. 5	10,000,000.00
Mar. 11	10,000,000.00
Apr. 6	10,000,000.00
May 11	10,000,000.00
July 6	10,000,000.00
Aug. 5	10,000,000.00
Aug. 31	10,000,000.00
Sept. 28	10,000,000.00

For nearly two years we loaned those moneys for the rehabilitation of France, for the purpose of aiding her in continuing her government, for the purpose of aiding her in all her governmental activities, and probably some of her allied government activities, including a cash bonus to her soldiers, we have been informed.

Mr. President, we did the same thing for Belgium, we did the same, in a lesser degree, for Great Britain, and we did the same thing for Italy.

At this point I ask unanimous consent to print in the RECORD the postarmistice loans to Belgium, Great Britain, and Italy, by giving dates.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Postarmistice loans to Belgium

1918	
Nov. 14	$1,600,000.00
Nov. 15	3,400,000.00
Nov. 19	8,215,000.00
Nov. 27	500,000.00
Dec. 3	2,000,000.00
Dec. 4	1,100,000.00
Dec. 11	1,500,000.00
Dec. 17	7,450,000.00
Dec. 24	5,500,000.00
Dec. 31	14,000,000.00
1919	
Jan. 7	10,000,000.00
Jan. 14	6,100,000.00
Jan. 21	2,900,000.00
Jan. 23	1,000,000.00
Jan. 28	4,400,000.00
Feb. 4	6,000,000.00
Feb. 6	1,500,000.00
Feb. 10	600,000.00
Feb. 11	3,900,000.00
Feb. 18	7,700,000.00
Feb. 25	11,200,000.00
Mar. 4	5,500,000.00
Mar. 6	5,900,000.00
Mar. 18	5,300,000.00
Mar. 25	3,900,000.00
Apr. 1	5,000,000.00
Apr. 10	300,000.00
Apr. 15	4,000,000.00
Apr. 24	1,750,000.00
Apr. 29	2,000,000.00
May 1	5,000,000.00
May 8	8,800,000.00
May 13	1,300,000.00
May 15	3,500,000.00
May 27	2,400,000.00
June 3	4,000,000.00
June 17	900,000.00
June 19	3,250,000.00
June 24	600,000.00
July 8	2,000,000.00
Aug. 21	1,000,000.00
1920	
Aug. 26	10,469,467.89

Postarmistice loans to Great Britain

1918	
Nov. 15	$50,000,000.00
Nov. 21	10,000,000.00
Nov. 26	10,000,000.00
Nov. 29	30,000,000.00
Dec. 3	20,000,000.00
Dec. 5	30,000,000.00
Dec. 10	25,000,000.00
Dec. 12	30,000,000.00
Dec. 17	20,000,000.00
Dec. 19	30,000,000.00
Dec. 24	1,000,000.00
Dec. 26	30,000,000.00
1919	
Jan. 7	20,000,000.00
Jan. 9	20,000,000.00
Jan. 14	10,000,000.00
Mar. 4	10,000,000.00
Mar. 6	10,000,000.00
Mar. 11	10,000,000.00
Mar. 13	10,000,000.00
Mar. 18	10,000,000.00
Mar. 20	10,000,000.00
Apr. 3	10,000,000.00
Apr. 4	10,000,000.00
Apr. 8	4,000,000.00
Apr. 10	20,000,000.00
Apr. 15	65,000,000.00
Apr. 17	9,000,000.00
May 1	10,000,000.00
May 15	30,000,000.00
May 22	10,000,000.00
May 29	10,000,000.00
June 25	7,000,000.00

Postarmistice loans to Italy

1918	
Nov. 12	$10,000,000.00
Nov. 14	10,000,000.00
Nov. 19	20,000,000.00
Nov. 26	20,000,000.00
Dec. 5	15,000,000.00
Dec. 12	10,000,000.00
Dec. 17	10,000,000.00
Dec. 19	25,000,000.00
Dec. 26	25,000,000.00
1919	
Jan. 2	20,000,000.00
Jan. 16	60,000,000.00
Jan. 23	15,000,000.00
Jan. 30	25,000,000.00
Feb. 6	20,000,000.00
Feb. 13	25,000,000.00
Feb. 20	15,000,000.00
Feb. 27	19,000,000.00
Mar. 6	20,000,000.00
Mar. 13	16,500,000.00
Mar. 20	12,000,000.00
Mar. 22	10,000,000.00
Mar. 24	10,000,000.00
Mar. 27	20,000,000.00
Apr. 10	5,000,000.00
Apr. 15	25,000,000.00
Apr. 24	10,000,000.00
May 1	5,000,000.00
May 8	12,000,000.00
May 15	15,000,000.00
May 22	5,000,000.00
May 29	5,000,000.00
June 5	5,000,000.00
June 12	5,000,000.00
July 3	5,000,000.00
July 31	5,000,000.00
Aug. 14	4,175,945.99
Aug. 21	5,000,000.00
Aug. 28	9,100,000.00
Sept. 4	17,000,000.00
Oct. 2	1,146,927.00
Oct. 14	8,000,000.00
Oct. 16	1,000,000.00
Dec. 16	10,000,000.00
1920	
Apr. 6	416,114.00
Apr. 9	5,000,000.00
May 11	5,000,000.00
1921	
Mar. 30	16,695,063.91

Mr. MCKELLAR. I want to say one other thing about the French debt before I leave that subject. When the war was over we had about $2,000,000,000 worth of supplies in France. If I am wrong about that, the senior Senator from Utah, who was on the commission, can correct me. We had about $2,000,000,000 worth of supplies in France, including railroads, railroad equipment, provisions, clothing, and supplies, and every conceivable kind of property. The French Government and the commission valued that property at $407,000,000, and that was included in the debt which was afterwards canceled by about 50 per cent. In other words, if ever one nation has been generous to another nation in all the history of time, America, which advanced $4,400,000,000 to France and got only about $1,600,000,000 back, has been generous, and I am glad to know that France has never suggested a moratorium or a cancellation of these debts. Indeed, so far as I know, France has rather objected to cancellation, if we are to believe the public prints. All honor to her if this is her position!

Mr. President, under these circumstances, with this generous treatment having been accorded our allies, when we are not attempting to insist on anything but the payment of commercial debts, and only a part of the commercial debts, why all this unseemly haste on the part of our own Government to grant a moratorium?

Here we are—and I want to repeat it, and I may repeat it several times more—$1,700,000,000 in the hole for running expenses; and with our Treasury in that condition our administration is taking the initiative to give up $246,000,000 of interest for this year and recommending a Debt Funding Commission to consider further reductions.

That is not all, however. I want to read, and I want to be very careful what I quote——

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair calls attention to the fact that the unfinished business is the election of a president pro tempore of the Senate. That question is debatable, so the Senator from Tennessee is recognized.

Mr. McKELLAR. Mr. President, in a recent message to the Congress—I think it was on last Thursday—the President stated that he wanted a law passed reestablishing the Debt Funding Commission. What could be the President's purpose in having the Debt Funding Commission reestablished if it was not to cancel the debts, in whole or in part? Of course that is the only possible purpose of such a commission. Besides Mr. Mellon the next day said that was its purpose.

It has been stated that the President has said that he is not in favor of canceling the debts. If he is not in favor of canceling the debts why in the world does he recommend that another Debt Funding Commission be established to consider the matter of revision?

Mr. President, it reminds me of the present situation in China; Japan vociferating every day that she is not taking Manchuria at all, and at the same time her armies are taking it. In other words, she is taking it while protesting she is not taking it. It seems to me that the President, while saying that he is not in favor of cancellation, is taking the very necessary steps to cancel. If we may judge by his own word, his own acts, or the words or acts of his associates, he is determined to cancel.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Oklahoma?

Mr. McKELLAR. I yield.

Mr. GORE. The point the Senator is making might well be illustrated by stating that some one said, "Wait until I see you before you do nothing." [Laughter.]

Mr. McKELLAR. That is very true. The next day after that message came from the President we had a statement from Mr. Mellon. The President did not say what his proposed Debt Funding Commission was to do; but the next day after his message came out the Secretary of the Treasury gave out a statement to the papers in which he defended the proposed reestablishment of the Debt Funding Commission on the ground that Great Britain's pound sterling had fallen in value and it was manifestly unfair to make Great Britain pay in a currency that is not as valuable as when the contract was made.

Let us see where that would lead us. It would inevitably lead us to cancellation. All that Great Britain would have to do to get rid of the $4,000,000,000 she owes us, according to Mr. Mellon, would be to run her currency down to virtually nothing and then she could pay us in that depreciated currency. In other words, she could cancel her debt indirectly instead of directly.

I take it that that reasoning will not appeal to any Senator in this body on either side of the aisle. Surely Senators are not going to be beguiled into voting to reestablish the Debt Funding Commission for the purpose of letting the United States be paid in a depreciated currency. In the first place, Great Britain depreciated her currency of her own motion. It was an act of her own government. She had the right to depreciate it or not to depreciate it, but since she did it she ought to take the responsibility for it. She knew perfectly well that she owed these debts and what the monetary yardstick of measurement was, and so it seems to me if she were to set up the argument advanced by the Secretary of the Treasury, she would be claiming a right arising from her own wrong.

Mr. SHIPSTEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Minnesota?

Mr. McKELLAR. I yield.

Mr. SHIPSTEAD. The handicap that Great Britain has as a debtor is not any heavier to bear than the handicap which is carried by every debtor in the United States who owes a private debt or who has to pay taxes to meet a public debt. The American debtor, on account of the increased value of gold, finds it 60 per cent harder to pay a debt than when the debt was incurred. I doubt very much if Great Britain carries a greater handicap than that. I would like to have had the Secretary of the Treasury point out the burdens and handicaps of the American debtor as well as the handicaps of Great Britain.

Mr. McKELLAR. I believe the Senator from Minnesota was not in the Chamber at the time I read the advice given by Secretary Mellon on a former occasion, advice which I think is perfectly good and substantiates what the Senator has so well said. I quote from Mr. Mellon on page 422 of the debt-finding report:

> Public officials, whether in the legislative or executive branch of the Government, are essentially trustees. They are trustees for the citizens of their own country.

I digress long enough to say that they are not trustees for the citizens of Great Britain. She is competent to look after her own affairs. If she wants to depreciate her currency, that is her own matter. Why should we volunteer our services in her interest at a time like this when our Treasury is showing a deficit to the extent of $1,700,000,000?

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Nebraska?

Mr. McKELLAR. I yield.

Mr. NORRIS. My attention was diverted and I was called out of the Chamber for a moment and have not heard all of the Senator's address. When my attention was diverted he was reading the payments that were made to the Government of France, giving the dates and amounts. I would like to ask the Senator if he had the same information with regard to the other debtor nations?

Mr. McKELLAR. Yes; I have it before me as to France, Italy, Great Britain, and Belgium. I have already asked unanimous consent that the figures for the other nations might be inserted in the RECORD in my remarks just as if I had read them to the Senate.

Mr. NORRIS. The purpose of my interrupting the Senator was to be sure that the information would be included in the Senator's address.

Mr. McKELLAR. May I say that Great Britain's postwar debt was not the largest. France had the largest, and Italy came next. Great Britain was third. Great Britain borrowed after the war between $600,000,000 and $700,000,000, but my reason for making the statement that Great Britain's war debts were canceled was that much of the indebtedness she had previously created was, according to the report of this commission, for purely commercial purposes.

Mr. NORRIS. If the Senator will permit me further, I wonder if he would not include in his remarks the payments and the dates of the payments that were made by the Government of Liberia? The Senator will remember that Liberia declared war against Germany. Has the Senator that information?

Mr. McKELLAR. I have not, but if I can secure the information, I will do so. Apparently Cuba, which, I think, paid her war debt, and Liberia owed such small items that they have passed from the record. I shall be glad to furnish the information if I can get it.

Mr. NORRIS. That ought to be in the RECORD, because those loans were made, of course, to nations that were able to and did very materially aid us in the war. Liberia had her standing army and her navy there and accomplished great results. The Senator ought to put that information in the RECORD in connection with his remarks.

Mr. McKELLAR. The Senator, being a lawyer and a former judge, is familiar with the doctrine of de minimis. Liberia's amount was almost too small to consider—$26,000, I believe—and probably that is why it is not here.

Mr. NORRIS. Liberia's contribution may have been de minimis, but her sacrifices and assistance in the war were certainly not de minimis. Has the Senator any information

with respect to the truth of the statements that appeared in the papers to-day that Great Britain and perhaps some of the other countries have the money all ready to pay or did have the money to pay what they owed us to-day, and that they have been advised by our Government not to pay us?

Mr. McKELLAR. Only what the newspapers state. I can not state to the Senator the fact about it; but I do want to say that this is the most remarkable situation I have ever witnessed in all my life. I never heard of anything quite so unaccountable. I remember that Mr. Mussolini last June, when the question of a moratorium first came up, made the statement, or it was published in the papers at least that he had made the statement, that Italy stood ready to pay the amounts she had promised the United States.

The statement was frequently made that not a single foreign nation had refused to pay, that they were all ready to pay, and they would have paid if it had not been for the rather strange interference of the American President. All honor to Italy and to the other nations for taking that fine position. They would be paying us right now, this very day, if it were not for the unaccountable position of President Hoover. Our morning papers stated that several of these nations had deposited the amounts due us with their fiscal agents in this country.

Mr. NORRIS. My information is that not only Great Britain, but some other countries as well, were prepared to make payments to-day, and had the money deposited in banks in this country to do it; but of course they did not pay because our Government did not want the money.

Mr. McKELLAR. I can not imagine why that is. I hope that the committee which has been appointed or authorized to get this information, among other information, under the resolution offered by the senior Senator from California [Mr. JOHNSON], will bring out all the facts.

Mr. SHIPSTEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Minnesota?

Mr. McKELLAR. I yield.

Mr. SHIPSTEAD. Does the Senator know of any information available anywhere as to what is the purpose of this legislation?

Mr. McKELLAR. No. It was said last June, as the Senator will recall, that the purpose was to aid Germany, and it was conditioned at first on France's declaring a moratorium on the indebtedness Germany owed her. It will be remembered that Germany's indebtedness to France was divided under the Young plan into two classes, one, I think, of about $260,000,000 of nonpostponable debts, and the other of about $140,000,000 of postponable debts under an agreement existing among those nations. Every effort was made by our Government, so the papers stated, to get France to forego the nonpostponable amounts due from Germany of $260,000,000. She would not do so; but the President went right ahead with the moratorium, notwithstanding the fact that France refused to give to Germany the same kind of treatment that we were giving to the rest of the world.

Not only that, but so far as the moratorium aiding Germany is concerned, it did not do it. If it had done that, there might have been some reason for it, but it did not aid Germany to any material degree. Since that time Germany has had to resort to all kinds of measures to keep her government in operation. It did not prevent at all the exporting of her gold, and shortly after the moratorium President von Hindenburg issued an embargo against gold leaving Germany. The Hoover moratorium was a perfect failure so far as aiding Germany was concerned.

Mr. SHIPSTEAD. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Tennessee yield further to the Senator from Minnesota?

Mr. McKELLAR. I yield.

Mr. SHIPSTEAD. The Senator from Tennessee says that it did not help Germany.

Mr. McKELLAR. I do not believe it did so.

Mr. SHIPSTEAD. If it gave Germany any help, I wish some one who can point that out would show it.

Mr. McKELLAR. I hope that will be done.

Mr. SHIPSTEAD. It did not help Germany; in fact, it increased a run on her banks. If there is any valid reason for the legislation that the Senator knows of, I think he would render the Senate a great service if he would show what that reason is.

Mr. McKELLAR. I can only give my view. I know of no reason. It is a remarkable situation. The President has been insisting upon the moratorium as one of his prime policies ever since June when he first announced it. Now, when it comes to the opening of Congress, we have a recommendation from the President that the moratorium be approved, for everybody knows it has to be approved by Congress.

Mr. NORRIS. I should like to inquire of the Senator right there on that point——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Nebraska?

Mr. McKELLAR. Yes.

Mr. NORRIS. Is it necessary that it be approved by Congress? Is it not true that the President has already taken a poll of the House and Senate Members, and that he has the result in his pocket? Why should he not merely declare the result and not bother Congress with the subject?

Mr. McKELLAR. Mr. President, I regret that the Senator from Nebraska was not in the Chamber when I discussed that question. Of course the President's action in polling Members of the Congress while the Congress was not in session, or while the Congress was in session, for that matter, is wholly unknown to our Constitution and to our laws. His action in postponing these debts was just as illegal as if he had not polled Members of Congress. It is a precedent that ought not to be established. For this reason alone we ought not to ratify the President's action. It was unprecedented. It was dictatorial. It was un-American, and it can not be justly defended. It was in no sense an emergency; at least, it was not an American emergency. If there was any emergency about it, it was an international bankers' emergency, or a foreign emergency.

Mr. SHIPSTEAD. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator from Minnesota will state it.

Mr. SHIPSTEAD. If the vote on the moratorium measure has already been taken, the debate of the Senator from Tennessee is out of order.

The VICE PRESIDENT. The Senator from Tennessee is debating another measure which is pending, which is perfectly in order.

Mr. McKELLAR. Mr. President, all joking aside, it is a very novel situation that the President of the United States should solemnly affirm that he acted upon the advice of the Congress when the Congress had not been in session for three months.

Senators, as I stated this morning—and I repeat the statement, because it seems the Senator from Nebraska [Mr. NORRIS] was not then present—I can not subscribe to that kind of legislation. My oath of office, as I look at it, requires that I vote against a moratorium brought about in this way. I am not criticizing any other Senator. If the Senator from Nebraska signed the poll and agreed to stand by the President, I have no quarrel at all to pick with him; but, as I look at it, I do not think that I, as a Senator of the United States, have the right to deal with measures affecting foreign governments under the poll system.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield further to the Senator from Nebraska?

Mr. McKELLAR. I yield.

Mr. NORRIS. I thank the Senator from Tennessee very sincerely for not criticizing me for signing up in advance. I wonder if others of us are bothered as the Senator from Tennessee seems to be because of his oath of office? What has that got to do with it?

Mr. McKELLAR. I am in favor of legislating as the Constitution and laws direct.

Mr. NORRIS. In other words, if that method of legislating is proper, why have an oath of office?

Mr. McKELLAR. And why have sessions of Congress?

Mr. NORRIS. We had just as well go home and let Senators vote by mail.

Mr. McKELLAR. Why should we not all merely send our proxies to the President, or, rather, whenever he wants an act passed, just write him and tell him we approve it, and then let him declare the law passed?

Now, Mr. President, I will go to something else. All over the country to-day the American taxpayer is groaning under a load of taxation never before borne by him or her—municipal taxation, county taxation, State taxation, national taxation. We all realize that in every State in this Union property is being put up for sale in order to pay taxes. Business houses, homes, and farms are being sold. Farms are being put up for sale even by the Federal farm bank, operating under the Farm Board.

I may be wrongly constructed; I may not have the right mental attitude; but I can not, for the life of me, see any justice in declaring a moratorium for the honest debts due to us by foreign nations and declining to declare a moratorium in the case of debts due by the farmers of the country where the American Government itself is the owner of the mortgage. The farmer's plight is so bad that means are now being considered to grant him a moratorium affecting the debts due the Farm Board so that his farm and home may be saved to him; but we seem unwilling to declare a moratorium for the American farmer, although, with a Treasury deficit of $1,700,000,000 staring us in the face, we seem perfectly willing to declare a moratorium on $11,000,000,000 of indebtedness justly due us by foreign nations, and then, perhaps, in whole or in part, to cancel all their indebtedness. I am so constituted mentally that I believe it is our duty as trustees for the American people first to look after their interests.

Whether such an arrangement for the benefit of American farmers can be made through the Farm Board I do not know, but I hope Senators will consider the suggestion. I want to help, if it is humanly possible, the men and women who have mortgages on their farms. I would a thousand times rather help them than to take the tax burdens off the taxpayers of other countries and lay them in addition on the backs of our own taxpayers.

Mr. SHIPSTEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield further to the Senator from Minnesota?

Mr. McKELLAR. I yield.

Mr. SHIPSTEAD. We will have to assess our taxpayers $250,000,000 this year in order to take care of this moratorium.

Mr. McKELLAR. The sum is $246,000,000.

Mr. SHIPSTEAD. And in view of the fact that there are already sufficient votes for that, certainly there will be votes enough to tax the taxpayers so as to provide a moratorium for the farmers.

Mr. McKELLAR. I am not sure at all that the Senator is right about that. I have heard in connection with the poll that has already been made that many Senators who will give up $246,000,000 to foreign countries will not vote to help to suspend the operations of the law as to our own farmers.

Mr. SHIPSTEAD. I might say if the Senator will yield for just a moment further.

Mr. McKELLAR. Yes.

Mr. SHIPSTEAD. I understand one foreign nation had $800,000,000 in gold on deposit in New York a very short time ago and has something like $450,000,000 on deposit there at this time.

Mr. McKELLAR. Oh, Mr. President, I take it that all the debtor nations are able to pay; they never have asserted they were not able to pay. I repeat what I stated previously, that I do not believe it is the purpose of President Hoover unduly to aid the people of foreign nations, but what is uppermost in his mind, as it is uppermost in the minds of many others, is that international bankers own private debts due them from the same foreign countries and they want a preference, and, therefore, this propaganda to cancel the debts supposedly in our own interest. It is absurd. I think the proposal is unpatriotic and unfair; it is unjust, immoral, and indefensible.

Surely, Mr. President, this is no time for our Government to fix a further policy regarding the payment of these debts. As I have shown, there is a 3-year moratorium for the principal of these debts already provided in every contract. Why is not that sufficient? Why should we want to go beyond that without the request from any of our foreign debtors? I do not believe, Mr. President, that we should do so.

There is another reason why we should not enact such legislation at this time, and that reason is that we are now $1,700,000,000 in the red in the ordinary expenditures of the Government. That deficit is growing day by day and hour by hour, and unless it is checked there is no telling where it will lead. It is the duty of the Congress, it seems to me, to cut down expenditures of the Government, to quit spending money that we have not got in the Treasury, and then to raise taxes upon those taxpayers who are able to pay, so, as to use an ordinary expression, to balance our Budget.

There is no reason whatsoever for us to continue the extravagant method we have been pursuing. Mr. President, look what we have been doing for the past two years. The President recommended the creation of the Farm Board in order to bring about relief to the farmers of the country. The Congress, acting upon his recommendation, appropriated the enormous sum of $500,000,000 in the interest of the farmer. All of it has been thrown away; it is a dead loss; instead of doing good, it has probably done harm.

Then another presidential cure-all for business and agricultural difficulties was advanced. It was the high tariff which was enacted by the last Congress. Mr. Hoover approved it, and it became a law. It raised the tariff walls around this country so high that foreign nations could not trade with us, and then nearly every one of them enacted retaliatory measures, so that we could not trade with them. And now we hear the plea, "Cancel the foreign debts and let foreigners have the money so that they can trade with us." If they had every dollar of the money represented by their debts to us they could not trade with us. We have placed our tariff wall so high that they can not trade with us, and so it would be useless to sacrifice the money justly due us on that account.

Then, international conferences were suggested. All these troubles were going to be settled as soon as America participated in an international conference. What has been the result of international conferences? Has any good come of them? Later on the President called a national conference of business men, great captains of industry and of transportation to meet here in Washington to cure the ills which afflicted us; they were going to be cured in 60 days; the depression would be ended in 60 days. That was early in 1930, as I remember. That was the President's statement. The result of that conference was just like the result of all the other nostrums which have been proposed for bringing an end to this great depression.

So, Mr. President, it seems to me that the Congress ought to follow the advice of the Secretary of the Treasury when he years ago said that every legislative and executive officer ought to regard himself as a trustee for the American people whom he represents.

I repeat it:

> Public officials, whether in the legislative or executive branch of the Government, are essentially trustees. They are trustees for the citizens of their own country. They are not free to give away the property of the beneficiaries of the trust. An individual can do what he will with his own property. A public official, however, must keep firmly in view that he is dealing not with his own property but with the property intrusted to his care by the citizens of his country.

Moreover, those who urge a complete forgiveness of debts ignore entirely the effect upon the country whose debt is forgiven. All self-respecting people desire to discharge their obligations. This is true of nations as of men. It is true of France.

Mr. President, our duty is plain, as I see it. I think we ought to cut down the expenses of government. Instead of appropriating the vast sums that the President has recommended, and he recommended additional amounts yesterday, amounting in the aggregate almost to five billions of dollars, we ought to cut them down by at least a billion, and in that way restore the balance between the credit side and the debit side of the Government's ledger; and for what can not be restored in that way we ought to put taxes upon those who are able to bear taxes. We ought not to put additional taxes upon those of the American people who are not able to pay them, but we ought to put them upon that class of our people who are able to pay them, and thereby balance the Budget. We should increase taxes in the higher brackets of the income tax, succession or estate taxes; but we should impose no sales taxes and no additional taxes on small incomes.

Senators, we owe a duty to our country. We owe a duty to our country to balance the Budget. You may talk about Great Britain all you desire, but Great Britain is a business nation. In the early part of this year, when she found that her budget was wholly out of gear, her Parliament met and taxed her people, and cut down expenses, and balanced the budget. That is what America ought to do. It is our duty to do it at this time. Let us cut down our expenditures.

Mr. President, just a few more words.

Mr. Mellon said, in his interview the other day, that these foreign debtors ought to be required to pay according to their capacity. My heavens! Are we going to select a time like this as the time for determining capacity to pay? The capacity of France to pay is as great to-day, perhaps, as it ever was. Perhaps there are some other nations that are just as able to pay as they ever were; but are we going to cancel the debts of Great Britain down to the point where she is able to pay in a depreciated currency? I take it that that will not be done.

There is another method which has been suggested, and that is the senior Senator from Utah [Mr. SMOOT]—and I am glad he is here—offers a sugar-coated pill which would have the effect of canceling these debts without the people knowing anything about it. How does he propose to do it?

The newspaper story was, Mr. President, that a day or two ago the Senator went up to the White House; and after talking with the President, without quoting him at all, the Senator came down and introduced a bill to let these nations pay these debts in silver!

Silver to-day is worth 29 cents an ounce.

Mr. SMOOT. If it is worth 29 cents an ounce, that is all they will get credit for.

Mr. McKELLAR. The Senator says, if we let them pay these debts in silver, that is all they will get credit for. That is over 3 for 1, Mr. President. Suppose America had hauled over here $11,000,000,000 worth of silver or silver that would make over $35,000,000,000 of coin. What would we do with it? What would we do with it, Mr. President? Suppose every nation paid us in silver. That would give us enough silver to coin something like $35,000,000,000 of silver money. What would the American people do with all that silver? It would be the biggest white elephant ever known.

Mr. SMOOT. Mr. President, does the Senator know how many ounces of silver have been produced in the world?

Mr. McKELLAR. I do not know how many ounces have been produced in the world, but I know that silver is a depreciated currency in this country. It is a depreciated currency in most countries. To-day an ounce of silver is worth less than 30 cents; and if we were to let foreign nations pay these enormous debts to us in silver, we would have the largest frozen asset in all the world, and it would be a silver asset. What could we do with it? It would be better for us to let them pay it in cheese.

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from Utah?

Mr. McKELLAR. I do.

Mr. SMOOT. The Senator certainly is talking without even looking into the question at all. Does he know that only about eleven billion ounces of silver have been produced in the world?

Mr. McKELLAR. No; I did not know that, but I know this: However much may have been produced, silver to-day is at about the lowest price that it has been for a generation, perhaps.

Mr. SMOOT. And the Government would not take it for any more than the price of the silver at the time it was turned over to us. Over half of that eleven billion ounces of silver has been used in manufacturing and in the arts; so that is about 5,500,000,000 ounces. At 29 cents an ounce, as the Senator says, or 30 cents an ounce, that would be $1,650,000,000, as against ten or twelve billions that they owe us.

I have not asked the Senate of the United States to pay $1.29 an ounce. The average price of that silver from the time it was first produced up to the present time was 99.5 cents an ounce. The average price for the last 10 years, excluding this year, was about 55 cents an ounce. It is true that silver now has gone down to 29 cents an ounce. At that price, if it is paid by a foreign country—and those countries have not very much to pay—if they would pay it on these debts at 29 cents an ounce or 30 cents an ounce, I want to say to the Senator that we would be ahead if we accepted it. As between not getting anything and getting silver that can be used in the arts, even at the price at which silver is to-day, I would a thousand times prefer the silver. If those countries do not want the silver, I would prefer their silver to their obligation which is owing the Government to-day, at the market price of the silver.

Mr. McKELLAR. Mr. President, the Senator from Utah reminds me of my early days. The first vote I ever cast was for the "peerless leader," Mr. William Jennings Bryan, the silver-tongued orator from Nebraska, and the orator in behalf of silver, in the year 1896. He convinced me, or others convinced me, that bimetallism was right and that we ought to use silver as a circulating medium; but at that time I remember reading speeches by the able Senator from Utah [Mr. SMOOT] declaring for the gold standard and declaring that gold was the only proper medium of exchange, declaring that silver ought to be outlawed, that it was of no value, that it never did have any value and never would have any value. Historically speaking, I greet with satisfaction the present adherence of the Senator from Utah to the silver cause.

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Tennessee further yield to the Senator from Utah?

Mr. McKELLAR. I do.

Mr. SMOOT. When Bryan was asking for the use of silver as a circulating medium, his idea was to make its price $1.29 an ounce. I have not any thought of making it $1.29 an ounce. I have not any thought of the Government of the United States taking any commodity—if silver may be called a commodity—that it could not sell on the market to-day. I am not asking the Government of the United States to lose a cent. I desire to say, however, that if any of those countries that owe money to the United States on war obligations do not desire silver—and I do not think they will be very many in number—I am perfectly willing, as a representative of the State of Utah or as a Senator of the United States, to say, "Whatever the market price is, we will grant you that much credit for any silver you send us upon the obligations that you owe the United States."

That is all I have said in the bill. When it comes to discussing it, I want to go into the details.

Mr. McKELLAR. Mr. President, I think before the Senator gets that bill passed by this body he will have to go

into it very much more than he has up to date. All that such action would do would be to create a surplus of silver in America. Here would be the Government owning a tremendous surplus of this depreciated metal that we would have received from our debtors. I have had some experience with surpluses. I know what effect a surplus of 1,300,000 bales of cotton in the hands of the Government has on the price of cotton in my part of the country. It is the greatest depressant of the price in the world. It stands there as a menace to the cotton market; and yet, if the Senator from Utah had his way, he would pile up in the Treasury of the United States silver metal, the price of which would be constantly going down as long as the Government held the surplus, and we all know it.

I am not going into that subject, however, because I doubt if the Senator from Utah will get half a dozen votes for his proposal to permit these debts to be paid in silver at any price. I am not an opponent of silver at all, but that is not the way to handle this question.

Mr. President, before I close I desire to make one statement in behalf of the United States.

It has been said that we have been looking after our own interests to such an extent that we are unable to deal fairly with our debtors. I have before me a statement, carefully prepared, regarding the four countries of Belgium, France, Great Britain, and Italy, showing the principal to be received, the interest we are actually going to receive, and the interest that we would have received if we had charged them the same rate of interest that we are obliged to pay our own people; and then, further, a statement of the interest that would have been received on these debts if the agreements regarding them had been carried out as they were originally made. I ask to have these figures printed as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

Amounts to be received from foreign governments by the United States under debt agreements, and the approximate amounts of interest, in addition to the principal, the United States would have received if the debts had been funded on the basis of rates of interest of 4¼ and 5 per cent (computations based upon principal of debts as funded)

Country	Funded indebtedness		Interest which would have been received if debts had been settled on basis of rate of 4¼ per cent	Interest which would have been received if debts had been settled on basis of rate of 5 per cent
	Principal to be received	Interest to be received		
Belgium	$417,780,000	$310,050,500.00	$773,272,000	$943,432,000
France	4,025,000,000	2,822,674,104.17	7,449,900,000	9,089,264,000
Great Britain	4,600,000,000	6,505,965,000.00	8,514,172,000	10,387,731,000
Italy	2,042,000,000	365,677,500.00	3,779,552,000	4,611,249,000

Mr. McKELLAR. Now, Mr. President, I want to quote again from the President and Mr. Mellon.

On last Thursday the President reiterated his statement as follows. Now, listen to this:

I do not approve in any remote sense of the cancellation of the debts to us. World confidence would not be enhanced by such action. None of our debtor nations have ever suggested it.

I wonder if my mind is at fault, if I am unable to understand language. Listen to it. I call the attention of Senators on both sides of the aisle to it. This is the language of the President of the United States last week in his message:

I do not approve *in any remote sense* of the cancellation of the debts to us. World confidence would not be enhanced by such action. None of our debtor nations have ever suggested it.

And yet he is declaring a moratorium—a moratorium that he has asked the Congress to approve, which it has not yet approved—and when the 15th of December was about to roll around an effort was made to get Congress to approve it in some fashion, so that the other nations could be notified that they must not pay what they evidently were ready to pay.

What is there behind this language and those acts? Then the President goes a step further and recommends that another debt-funding commission must be established. He does not explain what he wants it to do; but his Secretary of the Treasury, the next day, does explain what he wants it to do. He says it is to reduce the debts of nations like Great Britain who have debased their currency.

If a commission is appointed, and that commission reduces the debts, and it is all done with the approval and upon the recommendation of the President, I am wondering whether that would not be in a "remote sense" an effort to cancel these debts.

I do not understand the language. I am not going to criticize it because I just do not understand it. If it means what the President seems to think it means, then I can not understand what language does mean. Mr. Mellon went on to say:

The administration is opposed to cancellation. No recommendation made carries any such implication.

If no recommendation makes any such implication, why is it that the President recommends a debt-funding commission to readjust these debts? Why is the argument made for Great Britain that Great Britain has debased her own currency and ought to be allowed to pay less than she is now paying?

Again the Secretary says:

Our debt settlements were effected on the basis of the capacity of the debtors to pay, and we must take into account the abnormal situation now existing in the world.

Then he takes up the British case, showing the fall of the pound sterling, brought about by the act of the British Government, of course, and then he says:

When the British debt settlement was made it was estimated that its present value at a 4¼ per cent interest rate was 80 per cent of the total amount due prior to funding. If the amount to be raised in pounds sterling to meet the obligations to us in dollars is increased by 47 per cent, it becomes apparent that from the standpoint of the British taxpayer he is asked to meet not the obligation as established by our Debt Commission but an amount considerably in excess of such obligation.

He talks about the British taxpayer; but what about the American taxpayer?

Mr. Mellon now pleads for these debtors, and especially for the British. Let us see what he said about these cancellations shortly after he and Mr. Hoover were canceling the war debts.

In a public statement of May 5, 1927, about the British Government's offer to cancel, Mr. Mellon among other things said (p. 631 of Combined Reports of World War Foreign Debt Commission):

By implication this means that should the United States further reduce British obligations to the United States the British Government would cancel a like amount of obligations due to it from its debtors. It is very obvious that the British Government would neither lose nor gain in such a transaction. The United States Government is, however, in a very different position. The British Government is both creditor and debtor. The United States Government is a creditor only; and *every dollar of debt canceled by the United States represents an increase by just that amount of the war burden borne by the American taxpayer.*

If Mr. Mellon's present contention is accurate that we ought to cancel more of these debts, according to his own statement whenever we cancel or reduce we add just that much greater burden to the American taxpayer. Everyone knows that this is a true statement of the case.

Then Mr. Mellon went on to say, in his recent statement:

It is with such thoughts as these in mind that the President recommended the re-creation of the World War Debt Commission.

I do not know what was in his mind, except from the language, and from the language it looks to me as if there might have been something else.

Mr. President, the last argument made is that we ought to cancel these debts in order to bring about disarmament. If we never get the nations of Europe to disarm until we do it be giving up and canceling these debts, we will never get them to disarm. The truth is that the best way to keep European nations from arming is to let these debts remain

just as they are, for the moment they are canceled they will use just that much more money to raise armies and navies in the future as in the past.

I observe in the papers that my good friends, Senators BORAH and WATSON, while opposing cancellation generally, seem to be willing to make further financial concessions to our European debtors if assured that cancellation means reduction of armaments. Of course, I can not assure anyone that further cancellation will mean reduction of armaments, or will not mean reduction of armaments; but I want to give some figures which, in my judgment, will show any fair-minded man that we can not hope to secure reduction of armaments in that way.

In the first place the United States is not in a position to ask for a reduction of armaments. During the last fiscal year Japan spent $236,861,500 on arms; Great Britain spent $465,255,000 on arms; France spent $466,960,000 on arms; the Soviet Union spent $578,942,707 on arms; while America spent $707,425,000 on arms. In other words, here is America spending more on arms than any other nation under the sun, and asking for a reduction!

I hope later to put in the RECORD a table showing the enormous sums that have been spent by these five great nations on arms since 1922, when we first got the habit of disarming—that is, "disarming" without disarming—or at least without any disarmament on the part of anybody except the United States. After the experience we have had with other nations in 1922 and again in 1927, and again in 1930, if we have not learned that it is useless to try to disarm by agreement, we ought to be "bored for the simples."

None of these agreements have accomplished anything for disarmament and nothing will be accomplished in February. The truth is that the one single preventive—and that is not really a preventive but just a deterrent—of the building up of greater armaments abroad is these postwar debts. Whenever we cancel them we give these nations just that much more money with which to build great armies and great navies; and we all know in our own minds that that is just exactly what they are going to do. Why try to delude ourselves? Why not be frank about it?

Every nation on earth except America wants to annex other people's territory and other people's peoples. America does not. For that reason she does not need a large standing army at all; and a large navy would be principally beneficial in aiding to keep the peace of the world. Of course, since America has come to be probably a third-rate naval power, her influence in keeping the peace of the world is very small. Japan's utter disregard of America's treaty obligations as to Manchuria is a perfect example of Japan's contempt for the American Navy, the largest and best part of which unhappily is now lying at the bottom of the sea by reason of disarmament conferences.

So I take it that the Congress will not be deluded into canceling these debts, primarily for international bankers and incidentally for European taxpayers, because of any foolish idea that we may get an arms agreement that will be beneficial to the peace of the world.

But beyond all this these European nations ought to quit building up armies and navies in their own interest. They certainly are not going to do it for us unless they believe it is for their own interest. If they would stop building up great armies and great navies, they could pay us in full in a very short period of time. This they are not going to do, and every informed person knows it.

Mr. President, I have already too long trespassed upon the time of the Senate. I apologize and yield the floor.

Mr. WALSH of Montana. Mr. President, some comment having been made upon Senate bill 1560, introduced by the senior Senator from Utah [Mr. SMOOT], I desire to get a little information from him. This is a brief bill and reads as follows:

That at the request of any foreign government the Secretary of the Treasury is authorized and directed to accept, in payment of the whole or any part of the indebtedness now or hereafter owing to the Government of the United States by such foreign Government, silver at the average market price in the United States for the second calendar month preceding date of payment.

Am I correct in my understanding of the statement made by the Senator that the foreign government is to get credit only for the amount it actually pays for the silver?

Mr. SMOOT. The actual price of silver in the markets of the world.

Mr. WALSH of Montana. If it goes out into the market and buys a million dollars worth of silver and turns it over to us, it gets credit for the amount it pays for the silver?

Mr. SMOOT. The market value of the silver during that period.

Mr. WALSH of Montana. The debt is extinguished only to that extent?

Mr. SMOOT. Only to that extent.

Mr. WALSH of Montana. Very well. It will, of course, have to pay gold for that silver which it buys.

Mr. SMOOT. I do not know; it may pay goods for it. I do not care how they get the silver.

Mr. WALSH of Montana. How could they get it except by paying in gold or in commodities at their gold price?

Mr. SMOOT. It is not compulsory. If they do not have the silver, they need not pay in silver, but we are perfectly willing to say that we will take silver and credit on the obligation the value of the silver at the market price.

Mr. WALSH of Montana. What I would like to know is what incentive is there to a foreign government to pay in silver, which it buys in the world market, when it gets credit only for the current price of silver?

Mr. SMOOT. The incentive is this, that if there is some country which is not on a silver basis, it might throw its silver on the market to-day and sell it for whatever it can and drive the price still lower. Instead of doing this, we say to them, "We will take the silver at the market price in payment on your war obligations."

Mr. WALSH of Montana. That is practically the same transaction the Farm Board carried on, is it not?

Mr. SMOOT. Not at all.

Mr. WALSH of Montana. The Government would be buying silver for the purpose of controlling the price of silver on the market.

Mr. SMOOT. If we were sure the debtor countries were going to pay their debts in full, that would be another question entirely, but it seems to me there is a sentiment, particularly in foreign countries, although it is growing here, too, that they are not going to pay the war debts in full. I think the propaganda from one end of the world to the other for the cancellation of war debts is having its effect in foreign countries and, I might add, in certain sections of this country. I want all to know that if I can prevent that, it will not be done. I am willing to support legislation that will allow foreign countries to pay war obligations with silver at the market value. But if the governments holding every ounce of silver paid all the silver there was in the world, they would pay only a small percentage of the obligations which are owing to the United States.

Mr. WALSH of Montana. I did not intend to engage the Senator in any discussion as to the merits of the bill. I was trying to understand the operation of the bill.

Mr. SMOOT. That is the effect of the bill.

Mr. WALSH of Montana. The effect is, then, that the foreign governments would go out into the market and buy silver at the current market price and pay for it either in gold or in commodities at their gold value and turn that silver over to the United States. I was wondering what possible incentive there could be for that.

As the proposition was originally put up to me some six months ago, it contemplated that the silver should be turned over to the United States at practically the same value as our silver dollar and extinguish the obligations to that extent. I could very readily see how there would be some incentitve to the foreign countries to go into the market and get silver under those circumstances. But if they get credit only for what they pay for it, what incentive is there?

The only thing I see in it is that it is an effort by the Government of the United States to buy silver for the purpose of stabilizing or increasing the price of silver, exactly the same principle under which the Farm Board operates in buying wheat for the purpose of stabilizing the price of wheat or raising its price.

Mr. SMOOT. It could not be the same as the question of wheat. We know how many ounces of silver there are in the world to-day, and we know that some of the countries are trying, every time there is a rise in the price of silver, to dump their silver on the market, just the same as England did when silver went up to 35 cents an ounce a short time ago, and by so doing forced it down to 27 or 28 cents an ounce.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. SMOOT. Yes.

Mr. REED. I had expected the Senator from Montana to go farther and ask about the next step in this proposed transaction. Will the Senator from Utah tell us what he expects the Government of the United States to do with the silver after it receives it?

Mr. SMOOT. They can buy a great deal more with it than they can with the obligation of the countries of the world which desire and expect to have those debts canceled.

Mr. REED. That does not exactly answer my question.

Mr. SMOOT. I know it does not; but silver at the price it brings now can not be produced. It can be manufactured into commodities salable in all parts of the world, no matter how long we live or how long this world exists.

Mr. REED. Does the Senator expect the United States Government to sell that silver in the market, so that it can be manufactured into commodities?

Mr. SMOOT. I am not asking it as a part of our currency or our monetary system. She buys it and she can sell it.

Mr. REED. Does the Senator expect her to sell it promptly?

Mr. SMOOT. I do not think we would, promptly. There would be no necessity of selling it promptly.

Mr. REED. Then the Senator would expect us to buy that silver at the world price at the time and to put it in storage and hold it off the market, just as we have been doing with cotton and wheat. Is that the idea?

Mr. WALSH of Montana. Is not that exactly the situation, just exactly the same as if the Government of the United States now went out into the market and bought silver at the market price and stored it in the Treasury?

Mr. REED. I can not see the difference between getting it from the foreign government which owes it and going out into the market and buying it from a private citizen.

Mr. SMOOT. If we were sure of getting these debts paid it would be a different proposition; but the Senator knows, as well as everybody else does, that there is a sentiment growing—there is propaganda and has been propaganda for years past that these debts should be canceled. I would rather take the silver at the market price, the world price, any time than take the obligations of the countries which owe us on account of the war debts.

Mr. REED. Mr. President, I want now for just a few minutes to answer the last statement of the Senator from Utah, and I think, perhaps, this is an appropriate time to do it, because to-day is the day fixed, under the debt-settlement agreements, for the payment of semiannual installments upon the intergovernmental debts which are owed to this country.

It is perfectly true, as the Senator from Utah has just said, that there is propaganda, quite active, in this country, in favor of the cancellation of those debts. It is perfectly true that doubts are expressed about our ever getting any more payments on those intergovernmental obligations, and it is about that that I want for a moment to speak to the Senate.

Mr. President, the propaganda for the cancellation of those debts springs entirely from two sources, one a source to which we need pay no attention—those persons who are interested chiefly in getting further benefit for foreign governments. With that we need not waste our time. Naturally, those who have the interests of European nations at heart would like to see us make further gifts to Europe; but the Senate, the House of Representatives, and the country are not going to be influenced by that kind of propaganda.

Then there is the other kind, the more subtle and the more dangerous kind, which comes from some of our own citizens who are interested chiefly in their own pocketbooks and in the profits they will get from the cancellation of debts due to our Government. I refer principally to those bankers and bond houses who have, since the armistice and since the debt settlements, put out so-called private loans to European nations and the European municipalities, which they would now like to see paid by means of cancellation of the debts owed to the American Government.

Mr. President, let us picture the situation for a moment. When we loaned that money to the foreign governments we did it first under the dire necessity of war time and next under the almost equally dire necessity of post-war prostration, to help in meeting the immediate needs of those countries right after the armistice. The loans were advanced unwillingly by us, and only because of the imperative necessity of winning the war and saving our allies from chaos immediately afterward.

We did not want to advance that money. We knew, if we thought about it at all, that although they made unqualified promises to pay it was going to be difficult for them to pay and difficult for us to collect. We knew that we could not go to war to collect the money. We knew that in every sense those loans were undesirable investments, which we made only because we had to make them.

After those loans were made, after they were resettled in accordance with the capacity-to-pay formula, came a series of private loans. Those private loans were not made under the stress of dire necessity by any means. They were made by American bankers with eyes wide open to the situation of the debtor countries, with full knowledge of the prior existence of this Government's claim, with full knowledge of the difficulty that the debtors would have in meeting both public and private debts. Now to ask that the private claims of some American citizens should be given priority over the intergovernment claims, which are the claims of all American citizens, seems to me to be a piece of outrageous effrontery.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER (Mr. SHORTRIDGE in the chair). Does the Senator from Pennsylvania yield to the Senator from Virginia?

Mr. REED. I yield.

Mr. GLASS. I imagine that the Senator is willing to say also that those private loans were, without any warrant of law, approved by the State Department, which now seeks to repudiate its own action.

Mr. REED. No; I do not agree with that. Most of them were made with an express refusal of the State Department to take any action on them. Some of them, the earliest ones, were made after a statement by the State Department that it saw no objection to them, but after they had gone on for a while the State Department went even further and refused even to state that they had no objection. They never approved them so far as I know.

Mr. GLASS. Over a long series of years the State Department, under an arrangement, call it what you will, undertook to approve or disapprove all of those loans to foreign governments. It was so persistent in that utterly lawless transaction that this body, without dissent, passed a resolution calling on the State Department to desist.

Mr. REED. I know of no case in which the State Department ever approved a loan. I do know of cases in which they disapproved.

Mr. GLASS. I know of no case in which they disapproved. I know of a great many cases in which they gave the sanction of the State Department to make these loans. In fact, it was only at the last session of the Congress that the Senate itself unanimously adopted a resolution expressing the conviction that the State Department should no longer engage in that lawless practice.

Mr. REED. If the State Department ever did engage in it, I share with the Senator his disapproval of their having given any such indorsement to these p. ivate loans.

Mr. GLASS. The Senator at the last session of the Senate to me individually said that he thought the resolution which I had presented ought to be passed, and he voted for it.

Mr. REED. Yes; so there would be no danger of indorsement being given. I share with the Senator his belief that the State Department has no business approving these private loans, but I also say again that I have no knowledge and never had any knowledge of any case where they gave an affirmative approval. I will admit that the failure to disapprove created an impression of approval. I am trying to state the thing accurately.

Mr. GLASS. It meant in fact a sanction of the loans.

Mr. REED. It almost did, and I do not approve of it. I am not trying to defend it.

Mr. ROBINSON of Arkansas. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Arkansas?

Mr. REED. I yield.

Mr. ROBINSON of Arkansas. May I ask the Senator a question to make clear to my own mind at least a phase of this debate that is difficult to understand? Is it the Senator's position that the State Department has no authority to approve loans but has authority to disapprove loans?

Mr. REED. No; I do not think the State Department was ever appointed the censor of private loans abroad or domestic loans.

Mr. ROBINSON of Arkansas. The Senator several times during his argument declared he knew of instances in which the State Department has disapproved of loans.

Mr. REED. Yes.

Mr. ROBINSON of Arkansas. But that he knew of no instances in which it had approved loans. What I am wondering is whence the State Department's authority is derived either to approve or disapprove private loans of the character under discussion.

Mr. REED. I do not know that there is anything illegal in expressing the hope that certain loans will not be made to European countries, as the State Department is not constituted to be a censor or appraiser of foreign loans.

Mr. ROBINSON of Arkansas. That implies that it does not pass upon private foreign loans at all, and that it leaves private citizens to make or not to make loans as they choose

Mr. REED. Exactly; but if the State Department knows some reason why a loan is unwise, it is only doing the reasonable, friendly thing to say so, and in one or two cases that I think I recall they did that.

But that is getting me away from the thread of my argument. What I mean to say is that these private loans were made by some American citizens largely at the instance of American banks and with the full recognition of the prior existence and prior rights of the American Government. I do not believe that the Senate or the House of Representatives is going to yield to persuasion of the propaganda now being put out by distributing houses which floated those loans in the United States. I do not believe we are ever going to subordinate the public loans to those private loans, and we might perhaps clear the air a little bit by saying so.

Furthermore, Mr. President, I do not believe that the propaganda for cancellation, of which the Senator from Utah [Mr. SMOOT] tells us, is ever going to make any further headway in the United States. We have canceled all we are going to cancel. It is within the capacity of most of the nations of Europe to pay us the amounts that they owe us, and as long as that fact stares us in the face it is sheer imbecility for us to be any more generous than we have been in the past. We readjusted the debts of France, for example, according to her supposed capacity to pay. So did Great Britain. My personal feeling is that both Great Britain and ourselves got the worst of the bargain, very much the worst, and that after the debts had been settled we were allowed to discover for the first time that the capacity of France to pay was very much greater than anybody outside of France had suspected. Her capacity to-day to pay is greater than our capacity to cancel, and we ought not to dream of any readjustment of that debt.

I shall not point out particular countries, and I am not trying to be offensive to any of them, but, Mr. President, it is silly for a European power owning far-flung colonies, holding lands all around the circuit of the globe, with museums stuffed with art treasures worth millions and millions in money, to say to us, "The exchange is against us; our currency is depreciated; we can not pay America."

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Kentucky?

Mr. REED. I yield.

Mr. BARKLEY. I assume from the Senator's statement that he does not favor the revival of the War Debts Commission?

Mr. REED. I do not.

Mr. BARKLEY. I am glad to hear the Senator say that.

Mr. REED. It can have only one result, and that is a further reduction of the amounts due to the United States. Nobody suggests that we shall review those debts with a view to finding an increased capacity to pay on the part of any debtor.

Mr. DILL. Mr. President——

Mr. REED. Please let me finish, and then I shall be glad to yield. I am not trying to escape the Senator's question, but just to finish the thought I was trying to express.

Every one of the debt-settlement agreements contains a provision allowing a postponement for a year or two at the request of any debtor nation. Every one of them contains a provision to take care of an emergency in the affairs of the debtor country. We do not need to recreate any debt commission; we do not need to revise those agreements to give them relief from a temporary emergency.

Mr. BARKLEY. Mr. President, will the Senator yield further?

Mr. REED. Certainly.

Mr. BARKLEY. Under the terms of the debt settlement each nation involved could at its own request secure a 2-year moratorium instead of 1 year, as proposed by the President?

Mr. REED. Yes. I beg the Senator not to get this confused with the moratorium idea in reparations, because the reparations agreement contains no such postponement agreement.

Mr. BARKLEY. Of course; but there is no reparation agreement between Germany and the United States. We are not a party to it at all except indirectly.

Mr. REED. Just the army-of-occupation cost; but that is a small matter. I am talking about the conditions of last July. If there had not been the moratorium, Germany would have gone to smash and everybody knew it; and that is why we all, regardless of party, approved what was done at that time.

Mr. BARKLEY. I agree with the Senator; but was that promised extension, upon which we are required to vote, made at the request of any nation or was it made voluntarily on the part of the Government of the United States?

Mr. REED. The suggestion seems to have been spontaneous with the Government of the United States, and if the French had been a little bit quicker in falling into line with it we would have felt the benefits of it much more than we have; but as it was, it saved Germany from bankruptcy last July.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. REED. I yield.

Mr. SHIPSTEAD. I have heard that statement from many sources, that we saved Germany from bankruptcy. I would like to have some one tell us just how we saved Germany.

Mr. REED. I will tell the Senator. Last July when that proposal was made Germany was losing in the actual export of capital, as I recall the figures, about 80,000,000 gold marks per business day. Every day that the situation remained as it was there was an actual export of capital from Germany, a flowing out of the country, of about 80,000,000 gold marks. We could stand that and France could stand it, but Germany could not begin to stand it with the minute gold resources she had. Japan did not have to stand anything like as bad a drain as that, and yet she has gone off the gold standard for exactly the same reason.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. WHEELER. Was not the gold export from Germany to a large extent by her own nationals?

Mr. REED. To a large extent. It was by French bankers withdrawing their credit; it was by German nationals, who were frightened, trying to get their capital or credit into other countries. It was by everybody who had a stake in Germany trying to convert it into the credit or the currency of some other nation.

Mr. WHEELER. The Senator knows, of course, that the proposal originated in the United States for the moratorium and it originated in the minds of the same people that he tells us also want a cancellation of indebtedness.

Mr. REED. On the contrary I happen to know that it did not, because the President discussed the question of a moratorium with me long before those New York bankers thought that they invented the idea. I know that of my own knowledge.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Tennessee?

Mr. REED. I yield.

Mr. McKELLAR. Is it not true that after the moratorium the German President, with the approval of his Government, had to issue an order prohibiting gold being shipped out of the country? They did that after the moratorium.

Mr. REED. Yes.

Mr. McKELLAR. Was it not the order of President Hindenburg prohibiting the shipment of gold out of the country rather than the moratorium that prevented the shipping of gold out of Germany?

Mr. REED. No. The moratorium had to be reenforced by a lot of measures in Germany compared to which no wartime steps ever taken in this country are even severe. They have done things in Germany in the last week that would be utterly unthinkable in the United States, in a compulsory reduction of established contracts, for the payment of interest, in compulsory reduction of credits upon prices, in drastic efforts to try to keep themselves solvent. They will have to follow that up for a long time to come. But it was the moratorium that saved them from a complete bankruptcy in July.

But let me come back to the debt settlement, because I am almost through.

Mr. SHIPSTEAD. Mr. President, before the Senator does that, may I ask just one further question?

Mr. REED. Very well; I yield.

Mr. SHIPSTEAD. The Senator referred to the flow of gold out of Germany. Does the Senator mean that the moratorium had a tendency to stop that flow?

Mr. REED. It was the first step necessary to stop it.

Mr. SHIPSTEAD. In what manner did it in any way influence the flight of capital from Germany?

Mr. REED. Because it so restored confidence in the continued solvency and endurance of Germany that the desire to export capital disappeared.

Mr. SHIPSTEAD. I beg the Senator's pardon, but he is very much misinformed.

Mr. REED. Perhaps I am, as I do not have any private information about it. I was only watching the results, and those were the results.

Mr. SHIPSTEAD. There was no relaxation of the flight of capital until the German Government absolutely prohibited it of its own accord.

Mr. REED. On the other hand, the very announcement of the proposal of the moratorium was followed immediately by a very great diminution of the exchange transactions that showed the flight of capital. It is all susceptible of proof by the daily newspapers. We need not argue about our recollection.

Mr. SHIPSTEAD. I simply wanted to call attention to the fact that all lines of German credit were very much decreased by the announcement of the moratorium.

Mr. REED. My recollection is to the contrary, and I think the newspapers bear me out.

Mr. WHEELER. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield further to the Senator from Montana?

Mr. REED. I yield.

Mr. WHEELER. One of the reasons was that the German people expected, after they got the moratorium, that there would be a cancellation of debts to follow it.

Mr. REED. I do not agree with that.

Mr. WHEELER. The Senator does not agree with it?

Mr. REED. No.

Mr. WHEELER. All the Senator has to do is to go to Germany and talk with Germans and he will find that is one of the reasons why they were willing to keep their money in Germany. It was because they thought there would be a cancellation of debt. It was on the theory that there was going to be a cancellation of debts and not merely the moratorium.

Mr. REED. Of course, the Germans want the reparations payments canceled; the French want their debt canceled; everybody wants his debt canceled; we as individuals would like to see our debts canceled; and foreign governments are going to keep on asking for cancellation so long as our unwise statements lead them to think there is any possibility of getting it. That is what I rose to protest against. The Senator from Utah [Mr. SMOOT] implied that he had small hope of our ever collecting on our foreign debts. That is what I want to protest against. There is no reason why we should not have hope of collecting those debts, and we will collect them, and will do so much sooner when we quit giving encouragement to the foreign debtor governments by implying that we do not expect them to pay.

The fact is—and I think I am speaking for both sides of the aisle—that we do expect them to pay; that we regard their promise as we would regard our own promise, as one that was made in all sincerity and with the expectation of fulfillment. I firmly believe, Mr. President, that they can pay; I firmly believe that they will pay, if we in Congress will, once for all, put our foot down on the propaganda for cancellation or for postponement. There is no reason why we should not be paid. In the debt settlements we made we have been generous beyond anything that history shows. We have forgiven our former allies practically every cent that was advanced to them before the armistice.

So far as Great Britain goes, I have oftentimes been told that we were bearing hardly upon Great Britain; I have been told that by British people, who said there never could be any real friendship between us and them so long as we were extorting payment on the British debt. Mr. President, when remarks like that are made we ought instantly to reply, "You are not paying us one cent out of taxation; the British treasury is not suffering one single farthing by its payments to us, because for every cent that is being paid to us by the British a corresponding cent is coming in from the Continent on similar intergovernmental debts." Not one penny of British taxation comes to the United States under these debt-settlement agreements. Let us keep that in mind, and use it for a retort to some of those who imply

we are playing "Uncle Shylock" to our loyal friendly allies.

Mr. COSTIGAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Colorado?

Mr. REED. I do.

Mr. COSTIGAN. Does the Senator from Pennsylvania speak for the administration—that is, for the White House—in making that statement?

Mr. REED. I never speak for the White House; I speak for myself only. Sometimes I seem to agree with the White House, and sometimes not; but I have many times stated on the floor of the Senate that nobody is responsible for what I am saying except myself.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Idaho?

Mr. REED. I yield.

Mr. BORAH. May I ask the Senator, in view of the sentiments which he has expressed, and with which I entirely agree, is there any necessity for the re-creation of the War Debts Commission?

Mr. REED. No; I see no necessity for it, and I think its re-creation might be followed by very unfortunate results. For that reason I myself do not approve the suggestion.

Mr. President, I have practically finished. I rose merely to protest, in the consideration of the moratorium and in the consideration of other intergovernmental financial questions, against statements from any of us to the effect that at the bottom of our hearts we do not expect these debts to be paid, for we do expect them to be paid, Mr. President, and we are false to ourselves when we imply that the expectation is the contrary of that.

Mr. DILL. Mr. President, I understood the Senator when he rose to state that he would say something about the postponement of the payments which are due to-day. Perhaps, however, I misunderstood the Senator.

Mr. REED. I referred to postponement under the moratorium.

Mr. DILL. But no moratorium has as yet been granted under the law.

Mr. REED. No; that is quite correct. Under the law there is, technically, no moratorium, and there is a default; but a vast majority of the membership of both Houses of Congress have authorized the assurance that the moratorium will be approved by Congress; and we know that, in all good conscience, there is no default; at least, that is my own private view.

Mr. DILL. Does not the Senator realize that many of those who were willing to vote for a moratorium of one year when it was first proposed have since come to the conclusion that the moratorium of one year is to be the beginning of a system of moratoriums, leading to cancellation, at least from the viewpoint of the European debtor?

Mr. REED. I do not know the viewpoint of the European debtor, but it certainly is not the opening wedge, so far as I am concerned, and I do not believe it is the opening wedge so far as most Members of Congress are concerned; and, however we may have changed our minds, I regard myself as bound by the word that I gave when the moratorium was suggested.

Mr. SMOOT. Mr. President——

Mr. JOHNSON. Mr. President, I desire to follow the Senator from Pennsylvania [Mr. REED] for a moment.

Mr. SMOOT. What I wish to state will require only a moment.

Mr. JOHNSON. Very well.

Mr. SMOOT. Mr. President, I am informed by the State Department that the department has never approved a private foreign loan at any time in the history of the Government.

Mr. GLASS. Mr. President, that certainly can not relate to bank loans to private individuals, because the State Department has persistently, over a period of two years, asserted the right to do that very thing, although unable all the while to point to statutory authorization for it. Why did the Senate of the United States, at the last session, adopt a resolution condemning the activities of the State Department in that respect and why did the distinguished Secretary of State on the day following issue a semiofficial statement to the effect that he was going to disregard the action of the Senate in adopting that resolution?

Mr. SMOOT. Mr. President, Mr. Feis, who is the head economist of the State Department, just advises me that that department has never approved a private foreign loan—I say "a private foreign loan."

Mr. GLASS. That is in utter contradiction of the contention of the State Department for the last two years.

Mr. SMOOT. I merely make this statement because I have been so informed.

Mr. GLASS. Well, I, too, am merely making that statement. [Laughter.]

Mr. SMOOT. I want to say to the Senator that I have not gone up to the State Department and talked to any official about it. This information just came up and was sent to me.

Mr. ROBINSON of Arkansas. Will the Senator from Utah inform us of the source of his information?

Mr. SMOOT. Yes; I said it came from Mr. Feis, the head economist of the State Department.

Mr. GLASS. It is in contradiction to the record.

Mr. SMOOT. I am just stating this because I asked a question bearing on the subject.

Mr. President, I suppose there is nobody in the United States who is more opposed to a cancellation of foreign war debts than am I. I have so stated on a number of different occasions; I have never spoken about the debt settlement but that I have stated that I was absolutely opposed to a cancellation of foreign debts. I never expect to vote for such a cancellation at any time, because I think it would be an injustice to the people of our own country.

I wanted to say that because it may be that some Senators feel otherwise because of what the press has printed of late.

Mr. DILL. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield.

Mr. DILL. Does not the Senator think it is better to let our foreign debtors default or repudiate than for us to continue to forgive and cancel their debts?

Mr. SMOOT. I was one who approved of the moratorium under conditions existing at the particular time. I could only repeat, if I were going to tell the story of my personal experience, what the Senator from Pennsylvania has already said in relation to it. I think that if the moratorium had not been announced to the world at the time it was there would have been an absolute disruption of the German Government, and no one can tell if such a disruption had occurred how far it would have affected the financial affairs of the world; and I am quite sure the baneful effects would have reached the Government of the United States.

Mr. DILL. But my question related to the future rather than the past. The Senator a few moments ago, as I understood him, said he never expected the foreign governments to pay those debts. He now says he is in favor of their paying the debts.

Mr. SMOOT. The Senator from Utah said what?

Mr. DILL. The Senator from Utah said that he is in favor of making them pay their debts.

Mr. SMOOT. I always have been in favor of their doing so and never said anything to the contrary.

Mr. DILL. But only a few moments before that the Senator said he never expected them to pay the remainder of the debts. Does not the Senator think it is better for this country to insist upon the payment of the debts and let the foreign nations repudiate them, or to default if they see fit, rather than for us to cancel them?

Mr. SMOOT. Of course, it will be a defalcation rather than a forgiveness of the debts; there is no doubt about that.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. ROBINSON of Arkansas. I feel at this juncture it ought to be said that nothwithstanding the propaganda in

favor of cancellation there is no fact or circumstance within my knowledge that justifies the assumption by anyone that any government in debt to the United States will repudiate its obligations. I have the conviction that every one of them will discharge its obligations.

Mr. SMOOT. I presume the Senator is perfectly aware of the propaganda that has gone from one end of this country to the other, proceeding from nearly every country that owes us, pointing out the absolute necessity of the cancellation of those debts. I think every Senator must have received literature and communications of that kind, including private letters even from citizens of foreign countries residing in the United States. It is going on yet, and it has been going on ever since the settlements were made.

Mr. ROBINSON of Arkansas. Evidently—if the Senator from Utah will pardon me——

Mr. SMOOT. I have no idea, I will say to the Senator, that the Government of the United States is going to cancel those debts. So far as I am personally concerned, I would rather have the foreign governments repudiate them or fail to pay them, rather than for the Government of the United States to take any action cancelling the debts.

Mr. ROBINSON of Arkansas. I think it is unfortunate for the Senate to proceed in this discussion on the theory that a debtor nation would repudiate its obligations. That is the point I rose to make. What government now owing the United States has taken any action to warrant the assumption on the part of any Senator that it intends to repudiate its debts?

Mr. REED. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Pennsylvania?

Mr. ROBINSON of Arkansas. Certainly.

Mr. REED. I think, in fairness to the foreign governments that owe us, it ought to be said that not one of them has even asked for a reduction.

Mr. ROBINSON of Arkansas. Mr. President, if the press reports are to be relied on as accurate, notwithstanding the fact that the President, in the extremity which has been described, assumed to suggest a moratorium as to payments now maturing, several of those governments have deposited moneys within the United States sufficient in amount to meet every dollar of the obligations due to-day. The point I am making is that it is not a courteous thing, in view of the record, for Senators to proceed upon the theory that these debtors will repudiate their indebtedness.

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Washington?

Mr. ROBINSON of Arkansas. I yield.

Mr. DILL. I think I am the Senator who brought that suggestion into this discussion, and I want to say to the Senator from Arkansas that I had no thought of suggesting that they would repudiate or default.

Mr. ROBINSON of Arkansas. I am sure that is true.

Mr. DILL. But the thought I wanted to give expression to, and which I had hoped the Senator from Utah would give expression to, was that if it came to the point where this country must cancel or they must repudiate, we want them to take the responsibility of repudiating rather than for us to take the responsibility of canceling.

Mr. ROBINSON of Arkansas. I understood perfectly well that the Senator stated a hypothetical question, and I think, in view of the fact that several of the foreign governments were ready to pay, notwithstanding the moratorium had been suggested upon the theory that they could not pay, that we ought, in all courtesy, to recognize their attitude, and in the discussion of questions pertaining to foreign debts ought not to assume if we do not cancel—which we will not—that they will repudiate. They will pay.

Mr. JOHNSON. Mr. President, I want to compliment the Senator from Pennsylvania [Mr. REED] upon his usual clarity of statement and the irrefutable logic by which he demonstrates that this country should not discharge its foreign debts. He is entirely right; and when the Senator from Utah [Mr. SMOOT] joins him with the emphasis that is peculiarly that Senator's, and says that he does not favor cancellation—and I presume, of course, he means, too, reduction—of these foreign debts, I compliment him as well. It is an excellent thing, Mr. President, to find these Senators and all the others upon this floor standing firmly to-day for the rights first of America, and endeavoring to present the right of this country to the collection of that which is justly this country's due.

I might say, in response to what has been said about what governments may and may not endeavor to repudiate our debts, that I have before me the remarks of Mr. Ramsay MacDonald during his campaign, in which he said again and again to his constituents in substance that the moratorium, thank God, ended all foreign debts, and never again will our people—those of the English nation or those of any other country in Europe—be troubled with the payment of the debts that have been asserted to be due from those countries unto the United States of America.

So, I might say, are the views that have been uttered by other responsible statesmen across the water. But that, sir, is apart from the immediate discussion in which we indulge.

The Senator from Pennsylvania has performed, I think, a very excellent service in stating the position that is maintained by those he represents upon this question to-day, so that there can not be hereafter any misunderstanding respecting the attitude of the United States Senate. I am delighted, sir—more than delighted; I rejoice in my very soul—that finally there has been spoken the language that is unmistakable upon this floor concerning cancellation, and, too, as I take it, reduction of the debts that are due to the United States from foreign nations; for, of course, Mr. President, if we agree to a moratorium to-day upon the specious ground that some nation across the water is going to be affected in its economic life by paying some other nation than ours, then of course the argument is equally cogent six months or a year hence, when another moratorium may be asked and a reduction again demanded because of the economic life of the nation that asks it, or the economic life of some nation adjoining it.

So the logic of the situation as presented to-day, and by the arguments of those who have preceded me, is that we should stand here upon our rights—not harshly, of course, for in every debt settlement are written the right and the privilege of the debtor nation to request an extension of time, and that, if ever requested, should be taken up in generous spirit by our Government. We should stand upon the solemn agreements to pay only a part of our due made by foreign nations.

But, sir, when we talk of a moratorium that postpones an indebtedness to-day, we must look forward to a moratorium that will postpone an indebtedness next year and we must look forward to a moratorium that will continue and postpone indebtedness two years from now; and so when you have reached the logical conclusion of your moratorium, you come to the implication of a relinquishment of our rights and you come into the position where, of course, if the logic to-day demands a moratorium and the logic to-morrow may demand another moratorium, you may talk until you are black in the face about refusing to grant cancellation, but you are permitting the opening wedge to cancellation.

Our friend from Pennsylvania says to us that he will not subordinate public to private loans. He is right. He is right. Upon what theory do you subordinate the right of the United States Government, representing all the people of this land, to the payment of what is our whole people's due to the payment of international bankers upon the claims that are theirs?

We forgave by a moratorium $246,000,000 for a year. Did you read the testimony of Doctor Melchior in Switzerland the other day? By a singular coincidence Germany in the last six months, upon short-term credits, paid $230,000,000—short-term credits held by whom? Not by ordinary individuals and small people in this land, of course; short-term credits held, of course, by bankers; and when you grant a moratorium you are doing exactly the thing against which the Senator from Pennsylvania inveighs. You are putting

priority upon the claim of the international bankers and you are subordinating the claim of the people of the United States of America.

I am against this moratorium, sir, if mine is the only vote in this Chamber to be against it. I am against it because it puts upon the backs of already overburdened American taxpayers the amount of the debts due to them from foreign governments and foreign peoples. Upon what theory, sir, do you to-day in this country, when you know the distress that exists here, when you know that we have a deficit greater than that of any other country on earth, why to-day do you levy taxes greater than ever before were levied in our country in peace times, levy taxes to pay a deficit in part occasioned by the fact that you have permitted $246,000,000 to be paid to international bankers upon their obligations, instead of on the obligations due unto the people of the United States?

The time finally has come in this country when, however weak the voice or however humble the individual or however small may be the compass of those he may reach in words, some one must cry aloud for America and Americans and endeavor to protect these people of ours, already staggering under taxation and crushed by disaster, from those who would fasten upon them an additional sum that is their due and that they ought to have.

Mr. SHIPSTEAD. Mr. President, the Senator from Pennsylvania [Mr. REED] and the Senator from Utah [Mr. SMOOT], in answer to a question as to what is the purpose of this moratorium, have stated that the moratorium was necessary in order to save Germany from collapse; that it was made absolutely necessary by the logic of the circumstances existing at the time the moratorium was proclaimed.

I hope both the Senator from Utah and the Senator from Pennsylvania will inform the Senate, if they have any information on the subject, as to just what were the conditions existing at the time. They have made the statement that the moratorium saved Germany from collapse. I trust that before we come to a vote on the moratorium question, they will state just how it saved Germany from collapse. My information is that instead of saving Germany from collapse, it drove Germany very much nearer to collapse than she would have been if there had been no moratorium.

The banks of Germany did not begin to close until a long time after the moratorium was proclaimed. The flight of capital from Germany had been going on for very nearly six months. One bank alone had paid out over 700,000,000 marks in gold; but when the fact of the flight of capital from Germany was advertised throughout the world, that flight increased until most of the large banks, including the central bank of Germany, were forced to close a long time after Germany, France, and England were informed that we were willing to forego the payments on the debts this year.

Certainly there is nothing in the record to show that this moratorium was of the slightest aid to Germany. It did not affect her reparation payments. Germany could not have paid reparations anyway; and the flight of capital from Germany ceased only when as much foreign capital as could be taken had been taken out of Germany and when the German Government took drastic steps to prohibit the exportation of capital not only by citizens living in Germany at the time but by citizens of foreign countries who were drawing money from Germany. The flight of capital from Germany was stopped by the act of the German Government, and the act necessary to stop the flight of capital from Germany was taken by the Government a long time after the proclamation of the moratorium.

As a matter of fact, 90 per cent of the enthusiasm of Europe over the moratorium was based upon the idea that this was the opening wedge for the cancellation of the debts to the United States. That is what made the stock markets go up in London and in New York for a period of time. When they began to hear statements that certain people did not connect debt cancellation with the moratorium, the enthusiasm and the joy disappeared.

If there are any facts in the record to show that there was anything else in this picture, I hope those who are informed of those facts will present them to the Senate.

If they are in the archives of the Department of State, we ought to have them. If they are in the archives of the White House, we ought to have them. If those facts are in the archives of any committee of the Senate, we ought to have them.

I have been searching for the reasons for this moratorium outside of the cancellation of debts, and I have failed to find any.

"MONEY—CREDIT"

Mr. TRAMMELL. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial by Judge John W. Dodge, of Jacksonville, Fla., entitled "Money—Credit," appearing in the Deland (Fla.) News.

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

[From the Deland (Fla.) News]

MONEY—CREDIT—A BLESSING—A CURSE

By Judge John W. Dodge

We hear of, speak of, and think of money daily, even hourly, as we never have before. It is the subject and theme of high and low, rich and poor.

Money, however, is largely a mere medium of exchange. It is the thing which, being generally used and accepted as having, or being backed up by, value of some kind, is used as a denominator of value. It enables people to transact business, or make contracts, and to carry out the same—to exchange property, services, or other things of value.

Credit is far more powerful than money. Ninety per cent of all business is a mere exchange of credit. Credit is the world's greatest method and means of sales and exchange.

We are suffering to-day from a lack of credit—frozen credits—a refusal of those who control credit to use, or allow it to be used, by men and women who can furnish property or services to others, but have no medium (credit) with which to bring about a sale or exchange of property or services.

Manufacturers are equipped to make merchandise of all kinds—they want to sell it. The masses want to purchase merchandise and other things. They have services, labor, even property, which they desire to exchange, to sell, to deliver to other people. But there are no means, methods, money, credit, or other facilities open to the masses as the mediums of exchange. Stagnation has resulted.

The fundamental cause of our depression is, therefore, the lack of agencies and instrumentalities which can bring about an exchange between people.

The banks are the ones, the only ones, who can use our Federal reserve system. They refuse to use it—they refuse to furnish a medium of exchange of either money or credit—they refuse to function. The Federal reserve is, therefore, made practically useless in a large degree.

The banks and others holding money and controlling credits have created a cash-basis system upon which others must do business—must make exchanges. The result is that we are far below normal; we are tied up; exchanges can not be made where it takes some time to complete the exchange, to enable goods to be sold, to allow people to work, to create a purchasing power.

We are getting on a barter basis—a cash-delivery system. There are no credits extended. Values have dropped because contracts and sales can not be made, while money and credit are frozen without by those who control them.

Money and credit rightly used is a blessing—tied up, controlled, manipulated for selfish uses and purposes, they are a curse.

We need new leaders—new controllers of credit—a rightful use of our mediums of exchange. Taxation of swollen credits distributes controlled credits and money.

RELIEF MEASURES

Mr. COSTIGAN. Mr. President, I ask unanimous consent to have printed in the RECORD a letter of Dr. Jacob Billikopf, executive director of the Federation of Jewish Charities of Philadelphia and impartial chairman of the Men's Clothing Industry, of New York City. This letter was printed in part in yesterday morning's New York Times. For lack of space it was not completely published. I ask publication of the entire letter in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

DECEMBER 14, 1931.

To the EDITOR NEW YORK TIMES:

In a recent editorial, the Times rightly congratulated the organizers of the charitable drives throughout the country on their showings to date. As a director of a federation of charities, which benefits by such a campaign; as a member of the Unemployment Relief Committee, which also benefits by it; and as one

of the organizers of a united campaign for $9,000,000—that of Philadelphia—I can not be set down as an outside disparager of their efforts. I have been in it up to my elbows.

Yet any implication that the success of the community-chest campaigns in the 144 cities that have thus far reported indicates that the unemployment-relief situation is in hand is not supported by facts. A community chest is a concert of all sorts of welfare agencies: Hospitals, homes for the aged, child-welfare and family-welfare societies, orphanages, Y. M. and Y. W. C. A.'s, and Boy Scouts and Girl Scouts. What these 144 campaigns indicate is that 144 exceptionally well-organized cities are supporting this whole social-welfare structure, with emergent relief work as a new and important unit. For the thousands of other cities, towns, and villages of the country the success of the chest campaigns means nothing at all.

For 130 of these 144 cities we have data comparable with last year's, which shows an increase of 14.3 per cent in funds raised. This is presumably far more than for relief purposes. Yet relief demands in every American city show an increase quite out of proportion to this gain. Philadelphia's relief expenditures during September of this year were 404 per cent above September, 1930; Chicago's, 267 per cent; New York's, 125 per cent; Cleveland's, 134 per cent; St. Louis's, 214 per cent. Against the rise in need shown by these September figures the increase of 14.3 per cent in private funds for all welfare purposes in 130 cities is not impressive.

In normal times about 30 per cent of the relief needs of the average city are met by private funds, the rest coming from city and county funds. It is obvious that the great bulk of the increased burden of relief must be met by greatly increased public appropriations. But it is the rare city or town that has yet taken action that even remotely suggests adequacy or even awareness.

The interpretation given by the press generally, in headlines and in editorial comment, to the success of the community-chest campaigns this year under the ægis of the President's committee, is dangerous in its tendency to lull the public into a false security on the whole relief situation throughout the country this winter. In New York there has been a straight drive for money for work relief. But that is not the situation generally. In order to stimulate contributions in a time of stringency, relief and unemployment have been ballyhooed from Washington out of all proportion to their place in the chest budgets. The maintenance of the general structure and service of social work is as important as relief; it is more important than ever in hard times. It is as important as keeping up a fire department at its most effective working pitch at a time of drought; of keeping up hospitals and regular health services in time of epidemic. None the less it is unfortunate that because of these circumstances the newspapers and the public are likely to assume that, with the charitable drives out of the way, relief is all attended to and our duty is done.

In the first place we shall not have done our duty in the situation so long as there is such a wide spread between the relief granted by our emergency set-ups and the relief standards set by our going charitable agencies in normal times, based on their studies of what will keep a household intact. Here in Philadelphia, for example—and you must remember that I am identified with both organizations—the minimum relief accorded a family of five by the family society of the Federation of Jewish Charities is $21.97, divided as follows: Food, $9.25; lunches, 60 cents; rent, $5.77 ($25 per month, 5-room house); light and cooking, 69 cents; clothing, $2.92; household supplies, 35 cents; car fare, 90 cents; incidentals, 64 cents; coal, 85 cents (on a weekly basis throughout the year).

This is not guesswork; it is based on the most rigorous studies of what is needed to keep body and soul together; to keep health from being impaired; to conserve what we do not want to see broken down in family life. The relief available and distributed by our emergency unemployment-relief committee, which now has under its care 35,000 families, is so far under this standard of adequacy as to be self-evident. It has amounted to $5 per week for a family of five, for food only. No provision is made for any of the other items in the above schedule, with the exception of milk, which is granted only when necessary.

We shall not have done our duty by the situation until the smaller cities and towns and the outlying districts, such as the coal fields, are covered.

We shall not have done our duty until municipal and county appropriations are actually available to supplement the charitable funds in large cities and small, which by no stretch of the imagination can meet the situation. And there has been no effective leadership from Washington to elicit forethought, planning, and emergent action on the part of local public officials throughout the country.

We shall not have done our duty by the situation until State resources are put behind city funds where these fall short. New York, thanks to Governor Roosevelt, has made the outstanding move in this direction. Pennsylvania, under Pinchot, is in the throes of doing it. But the Pennsylvania Governor has been blocked by constitutional restrictions and by other limitations. The Wisconsin Legislature, now in special session, has before it a rounded program blocked out by an interim committee. But for the most part the States are as yet inactive, and the winter is almost upon us. And there has been no calling of the governors into conference at Washington to set the wheels going, or a kindred challenge to State action.

We shall not have done our duty if hunger walks the streets this winter and if we fail to tap national resources, should State resources and action fall short. So far as I know, there has been no survey by the leaders at Washington of the extent of city and State revenues which can or might be available, without which knowledge Congress can not act intelligently or intelligently refrain from action.

We shall not have done our duty if in the midst of this depression and its mass unemployment we do not take steps to lay the foundations of a system through which industry shall itself, out of the surplus of normal times, lay by some reserves to give security to the families of the workers it laid off. Unemployment is an industrial risk, and there is neither logic nor reason in letting the whole burden come down, as so much of it does now, on charitable givers, on real-estate-tax payers, and on working-class homes.

If we turn to the Survey, the journal of the social workers of the country, we find the situation summed up by its editor, Mr. Paul U. Kellogg, as follows:

"That we should be in the mess we are in after a decade of soaring prosperity is all the more a call for new leadership in our industrial civilization. Unemployment relief thrusts a staggering burden upon our social agencies, public and private. It shakes and may shatter our whole scheme of social work—health, recreation, education, case standards—for helping people in the ordinary coils of misfortune. Yet it is driven home to us that charitable giving is not sufficient. The relief budgets embedded in the sums raised by the community drives under the lead of the President's committee won't of themselves last the winter out. They can't make up for the flattening out of pay envelopes everywhere. Social workers who are stewards of these funds know this. We turn to municipal help, but that throws onto real estate the brunt of an industrial risk at a time when landlords are shy on rents, when business is stalled, and when home owners run the risk of losing their equities. This left-handed blow at middle-class incomes gives another twist to the down-spiral of purchasing power. Moreover, the resources of hundreds of American municipalities will be cramped for a long time to come because of their relief bills last winter and this.

"Slowly we have begun to realize that local taxation will not afford enough money. In New York, Governor Roosevelt has turned to the State income tax to carry a part of the load. His was a courageous, resourceful move, but again it cuts in on current private incomes at a time when they are reduced and are needed for revival. In Rhode Island the State contemplates underwriting the emergent relief bonds of municipalities, but that is mortgaging the time ahead when Rhode Island will be struggling to its feet. The same is true of Governor Pinchot's prosperity loan in Pennsylvania; equally courageous and resourceful, but equally an augmented tax on times ahead for an evil that should have been fended against and met in part in times past. There will be a drive for Federal relief if hunger stalks this winter. A lot can be said for tapping the one great stream of national income to buoy up what is a national emergency as truly as any war. Not since the Civil War have we known a conflict which devastated American homes like this depression.

"But my point is that these are all hectic efforts to close the door after the horse is stolen, to try, out of the shrunken income of hard times, to temper their impact.

"Why shouldn't American industry, as a matter of self-respect and self-dependence, of long-range common sense, set its house in order so that hereafter, in good times, it will lay by some measure of resources that can be unlimbered at the first turn of that spiral? Is it so hopeless to find a modern counterpart for what Joseph did with his granaries during the seven fat years in Egypt? After all, we are having a pretty thorough awakening from our dreams, too."

JACOB BILLIKOPF,
Executive Director Federation of Jewish Charities, Philadelphia; Impartial Chairman Men's Clothing Industry, City of New York.

MR. BOWERS ON THE POLITICAL SITUATION

Mr. TYDINGS. Mr. President, I ask to have printed in the RECORD an article appearing in the Washington Times of December 9, by Mr. Claude G. Bowers.

The VICE PRESIDENT. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Washington, D. C., December 9, 1931]

DONNYBROOK-KILKENNY IN WASHINGTON

By Claude G. Bowers

Under the great dome of the Capitol in Washington the chosen representatives of the people have assembled.

Mark Sullivan is an important correspondent, because his intimacy with the President reflects the presidential hopes and plans. Clearly we are to hear much about the desirability of a "coalition" government, of that "cooperation" which experience has shown means, in the mind of Mr. Hoover, the subserviency of the Democrats to the presidential policies that so signally have failed to appeal to the judgment of the people. The issues, of course, will be economic, but we would no more expect the two parties to

entertain the same views on all the economic problems than we would have expected Woodrow Wilson and Nelson Aldrich to have agreed upon them.

THINKS ADMINISTRATION HOPES FOR DISRUPTION

The evidently desperate hope of the administration is that the Democrats will fly at one another's throats on nonessentials and kill their own fair prospects. Mr. Sullivan is rather distressed about it. He thinks that "maybe" they will be harmonious. He evokes the memories of the convention of 1924. He is sure they are going to split because of sectional differences—they, of the only party that is not purely sectional.

They have just agreed in perfect harmony to a Speaker from the South and a leader from the North, but that does not calm the fears of the administration circle. And Mr. Sullivan is alarmed lest the Democrats disagree on prohibition, forgetting conveniently that the Republicans are not in agreement on it. And he informs us of something we did not know—that the public "tends to think the Democrats are rather given to chaos, to Donnybrook fairs and Kilkenny noises." This based, no doubt, upon the strong, sane, constructive, and harmonious manner in which the Democrats, under the leadership of Clark and Underwood, managed the House under similar conditions.

REPUBLICANS FAIL TO SEE ALIKE

All these lugubrious lamentations of the administration camp at first were puzzling, until in the same issue of the New York Herald Tribune we turned to the forecasts of the session from Senator FESS, one of the field marshals of the President, and from Senator NYE, representing the Republican insurgents. And then we saw that it was a "stop thief" hue and cry in the hope of diverting attention from the unfortunate dissensions in the administration camp.

Senator FESS, running true to administration form, devotes much of his article to the dreadful conditions across the sea. Senator NYE confines himself, as an American Senator, to the dreadful conditions here at home.

The two men are unable to see alike on what the administration has done to prevent human misery and starvation. Thus Senator FESS tells us:

"The spiritual and material strength of our people have been marshaled and funds are being gathered locally throughout the country to prevent starvation this winter."

This, of course, is nothing that the administration, the people's national Government is doing. Senator NYE does not share in his colleague's bland satisfaction. On the contrary, he says:

"The Federal Government has merely touched the hem or fringe of the unemployment situation with a totally inadequate relief program, a mere pittance. What is needed and what will be proposed by Progressives is a building and constructive program of sufficient magnitude. The duty of a national government is to meet a national crisis in a national way with the power of the nation, instead of running from its duty."

And there is more than a touch of Donnybrook fair in that!

KILKENNY BATTLE ON TARIFF ISSUES

Then Senator FESS, turning his back on realities, remembering the political economy of Pig Iron Kelly's book of speeches, ignoring the common comment of business men and bankers of his own political persuasion that the tariff is wrecking our foreign trade and ruining our prospects of recovery, says with a brave smile:

"Administration leaders will not waver on the tariff, despite demands for 'tariff revision' and 'tariff modification.'"

And Senator NYE, swinging a blackthorn with all the facility and felicity of a Donnybrook play boy, says:

"Already there is an invisible but extortionate tax in the form of an indefensibly high tariff. It was handed to the country with the assurance that it would 'protect the American workingman' and increase or maintain prosperity. The result we know. Progressives propose reduction of excessive tariff rates."

And there is the suggestion of a Kilkenny battle in that, too.

VIEWS OF LEADERS DIFFER RADICALLY

The point of view of these two Republicans, representing a distinct and deep cleavage in the President's party, is fundamentally opposed. Thus Senator FESS rhapsodizes on the "prosperity" and sound conditions that have been brought about by the policies of his party for many years. This all seems out of place to Senator NYE, who says:

"Reputable economists have estimated that 8 per cent of our population own 75 per cent of the national wealth. They have stated that 80,000,000 of our population of 125,000,000 have an income of less than $700 a year. Progressives believe that the first duty of government is concerned with the welfare of those 80,000,000 and of millions more who lack economic security."

Could any two views be more remote from one another?

Isn't there more than a suggestion of Donnybrook and Kilkenny here?

SHOULD SEEK HARMONY IN THEIR OWN PARTY

Kind as it is for the supporters of Mr. Hoover to feel distress over the differences among Democrats, and generous as it is to suggest grounds on which they may do battle with one another in the interest of the reelection of Mr. Hoover, it does seem that all their powers of persuasion might better be expended in trying to harmonize the Fesses and the Nyes.

There will be more Democratic harmony in the House than there will be Republican harmony in the Senate.

And, after all, it was a Republican not a Democratic Senator who publicly has informed the President that an announcement that he does not choose to run would earn him the gratitude of the rank and file of his party.

BOND ISSUE FOR PUBLIC WORKS

Mr. BLACK. Mr. President, I desire to send a resolution to the desk, and ask for its immediate consideration.

The VICE PRESIDENT. Is there objection?

Mr. BRATTON. Let the resolution be read.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 94) was read, as follows:

Whereas the paramount problem confronting our Nation to-day is unemployment and public distress; and

Whereas this situation exists at a time when the national wealth is the greatest in our history; and

Whereas there is to-day a surplus of food, clothing, and other necessities of life which can not be purchased by millions of American citizens who want and need them, because they are unable to secure work; and

Whereas this condition has stopped the work of our mills and factories and condemned our people to involuntary idleness; and

Whereas this condition has created a national emergency, which calls for quick and effective action, in order to utilize our national resources for the public welfare: Now, therefore, be it

Resolved, That the Committee on Finance is authorized and directed to prepare a bill and report to the Senate at the earliest possible date, said bill to authorize the issue and sale of a Government bond issue of $1,000,000,000, and providing for the expenditure of said money throughout the States in the building of highways, bridges, and other public projects, having in view the doing of such work as will be most useful to the public and employing the maximum amount of human labor, and work that can be begun in each particular locality with the least possible delay.

The Committee on Finance, or any properly authorized subcommittee thereof, is hereby authorized to conduct such hearings as may be necessary to determine how the money raised by such bond issue shall be expended to accomplish the purposes hereinbefore set out and to determine what other funds should be raised, and how, for a program of public works throughout the States, and for what purposes and in what manner it should be expended.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WATSON. I ask that it may lie over one day.

Mr. BLACK. Mr. President, may I make a statement before the Senator raises his objection?

Mr. WATSON. Certainly.

Mr. BLACK. I do not care to make any extended remarks except to call the attention of the Senate to the fact that we have now been here some days, we have discussed the moratorium, we have proceeded for some days to the election of a President pro tempore, but so far nothing has been done, no effort has been made in this body, so far as I can recall, to utilize our time in providing any machinery to do whatever the Government can do to relieve the paramount question of unemployment.

It is anticipated that before long we shall probably adjourn for the Christmas holidays. At least 7,000,000 men are out of work, and there is plenty of capital in this country to place them to work in useful public projects. This resolution simply provides, assuming that the Senate is ready to vote a billion dollar bond issue for useful public works, that the Finance Committee shall investigate and determine whether that money could be best spent for highways or public buildings or public bridges, or in what way we could utilize some of our national resources for the purpose of giving employment to men.

If we do not do something of this nature before long, we are going to be confronted with a proposal which probably at that time will be irresistible, that we make contributions out of the Public Treasury to give what some have said would be a dole.

I am simply proposing that now, before that condition arises, the Finance Committee proceed at once to determine how we can best utilize some public money for some public work, to put the maximum amount of human labor at some useful effort.

In connection with that I have requested that we proceed to the immediate consideration of this resolution, rather than to further ballot on who shall be President pro tempore. As a matter of fact, I have been wondering a little bit whether the 7,000,000 unemployed were vitally interested

in that proposition. I have been wondering how many people it would feed, to how many people it would give jobs, for us to continue to ballot day after day on who should be President pro tempore of the Senate.

This resolution simply would provide that the Finance Committee investigate and determine whether or not the maximum amount of men would be employed by the building of public highways or by the construction of public building, whether in New York, buildings could be constructed more quickly, perchance, than highways, and whether they would be more necessary. It would result, before we adjourn for the holidays, in our doing that which the whole country is expecting the Senate and the Congress will do, at least to take some time to discuss the paramount question which confronts the people of America.

I desire to give notice that I shall call up this resolution from day to day. I regret that there is objection to it now. I had hoped that there would not be.

I send to the desk and ask to have read a poem which appeared in the Thanksgiving issue of the Washington Herald, written by Mr. George E. Phair, which, it seems to me, would be appropriate to follow the resolution which I have just offered.

The VICE PRESIDENT. It will be read in the Senator's time.

The legislative clerk read as follows:

THANKSGIVING

By George E. Phair

"I thank Thee, Lord," the workman said,
"For all Thy golden wheat,
Enough to flood the world with bread,
Though I have none to eat.

"I thank Thee for the cotton bales
That tower high in the air
To fend the world from wintry gales
Though I have naught to wear.

"I thank Thee for the whirring wheels
That fashion shoes to wear
Although the stony pavement feels
Unkind when soles are bare.

"I thank Thee for the teeming herds
That graze on grasses sweet
Though statesmen fling me empty words
Instead of good red meat.

"And though the landlord's heart is cold
Against my last appeal,
I thank Thee, Lord, for all the gold
That fills our vaults of steel!"

PROPOSED HOLIDAY RECESS

The VICE PRESIDENT. The unfinished business is the election of a President pro tempore.

Mr. BORAH. Mr. President, before we proceed to the election of a President pro tempore, I would like to ask those having charge of that particular feature of our program what arrangement is being made with reference to adjournment?

Mr. WATSON. Mr. President, some 10 days ago I took the matter up with the Speaker of the House of Representatives, and he suggested that the House would not be ready to adjourn before the 22d. That will be next Tuesday. I told him that I thought that as far as the Senate was concerned that would probably be satisfactory.

I assume that the Senate would want an adjournment, and probably as many as 25 Senators have come to me in the last two days saying that they intended leaving either Saturday or Monday, and would not remain here after that time. Therefore it becomes just a matter of policy as to what course we should pursue.

I have no advice to give except this, that I am informed—and I think somewhat reliably—that the moratorium bill will pass the House not later than Saturday. If it be sent over here it will be referred to the Committee on Finance, will be taken up possibly on Monday, and might be reported out by Tuesday, and if the House wanted to adjourn on Tuesday, it could not be considered before that day. I am informed by many Senators who want to discuss the moratorium that some time will be required for them to enter into that discussion as fully as they desire.

Mr. SMOOT. Mr. President, will the Senator yield to me?

Mr. WATSON. Certainly.

Mr. SMOOT. I may say to the Senator that I have called a meeting of the Finance Committee for to-morrow morning, and I shall at that time bring before the committee the matter referred to by the Senator, with a view, if they agree upon the policy, that we may act, so that when the bill passes the House I may be instructed to put the bill upon its passage immediately. I do not know what action the committee will take, but that is what I am going to ask to have done to-morrow.

Mr. COUZENS. Mr. President——

The VICE PRESIDENT. Does the Senator from Idaho yield to the Senator from Michigan?

Mr. BORAH. I yield.

Mr. COUZENS. From the information I have I think the Senator from Utah may dispense with the hope he has expressed, because I am quite confident that the committee will not go through with any such procedure if the bill is passed by the House.

Mr. BORAH. Mr. President, I am not desirous of putting any limit on the consideration of the moratorium bill or any other measure. What I wanted to ascertain was what the program was. Are we going to adjourn Saturday until the 4th or 5th of January?

Mr. WATSON. Mr. President, inasmuch as the House is preparing to adjourn on Tuesday, and inasmuch as a third if not a half of the Members of the Senate will be absent on Monday, it appears to me that what we ought to do is to adjourn from Saturday to Tuesday, and then adjourn for the holidays.

Mr. BORAH. Mr. President, I am not going to take the time now, but I am utterly opposed to that program, and when the time comes I am going to interpose my objection.

ELECTION OF PRESIDENT PRO TEMPORE

The VICE PRESIDENT. The question is on the election of a President pro tempore. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. AUSTIN (when his name was called). I announce my pair with the junior Senator from Utah [Mr. KING] and withhold my vote. If the junior Senator from Utah were present, he would vote for Senator PITTMAN, and if I were at liberty to vote I would vote for Senator MOSES.

Mr. COPELAND (when his name was called). I have a pair to-day with the senior Senator from Colorado [Mr. WATERMAN], who is absent. I therefore withhold my vote. If I were permitted to vote, I should vote for Senator PITTMAN. If the Senator from Colorado were present, he would vote for Senator MOSES.

Mr. HASTINGS (when his name was called). I have a pair to-day with the senior Senator from Mississippi [Mr. HARRISON]. If he were present, he would vote for Senator PITTMAN, and if I were permitted to vote I would vote for Senator MOSES.

Mr. MCNARY (when Mr. JONES's name was called). The senior Senator from Washington [Mr. JONES] is absent on important work. On this vote he is paired with the senior Senator from Virginia [Mr. SWANSON].

Mr. LOGAN (when his name was called). I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. If he were present, he would vote for Senator MOSES, and if I were at liberty to vote I would vote for Senator PITTMAN.

Mr. MOSES (when his name was called). On this and all votes connected with this question I am paired with the senior Senator from Nevada [Mr. PITTMAN] and therefore withhold my vote.

Mr. ROBINSON of Indiana (when his name was called.) I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is detained at home on account of illness. I transfer my pair to the senior Senator from Ohio [Mr. FESS] and vote for Senator MOSES. I have been requested to announce that the senior Senator from Ohio [Mr. FESS], were he present, would vote for Senator MOSES.

Mr. SHEPPARD (when the name of Mr. THOMAS of Oklahoma was called). The senior Senator from Oklahoma [Mr. THOMAS], being unavoidably absent, is paired with the senior Senator from Illinois [Mr. GLENN]. If the Senator from Oklahoma [Mr. THOMAS] were present, he would vote for Senator PITTMAN.

The roll call was concluded.

Mr. SHEPPARD. I wish to announce that the junior Senator from Mississippi [Mr. STEPHENS] is necessarily detained from the Senate by illness.

Mr. BULKLEY (after having voted for Senator PITTMAN). I have a pair with the junior Senator from Wyoming [Mr. CAREY]. I understand he is absent on official business. If he were present, he would vote for Senator MOSES. I am therefore constrained to withdraw my vote for Senator PITTMAN.

Mr. WAGNER (after having voted for Senator PITTMAN). Has the junior Senator from Missouri [Mr. PATTERSON] voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. WAGNER. I have a general pair with that Senator and therefore withdraw my vote.

Mr. HASTINGS. I have previously announced my pair with the senior Senator from Mississippi [Mr. HARRISON]. I transfer that pair to the junior Senator from Connecticut [Mr. WALCOTT] and vote for Senator MOSES.

The result was announced as follows:

FOR SENATOR PITTMAN—36

Ashurst	Caraway	Harris	Neely
Bailey	Connally	Hawes	Robinson, Ark.
Bankhead	Coolidge	Hayden	Sheppard
Barkley	Costigan	Hull	Smith
Black	Dill	Kendrick	Trammell
Bratton	Fletcher	Lewis	Tydings
Broussard	George	McGill	Walsh, Mass.
Bulow	Glass	McKellar	Walsh, Mont.
Byrnes	Gore	Morrison	Wheeler

FOR SENATOR MOSES—26

Barbour	Hatfield	Norbeck	Steiwer
Bingham	Hebert	Oddie	Townsend
Dale	Johnson	Reed	Vandenberg
Dickinson	Kean	Robinson, Ind.	Watson
Goldsborough	Keyes	Schall	White
Hale	McNary	Shortridge	
Hastings	Metcalf	Smoot	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	La Follette	Thomas, Idaho
Borah	Cutting	Norris	
Brookhart	Frazier	Nye	
Capper	Howell	Shipstead	

The VICE PRESIDENT. On this ballot 36 votes were cast for Senator PITTMAN, 26 for Senator MOSES, and 13 for Senator VANDENBERG. A total of 75 votes were cast, 38 being necessary for a choice. No one having received a majority of votes cast, there is no election. The clerk will again call the roll.

Mr. ASHURST. Mr. President, anticipating that another ballot will be had within a few moments and remembering vividly what the senior Senator from Arkansas [Mr. ROBINSON] said yesterday respecting this impasse, I am at this juncture going to make a point of order against any further balloting or voting for President pro tempore unless the rule of the Senate is strictly observed. I ask that the esteemed Vice President advert to clause 1 of Rule I, which reads as follows:

> In the absence of the Vice President, the Senate shall choose a President pro tempore.

I make the point that the Senate has no authority or jurisdiction to proceed to vote for a President pro tempore unless and until the Vice President is absent. He is not absent; he is present. That is the rule, and I ask the Chair to read the same.

The VICE PRESIDENT. The Chair desires to call the attention of the Senator from Arizona to a resolution which was adopted by the Senate in 1890, as follows:

> *Resolved*, That it is competent for the Senate to elect a President pro tempore, who shall hold the office during the pleasure of the Senate and until another is elected, and shall execute the duties thereof during all future absences of the Vice President until the Senate otherwise order.

Mr. ASHURST. May I be permitted respectfully to observe that the resolution which the Vice President just read in no way contravenes and is in no sense in opposition to or contradictory of the present rule. It is true that the President pro tempore holds his office until his successor is elected. I think there is no Senator here who doubts that. But we must give some meaning to the plain wording of this rule—and it is the first clause of the first rule—viz:

> In the absence of the Vice President, the Senate shall choose a President pro tempore.

Then, not content with that language, not content with that emphasis, the next clause begins, "In the absence of the Vice President," and so forth. I respectfully insist that the Senate has no authority to proceed to the election of a President pro tempore unless and until the Vice President is absent. I distinctly recall, and will ask Senators to look at the CONGRESSIONAL RECORD in support of my statement, that in 1915, or thereabouts, whilst Vice President Marshall was in the chair, a motion was made to proceed to the election of a President pro tempore, and, upon a point of order being made, the Vice President left the chair before we proceeded to the election of a President pro tempore.

This has grown into a serious matter, and I am emboldened to make the point of order because of the pertinent and statesmanlike remarks of the senior Senator from Arkansas [Mr. ROBINSON] that the country expects action on the part of the Senate, expects business to be transacted, and yet here we are engaged in a futile struggle to elect a President pro tempore while the Presiding Officer, the constitutional officer, the Vice President, is not absent, but is here. I insist upon my point of order.

Mr. DILL. Mr. President, will the Senator yield for a question?

Mr. ASHURST. With pleasure.

Mr. DILL. If the rule is literally complied with, who will preside over the Senate while the Senate is choosing a President pro tempore?

Mr. ASHURST. The President pro tempore, if he be present. If he be absent, he may designate some one under our rules.

Mr. DILL. But there is no President pro tempore.

Mr. ASHURST. Oh, yes; he is a continuing officer.

Mr. NORRIS. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Nebraska?

Mr. ASHURST. Certainly.

Mr. NORRIS. Suppose—and the rule was made with this in view—that there were no President pro tempore; who would preside?

Mr. ASHURST. Then the Secretary of the Senate would preside.

Mr. NORRIS. I was merely anxious that the Senator should provide us with a presiding officer.

Mr. ASHURST. I insist with the seriousness which always accompanies what I say that the point of order be decided now.

The VICE PRESIDENT. The Chair will state that when the resolution to which he previously referred was adopted, the practice prevailed of electing a President pro tempore every day, or when the occasion arose; sometimes it was every day. An argument was made at the time that the question should be settled and the Senate should be authorized to elect a President pro tempore. The resolution to which the Chair referred was adopted to avoid the necessity of electing a President pro tempore every time the Vice President was absent. Therefore the Chair overrules the point of order raised by the Senator from Arizona.

Mr. ASHURST. Mr. President, I shall not appeal from the ruling, but I do not wish it to stand as an unopposed and unprotested precedent.

The VICE PRESIDENT. The protest of the Senator will be entered. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BULKLEY (when his name was called). In the absence of the junior Senator from Wyoming [Mr. CAREY],

with whom I am paired, I withhold my vote. If present, the junior Senator from Wyoming would vote for Senator MOSES, and if I were free to vote I would vote for Senator PITTMAN.

Mr. COPELAND (when his name was called). Repeating my statement regarding my pair with the senior Senator from Colorado [Mr. WATERMAN], I withhold my vote.

Mr. HASTINGS (when his name was called). Making the same announcement as heretofore with regard to my pair, I withhold my vote.

Mr. LOGAN (when his name was called). For reasons given on the previous roll call I withhold my vote.

Mr. MOSES (when his name was called). Repeating the announcement of my pair, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as on the preceding ballot, transferring my general pair, I vote for Senator MOSES

Mr. SHEPPARD (when the name of Mr. THOMAS of Oklahoma was called). The Senator from Oklahoma [Mr. THOMAS] is unavoidably absent. He is paired with the Senator from Illinois [Mr. GLENN]. If the Senator from Oklahoma were present, he would vote for Senator PITTMAN.

Mr. WAGNER (when his name was called). I am paired with the junior Senator from Missouri [Mr. PATTERSON] and therefore withhold my vote.

Mr. WHEELER (when his name was called). On this vote I have a pair with the junior Senator from New Mexico [Mr. CUTTING]. If permitted to vote, I should vote for Senator PITTMAN.

Mr. McNARY. I wish again to announce the absence of the senior Senator from Washington [Mr. JONES] on important work and his pair with the senior Senator from Virginia [Mr. SWANSON].

The roll call having been concluded, resulted:

FOR SENATOR PITTMAN—36

Ashurst	Caraway	Harris	Morrison
Bailey	Connally	Hawes	Neely
Bankhead	Coolidge	Hayden	Robinson, Ark.
Barkley	Costigan	Hull	Sheppard
Black	Dill	Kendrick	Smith
Bratton	Fletcher	King	Trammell
Broussard	George	Lewis	Tydings
Bulow	Glass	McGill	Walsh, Mass.
Byrnes	Gore	McKellar	Walsh, Mont.

FOR SENATOR MOSES—27

Austin	Hatfield	Norbeck	Steiwer
Barbour	Hebert	Oddie	Townsend
Bingham	Johnson	Reed	Vandenberg
Dale	Kean	Robinson, Ind.	Walcott
Dickinson	Keyes	Schall	Watson
Goldsborough	McNary	Shortridge	White
Hale	Metcalf	Smoot	

FOR SENATOR McNARY—12

Blaine	Capper	Howell	Nye
Borah	Couzens	La Follette	Shipstead
Brookhart	Frazier	Norris	Thomas, Idaho

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 36 votes, Senator MOSES 27, and Senator McNARY 12. There have been cast 75 votes; necessary for a choice, 38. No Senator having received a majority of the votes cast, there is no election.

Mr. McNARY. Mr. President, again announcing my determination not to be considered in connection with this office, I shall cast my vote on the next ballot for Senator MOSES.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages from the President of the United States making sundry judicial nominations, which were referred to the Committee on the Judiciary.

[For nominations this day received see the end of Senate proceedings.]

ADJOURNMENT

Mr. WATSON. I move that the Senate adjourn, the adjournment being until to-morrow at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, December 16, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 15, 1931

UNITED STATES CIRCUIT JUDGES

James M. Morton, jr., of Massachusetts, to be United States circuit judge, first circuit. (To succeed George W. Anderson, retired.)

Morris A. Soper, of Maryland, to be United States circuit judge, fourth circuit, to succeed Edmund Waddill, jr., deceased. (Mr. Soper is now serving under a recess appointment.)

UNITED STATES DISTRICT JUDGES

W. Calvin Chesnut, of Maryland, to be United States district judge, district of Maryland, to succeed Morris A. Soper, appointed United States circuit judge, fourth circuit. (Mr. Chesnut is now serving under a recess appointment.)

John Knight, of New York, to be United States district judge, western district of New York, to succeed John R. Hazel, resigned. (Mr. Knight is now serving under a recess appointment.)

James Alger Fee, of Oregon, to be United States district judge, district of Oregon, to succeed Robert S. Bean, deceased. (Mr. Fee is now serving under a recess appointment.)

Robert J. McMillan, of Texas, to be United States district judge, western district of Texas. (To succeed DuVal West, retired.)

John Paul, of Virginia, to be United States district judge, western district of Virginia. (To succeed Henry C. McDowell, retired.)

ASSOCIATE JUSTICES OF THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

F. Dickinson Letts, of Iowa, to be an Associate Justice of the Supreme Court of the District of Columbia, to succeed Wendell Phillips Stafford, resigned. (Mr. Letts is now serving under a recess appointment.)

Daniel W. O'Donoghue, of the District of Columbia, to be an Associate Justice of the Supreme Court of the District of Columbia, to succeed Frederick L. Siddons, deceased. (Mr. O'Donoghue is now serving under a recess appointment.)

ASSISTANT ATTORNEY GENERAL

Roy St. Lewis, of Oklahoma, to be Assistant Attorney General, to succeed George R. Farnum, resigned. (Mr. St. Lewis is now serving under a recess appointment.)

UNITED STATES ATTORNEYS

Arthur B. Chilton, of Alabama, to be United States attorney, middle district of Alabama, to succeed Grady Reynolds, term expired. (Mr. Chilton is now serving under a recess appointment.)

Leroy M. Sullivan, of Alaska, to be United States attorney, district of Alaska, division No. 2, to succeed Julius Harold Hart, resigned. (Mr. Sullivan is now serving under a recess appointment.)

Paul F. Jones, of Illinois, to be United States attorney, eastern district of Illinois, to succeed Harold G. Baker, term expired. (Mr. Jones is now serving under a recess appointment.)

Charles A. Jonas, of North Carolina, to be United States attorney, western district of North Carolina, to succeed Thomas J. Harkins, resigned. Mr. Jonas is now serving under a recess appointment.)

Herbert K. Hyde, of Oklahoma, to be United States attorney, western district of Oklahoma, to succeed Roy St. Lewis, resigned. (Mr. Hyde is now serving under a recess appointment.)

Robert H. Talley, of Virginia, to be United States attorney, eastern district of Virginia, to succeed Paul W. Kear, resigned. (Mr. Talley is now serving under a recess appointment.)

UNITED STATES MARSHALS

Samuel Purvis, of Georgia, to be United States marshal, middle district of Georgia. (He is now serving in his position under an appointment which expired December 22, 1930.)

Allen B. Kale, of South Carolina, to be United States marshal, eastern district of South Carolina, to succeed Samuel J. Leaphart, term expired. (Mr. Kale is now serving under a recess appointment.)

G. Fred Flanders, of Georgia, to be United States marshal, southern district of Georgia, to succeed George B. McLeod, term expired. (Mr. Flanders is now serving under a recess appointment.)

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 15, 1931

The House met at 12 o'clock noon.

Father Frederick J. Bergs, Milwaukee, Wis., offered the following prayer:

Pour forth, we beseech Thee, O Lord, Thy grace into the hearts of these Thy servants who are assembled here in this distinguished body to deliberate and to help to decide over the present and future destinies of our country. Enkindle their hearts with a true desire to perform their duties properly, and give them to understand the magnitude of the power and authority entrusted to them through Thy delegation from the people. Let not rancor or party spirit bedim and sway their judgment in the momentous questions presented to them for discussion, so that the result of their findings may be of benefit to our Nation and pleasing in Thy sight.

Bless these, Thy servants. Bless our Chief Executive and all our public officials, and give them strength to rightfully and truthfully perform the duties of the office assigned to them. Have mercy on Thy people also, O Lord; and if it please Thee, take away from us the visitation which Thou hast permitted to come over them and the nations of the world. Help us to obey Thy divine commandments, so that all our acts and deeds may react to the benefit of our land and humanity and redound to your honor and glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE NATIONAL BUDGET AND THE PUBLIC CREDIT

Mr. HAWLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a speech made by the Under Secretary of the Treasury entitled "The National Budget and Public Credit."

The SPEAKER. Is there objection?

There was no objection.

Mr. HAWLEY. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech delivered by Hon. Ogden L. Mills, Under Secretary of the Treasury, before the Economic Club of New York, at the Hotel Astor, Monday evening, December 14, 1931.

The address is as follows:

You have invited me to discuss this evening the financial position of the United States Government and the many fiscal problems which confront our Government in these difficult times. I was very pleased indeed to accept, for I know of no subject in which all of our people, irrespective of whether they contribute directly to the Federal Government or not, are more vitally interested, or one which it is more important that they should understand. Adequate comprehension and support on the part of the Nation is essential to the Government in the performance of its fiscal functions.

We closed the last fiscal year with a deficit of $903,000,000. We are confronted this year with a prospective deficit of $2,123,000,000, and it is estimated that expenditures will exceed receipts by no less than $1,417,000,000 in the fiscal year 1933. If we contrast these figures with a surplus of $184,000,000 in 1930, one of $185,000,000 in 1929, and of $399,000,000 in 1928, we are shocked at the violence and suddenness of the change. For, while I am sorry to say that a falling off in income is an all too common experience these days, yet our Federal Government is so strong and our national resources are so great that somehow or other we feel that our Government should be superior to the ills to which individual citizens are subject. Indeed, there is so much truth in this conception that, as we shall see, the Government has but to make a further call upon available resources to put its financial house in order.

To grasp not only what has happened in the immediate past but what should be done in the immediate future it is necessary to understand our revenue system, and to note the essential fact that it rests on a very narrow base. Take the fiscal year 1930 as an example: We find that in that year, out of total receipts from taxation of $3,626,000,000, no less than $2,411,000,000, or two-thirds, was contributed by income-tax payers, corporate and individual; $587,000,000, or 16 per cent, from customs duties; and $628,000,000, or 17 per cent, from miscellaneous internal-revenue taxes, of which the tax on tobacco contributed $450,000,000 and the stamp taxes, chiefly on the issue and transfer of securities, about $69,000,000.

These taxes are comparatively few in number, and all, with the exception of the tobacco taxes, which have steadily grown in years of prosperity and remained comparatively stable even under adverse conditions, are susceptible to very wide variations, in accordance with changing business conditions. This is obviously true in the case of customs receipts, which, with imports reduced both in quantity and value, fell from $587,000,000 in the fiscal year 1930 to $378,000,000 in 1931. The direct relationship between business prosperity and the net income of corporations, upon which the income tax is based, needs no elaboration, and the sharp drop from $1,118,000,000 collected in 1930 to the $550,000,000 which it is estimated we will collect in 1932 is but another indication of the extent of the depression. A falling off in activity in the security markets must be accompanied by a sharp reduction in receipts from stamp taxes.

But it is when we come to the income tax on individuals that the dangers incident to too narrow a tax base are most strikingly exemplified. The number of individual returns for the calendar year 1928 aggregated 4,071,000. Of this number, 382,000 taxpayers contributed $1,128,000,000 and the other 3,689,000 individuals who made returns contributed but $36,000,000. Clearly, under our system large and moderately large incomes bear practically the full burden of the individual income tax. Now, these incomes, as we shall see, are the very ones subject to the widest fluctuations, since they include business profits, and more particularly because in recent years the element of gain and loss resulting from the purchase and sale of capital assets has had on them a preponderating influence. In so far as tax receipts are concerned, these fluctuations are magnified by our progressive rates which necessarily result in taxes rising at a more rapid rate than incomes as the latter move forward into higher and, on the other hand, falling with greater abruptness as they recede into lower brackets.

Taxes returned on individual incomes fell from $1,164,000,000 for the calendar year 1928 to $474,000,000, according to available information, for 1930. The number of returns of those with incomes of from $5,000 to $10,000 fell from 561,000 to 506,000, while the tax paid fell from $21,000,000 to $17,000,000, or 22 per cent. Of those with incomes from $10,000 to $100,000, the number fell from 360,000 to 252,000, and the tax from $409,000,000 to $208,000,000, or 49 per cent, while of those with incomes of $100,000 and over the number fell from 15,780 to 6,152, and the tax from $700,000,000 to $238,000,000, or 66 per cent.

While income from all sources declined, the one chiefly responsible for this almost perpendicular drop was gains from the sale of capital assets.

If we take the returns of individuals with net incomes of $5,000 and over, we find that the aggregate net income returned fell from $16,299,000,000, in 1928, to $10,119,000,000, in 1930, or a decrease of $6,180,000,000, and of this amount no less than $4,230,000,000, or about 68 per cent, is accounted for by the reduction in net profits in excess of losses, resulting from the sale of capital assets.

The question of taking into consideration, in the determination of taxable income, gains and losses from the purchase and sale of capital assets, has been the subject of much discussion. Many people believe that this feature of our income tax law should be eliminated, on the ground that it tends to promote, rather than to discourage, speculation in periods of expansion, and that it has a depressing effect in times of recession. I am inclined to think that this criticism is too sweeping, and that the supporting data is inadequate. Does anyone really believe that events would have been very different if we had had no income tax? If so, how are we to account for similar experiences in the past? And if it be urged that the magnitude of this folly was greater than ever before, my answer is that we made bigger fools of ourselves this time because our resources and the opportunities afforded us were infinitely greater. Certain it is that over a 10-year period this particular provision of our income-tax law has been extremely fruitful. Moreover, we must not forget that our conception of capital gain as income is an integral part of our income tax law, woven into its structure, and that it can not be eliminated without a complete rewriting of the law, and undoing the results of many years of trial and uncertainty, during which the interpretation of the law became clarified through administrative and court decision, and its administration reached a point where certainty began to take the place of arbitrariness and blind groping. Do we want to travel back over that long hard trail for so doubtful a benefit? For who can contend, as a matter of principle, that the handsome gain yielded without effort by a quick turn in the market is a less legitimate object of taxation than a hard-earned salary or the remuneration of doctors, lawyers, engineers, and

other professional men, whose earning capacity is developed only through years of constant application and unremitting effort?

In passing, while we are on the subject of income-tax statistics, there is a fallacy which I would like to correct. When the figures for the calendar year 1929 were published a number of gentlemen who think that all is for the worst in the worst of worlds claimed that here at last was the final decisive proof of the concentration of wealth in the United States in a few hands. They eagerly seized on the fact that 504 individuals reported incomes of a million and over, and that no less than 967 individuals had reported incomes of between $500,000 and a million; but when the returns for 1930 came in, we found that the former group had shrunk to 149 and the latter to 311, as compared with 206 and 376, respectively, in 1916. On the other hand, the number of individuals returning incomes of from $5,000 to $10,000 had grown from 150,000, in 1916, to 505,000, in 1930. The truth is that income-tax returns in any given year are unreliable guides in estimating the distribution of national income or wealth.

To summarize, our Federal Government relies on a very limited number of taxes, subject, generally speaking, to extreme fluctuations. It places its chief reliance on an income tax which, because of the character of its structure and the narrowness of its base, is susceptible to sharp increases and precipitous drops. As a result, our Budget lacks stability and is particularly vulnerable to a depression as sweeping as the one which has overtaken us. In consequence, our total receipts from taxation have shrunk from $3,626,000,000, in the fiscal year 1930, to an estimated $2,094,000,000, in the current fiscal year. Of this loss of $1,530,000,000, no less than $1,271,000,000 is accounted for by a falling off in income-tax collections.

In the meanwhile, expenditures are estimated at $4,482,000,000 for 1932, compared with an actual total of $3,994,000,000 for 1930, an increase of about $490,000,000. Of this increase approximately $350,000,000 is attributable to the estimated increase in expenditures for construction activities, including additional work on roads, public buildings, and a variety of emergency construction activities. It is estimated that the Veterans' Administration will require $231,000,000 more in 1932 than in 1930, reflecting an increase of $88,000,000 in funds required to meet loans to veterans on adjusted-service certificates and an increase of $143,000,000 for military and naval compensations and other services for veterans. Expenditures for the postal deficiency will be $103,000,000 larger than in 1930. The more important decreases include $54,000,000 for interest paid on the public debt, largely as a result of lower interest rates; $145,000,000 for public retirements principally due to the proposed postponement of payments by foreign governments for 1932, and $68,000,000 for refunds of receipts. It should be observed that total expenditures for 1932, aggregating almost $4,500,000,000, include about $1,000,000,000 for interest on the public debt and sinking-fund retirements and a similar amount to cover expenditures for veterans of all wars. Neither of these major outlays is subject to reduction at will, so that the opportunity for reducing expenditures is limited to the balance of some $2,500,000,000. Present estimates indicate a reduction in expenditures between 1932 and 1933 of about $370,000,000.

It is estimated that we will close the fiscal year 1932 with a deficit of $2,123,000,000. The outlook for 1933 is, however, a little more cheerful. Revenue from taxation rises from $2,094,000,000 to $2,168,000,000, and total receipts from $2,359,000,000 to $2,696,000,000, while, as I have pointed out, expenditures are cut by about $370,000,000, still leaving, however, an estimated deficit of $1,417,000,000. The combined deficits for the three years aggregate approximately $4,400,000,000, and, after deducting debt retirements effected through the sinking fund and by virtue of other statutory requirements, indicate an increase in the public debt of approximately $3,250,000,000.

There is the situation. Before discussing, however, why something must be done about it, and what that something should be, let us glance briefly at our public-debt figures. These have a direct bearing on the national credit. The problem of inadequate revenue and excessive expenditures can not be considered solely from the standpoint of providing for our immediate needs. The effect which these two diverging factors, unless remedied, will have on the public credit is of infinitely greater concern. Its maintenance is of supreme importance to us all.

Our gross debt, which had fallen steadily from $25,485,000,000, on June 30, 1919, to $16,185,000,000, on June 30, 1930, increased to $17,310,000,000 on November 30, 1931. In addition, during the past 17 months Government securities in the hands of the public were increased by $850,000,000 through the liquidation of Treasury notes held in the adjusted-service certificate fund in connection with the financing of additional loans to veterans, chiefly as a result of the legislation enacted at the last session of Congress. Of the total interest-bearing debt, aggregating $17,040,000,000, $14,310,000,000 consists of long-term bonds, some of which are callable in 1932, others in 1933; after the December financing, about $2,200,000,000 of open-market issues of certificates and notes having maturities of a year or less; and some $576,000,000 of 90-day issues of Treasury bills. These last may be rolled over, and offer, therefore, no particular problem. Thanks to three bond issues, made in March, June, and September, and the reduction effected in our short-term debt since January 1, 1931, the difficulties of financing the deficit in the current year have been lessened. The $2,200,000,000 of certificates and notes can readily be handled in quarterly tax-payment months, particularly as all of the quarter-days, beginning January 1, 1933, are open. But if we are called upon to finance, through borrowing, another huge deficit in 1933, and all manner of unwise and uneconomic expenditures in the meanwhile, leaving aside for the moment the general effect of the credit of the Government, our difficulties become very serious indeed. In November, 1933, $6,268,000,000 of Fourth Liberty Loan 4¼ per cent bonds become callable. They mature as early as 1938, and this immense issue must be retired or refunded over the comparatively short period of five years.

If, on the other hand, the increase in the public debt can be arrested during the fiscal year 1933, the Treasury's general debt retirement and refunding program, somewhat modified, of course, by the events of the last two years, is definitely manageable.

I do not mean to suggest that the addition of $3,000,000,000, or even $4,000,000,000, to our national debt could conceivably impair the national credit. That debt stood at $25,000,000,000 a decade ago, and the national credit was unimpaired; but I do say, with all the force at my command, that any temporizing with this situation, any failure to take the steps necessary to bring our Budget into balance within a reasonable time, any misuse of the public credit would furnish such evidence of lack of sound financial principles as might well result in shaken confidence and in apprehension lest these conditions prevail long enough to result in real damage. Our long-term bonds are selling to-day at a discount, even those bearing as high an interest rate as 3¾ per cent. Allowing for tightened money conditions and for all the unusual circumstances which surround us, there is no doubt but that some of the weakness manifested reflects the response of the investing public to the possibility that we may be confronted with a rapid increase in the public debt and in the volume of Government securities outstanding. There is fear of further huge grants to veterans; there is fear of major drains on the Treasury through uneconomic expenditures; there is fear of growing and unremedied deficits. All of this fear can be swept away only by adherence to sound financial principles and the development of a program of restricted expenditures and of increased revenues, which, if they do call for temporary sacrifices on the part of our people, will, in the long run, bring them infinite benefit.

In this period of deep uncertainty the unimpaired credit of the Federal Government is the most priceless possession of the people of the United States. We assume its existence as we assume the continuance of unlimited supplies of air and sunlight. It has been established through the pursuance of sound fiscal policy in the past and so must it now be preserved. The immediate cost in increased taxes is small in comparison with the immediate and lasting benefit to the Nation.

Let me at this point take the liberty of quoting briefly from the speech of a very great man, the late Senator Dwight Morrow, who, in describing how individuals take their own money with its present command over goods and services and surrender it not only to their own Government but to the governments of nations on the other side of the earth and receive in exchange for it a promise, went on to say:

"The question may be asked: Nothing more than a promise? To which answer may be made: Nothing less than a promise.

"I remember reading some years ago a letter of Thomas Bailey Aldrich written to William Dean Howells. Aldrich is writing of a friend who has just died and whose body is resting in 'a dismal London burying ground.' He says to Howells that it is not worth three pins to be a great novelist or a great general or a great anything else. Then he winds up his letter with this whimsical expression: 'Yet with a sort of hopeful vivacity I have just bought two 5 per cent railway bonds that expire in 1967. Who will be cutting off the coupons long before that? Not I.' There was Aldrich, despondent because of the transitoriness of life, taking his savings and putting them in railway bonds that matured long after his life would end. Every day investors are buying bonds, domestic and foreign, although they have every reason to wonder who will collect the coupons. Human lives stop. Promises go on. The civilized world to-day is run on the basis of a belief in promises. Whatever our doubts about the meaning of modern civilization, we may at least take some comfort in the trust which men show in each other's promises."

Now, this belief in promises, this credit structure of ours, depends to a very great extent upon the confident belief that the Government will meet its financial obligations promptly and punctiliously, on every occasion and in every emergency. Our currency rests predominantly upon the credit of the United States. Impair that credit and every dollar you handle will be tainted with suspicion. The foundation of our commercial-credit system, the Federal reserve banks, and all other banks which depend upon them, are inextricably tied into and dependent upon the credit of the United States Government. Impair that credit to-day, and the day after thousands of development projects—they are still going on—will stop; thousands of business men dependent upon credit renewals will get refusals from their bankers; thousands of mortgages that would otherwise be renewed or extended, will be foreclosed. Merchants who would buy on credit will cancel orders; factories that would manufacture on part capacity at least will close down.

It is true that a distressingly large minority of the wage earners of this country are now out of work. But we must not forget that a majority still have enough work to make a living. We have lost much; but we have infinitely more to lose.

What we still have, what we hope for in the future, are dependent in a large degree upon the preservation, unimpaired, of the credit of the United States. It will cost something to preserve it. The cost is additional taxation. The wealthy, the captains of industry, the bankers, must contribute to meet this cost; but the

small business man, the white-collar man, the farmer, and the wage earner have an equally vital stake in the preservation of the Nation's credit. The new taxes will cut into the incomes of the rich, and they will affect by some small amount the contributions made to the Government by those in moderate circumstances. But the result—the preservation of the Nation's credit—is worth this cost, and for that matter, an even much greater one, to all who are called upon to make some temporary sacrifice.

It is sometimes urged that, since in the course of eleven years prior to the fiscal year 1931 we had retired some $3,460,000,000 of debt from surplus receipts, we are justified in incurring deficits up to that amount. There is some force to the argument. We have created something in the nature of a reserve which we are warranted in drawing on, certainly to some extent. But there are definite limitations. In the first place, in the early years of the decade a large part of the current surpluses were due to the sale or other disposal of capital assets the returns from which could most properly be applied to debt reduction, and other receipts of a nonrecurring character. In the second place, when the sinking fund was created, it was assumed that loans to foreign governments would be repaid in full, and would be applicable to the retirement of a very large part of our public debt; whereas the amounts due us from abroad have since then been whittled down by the debt-funding agreements. And, finally, even if we assume that we are justified in borrowing up to the full amount of $3,460,000,000, that sum will be almost absorbed by last year's and this year's deficits.

As the Secretary of the Treasury pointed out in his annual report, there are certain basic principles in the conduct of public finances which can not be disregarded by any nation. First, the sinking fund, designed for gradual retirement of the public debt, must be maintained, and when of necessity the public debt is increasing, the regular sinking-fund appropriations must be accepted in the accounts of the Government as fixed charges against revenues. Second, over a period of years, revenues must be equal to expenditures. Deficiency for a time may be inevitable, but the principle of a balanced budget must never be abandoned; and when emergency conditions upset the balance, every effort must be made to restore it at the earliest possible opportunity.

Bearing constantly in mind that additional taxes should not be so great as to retard the business recovery, upon which the restoration of the normal flow of revenue depends, the Treasury program submitted to the Congress last Wednesday has three definite objectives: First, a reduction in the prospective deficit this fiscal year; second, no further increase in the public debt in the fiscal year 1933; third, a balanced budget in 1934. We do not feel justified in asking for more; we would have failed in our duty had we recommended less.

The attainment of our goals necessitates additional revenue in excess of $900,000,000 in the year 1933. In the development of a program we considered many forms of taxation. We weighed, for instance, the merits of the general sales or turnover tax, but rejected it, not only because it bears no relation to ability to pay and is regressive in character but because of the enormous administrative difficulties and the almost inevitable pyramiding of the tax in the course of successive sales.

We studied the limited manufacturers' or producers' sales tax, which is being administered with a fair degree of success in Canada. In Canada a tax is imposed at the rate of 4 per cent on the manufacturers' sale price, or the import value of all goods not exempt, which are produced or manufactured in Canada or imported into Canada. Retailers are exempt. It is distinctly not a turnover tax. Practically all raw materials of farms, mines, fisheries, etc., are exempt, as are most small manufacturers and producers, such as custom tailors, shoemakers, plumbers, opticians, et al. The extent of the exemptions is very great. They fill 10 closely printed pages and cover thousands of specific items and classes of items. Pyramiding is avoided by a mechanism of licenses and certificates. Every manufacturer and wholesaler is required to take out a license. If one licensed manufacturer buys from another licensed manufacturer or licensed wholesaler, he notes his certificate number on the order; this is noted on the sales invoice, and the sale is exempt.

When the last licensed taxpayer sells to an unlicensed purchaser the tax is collected. Administrative discretion is granted to an extent unheard of in this country and which I doubt whether our Congress would ever be willing to grant. Not only has the Minister of Finance final power to fix the wholesale price or value to which the tax rate is applied in uncertain cases, not only are deductions and refunds discretionary, but from 1922 until 1931 the governor in council had power to exempt articles from the sales tax. The success of the tax appears to be due not only to good administration but to this very wide administrative discretion. The tax is unquestionably passed on and adds, therefore, to the cost of living.

With some 200,000 manufacturing establishments in the United States, our much more extensive and complicated industrial mechanism, our tendency to set out administrative procedure with almost meticulous accuracy in our statutes, and our reluctance to grant administrative discretion or the authority to administrative officers to make final decisions, it is more than doubtful whether the Canadian sales tax would meet with the success in our country than it has across the border. Certain it is that many months would elapse before the necessary administrative machinery could be set up and a number of years before such a new form of taxation could be firmly established in this country. And we are in need of additional revenue now.

In any event, we concluded that, on the whole, it is wiser for us to resort to those forms of taxation with which we have had experience and are thoroughly familiar rather than to embark on new and untried ventures. If this conception is sound, we have but to take a step backward and to relinquish temporarily the benefits of the tax reductions effected in the period of expanding revenues. It isn't necessary to retrace many steps and to return either to the revenue act of 1918 or of 1921, but what we desire can be accomplished by returning in principle to the general plan of taxation existing under the revenue act of 1924, with such changes as are appropriate in the light of existing conditions.

The advantages of such a program are manifest. From an administrative standpoint we have not only had the necessary experience but we are so organized as to take on this new burden without difficulty. From the standpoint of the taxpayer and of the Nation there is no occasion for alarm, for we are simply reimposing upon ourselves for the time being taxes which we didn't find too burdensome and the existence of which proved no impediment to business expansion and growing prosperity.

It is unnecessary to describe the program in detail, for I doubt not all of you have read it with interest and I trust without concern. Generally speaking, it provides for the retention and in some instances an increase in existing excise taxes; a restoration of the manufacturers' sales tax on automobiles, trucks, and accessories; of the stamp tax on conveyances of realty; and of the tax on telephone, telegraph, radio, and cable messages; and the imposition of new taxes on manufacturers' sales of radio and phonograph equipment and on checks and drafts. The rate of tax on corporate income is increased but slightly, from 12 to 12½ per cent. We have refrained from recommending the restoration of the capital-stock tax, which was in the 1924 law, not only because it was an unfair and unequal tax, involving most difficult administrative problems, but with a view to placing not too great a burden on business at the present time. A return to the 1924 act necessarily involves a sharp increase in the rates applicable to individual incomes and the taxing of many taxpayers who since 1924, owing to very high exemptions, have been relieved from the obligation of contributing to the support of their Government, though enjoying a very genuine ability to contribute certainly the very moderate amounts demanded by the 1924 act.

When the 1924 act was before the House of Representatives, no one fought harder than I did to reduce the rates to the point later established by the 1926 act. I believed then, and I believe now, that under normal conditions a 20 per cent rate is sounder than a 40 per cent rate, not only from the standpoint of our general economy but, in the long run, from the standpoint of productivity. But these are not normal times. There is an emergency, and we are proposing emergency measures to meet it. Men who still have very large incomes can not object, under the circumstances, to contributing largely. Men with comparatively large incomes should be willing to do their share, and those in more moderate but comfortable circumstances will surely feel that they can spare something for the support of their Government. I am confident that, if only there be a proper understanding of the necessities of the case, the temporary sacrifices demanded will be met, if not joyfully, at least wholeheartedly and with philosophy and good humor.

After all, even in these days which appear so dark, we are still fortunate as contrasted with other nations. After a hard-boiled Treasury has done its worst—and when you gloomily view the approach of the ides of March, I suggest that you place these figures on your desk as you make out your income-tax return: A married man with one dependent, and with an income of $5,000, will pay, under our Treasury's proposal, $31.50 in taxes; a man similarly situated in Great Britain pays, under Mr. Snowden's latest budget proposals, $650. A man with an income of $10,000 pays $153 in the United States and $1,800 in Great Britain. One with $100,000 pays $22,030 in the United States and $48,000 in Great Britain. We would grant an exemption of $1,500 for a single man, $2,500 for a married man and $400 for each dependent. Great Britain's exemptions are as follows: For a single man, $485; for a married man, $730; for the first dependent child, $245; and for each other child, $195.

If our program is adopted, it is estimated that we shall obtain during the full fiscal year 1933 an additional $60,000,000 from corporations, $185,000,000 from individual income taxpayers, $11,000,000 additional from estates, and $514,000,000 additional from miscellaneous internal-revenue taxes. In addition, we have recommended that postal rates be so adjusted that the Post Office Department's revenues will cover, by a reasonable margin, its expenditures, exclusive of such special services as the cost of free postal services performed for Government departments and agencies, the excess of the cost of air mail services over revenues, and the cost of special rates paid to ocean mail carriers under American registry. There is no reason why the public should not pay the cost of the service it receives from the Post Office Department, or why the latter, as an essentially business institution, should not be self-supporting.

I have no illusions as to the feelings with which a program of drastic tax increases is received, and I can assure you that it is anything but a pleasant task to participate in the preparation and submission of such a program, but no man, whether he be a Treasury official or a taxpayer, can open-mindedly examine the existing situation and not reach the conclusion that the alternative for increased taxation is infinitely worse for the Nation. I find some consolation in the thought that the contribution to be made by people with moderate incomes is still fairly light, and

that those whose incomes remain in the upper brackets in times like these are in such a preferred class as to occasion little concern for them, though if circumstances permitted I should much prefer to see them buy bonds rather than pay additional income taxes. When we come to the miscellaneous group, the rates are not so high as to interfere with the flow of goods or services, or to constitute a real burden on those who buy or enjoy them. Can we seriously complain if cigarettes and radios and admissions to places of amusement—yes, even seminecessities such as automobiles—are to cost a trifle more, or if we are to pay 2 cents for the privilege of using checks and an additional cent on transfer of securities? These are not intolerable burdens, particularly when we are asked to assume them to meet the necessities of a real emergency.

But, let me add that if the people of the United States make this sacrifice and furnish almost a billion dollars of additional funds to their Government, they have the right to insist, and I hope that they will, that not one penny is expended extravagantly, politically, or unwisely, but that just as enforced rigid economy prevails throughout the country so will it be observed in Washington.

Let me close with a general observation or two. The problems at home and abroad which appear so great are not insoluble. They will yield readily enough to a resolute, courageous, and intelligent attack. The real difficulties in the present situation are those inherent in human nature, in the element of fear which seems to possess the souls of men in the face of an uncertain future, and in fixed conceptions and attitudes. There is more to fear from frozen minds than frozen assets. We can not look to governments or to a few leaders. The necessary measures must be taken and the recuperative forces must be set in motion by the great masses of the people themselves.

But if the nations and the individuals who compose them, laying aside preconceived notions, prejudices, and above all, fear, will face the realities of the situation and will look to the future rather than to the past, then we can fairly hope to emerge from this deep valley at a comparatively early period. There must, of course, be guidance and leadership, but the real responsibility rests on each and every one of us, and our failure to meet our daily problems with intelligence and courage is not only a betrayal of others but of our own cause.

CONTROL OF LIQUOR TRAFFIC

Mr. ALDRICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting an article printed in the Providence Bulletin, which contains an interview with me on a constitutional amendment.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

Mr. UNDERHILL. Reserving the right to object, it is understood that these are the gentleman's own remarks?

Mr. ALDRICH. Yes.

There was no objection.

Mr. ALDRICH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following article from the Providence Bulletin which contains an interview with me on a constitutional amendment:

[The Providence Bulletin, November 30, 1931]

ALDRICH TO OFFER NEW PLAN TO CONTROL LIQUOR TRAFFIC—WOULD SUBMIT COMMISSION IDEA TO ALL STATES

WASHINGTON, November 29.—Regulation and control of the liquor traffic by a method never before proposed is provided in a resolution which Representative RICHARD S. ALDRICH, of Rhode Island, will introduce on the opening day of Congress. It calls for submitting to the States a constitutional amendment as an addition to the eighteenth amendment, but on altogether new lines.

Under the amendment the States would be divided into nine groups or districts, from each of which would be elected a commissioner to serve for eight years, the nine commissioners making up a committee that would have authority to license any State making application to manufacture, sell, or transport liquor under such terms and conditions as the State may desire and the commission may prescribe.

Such a commission would be unlike any governmental body in existence in this country. Its members would be elected by popular vote in a form of Federal election not now existing, for all the States in a group would vote for choice of identical candidates, entailing a measure of Federal supervision. The districts would contain as nearly as possible equal populations.

Under the Aldrich plan the provisions of the eighteenth amendment and all laws pertaining to the subject, whether enacted thereunder or not, would remain in effect throughout the United States and its possessions, except when modified by licenses issued by the commission to the several States. After a State had applied for and obtained a license the provisions of the license would become the law of the licensee State in regard to the manufacture, transportation, and sale of all liquors specified in the license. If a State wanted to limit alcoholic beverages to wines and beer, its license could be so worded.

The revenue derived by the Federal Government under this amendment would be obtained from license fees as fixed by the commission and would be paid by the licensed State, not by any individual. In a State which had obtained a license, congressional enactments inconsistent with the provisions of the license would not be operative.

Congress would retain the power to fix the compensation of the commissioners, to impeach and try the commissioners, to judge election returns and qualifications of commissioners, to decide the time and manner of holding the elections, and to appropriate money for the expenses of the commission. Beyond these powers the liquor question would be removed entirely from Congress in the States receiving licenses.

"The chief objects of the amendment which I propose," said Representative ALDRICH to-day, "are:

"1. To modify the eighteenth amendment to the Constitution so that the States electing so to do may adopt a more liberal system, and

"2. To take the liquor question out of Congress, at the same time retaining a Federal supervision over the action of the States in regard to manufacture, transportation, and sale of intoxicating liquors.

"I believe there are numerous reasons why this question should be taken out of Congress. An important one is this: With the growth of the country and continual expanding of the Federal jurisdiction over new matters, the burdens of Members of Congress should be reduced rather than increased, if we expect to maintain a high standard of efficiency in the legislative branch of the Government.

"Another reason may be stated thus: The voter in casting his vote for President or Members of Congress should be able to express preferences on the great economic questions which are confronting the country to-day without having them confused by injection of the prohibition issue into every campaign.

OUT OF HANDS OF CONGRESS

"Thus I propose taking the matter out of the hands of Congress, except in regard to a few matters of detail, and placing Federal supervision in the hands of a commission to be elected by the people.

"In drafting the amendment a great number of technical constitutional questions have arisen. Most of these, I believe, have been solved in a satisfactory manner. A few necessarily have been left for further consideration.

"An attempt has been made, and I think successfully, to meet the specifications of desirable means of regulation set forth in the report of the Wickersham Commission. Control of the traffic is lodged in the Federal license commission, and the initiative is lodged with the States.

"Under this plan it will be possible for the commission to permit a State to adopt the Swedish system, the Norwegian system, the Danish system, or any one of the Canadian systems, with any modifications which the commission may consider desirable. They may try out one system in one State and another system in another, and in that manner obtain valuable information as to the desirability of the various systems, at the same time conserving the benefits of the present situation in those States where conditions are satisfactory."

PROVISIONS FOR ELECTIONS

A provision of the amendment is that Congress, in setting the time for the first election of commissioners, shall arrange it so that they will not be chosen in an election for which electors for President are elected. The plan is to divide the nine chosen at the first election into two classes, one class of five to serve eight years and the other class of four to serve four years, their successors to serve, however, for eight. Thus there would be elections every four years—nonpresidential years—but in different sets of districts.

The nine districts specified in the amendment are arranged in accordance with the 1930 census and with the rules set up in the amendment itself that each district "shall be composed of contiguous and compact territory and such districts shall be as nearly equal in population as shown by the census as practicable." It is provided, however, that all parts of a State shall be in the same district. After each census there shall be a regrouping if necessary to preserve equality in population.

PROPOSED DISTRICTS

The proposed arrangement of the districts to begin with follows:

First (population 8,166,341): Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut.

Second (population 12,588,066): New York.

Third (population 14,397,933): New Jersey, Pennsylvania, and Delaware.

Fourth (population 15,116,345): Ohio, Indiana, Kentucky, and Tennessee.

Fifth (population 15,411,985): Illinois, Wisconsin, and Michigan.

Sixth (population 15,151,397): Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas, and Arkansas.

Seventh (population 15,968,340): Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, and Florida.

Eighth (population 14,978,417): Louisiana, Oklahoma, Texas, Alabama, and Mississippi.

Ninth (population 11,896,222): Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, and California.

In the preparation of his proposed amendment Representative ALDRICH had the assistance of the legislative council of the House of Representatives and of other qualified authorities.

TEXT OF RESOLUTION

The text of the resolution follows: Joint resolution proposing an amendment to the Constitution amending the eighteenth amendment.

Resolved, etc., That the following is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"That the eighteenth article of amendment is amended by adding at the end thereof the following new sections:

"'SEC. 4. (a) There shall be a Federal license commission which shall be composed of nine commissioners who shall have the qualifications of Representatives in Congress and who shall hold their offices during the term of eight years, commencing on the same date as the terms of Representatives. After each census the commission shall divide the States of the United States into nine districts, each of which shall be composed of contiguous and compact territory, and such districts shall be as nearly equal in population as shown by such census as practicable. All parts of a State shall be in the same district. One commissioner shall be elected from each of such districts, and the electors in each State shall have the qualifications requisite for electors of the most numerous branch of the State legislature. A commissioner elected to fill a vacancy shall serve only for the unexpired part of the term of his predecessor.

POWERS OF COMMISSION

"'(b) The commission shall have the sole power:

"'(1) To grant a license to any State applying under authority of law thereof authorizing such State to provide for the manufacture, sale or transportation of any or all intoxicating liquors into, within, or from, the importation thereof from any place outside the jurisdiction of the United States from such State. Licenses shall be granted for terms of 10 years, but the commission may refuse to grant any such license or may grant it subject to such conditions as the commission deems advisable. Each such license shall contain such provisions for the assessment by the commission and payment to it by the State of such fines and penalties as the commission deems necessary to enforce compliance by the State with the terms of the license and shall contain provisions under which the commission shall raise revenue by collecting such fees for the issuance of and operations under the license and by collecting from the State in respect of intoxicating liquors provided for in the license such taxes as the commission deems advisable. All sums received by the commission from fees, fines, penalties, and taxes shall be covered into the Treasury of the United States. The commission may revoke or suspend any license, in whole or in part, for substantial or persistent violation of the terms of the license.

"'(2) To renew or modify any license issued by the commission except that no license shall be renewed or modified except upon application by the State under the authority of law thereof.

"'(3) To make such exemptions from the operation of the law of the United States or of any State as, in the judgment of the commission, are necessary to give effect to any license.

"'(4) To regulate the procedure of the commission, appoint, fix the compensation of, and remove employees of the commission, and provide for all matters relating to the administration of its affairs.

POWERS OF CONGRESS

"'SEC. 5. (a) Congress shall have power to:

"'(1) Provide, by law, for the payment of compensation to the commissioners which shall not be diminished during their continuance in office.

"'(2) Impeach and try impeachments of commissioners, but the same conditions shall apply thereto as in the case of other officers of the United States.

"'(3) Judge the elections, returns, and qualifications of commissioners.

"'(4) Fix by law the times, places, and manner of holding elections for commissioners.

"'(5) Appropriate by law money out of the Treasury for the expenses of the commission.

"'(b) Neither Congress nor the States shall have power to tax the exportation of any intoxicating liquors from any State to any place outside the jurisdiction of the United States, nor shall any State have power to tax the importation of any intoxicating liquors from any place outside the jurisdiction of the United States, but Congress shall have power to tax intoxicating liquors so imported, but shall not have power to tax any other intoxicating liquors provided for in any license. The commission shall not have power to tax any State in respect of any intoxicating liquors which, under this section, such State can not tax.

"'SEC. 6. Places (not States or parts thereof) subject to the jurisdiction of the United States shall, for the purposes of sections 4 and 5, be considered States except that no such place shall be included for the purpose of establishing districts or electing commissioners therefrom. The legislative authority of any such place, if it has a legislature, shall have the same powers as a State legislative authority in connection with any matter under such sections, but laws enacted in pursuance of such powers shall have no effect if disapproved by Congress. In case such place has no legislature, Congress shall exercise such powers.

ELECTION TIMES TO BE SET

"'SEC. 7. Congress shall fix the time of electing the commissioners first elected so that they will not be elected at an election at which electors for President are elected. Until the commission has established districts, the districts shall be as follows:

"'District No. 1—Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut;

"'District No. 2—New York;

"'District No. 3—New Jersey, Pennsylvania, and Delaware;

"'District No. 4—Ohio, Indiana, Kentucky, and Tennessee;

"'District No. 5—Illinois, Wisconsin, and Michigan;

"'District No. 6—Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas, and Arkansas;

"'District No. 7—Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida;

"'District No. 8—Louisiana, Oklahoma, Texas, Alabama, and Mississippi; and

"'District No. 9—Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, and California.

"'Immediately after the commissioners shall be assembled in consequence of the first election they shall be divided into two classes of five and four, respectively, and the term of those of the smaller class shall expire at the end of the fourth year, but their successors shall hold their office for eight years.'"

THE AMERICAN TRADITION OF HOME RULE

Mr. ANDREW of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks by including an address which I gave over the radio under the auspices of the Sentinels of the Republic upon the subject of home rule in America.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ANDREW of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the text of my address, as follows:

The Sentinels of the Republic, under whose auspices I am privileged to speak to-day, are a group of volunteers endeavoring to preserve for our country the American tradition of home rule. Like sentinels in the Army, they stand at the doors of Congress, challenging the legislative proposals that continually seek entry. When they find these proposals at variance with that American tradition, they resist their passage and, if necessary, sound an alarm for aid in arresting them. The mission of the Sentinels of late has become increasingly difficult.

During the World War the Government in Washington assumed emergency command over almost everything, and in the years that have followed the country has been slow in restoring to State and local control many of the activities which in war time were brought under national rule. And now, in the midst of economic depression, our traditional system of local self-government is being subjected to still further strain from a multitude of schemes to widen the sphere of Federal control under the guise of temporary relief, but which are likely to persist long after the emergency has passed. The sentinels to-day face greater obstacles than ever before. Their duties require alert and increasing vigilance. They merit our cooperation and the support of every American who cherishes our institutions and our heritage of freedom.

HISTORICAL BASIS FOR HOME RULE IN AMERICA

The American policy of home rule is the outgrowth of our country's democratic beginnings, but it also has its justification in experience and common sense. Our American system of government differs in its historical evolution from those of European countries with monarchial and military traditions. Unlike the governments of the Old World, ours was not founded upon the theory of the divine right of kings and was not developed through the urge for conquest or the necessity for defense. It was not derived from a highly centralized incarnation of power which had granted limited authority to subordinate agencies. On the contrary, its radiation of power has always flowed from the parts to the center rather than from the center outward.

The elements from which it grew were local town meetings, where all of the people took part. They in turn established joint representation in colonial or State legislatures to carry on the business in which they had a common interest, and eventually, when the various States sought to throw off the yoke of foreign control, these States federated their forces in a combined effort to accomplish that particular purpose. After achieving independence they decided to remain united, but with such limitation and definition of the central government's field of activity as would protect the individual States from Federal encroachments upon their original authority. In order to insure this from too easy chance of change, they adopted a National Constitution, deliberately conveying to the Federal Government control over only such matters as were essentially national and which could not be well looked after by the individual States. The powers assigned to national control included the handling of our foreign relations, the maintenance of the Army and Navy, the control of our monetary system, the administration of the post offices, and the regulation of interstate and foreign commerce, but all powers not specifically delegated to the central Government were expressly reserved to the States or to the people. This was the first system of government in the world in which sovereign powers were so divided, part to be exercised by the central body and part to be exercised locally. For the first

time in history a government was created with a clear distribution of functions between the Federal, State, and local members. The Federal Government had power to deal only with international and interstate business. The State governments reserved control over activities that were not of an international or interstate character, while the county and municipal governments, under many of the State constitutions, still remained in charge of matters primarily of local interest. The United States thus began its national history with a larger measure of home rule than any other important country.

There are people to-day inclined to the opinion that with changing conditions, the original allocation of powers as defined in the Federal Constitution and in the constitutions of the several States, has ceased to have much merit and ought to be abandoned. They would turn over to the State governments control over many of the things which have been administered by the towns and cities, and they would revise the Federal Constitution so as to give the National Government free scope to manage almost everything that its legislators and officials might choose to regulate or administer. The Sentinels of the Republic believe, however, that the American system of home rule is not to be regarded as a historic survival which has outlived its day, but that it is fundamentally reasonable and advantageous and ought to be watchfully safeguarded from insidious attack.

HOME RULE ENCOURAGES POPULAR INTEREST IN GOVERNMENT

Only through the preservation of home rule can we hope to maintain popular interest in government, and everyone agrees that democratic government can succeed only in proportion as the people take an active interest and feel a sense of responsibility in its regard. The deepest interest and the liveliest sense of responsibility which the average human being feels center about his family and his home. In order to provide for them, he gives most of his thought and energy and strength. Somewhat less active, but still strong, is his concern for the community in which he lives, its schools, its hospitals, its police, water supply, sewerage, and other public undertakings.

As the circle widens, however, the citizen's sense of participation and obligation continually dwindles in intensity. It diminishes as the distance increases, and as the individual's power to affect results decreases. In his town or ward his influence is perhaps measured by 1 vote in several thousand; in his State he may have only 1 vote in a million; in the Nation barely 1 in 40,000,000. He follows the doings of his municipal council rather closely. He knows less about the transactions of the State legislature, and as for the daily grist of legislation in Washington he knows virtually nothing, except when occasional measures, frequently by no means the most important, get into the headlines.

It follows then that the more you transfer of control to a distant center like the Capital in Washington, the more negligent people become of their duties as citizens, the less informed and careful they are about the character of the laws that are being adopted, and the less concerned with their efficient administration. Government, especially in a country as vast as ours, runs the risk of becoming more and more a system of control imposed from the remote outside in which the average citizen feels that he has little influence and slight incentive to take part. But conversely, the more you preserve of home rule and local control in public affairs the more you keep alive a general interest in government, in the efficiency of the officials selected, in the type of legislation being enacted, and in the administration and observance of the laws.

This advantage of home rule has been all too often overlooked by well-intentioned people who try to have our National Government take charge of a thousand and one matters that lie close to our individual lives, and that have hitherto been looked after by State or local governmental agencies.

HOME RULE PROMOTES ECONOMY IN GOVERNMENT

Then, again, it is only through the preservation of home rule that one can look for economy in government. In extending the activities of the Federal Government the tendency often is to develop a Federal administration running parallel to those already operating in the States. This results in two sets of laws governing the same subjects, though not always conforming one with the other. It creates two sets of bureaus, Federal and State, doing much the same things, with a twofold machinery for their management and enforcement. It doubles the necessary personnel and expense. With the augmentation of Federal authority in recent decades, the number of Federal officeholders has continually multiplied, while the State personnel has increased at the same time. During the past 50 years the number of people on the Federal pay rolls has grown about four times as rapidly as the population, and the cost of the purely civil establishment (leaving out of account the Army and Navy, the enormous expenditures on behalf of veterans, and the payments on the public debt) is to-day nearly five times as much for every man, woman, and child in the country as it was 50 years ago. Yet during the same period the per capita expenditures of the States have likewise been steadily mounting, and State employees have also increased in number much more rapidly than the population. The cost of government in the United States to-day is close to an eighth of our estimated national income. It was a tenth not long ago, and not long before that it was a twelfth. What are we headed for, and whither is it all tending, except toward an impossibly expensive and overgovernmentalized nation, composed in the main of Federal and State officials and their agents and employees?

So long as the business of government is kept under the watchful eyes of those who bear its cost, there is a natural check upon overlapping and duplicating expenditures, but when spending bodies are established far from the tax-paying public, this brake upon needless expense ceases to function. The Federal Government can spend ten millions here or fifty millions there, or a hundred millions somewhere else, without eliciting any critical scrutiny from the average citizen, or any perception of the fact that this expenditure may be in large part a superfluous duplication by the Government in Washington of expenditures for a similar purpose on the part of the several States. It is, therefore, a dictate of prudence to challenge and examine carefully every proposal to extend Federal activity in fields that have belonged to the States.

HOME RULE PRESERVES RESPECT FOR GOVERNMENT

There is a widely current illusion that the Federal Government is more effective in the exercise of its powers than are the governments of the States. Many people seem to think that there is something almost magical about the Government in Washington, that if State and local laws are inadequate, Washington can frame laws upon every conceivable subject that are perfect, that if State and local bureaus and officials are incompetent, Washington bureaus and appointees will be efficient and full of energy, that if State and local laws are not enforced, all that need be done is to pass laws in Washington, and these laws will be everywhere observed and respected. Yet, after all, the people in Washington also have their human limitations. They are not omniscient, nor are they omnipotent. Their days are also limited to 24 hours. It is a good deal to expect of them to frame appropriate laws to govern every activity of people's lives, everything that people buy and sell, everything that they use or abuse, everything that they enjoy, everything that they may choose to do. And it is still more presumptuous to assume that the bureaus in Washington and their agents throughout the country can enforce these laws in all localities, regardless of whether or not the preponderant opinion of the citizens approves of them.

Federal laws, according to the Constitution, must apply uniformly throughout the length and breadth of the land. They allow of no adjustment to local interests and no adaptation to local opinions. On that account many well-meaning people think that they are preferable to State laws and offer a quicker and easier method of getting rid of what they consider local abuses and deficiencies in legislation. But unless these laws appeal to the judgment and conscience of good citizens in all sections of the country the attempt to coerce uniformity by resort to the central government can not but breed local dissension and weaken respect for that government's authority. In a country as vast as our own, and with as wide diversities of local customs, opinions, and interests, by adopting one rigid and inflexible Federal measure after another, the tendency is to remove the Federal Government further and further from the people; to make it less and less responsive to their will and more and more the object of their animosity.

The men and women who settled the Thirteen Colonies came to America to escape the oppression of strongly centralized governments in which they had no voice. The people of our day can not emigrate to another world, but unless the essential principles of government by the consent of the governed can be maintained here the time may come when they will seek some other way to reestablish home rule.

ELECTION OF COMMITTEES

Mr. RAINEY. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read the resolution, as follows:

Resolution offered by Mr. RAINEY:

House Resolution 61

Resolved, That the following Members be, and they are hereby, elected members of the following standing committees of the House of Representatives, to wit:

Accounts: William J. Driver, Arkansas; Samuel Rutherford, Georgia; John W. Boehne, jr., Indiana.

Agriculture: Marvin Jones, Texas (chairman); Hampton P. Fulmer, South Carolina; William W. Larsen, Georgia; William L. Nelson, Missouri; Wall Doxey, Mississippi; D. D. Glover, Arkansas; John N. Norton, Nebraska; John R. Mitchell, Tennessee; Cap R. Carden, Kentucky; John W. Flannagan, jr., Virginia; Harry P. Beam, Illinois; James G. Polk, Ohio; Richard M. Kleberg, Texas.

Banking and Currency: Henry B. Steagall, Alabama (chairman); Charles H. Brand, Georgia; William F. Stevenson, South Carolina; T. Alan Goldsborough, Maryland; Anning S. Prall, New York; Jeff Busby, Mississippi; Michael K. Reilly, Wisconsin; Frank Hancock, North Carolina; Clyde Williams, Missouri; Percy H. Stewart, New Jersey; Wesley E. Disney, Oklahoma; William L. Tierney, Connecticut.

Census: Ralph F. Lozier, Missouri (chairman); John E. Rankin, Mississippi; René L. DeRouen, Louisiana; O. H. Cross, Texas; John H. Kerr, North Carolina; Andrew L. Somers, New York; Thomas A. Yon, Florida; Ralph Gilbert, Kentucky; William H. Larrabee, Indiana; Bernhard M. Jacobsen, Iowa; William L. Fiesinger, Ohio; Lynn S. Hornor, West Virginia.

Civil Service: Lamar Jeffers, Alabama (chairman); William I. Sirovich, New York; Claude A. Fuller, Arkansas; Robert Ramspeck, Georgia; John J. Douglass, Massachusetts; René L. DeRouen, Louisiana; Wright Patman, Texas; James F. Fulbright, Missouri; John W. Boehne, jr., Indiana; Howard W. Smith, Virginia; Brent Spence, Kentucky.

Claims: Loring M. Black, jr., New York (chairman); J. Bayard Clark, North Carolina; Robert Ramspeck, Georgia; Samuel Dickstein, New York; Ralph F. Lozier, Missouri; Fletcher B. Swank, Oklahoma; John E. Miller, Arkansas; Howard W. Smith, Virginia; John W. Boehne, jr., Indiana; Byron B. Harlan, Ohio.

Coinage, Weights, and Measures: Andrew L. Somers, New York (chairman); Edgar Howard, Nebraska; John J. Douglass, Massachusetts; Bolivar E. Kemp, Louisiana; Robert A. Green, Florida; Vincent L. Palmisano, Maryland; John J. Cochran, Missouri; William H. Larrabee, Indiana; William L. Fiesinger, Ohio; Paul J. Kvale, Minnesota.

Disposition of Useless Executive Papers: Robert A. Green, Florida (chairman).

District of Columbia: Mary T. Norton, New Jersey (chairman); Vincent L. Palmisano, Maryland; Wright Patman, Texas; Howard W. Smith, Virginia; Allard H. Gasque, South Carolina; Loring M. Black, jr., New York; J. Bayard Clark, North Carolina; Ralph Gilbert, Kentucky; Lynn S. Hornor, West Virginia; Byron B. Harlan, Onio.

Education: John J. Douglass, Massachusetts (chairman); Loring M. Black, jr., New York; Vincent L. Palmisano, Maryland; René L. DeRouen, Louisiana; La Fayette L. Patterson, Alabama; Martin J. Kennedy, New York; Edward A. Kelly, Illinois; John H. Overton, Louisiana; William H. Larrabee, Indiana; Joseph B. Shannon, Missouri; Paul J. Kvale, Minnesota.

Election of President, Vice President, and Representatives in Congress: Samuel Rutherford, Georgia (chairman); Lamar Jeffers, Alabama; Ralph F. Lozier, Missouri; Patrick J. Carley, New York; Lindsay C. Warren, North Carolina; Wilburn Cartwright, Oklahoma; William L. Fiesinger, Ohio; Lynn S. Hornor, West Virginia.

Elections No. 1: J. Bayard Clark, North Carolina (chairman); Robert S. Hall, Mississippi; Jere Cooper, Tennessee; Claude A. Fuller, Arkansas; Byron B. Harlan, Ohio; Martin Dies, Texas.

Elections No. 2: Joseph A. Gavagan, New York (chairman); John J. Douglass, Massachusetts; Lindsay C. Warren, North Carolina; O. H. Cross, Texas; William P. Cole, jr., Maryland; John H. Overton, Louisiana.

Elections No. 3: John H. Kerr, North Carolina (chairman); Butler B. Hare, South Carolina; John McDuffie, Alabama; Guinn Williams, Texas; John E. Miller, Arkansas; Howard W. Smith, Virginia.

Enrolled Bills: Claude V. Parsons, Illinois (chairman); Mell G. Underwood, Ohio; J. Bayard Clark, North Carolina; John W. Boehne, jr., Indiana.

Expenditures in the Executive Departments: John J. Cochran, Missouri (chairman); Allard H. Gasque, South Carolina; O. H. Cross, Texas; John W. Moore, Kentucky; Riley J. Wilson, Louisiana; Guinn Williams, Texas; William M. Whittington, Mississippi; Glenn Griswold, Indiana; John H. Overton, Louisiana; Charles H. Martin, Oregon; John E. Miller, Arkansas.

Flood Control: Riley J. Wilson, Louisiana (chairman); William J. Driver, Arkansas; William M. Whittington, Mississippi; Jere Cooper, Tennessee; John W. Moore, Kentucky; Fletcher B. Swank, Oklahoma; James F. Fulbright, Missouri; Glenn Griswold, Indiana; John H. Overton, Louisiana; Byron B. Harlan, Ohio.

Foreign Affairs: J. Charles Linthicum, Maryland (chairman); Sam D. McReynolds, Tennessee; Sol Bloom, New York; Luther A. Johnson, Texas; Ruth Bryan Owen, Florida; Effiegene Wingo, Arkansas; Charles West, Ohio; Norton L. Lichtenwalner, Pennsylvania; J. Walter Lambeth, North Carolina; Charles A. Karch, Illinois; John W. Fishburne, Virginia; Stephen A. Rudd, New York.

Immigration and Naturalization: Samuel Dickstein, New York (chairman); Samuel Rutherford, Georgia; John W. Moore, Kentucky; John M. Evans, Montana; Robert A. Green, Florida; John H. Kerr, North Carolina; Lamar Jeffers, Alabama; Mell G. Underwood, Ohio; Vincent L. Palmisano, Maryland; Eugene B. Crowe, Indiana; Martin Dies, Texas.

Indian Affairs: Edgar Howard, Nebraska (chairman); John M. Evans, Montana; Wilburn Cartwright, Oklahoma; Joe L. Smith, West Virginia; William P. Connery, jr., Massachusetts; Samuel Dickstein, New York; William I. Sirovich, New York; Bernhard M. Jacobsen, Iowa; Dennis Chavez, New Mexico; Edward A. Kelly, Illinois.

Insular Affairs: Butler B. Hare, South Carolina (chairman); Guinn Williams, Texas; Joe L. Smith, West Virginia; John McDuffie, Alabama; Ralph F. Lozier, Missouri; Bolivar E. Kemp, Louisiana; Wilburn Cartwright, Oklahoma; O. H. Cross, Texas; Robert S. Hall, Mississippi; Ralph Gilbert, Kentucky; John E. Miller, Arkansas; William H. Larrabee, Indiana.

Interstate and Foreign Commerce: Sam Rayburn, Texas (chairman); George Huddleston, Alabama; Clarence F. Lea, California; Robert Crosser, Ohio; Parker Corning, New York; Jacob L. Milligan, Missouri; James T. Igoe, Illinois; Alfred L. Bulwinkle, North Carolina; Ashton C. Shallenberger, Nebraska; Augustine Lonergan, Connecticut; Virgil Chapman, Kentucky; Paul H. Maloney, Louisiana; Courtland C. Gillen, Indiana.

Invalid Pensions: Mell G. Underwood, Ohio (chairman); Ralph F. Lozier, Missouri; Andrew L. Somers, New York; Joe J. Smith, West Virginia; John M. Evans, Montana; Edgar Howard, Nebraka; William L. Fiesinger, Ohio; Kent E. Keller, Illinois; William H. Larrabee, Indiana; Bernhard M. Jacobsen, Iowa.

Irrigation and Reclamation: Robert S. Hall, Mississippi (chairman); William C. Lankford, Georgia; Miles C. Allgood, Alabama; Allard H. Gasque, South Carolina; O. H. Cross, Texas; James F. Fulbright, Missouri; Dennis Chavez, New Mexico; John E. Miller, Arkansas; John H. Overton, Louisiana; Charles H. Martin, Oregon.

Judiciary: Hatton W. Sumners, Texas (chairman); Andrew J. Montague, Virginia; Fred H. Dominick, South Carolina; Henry St. George Tucker, Virginia; Tom D. McKeown, Oklahoma; Gordon Browning, Tennessee; Emanuel Celler, New York; Frank Oliver, New York; William V. Gregory, Kentucky; Malcolm C. Tarver, Georgia; Francis B. Condon, Rhode Island; Zebulon Weaver, North Carolina; William H. Dieterich, Illinois.

Labor: William P. Connery, jr., Massachusetts (chairman); Mary T. Norton, New Jersey; Robert A. Green, Florida; Robert Ramspeck, Georgia; Martin J. Kennedy, New York; John W. Moore, Kentucky; Joseph B. Shannon, Missouri; Glenn Griswold, Indiana; Bernhard M. Jacobsen, Iowa; Lynn S. Hornor, West Virginia; Kent E. Keller, Illinois.

Library: Ralph Gilbert, Kentucky (chairman); Lindsay C. Warren, North Carolina; Kent E. Keller, Illinois.

Memorials: John H. Morehead, Nebraska (chairman); Mary T. Norton, New Jersey.

Merchant Marine and Fisheries: Ewin L. Davis, Tennessee (chairman); Schuyler Otis Bland, Virginia; Clay Stone Briggs, Texas; George W. Lindsay, New York; Oscar L. Auf der Heide, New Jersey; Bolivar E. Kemp, Louisiana; William M. Whittington, Mississippi; William I. Sirovich, New York; Robert Ramspeck, Georgia; Fletcher B. Swank, Oklahoma; Arthur P. Lamneck, Ohio; Robert D. Johnson, Missouri.

Military Affairs: Percy E. Quin, Mississippi (chairman); John J. McSwain, South Carolina; Lister Hill, Alabama; James M. Fitzpatrick, New York; Jed Johnson, Oklahoma; Numa F. Montet, Louisiana; Andrew J. May, Kentucky; Samuel B. Pettengill, Indiana; Edward H. Crump, Tennessee; R. Ewing Thomason, Texas; Homer C. Parker, Georgia.

Mines and Mining: Joe L. Smith, West Virginia (chairman); Mell G. Underwood, Ohio; Andrew L. Somers, New York; Claude V. Parsons, Illinois; John M. Evans, Montana; William P. Cole, jr., Maryland; John W. Boehne, jr., Indiana; Kent E. Keller, Illinois; Lynn S. Hornor, West Virginia.

Naval Affairs: Carl Vinson, Georgia (chairman); James V. McClintic, Oklahoma; Herbert J. Drane, Florida; Patrick Henry Drewry, Virginia; Stephen W. Gambrill, Maryland; John J. Delaney, New York; Frank C. Kniffin, Ohio; William E. Barton, Missouri; Joachim O. Fernandez, Louisiana; Patrick J. Boland, Pennsylvania; Leonard W. Schuetz, Illinois; William H. Sutphin, New Jersey.

Patents: William I. Sirovich, New York (chairman); Fritz G. Lanham, Texas; Mell G. Underwood, Ohio; LaFayette L. Patterson, Alabama; Samuel Rutherford, Georgia; J. Bayard Clark, North Carolina; Joseph A. Gavagan, New York; Fletcher B. Swank, Oklahoma; William P. Cole, jr., Maryland; Edward A. Kelly, Illinois; Martin Dies, Texas; Paul J. Kvale, Minnesota.

Pensions: Allard H. Gasque, South Carolina (chairman); John W. Moore, Kentucky; Patrick J. Carley, New York; Samuel Rutherford, Georgia; Edward B. Almon, Alabama; Riley J. Wilson, Louisiana; Vincent L. Palmisano, Maryland; Martin Dies, Texas; Eugene B. Crowe, Indiana; Brent Spence, Kentucky; Bernhard M. Jacobsen, Iowa; Charles H. Martin, Oregon.

Post Office and Post Roads: James M. Mead, New York (chairman); Milton A. Romjue, Missouri; John H. Morehead, Nebraska; LaFayette L. Patterson, Alabama; William F. Brunner, New York; J. Earl Major, Illinois; Harry L. Haines, Pennsylvania; Glover H. Cary, Kentucky; John S. Wood, Georgia; Thomas G. Burch, Virginia; Arthur P. Lamneck, Ohio; Martin L. Sweeney, Ohio.

Printing: William F. Stevenson, South Carolina (chairman); J. Walter Lambeth, North Carolina.

Public Buildings and Grounds: Fritz G. Lanham, Texas (chairman); Edward B. Almon, Alabama; John H. Kerr, North Carolina; William J. Driver, Arkansas; Robert A. Green, Florida; Patrick J. Carley, New York; Jere Cooper, Tennessee; Lynn S. Hornor, West Virginia; Bernhard M. Jacobsen, Iowa; Dennis Chavez, New Mexico; Howard W. Smith, Virginia; Eugene B. Crowe, Indiana.

Public Lands: John M. Evans, Montana (chairman); Thomas A. Yon, Florida; William C. Lankford, Georgia; Butler B. Hare, South Carolina; René L. DeRousen, Louisiana; Claude A. Fuller, Arkansas; Fritz G. Lanham, Texas; Fletcher B. Swank, Oklahoma; Kent E. Keller, Illinois; Dennis Chavez, New Mexico; Bernhard M. Jacobsen, Iowa; Paul J. Kvale, Minnesota.

Revision of the Laws: Byron B. Harlan, Ohio (chairman); Loring M. Black, jr., New York; William P. Connery, jr., Massachusetts; Samuel Dickstein, New York; Lamar Jeffers, Alabama; John J Cochran, Missouri; Claude V. Parsons, Illinois.

Rivers and Harbors: Joseph J. Mansfield, Texas (chairman); John McDuffie, Alabama; Joseph A. Gavagan, New York; William C. Lankford, Georgia; Thomas A. Yon, Florida; René L. DeROUEN, Louisiana; William P. Cole, jr., Maryland; Charles H. Martin, Oregon; William L. Fiesinger, Ohio; John W. Boehne, jr., Indiana; Joseph B. Shannon, Missouri; Martin Dies, Texas; Brent Spence, Kentucky.

Roads: Edward B. Almon, Alabama (chairman); Bolivar E. Kemp, Louisiana; Lindsay C. Warren, North Carolina; Wilburn Cartwright, Oklahoma; O. H. Cross, Texas; Claude A. Fuller, Arkansas; William M. Whittington, Mississippi; Wright Patman, Texas; Robert Ramspeck, Georgia; Claude V. Parsons, Illinois; Eugene B. Crowe, Indiana; Charles H. Martin, Oregon.

Rules: Edward W. Pou, North Carolina (chairman); William B. Bankhead, Alabama; John J. O'Connor, New York; Adolph J. Sabath, Illinois; Daniel E. Garrett, Texas; Arthur H. Greenwood, Indiana; E. E. Cox, Georgia; Thomas S. McMillan, South Carolina.

Territories: Guinn Williams, Texas (chairman); William C. Lankford, Georgia; John E. Rankin, Mississippi; Bolivar E. Kemp, Louisiana; Allard H. Gasque, South Carolina; John McDuffie, Alabama; William J. Driver, Arkansas; Robert A. Green, Florida; John J. Douglass, Massachusetts; Eugene B. Crowe, Indiana; Claude V. Parsons, Illinois; Paul J. Kvale, Minnesota.

War Claims: Miles C. Allgood, Alabama (chairman); Butler B. Hare, South Carolina; John J. Douglass, Massachusetts; Wilburn Cartwright, Oklahoma; Wright Patman, Texas; John H. Kerr, North Carolina; Joseph A. Gavagan, New York; James F. Fulbright, Missouri; Dennis Chavez, New Mexico; Charles H. Martin, Oregon; Glenn Griswold, Indiana; Paul J. Kvale, Minnesota.

World War Veterans' Legislation: John E. Rankin, Mississippi (chairman); Lamar Jeffers, Alabama; William P. Connery, jr., Massachusetts; Mary T. Norton, New Jersey; Edgar Howard, Nebraska; Wright Patman, Texas; Jere Cooper, Tennessee; Claude A. Fuller, Arkansas; Edward A. Kelly, Illinois; Glenn Griswold, Indiana; Dennis Chavez, New Mexico; and Brent Spence, Kentucky.

The resolution was agreed to.

Mr. SNELL. Mr. Speaker, I offer a resolution, which I have sent to the desk.

The Clerk read the resolution, as follows:

Resolution offered by Mr. SNELL:

House Resolution 62

Resolved, that the following Members be, and they are hereby, elected members of the following standing committees of the House of Representatives, to wit:

Elections No. 1: C. William Ramseyer, Iowa; John C. Allen, Illinois; John B. Hollister, Ohio.

Elections No. 2: John C. Schafer, Wisconsin; C. B. McClintock, Ohio; Charles E. Swanson, Iowa.

Elections No. 3: Charles L. Gifford, Massachusetts; Ed H. Campbell, Iowa; Harry A. Estep, Pennsylvania.

Judiciary: Leonidas C. Dyer, Missouri; Charles A. Christopherson, South Dakota; Richard Yates, Illinois; Earl C. Michener, Michigan; J. Banks Kurtz, Pennsylvania; C. Ellis Moore, Ohio; Fiorello H. LaGuardia, New York; Homer W. Hall, Illinois; Carl G. Bachmann, West Virginia; Charles I. Sparks, Kansas.

Banking and Currency: Louis T. McFadden, Pennsylvania; James G. Strong, Kansas; Robert Luce, Massachusetts; Guy E. Campbell, Pennsylvania; Carroll L. Beedy, Maine; Joseph L. Hooper, Michigan; Godfrey G. Goodwin, Minnesota; Benjamin M. Golder, Pennsylvania; Francis Seiberling, Ohio.

Coinage, Weights, and Measures: Randolph Perkins, New Jersey; Lloyd Thurston, Iowa; George J. Schneider, Wisconsin; Victor Christgau, Minnesota; William E. Hess, Ohio; Menalcus Lankford, Virginia; Thomas R. Amlie, Wisconsin; Harold McGugin, Kansas.

Interstate and Foreign Commerce: James S. Parker, New York; John G. Cooper, Ohio; Carl E. Mapes, Michigan; Homer Hoch, Kansas; Adam M. Wyant, Pennsylvania; Olger B. Burtness, North Dakota; John E. Nelson, Maine; Thomas J. B. Robinson, Iowa; Milton C. Garber, Oklahoma; James M. Beck, Pennsylvania.

Rivers and Harbors: Richard P. Freeman, Connecticut; Nathan L. Strong, Pennsylvania; James J. Connolly, Pennsylvania; William E. Hull, Illinois; George N. Seger, New Jersey; Albert E. Carter, California; Robert G. Houston, Delaware; Henry F. Niedringhaus, Missouri; Francis D. Culkin, New York; Chester C. Bolton, Ohio.

Merchant Marine and Fisheries: Frederick R. Lehlbach, New Jersey; Arthur M. Free, California; Frank R. Reid, Illinois; Charles L. Gifford, Massachusetts; Frederick W. Magrady, Pennsylvania; Frank L. Bowman, West Virginia; Robert H. Clancy, Michigan; Charles A. Kading, Wisconsin; James Wolfenden, Pennsylvania; Victor S. K. Houston, Hawaii; James Wickersham, Alaska.

Agriculture: Gilbert N. Haugen, Iowa; Fred S. Purnell, Indiana; John C. Ketcham, Michigan; Thomas Hall, North Dakota; Harcourt J. Pratt, New York; August H. Andresen, Minnesota; Charles Adkins, Illinois; John D. Clarke, New York; Clifford R. Hope, Kansas; Donald F. Snow, Maine; Victor S. K. Houston, Hawaii.

Foreign Affairs: Henry W. Temple, Pennsylvania; Hamilton Fish, jr., New York; Cyrenus Cole, Iowa; Morton D. Hull, Illinois; Joseph W. Martin, jr., Massachusetts; Charles A. Eaton, New Jersey; Melvin J. Maas, Minnesota; Joe Crail, California; Edmund F. Erk, Pennsylvania.

Military Affairs: W. Frank James, Michigan; Harry C. Ransley, Pennsylvania; William R. Johnson, Illinois; Florence P. Kahn, California; Thomas C. Cochran, Pennsylvania; William H. Stafford, Wisconsin; E. W. Goss, Connecticut; Charles A. Wolverton, New Jersey; Burnett M. Chiperfield, Illinois; Victor S. K. Houston, Hawaii.

Naval Affairs: Fred A. Britten, Illinois; George P. Darrow, Pennsylvania; Clark Burdick, Rhode Island; A. Piatt Andrew, Massachusetts; Roy O. Woodruff, Michigan; W. E. Evans, California; Clarence E. Hancock, New York; J. Russell Leech, Pennsylvania; William R. Coyle, Pennsylvania; Victor S. K. Houston, Hawaii.

The Post Office and Post Roads: Archie D. Sanders, New York; Samuel A. Kendall, Pennsylvania; Clyde Kelly, Pennsylvania; Frank H. Foss, Massachusetts; David Hogg, Indiana; John T. Buckbee, Illinois; I. H. Doutrich, Pennsylvania; Frank P. Bohn, Michigan; Robert L. Hogg, West Virginia; Victor S. K. Houston, Hawaii.

The Public Lands: Don B. Colton, Utah; Addison T. Smith, Idaho; Scott Leavitt, Montana; Phil D. Swing, California; Samuel S. Arentz, Nevada; Harry L. Englebright, California; Robert R. Butler, Oregon; William R. Eaton, Colorado; W. I. Nolan, Minnesota; Victor S. K. Houston, Hawaii; James Wickersham, Alaska.

Indian Affairs: Scott Leavitt, Montana; Harold Knutson, Minnesota; William Williamson, South Dakota; Hubert H. Peavey, Wisconsin; Oscar De Priest, Illinois; Edmund F. Cooke, New York; George A. Welsh, Pennsylvania; Frederick C. Loofbourow, Utah; Fred C. Gilchrist, Iowa; James Wickersham, Alaska.

The Territories: Ernest W. Gibson, Vermont; Albert Johnson, Washington; Cassius C. Dowell, Iowa; Louis T. McFadden, Pennsylvania; Harry L. Englebright, California; Ed H. Campbell, Iowa; Charles Finley, Kentucky; Charles F. Curry, California; Jesse P. Wolcott, Michigan; Victor S. K. Houston, Hawaii; James Wickersham, Alaska.

Insular Affairs: Harold Knutson, Minnesota; Carroll L. Beedy, Maine; Charles L. Underhill, Massachusetts; Lloyd Thurston, Iowa; Thomas A. Jenkins, Ohio; Frederick W. Magrady, Pennsylvania; Joseph L. Hooper, Michigan; Richard J. Welch, California; George F. Brumm, Pennsylvania.

Mines and Mining: Joe J. Manlove, Missouri; Samuel S. Arentz, Nevada; Harry L. Englebright, California; Hugh Ike Shott, West Virginia; C. Murray Turpin, Pennsylvania; Charles Finley, Kentucky; Harold McGugin, Kansas; James Wickersham, Alaska.

Public Buildings and Grounds: J. Will Taylor, Tennessee; Daniel A. Reed, New York; Gale H. Stalker, New York; Charles Brand, Ohio; Clarence J. McLeod, Michigan; Frederick W. Dallinger, Massachusetts; J. Howard Swick, Pennsylvania; Albert H. Vestal, Indiana; Grant E. Mouser, jr., Ohio.

Education: Daniel A. Reed, New York; Benjamin M. Golder, Pennsylvania; C. B. McClintock, Ohio; W. P. Lambertson, Kansas; James L. Whitley, New York; George A. Welsh, Pennsylvania; Ruth Pratt, New York; Donald B. Partridge, Maine; Ralph A. Horr, Washington.

Labor: Richard J. Welch, California; William F. Kopp, Iowa; Conrad G. Selvig, Minnesota; W. P. Lambertson, Kansas; Fred A. Hartley, jr., New Jersey; Vincent Carter, Wyoming; Edward L. Stokes, Pennsylvania; Peter C. Granata, Illinois; O. B. Lovette, Tennessee.

Patents: Albert H. Vestal, Indiana; Randolph Perkins, New Jersey; Clarence J. McLeod, Michigan; Godfrey G. Goodwin, Minnesota; C. Murray Turpin, Pennsylvania; Fred A. Hartley, jr., New Jersey; Victor Christgau, Minnesota; Robert F. Rich, Pennsylvania; William A. Pittenger, Minnesota.

Invalid Pensions: John M. Nelson, Wisconsin; Edward M. Beers, Pennsylvania; Frank L. Bowman, West Virginia; Conrad G. Selvig, Minnesota; David Hopkins, Missouri; Oscar De Priest, Illinois; Francis Seiberling, Ohio; W. I. Nolan, Minnesota; Charles D. Millard, New York.

Pensions: William F. Kopp, Iowa; Gale H. Stalker, New York; Hubert H. Peavey, Wisconsin; Richard J. Welch, California; J. Howard Swick, Pennsylvania; Thomas A. Jenkins, Ohio; Donald B. Partridge, Maine; Walter G. Andrews, New York; Gardner R. Withrow, Wisconsin.

Claims: U. S. Guyer, Kansas; John C. Schafer, Wisconsin; Robert R. Butler, Oregon; Victor Christgau, Minnesota; Patrick J. Sullivan, Pennsylvania; George F. Brumm, Pennsylvania; William A. Pittenger, Minnesota; Malcolm Baldrige, Nebraska.

War Claims: James G. Strong, Kansas; James H. Sinclair, North Dakota; Hubert H. Peavey, Wisconsin; Harold Knutson, Minnesota; J. Mitchell Chase, Pennsylvania; David Hopkins, Missouri; Robert L. Bacon, New York; Gerald J. Boileau, Wisconsin; Peter A. Cavicchia, New Jersey.

District of Columbia: Clarence J. McLeod, Michigan; Edward M. Beers, Pennsylvania; Gale H. Stalker, New York; Frank L. Bowman, West Virginia; Patrick J. Sullivan, Pennsylvania; James L. Whitley, New York; C. B. McClintock, Ohio; Frederick M. Davenport, New York; Pehr G. Holmes, Massachusetts.

Revision of the Laws: Frank R. Reid, Illinois; Frederick W. Dallinger, Massachusetts; John M. Nelson, Wisconsin; Charles A. Kading, Wisconsin; William R. Eaton, Colorado; Grant E. Mouser, jr., Ohio.

The Civil Service: Frederick R. Lehlbach, New Jersey; Addison T. Smith, Idaho; Ernest W. Gibson, Vermont; Joe J. Manlove, Missouri; James H. Sinclair, North Dakota; George J. Schneider, Wisconsin; Edith Nourse Rogers, Massachusetts; Hugh Ike Shott, West Virginia; James L. Whitley, New York.

Election of President, Vice President, and Representatives in Congress: Charles L. Gifford, Massachusetts; John L. Cable, Ohio; W. I. Nolan, Minnesota; James A. Frear, Wisconsin; C. William Ramseyer, Iowa.

Irrigation and Reclamation: Addison T. Smith, Idaho; Scott Leavitt, Montana; Phil D. Swing, California; Samuel S. Arentz, Nevada; Robert R. Butler, Oregon; Vincent Carter, Wyoming; Frederick C. Loofbourow, Utah.

Immigration and Naturalization: Albert Johnson, Washington; J. Will Taylor, Tennessee; Arthur M. Free, California; Thomas A. Jenkins, Ohio; George J. Schneider, Wisconsin; J. Mitchell Chase, Pennsylvania; John L. Cable, Ohio; Edmund F. Cooke, New York; Charles D. Millard, New York; Victor S. K. Houston, Hawaii.

Expenditures in the Executive Departments: William Williamson, South Dakota; Don B. Colton, Utah; Guy E. Campbell, Pennsylvania; Frederick W. Dallinger, Massachusetts; John C. Schafer, Wisconsin; Edmund F. Cooke, New York; Frederick M. Davenport, New York; Richard B. Wigglesworth, Massachusetts; John B. Hollister, Ohio.

Rules: Fred S. Purnell, Indiana; Earl C. Michener, Michigan; Harry C. Ransley, Pennsylvania; Joseph W. Martin, jr., Massachusetts.

Accounts: Charles L. Underhill, Massachusetts; James Wolfenden, Pennsylvania; Hugh Ike Shott, West Virginia; Ralph A. Horr, Washington.

The Census: Lloyd Thurston, Iowa; W. P. Lambertson, Kansas; Grant E. Mouser, jr., Ohio; J. Roland Kinzer, Pennsylvania; Richard B. Wigglesworth, Massachusetts; Menalcus Lankford,

Virginia; William E. Hess, Ohio; Charles F. Curry, California; O. B. Lovette, Tennessee.

Roads: Cassius C. Dowell, Iowa; Charles Brand, Ohio; Joe J. Manlove, Missouri; Don B. Colton, Utah; John M. Nelson, Wisconsin; Robert H. Clancy, Michigan; Conrad G. Selvig, Minnesota; C. Murray Turpin, Pennsylvania; J. Roland Kinzer, Pennsylvania;

Flood Control: Frank R. Reid, Illinois; William F. Kopp, Iowa; Phil D. Swing, California; James H. Sinclair, North Dakota; U. S. Guyer, Kansas; Robert F. Rich, Pennsylvania; Seymour H. Person, Michigan; John E. Weeks, Vermont; Wilbur M. White, Ohio.

World War Veterans' Legislation: Royal C. Johnson, South Dakota; Robert Luce, Massachusetts; Randolph Perkins, New Jersey; Ernest W. Gibson, Vermont; Edith Nourse Rogers, Massachusetts; Frederick R. Lehlbach, New Jersey; J. Howard Swick, Pennsylvania; J. Mitchell Chase, Pennsylvania; David Hopkins, Missouri.

Memorials: Frank Crowther, New York.

The Library: Robert Luce, Massachusetts; Ruth Pratt, New York.

Printing: Edward M. Beers, Pennsylvania.

Enrolled Bills: Guy E. Campbell, Pennsylvania; Oscar De Priest, Illinois; Harry A. Estep, Pennsylvania.

Disposition of Useless Executive Papers: Edward H. Wason, New Hampshire.

Mr. SNELL. Mr. Speaker, before the question is put I ask unanimous consent to drop the name of the gentleman from Pennsylvania [Mr. KINZER] from the Committee on Claims, as that is an error.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The resolution was agreed to.

FISCAL RELATIONS BETWEEN THE DISTRICT OF COLUMBIA AND THE UNITED STATES

Mr. MAPES, chairman of the Select Committee of the House on Fiscal Relations between the District of Columbia and the United States, submitted a report (Report No. 1), which was read, and, together with the accompanying papers, referred to the Union Calendar and ordered printed.

TAXATION OF INCOMES IN THE DISTRICT OF COLUMBIA

Mr. MAPES, chairman of the Select Committee on Fiscal Relations Between the District of Columbia and the United States, submitted a bill (H. R. 5821) to provide for the taxation of incomes in the District of Columbia, to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes, together with a report (Report No. 2) upon the bill, which was referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. STAFFORD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. STAFFORD. Mr. Speaker, I would like to inquire whether the bill which was just submitted by the select committee is privileged.

The SPEAKER. The bill is privileged under a resolution passed by the last Congress. Section 4 of House Resolution 285, passed by the Seventy-first Congress, reads as follows:

The committee shall have the right to report to the House at any time by a bill or bills, or otherwise, the results of its investigations.

The authority of this resolution was later extended by the act of February 23, 1931 (46 Stat. 1377).

ESTATE TAX FOR THE DISTRICT OF COLUMBIA

Mr. FREAR. Mr. Speaker, I have been directed by the committee to report a bill providing an estate tax for the District of Columbia, and I am accompanying it with a report.

The SPEAKER. The gentleman from Wisconsin presents a bill and report, which the Clerk will report by title.

The Clerk read as follows:

A bill to provide for an estate tax for the District of Columbia.

The SPEAKER. Referred to the Committee of the Whole House on the state of the Union and ordered printed.

GASOLINE AND MOTOR-VEHICLE-WEIGHT TAX IN THE DISTRICT OF COLUMBIA

Mr. MAPES. Mr. Speaker, I would like to make the further announcement at this time that later in the day or to-morrow the gentleman from Tennessee [Mr. DAVIS] will report from the same committee a bill to increase the gasoline tax in the District of Columbia from 2 cents to 4 cents, and another bill providing for a motor-vehicle-weight tax in the District of Columbia.

Mr. DAVIS. Mr. Speaker, in that connection I wish to ask unanimous consent that I have until 6 o'clock to-day to file those bills, if they are then ready—which I think they will be—together with the reports.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that he have the balance of this legislative day in which to file with the Clerk two bills from the select committee and that the bills be printed and referred to the Committee of the Whole House on the state of the Union. Is there objection?

There was no objection.

Mr. MAPES. Mr. Speaker, some of the members of the committee would like an opportunity to refer briefly to the work of the committee and the report it has just submitted. I ask unanimous consent that I may be granted the control of one hour, a part of which I shall yield to the gentleman from Wisconsin [Mr. FREAR], a part to the gentleman from Tennessee [Mr. DAVIS], and perhaps a part to some other members of the committee, for the purpose of commenting upon and calling attention to the report which the committee has just filed.

The SPEAKER. The gentleman from Michigan asks unanimous consent to address the House for one hour, with the privilege of yielding time to certain Members. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not object, this is some of the most important work, in my judgment, that has been done in Congress for 10 years. Why does not the gentleman ask for two hours' time, an hour to be controlled by himself and the other hour to be parceled out.

Mr. MAPES. I will state to the gentleman from Texas that the committee has just submitted its report. The report has not yet been printed and is therefore not available to the membership of the House, but the members of the committee thought they would like this brief time in which to direct the attention of the Members to the report; and if the Members desire to discuss it more fully at some other time, after the report has been printed and is available, all right and good; but for the present the members of the committee thought that one hour would be sufficient.

Mr. BLANTON. Then the gentleman intends to ask for adequate time for debate on these bills?

Mr. MAPES. We hope to consider some of the bills to-morrow.

The SPEAKER. The Chair understands that it will be necessary to go into the Committee of the Whole House on the state of the Union for the consideration of these bills. Under that condition there will be such general debate as the committee may desire. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The SPEAKER. The gentleman from Michigan is recognized for one hour.

Mr. MAPES. Mr. Speaker, before calling attention to the report which has just been submitted, I want to express my appreciation to the members of this committee for the work they have done. The committee consisted of the gentleman from Wisconsin [Mr. FREAR], the gentleman from Illinois [Mr. HOLADAY], the gentleman from Pennsylvania [Mr. BEERS], the gentleman from Tennessee [Mr. DAVIS], the gentleman from Mississippi [Mr. COLLINS], the gentleman from Texas [Mr. PATMAN], and myself. The gentleman from Mississippi [Mr. COLLINS] and the gentleman from Illinois [Mr. HOLADAY] were members in the last Congress of the subcommittee of the Committee on Appropriations having in charge the District appropriation bill. The gentleman from Pennsylvania [Mr. BEERS] and the gentleman from Texas [Mr. PATMAN] were members of the District legislative committee, so that the members of the committee had some familiarity with District legislation before they were appointed to this committee.

It is probably unnecessary for me to say that no member of the committee sought this assignment; in fact, I think it

safe to say that every member accepted the assignment with reluctance. I want to say that the members of the committee accepted the duty assigned them, however, and performed it with the utmost care, faithfulness, industry, and ability. Their work was performed in a spirit of the utmost harmony and friendliness. The committee submits its report this afternoon for whatever it may be worth to the membership of the House.

In this connection I perhaps may say now as well as at any time that the committee, after its organization and after holding public hearings, retained Mr. George Lord, of Detroit, Mich., a tax expert, for research work; and I think it is the unanimous opinion of the committee that his services have been invaluable to the committee. He has been devoting himself to tax work exclusively for a period of something over 20 years, and the committee could not have conducted the investigation it has without his assistance and advice.

Mr. Speaker, under the resolution, it was the duty of the committee to report back to the House the amount that, in its judgment, it thought fair and just for the Federal Government to contribute toward the expenses of the District government. We are doing that in this report.

It was also made the duty of the committee to investigate other sources of revenue within the District, and the committee was given the right to report its findings and recommendations by bill or otherwise as it saw fit. The committee is submitting a report of something over 60 pages in length and four bills which it will ask to be considered and passed later on—one an income tax bill for the District, one an inheritance tax bill, one a bill increasing the tax on gasoline from 2 to 4 cents a gallon, and a motor-vehicle-weight tax bill.

In the judgment of the committee, these taxes are paid by most of the people of the United States, and the committee thinks there is no reason why they should not be paid by the people within the District of Columbia.

Anyone who makes any serious study of the fiscal relations between the District and the Federal Government will find that from time to time, beginning soon after the removal of the Capital to its present location, joint committees or select committees of one kind or another have been appointed to investigate and to report back their findings in regard to the general subject of the relationship of the District of Columbia to the Federal Government. This committee considered it unwise to rehash or to go over the same subject matter which has been gone over so many times, periodically, during the last 100 years.

The committee felt there was one phase of the subject matter, however, that had not been thoroughly and exhaustively studied, and it set about to make a study of that one particular feature.

Mr. BLANTON. Will the gentleman yield?

Mr. MAPES. I yield to the gentleman.

Mr. BLANTON. The same power and authority that authorizes the committee to bring in these four matters of legislation—the income tax, the inheritance tax, the gas tax, and the motor-vehicle tax, all of which are good and all of which I most heartily approve—gives this committee the power and authority to suggest legislation carrying out the main recommendation which they were appointed to make; and I was hopeful the committee would bring in that recommendation in the form of a bill and pass it and get that matter out of the way, so it will not harass Congress for the next 20 years. If we leave it to some other committee and do not clinch the nail now after we drive it through, my idea is that we are going to leave it in indefinite shape for the next 10 years, to bother us and hamstring us——

Mr. MAPES. I think I understand the gentleman's point.

Mr. BLANTON. And hold us up again in the last hours of Congress, as we were held up before we adjourned last March.

Mr. MAPES. Mr. Speaker, whether it would be advisable for Congress to fix by law a definite amount of annual contribution, I think, perhaps, is open to question; but whether it is advisable to do so or not is, of course, a matter of policy. I do not think that the determination of that question of public policy was submitted to this committee. I do not think that that was within the province of this committee. I do not think the resolution creating the committee either contemplated or authorized the committee to bring in such a piece of legislation as the gentleman from Texas suggests. The resolution reads that the committee "is authorized" to recommend to the House what amount, in their judgment, the United States should contribute annually toward the development and maintenance of the municipality.

It has never been considered by the committee that it was the duty of the committee to bring in a bill to carry out that particular feature of its recommendation.

As I was saying, the committee felt that there was one subject which had not been thoroughly discussed or investigated by former committees, and this committee set about to make a study of that particular subject, namely, what is the tax burden of the people of the District of Columbia as compared with people in comparable cities, so-called cities of about the same size and advantages. It was for the purpose of making that study that the committee secured the assistance of Mr. Lord, the tax expert to whom I have referred.

Mr. Lord got in touch with the municipal officers, the real-estate boards, the chambers of commerce, and others familiar with valuations in the respective cities of the country comparable in size, and worked out and adjusted the rates for the people in the District of Columbia as compared with the other 22 cities with which comparison was made.

With the report filed by the committee, the committee is filing this table, along with other tables, as an annex or appendix to its report. These tables, the committee feels, are almost invaluable.

In this adjusted tax-rate table the committee finds that the tax per thousand in the District of Columbia is $15.30. The lowest rate outside of the District is in Kansas City, where it is $17.58. The rate varies from that up to the rate in the city of Louisville, where it is over $30—$30.80 to be exact—or twice as high as it is in the District of Columbia.

Mr. DYER. Will it interfere with the gentleman if I ask him a question?

Mr. MAPES. Not at all.

Mr. DYER. How much additional tax on the people, under the recommendation of the committee, as to the Federal contribution, would it require in raising the taxes in the District of Columbia to meet the full expenses of the District government?

Mr. MAPES. I intend to get to that a little later.

Mr. DYER. Very well.

Mr. CANNON. In the event that the House should not pass the four bills to which the gentleman refers, what would be the alternative?

Mr. MAPES. The alternative would be an increase in the general property tax in the District.

Mr. CANNON. And, approximately, what rate?

Mr. MAPES. I think 20 cents a hundred would take care of it.

Congress in the fixing of the tax rate for the District of Columbia, or in passing the annual appropriation bill for the District must act in a dual capacity. It must represent the District, and it must represent the people of the United States outside of the District, and, of course, wants to be fair to both. It has the dual obligation to perform as it passes the annual District appropriation bill. The committee, as the report indicates, finds that the people of the country are laboring under a very heavy tax burden; in many cases it is heavier than the taxpayer can bear.

The amount of property sold for delinquent taxes in the last few years the country over is something appalling. The committee says in its report that it does not want to make a recommendation that will result in making the tax burden in the District of Columbia to rest as heavily upon the people of the District as it rests upon the people outside of the District, because the committee is impressed

with the fact that the tax burden on the people outside the District generally is too high.

At the same time, it is difficult to argue that the people outside, with this heavy burden, should contribute to the expenses of the District government as long as the people of the District do not pay as large a tax as the average paid in comparable cities.

The report goes at length into the discussion of this subject of what is the proper rule to follow in order to determine how much the people of the District should pay toward the expenses of the District government. There was very little disagreement among the witnesses that appeared before the committee, if there was any—I do not recall any disagreement on the part of witnesses who reside in the District of Columbia as to the proper rule to follow.

As I have said, several committees have investigated the subject and have expressed their opinion as to the rule that should be followed. Most of them frankly say that they think that the people in the District should be required to pay in taxes about the same as the people have to pay who live in comparable cities; that is, cities of practically the same size and advantages. Some of the witnesses from the District, however, were tenacious in their contention that they are already doing that. The committee adopted that rule and have tried to find out what people in other comparable cities pay.

One of the duties of the joint committee of 1915 was to prepare and submit a statement of the proper proportions of the expenses of the government of the District of Columbia, or any branch thereof, which shall be borne by said District and the United States, respectively. It will be seen that that committee had practically the same question to determine, as far as laying down the rule is concerned, as was submitted to this committee. The joint committee in 1915 said:

> We find after a most careful consideration of all the evidence and circumstances as shown to exist at this time that there is no reason for any arbitrary rule of proportionate contribution of expenses by the District of Columbia, by the residents thereof, and by the people of the United States who reside outside of the District; that the correct rule should be that the responsibility in taxation of the residents of the District of Columbia be as fixed and certain as the responsibility of residents of other American cities comparable with the city of Washington; that with the payment of such taxes, as may be equitable and properly assessed against privately owned taxable property, the financial responsibility of the residents of the District of Columbia should be concluded.

And the joint committee of 1922, of which the gentleman from Colorado [Mr. HARDY] and the gentleman from Georgia [Mr. WRIGHT] were members, considered this fiscal relations question in some of its aspects, and made a report in which it said some of the members of the committee believed that the United States has for a long time, and is now, contributing more than its just proportion of the administration of the District of Columbia and the upkeep of the District.

Mr. BOWMAN. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

Mr. BOWMAN. I understand the report fixes the amount due the District of Columbia from the Federal Government at $6,500,000. Is that correct?

Mr. MAPES. The report says that in the judgment of the committee the Federal contribution annually should not exceed $6,500,000.

Mr. BOWMAN. Can the gentleman inform the House how the committee arrived at that conclusion?

Mr. MAPES. Yes; I shall be glad to, and I shall come to that in a moment.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

Mr. COX. In the action of the committee in making recommendations to increase the tax burden of the people of the District of Columbia had the committee in mind the raising of larger funds from the District in order to meet increased District expenditures, or was it for the purpose of lowering the Federal contribution?

Mr. MAPES. The committee took all of those questions into consideration.

Mr. COX. Then what particular purpose, in the recommendations of the committee, did the committee desire to serve—making possible an increase in District expenditures or the lowering of the Federal contributions?

Mr. MAPES. I do not know that I clearly understand the gentleman's question.

Mr. COX. In the committee's recommendation in the interest of equalizing the tax burdens of the people of the District with the tax burdens of the people outside of the District they have recommended a raise in taxes for the people of the District, which, of course, will necessarily mean an increase in the tax revenues. Did the gentleman's committee desire to increase the revenue in order to enable larger District expenditures or did the committee desire to increase the revenue, as the gentleman has said, in the interest of equalizing the tax burden of the people of the District with the other people of the country in order to accommodate the desire, if not the demand, for a lowering of the Federal contribution?

Mr. MAPES. In following the rule which I have already referred to, that the tax burden in the District ought to be somewhat comparable to the tax burden in other cities of the same size and advantages, the committee felt that inasmuch as these taxes, which will be required if the bills which the committee has recommended are enacted, are paid by the people in these comparable cities, that on any comparative basis the people of the District ought to pay them, and after they were paid and after the people pay other taxes somewhat comparable to what people in other cities pay, then the Government should contribute whatever is necessary and proper to maintain the District government.

Mr. COX. The gentleman's committee has not recommended a tax levy on the people of the District which comes up to an average of the burden levied in the cities of this country, has it? They are still below the average of all the comparable cities of the country which the study conducted by the committee took into consideration.

Mr. MAPES. As the report says, it was not the province of the committee to fix a rate on general property. The rate is fixed more or less automatically after the Federal contribution is fixed. The rate is whatever is necessary over and above $1.70 per $100 to raise the budget; but answering the substance of the gentleman's question, the committee has not in its report made a recommendation which in the judgment of the committee will bring the tax rate of the people of the District up to the average of what it is in comparable cities.

Mr. GLOVER. Mr. Speaker, will the gentleman yield?

Mr. MAPES. Yes.

Mr. GLOVER. As I understand the recommendation of the committee it reduces the amount about two and a half or three million dollars below what it was in the last appropriation.

Mr. MAPES. I shall come to that in a moment.

Mr. GLOVER. Did the committee take into consideration in arriving at this figure the fact that much of the property that has heretofore borne a revenue to the city had been taken over by the Government for Government buildings, and that that would reduce the revenues somewhat or at least to the amount of the tax that was paid on that property?

Mr. MAPES. The committee did not reach the conclusion which the gentleman's question implies. The city assessor says that the values of privately owned property increased more than enough to make up the difference due to the loss of property which the Government takes over.

Mr. BLANTON. Will the gentleman yield for a question there?

Mr. MAPES. I want to finish my statement. I yield for a question.

Mr. BLANTON. Is it not a fact that if the gentleman's recommendations are all approved by Congress, the people

of the District of Columbia yet will pay only $1.70 on the hundred?

Mr. MAPES. That is true.

Now, I should like to make a general statement, perhaps repeating something I have already said. It is the judgment of the majority of the committee that the general property tax, the country over, is too high and too burdensome, and one of the purposes of the committee in reporting the bills which it has reported is to relieve the general property tax by the income tax, the inheritance tax, and the other taxes mentioned, in so far as they will relieve them in the District of Columbia. [Applause.]

Mr. COX. Will the gentleman yield for a further question?

Mr. MAPES. If it is brief.

Mr. COX. The gentleman makes the observation that the tax burden of the people generally throughout the country is entirely too high. Is the gentleman not willing to concede that the conditions in the country are such that it is impossible for the States and other communities to lower the tax burden at this time, and that therefore, if there is to be anything of an equalization of the burdens, the recommendation of the committee ought to go to the extent of recommending a considerably higher levy on the people of the District, the gentleman recognizing, of course, that in this regard Congress has no control over the rest of the country?

Mr. MAPES. I prefer the gentleman would not make a speech. The committee desires to confine itself to the District of Columbia and not to assume the responsibility of lowering taxes in the States and in other communities. It has enough work to do if it confines itself to the District of Columbia.

I should say, perhaps, that the report of the committee is signed by six of the seven members of the committee, and that the gentleman from Wisconsin [Mr. FREAR] submits additional views. My understanding of the position of the gentleman from Wisconsin, briefly, is that he agrees with the committee in its findings of facts, but he would go farther than the committee has gone in its conclusions; he would go to the extent of requiring the people in the District to pay a general property tax equivalent to the average tax, at least of that in comparable cities, before asking the Federal Government to contribute anything. The majority of the committee, because of the peculiar set-up which makes the Congress the absolute authority over the District, as the committee report says, if it is going to err, prefers to make the error on the side of liberality; and in view of the further fact that it considers that the average general property tax the country over is too high and too burdensome, and in many cases prohibitive, it hesitates to make a recommendation, the effect of which will be to bring the general property tax in the District of Columbia up to the average even of the general property tax in the comparable cities.

Mr. COX. May I make one further observation?

Mr. MAPES. I can not yield further. Permit me to say that, in addition to the four bills which the committee has reported, the committee recommends a change in the law relating to the taxation of the property of steam railroads in the District. In investigating this subject the committee found that about one-half of the property of the steam railroads in the District of Columbia is exempt from taxation, according to the District assessor. The law says that the viaducts, tunnels, retaining walls, and some other things relating to steam railroad property are exempt entirely from taxation. The committee recommends that this subject be looked into by the legislative Committee on the District of Columbia and that that law be changed. It also recommends a change in the tax law with reference to taxing public utilities within the District; and if those changes are made, in addition to the four bills reported by the committee, material increases in the revenues will be provided.

The four bills which the committee has recommended the committee thinks are just and equitable and should be passed for the purpose of relieving the general property tax to that extent, and there can be no argument against them certainly when considered from the standpoint of comparative tax burdens. If those bills are passed, the committee estimates that the revenues of the District of Columbia will be increased a trifle over $4,000,000 per year.

Some one has asked "What will happen if these bills are not passed." In the District budget submitted to Congress during the last few days the estimates provide for a nearly balanced budget on the basis of the annual contribution from the Federal Government of nine and one-half million dollars. The committee says that if these four bills are passed, so far as the next fiscal year is concerned, the annual contribution of Congress could be reduced to $5,500,000, but it feels that on account of the economic conditions the District Commissioners and others have perhaps reduced their estimates and their requests to a lower figure than it would be safe for Congress to depend upon as a permanent policy, and it is therefore recommended that the annual appropriation of Congress be not to exceed $6,500,000. The committee thinks that that amount, together with the constantly increasing valuations of privately owned property within the District, together with these bills which the committee has reported and other legislation which the committee thinks should be passed, will take care of the reasonable increases in the cost of the District government for years to come, and that the margin between the present rate of taxation in the District on general property of $17 per thousand and the average rate of the comparable cities will more than take care of any emergency or any unusual expansion of the activities of the Government in the District. The report would place the burden of this additional increase upon the people of the District of Columbia themselves, where the committee thinks it belongs.

The committee says frankly that if the bills reported by it are not passed, requiring the people of the District to pay taxes that people in other cities are required to pay, then in its judgment the general property tax should be increased to take care of whatever is necessary to run the government in the District over and above the annual contribution of the Federal Government of $6,500,000.

Mr. Speaker, I have taken more time than I expected. I now yield 10 minutes to the gentleman from Tennessee [Mr. DAVIS].

Mr. DAVIS. Mr. Speaker, ladies and gentlemen of the House, the chairman of the committee has pretty well covered the report. As suggested by him, I am sure that no member of this committee desired this assignment. I know I sought to be relieved, but it was insisted by those in authority that it was an important matter which some of us should investigate. The members of the committee, I am sure, have all contributed their very best efforts. We have labored long, diligently, and conscientiously in an effort to arrive at proper conclusions with respect to this troublesome question and have made a report and recommendations which we think are in keeping with the facts and the justice of the case.

The question of the fiscal relations between the Federal Government and the District of Columbia, and the relative proportions which each should pay, has always been a controversial question, as you older Members are fully aware.

Mr. BOWMAN. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. BOWMAN. Will the report of this committee end that controversy?

Mr. DAVIS. I will state to the gentleman from West Virginia that we can not speak as to that. We can make no prediction, but we certainly hope that it may have that effect.

Mr. BOWMAN. Will the gentleman yield further?

Mr. DAVIS. Yes.

Mr. BOWMAN. The gentleman will recall that when this special committee was appointed it was appointed because of the controversy over the fiscal relations between the Federal Government and the District of Columbia. Your committee brings in recommendations for new legislation which are probably all right, but it only makes a recommendation

as to the amount that must be paid or should be paid by the Federal Government to the District of Columbia. Does not the gentleman believe it should have brought in legislation which would fix definitely the fiscal relations between the Federal Government and the District of Columbia? As it is now, we shall continue to have this controversy in every session of Congress.

Mr. DAVIS. Well, I will state to the gentleman that the committee thinks that it has acted in accordance with the instructions given it in the resolution which created the committee, and we have made our recommendation as to the amount which we think is a fair contribution as long as the fundamental conditions remain as they are now. We have recommended, and either have or will introduce, several bills in accordance with the instructions in the first section of the resolution, providing for additional revenue to be raised in the District of Columbia.

Of course the purpose of the creation of this committee was to endeavor to settle this question, at least for a time. We believe that if the membership of the House will carefully read this report and all of the data that are filed with the report and then will hear the debate upon the respective bills as they are taken up for action, they will reach the same conclusions, generally speaking, as this committee has reached.

Mr. BOWMAN. Will the gentleman yield further?

Mr. DAVIS. I will yield once more. My time is limited.

Mr. BOWMAN. I want the gentleman to understand that I am not criticizing the committee nor its report, but I am criticizing the committee because it has not attempted to establish a definite policy for fixing the fiscal relations.

Mr. DAVIS. Well, the committee thinks it has. It has made these definite recommendations. Whether the Congress will accept them or not, of course, we can not now tell. That is a matter to be determined. I think the report and recommendations are as specific as are the directions to the committee.

Now, as I was stating, this has always been a controversial subject. There has never been any uniformity or consistency and, perhaps during the greater part of the time, no logic determining the relative proportion of the payments to the expenses of the District of Columbia. For many, many years the Federal Government contributed 50 per cent to the expenses of the District of Columbia; then for a number of years it contributed 40 per cent; then for a number of years it contributed a lump sum of $9,000,000 per annum, and during the present fiscal year we have appropriated $9,500,000. All of those sums were perhaps arbitrarily arrived at and, of course, any sum that may be fixed is perhaps more or less arbitrary. But this committee has thoroughly investigated the subject from every angle. We have undertaken to arrive at a proper basis by comparison with the tax burdens of 22 comparable cities; and we have taken into consideration other features, in fact, every feature which we thought should be taken into consideration.

The committee reached a unanimous agreement except that the gentleman from Wisconsin has filed some additional views, and, of course, he will state his position on the floor. Briefly, he takes the position—which has already been argued to a certain extent in the debate—that we should raise the real property tax of the District of Columbia comparable to that of other cities of like jurisdiction. However, a majority of the members of this committee feel that, as stated by the chairman of the committee, taxes have mounted and mounted throughout the country until they have become burdensome everywhere; that there should be retrenchment and doubtless will be retrenchment throughout the country, and that we, as the legislative guardians of the District of Columbia, should set an example of retrenchment and economy along that line rather than to follow in the wake of increases in taxation and the extravagance in government with which the whole country, perhaps, has been afflicted in large measure for the past many years.

It is a matter of pride to the members of this committee, and I presume to every Member of the House, that this is the only city of comparable size—and, so far as I know, the only city of any size in this country—which does not have a bonded indebtedness. As the burden and responsibility rests upon Congress to provide for the government of the District of Columbia, we think that this city should not only be made the most beautiful and most attractive city in the world as our National Capital but in so far as we may that we should make it a model city in government and in taxation.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. DAVIS. As we state in our report, if we have erred, we have perhaps erred on the side of liberality, if we take into consideration the present tax structure in other cities of comparable size; but I think it has always been the disposition of Congress to be generous toward the District of Columbia because of the very great and vital interest the Government and the people of the United States have in our National Capital; and this fact has been manifest during all the past by the fact that the Government first contributed half of the expenses and then 40 per cent, and at least in modern times has never contributed as small an amount as we are now recommending.

Mr. KERR. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. KERR. What is the value of the Government property in the city of Washington which is nontaxable?

Mr. DAVIS. Some of the witnesses who appeared before our committee stated their estimate of that; in fact, I think the city tax assessor fixed a value of $320,000,000 of Government property in the District of Columbia, and in that respect it is insisted by at least some of the citizens of the District of Columbia that we should pay a tax or make a contribution by reason of the large investment here in Federal property. But our reply to this is that this property is no burden to the District of Columbia. It, together with the Federal activities, constitutes the chief and almost the sole asset of this city, and because of these buildings and because of the Federal activities there is constantly a large flow of visitors to the National Capital who spend their money here, not to speak of the very large population of Government employees who are here all the time and spend their money in the city of Washington.

Mr. COX. Will the gentleman permit an interruption at that point?

Mr. DAVIS. Yes.

Mr. COX. I have always been trying to find justification for imposing the burden upon all the people of the country of contributing to the support of the District of Columbia. The gentleman, I am sure, is prepared to give the committee's reason for recommending a continuation of that state of affairs.

Mr. DAVIS. I will state to the gentleman from Georgia we thought that the Federal Government, in theory, should contribute the difference, if any, between the expenses of the District of Columbia as fixed by Congress, that is the appropriations, and the amount of taxes that would be raised in the District of Columbia when they were taxed a reasonable amount and one comparable with the amount in other comparable cities. If we should now raise the present tax on property in the District of Columbia to the average of other comparable cities, this would make it unnecessary, according to present appropriations, for the Federal Government to contribute anything.

We have undertaken to make a report that will be valuable and will be a guide to the Congress not merely for the coming fiscal year, but for a number of years to come.

There is one further feature in this connection——

[Here the gavel fell.]

Mr. MAPES. I yield the gentleman one additional minute.

Mr. DAVIS. There is one other feature that the committee took into consideration, necessarily, which has not been mentioned so far as I have heard, and that is that in times past there was quite an accumulation of District of Columbia surplus funds and we have been gradually en-

croaching upon those funds from year to year until they are now practically exhausted, and we will not have that source hereafter to draw upon.

Mr. COX. When the gentleman permitted an interruption I really intended asking the gentleman this question: The gentleman speaks of his committee setting an example to the country. Since the gentleman's committee interpreted the charge given it by the Congress in the setting up of the committee as imposing the obligation to study and recommend legislation looking toward equalizing the tax burden as between the people of the District and the people of the outlying country, and since the gentleman recognizes that the conditions that are now existing in the States and in other divisions of Government are such as can not be reached by any action that Congress can take, does not the gentleman agree that maybe the committee would have been better serving the charge given it by the Congress if it had recommended a tax burden on the people of the District that more nearly equalized that burden with the burden of the people of the country?

Mr. DAVIS. It is a matter of opinion as to whether the committee should have recommended and reported a bill increasing the tax rate on real property in the District of Columbia. We have fully reported the facts, and any Member of Congress who desires to do so is at full liberty to introduce such a bill. The real-property tax is being abolished or substantially reduced in many jurisdictions, and other forms of taxation are taking the place thereof. We submit that if the recommendation of this committee shall be adopted and the bills for raising additional revenue in the District of Columbia which we have introduced and will introduce shall be enacted into law, it would result in very substantially reducing the contribution by the Federal Government. The present annual appropriations for the District of Columbia are approximately $45,000,000. If the bills which we recommend should be enacted into law, it would not be necessary for the United States to pay over $6,500,000 of this sum. We recommend that the Federal appropriation not exceed this amount. That is certainly a very considerable saving to the Federal Government when we take into consideration the fact that for a long period of time the Federal Government contributed one-half of all the District of Columbia expenses, and then 40 per cent, and then amounts ranging from $9,000,000 to $9,700,000 per annum, the contribution during the present fiscal year being $9,500,000. The citizens, organizations, and newspapers of the District of Columbia insist that the Federal Government should contribute toward the maintenance of the District of Columbia a much larger sum than that now being contributed, not to speak of a much smaller sum which our committee recommends. You will also find that many—I hope not too many—Members at the other end of the Capitol entertain this same attitude. [Applause.]

The SPEAKER. The time of the gentleman from Tennessee has expired.

[Here the gavel fell.]

Mr. MAPES. Mr. Speaker, the interruptions have caused the committee to take more time than was anticipated. I therefore ask unanimous consent that the time allotted to the committee be extended one-half hour.

The SPEAKER pro tempore (Mr. McMILLAN). The gentleman from Michigan asks unanimous consent that the time heretofore allotted be extended 30 minutes. Is there objection?

Mr. GREENWOOD. Mr. Speaker, reserving the right to object, will that be all the time the gentleman will ask? Will the gentleman conclude in that time?

Mr. FREAR. If the gentleman will permit, I do not know whether it will be all the time required or not. This question is rather important.

Mr. GREENWOOD. There have been many who have asked for time under general debate, and they are here, ready to speak; and in the absence of the floor leader I would not like to consent to more than the 30 minutes requested, because there has been an allotment of time under general debate.

Mr. MAPES. I may say, Mr. Speaker, I desire to yield the gentleman from Wisconsin [Mr. FREAR] one-half hour to discuss his additional views, and we will try to get through in that length of time.

Mr. GREENWOOD. It seems to me that in view of the fact that the gentleman fixed the time in the beginning, he should have taken that into consideration. I shall not object to the 30 minutes, but I shall object to any further extension of time.

Mr. MAPES. I will say to the gentleman that when we fixed the time originally we did not think that the Members of the House would interrogate us as much as they have.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. MAPES. Mr. Speaker, I yield 30 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Speaker and gentlemen of the House, I do not know of any time in my experience here when a committee of the ability and high character of this fiscal affairs committee has disappointed in the results, and brought on the questioning which has occurred here to-day.

I am not going to discuss the general proposition of District affairs to-day, because the bills come up to-morrow, but I do wish to read a portion of my minority report, which contains practically the argument that answers some of the questions asked here to-day.

It has been stated, "Is this beautiful city going to be handicapped?" Why, no. No one advocates that. There is only just one question to consider, and that is, Shall the District pay its fair share of the taxes? The question has been suggested that the people are paying a greater tax in other parts of the country. Surely that is true, and those people are contributing to the $9,500,000 that makes it easy for the people here to pay so little.

I wish to read briefly from this minority statement, and I think it answers the questions you have been asking and now have in mind. If it does not, I shall be glad to answer any questions if I can get sufficient time to do so.

Mr. BLANTON. Will not the gentleman ask unanimous consent to put the entire statement in the RECORD?

Mr. FREAR. Yes. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. FREAR. Mr. Speaker, the minority report I have filed with the committee is based upon the following facts:

The committee has found that whereas the District of Columbia is now receiving a contribution or subsidy from the Federal Government of $9,500,000 annually, that compared with 22 other cities of nearest population and character, the District, which means the city of Washington, should pay in taxes and license fees approximately $14,000,000 or more annually to equal the average amount collected in these 22 cities. That is the committee finding.

After many months' examination, investigation, and deliberation the committee has reported that it recommends a raise in gas taxes, automobile taxes, and presents an estate tax and income tax. These total $4,100,000 annually, according to estimates, but it should be noted that the estate tax is returned or credited by the Federal Government to the extent of 80 per cent, so that should be deducted from any increased burden to District taxpayers.

The income tax is offered as a substitute for the intangible-property tax, and that, too, is a substitute rather than an increased tax. The real-estate and personal-property tax, which estimated together would reach $9,298,500, to be placed on a par with the average tax payments of the 22 cities, is ignored by the committee and is by far the largest item, reaching practically the $9,500,000 annually paid as a District subsidy by the Federal Government in 1931. If this one item of taxes paid by other cities is collected, it would relieve the necessity for any Federal Government contribution, based on present estimates.

The two items which the committee has recommended are, first, a 4-cent gas tax instead of the 2-cent tax now imposed.

In recent years the States of Maryland and Virginia have increased their gas tax to 4 cents and 5 cents a gallon, so the people of Maryland and Virginia have been bootlegging gas to their States whenever possible to do so by purchasing at one-half the gas-tax rate charged in the District of Columbia. That situation has been indefensible, and no objection should be found to immediate favorable action upon that increase.

The automobile tax in like manner has been indefensible because the District imposes a license fee of $1 with a nominal personal-property tax, whereas the average of the 22 cities reaches $14, including trucks and other motor vehicles. Again the result is found in the fact that a large number of nonresidents are enabled to take out their license in the District at $1 each, whereas in their home States they would be obliged to pay on the average from $10 to $14 and in some cases more than that amount. These two items standing alone recommended by the committee do not change materially the merits af the tax situation in the District.

In the minority report I have set forth briefly the foregoing facts and given reasons why the full tax should be raised by the District before the various States should be called upon for any contribution. When the average amount of taxes is paid by the District that is now paid by the 22 comparable cities, the Federal Government should make any additional contribution needed to maintain the present high standards of the Capital City. The additional remarks and minority report explains more fully these facts and is as follows:

ADDITIONAL VIEWS OF MR. FREAR

These additional views express complete agreement with the facts found by the committee concerning proper taxes to be raised by the District of Columbia, rejection of arguments offered of per capita taxes and Federal property offsets presented by the Government's Efficiency Bureau expert, and appreciation of the splendid and exhaustive work performed by Mr. Lord, the committee tax expert. Some familiarity with city, county, and State tax methods, the latter as State auditor for several years, leads me to express confidence that no better analysis of present tax methods in the District and in comparable cities could have been offered by anyone.

To the committee's conclusion of amount the Federal Government should pay toward the District's support as an annual subsidy, I can find no evidence that warrants the amount recommended or any other amount excepting for temporary emergency until the District is enabled to raise additional revenues found by the committee proper District contributions to the District's support, if measured by comparable cities.

Briefly, the committee finds that 22 comparable cities and the several States in 1930 averaged the following additional tax and license income that these cities are now paying, many of them far beyond the average stated. I believe like revenues should also be raised by the District of Columbia for its own support:

Increased gas tax	$1,600,000
Increased motor-vehicle tax	1,000,000
Increased intangibles, income and estate tax	1,500,000
Increased public-utilities tax	640,000
Increased railway tax (tunnels, bridges)	175,000
Increased real and personal tax	9,000,000
Total increase found equitable	13,915,000

The committee only asks for the following additional tax and license revenues to be raised:

Increased gas tax to 4 cents	$1,600,000
Increased motor-vehicle tax	1,000,000
Increased estate tax	750,000
Increased income tax	750,000
Total	4,100,000

The above estate tax, by deduction of Federal tax refund, is no net increased burden to District taxpayers.

Thereafter the committee's report recommends that Congress appropriate an annual contribution not to exceed $6,500,000. In view of the fact that the annual District contribution for years has been $9,000,000 and that for the present fiscal year it was increased to $9,500,000, it is hard to understand on what theory the proposed Federal contribution of $6,500,000 is recommended to Congress. That amount, added to the revenue specifically recommended to be raised of $4,100,000, would give the District $10,600,000, or $1,100,000 in excess of the amount of revenue now received without any reason offered therefor. If the District raised the revenue found to be received by 22 comparable cities, it will receive annually, approximately, $14,000,000 additional, or $4,100,000 more than is now received from all sources.

Mr. Speaker, remembering, as set forth specifically by the committee findings that no national capital in the world with one exception, Argentina's, and no State capital in this country recognizes any duty or obligation to contribute any amount toward the local city government excepting for minor specific services, it is impossible to reconcile the committee findings of fact with the conclusion that Congress should make an annual appropriation of $6,500,000, or any other amount, for the District support, subject to any temporary needed aid, until the District can have time to put its own tax machinery in order.

For more than a half century fiscal relations of the District and Government have been a matter of constant controversy. This is set forth in the committee report, but I speak also from personal knowledge during a large part of that period. Constant propaganda by local press and interested individuals and organizations have brought about several so-called investigations, but no appreciable reforms.

As one appointed to serve on this committee, without personal desire or expectation on my part, I believe the committee was called upon to present the facts with a fairly constructive proposal to Congress, based on its investigations, unaffected by local press criticism or other propaganda that always seeks to discredit or minimize such reports.

Without a just and proper settlement of the differences between a portion of the 487,000 residents of Washington, on the one hand, and the rights of 120,000,000 people living in the 48 States who contribute toward the annual District deficit, on the other, nothing will be accomplished and the same local tax complaints will continue.

When District business and private interests pay the average tax burdens borne by the rest of the country that now contribute to the District deficit, the Federal Government represented by Congress will not fail to appropriate additional amounts where necessary. That it should do.

Let it be remembered the District was set apart originally by the Constitution with exclusive legislative jurisdiction given Congress for Capital purposes. Those coming here for resident or business purposes were so apprised and knew that ordinary rules of taxation and District support by those having privileges of residence in the Capital were not to be modified or changed.

Those owning property in the District of Columbia should pay for that privilege, in equal proportion to taxes paid in other cities of comparable size and general character that now contribute both to the Federal Government's support and to the District's separate support. Practically all other capital cities do so. What good reason exempts the District?

When the fact is established that District tax rates are lower than in any comparable city in the country, as found by the committee, it is unjust for Congress to grant any appropriation until the rates are equalized. No just basis for any Federal Government District contribution can be found until this tax is adjusted, for these other cities now contribute toward State and Federal Governments and in addition are called upon to pay toward the upkeep of the District.

When its fair share of tax burden is borne by the District, it will be the duty and certainly the purpose of Congress to contribute whatever is necessary to make the Capital City a beautiful, healthful, and great city, second to none in the world.

That information Congress is entitled to, and it has been furnished from the hearings and facts which are analyzed, adopted, and placed before Congress by the committee report.

I shall not presume to repeat complete answers offered by Mr. Lord to District arguments, which appear in different parts of the committee's report, but I ask attention to that part of the committee's report based on Mr. Lord's analysis of all the records in which the committee says of by far the largest taxable item:

> The adjusted tax rate in the city of Washington, based on the assessed valuation of all real and tangible personal property at a ratio of 90 per cent of its actual value is the ratio that the assessor, Mr. Richards, advised the committee is the ratio at which he assessed property, or $15.30 per thousand dollars valuation * * * the average adjusted tax rate for all the 23 cities, including Washington, is $23.68 per thousand valuation, or $8.38 more than the $15.30 rate that obtains in the city of Washington. Excluding the city of Washington, the average adjusted tax rate in the other 22 cities is $24.21, or $8.91 per thousand more than obtains in the city of Washington.
>
> In this connection, if we take a piece of property having a full value of $10,000 and apply the adjusted tax rate, we find in the city of Washington the owners of such a piece of property would pay a tax of $150, compared with the average tax of $242 paid by the remaining 22 cities.

From that committee report it is disclosed the Washington tax rate collected is about 63 per cent of the average rate paid by the other 22 comparable cities. All the tables and data placed before us warrant and sustain the above finding.

Comparisons of city management, State, county, and other taxes and bond issues are all treated in the committee report. Washington and the District have no bond issues, because the District has been enabled to pay as it goes, through the continued subsidy paid by the Federal Government that does not obtain elsewhere in the world.

That is only referred to in disclosing one of several arguments advanced by District witnesses who professed to believe 22 comparable city tax payments ought not to govern, because of local conditions now covered by the $9,500,000 annual Federal subsidy.

The committee report effectually answers all such arguments and with that feature of the report unanimously adopted, I heartily agree. Having unanimously agreed also in the several findings of fact wherein the District is disclosed to be undertaxed on every important item I have adopted conclusions in conformity with the committee findings.

It is disclosed by the 1930 tax report that Washington has $1,182,453,345 worth of real property on its tax roll, exclusive of Federal property, taxed at $1.70 per $100, producing that year $20,101,877; personal property reported was $107,206,520 also taxed at $1.70 rate per hundred, producing $1,822,510; intangible property reported was $545,188,143, taxed at only a 50-cent rate per $100, producing $2,725,940.

In other words, the tangible personal property of Washington is about 9 per cent of the real property, and the intangible is nearly one-half of the real property, but instead of receiving $9,265,500, if taxed at $1.70 per $100, the same rate as real property or intangibles, it is taxed at 50 cents per hundred and so returns only $2,725,940. No justification of the small rate is offered.

This illustration is no reflection on the assessor or District Commission but shows the inadequacy of a tax system compared with local income tax, gift and inheritance taxes that ought to be made a part of the District system because of fairness and means of better enforcement. I agree with the committee's action in these minor tax measures but also believe other more important undertaxes should be likewise increased.

Mr. Speaker, the committee's tax expert has collated reliable facts, in my opinion, that disclose, if the District pays taxes equal to those paid by 22 comparable cities, it should have paid in 1930 approximately $14,000,000 more than was paid by favored District taxpayers. The estimate, I understand, is probably under the actual amount that should be collected.

A few items are here briefly discussed that rest on these findings of fact. The committee report states that the gasoline tax of the country ranges from 3 cents to 7 cents per gallon in 45 States, with 3 States retaining a 2-cent tax rate.

Maryland has a 4-cent rate, West Virginia 4 cents, Virginia 5 cents, and North and South Carolina levy a tax of 6 cents per gallon. These are rates of States near the District. The committee report recommends a rate of 4 cents, slightly less than the average tax rate imposed on gasoline by the several States.

It is clear that a rate of 4 cents a gallon is more just and equitable, because all the 48 States are now contributing to the $9,500,000 fund which represents the District's needs. A 4-cent gas-tax rate, according to the report, will add approximately $1,600,000 to present District tax receipts and help meet any deficit.

The motor-vehicle tax, according to the report, if raised to an average of $14 per car, the average paid in 1930 in the United States, will increase receipts from that source approximately $1,000,000. The average motor tax paid by 48 States which contribute toward the $9,500,000 deficit in District income emphasizes the justice of continuing the increased gas and motor tax principle to a like increased real estate and personal property tax. This increased rate is found in the comparable 22 States to be an adjusted average of $24.21 per thousand dollars, compared with $15.30 now paid by the District on an increase of $8.91 per thousand on such taxable property.

An average inheritance or estate tax, the committee report finds, at a reasonable rate will produce an annual revenue of "not less than $750,000 annually." That is a proper tax, which will help reduce the District deficit of $9,500,000 now paid by the 48 States, and should be enacted into law. Due to the 80 per cent refund or credit on Federal estate-tax collections, this is no added burden to the District taxpayer, but on the contrary is a net increase in the Federal Government's District contribution.

The committee finds an average income tax will increase the income now received from intangibles "by not less than $750,000 annually." The tax should also be imposed by Congress that equally represented the 48 States which now annually contribute $9,500,000 toward the District revenue deficit. These tax increases, the committee is informed, are very conservatively estimated.

The committee finds that an ad valorem tax on public utilities, a just method of taxation, would increase District receipts from that source from $1,611,000 collected in 1930 to $2,500,000, or $900,000 annual increase with which to help reduce the $9,500,000 annual District deficit now contributed to in part by the 48 States. If assessed at 90 per cent of true value, then $640,000 would be the increase. That tax should be collected for reasons already advanced.

The committee finds that if instead of exempting specific railway property, such as tunnels, bridges, and so forth, against the protest of the city assessor and ordinary tax procedure, additional receipts from this needed correction would add approximately $175,000 to the District annual revenues with which to meet its annual $9,500,000 deficit. It is a small comparative item but certainly a proper increase.

In the largest item of undertaxation, real estate and personal property, the committee finds in effect that if the District imposes an average tax rate of $24.21 per thousand on the average adjusted rate paid by 22 comparable cities as set forth in the hearings, an increase over the $15.30 Washington adjusted rate now paid will bring to District revenues, based on 1930 receipts, $31,222,907, or $9,298,520 additional annual receipts from this item, with which to meet the $9,500,000 deficit now found in District collections.

By far the larger part of this committee's work was employed in developing this $9,298,520 undertax. It is nearly two-thirds of the $14,000,000 undertax in the District disclosed by the committee. If brought up to average tax rates in 22 comparable cities the committee finds this one item

would practically offset the Federal Government's $9,000,000 annual contribution in past years.

No logical reason is offered for failing to recommend this justified increased tax.

The committee adopted in its report the results found by its tax expert, Mr. Lord, who, after a long and voluminous correspondence and questionnaires sent to officials and business organizations in all comparable cities, secured all available data. This investigation covered 23 comparable cities, of which Washington has the lowest comparative adjusted tax rate of $15.30, compared with a high tax rate of about double that of Washington in one or two cities and an "average adjusted rate of $24.21, or $8.91 per thousand more than obtains in the city of Washington." Actual values and tax rates were brought down to a common basis, as disclosed by tables and other data in the hands of the committee.

The 23 cities and adjusted rates so found are as follows:

City	Rate	City	Rate	City	Rate
Louisville	$30.80	Jersey City	$30.34	Newark	$29.55
Boston	29.26	Memphis	28.94	Seattle	28.56
Minneapolis	28.54	Buffalo	27.67	Portland	26.89
Pittsburgh	26.60	Milwaukee	26.34	Denver	24.26
Rochester	24.01	Baltimore	23.40	Cleveland	23.08
Atlanta	21.70	San Francisco	20.20	Dallas	18.18
Cincinnati	17.68	St. Louis	17.61	Providence	17.68
Kansas City	17.58	Washington	15.30		

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. LINTHICUM. I want to know whether that includes the State tax.

Mr. FREAR. It includes all, because there is no State tax. In the District the $9,500,000 subsidy is taking care of all District taxes. No county or State tax can be properly considered here.

Mr. LINTHICUM. I mean in these cities, because if that is so, the figures are not correct so far as Baltimore is concerned.

Mr. FREAR. From the foregoing it appears for illustration that the city of Milwaukee with a comparable population of 578,249 to Washington's 486,869 and an adjusted tax rate of $26.34 or $11 more per thousand than the $15.30 of Washington, is also $2 per thousand above the average tax rate so found. In other words, the total tax paid in Milwaukee is 70 per cent more than the tax paid in Washington.

The city of Milwaukee paid a State income tax of $7,547,403 in 1930 in addition to the Federal income tax and also contributed to the $9,500,000 subsidy granted the city of Washington. For reasons which can be amplified, it is certain Milwaukee is as efficiently managed as the District of Columbia, yet pays a much higher tax.

In a newspaper published in Washington, last evening's edition, you will see the contribution from the District of Columbia, how much more it pays than it receives back from the Federal Government. I want to give now two or three illustrations that might be interesting.

In a large majority of the comparable cities additional rates on automobile, gas, and other items have been paid in recent years, allof which are now recommended for Washington to pay, as the proposed Washington rate. This would produce $14,000,000 additional revenue on the average rates collected in 22 comparable cities named.

Contributions to the Federal Treasury and payments back to the contributors are studied by the States more than by local beneficiaries.

For 1930, the same year, the following payments and receipts by and from the Federal Government are noted in several of the States.

Pennsylvania paid in $230,202,064; percentage returned, 3.1.
Michigan paid in $137,076,199; percentage returned, 2.8.
Illinois paid in $247,137,637; percentage returned, 1.7.

Among the smaller payments were—

Wisconsin paid in $35,512,796; percentage returned, 12.3.
Tennessee paid in $16,478,693; percentage returned, 15.5.
Texas paid in $38,884,521; percentage returned, 22.6.

The largest payment and the amount returned—

New York paid in $928,955,021; amount returned, $8,727,208, or less than 1 per cent.

The District of Columbia received more than any State in its subsidy, $9,500,000. This discloses another reason why Washington should properly pay the same tax rate as is now paid by 22 comparable cities.

The committee report is supported wherein it briefly discusses and unanimously rejects the Bureau of Efficiency effort to justify present District tax rates by "per capita" comparisons or the setting off of Federal property against local property on the tax roll to determine the subsidy to be granted.

A per capita tax-rate collection comparison of a city or State would be of no relative value for many reasons, some of which are set forth in the committee report. Nowhere in the world, according to the hearings, is it attempted or supported by any tax authorities or communities. Property and not individuals is alone the subject of taxation, and no averaging of the combined tax paid by Mr. Mellon, who is credited with possibly a billion dollars in property, and that of his butler gives any relative data for their separate holdings or those of any other two individuals. Another plan was suggested by the Efficiency Bureau of setting off Federal Government property against District property, with estimated sentimental, monumental, and other values on public buildings. It also included personal property belonging to the Government reaching $180,000,000 but slashed to $90,000,000 because of "depreciation." Added $90,000,000 of intangible Federal property for money in the Treasury, debts, credits, and so forth, afforded an equally novel but unsound tax theory.

That policy, known nowhere else in the world, if of any value or justification, would warrant charges against the national governments of all other countries and also of hundreds of cities in our own country containing Federal buildings, lands, and other personal and intangible property. States with national parks and many millions of forest and other lands would be knocking at the doors of Congress for like subsidies on that argument offered by the Bureau of Efficiency.

These additional views are filed with no conscious prejudice for or against District residents. The same consideration only is asked which every Member would have for his own district and State, a square deal not induced by fear or extraneous arguments or one which could not be successfully defended before any jury of taxpayers drawn from outside the local district. For reasons set forth by the committee and based on the findings of fact with the 22 comparable cities, it seems impossible to reach any other logical conclusion.

Justice to the remaining 22 comparable cities which we equally represent requires an approach to their average tax collections by the District before they are called upon to contribute any part of their own revenues, however small, to the undertaxed District. This certainly justifies a condition that the District increase its revenues $14,000,000 by taxing its real and personal and other properties the same as the 22 comparable cities.

Let me say I appreciate the spirit of my colleagues on the committee, their unstinted labors in trying to ascertain the facts and reach proper conclusions. Instead of assuming to criticize or find cause for disagreement, these views are offered in a belief that the value of the committee's labors and report should be reflected in a correct tax solution, which may serve as a guide for District tax adjustments, both now and in the future. Some emergency aid until appropriate legislation can be had would, of course, be needed, but any permanent tax adjustment should take into account the findings of fact by the committee. It is for the Congress, then, to make such contribution or subsidies as may be found just and proper. [Applause.]

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. BLANTON. The gentleman limits the subsidy the District receives to the $9,500,000. What about all of the

millions that we are spending here for the improvement of the city? They are subsidies also.

Mr. FREAR. Oh, of course there is more than that in direct subsidy. I had to telephone three or four different people at the Treasury yesterday to find out what the total subsidy is. They receive aid from the Federal Government to take care of the militia and in other ways. All I am asking is that when they make statements in the press that the District pays $14,000,000 or $15,000,000, they should also state that they get back this subsidy of $9,500,000. No State of the 48 receives as much, and New York last year paid into the Federal Treasury as stated $928,000,000 to help run the Government. It received back less than 1 per cent. The District received back about 66 per cent or two-thirds of its payment into the Federal Treasury. This is not so important if the District pays the same taxes relatively as other cities. The committee has reported unanimously, based on careful studies, it does not.

Mr. Speaker, I agree with the gentleman from Michigan [Mr. MAPES] that none of us wanted this assignment, none of us asked for it or thought that we were going to get it. We are trying to do the best that we can in arriving at a just decision.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. LINTHICUM. I want to know whether the committee took into consideration the State tax that those cities had to pay in addition to the city tax.

Mr. FREAR. The District pays no outside tax, for the Federal Government supplies the fund that meets all its deficit. The comparable cities' taxes paid over the counter were considered.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. CANNON. I want to say that the gentleman has contributed materially to the discussion of this question. As I understand it, these tables of statistics will be published with the report?

Mr. FREAR. Yes.

Mr. CANNON. Do the minority views approve the correctness and accuracy of these figures?

Mr. FREAR. Every one. I agree with the committee in its findings of facts based on exhaustive studies.

Mr. MAY. It is doubtless true that all of the cities outside of the District of Columbia, for which the gentleman has made comparisons, are suffering from industrial wants that do not exist in the District of Columbia, due to the Government pay rolls and building projects——

Mr. FREAR. Between $150,000,000 and $200,000,000 is disbursed every year here by the Federal Government that stabilizes business, and the Government cares for its own property generally.

Mr. MAY. Is not that additional reason why the District of Columbia should bear an additional tax?

Mr. FREAR. Assuredly. I don't think there is any question about that.

Mr. GARBER. The gentleman states that he agrees with the members of the committee as to the finding of fact.

Mr. FREAR. Yes.

Mr. GARBER. Will the gentleman state to this committee the difference in the policy as suggested by its conclusions and that adopted by the committee in making its findings.

Mr. FREAR. My conclusion is that the people of the District ought in the largest one item to pay $9,000,000 more on real and personal property, and they ought to pay more on their public utilities.

Mr. GARBER. The gentleman means to equalize their payment of taxes with the rest of the cities referred to?

Mr. FREAR. Yes. That is what we were expected to study and ascertain. Our conclusions, I believe, should conform to the findings of fact in which we were agreed.

Mr. MAPES. May I say there has been no attempt to cover the subject matter of the report which the committee has filed in detail. The members of the committee took this means of calling the attention of the House to the report, and we express the hope that those of you who are interested in it will read it and the bills and the reports accompanying it, which the committee has submitted.

There are some features of the report which have not been referred to in the statements made this afternoon. We would be pleased and complimented if the Members of the House generally would read the report as filed to-day.

Mr. GARBER. Will the gentleman inform the Members when the report and the copies of the bills will be available?

Mr. MAPES. I think late this afternoon. If not, the first thing in the morning.

Mr. GREENWOOD. Do I understand that concludes the debate by the members of the Special Committee on Taxation in the District of Columbia?

Mr. MAPES. Yes.

Mr. Speaker, I yield back the balance of my time.

THE PRESIDENT'S MESSAGE

Mr. GREENWOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message, with Mr. LOZIER in the chair.

Mr. PURNELL. May I ask the gentleman from Indiana [Mr. GREENWOOD] if he will permit me to yield 10 minutes to the gentleman from Pennsylvania [Mr. WATSON] in order that he may attend the session of the Committee on Ways and Means? I think that was the understanding with the majority leader.

Mr. GREENWOOD. I am willing to do that. I had understood that the gentleman from Pennsylvania [Mr. MCFADDEN] was to be yielded time now; but if he is willing, I will be glad to make that concession.

Mr. MCFADDEN. I will be glad to yield to my colleague Mr. WATSON.

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. WATSON].

Mr. WATSON. The United States under President Wilson's administration assumed in the major part the responsibility of financing the World War. Delegates from our allied nations were permitted, perhaps invited, to appeal in person to the Congress for war loans. Each representative promised that the amount borrowed would be repaid. There is no doubt they were sincere in their statements. Thus the people of the United States, prompted by patriotic obligations, purchased bonds amounting to $10,000,000,000.

The world to-day seemingly is financially bankrupt. Nations claim to be unable to meet their debts. Congress is therefore called upon to extend a 1-year moratorium, hoping for a financial recovery within that period. Groups of men noted for their special qualifications have met many times since the armistice in various parts of Europe to mark a road by which the nations may return to their pre-war prosperity. The unparalleled progress in science within the decade has radically changed the public policies, developed an evolution in material affairs that has involved an economic revolution in the civilized world.

Upon this revolution will be built a new civilization, which will be superior to the present as the present one is superior to that of the Middle Ages. I do not believe that the end of civilization is near; but, to the contrary.

The parliamentary proceedings of the past now governing the actions of men and the legislators of the day, noted for their statesmanship, have failed to solve the present international problem. It will take men schooled in the new, not the old, political science to cut the Gordian knot that will bring the kingdom of prosperity and universal domestic happiness to the world.

The Democratic Party has control of the House. The hope of the Nation rests with the Democratic Congress to solve the intricate problems of taxation in order to meet the war deficit and to adopt a foreign policy that a moratorium of debts will not be extended to an indefinite period.

That there is a serious deficit can not be denied. I would prefer taxes be not increased, but rather exercise strict economy in every governmental department, but this is a political impossibility, a policy that has never been adopted by a nation in any period of history, though facing a repudiation of its debts.

The income and corporation taxes will not yield a revenue as in the past. Railroads are not earning operating expenses; great industries are in default for want of orders; individuals and banks are investing in nontaxable Government and municipal bonds. The decreased earnings of wealth will greatly lessen the receipts, and the revenue bill of 1932 will necessarily carry new sources of taxation.

France has a luxury tax. It is workable, but rather complicated. Its sales tax brings a revenue of about $25,000,000; it is a levy of 2 per cent upon gross receipts.

I am opposed to a moratorium of the foreign debts beyond one year. I can not understand the domestic policy of taxing our people in order that the debtor nations may give work to their labor, build up an industrial policy and a military strength contrary to the interests of the American people.

When Great Britain accepted the debt agreement, Sir Frederick Wise, a member of the British Parliament, in a statement on the external debts, said:

> This is the first time Great Britain has ever had an external debt. It is practically all owing to the United States, and is therefore in dollars. An external debt is a dangerous debt, as the British Government has not the control of it. I think 1923 will be a memorable year by reason of the funding of the British loan to the United States. The Hon. Stanley Baldwin, in arranging this debt on a funded basis, did a great service to the country, and acted as a statesman of supreme quality; by doing so he has saved the country millions of pounds and he has advanced the credit of Britain by millions of dollars in the eyes of the world.

If all the debtor nations had taken the same view as the British statesman, I doubt if the President would have asked for a moratorium. I wish to express very strongly my opposition to temporarily reducing the salaries of Government employees as a policy of raising a revenue. It is nothing more or less than a capital tax—a petty and ignominious method of collecting revenue without expense to the Government.

[Here the gavel fell.]

Mr. PURNELL. I yield to the gentleman from Pennsylvania [Mr. WATSON] one additional minute.

Mr. WATSON. I would rather approve taxing every person receiving an income over $2,500 a year if such a policy were really needed.

I recall a Government employee, a married man with a family, who appealed to me for increased salary. After one year of almost continuous effort the increase was granted. When I told him he was successful, he left the office with tears of gratitude. One hundred dollars means a great deal to a Government employee.

Mr. GREENWOOD. Mr. Chairman, I yield to the gentleman from Georgia [Mr. LANKFORD] such time as he may desire.

Mr. LANKFORD of Georgia. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD and to include several letters, two telegrams, and a statement issued by me as carried by the Waycross Journal-Herald in my district.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD and to include the documents to which he has referred. Is there objection?

There was no objection.

Mr. LANKFORD of Georgia. Mr. Chairman, at this time I wish to discuss the foreign-debt-moratorium proposal, the application of the railroads for freight-rate increase, and my idea of real farm relief.

I endeavored to make my position clear on the first two subjects just named by a letter written by me to President Hoover on the 24th day of June last and a statement filed by me with the Interstate Commerce Commission on the 3d day of last August.

I shall now insert each of these documents in the RECORD without further comment, except to say I hope to discuss further both of these in the near future.

The letter to President Hoover is as follows:

WASHINGTON, D. C., *June 24, 1931.*

Hon. HERBERT HOOVER,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: I am just in receipt of your telegram asking for my views concerning your proposal in respect to postponement for one year of all intergovernmental debts.

With greatest personal regards and with full faith in your honesty of purpose, beg to state I am at complete variance with your views on this vitally important subject.

Being unalterably opposed to the cancellation of the debts due the United States by foreign nations, believing that the foreign-debt-settlement program put through a few years ago was the beginning of a total debt-cancellation scheme and campaign, and being convinced that the present debt-delay proposal will constitute a tremendous advance, becoming an entering wedge for a great drive for complete cancellation to follow in the near future, I find myself bitterly opposed to the proposition.

The cancellation of practically all the indebtedness of a financially embarrassed person is certainly very beneficial to him and to his specially preferred creditors, who do not cancel but collect their claims in full together with interest, bonuses, and other tremendous profits. Of course, there is great rejoicing among foreign debtor nations and all international bankers and other big interests in our country and elsewhere who are creditors of these foreign nations or are holders of foreign bonds or have foreign investments and who selfishly feel that real prosperity is embodied in their accumulating more and yet more wealth at the expense and to the destruction of the common people.

The same reasons that are now urged for postponement were advanced for the recent foreign-debt settlements. The same reasons will be set forth a little later for complete cancellation. The motive of the foreign debtor nations, as well as that of the international bankers, foreign creditors, and bondholders, has been, is, and will be, the same. They are not at all concerned about the welfare of the American people as a whole, but are interested in the accumulation of billions of ill-gotten gold.

Foreign investments, stocks, and bonds may temporarily advance because they will be made more valuable by this lavish donation of the money of the American people. This advance no doubt will temporarily help the American bond market. Even farm products for the present may gain a few cents. Why not? With millions and eventually billions of the people's money dished out to great corporate interests, they can afford to return a few paltry pennies.

In my humble judgment, this is but another attempt to usher in prosperity by adding additional wealth to those already a menace to our Nation because of their great wealth. The true criterion of prosperity is not the amount of food in storage but the amount of food that is used, keeping both the producer and consumer from hunger; not the cotton or wool in the hands of the speculator but that which has paid the obligations of the producer and is clothing mankind; and not the money in the vaults of banks or treasuries but the money that is in the hands and pockets of all the people.

When the blood ceases to circulate, the individual faints. If circulation is not restored, death ensues. To-day there is financial congestion in the big money centers. The financial fluid of the Nation is not circulating. There is not only dizziness but a complete financial collapse. Circulation must be restored. Greater congestion will not help but will retard recovery.

Let's not be so concerned about the accumulation of additional money in the hands of the few. Let's get it going on its endless mission of good in the hands of the many. Help the farmer get a fair price for his efforts, the laborer reasonable pay for his toil, and the individual private citizen a good return for his part in the economic scheme of things; then give them a square deal and all the employment they desire, and prosperity and happiness will be abroad in our land.

As water from the highlands on its way back to the sea makes a paradise of a desert, so the happiness and success of honest labor and effort and the money of the many flows back through the channels of commerce to the centers of great wealth, bringing prosperity out of chaos.

Great dividends and the high prices of stocks may not, and oft-times do not, indicate prosperity for all the people. Many times they mean the taking of unfair and unconscionable profits to the detriment of the common people, eventually bringing about a nation-wide financial depression. Prosperity is wealth of the many, not of the few. Idle money in the hands of the few, locked in vaults of steel, is as useless to the masses as the salty water in the bottom of the sea is to the parched hillsides of the desert.

I respectfully contend that the transfer of large amounts of American money to foreign nations, either by foreign-debt postponement or cancellation schemes or other devices, dries up the needed resources of our common people and pauperizes our own citizenry. Foreign peoples get the benefit of money that should be kept here, giving employment to labor and bringing prosperity to our farmers. The present debt-postponement proposal certainly encourages, aids, and abets foreign loans and investments by the international bankers and is in their interest and, as I see the

proposition, is detrimental and destructive to the rights of our great common people.

What this country needs to-day is not more help for great wealth, either at home or abroad, but help to the common people so that their prosperity will spread far and wide, covering our whole Nation.

The question is not whether the present suspension scheme will temporarily help big business get more money, but is whether it will permanently help the Nation as a whole—and the common people are an important part of the Nation. The all-important vital question is what good will this suspension of payments of foreign debts do for the farmer who bought Liberty bonds to the limit, sent sons across the sea to suffer, fight, and die in a foreign land, whose home has been sold, or is now being sold, by his Government under foreclosure proceedings, and to whom and for whom his Government has never suggested a moratorium of his debts or his interest, but with a ruthless hand is demanding of him payment in full as is "nominated in the bond." What good will this suspension scheme do the millions of laborers who are out of a job and are begging for bread? What good will it do the millions of mothers and fathers whose boys are buried in Flanders fields? What good will it do the millions of naked freezing backs and hungry mouths in our own land? What good will it do the mother of the unknown soldier with her son buried yonder in Arlington while she is ragged and cold in a bread line, with her Government refusing to appropriate money to buy her a bowl of soup, while it is graciously donating millions of money—her money, and money of other fathers and mothers like her—to peoples of other nations across the sea?

At the close of the World War foreign nations owed the United States enough money to have paid off every loan and all taxes for many years on every farm of every farmer in America, and to have built every farmer a good home, and installed a farm-relief program that would have insured the prosperity of the American farmer and his folks forever.

What are we doing with these enormous assets? The answer is unbelievable. This Government we love to call ours is donating practically the whole of this enormous amount of money to foreign governments and peoples, is foreclosing with an iron hand loans under Government control against the homes of the American farmer when interest is past due, is taxing manufactured tobacco more than twice as much as the farmer gets gross for producing the raw material, is refusing to loan back to this farmer for production purposes even one-twentieth of the money raised in taxes from tobacco grown by him, is failing and refusing to put into effect any really worth-while farm-relief program, and is bringing about and perpetuating an economic system which means the ultimate destruction of the farmer, the laboring man, and the individual, independent American citizen and their Government.

My dear Mr. President, these reasons and others force me to respectfully inform you that when the present foreign-debt-suspension proposal comes before the Congress I shall vote "no."

With highest personal regards, I am, sincerely yours,

W. C. LANKFORD.

Mr. Chairman, the statement filed with the Interstate Commerce Commission is as follows:

WASHINGTON, D. C., *August 3, 1931.*

The INTERSTATE COMMERCE COMMISSION,
Washington, D. C.

GENTLEMEN: I respectfully submit that the greatest problem before our people to-day is what can we do to save the farmer. The next greatest question is what can we do to save the railroads? At the present neither is getting a square deal. The farmer never did get a square deal. The railroads for a long time received their share and ofttimes more than was justly coming to them. This has all changed, though, and both the farmers and the railroads are severely and unjustly suffering from causes which can not be charged solely and only to the present general financial depression. Both should do everything possible to help themselves, and both should receive help at the earliest possible moment from well-considered State and national legislation.

The problems of neither can be fairly solved by increasing the burdens or by making more numerous and complex the problems of the other. For instance, a scheme or device to take the freight and passenger business of the farmer away from the railroads without some special benefit to the farmer would not be a proper solution of any part of the farmers' problems. Neither would a 15 per cent increase of freight rates on farm products be a proper solution of any of the problems of the railroads. Such an increase would injure the farmers, would not help the railroads, and would leave the problems of both more numerous, more burdensome, and more complex. The trouble with the railroads is lack of business. The increase of freight rates on farm products would not give more of this business to the railroads. On the other hand, it will drive this business away from them. Even at the present rates, the farmer is turning his back on the railroads, is hauling by private conveyances, is patronizing the trucks, and letting his products rot in the fields rather than pay freight charges greater than he receives for the products. An increase of freight rates means less farm products hauled by the railroads and more by other means and more to rot and not be hauled at all.

Let the freight charges be made too high on farm products and the railroads will not haul any considerable amount of farm products. The time was when the farmer had to patronize the railroad if he secured fast, long-distance transportation of his products. He was at the mercy of the railroads. That time has passed. With good highways and present methods of transportation, the farmer can absolutely do well and let the railroads be destroyed, except in so far as they serve him in other ways than by hauling his products.

The farmers are fast finding that the economical way to transport their products is by means other than railway freight. They are adopting these methods. An increase in freight rates on farm products will not help the railroads unless they wish to haul more empty cars and less loaded ones. In most instances it does not now pay the farmer to load his products on trucks, carry them to the railroad, reload on a freight car, await their transportation by slow schedules, when they must be unloaded at their destination and reloaded into another truck and finally delivered to the merchant for the wholesale or retail trade. It is a cheaper, quicker, better process to use trucks to carry the products directly from the farm to their final destination.

In order to get and keep the business of the farmer the railroads must give cheaper, better, and quicker service. This is also true as to all other classes of freight and passenger business. The railroads can not win their fight for more freight business by increase of rates, poorer service, slower schedules, more red tape, and fewer trains. Neither can the railroads build up nor even keep their present passenger business by increase of passenger fares nor by taking off trains nor by giving poorer service generally. All these things which many of the railroads are now doing and seeking to do are driving business to competing carriers and away from the railroads.

In fact, it is evident to my mind that the railroads, either knowingly or unwittingly, are destroying their own business and building up the business of the truck and bus lines. For my part, I believe in many, if not in most, instances they know well what they are doing and that there is method in their madness.

I have evidence which convinces me that the railroad officials of some, if not all, the big lines have, with malice aforethought and deliberately, decided to buy up or establish large competing bus and truck lines, drive all business possible from railroads to these lines, destroy and junk all short-line railroads, whether owned by them or others, freeze out all independent bus and truck lines, take off every passenger and freight train possible, discharge thousands upon thousands of train, shop, track, and office employees, effect certain consolidations or mergers and bring about the most gigantic, powerful, and dangerous traffic monopoly the world ever saw.

This scheme, if accomplished, would mean a tremendous loss to the working man, the farmer, and the great mass of American people. Thousands upon thousands of men now employed by the railroads would be forced to seek employment elsewhere. Thousands of miles of railroads would be junked in every State and an enormous amount of taxable property would disappear from almost every county and small city in the Nation. In many counties the tax burden of the average citizen—now almost unbearable—would be almost doubled. The people would be taxed to the limit to keep up the public roads over which this gigantic trust or associated trusts would be hauling passengers and freight without competition. I said without competition, and I meant just that. The independent bus and truck lines, as well as all railroads, except a few through, long-haul, long-distance lines would have been destroyed. This powerful traffic monopoly would be attempting to maintain the same high freight and passenger fares they now have and are seeking to establish. It would be using every device known to the ingenuity of able lawyers to capitalize all such incorporial rights as easements, good will, licenses, or grants, franchises, and so on.

They would go into court and absolutely prove that the exclusive right or privilege of hauling passengers for hire over a public road kept up at public expense is very valuable. It could be easily shown that this right is much more valuable than the right to haul passengers or freight over a railroad owned by the railroad and kept up by the railroad, on which the railroad pays taxes and on which there are operated trains giving employment to thousands of men.

The more the public taxed itself to build good roads and bridges, the more valuable would become the exclusive right of the monopoly to haul freight and passengers over the road owned, maintained, and improved by the public, and the more this giant monopoly could capitalize good will, franchises, easements, and every other known fictitious value to squeeze more and yet more passenger fare and freight charges out of the public. This monopoly would pay no real tax to the various cities, counties, and States. The people would be paying tribute and taxes to this traffic monopoly.

This juggernaut would not be hiring men to keep up its roadbed. The public would be doing this, and this greatest of trusts would be using the public's road, driving the public into the ditch and charging the public for the outrage.

Activities which are to be the entering wedge for this kind of an orgy are already evident on every hand. The camel's nose is already under the tent. The Supreme Court decision generally known as the Baltimore street-railway case, shows the workings of the monopilistic mind in these matters. The situation is acute. There should be prompt action to save the physical railroad properties for the stockholders, financial investors, and the general public, and there should be equally prompt action to save the public roads for the public. The increase of freight rates on farm products or on other easily handled articles will not help save the physical railroad properties for the employees, the farmers, and the great common people; neither will these increases help save

the public roads for the use of the public, but will hasten and augment the destruction of both.

The physical properties of the railroads should be saved from destruction regardless of whether the attempt to destroy is by the railroad owners or others. An increase of freight rates on farm products and other easily transported commodities is, in my candid opinion, not in the interest of the laboring man, or the farmer, or the masses, and can only mean further unemployment, unreasonable reduction of wages, and greater tax burdens for the people. It it is not in the public interest that the railroads be permitted and encouraged to engage in the truck and bus business on the public highways in competition with the railroads' own lines.

This can only mean a further increase of bus and truck business by the railroads and a wholesale discharge of employees, and still further curtailment of railway service, finally leading to the destruction of a large part of our physical railroad properties. An increase of all freight rates at this time, to my mind, can only be in furtherance of this shifting of transportation and the economic loss that will be occasioned thereby.

Let me say just here that I am very much alarmed about the present transportation situation. I favor saving the railroads by any and all fair means. Every reasonable law to save them and yet protect the public, should be enacted by Congress at once. I have some well-defined ideas about proposed legislation along this line, as was indicated by several amendments offered by me in the House at the last Congress when the bill to put motor busses under the Interstate Commerce Commission was up for consideration.

The railroads can succeed by rendering the greatest possible service for the least possible charge. It is not right that they should, and they will not succeed by unfair tactics, dishonest manipulations, gross favoritism, basely discriminatory laws or regulations, or by rendering the least possible service for the greatest possible charge.

I believe the railroads can profitably haul the freight of the country cheaper, faster, and more satisfactorily than it can be done by truck lines or by private conveyances. This, of course, means cheaper freight rates, more and faster loaded trains, better service generally and not higher freight rates, fewer and slower unloaded trains, and more unsatisfactory service.

I firmly believe the railroads can very profitably handle the passenger business of the country much cheaper, much safer, and much more satisfactorily than it can be handled by busses or by private conveyances. For emphasis, let me say, I believe the railroads can make train travel so pleasant, the schedule so convenient, fast, and frequent, the passenger rate so cheap, the service so safe and satisfactory until even the owners of automobiles will not use their cars over a parallel paved highway, buying oil and gasoline and taking the traffic risks, but will leave their cars in the garage and use the railroad coach instead. This kind of service, though, means better, faster, more frequent service and more—not less—courteous, skilled, experienced employees.

To my mind, the railroads are about to make an abject surrender rather than wage a noble fight. I fear there is an effort to join the alleged opposition and then, without the firing of a gun or a single skillful maneuver, surrender to themselves. I admit the railroads are not getting a square deal at this time, but I fear they are attempting to put over and perpetuate on the public a deal which will in time become a crime against all humanity. The railroads need help and I feel that the American people and their lawmaking bodies will gladly help them if they will seek to win by becoming servants of the people rather than robbers.

At an early date, on the floor of Congress, I hope to discuss more in detail just how I believe the railroads can win this fight for themselves and the country by giving more and better service to the public at reasonable rates.

For the present, before I conclude, I shall urge a few more reasons why freight rates should not be increased on farm products. All freight charges, by whomsoever paid, like taxes, are in most cases eventually passed on to, charged up to, and paid by the farmers and the common people.

Freights, Pullman charges, and many other similar costs are charged to expense accounts and into the selling price of various commodities, and in the end paid by the consuming public. The big dealer or the wealthy business man pays these things but collects them back in the end. Not so with the farmer or the consumer. What the farmer pays on his products is lost to him. Ordinarily he can not charge his freight cost up to anyone, not even to the consumer. The consumer may repay the freight when he buys the product from the middleman or dealer; but if so, it never gets back to the farmer.

Since practically all freights are eventually paid by the farmer and the consuming millions and since the farmer can not charge his freight cost up to anyone else, it follows that the farmer should be given advantage of a specially low freight rate on his products.

Greatly reduced rates are often given on certain commodities, which would not be shipped at all except for the special rate. This rule should be especially applicable to watermelons, cantaloupes, and many other farm products. A reduced rate on these farm products would increase very much the tonnage handled by the railways.

Let me make the further observation that the economical furnishing and proper distribution of food is most essential to the welfare of the whole people, the safety of our institutions, and the perpetuity of our Nation.

To-day we are in the midst of plenty with our people starving. There is so much food until it is a menace and so much hunger until all shudder at what may come if the present situation continues. In fact, the feeding and clothing of our people is so vital and the products of the farm are so essential to the very life of our Nation that it would certainly be better for all if the freight charges on farm products were reduced to the minimum and the necessary profits of the transportation lines derived from charges on other commodities and from other branches of the service.

It is evident to my mind that freight charges on food and other products of the farm should be greatly reduced rather than increased.

Sincerely yours,

W. C. LANKFORD.

Mr. Chairman, I shall now attempt to make clear my idea of real farm relief. I am letting the two letters or statements just read speak for themselves. They deal with vitally important subjects, but to my mind, in so far as my people are concerned, none is so important as the farm problem, which I shall now attempt to discuss.

I hope to accomplish three objectives by these remarks. First, I want to tell just what I believe to be real farm relief, such as would put the farmers on a parity with other businesses and enterprises, as promised by both the Democrats and the Republicans in their last national platforms.

Second, I want to explain my plan to obtain this much-desired result, and lastly, I want to show wherein I believe my plan to be the only complete solution of the entire problem and better than any other plan.

As I have often stated before, I believe real, pure, and undefiled farm relief will only be obtained when the farmer is enabled to name the price of what he sells as fully as others name the price of what they sell to the farmer.

This can not be done by a single farmer producing a single commodity. Neither can it be done by a small group of farmers. To be effective the plan must be undertaken by practically all the farmers living in the entire United States who produce the particular commodity to be handled.

Cotton and tobacco are the principle basic products grown in my district, so I will use them to illustrate what I would like to see the farmers able to do as the result of honest-to-goodness farm-relief legislation.

I want all the farmers producing tobacco, for instance, acting under an agreement between themselves and the Government, to plant the same proportionate part of their cultivated land in tobacco and plant only so much as can be sold for an average of 20 cents or more per pound. When they plant the crop I want them to know they will get this good price in cash just as soon as the tobacco is gathered.

This would enable the farmer to borrow for production purposes any money he may need, as any person or bank would gladly loan money on a crop the price of which was absolutely sure to be very profitable.

In a few years the farmer would not want to borrow; he would have plenty of money of his own. This happy condition would enable the farmer to diversify and give much more attention to not only the small crop of tobacco allotted to him but to a cotton allotment and other crops.

He would soon be growing much better tobacco and selling it at from 50 cents to a dollar a pound and becoming absolutely independent on a smaller acreage of tobacco and with much less expense, labor, and effort.

This would be real four-square farm relief and, I repeat, can only come from an arrangement by which the farmer will be enabled to name the price of the tobacco he sells as fully as the manufacturer names the price of what he sells to the farmers and others.

This and nothing else will be farm economic equality. Some say this can never be accomplished. I say it can be done. I further say both Democrats and Republicans should quit promising economic equality to the farmers unless they intend to live up to their promises.

How can the farmer be enabled to name the price of what he sells as fully as the manufacturer names the price of what he sells to the farmer? To my mind the answer is as simple as pig tracks. Let the farmers do just what the manufacturers do. Neither can control their prices without controlling both production and marketing. It is all a question of supply and demand.

If the supply is controlled the price can be named within reasonable limits.

The manufacturers by controlling the output of their factories, both by holding down the output and by placing on the market only so much of a particular commodity as can be sold at a given or predetermined price, control and name the price of their goods.

This is the only way for the farmers to elevate and stabilize their prices. It can not be done any other way.

Suppose the manufacturers produced all kinds of goods without limit and then piled them down in warehouses everywhere without regard to the demand for the particular commodities and asked the public to come in and take anything and everything at just such price as they wished to pay. No one doubts what would happen to the manufacturers under these circumstances. They would simply go broke. This is exactly what is happening to the tobacco producers, who are selling their tobacco by this very kind of a plan.

Now, is there some way for the farmer to control his production and the placing of his tobacco and cotton on the market so as to control his prices? I answer this question for the farmers by saying yes. Here is how I say it can be done:

Let us enact a bill providing that when a very large percentage of the producers of tobacco sign a contract giving a governmental agent the right to control the acreage to be planted in tobacco and making this agent the attorney in fact of the farmers, with authority to sell the entire crop of tobacco produced by the contracting farmers, then the Government will in effect guarantee the price of cotton and tobacco to be 20 cents per pound average or above.

The contract would provide that the allotment of acreage shall be a definite percentage of land actually cultivated by the particular farmer for the year. The allotment must be fair to all and must be reasonable. The Government agency would have the complete and full right to sell the entire tobacco crop to whom and whenever the agency wished except that the agency in no event could sell the tobacco below the price guaranteed plus all cost, interest charges, and other expenses.

Also, the agency upon demand must loan to the producer the full amount guaranteed as the minimum price, and must not demand or accept any security other than the tobacco or other products grown under the contract.

Thus it will be seen the farmer would not owe the debt. The product—for instance, the tobacco—would be solely and only responsible for the debt, and the agency must sell the tobacco for enough to pay the debt in full, including all interest and other expenses.

The Government could not lose, as the product must be sold for enough to pay the loan made to the farmer and all other expense. The farmer would be getting a reasonable price named by him through his governmental agency. There would be no unreasonable middlemen profits.

The manufacturers would all get their raw material at the same price without danger of getting loaded up on raw material at a high price only to be wrecked by their competitors buying at a much lower price. All manufacturers could figure a reasonable profit on the same cost price of the raw material and would be better off than under present methods.

The price of the manufactured article would be stabilized and the ultimate consumer would not be injured but would be benefited.

Now, if my plan should be enacted into law and the farmers sign the contracts and the Government make the guaranty fixing the minimum price of tobacco at 20 cents per pound average, would the Government lose? In other words, could the Government under this scheme sell tobacco and cotton at the price guaranteed the farmer? Let us again use tobacco as an illustration and visualize the situation and see just what would happen.

Sufficient contracts having been signed under the law, the farmers having grown tobacco under the contract-control plan, having already borrowed 20 cents per pound average under the agreement that the entire loan and all cost must be paid out of the proceeds of the tobacco, the farmer would not have to sell. The governmental agency could sell whenever it pleased, so it gets enough to pay the loans in full. This agency would have the complete control of the placing of the entire tobacco crop on the market subject only to the limitation of price just mentioned.

The manufacturer must come to the governmental agency to buy the leaf tobacco. It can not be bought elsewhere. The agency represents the farmers, so it is the farmers speaking through him who say, "We have all the tobacco you want at 22 cents per pound; how much do you want?" The manufacturers say, "We want to name the price." The farmers say, "We have made arrangements so we do not have to sell except at a fair price fixed by us. We are going to name the price; the only question for you, Mr. Manufacturer, is how much do you want? We are not selling it by the pile to the highest bidder with you naming the price. We will sell you a carload or a trainload or the whole crop for this year at our price, please. How much do you want, Mr. Manufacturer?" The manufacturer says, "Yes; but you have an overproduction. I will not pay more than 6 cents a pound." The farmers say, "That is none of your blamed business. If we have produced too much, that is our business. We do not have to sell. Buy what you want at our price. Take it or leave it. If we have any surplus after you buy all you want at our price, we will store it and save it until next year and curtail our acreage next year so as to absorb any amount that may be left over."

The manufacturer might suggest that he would not buy at all. The farmers could counter with the idea that the entire crop for the present and future years, then, would be sold to some one else, leaving the manufacturer to go out of business. All the manufacturers might go on a strike and all agree not to buy at the high price. If so, the farmers with their organization could open up new factories themselves or get others to do so with the promise to let them have all the leaf tobacco for the next several years at the fixed and guaranteed prices.

I do not believe anyone will argue that the manufacturers and exporters would not buy under this arrangement. They would simply have to buy, and for the first time in the history of the world the farmers, as free men, would be naming the price of their own products. For the first time since Adam and Eve were driven out of the Garden of Eden, the farmer would be selling his products and not simply standing by with his hands tied while some one takes his products and only hands him a few pennies of the real value of his hard-earned property. He would be selling his tobacco, not forced to let it be taken without a just return. There would be real trading, buying, and selling.

Suppose the manufacturer should say "the price is too high." The farmers and those acting for them would reply, "We know what leaf tobacco is worth. We know what you pay for labor and on account of taxes. We know what your factory cost. We know your every expense. We know the enormous dividends and profits you are making. We know what you can pay for this tobacco. We know you are going to buy at our price. How much do you want?"

Let me say just here that the farmer could not demand and get a price beyond all reason. He could, though, get a fair price. This is all he wants.

As I suggested a little while ago, the manufacturers would be glad to buy at a fixed or stabilized price rather than on an indefinite fluctuating market with danger of their competitors getting the advantage. In fact, the manufacturers would be anxious to buy in order to be sure and get all the raw leaf tobacco needed by them before the crop was sold to others. They would be faced with the danger of one or two large concerns buying up the entire crop and leaving them to close their factories. For these reasons the manufacturers of tobacco would contract with the agency of the farmers for all the tobacco needed before it was planted, to be delivered and paid for in cash at the price determined as soon as the crop of tobacco could be gathered and delivered.

Thus it will be seen that under this plan the farmer, before he started his crop, would absolutely know what he would get for his tobacco.

Now, can this plan be put into effect? I answer yes, if Congress will pass the bill suggested and introduced by me and if sufficient farmers planting tobacco, for instance, sign the contracts.

I firmly believe Congress should pass my plan. It is the duty of every friend of the farmer in Congress and out of Congress to either support my plan or offer something better. I honestly do not believe anything better can be offered. Nothing better certainly has showed up so far.

I have no doubts about the farmers signing the contracts. I have explained the plan to thousands of farmers and am yet to find the first one who, understanding the contract, says he would not sign it. It is so simple and easy to understand. On every side and from every source comes the information that unless there is a control of production and marketing there can be no control of prices.

So my plan is for the Government to say to the farmers, "Let us control within reasonable limits your production and the placing of your tobacco on the market, and we will guarantee you a good price." The farmer simply says, "I accept the proposal," and the contract is made.

Some have said that some farmers would not come in and sign but would plant all they wished, make a "killing" and wreck the whole scheme. To begin with these fellows would not be good neighbors and would find themselves very unpopular trying to live among other people who are striving honestly to solve this great question.

Then, again, I would provide by law that all manufacturers who bought all their leaf tobacco from the governmental agency be granted a very light tax on their manufactured products and that any manufacturer who bought any leaf tobacco from an outsider be very heavily taxed. This would absolutely prevent anyone endeavoring to wreck the entire scheme to satisfy his own greed. He would find no market for his tobacco.

The law would provide that if a man signed the contract and then planted more than his share, the Government could seize this surplus without pay, as it would be the property of all the farmers who were living up to their contracts.

I would not make the penalty more. The farmers would report violations where the penalty is only the forfeiture of the excessive production. Now, I want to give some reasons why I believe my plan is the best one ever suggested. Here are some of them:

(a) The farmers themselves decide by signing the contracts that they overwhelmingly approve the plan before it goes into effect.

(b) The farmers producing tobacco or any other product may put it into effect as to that product, leaving other producers free to do as they please.

(c) The plan eliminates all middlemen profits and puts an end to speculation and gambling in futures.

(d) Diversification under this plan would be stimulated and made very profitable by the farmer planting much less so-called money crops and getting much more for them.

(e) The poor man and the wealthy farmer are treated exactly alike. Each would know what he would get for his crop before he planted it. Each could get money for production purposes and borrow in cash three times what he now sells his tobacco for, and each could hold his tobacco and ultimately get the highest possible price for it.

(f) The benefits would go directly to the producers and not to those speculating on the farmers. The high prices would be paid to the farmers themselves.

(g) There would be no "equalization fees," charges for price insurance, or other speculative cost or dues. The benefits would be direct, with no export debenture or other speculative help going into the pockets of exporters or other large produce dealers on the theory that part may perchance ooze through to the farmers. The help would be in behalf of the producers and none other.

(h) The control is on acreage and not on amount of production, thereby encouraging more intensive and better cultivation of the particular allotment.

(i) The control of acreage is not based on the need of money for production purposes, which would only control the poor man, leaving the rich to plant all they please, but is based on the need for a fair price, bringing the poor and the rich alike within the circle of production and marketing control.

(j) The allotment of acreage is based on the number of acres the particular individual plants in other crops, thus preventing 1-crop farming to the detriment of the general farmer.

(k) The plan is nation-wide, with definite guarantees to the farmer rather than sectional, sporadic attempts to control production, with no guaranty to the producers. It is by mutual contract under control of the farmers and their friends rather than by the strait-jacket of law under the police authority of the States or Nation.

(l) The plan is under the contract provisions of the Constitution and provides a fair, mutual, elastic method whereby the farmers of the Nation may become a free and independent group of citizens.

These are only a few of the reasons which persuade me to humbly urge my plan as the best possible solution of the farm problem.

Mr. Chairman, I am not arguing that there is no merit in other farm-relief proposals. I have supported and voted for some of them, but all the while my judgment has been that the only proper solution is by my contract plan. During the past summer I had repeated conferences with members of the Federal Farm Board and urged in every way possible the controlling of production, marketing, and prices of farm products by a contract system.

In this connection let me insert here some letters and telegrams which are self-explanatory. On August 12, last, after the Federal Farm Board had advised the destruction of one-half of the cotton crop, I wired each of the governors of the 10 largest cotton-growing States as follows:

Am urging the Federal Farm Board that rather than destroy any part of cotton already produced, a far better plan would be to perfect an arrangement whereby one-half of present crop will be delivered into the custody or control of Federal Farm Board or a joint Federal and States agency under a contract between this agency and the farmers whereby the farmers of the whole Nation obligate themselves not to plant any cotton next year or only so much as is approved by the agency, and the agency on the part of the United States Government or United States Government and the cotton-growing States obligates itself to hold off the market all cotton now turned over to the agency plus all cotton now held by the Federal Farm Board until such time as the farmers can get a fair price for their cotton. Let this contract hold good from year to year provided the plan stabilizes the price of cotton at a reasonable and profitable price to the farmers. This contract system of controlling production and marketing so as to elevate and stabilize the price of cotton, tobacco, turpentine, and other farm products has been advocated by me for years as the only solution of the farm problem in so far as certain basic commodities are concerned and should be put into force at the earliest possible moment not only as to cotton but as to tobacco, turpentine products, and all other products where the farmers in sufficient numbers are willing to make the contracts. Destroying a large part of the present cotton crop would no doubt cause balance of the crop to sell for more than whole crop, but why ask the farmers to destroy a large part of their crop only to immediately begin making more cotton at great expense and hard labor when a better result can be obtained just as easily by holding part of this year's crop over to next year and relieve the farmers next year of again producing another crop of cotton?

On August 13, 1931, I sent the governor of my State a letter, as follows:

AUGUST 13, 1931.

GOV. R. B. RUSSELL, Jr.,
Atlanta, Ga.

MY DEAR GOVERNOR: With further reference to the proposal of the Federal Farm Board to destroy one-third of present cotton crop, concerning which I wired you on yesterday, I wish to state that I construe the suggestion as an admission that the present farm board act is a failure and that Congress has not yet solved the farm problem. I quote from to-day's issue of one of the leading Washington dailies as follows:

"It is a humiliating commentary upon modern intelligence and boasted American efficiency, an ignominious confession of failure to regulate consumption and distribution, when with superabun-

dance and want existing side by side no better means of equalization have been devised than the destruction of products valuable for food and clothing. What has come over American efficiency that it stands dumb and impotent when wheat and cotton must be burned or left rotting in the field while millions of citizens are in need of both?"

This item is from a paper which is recognized as the mouthpiece of the big interests and as unfriendly to agriculture, and shows how the public—both friends and enemies of the farmer—feels about the proposal of the Farm Board and the laws Congress has heretofore enacted in the name of "farm relief."

I construe the proposal to destroy one-third of the present crop as a mere gesture and as an effort to shift to the States and the governors of the States a responsibility which belongs to the Federal Farm Board and Congress.

Again, let me add that the proposal is unfair in that there is no offer to destroy one-third of cotton which has passed out of the hands of the farmers and is now held by the stabilization corporations, a creature of the Farm Board, neither is there any suggestion or proposal for the destruction of any part of the cotton of last year or this, already sold by the farmer and now held by the speculators.

The proposal, as usual, is for the farmer to suffer all loss and others to share all benefits and gains. The destruction of part of crop would make untold millions of dollars for those who now are owners of cotton, not as producers but as purchasers.

Under a contract plan as suggested by me on yesterday there would be no destruction of property or special benefits and favors to cotton speculators as against the farmers, but all burdens and benefits would be shared equally by all.

Under separate cover I am mailing you some speeches I have made in Congress from time to time on the solution of the farm problem by a contract system for the control of production, marketing, and prices of farm products.

With highest regards and best wishes, I am,

Sincerely yours,

W. C. LANKFORD.

Mr. Chairman, an identical letter was sent to each of the governors of the 10 largest cotton-growing States.

I not only personally discussed this problem with the Federal Farm Board but I filed written statements and letters with the board in support of my position. One of my letters to the chairman is as follows:

Mr. JAMES C. STONE,

Chairman Federal Farm Board, Washington, D. C.

DEAR MR. CHAIRMAN: With further reference to the farm problem, let me say that we have come to the parting of the ways. I believe the farm problem must be solved now or never.

With the Federal Farm Board the hour has struck; the time for a great decision of a momentous question is here. It means life or death for the farmers of the Nation. It likewise means life or death for the Federal Farm Board. There is but one remedy for the farmers and the board. Each can by a mutual arrangement protect and save the other.

The present deplorable cotton, tobacco, and turpentine situation in the South furnishes the Federal Farm Board the great opportunity. The board must make good now or never. There can be no opportunity without a way. What is the way? Here it is:

Let the board, through stabilization corporations, begin buying all of these products—cotton, tobacco, etc.—offered by the original producer for sale, and continue to buy until the price advances to a fair minimum price; let the board store the products and declare the purpose of the board not to sell any of such products now owned or hereafter purchased except and until the board can dispose of same at a price sufficient to net the farmer the fixed fair minimum price after payment of all storage and other holding expenses; the board paying the present selling price as the initial payment and making additional advances as the market price advances until the fair minimum price is finally paid to the farmer.

The undertaking or contract on the part of the board to purchase would, of course, be limited by the amount of money now appropriated and hereafter made available by Congress, and the contract on the part of the Federal Farm Board to hold the product beyond 12 months would and must be conditioned upon an arrangement to be worked out by Congress or the States, or both, giving the board the right by law or a contract system, or both, to bring about and make such reasonable and fair curtailment of the acreage of the particular product as the board may determine.

This program, if instituted by the board, would be the beginning of real farm relief, and if it failed the responsibility would be on Congress. The board would have done its duty and the farmers will do theirs if given a chance under this plan.

In conclusion, Mr. Chairman, let me beg you and the board to use every possible force at your control to help the farmer in this trying hour. There never was a farm situation so serious and, to my mind, there never was an opportunity to serve the farmer with such momentous possibilities.

Assuring you of my desire to cooperate most fully with you and the board in your efforts to solve this great problem, and with best wishes, I am,

Sincerely yours,

W. C. LANKFORD.

Mr. Chairman, let me say I do not want to lose faith in the Federal Farm Board. The law under which it operates is a failure. Let us amend the law so as to provide for real farm relief. Let us save the board, but let us make it an instrument for good rather than for evil.

On August 18, 1931, the same day I wrote Chairman Stone, I issued a statement for the press briefly giving my views on the farm problem from a legislative standpoint. This statement as carried by the Waycross Journal-Herald of my district is as follows:

CONGRESSMAN LANKFORD INSISTS ON NEW SYSTEM IN AGRICULTURAL FIELD—GEORGIA LAWMAKER URGES CONTRACTS FOR PRODUCTION, MARKETING, AND PRICES

Congressman W. C. LANKFORD, of the eleventh district of Georgia, to-day issued a statement, a copy of which was mailed to the Journal-Herald for release in this section of Georgia, relative to the agricultural problem.

The statement follows:

"There will be a much greater fight over farm relief at the next Congress than ever before, and, as is usual, probably nothing worth while accomplished. On the other hand, additional serious injury and injustice may be done the farmer.

"The enemies of the farmer and of real farm relief are saying: 'The Farm Board act is a failure, must be repealed, and there should be no further effort to legislate for the farmer.'

"Others are saying: 'Down with the Farm Board; let us have the export debenture.' Still others are shouting: 'Away with the board; give us the equalization-fee plan.'

"There is yet another group who believe that two of the three positions just mentioned are wrong, and even vicious, and that the third has only slight merit, if any.

"It might be all right to repeal the Farm Board act, stop endeavoring to pass so-called 'farm-relief legislation,' and leave the farmer alone to work out his own financial salvation, if just that thing could be done. The trouble is that there are all kinds of laws for every other business, all to the detriment of the farmer. So in simple justice these laws should be repealed or some equally beneficial laws should be enacted for the farmer. It seems almost impossible to enact real farm-relief legislation, and yet it would be even more difficult to repeal all the laws which give others the advantage of the farmer. In fact, the latter is impossible, however much it may be desired by the friends of the farmer. The former is at least possible.

"So it would be not only a mistake but criminal to abolish the Farm Board outright and cease all efforts to pass any farm-relief measures.

"The enactment of the equalization-fee scheme would be even worse. It would be an outrageous crime. In order to determine how much better and more popular it would have been than the present Farm Board act, if it had been included in the present law, let us suppose it is now in effect and that instead of the money the Farm Board is using being furnished out of the United States Treasury it is being raised by assessing an equalization fee on the farmers' wheat, tobacco, or cotton.

"How would the farmer in this year of 1931 like for part of his too few dollars of tobacco or cotton money to be taken as a tax or equalization fee and what would he say when informed that it is being taken to pay big salaries and profits to others and to stabilize the price of his tobacco where it now is and his cotton at 6 cents a pound?

"If the Farm Board act is a failure and unpopular with the farmer when all the money for its operation comes out of the Treasury, how much more outrageous and unpopular would be a scheme which could not possibly boost farm prices any more than the Farm Board does, but would probably do even more harm and with an iron hand extract exorbitant charges from the farmers for the outrage.

"The export debenture would indirectly pay a bounty to the exporters of cotton, tobacco, and certain other farm products, on the theory that a part of this money will in some way ooze through the pockets of the exporters and other middlemen and eventually get back to the farmer who grew the particular product. It is urged that it would help the price also of the product sold in the United States. It is problematical whether or not it would help the price of either exports or other products except such and when actually exported.

"Even if it should temporarily help the farmer it would be an indirect bounty on production, encouraging overproduction, which is now sought to be cured by all kinds of methods. Like a dose of morphine it would not last long enough and probably leave the farmer in as bad or worse condition than before.

"It is an unfair scheme, but as just as the tariff, and has the same evil device of helping the big dealer or wealthy organization on the idea that a part of the bounty will later get to the farmer or laboring man.

"If a production or other bounty is justified, it should be paid directly to those to be helped and not to others for them.

"The export debenture can only be justified as an emergency measure, and should be passed, if at all, as a temporary move and not as a permanent solution of the farm problem.

"The members of the Farm Board are not to blame; Congress is to blame for not enacting a better law. The present act should be amended, or if repealed another law should be enacted at once,

bringing into existence a plan to control production and marketing so as to elevate and stabilize the prices of farm products.

"It is evident that this can only be done effectively and permanently by a proper contract system controlling production, marketing, and prices."

I wish I had time to read into the RECORD the many encouraging letters I have received from farmers of all sections indorsing my farm-relief plan. I will quote briefly from a highly appreciated letter received by me, on the 20th of last August, from that loyal friend of the farmers, and all-round good citizen, Hon. W. W. Webb, of Hahira, Ga., who so long has given the best within him for the cause of cooperative marketing and the welfare of his people.

I quote from Mr. Webb's letter as follows:

I have taken it upon myself to write the Farm Board in Washington again with reference to aiding the farmers in saving and preventing a total loss of the cotton crop. I believe that if we could make an announcement that the Federal Farm Board would make a liberal advancement on the cotton provided the farmers would agree to reduce the acreage to enough in 1932 to take care of the surplus, we could get them all in immediately. This is in accordance with your plan. In my letter to the Farm Board I called their attention to this being your plan and advised that they call you in conference with them. I believe that we could secure a contract from 100 per cent of the farmers in Georgia to reduce the acreage as desired by the Farm Board.

Mr. Chairman, I now insert my reply to my good friend as follows:

AUGUST 20, 1931.

Hon. W. W. WEBB,
Hahira, Ga.

MY DEAR FRIEND: I appreciate very much your letter of the 17th instant and thank you for again approving my plan of controlling production and marketing by contracts so as to elevate and stabilize the price of cotton, tobacco, and other basic farm products. As you and I have so often agreed in our discussions of this subject, there can be no real farm relief without a maintained scale of much better prices; there can be no effective price elevation and stabilization without an effective control of both production and marketing; and these are only possible by a mutual contract between an agency representing the Government and the farmers.

This kind of an arrangement would have prevented the present deplorable condition of our farmers. If properly put into effect at once it would solve the present farm emergency and constitute real and permanent farm relief for the future. I have wired and sent air mail letters to all the governors of the cotton-growing States urging the adoption of the contract plan of production and marketing control as a means of elevating prices, and during the last 10 days I have had several conferences and filed two written statements with the Federal Farm Board urging the merits of the contract plan.

The plan submitted by me to the board is as follows:

"Let the board, through the stabilization corporations, begin buying all of these products—cotton, tobacco, etc.—offered by the original producer of same, and continue to buy until the price advances to a fair minimum price; let the board store the products and declare its purpose not to sell any of such products now owned or hereafter purchased except and until the board can dispose of same at a price sufficient to net the farmer the fixed fair minimum price after payment of all storage and other holding expenses, the board paying the present selling price as the initial payment and making additional advances as the market price advances until the fair minimum price is finally paid to the farmer.

"The undertaking or contract on the part of the board to purchase would, of course, be limited by the amount of money now appropriated and hereafter made available by Congress, and the contract on the part of the Federal Farm Board to hold the products beyond 12 months would and must be conditioned upon an arrangement to be worked out by Congress or the States, or both, giving the board the right by law or a contract system, or both, to bring about and make such reasonable and fair curtailment of the acreage of the particular product as the board may determine."

I shall again discuss this matter with the board in a few days and am so glad you wrote the board giving the plan your approval. Several governors have written or wired me giving either their qualified or full approval to the contract plan. Also, several Senators and Members of the House are lining up with us. The Federal Farm Board is very much interested and I believe will eventually approve it. The board is handicapped in so many ways. Even the law under which it operates is wrong and vicious in many respects. As you know, I had a bill pending which would have given the present board full power to effectively put our contract plan into full operation, but there was a stampede of certain interests not friendly to the farmer, and those in Congress who had not studied the problem and simply wanted to vote for anything labeled farm relief, and the present law is the result.

I am making the fight of my life to get the present act amended so as to not only give the board the power to install the contract system, but require them to do so. I am hoping that before next December the board and even President Hoover will recommend the amendment. We are bound to succeed eventually, but the thing that grieves me is all this delay and the awful losses which the farmers are suffering in the meantime.

Thanking you again for writing me, and with highest personal regards and best wishes, I am,

Sincerely your friend,

W. C. LANKFORD.

Mr. Chairman, in every way possible I am keeping my plan before the people, Congress, governmental officials, and the President of the United States. I want every friend of the farmers to do one of two things. Either help pass my bill or tell me what objection they may have to it. I will gladly abandon my bill if some one will show me some better plan. Until then I am pushing it in every way possible every time I can get a chance to talk farm relief.

While out west last September I read an item in the Livingston (Mont.) Enterprise, from which I quote the following:

WASHINGTON, *September 8.*

President Hoover to-day sought a way out for American cotton growers, buried under the highest September crop estimate in 16 years, a Department of Agriculture forecast of 15,685,000 bales.

I immediately wired President Hoover as follows:

LIVINGSTON, MONT., *September 8, 1931.*

Hon. HERBERT HOOVER,
President of the United States, Washington, D. C.:

Am very happy that so many Senators, Representatives in Congress, and other high officials are now advocating the elevation and stabilization of the prices of cotton, tobacco, and other basic farm products by a mutual contract system along the line advocated by me in my conference with you about a year ago. Such a system worked out along proper lines would have prevented the present awful decline in the prices of farm products. I am urging to the fullest extent not only the adoption of an emergency contract relief plan for the solution of the present distressing financial condition of the farmers but also a permanent production and marketing, control and price elevation plan along lines of the bills introduced by me in the Congress from time to time for this purpose and explained and advocated by me in numerous speeches as appears in the CONGRESSIONAL RECORD for the last several years. A proper contract system is the only efficient permanent way to put the farmers on equality with other businesses and enterprises as promised by both the Democratic and Republican platforms in the last national campaign. In behalf of the farmers of the Nation, I urge you to now help put into effect such a contract system as an emergency move to elevate and stabilize the present prices of farm products. I also plead with you to advocate a permanent contract system of control of production, marketing, and prices of farm products as the only permanent efficient solution of the farm problem.

W. C. LANKFORD,
Member of Congress, Eleventh District of Georgia.

In conclusion let me say I need the help of everyone who believes my plan is right. Let us all get behind the plan and push. Those who oppose this kind of legislation are very obstinate and can only be overcome by the loyal, concerted action of all the friends of the farmers. [Applause.]

Mr. GREENWOOD. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. MCFADDEN]. [Applause.]

Mr. McFADDEN. Mr. Chairman, ladies and gentlemen of the committee, at this hour the Ways and Means Committee of the House is taking up the discussion of the moratorium bill. I understand that the Under Secretary of the Treasury is at the present moment presenting to that committee the administration's ideas as regards the Hoover moratorium.

I am greatly indebted to the majority leadership of the House for granting me this time to discuss minutely this question of the moratorium. I desire also to observe that at this time, before the bill is under consideration in the House and before the bill has been discussed except by the presentation of the administration's plan in the Ways and Means Committee, the full force of the administration's influence is being exerted to exact the pledges of the Members of the House as to how they are going to vote on the moratorium.

The particular situation I want to mention at the outset is that at the present time the Hoover moratorium has been succeeded by the operations of the Young plan, brought about by the recent conference in Washington of the Premier of France, M. Laval, and the President of the United States. Under that plan the Germans have asked for a moratorium as provided by law, and the committees

appointed under that plan by the Bank of International Settlements have been engaged for the past week in determining Germany's capacity to pay. In addition to that the committees of the international bankers are also at work studying the short-time debt situation and Germany's capacity to pay the short-term debts. It is well for you to keep in mind that there is much confusion as regards the short-term debts. The matters in which the international bankers are particularly interested at this time are the acceptance credits. Those are the short-term debts that are referred to.

On June 20, 1931, while Congress was not in session, the President of the United States, acting without any legal or official authority, for the benefit of a foreign country with which we had lately been at war, proposed and virtually brought about a loss to this country of $245,000,000 in one single year and paved the way for much greater losses for this country to sustain in all the years that follow after. Worse than that, he proposed that the Congress of the United States should unlawfully dissipate the resources of this country by giving the money which was due to us under contract, and which should have been paid to us and of which we are the trustees for the people, to foreign nations which have no claim upon us and through them to that foreign nation with which we have lately been engaged in war. In short, he proposed that we should take money away from the men and women and children of this country and give it to Germany. This, in my opinion, was an infamous proposal.

Because it was an infamous proposal, the President of the United States endeavored to find support for his intended action. He was afraid to do this thing alone at the bidding of the German international bankers—the Warburgs; Kuhn, Loeb & Co., of New York; and their followers—all of whom have been engaged in bleeding this country white for the benefit of Germany and themselves ever since the World War came to an end. He was afraid to do it on his own responsibility, because he had no authority to do it in law, either in domestic law or in international law, in morals, in good faith, or under his constitutional oath of office. In fact, it was a violation of his oath of office and a breach of international law for him to do it at all. So, what does he do? He forgets himself and goes so far as to summon the leaders of Congress by telegraph and telephone and asks them to signify their consent to his proposed illegal action in advance. He asked them to give him their votes to sustain his illegal action. He proposed to commit an unfriendly act toward France and he asked certain members of both parties in Congress to sustain him in that course of conduct. He asked them to promise to legalize his unfriendly act. And in advance of the assembling of this Congress which alone has power to make law for this country.

Those of you who were not consulted in this crude attempt at usurpation of legislative power were in effect foreclosed in advance. You were, perhaps, men of no importance in the eyes of President Hoover. Has any President ever so far forgotten the dignity of his office and the limited place of the Executive in this Government as to do a thing like that before? Could anything be more distressing to American pride than such a message to the powers? What constitutes leadership in Congress? Does leadership mean that men of both parties from States where international bankers have their head offices can upon occasion go into a secret conference with the President of the United States, the agent of those bankers, and tell him the little fellows do not count, that they can be held in line and forced to vote "yes" when they might be expected to vote "no"?

Mr. Hoover is not running a coal mine here. He is not a dictator.

I have been here for a good many years. For the past 17 years I have been a member of the House Banking and Currency Committee. For that reason, I presume, I received a telegram last June from the President of the United States asking my consent to the course he wished to pursue. I did not answer that telegram. I am standing here as the Representative of the fifteenth congressional district of my native State, and my vote has not been cast in secret upon a matter concerning which my constituents have had no information and no chance for discussion. This is the place where we make the laws. This is the place where my vote is cast for the fifteenth district of Pennsylvania. [Applause.] I do not vote on matters concerning the welfare of the United States in a telephone booth or in the office of a telegraph company. Consequently, I stand here free. I have made no bargain to vote for the proposal of the German international bankers and the deal Herbert Hoover is trying to put through for them.

But were it otherwise, had I yielded to the importunate demand of the President of the United States, had I been misled by the specious plea of urgency or by any other consideration, and had I afterwards found out what I propose to unravel for your consideration here to-day, I would not feel bound to vote in accordance with a promise that had been wrung from me by unfair means. I would take back such a promise and I would examine the question on its merits and vote according to my conscience and the interests of my constituents.

Do you remember what happened in this country when President Wilson asked the voters to elect a Democratic Congress so that his policies might be put into effect? It was nothing like this bold-faced attempt to usurp legislative functions, to make a law in a small group, and then to peddle it to legislators for their approval. President Wilson's request was nothing like this, and yet the country resented it and refused it and sent us a Republican majority instead of a Democratic one.

After completing his underhanded arrangements by telegraph and telephone, arrangements which savored more of the ways of an oriental potentate drunk with power than of conduct proper for a President of the United States to pursue, Mr. Hoover, with a dramatic flourish, made his proposal, linking it as usual with a lot of false and insincere humanitarianism.

One of the most significant things about the Hoover moratorium was the suddenness with which it was proclaimed. There was nothing accidental about that suddenness, however. The present administration never makes a move of this sort without ordering a spot light beforehand. Months may go into the excited preparation of a deal, but when the moment comes to give the people an official version of what is happening the electricians are ordered to drag in the spots; the sound apparatus is sent for, and the photographers may be seen hurrying toward the White House.

Behind the Hoover announcement there were many months of hurried and furtive preparation both in Germany and in the Wall Street offices of Germany's bankers. The groundwork had to be prepared. The German budget had to be doctored and left unbalanced. Germany, like a sponge, had to be saturated with American money. Mr. Hoover himself had to be elected, because this scheme began before he became President. If the German international bankers of Wall Street—that is, Kuhn, Loeb & Co., J. & W. Seligman, Paul Warburg, J. H. Schroeder & Co.—and their satellites had not had this job waiting to be done, Herbert Hoover would never have been elected President of the United States. They helped select him. They helped elect him.

The Hoover proposal originated in the offices of the German international bankers in New York. William Randolph Hearst has lately made the following statement:

> This plan for revision of war debts, with America paying the piper while war-mad Europe dances, is purely a plan of international bankers, who make money through commissions out of spoliation of their countrymen. One of those bankers wrote me the whole plan months before it was made public and asked my support of it.
>
> I refused support and I pledged unending opposition to this plan to plunder the American people in the interests of foreign nations, for which most of these international bankers are financial agents.

[Applause.]

You will notice that Mr. Hearst says the plan was presented to him in writing by an international banker months before it was made public. This ought to convince you that it did not originate in the mind of President Hoover. It

ought to convince you that it was presented to President Hoover by the same international bankers or one of his followers who presented it to Mr. Hearst and who was rebuked by Mr. Hearst for his cheek and impudence. This international banker was not rebuked by Mr. Hoover. Mr. Hoover, it appears, promised to support the plan, although in his campaign speeches and in other addresses made by him he continued to deny that he was in favor of the object of the outrageous and unpatriotic German banker propaganda for cancellation of war debts and the binding down of American labor to the task of paying the entire cost of the World War.

We have other evidence that this is true. Unknown to the President and his banker friends, an account of the plan was brought to Washington in the summer of 1930, nearly a year before the President appeared before the footlights, and, as master of ceremonies for the German international bankers, made his public announcement. If there was a crisis in German financial affairs in July, 1931, and if there is one in those affairs now, that crisis was well arranged in advance by the German international bankers and no one in Germany took any steps to prevent its occurrence. The plan was brought to Washington and it was divulged to Senators. Closely as the secret was guarded it leaked out nearly a year in advance. This ought to convince you that it was not the result of any sudden emergency in Germany or elsewhere. This ought to convince you that it was a put-up job.

But we have other and equally convincing evidence in regard to the origin of this plan. On October 23, 1931, the German Minister of Communications, Herr Treviranus, publicly stated in Germany that President Hoover began secret conversations with Germany in regard to this plan in December, 1930. That was last December, when our people were suffering from starvation in Arkansas. That was during the last session of Congress when we were struggling to obtain help for the victims of the great drought and the depression. While our minds were occupied with those matters, while our men were walking the streets in a vain search for employment, while the suicide total was mounting, the President of the United States secretly approached Germany and asked her if he could do anything for her in the way of getting her reparations obligations lightened. The German minister, Herr Treviranus, has stated that one of the chief intermediaries in this matter died and it seems as if that chief intermediary might have been Joseph P. Cotton, who died at Baltimore this year. Herr Treviranus has stated that Hoover's negotiations were carried on with the utmost secrecy and we may well believe it.

The Public Ledger of Philadelphia published the following dispatch on October 24, 1931:

[Public Ledger Foreign Service]

GERMAN REVEALS HOOVER'S SECRET—MINISTER SAYS PRESIDENT STUDIED MORATORIUM MONTHS BEFORE ASKING IT—SLOW PAYMENT HINTED

BERLIN, October 23.—Minister of Transportation Treviranus revealed in an address here to-night that, contrary to the general impression that President Hoover's moratorium was the result of a sudden decision, the American President was in intimate negotiations with the German Government regarding a year's debt holiday as early as December, 1930.

The President, according to Treviranus, who has long been intimate with Chancellor Bruening, did not even let his Cabinet members know what was going on. The negotiations, the German minister said, were made more difficult and the result was delayed considerably by the death of the "middle man" the first part of this year. Several of the minister's auditors recalled that the Under Secretary of State, Joseph Cotton, a personal friend and adviser of President Hoover, died about that time.

Previously it was believed that when Mr. Hoover returned from his western trip last June he learned for the first time the real seriousness of Germany's financial situation.

I might state in that connection that the hearings held by the Banking and Currency Committee a year ago last summer, when we were considering this question of the sale in the United States of commercialized German reparation loans, this same Joseph P. Cotton, now deceased, appeared before that committee and gave testimony supporting the issue and sale in this country, as did the Treasury Department, of those commercialized bonds. They were put out in this country by this same group of international bankers at 91¼ and they are selling now between 25 and 30.

Mr. Cotton, not in the record, but in discussion with members of the committee, at the close of the hearings, told of his interest in Germany and the fact that he had a law firm, of which he was a member, with offices located in Berlin.

Here we have the German Minister of Communications, Herr Treviranus, telling us that Hoover did not let his Cabinet officers know what he proposed to do. He worked on his plan under the guidance and at the direction of the German international bankers and he thought he had his secret so closely guarded that the people of the United States would never be able to find out his part in the plot that was being concocted against them.

Mr. STAFFORD. Will the gentleman yield?

Mr. McFADDEN. I am sorry, but I prefer not to yield.

Mr. STAFFORD. The gentleman is making very serious charges against the President of the United States, and I was going to ask him the basis of his authority for stating that he was acting secretly with German international bankers.

Mr. McFADDEN. I think the gentleman will be satisfied by the time I finish.

The CHAIRMAN. The gentleman declines to yield.

Mr. McFADDEN. He proposed to sell us out to Germany. If he had looked about him, he would have seen on all sides the havoc that had been wrought by the exportation of American wealth to foreign countries. He could have seen mortgaged land, bare of goods, with mile-long bread lines in every city, and that havoc and that desolation and those homeless ones would have shown him that the time was ripe, that the international German bankers had got this country down, and would hold it down in the interest of Germany until it capitulated.

In January, 1931, in the city of Berlin, the Hon. Frederic Sackett, the United States ambassador, began and carried on further secret conversations with the German Government in regard to the obtaining of a moratorium for Germany. Subsequently, Sackett came to this country and looked around. He came and saw and, like a conquering hero, he went back to Berlin and told the German Government, with a diplomatic smile, that the time was auspicious. Mark that word "auspicious"! It was not auspicious for the people of the United States, but it was auspicious for Germany and it was auspicious for the German international bankers.

Now you have the facts and you can see how preposterous it was for the President of the United States to make a calculated entry before the footlights announcing his plan as if it were a sudden response on his part to a sudden emergency. You can see how preposterous it was for him to do that.

The 16th day of June was the date set by the German international bankers, the Bruening cabinet, Mr. Sackett, Mr. Hoover, and his associates, for the opening of the great financial offensive against the American people. And how did they begin it? The head of Kuhn, Loeb & Co., Otto Kahn, was in Italy in June on international financial business. The first shot was fired from Italian ground. It was in the form of propaganda—the great weapon of those who do wrong. It appeared in the form of an article in the Christian Science Monitor. I shall read it to you.

[Christian Science Monitor, June 16, 1931]

ITALY OFFERS TO EASE REICH'S HEAVY REPARATION PAYMENTS—ALTHOUGH EUROPE LOOKS TO UNITED STATES TO CUT GORDIAN KNOT OF WAR DEBTS, THIS OFFER FROM ITALIAN SOURCE ATTRACTS ATTENTION

(By radio from the Christian Science Monitor Bureau)

LONDON, June 15.—A sample of European self-help calculated, it is thought here, to make a favorable impression in the United States is a proposal of Italian origin.

The plan put forward is that those powers receiving an amount from German reparations over and above the amount necessary to discharge their debts should forego this "indemnity," thus giving Germany the necessary immediate alleviation and providing a significant gesture of moral disarmament.

The position is that, whereas Britain, on the basis of the Balfour note, only demanded from its debtors sufficient to cover its payments to the United States, France, Italy, and Belgium, and to a limited extent the smaller reparations creditors, receive payments from Germany markedly exceeding their payments stipulated by funding agreements to Britain and the United States.

Italy, for example, receives on an average $53,425,000 annually on reparations account and has to pay to Britain approximately

$20,000,000 and to the United States $22,657,000, leaving a margin of $10,750,000, equivalent to 43,000,000 marks.

A corresponding margin exists in the receipts and payments by France and Belgium, and, therefore, any such remission would supply a handsome measure of relief to Germany's burden.

On the basis of the Spa percentages, which is the system of apportionment, France receives the lion's share of reparations, roughly 52 per cent, as compared with Italy's 10 per cent, and Belgium's 8 per cent. The annual sum accruing to France amounts to $261,625,000.

The Italian offer in a nutshell—believed to have official approval—is, that she is prepared to waive a portion of the reparations receipts if the other beneficiaries do likewise. Its policy is exactly parallel with the position taken on disarmament, namely, Italy is prepared to cut armaments to any figure if other European powers undertake a corresponding cut.

Opposition may be expected from France on the reparations as on the disarmament issue, but if The Hague settlements and the Young plan are to mean what they were designed to mean, namely, final liquidation of financial questions arising out of the World War, there is no doubt Italy has an unexceptional case.

While opinion here adheres to the notion implicit in the Balfour note, namely, that the United States alone can cut the Gordian knot of international indebtedness, it welcomes the Italian proposal and would surely support any official move in this sense.

This article is misleading. I shall come to facts and figures presently and, when I do, I will show you the contract executed by Germany in the Young law and I will show you the force of the settlement to which Germany solemnly set her hand and seal.

Now, why did Italy advertise herself at London as an international philanthropist, a canceler of debts, on June 15, 1931? She did it because she was told to do it. She did it because the German international bankers from whom she is receiving great favors at our expense in the future ordered her to do it. Mussolini is not the iron man. Otto Kahn is the metalliferous man. Mussolini is the needy man. Otto Kahn and his associates are the men who have measured Mussolini's need and who have promised to supply it if he will help them to break the contract Germany made with her creditors and which she now seeks to dishonor and to treat as a mere scrap of paper. Do you think France and her allies will permit the Young law, signed by Germany and other responsible powers, to be torn up in the German fashion of tearing up treaties and laughing at debts? France is saying no and, in doing so, is saying that it will be a bad day for Italy, for any other country, when it joins hands with Germany in breaking what France believes to be a legal contract and protests in setting at naught that international law which goes back through the treaty to the armistice.

Some people no doubt would have been better satisfied if Germany had whipped the United States and maimed another hundred thousand of our soldiers. Some of them think that the treaty of Versailles was not a good treaty. I share that view. The allied armies had a right to march to Berlin and the French could hardly have been blamed if they had set the torch to some of the German factories on the way. Instead of such a proceeding, the Allies made a treaty which embodied great concessions for Germany, all of which were predicated upon her expressed willingness to pay for the damage she had wrought. So far as the war is concerned, and the end of the war, I am satisfied to say that we sent our army to France for a purpose; that it achieved the purpose for which we sent it; and that the American cemeteries in France bear witness alike to our sacrifice and to our victory. I will also say that the present condition of this country and the Hoover proposal bear witness to the revenge that the German bankers have taken on us for the decisive part we took in the World War.

Over yonder across the river lies the Tomb of the Unknown Soldier. Hoover might almost have seen it from the window of the Lincoln study, where, with German emissaries, he planned to nullify the part our soldiers took in the World War and to set at naught the claims of our people to the money they showered upon this Government for the prosecution of the war. It seems prophetic when we remember that Lincoln wrote—and possibly in that very room—the following words:

> Yes; we may congratulate ourselves that this cruel war is nearing the close, but I see in the future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. As a result of the war corporations have been enthroned, and an era of corruption in high places will follow and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until wealth is aggregated in a few hands and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before in the midst of the war.

I am concerned now with the offensive against the French and the American people and against the friendship which has for so long existed between them. I am concerned with the German offensive as it was developed by the German international bankers. Why do I call them German international bankers? I do so because I wish to emphasize the fact that international finance is almost exclusively German. Most of the international bankers are of German origin.

On the very day the propaganda from London announcing Italy's heroic pose was published in the Monitor a second article appeared in that sheet. I shall read it to you.

[Special from Monitor Bureau]

UNITED STATES RESERVES RIGHT TO RECONSIDER POLICY ON WAR DEBTS

WASHINGTON, June 15.—The United States Government has an "open mind" on foreign war debts, it was authoritatively stated at the State Department Saturday, in connection with the discussions in Europe over the possibility of downward revision of the Young plan.

It was explained that the United States Government's policy on war debts and reparations is clearly established, but that in case of a serious crisis, it would "obviously have to consider temporary changes in policy, if that was necessary."

The administration is cognizant of the seriousness of the economic situation in Germany. It is keeping in close touch with developments and is fully informed of conversations going on abroad.

Initiative for action must come from European sources, however. Andrew W. Mellon, Secretary of Treasury, and Henry L. Stimson, Secretary of State, are going abroad this month and will meet European leaders, but without any proposal. Their purpose is wholly informative, it is declared.

You will notice the statement in the article I have just read:

> Initiative for action must come from European sources, however.

It will be interesting when this matter goes to trial before the Permanent Court of International Justice to find out whether Herbert Hoover was acting as a legal agent of Germany or as the President of the United States when he made his proposal. If he was the agent of Germany, then Germany violated the solemn covenant of the Young law by procuring his assistance. If he acted on his own initiative as the President of the United States, then I think he is personally liable to the people of this country in a legal way and that those who acted with him are liable also. We can not have an agent of Germany acting as President of the United States.

But the sting of this article is in the tail. It lets us know that Mellon and Stimson are "going abroad this month." They are going to meet European leaders. They are going without any proposal. Their purpose is wholly informative. Mark that word "informative." They are going to Europe to give information. Their purpose is informative. They were not going to Europe to rest.

When Secretaries Mellon and Stimson went abroad they did not travel to Europe on the same ship. Mr. Mellon was the first to depart. By a coincidence he arrived in England on the very day the Italian gesture was reported in the Christian Science Monitor. And here, having told you that the 15th of June was the appointed day upon which the President of the United States ordered the forces who were acting with him to begin the offensive, I will tell you why that day was selected. On the 15th of June France paid this country a large sum of money. Prudently and with a kind of low-class cunning, this payment was gathered in, although the document which was intended to deprive France of her rights under the Young law was fully prepared and ready for emission to the world powers. Do you think that act of cunning escaped the attention of foreign statesmen? Do you think it has increased their respect for the United States?

Mr. Mellon raced through the next few days at high pressure and somebody in London who appears to have been

interested in the dissemination of information gave news to the press that he had been invited to come to England by the British Government. This statement was vigorously denied by the private secretary to Ramsay MacDonald, who asserted that the British Government had addressed no invitation to Mr. Mellon and that it had not sent a communication to the Government at Washington to invite it to discuss revision of war debts, or any other question.

Nevertheless, Mr. Mellon, upon his arrival in England, lost no time in entering into a secret conversation with Mr. Ramsay MacDonald and with Montagu Norman, the governor of the Bank of England.

It is a little strange that Mr. Montagu Norman should have been there. As Henry de Jouvenel says, in speaking of this interview:

> Among the personalities present there was one not generally invited to conferences between prime ministers and foreign statesmen. This was the governor of the Bank of England.

You all know who Montagu Norman is and how closely he is linked with certain sinister figures in the banking world. You know that he comes here occasionally and that he transacts secret business with the Federal Reserve Board and the Federal Reserve Bank of New York. You know that he was suddenly taken ill when the old Tories in England found out what had been happening there and formed a national government and gave up the gold standard. You may remember that without allowing his name to appear on the passenger list Mr. Montagu Norman took ship for Canada and did not return to England until the storm blew over. I presume you know that the Federal Reserve Board and the Federal reserve banks are the agents of the Bank of England and that of late years Mr. Montagu Norman has had a great deal to do with George L. Harrison, governor of the Federal Reserve Bank of New York. Mr. Montagu Norman did not come down to New York from Canada during his last visit to this continent. Instead of that, Governor Harrison went up to Canada to see him.

Let us leave Mr. Mellon in London for a while and return to Washington sweltering in the heat.

It is the 16th of June. The President of the United States is spending the summer in Washington. He has been hard at work with Henry M. Robinson, who is the Colonel House of this administration, and, like Colonel House, a secret emissary of Kuhn, Loeb & Co., Paul Warburg, and other German international bankers. Robinson's ostensible business is in California, but his real business is here, where he can see the President of the United States every day. Sometimes he goes to the Rapidan. Sometimes he spends several days at the White House. He passes for a Californian friend of President Hoover. I will tell you whose friend he is. He is the bosom friend and intimate of Paul M. Warburg, the man who engineered the great depression, the man who is the chief beneficiary of the losses sustained by the farmers and the wage earners of this country, the man who has stuffed this country full of worthless German acceptances, so that Germany might use them against us to trick us into breaking an international law in her behalf. More of Paul Warburg hereafter. For the present let us keep our eyes on Henry M. Robinson, the Colonel House of the present administration.

It is the 16th of June and the Monitor has published its little story about the generous Italians.

It is the 16th of June and here comes an Associated Press dispatch reading as follows:

[Washington Post, June 16, 1931]

> Always holding reparations and war-debt payments as distinctly separate, the Treasury yesterday made known that recent events in Europe had caused no change in its attitude.

What recent events had caused no change in the Treasury's attitude? There had been no recent events in Europe which could have caused a change in the Treasury's attitude. This article further makes known that, speculation having been aroused by Mr. Mellon's departure for Europe and by Mr. Stimson's prospective European trip, Mr. Mills, of the Treasury, and Mr. Castle, of the State Department, gave assurances that no official business was involved.

I am loath to accuse any man of toying with the truth, but candor compels me to say that, in my opinion, the assurances so given by Mr. Mills and Mr. Castle were intended to deceive the American people. Can we afford to trust our governmental business to men who lend themselves to this kind of deception?

This is a free country with what is supposed to be a free press. Whence came this custom of deceiving the people with carefully prepared misleading statements, artfully contrived releases, and all the other devices of overlordship looking down from a high place with contempt for the wage earner, the farmer, and the man of little or no property?

It is the night of the 16th of June in Washington. The President of the United States is out of town. That, too, was foreseen and provided for. It was a kind of alibi intended to make it easy for him to pretend that a certain crisis had come about in his absence. Now, comes the 17th of June and on that day, as if without knowledge of what was about to happen at Washington, the German ambassador to France goes to the French Minister of Foreign Affairs and to the French Minister of Finances and says that the German Government will soon be obliged to ask for a moratorium. This was a calculated move and Mr. Sackett was fully aware of it. It was done for the purpose of working on French nerves, to try to frighten and unsettle the French so that they might be startled out of their customary caution when they received the communication that the President proposed to make to them and upon which he had been hard at work with Bruening and Sackett and the Warburgs through their emissaries for so many months.

On the 18th of June the President returned to Washington from the tomb of our late President Harding, where he had just descanted upon the infamy of anyone who betrayed the trust of the people in money matters. I call your attention to his words:

"BETRAYAL" IS CASTIGATED

> There are disloyalties and there are crimes which shock our sensibilities, which may bring suffering upon those who are touched by their immediate results. But there is no disloyalty and no crime in all the category of human weaknesses which compares with the failure of probity in the conduct of public trust.
>
> Monetary loss, or even the shock to moral sensibilities, is perhaps a passing thing, but the breaking down of the faith of a people in the honesty of their government and in the integrity of their institutions, the lowering of respect for the standards of honor which prevail in high places, are crimes for which punishment can never atone.

On the following day, as a part of this conspiracy, the Secretary of State, Mr. Stimson, sent for the French ambassador, Mr. Paul Claudel, and told him what the President was going to do. This, we understand, was about one hour before President Hoover gave out his statement to the newspapers.

Was this fair to the French ambassador when we know that the President had been working on this plan since the previous December, that is, December, 1930? And the plan he gives out is the one that was disclosed to William R. Hearst by an international banker several months before; that it is the same plan that was divulged here in secret to the Senators in the late summer of 1930. It is the same secret plan that the German Minister of Communications referred to in his statement which I have read to you. It was the international German bankers' plan for having the burden of reparations removed from her triumphant march toward world domination. Germany has already surpassed the United States in trade activity. She has had a favorable balance of trade every month so far this year. That can not be said of us who are asked to break the law of nations for her benefit. But the next time Mr. Hoover talked to France he had to talk on a different key. When baffled and humiliated he had to prostrate himself at the feet of Premier Laval and ask him to leave the balances of France in New York because the Federal Reserve Board and the Federal reserve banks and the international bankers and the New York bankers were headed for trouble through the loss of gold to the extent of $1,800,000,000, and perhaps more. It was then that the President of the United States did not

appeal to the German international bankers who were then engaged in speculation in international exchanges, but it was then that he did appeal to the French Premier, Laval, to save him and his country from the sequences of his folly—the effects of the Hoover moratorium.

One hardly knows which is worse, the revolting dishonesty or the shocking bad taste. Do you wonder that his announcement of his plan created a sensation in France? As one of the French editors politely said:

The declaration of President Hoover is the most disconcerting impromptu diplomatic document imaginable. Leaving aside all sentimental considerations, it must be admitted that this rough brick hurled at Europe runs a strong risk of upsetting the whole edifice so laboriously erected by experts and governments for the parallel settlement of reparations and war debts. The American document was transmitted to our ambassador at Washington at the very time it was being made public like a simple harangue at a campaign rally.

After President Hoover had so unceremoniously informed Ambassador Claudel that he was at the moment giving out his plan, he is said to have telegraphed to Hindenburg, the President of Germany, begging him to telegraph him with the utmost haste a German request for a moratorium. We shall hear more of Hindenburg's telegram later on.

Simultaneously with this move on the part of their agent, Hoover, the German international bankers and others who followed their lead bought heavily in the stock exchanges and this buying caused stocks to rise in price. As the editor above mentioned expressed it—

A dose of very uncommon simplicity would be needed to cause one to believe that the Anglo-German American banks, which had been preadvised of the arrangements made at Washington, did not seize the opportunity to start a financial maneuver to take place on all the world financial markets in order to give a consecration of fact to the policy of the President, obliged to reckon with the susceptibilities of the American Congress.

At this point I wish to insert in the CONGRESSIONAL RECORD a copy of the French reply to Hoover's proposal.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

Mr. McFADDEN (reading):

First. Repayment to France and other creditor nations within five years by Germany of the credits to be extended to the German economic system through the Bank for International Settlements. The original idea of the French Government had been to ask for the repayment within two years.

Second. Should Germany within five years enforce the moratorium as provided for under the Young plan, the guarantee fund which is provided for by the Young plan would not be paid out by France, but would be built up by making use of the untransferred unconditional annuity.

Third. Allocation of part of the credits created upon the basis of the untransferred, unconditional annuity to such European States as Yugoslavia and Greece, which might be stripped financially, owing to the suspension of payments of all intergovernmental debts, the net loss of Yugoslavia being about $16,000,000 and of Greece £700,000.

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Chairman, I yield the gentleman 15 additional minutes.

Mr. STAFFORD. Will the gentleman yield?

Mr. McFADDEN. I am sorry, but I have a connected statement which I want to complete. I would like to yield, but my time is limited.

Mr. STAFFORD. I see there is no trouble about the gentleman securing additional time, and I thought perhaps the gentleman would yield.

Mr. McFADDEN. If the gentleman will yield me more time to complete my address, I will then be only too glad to yield to the gentleman.

You will notice that the French in this reply expressly refused to give priority to private obligations. The bankers had endeavored to obtain this concession. President Hoover had tried to have the service on private obligations maintained. He wished to have the service on the Kreuger & Toll Swedish loan kept up. (Kreuger & Toll and the Swedish Match Trust are a Warburg outfit, but this is another chapter.) This the French refused to allow, and I call your attention to their statement that—

A formal assimilation has been established between the private debts of the Reich (Young loan and Kreuger loan) and the unconditional annuities not yet mobilized. To suspend the payment by Germany of the unconditional annuity while admitting that the Young loan placed with the public should continue to be served would go directly against a fundamental principle and express stipulations.

The Government considers, therefore, that a moral interest of the first order attaches to the fact that, even during the delay provided for by President Hoover, the payment of the unconditional annuity should not be in any way postponed.

The Germans do not wish to pay reparations. Nobody likes to pay a bill for damages.

The whole world knows what the Germans did in France. There are districts in France which will never be as they were before. I believe that the mass of the German people were willing to pay their indemnity as France paid her indemnity after the Franco-Prussian War, but something happened to Germany which prevented the full and free execution of her obligations. I will tell you what it was. After the World War Germany fell into the hands of German international bankers. Those bankers bought her and they now own her, lock, stock, and barrel. They have purchased her industries, they have mortgages on her soil, they control her production, they control all of her public utilities. There is no country in the world to-day of which the inhabitants are so enslaved as are the Germans.

The international German bankers have subsidized the present Government of Germany and they have also supplied every dollar of the money that Adolf Hitler has used in his lavish campaign to build up a threat to the government headed by Bruening. When Bruening fails to obey the orders of the German international bankers, Hitler is brought forth to scare the Germans into submission. The German international bankers have worked up great resentment in Germany, and their hired agents have prompted the Germans to unite in order to free themselves from their war obligations. But resentment, the bankers knew, was not enough. They had to put a weapon into the hands of Germany which could be used against the society of nations in general and against the United States in particular. They conceived the idea of robbing us by stealth, by fraud, and by trickery, and they have succeeded. Through the Federal Reserve Board and the Federal reserve banks over thirty billions of American money over and above the German bonds that have been sold here has been pumped into Germany. When these Federal reserve loans began, Germany used to repay them. She established herself as a fairly good risk. Then her borrowings became larger and larger. You have all heard of the spending that has taken place in Germany. You have heard of her new modernistic dwelling houses, her great planetariums, her gymnasiums, her swimming pools, her fine public highways, her perfect factories. All this was done on our money. All this was given to Germany through the Federal Reserve Board and the Federal reserve banks, and, what is worse, Federal reserve notes were issued for it.

A Federal reserve note is an obligation of the United States, and here you have a banking system which has financed Germany from start to finish with the Federal reserve notes and has unlawfully taken from the Government and the people of the United States. The Federal Reserve Board and the Federal reserve banks have pumped so many billions of dollars into Germany that they dare not name the total. I have repeatedly asked the Federal Reserve Board to send me a list of the acceptance credits granted by the accepting banks of this country by and with the consent of the Federal Reserve Board, and they have not. They can not and they dare not divulge the total. This is the Congress of the United States, but you have no information concerning the amount of Federal reserve currency that has been issued for the benefit of Germany on trade bills or acceptances. How, then, do you propose to proceed? Are you going to throw away our resources under the debt settlements we have with foreign nations in order to help Ger-

many do that which is forbidden in the Constitution of the United States? Are you going to make this Government a defendant in a million suits for damages brought on American citizens, whose property you propose to throw away?

Do you know that Germany has been lending our money to Soviet Russia as fast as she could get it out of this country from the Federal Reserve Board and banks? Do you know that she is the author of the 5-year plan; that she has armed and supplied Soviet Russia with our money? Do you know that Germany and Soviet Russia are one in military and industrial matters? Do you know that Germany is well armed and that we paid for her rifles and uniforms, her commercial trucks which can be converted for military uses inside of 24 hours? She leads the world in aviation. Why not, when the Federal Reserve Board and the Federal reserve banks have been secretly financing her for years. I challenge the Federal Reserve Board and the Federal reserve banks to come in here and submit to an examination and an audit of their accounts. Do you know that the Federal Reserve Board and Federal reserve banks have also been financing Soviet Russia and that Russia owes her an immense sum, of which $150,000,000 is due by January 1, 1932, and that Russia has no money wherewith to pay it and will presumably be unable to pay it?

There are 9,000 German officers in the Russian Army. The Krupps are manufacturing war munitions in Moscow, and the manufacture is going on day and night. Thousands of armored trucks and tractors, currently used in Germany for commercial purposes, are convertible into war tanks within 60 hours. But the most important activities are in the fields of aviation and chemistry. The Germans and Russians are working unremittently on war gas and war flame in soviet-owned laboratories.

In addition to their debt to us, Soviet Russia has borrowed 535,000,000 reichsmarks from Germany, and that was our money, too. For the first nine months of this year Russian orders to German manufacturers amounted to 851,000,000 reichsmarks more than the entire amount Germany is legally bound to pay to France. These Russian orders, which, roughly speaking, amount to about $202,620,000, were for general machinery, tool machines, and electrical supplies. Do you not think that Germany is doing a handsome business on the free paper Federal reserve notes unlawfully given from this Government for her benefit?

You have been informed that there is an alternative before the United States—that Germany will pay her commercial obligations if we effect her release from the payment of reparations. I say that Germany will not pay her commercial obligations. I say that the Federal reserve banks have purchased and rediscounted false, worthless, fictitious, and uncollectible acceptances drawn in Germany, and that those false papers are in the vaults of the Federal reserve banks, in the vaults of the designated depositaries as security for money taken from the citizens of this country by taxation, and in other banks, and I say that they are worthless. It is a mere figure of speech to call them frozen assets. They are dead losses. The Government's money in the designated depositaries is gone, leaving nothing but this worthless paper behind it. The Hoover proposal has already cost us $1,500,000,000 in gold credit. How much more are we going to throw away? For my part, I say, "Not one cent." "Millions for defense, but not one cent for tribute."

We were called to the White House on October 6, and the President told us we were facing a national emergency. What was the emergency? It was a condition brought about by Herbert Hoover himself when he agreed to put this scheme across for the benefit of the international German bankers who control this country through the Federal Reserve Board and the Federal reserve banks.

Last year there was some inquiry into the Federal Reserve Board and banks, and George L. Harrison, governor of the New York Federal Reserve Bank, was asked to state the amount of acceptances purchased by the Federal reserve banks in foreign countries. He was unwilling to answer in public. He was permitted to answer in secret. Why was that? It was because the Federal Reserve Board and banks are the duly appointed agents of the foreign central banks of issue and they are more concerned with their foreign customers than they are with the people of the United States. The only thing that is American about the Federal Reserve Board and banks is the money they use. The money is American but the contacts are European.

Who gave the Federal Reserve Board and banks the right to permit the German international bankers to loot this country and to take everything we had away from us? I say we will have an audit of these accounts and every Federal reserve bank and every director will be held liable for his acts in so far as he has been responsible for the exportation of American wealth to other countries and for the redistribution of wealth which has taken place in this country.

Do you think the stock-market collapse was accidental or, as some wiseacres say, that the American people changed their minds overnight? It was not accidental. It was a carefully contrived occurrence, and it was a part of this same Hoover moratorium which was the first move of the drive to cancel debts. The international bankers sought to bring about a condition of financial despair and anarchy here so that they might emerge as the rulers of us all, and the next step they hope to take with Hoover's assistance is the establishment of a new kind of war finance corporation under the control of the notorious short seller, Bernard Baruch, or another of the same stripe. Then you will see fascism here instead of the Constitution of the United States; then you will see a dictator controlling industry and production as we now have a dictatorship controlling money and credit. Do you want that to happen? No? Then you had better watch the manner in which you are being led by Mr. Hoover with his explanations as to where his leadership is taking you and the other people of this country.

[Here the gavel fell.]

Mr. GREENWOOD. Mr. Chairman, I yield to the gentleman 15 additional minutes.

Mr. McFADDEN. I thank the gentleman.

Now, let us consider the Young law, which this moratorium will break for the benefit of Germany. After the war came the treaty of Versailles. Whether it was good or bad is beside the point. It was Germany who asked for an armistice. It was Germany who was defeated. The treaty is what saved Germany. But was Germany completely honorable in her observance of that treaty? She was not. The world reechoed to her lamentations. Her propaganda kept up its work. When the Germans depreciated their currency they wiped out their internal debt. The losses in this country were enormous. So, too, were the losses in France.

At the present time the public debt of Germany is the least of the debts of the large European countries. By manipulation of her currency Germany freed herself of her internal debt. This is less than the other nations have to pay on their public debts. The other nations have already paid the internal public debt of Germany when they had their holdings of German currency wiped out by the manipulations of German bankers.

If Germany had sustained the burden of her own debt, as the Allies have done, and not obliterated it by inflation she would have had to raise 4,500,000,000 to 5,000,000,000 per annum in addition to her domestic expenditure. This would make it both just and practicable to add a provision in her budget which should bear some correspondence to the provision made in the Allies' budgets for their war expenditure.

Let us now consider the payments which are lawfully due from Germany under the Young law. Under this law Germany is required at the present time to pay a yearly annuity of 1,685,000,000 reichsmarks; of this amount France receives about half, or exactly 838,400,000 reichsmarks. This amount so payable to France divides into two classes: First, there is the conditional annual payment which amounts to 338,400,000 reichsmarks; secondly, there is the unconditional annual payment which amounts to 500,000,000 reichsmarks. The unconditional sum is subject to a heavy deduction for service of the amount already mobilized—Young bonds, and so forth. That amount is 44,500,000 reichsmarks. This leaves the unconditional amount for France at 455,500,000 only. Now, of this sum France has to take 80,000,000 reichsmarks

and add it to the conditional amount in order to meet her payments to England and the United States. That leaves her an unconditional sum of 375,000,000 reichsmarks.

France receives no punitive damages under the Young law. The unconditional payments represent for France less than half of the interest on the sum she has had to expend for the reconstruction of the devastated regions. It seems not unreasonable, therefore, for the French to say that no arbiter and no court of international justice would tolerate such an indignity as the suppression or cancellation of these unconditional payments which are lawfully due to her. At this point I wish to insert in the RECORD a copy of Annex I of the Young plan.

ANNEX I

Exchange of declaration between the Belgian, British, French, Italian, and Japanese Governments on the one hand, and the German Government on the other.

The representatives of the Belgian, British, French, Italian, and Japanese Governments make the following declaration:

The new plan rests on the principle that the complete and final settlement of the reparation question is of common interest to all the countries which this question concerns, and that the plan requires the collaboration of all these countries. Without mutual good will and confidence the object of the plan would not be attained.

It is in this sense that the creditor Governments have, in The Hague agreement of January, 1930, accepted the solemn undertaking of the German Government to pay the annuities fixed in accordance with the provisions of the new plan as the guaranty for the fulfillment of the German Government's obligations. The creditor Governments are convinced that, even if the execution of the new plan should give rise to differences of opinion or difficulties, the procedures provided for by the plan itself would be sufficient to resolve them.

It is for this reason that The Hague agreement of January, 1930, provides that under the régime of the new plan the powers of the creditor powers shall be determined by the provisions of the plan.

There remains, however, a hypothesis outside the scope of the agreements signed to-day. The creditor governments are forced to consider it without thereby wishing to cast doubt on the intentions of the German Government. They regard it as indispensable to take account of the possibility that in the future a German government, in violation of the solemn obligation contained in The Hague agreement of January, 1930, might commit itself to actions revealing its determination to destroy the new plan.

It is the duty of the creditor governments to declare to the German Government that if such a case arose, imperiling the foundations of their common work, a new situation would be created in regard to which the creditor governments must, from the outset, formulate all the reservations to which they are rightfully entitled.

However, even on this extreme hypothesis, the creditor governments, in the interests of general peace, are prepared, before taking any action, to appeal to an international jurisdiction of incontestable authority to establish and appreciate the facts. The creditor power or powers which might regard themselves as concerned would therefore submit to the Permanent Court of International Justice the question whether the German Government had committed acts revealing its determination to destroy the new plan.

Germany should forthwith declare that, in the event of an affirmative decision by the court, she acknowledges that it is legitimate that in order to insure the fulfillment of the obligations of the debtor power resulting from the new plan, the creditor power or powers should resume their full liberty of action.

The creditor governments are convinced that such a hypothetical situation will never in fact arise, and they feel assured that the German Government shares this conviction. But they consider that they are bound in loyalty and by their duty to their respective countries to make the above declaration in case this hypothetical situation should arise.

The representatives of the German Government, on their side, make the following declaration:

The German Government takes note of the above declaration of the creditor governments whereby even if the execution of the new plan should give rise to differences of opinion or difficulties in regard to the fulfillment of the new plan, the procedures provided for in the plan would be sufficient to resolve them.

The German Government takes note accordingly that under the régime of the new plan the powers of the creditor powers will be determined in accordance with the provisions of the plan.

As regards the second part of the declaration and the hypothesis formulated in this declaration, the German Government regrets that such an eventuality, which for its part it regards as impossible, should be contemplated.

Neverthless, if one or more of the creditor powers refer to the Permanent Court of International Justice the question whether acts originating with the German Government reveal its determination to destroy the new plan, the German Government, in agreement with the creditor governments, accepts the proposal that the Permanent Court should decide the question, and declares that it acknowledges that it is legitimate, in the event of an affirmative decision by the court, that in order to insure the fulfillment of the financial obligations of the debtor power resulting from the new plan the creditor power or powers should resume their full liberty of action.

The French, German, and English texts of the present annex are equally authoritative.

CURTIUS.	HENRY CHERON.
WIRTH.	LOUCHEUR.
SCHMIDT.	A. MOSCONI.
MOLDENHAUER.	A. PIRELLI.
HENRY JASPAR.	SUVICH.
PAUL HYMANS.	ADATCI.
E. FRANCQUI.	K. HIROTA.
PHILIP SNOWDEN.	

As you see, under the Young law, the French, acting singly or with others of the following powers—that is, British, Belgian, Italian, Japanese—can appeal to the Permanent Court of International Justice, where, upon a showing that Germany had committed itself to actions revealing its determination to destroy the Young plan, the French and other nations would, by a decree in their favor, have full liberty of action restored to them. Of course, Germany was guilty of those actions by using the President of the United States as an agent instead of acting for herself, according to the procedure laid down in the Young law, which procedure was binding upon her. After the visit of Premier Laval to this country President Hoover agreed that whatever is done must take place within the structure and provisions of the Young law, consequently there is no use in hoping for the Hoover moratorium now. It is a dead letter. It will do nobody any good and it will do the United States a great deal of harm.

In discussing this matter in the French Parliament, Premier Laval said:

> But, given the nature of the engagements, freely accepted and quite recently subscribed to, of the Young plan, the solemnity with which the definitive and unalterable character of the unconditional annuities by which the necessary permanence of the principle of reparations is expressed was recognized, there would be great risk of upsetting confidence in the value of signatures and of contracts and thus to go against the end aimed at if, in the proposed suspension of payments, the unalterable annuity were treated like the conditional annuity.

The CHAIRMAN. The gentleman from Pennsylvania has consumed one hour.

Mr. GREENWOOD. Mr. Chairman, I can not yield additional time, but I would like to yield the gentleman one minute to ask a question.

Mr. McFADDEN. Before I do that, may I have the privilege of inserting these four additional pages in the RECORD to complete the statement I am making? I would also like to insert in the RECORD some extracts from the debates in the French House of Deputies covering this same subject.

Mr. PURNELL. Is the gentleman asking unanimous consent to do that?

Mr. GREENWOOD. No; I did not ask unanimous consent.

Mr. PURNELL. The gentleman is obliged to have unanimous consent, because under the rules of the House he is only entitled to one hour.

Mr. GREENWOOD. I ask unanimous consent that the gentleman's time may be extended one minute so that I may ask a question.

The CHAIRMAN. Without objection, it is so ordered.

Mr. O'CONNOR. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. O'CONNOR. The gentleman from Pennsylvania has been referring to a lot of papers here, and he has been asking himself or somebody in the front row whether or not he might insert them in the RECORD, and so far he has not asked the Chair or addressed the Chair for unanimous consent.

The CHAIRMAN. The Chair understands that. The Chair has propounded the question as to whether or not there is objection to an extension of his time one minute. [After a pause.] The Chair hears no objection. The gentleman is recognized for one additional minute.

Mr. BLANTON. How about the gentleman's request to insert these documents?

The CHAIRMAN. No such request has come to the Chair. A request for unanimous consent has come to the Chair from the gentleman from Indiana and that request has been placed before the committee and no objection has been offered. So the gentleman is recognized for one additional minute by the unanimous consent of the House.

Mr. McFADDEN. Mr. Chairman, I ask unanimous consent to extend in the RECORD the matters I have just referred to.

The CHAIRMAN. Without objection, it is so ordered.

Mr. COOPER of Ohio. Mr. Chairman, I do not believe anyone had a chance to object to the unanimous consent request. The Chair passed upon it so quickly, that no one had a chance.

The CHAIRMAN. Did the gentleman from Ohio desire to object?

Mr. COOPER of Ohio. I do.

The CHAIRMAN. Objection is heard to the request.

Mr. BOYLAN. Mr. Chairman, I make the point of order the Chair had already decided that the gentleman was permitted to insert the matter referred to.

Mr. GREENWOOD. Did I understand the ruling of the Chair to be that there was objection?

The CHAIRMAN. There was objection to the extension of the gentleman's remarks.

Mr. BOYLAN. But the Chair had decided there was no objection. I think the RECORD will show that.

The CHAIRMAN. The Chair stated with respect to the proposal that, without objection, it was so ordered. The gentleman from Ohio immediately proceeded to object.

Mr. BOYLAN. I understood the Chair to make its decision before the gentleman objected, and I think the RECORD will show that proceeding.

The CHAIRMAN. The Chair stated the proposition and said that without objection the application would be granted, and objection was then made.

Mr. GARRETT. Mr. Chairman, I make the point of order that the gentleman from Pennsylvania in the course of his remarks at intervals expressed a desire to enter as a part of his remarks certain documents that the gentleman referred to. The Chair, in response to the gentleman from Pennsylvania, stated that, without objection, it would be so ordered. At that time and as to those documents unanimous consent was granted. The gentleman from Ohio [Mr. COOPER] makes his objection at the end of the gentleman's speech, when he has asked unanimous consent to revise his remarks. He can not, by that objection, strike out of the gentleman's remarks the documents that he had put in by unanimous consent.

The CHAIRMAN. Obviously, the last objection will not vitiate the unanimous consent heretofore granted to the gentleman from Pennsylvania.

Mr. BOYLAN. That is the very point I was making.

Mr. GREENWOOD. I understood the objection of the gentleman from Ohio [Mr. COOPER] to be to my unanimous-consent request and not to the request of the gentleman to insert certain documents in his speech.

Mr. COOPER of Ohio. If the gentleman will permit, my objection was to the unanimous-consent request of the gentleman to extend the time of the gentleman from Pennsylvania one minute.

The CHAIRMAN. And there was no objection to the gentleman inserting any documents in his speech?

Mr. COOPER of Ohio. I do not know that that question has been put by the Chair.

The CHAIRMAN. The Chair will then submit the request of the gentleman from Pennsylvania. The gentleman from Pennsylvania asks unanimous consent to extend and revise his remarks in the manner indicated. Is there objection?

Mr. O'CONNOR. Mr. Chairman, reserving the right to object——

Mr. COOPER of Ohio. I object, Mr. Chairman.

Mr. O'CONNOR. Will the gentleman withhold his objection a moment?

Mr. COOPER of Ohio. I will, for a moment, yes.

Mr. O'CONNOR. Mr. Chairman, I seek this opportunity to call the attention of the Republican side of this House to the most extraordinary occurrence in this body to-day. If what the distinguished gentleman from Pennsylvania [Mr. McFADDEN] says about the "dishonesty" and the alleged treason of his President—and my President—be true, he has here to-day, on this floor, impeached the President of the United States, and articles of impeachment seem inevitable. [Applause.] These most serious charges against the Chief Executive are not made from any unimportant or irresponsible source. They are deliberately and vehemently uttered by one—a Republican—from the last-remaining citadel of the "party fit to rule"—Pennsylvania—and mark you! by one who for 10 years has been the chairman of the all-powerful Committee on Banking and Currency of the House of Representatives, the official mouthpiece of Presidents Harding, Coolidge, and Hoover on all banking questions, domestic and international. The "gods" have spoken! Hear them, ye! Oh, I sincerely hope that some Republicans will rise in their places to the defense of the President, because, Mr. Chairman, if they do not, mayhap, I shall do it. [Applause.]

Mrs. KAHN. Mr. Chairman, I rise to a point of order. There are demonstrations coming from the galleries.

The CHAIRMAN. The Chair will admonish the occupants of the gallery to refrain from expressions of approval or disapproval of what may be said or done on the floor of this chamber.

Mr. PURNELL. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman and ladies and gentlemen of the committee, I had asked for time in order that I might present some thoughts to the House on a subject that I considered timely. But after the very tragic and remarkable address that has just been delivered to this committee of the House of Representatives, it occurs to me that no business is in order until either the brand of falsehood is put upon the extraordinary statements contained therein or the President of the United States be properly called to justice. [Applause.]

Such charges, Mr. Chairman, unless we have lost all of our sense of decency and honor, can not go unchallenged in this House. To attempt to treat them lightly or to gloss them over or lay them aside involves the honor of the United States and impeaches our own integrity. Of this there can be no doubt or question in the mind of any honorable person.

I have nothing but a kindly regard for the gentleman from Pennsylvania who has just left the floor. He has been my friend since I first came, for a short term, to the Congress of the United States nearly 15 years ago. However, it is not a question of friendship or lack of friendship to-day. There seems to run through my mind in connection with the speech of the gentleman from Pennsylvania that verse of rebuke, "How sharper than a serpent's tooth is an ungrateful child," and that applies, it seems to me, whether the lurid statement be true or untrue, in view of the many honors conferred upon the gentleman by this side of the House. [Applause.]

Now, Mr. Chairman, I want to speak of the situation presented by his address for a little while. A part of it is known to me personally. I do not pretend to say that I have intimate knowledge concerning the entire field traversed by the gentleman from Pennsylvania. But some of these things I do know. I regret that we are not more fully aware at this time how much of what he said was quotation from various sources and how much was his own statement.

I also know the law that applies to the situation, "That he who repeats a slander is equally guilty with him who conceived it." Yes; frequently under the law one who repeats a slanderous statement is more guilty than the originator of the slander.

I went into Germany with the army of occupation, and for many months I had charge of the civil affairs across the Rhine in the area we occupied, where I had an excellent

opportunity to see and observe the conditions of these conquered people and their country.

I hold no brief for Germany. I have not abated the feeling that I had when I followed the flag during the war. I hold no brief for the President of the United States, but I want to defend the office of the Chief Executive of this Nation from the horrible and, in my opinion, unfounded, charge that has been made so unfortunately in this House this day against our President.

When we went into Germany shortly after the armistice I saw the people of that area, and I know the condition in which we found them. I know that a large part of the people of Germany were distressed, broken, and starving. I know that all of the meats and fats and things that were necessary to properly sustain life were gone. I need no man's information or story about that, because I know it myself from what I saw. I saw the little children of Germany with their arms and legs misshapen, looking as though they had been broken, because of malnutrition and the lack of proper food.

I did not know at the time what it was that caused this condition until it was explained that it was starvation. I think I have never seen a finer sight than these little ones coming to the mess of the American troops and securing food, or of some big doughboy walking down the street hand in hand with some of these hungry little children, feeding them a part of his rations as they walked along.

It is said that 800,000, mostly the old and the young, died in Germany from the lack of proper foods during the war.

Germany was exhausted financially and practically ruined at that time, as any man must know, if he will but think, and the only source from which Germany has since paid any considerable part of its indemnity or reparation to the United States or other nations is from borrowed money. She has been clever enough to borrow enough money from other countries to declare a dividend on what she owes. I am not defending this part of it. I merely call attention to the situation.

I do not know who inspired or wrote the speech delivered by the gentleman from Pennsylvania [Mr. McFADDEN], but I hold in my hand a copy of the Washington Star of last evening—I am not sure about the date—in which appears an article by Adolph Hitler. In this article Mr. Hitler, so the heading says, "diagnoses the situation." Let me read you an extract therefrom showing a very comfortable and friendly feeling on the part of Hitler toward the gentleman who has just addressed the House.

This is Mr. Hitler's purported language as quoted by this newspaper:

> As a matter of fact the United States has already started to exercise an opinion of the present situation. I refer to the statement—

Then he named a gentleman in the other Chamber whom by the rules of this House I am forbidden to name—

> and Represenative LOUIS T. McFADDEN.

That is the language of Adolph Hitler, when he comments upon the fact that the people of the United States are awaking. I know just as much about the situation in Germany from visits that I have made there since as does the gentleman who has addressed you. I know very well that his statement is unfounded, to speak as kindly as I can, trying to keep within parliamentary language, that the international bankers are financing Hitler. They have nothing in common with Hitler.

Mr. McFADDEN. Mr. Chairman, will the gentleman yield?

Mr. CHIPERFIELD. Yes.

Mr. McFADDEN. I did not say that the international bankers were financing Hitler. I said that German industrials were financing him.

Mr. CHIPERFIELD. I would not willingly misquote the gentleman, and if that is the way he wants his remarks to stand, I withdraw mine. I would not do the gentleman an unkindness or injustice, or any other Member of the House, consciously. Does the gentleman mean by the industrialists those who work or those who conduct the factories?

Mr. McFADDEN. I mean German industry as it is organized to-day.

Mr. CHIPERFIELD. Be specific.

Mr. McFADDEN. It is a question of what I said.

Mr. CHIPERFIELD. All right. Every gentleman can construe the matter for himself. I say that the statement that any substantial and responsible members of organized society in Germany are financing Adolph Hitler has no basis in fact whatsoever. [Applause on the Republican side.] In my judgment, it is not warranted, and, inoffensively speaking, I say it is not true. Let me tell you what will happen.

The gentleman declared that the international bankers would take control of Germany, or that Hitler would. I say to you that it will not be the international bankers who will take control of Germany, but that before spring comes it will be Hitler who will take over Germany, to the confusion of all the world, if the financial fabric of Germany breaks down. There is no doubt about that in my mind. Some gentlemen say, what do we care if that is so? Is there any man within the sound of my voice who is so unconcerned that he can quietly ask that question?

The gentleman was right in one respect, and I am in entire accord with him when he makes the statement that fraudulently, yes, wickedly, there have been placed in circulation for sale, and negotiated in this land, untold millions of German and other foreign bonds, bonds that no government ought to have permitted to be sold here; but I may also say, as long as we are on the subject, for I want to keep to the same line of thought, that these German and other foreign bonds are no worse than many of the mortgage bonds and securities of Stone & Co. and Straus & Co., Foreman & Co., and other bonds that have been sold in vast quantities in this country to the guardians and administrators and the small investors of the land, and thereby making difficult the financial situation of hundreds of thousands of our citizens.

But we have to address ourselves to this situation. Will you pardon me if again I say, and I say it most modestly, I am not a financier. I do happen to be the president of a bank. I do not profess to know much about banking, but I want to tell you that everyone will know what I am saying is true. We are past the period in this country where lack of confidence is taking the money from the tills and vaults of the banks. The banks that remain and are doing business are mostly the sound banks of the country, but there is a situation with reference to them that is startling. Do you know that the bonds and securities that constitute the liquid assets of banks are going down day by day, until there is danger to the banks of the country that comes from a depletion of the value of their assets, and which, apparently, no man is able to stop? Many of you know my statement is true. Let me make this remark to you, and I bespeak from you its serious consideration.

If these German and other foreign securities are to be still further reduced in value, until they are virtually worthless on the market, it is going to break the price of every security in every bank in the United States, and ruin or loss will come in many cases to the innocent depositor who has his money in many such institutions. You might as well squarely face that situation.

I do not want to say anything more about that at this time, as I want to get back to the main subject. As a lawyer, I think I can understand the counts of an indictment.

One of the counts in this indictment presented by the statements of the gentleman from Pennsylvania, is that the President of the United States has entered into direct negotiations with Germany and German interests, for the purpose of selling out the Government of the United States.

Let me use even stronger language than the gentleman did. If this was done by the President of the United States, he was a traitor to the American people. This is no time to mince matters. This is the time and place to speak plainly.

The gentleman also said that the President was the agent of the financial interests who were serving Germany, and which are opposed to the United States.

I do not care whether he said it by way of quotation or whether he said it as a direct charge.

He declared that there was an agency existing between the President of the United States and interest adverse to the United States. That is, the President was the agent of German financial interests. Very well. Let us follow it a step farther. An agent for every purpose within the scope of his authority is a principal, and the statement puts the President within the same category as a principal would be placed, as wickedly adverse to the United States.

I denounce all these statements as false and untrue, without offense to the gentleman; I denounce as false and untrue any statement that the President of the United States has negotiated directly with German financial interests. I denounce the statement that the President is the agent of any German financial interest which is adverse to the people of the United States.

The statement was also made that the President had sold out the United States.

What does that mean, my friends? By the ordinary construction of language, if there is a sale, there is also a price; and, if there is a price, the money that Judas took for the betrayal of Christ is no more foul that the money that would be taken under such circumstances by the President of the United States. I denounce as false and untrue the statement that the President has sold out the interest of the United States.

I do not know that I will claim the floor again. I have not claimed it in the past. But while I am on my feet let me say one word to both sides of the House, not in the attitude or the language that was used the other day—let me say it earnestly. I want you to remember, as I try to remember and as each of us tries to remember, that the honor and standing of the Congress of the United States is now at too low an ebb in the estimation of many people. I am not saying that we deserve it. I am saying that there is a widespread lack of confidence in the Congress of the United States. Men are apt to sneer at it and discuss lightly its honor and actions.

Ladies and gentlemen, if there is one particle of truth in the statement the gentleman has made, and if any integrity remains in us, let the gentleman be required to produce proof of his charges. Let him show that we have a President who is unworthy of occupying that high office, or let him go from this chamber as a foul traducer and assassin of the character of an honest man. [Applause.] These terrific accusations are too serious to lay aside. Let us not stop there.

Mr. O'CONNOR. Will the gentleman yield?

Mr. CHIPERFIELD. I yield.

Mr. O'CONNOR. Will the gentleman make the record clear that the charges of which he has just spoken were made by a Republican?

Mr. CHIPERFIELD. Does my friend suppose that the record does not already show that fact? I can not agree with you in view of what he has said, that he is any longer a Republican. His time came from the Democratic side of the House. [Laughter and applause.]

Now, let me conclude.

Mr. MAY. Will the gentleman yield?

Mr. CHIPERFIELD. I will.

Mr. MAY. Not in an antagonizing way, but does the gentleman not think that if the German Government should meet its obligations in the payment of interest, it would tend to stabilize its bonds and securities?

Mr. CHIPERFIELD. I surely do.

Mr. MAY. Rather than depreciate them?

Mr. CHIPERFIELD. I surely do, and no man, it seems to me, can think otherwise. It is only a question of its ability to do so. If it has the financial ability, then the proposition of granting further delay is indefensible.

Mr. MAY. Does not the gentleman think that its failure to do it will tend to depreciate the value of its securities?

Mr. CHIPERFIELD. Yes; as a categorical answer, but let me go a little farther. I am not saying this offensively. These loans about which we are having so much trouble—not the loan to Germany, because it does not come as a public loan exactly—but virtually all of these loans were made by the Democratic administration of President Wilson. Had I then had a vote upon the proposition at that time I probably would have indorsed what was done. But these loans were recklessly and improvidently made and the difficulty comes now in attempting their collection.

If the President is seeking to give time for the payment of interest when interest can be paid without striking down the financial structure of Germany, then I would not agree with him. If, on the other hand, it is not possible to make collection without bringing about the collapse of the financial structure of Germany his action is well justified.

Let me conclude the sentence which I started a moment ago.

Mr. BLANTON. Will the gentleman yield?

Mr. CHIPERFIELD. I yield.

Mr. BLANTON. It should be understood that the distinguished gentleman from Pennsylvania [Mr. McFADDEN] all during the Hoover administration has been the Republican chairman of the great Committee on Banking and Currency of this House?

Mr. CHIPERFIELD. I will gladly incorporate that as a part of my remarks, if the gentleman so desires. I want him fully identified for, it seems to me, the horror of future generations, unless he can sustain the serious and outrageous charges which he has made against the President and his high office.

Now, Mr. Chairman, just one word further. I stated what the consequences should be to the gentleman. If the gentleman wants the House to believe what he states and if he is sincere, let him and his associates prepare articles of impeachment for presentation against the President of the United States, and let those articles of impeachment, if voted, be tried in the orderly way, and then the truth may be known, let the guilt and infamy and horror fall where it may. I merely say in conclusion that the President of the United States would ask for such action, knowing that the simple truth and a fair inquiry would fully vindicate him of these atrocious charges. If the statements made by the gentleman from Pennsylvania are not sustained by him, then he must bear the odium that attaches to one who falsely slanders and willfully assassinates character.

I thank you for your attention. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. DAVENPORT]. [Applause.]

Mr. DAVENPORT. Mr. Chairman, I have recently come into the Chamber and have not heard the whole of the speech of the gentleman from Pennsylvania, but I have caught the drift of it. It is a perverted interpretation of events relating to the German moratorium. The twisted nature of it will be clear to the country when the cogent statement before the Ways and Means Committee by Mr. Mills, of the Treasury, to which I have just been listening, is made public.

I was in Germany during the week that preceded the declaration of the moratorium. I spent most of that week with men well informed in the business and financial world of Berlin and with members of the Government, and I think this: That the situation in Germany as I saw it had gotten far beyond any question about international bankers. It was a question not even of starving people. It was a question of the slipping out from under a great nation of the whole economic and financial underpinning. The result in a very short time would have been the breaking down of the Bruening-Curtius government and the coming of Hitlerism into power. If a man like Bruening can not master the situation in Germany, a man like Hitler could not long control it, because while he is an able man, he is of a distinctly more emotional type and less intelligent than Bruening, and it would not be long before communism would have come in Germany. It was a situation like that which the President of the United States faced rather than any crisis of international bankers. It was a case of crumbling civilization in Europe.

Mr. SIROVICH. Will the gentleman yield for a friendly question?

Mr. DAVENPORT. Yes.

Mr. SIROVICH. Does the gentleman know that Curtius is being kept in office by the Socialists to-day and that the Socialists can not be accused of being friends of the international bankers?

Mr. DAVENPORT. Curtius is not now in office in Germany. Curtius was a strong man, but there was a party and political situation which made it better to put somebody in his place.

I am happy to come to the defense in this place of the President of the United States.

It is easy to dramatize a President like Theodore Roosevelt who, though a member of the Dutch Reformed Church, was essentially a fighting Methodist. It is not so easy to understand or appreciate a President who has the quieter psychology of a Quaker inheritance. It is another kind of power, equally effective and of great constructive importance in a period like this when quietness of spirit and thoughtfulness and practical ideas are worth more to the world than anything else.

We have come upon a time when there is far greater power in ideas than in arms, when brute force is failing throughout the world as a means of solving any major problem. In the month of June of this year Germany was on the verge of financial collapse, and collapse might soon have meant communism for Germany, further economic and political disaster in Europe, and greatly prolonged agricultural and industrial disorganization in the United States. Germany attained a breathing spell and at least a chance to find her way out, through the power of two ideas and nothing else—the idea of the debt holiday and the idea that by international agreement it might temporarily be determined what short-term loans Germany could safely pay and what she could not pay. There is at least a lessening menace of Hitlerism and communism in that country, and recent dispatches indicate that the German people are ready to develop their own forms of relief, by a sweeping emergency program of reduction in prices and rents and rates of interest as well as wages and by heavy penalties for those who send their capital out of Germany.

Those two ideas, which are giving Germany a chance, which are aiding in the settlement of Europe after a great tragedy, and which are thereby lessening the economic peril of America, are the product of the leadership of the President of the United States. And in that particular crisis, international dislocation and relations being what they are following the war, the President of the United States has been working for the people of the United States at every moment in the negotiations.

In what are esteemed more purely domestic concerns there is also overwhelming evidence of the quiet power of character in the Presidency and the leadership of unspectacular but effective ideas. In many other countries there have been revolution, disorder, national bankruptcy, artificial inflation, and panics on a wide scale; in America, none of these major evils. The serious manifestations of economic distress and inequality in the United States have been met by the people, as the President has met them, with quietness, with a sense of responsibility of all for each, with the assurance that Government would do everything that a government should do, with a tremendous fulfillment of private initiative and generosity, without strikes or disorders or other ineradicable marks of industrial conflict.

The President has sought the way out through practical, effective ideas which grow out of the experience of peoples and governments, including our own, in similar crises, and also through new ideas of constructive genius. The principle of maintaining wages wherever it can be reasonably done, the expediting of Federal construction and the inspiring of State and municipal public works, the sponsoring of the magnificent effort of Walter Gifford and his associates in preparing throughout America for the hard winter of unemployment; the attempt at stabilization of agricultural and commercial and home-loan finance in time of peril, the many practical suggestions of the presidential message—all these indicate leadership of a high and practical order. Instead of inflation, the setting free of the idle money in the private hoards and frozen banks and setting it to work for the Nation.

Instead of reaching blindly into the common treasury of the country for the purpose of the unintelligent distribution of a deficit, the setting to work of the vast resources of private initiative and generosity in America to accomplish the task. This is the statesmanship of ideas and not the politics of demagogy. It is a process of facing realities with high intelligence. The alleged sin of being an optimist about America at the onset of the catastrophe is one which may easily be forgiven. There is no reason for us to expect that any man, because we have elected him President of the United States, should become endowed by that election with supernatural powers of prophecy and vision to foresee and forfend a catastrophe beyond the range of human experience.

Yet, large numbers of the American people have an unhappy tendency to blame the pilot at the helm when the storm rages and dangers threaten. It is not a tendency to be encouraged in the Congress or the country. The year before Abraham Lincoln came up for election the second time, he was the subject of such bitter denunciation and attack that the confidence of large numbers of the American people was shaken, and no man of prominence could be found who predicted his reelection. A turn in the fortunes of war and the deep underlying sense of right in the breasts of the people reelected Lincoln. Wilson had a similar experience of public ill-will, and so had Washington.

We compare no man in American history with Lincoln, at least I do not. But every great and effective President who has sought with high intelligence and with all his soul to lead his people straight is entitled to the meed of gratitude and cheer. [Applause.]

This is not the President's depression nor any party's depression. If men go to war, they suffer the aftermath. If men kill each other and destroy each other's wealth, there is no escaping the penalty. If men inflate values and prices beyond all reason, there is a judgment day. It is not in the power of human ingenuity to escape it. The human race was engaged for four years in the most vicious of all wars, a war of populations and deliberate inflations of currency and credit to facilitate the war. We are now reaping the harvest. The sin of war and the sin of inordinate speculation after the war, and the sin of neglect of the economic security of the masses of the people are bringing their retribution upon the just and the unjust alike, as they did in the days of which Abraham Lincoln wrote in his second inaugural:

> Fondly do we hope, fervently do we pray, that this mighty scourge of war may speedily pass away. Yet if God wills that it continue until all the wealth piled up by the bondsmen's 250 years of unrequited toil shall be sunk and until every drop of blood drawn with the lash shall be paid by another drawn with the sword, as it was written 3,000 years ago, so still it must be said, "The judgments of the Lord are true and righteous altogether."

It is this background of world-wide economic and moral failure that we must hold in imagination when we estimate the burdens and the services to America and mankind of the present President of the United States. [Applause.] We have a right to be grateful that we have at the helm of the ship, in the gigantic storm which envelops the world, a pilot of quietness and of ideas, for it is only the leadership of balanced judgment and adventurous wisdom that is of any advantage to us now. [Applause.]

Mr. RAINEY. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, I regret to have to digress from the very interesting family discussion which has been in progress on the other side of the aisle, but in view of the attention that is being paid our international relations, I trust it will not be amiss to consider briefly a matter of domestic concern.

It is true the country is confronted by grave international questions, but it is also confronted by grave domestic questions. In fact, this Congress probably faces the most serious domestic situation ever faced by any Congress in time of

peace. We are confronted by many intricate and perplexing questions, and by none more intricate or more perplexing or more important than our agricultural problem.

Twice Congress passed a bill—passed by an overwhelming majority in both Houses—a bill designed by the farm organizations of the Nation for the solution of this question, then in its incipiency. And twice the President vetoed the bill, while farm conditions grew steadily worse. Finally the President, in order to prevent the bill passing Congress a third time, devised a substitute which was press-agented throughout the country and on this floor as the ultimate solution of the whole question. And Congress, despairing of being permitted to formulate a bill of its own, reluctantly accepted it.

It was enacted as the agricultural marketing act, and as such it occupies a position unique in legislative annals. No other legislative measure ever failed so completely to achieve the purposes for which it was enacted as the agricultural marketing act.

Under the administration of the Federal Farm Board, which it created, the price of farm products has declined to the irreducible minimum; land values have shrunk almost to the vanishing point; and the purchasing power of the farm—the farm income—has declined so steadily that farmers are everywhere being dispossessed of their homes; business men and professional men dependent on farm patronage are being forced into bankruptcy at an appalling rate. Banks serving agricultural communities are failing in unprecedented numbers. And the condition of industry and labor, deprived of their greatest market, has precipitated a national crisis of unmeasured proportions, a crisis so portentous that the end can not be foreseen.

Whether the failure of the agricultural marketing act is due to inherent defects in the law itself or to the maladministration of the Federal Farm Board, charged with its enforcement, is a question which remains to be answered. But it must be answered. So acute is the situation and so insistent is the demand for an investigation which will answer this question that an official inquiry is inevitable. There is no alternative.

The demand for an investigation comes from both farm and factory. It comes from farm organizations, from the press, from the friends of the Farm Board, and, I trust, from the Farm Board itself.

It is not a partisan matter. It is not a political issue. It is an economic and a legislative proposition and should be approached as such. It is a subject for calm, dispassionate, impartial, judicial determination.

The country wants to know—and the Congress must know—whether these conditions arise from inadequacy of the law, from incompetency of the board, or from causes which legislation, or agencies created by legislation, are powerless to affect. Upon the accurate determination of this question rests not only the future course of agricultural legislation but of legislation for the alleviation of practically every economic evil of the day. The rehabilitation of the country, the recovery from the depression, the return to prosperity must start with the farm. The buying power of the farm must be restored. Until it is restored there can be no permanent market for the products of labor or industry. An open, honest, complete investigation of the entire subject is imperative and merits the interest and cooperation of everyone.

With that in view, let us examine briefly the charges which have brought about the demand for an investigation of the administration of the Federal Farm Board. They relate to practically every activity in which the board has engaged.

1. It is charged that the board is carrying an overhead out of proportion to its requirements; that it is overstaffed; that it is paying salaries in excess of those paid for similar services in other departments and in private business; and that the employees of the Stabilization Corporation and Farmers Grain Corporation, in particular, are receiving compensation materially higher than that received prior to their employment by the board.

2. It is charged that the cost of the board's stabilization program has been exhorbitant, especially in prices paid for the business, good will, and physical properties of firms and corporations and in unnecessary shipment and storage and reshipment and restorage of commodities.

3. It is charged that the board has organized and established stabilization corporations and subsidiaries when it could have utilized the services of existing cooperative organizations which would have better served the purpose of the act under which the board was operating.

4. It is charged that unjust discrimination has been exercised by the board in making loans and in advancing credits, and that cooperative organizations have been, for irrelevant reasons, denied credit to which they were entitled under the law.

5. It is charged that the board has exercised undue control over organizations accepting loans and has exacted compliance with requirements unwarranted by the intent of the law.

6. It is charged that the board has sought to supplant and destroy farmer-owned cooperative agencies in existence at the time the board was organized and that it has used Federal resources at its command to drive existing cooperatives out of business, retarding the development of the cooperative movement the act was intended to foster.

7. It is charged that the board has failed to cooperate with other branches of the Government in that it has financed industries in unlawful operations and has continued to finance them after a Federal court has held such operations to be illegal.

8. It is charged that stabilization corporations, with the knowledge and approval of the board, have been operated in violation of the law under which they were chartered, with particular reference to amounts of commodities purchased from their members and amounts purchased from others.

9. It is charged that the board has attempted to influence elections and has expended large amounts in publicity intended to affect public sentiment.

10. It is charged that the board failed to cooperate fully in urgent drought-relief work in that it permitted charges against grain handled in that connection which the situation did not warrant.

11. It is charged that unwarranted purchases of commodities and contracts for options on the Chicago Board of Trade and other exchanges were made by the board and were continued when it was apparent that heavy losses incident to such operation were inevitable.

12. It is charged that stabilization operations in basic commodities were delayed by the board until all but a negligible amount of the year's crops had left the farm and that such stabilization operations were then discontinued before the next year's crops were ready for market.

13. It is charged that large quantities of commodities were thrown on the market by the board at harvest time and the price forced down just as farmers were marketing their crops.

14. It is charged that discrimination against domestic consumers and in favor of foreign consumers was practiced by the board in the sale of commodities by granting to foreign buyers advantageous terms of sale which were refused buyers for home distribution.

15. It is charged that the board has depressed the price of farm products by refusing to make public the amount and extent of their operations and by permitting exaggerated estimates of their holdings to gain currency, and that they have declined to make public the total cost in brokerage, commissions, interest, insurance, transportation, processing, and storage of commodities held by its stabilization corporations.

There are other charges, but those itemized are of such a nature and have gained such wide circulation as to warrant the fullest investigation. If they are without foundation, the sooner they are discredited the sooner will the Farm Board have the unqualified confidence and support of the public. If they are sustained, the sooner the remedy

can be applied. In either event, the way will be cleared for the accurate and effective solution of a problem which must be solved before remedial legislation can be enacted. The courts have held since the adjournment of the last session that the power of investigation is properly exercised by Congress preliminary to the formulation of appropriate legislation. When a great disaster occurs within the jurisdiction of either the Navy or the Army, a court of inquiry is at once assembled to determine the causes and to deduce facts to assist in preventing recurrence of the catastrophe. Certainly in the face of a catastrophe which has beggared our greatest industry and has wiped out billions of national assets, the only course which can be consistently followed is to require an investigation to inquire minutely into the disaster and its causes, and to endeavor to provide against further losses and to insure an early return to normal conditions.

I am certain the members of the Federal Farm Board will welcome such an inquiry. The charges brought against them collectively and individually are of too serious a nature to be passed over, even if no weightier issues were involved. They should have the fullest vindication, or else responsibility should be placed where it properly belongs. It is a matter which does not admit of temporization or compromise.

And for the same reason the investigation should be made by a special committee. Many members of the great Committee on Agriculture—and it is one of the greatest committees of the House—assisted in reporting the bill when it came up for consideration. To that extent it is their own handiwork. And to the same extent the Farm Board is their protégé. It follows that they should not wish to be embarrassed by being called to pass on questions which this investigation raises. Under our court procedure no tribunal sits upon a case in which there is any personal interest. And this investigation should not be made an exception.

Personally, I am convinced that every member of the committee is not only competent to pass on all questions which would be raised in such an inquiry but that the committee would discharge the duties of the investigation fairly and efficiently and perhaps more effectively than any other committee that could be appointed. However, in justice to them they should not be required to undertake it. Every care should be taken to anticipate criticism, every precaution should be observed to obviate any charge that the investigation is being whitewashed. If we are to pass the economic crisis in which we find ourselves, if we are to end this depression, we must restore confidence. That is the first step. We must have the confidence and cooperation of the public and we can not afford to omit any precautions which will insure fairness and justice in a matter of such vital and immediate importance, and in which there is such universal interest. It is to be hoped that the Committee on Rules, to which the resolution has been referred, will accord it an early hearing.

The resolution is appended:

Resolved, That the Speaker of the House of Representatives be, and he is hereby, directed to appoint from the membership of this House a select committee of nine members, which said committee is hereby authorized to fully investigate all operations, activities, and proceedings of the Federal Farm Board since its establishment, including the activities and transactions of all its subsidiary corporations and organizations and its relations, communications, and transactions with all cooperative organizations and other marketing agencies and associations.

Resolved further, That said committee is also hereby authorized and empowered to appoint such subcommittees as it may deem advisable, and the said committee or any subcommittee thereof is hereby authorized to sit during the sessions of the House or during any recess of the House, and to hold its sessions in such places as the committee may determine; to require by subpœna or otherwise the attendance of witnesses, the production of books, papers, and documents, to administer oaths and affirmations, and to take testimony.

Resolved further, That the Speaker is hereby authorized to issue subpœnas to witnesses upon the request of the committee or any subcommittee thereof at any time, including any recess of Congress; and the Sergeant at Arms is hereby empowered and directed to serve all subpœnas and other processes put into his hands by said committee or any subcommittee thereof.

Resolved further, That said select committee shall have the right at any time to report to the House in one or more reports the results of its inquiries with such recommendations as it may deem advisable.

Mr. RAINEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to; accordingly the committee rose, and the Speaker having resumed the chair, Mr. LOZIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the President's message and had come to no resolution thereon.

THE FEDERAL FARM BOARD

Mr. WELCH of California. Mr. Speaker, I ask unanimous consent to print in the RECORD a 2-page statement in the form of an address on the San Francisco Grain Trade Association of the Chamber of Commerce.

The SPEAKER. The gentleman from California asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. WELCH of California. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following:

SAN FRANCISCO, CALIF., *November 18, 1931.*

The San Francisco Grain Trade Association has been opposed to several basic purposes of the agricultural marketing act which became effective on June 15, 1929, ever since the act was formulated.

The association maintains that the country-wide set-up of the grain trade forms a vast economic machine whereby the Nation's grain and cereal crops are marketed in a most efficient and economical manner—and with the full benefit of competitive buying for the producer's advantage—and that no power of Government can improve on the present system for the benefit of agriculture.

The association also maintains that a careful study of the cooperative movement will disclose the fact that most of such organizations have functioned well only in times of normal or short crops, failing utterly in times of surpluses.

The association believes that the speculative element incidental to trading in grain is a valuable aid to the stabilization of grain prices in its final analysis, and therefore opposes the feature of the act which contemplates minimizing speculation.

The association decries the attempt of the Government to prevent and control surpluses, maintaining the absurdity of such efforts, at least in a democratic country. Nature's great economic forces must prevail in a land where individual initiative and effort are not controlled, and history clearly demonstrates that governmental interference in such issues has always been detrimental rather than beneficial to the interests it sought to aid.

The association now comes forward with a most earnest protest against a situation which has been developed in California during the current year, and joins the grain trade of the country in its endeavors to advise Congress and the American people of an intolerable condition which has emanated from the activities of the Federal Farm Board, made possible under the agricultural marketing act.

The Farmers' National Grain Corporation was organized under the laws of the State of Delaware in August, 1930. Its avowed purpose is to market grain for farmers' cooperative organizations throughout the several States. It is supposed to be farmer owned and farmer controlled, but the Farm Board approves its by-laws, dictates its policies, and approves the appointment of its managers. George S. Milnor, president of the Farm Board's Stabilization Corporation, is vice president and general manager of the Farmers' National. His salary for his joint office is said to be $50,000 per annum. The operations of the Grain Stabilization Corporation are secret; it openly declines to make public its plans for the disposal of its vast wheat holdings. But the Farmers' National can not but know these plans and thereby has an unwarranted knowledge of the eventual trend of the market, from which knowledge great profits for the corporation and certain individuals can be taken.

The Farmers' National, capitalized at about $500,000, with but little over $50,000 paid in as cash capital, has been financed by the Farm Board to the extent of over $20,000,000. During its first year of operations in buying and selling for the Stabilization Corporation and in transacting other business, it earned over $600,000 net, none of which will be redistributed amongst the agriculturists of California.

Very briefly, the officials of the Farmers' National Grain Corporation, who are said to hold the stock control in the company, are quietly building up a strong and widely operated structure, with offices located at strategic points, warehouses, elevators, branches, and other collateral advantages, all with Government money, against the day when Government support will be withdrawn—as all concede it eventually must—at which time they will be firmly intrenched in the grain business throughout the country, and with ample capital but not of their own providing. This all-important matter of capital deserves careful consideration. The Farmers' National has been both buying and selling large quantities of grain for account of the Grain Stabilization Corporation, receiving a liberal commission for both operations. Commissions

are also paid on Government loans extended to cooperatives through the Farmers' National. Large earnings have also accrued from the high rates of commission (which they term "operating charges") which are paid the Farmers' National by the cooperatives affiliated with it.

To all the above the grain trade of the United States is now voicing violent protest, in which the San Francisco association joins. But in California conditions are somewhat different and unique in that the basic intent of the agricultural marketing act is to serve agriculture through cooperative organizations, while in this State we have the Farmers' National Grain Corporation, operating neither for nor with any California cooperative, rapidly becoming a dominant factor in the State's grain business to the dismay of private business interests and to the consternation and loss of our agriculturists. And its letterhead carries the bold caption "Cooperating with the Federal Farm Board." Already it has purchased eight country grain warehouses from former operators and has leased three others—all in the San Joaquin Valley.

California produces considerable wheat but not enough for its own needs. Shortly before the Farm Board's sale of wheat to China the Farmers' National sent its agents throughout the State and purchased practically all the wheat then remaining in farmers' hands. The market immediately advanced. The profits on this deal will accrue to the Farmers' National Grain Corporation, and our agriculturalists will in no way benefit. The wheat farmers of our State are greatly incensed at this act.

Last spring when it was apparent that California would have a short grain crop the Farmers' National bought up a large portion of the old crop of barley then remaining in the interior of the State at low prices. The market then advanced materially, but no profits were distributed to any California farmers.

Our State produces about 750,000 tons of barley annually. About one-third of this is a surplus crop and is shipped to Europe for brewing purposes, chiefly to Great Britain. The British importers keep closely in touch with conditions in this market. They all seem to hold a strong prejudice against Government-pooled or Government-financed grain, and now we have the warning from many of them that they may seek their supplies in other markets if the Farm Board control or aid continues with our California product. They even show their prejudice against the pooled grain in their own Provinces of Canada and Australia, so we can not consider their warning as an idle threat.

Barley is a world crop. England produces about 1,000,000 tons of this type of grain annually. She does not have to buy the California surplus—for excellent beer is made in Germany which uses none of our State's barley. So the loss of our export barley trade is at issue—and as there are many hundred of thousands of acres in California that will produce nothing else profitably at the present time, and as there is no other market for our surplus, there is no denying the fact that we are facing a most threatening situation.

The California farmer has at all times enjoyed the advantage accruing from competitive buying. The activity of the State's grain trade in vying with one another in securing the better types of brewing barley for the British trade has kept prices up to very satisfactory levels for many years. Should the Farmers' National gain a dominant position in the barley trade in this State, it could readily keep prices down to satisfy the British importer, to the end that the corporation and the foreign buyer would profit and the farmer suffer. The grain dealer would quite naturally fade from the picture.

So our association strongly maintains that the agricultural marketing act should be repealed or at least greatly modified. The Government should get out of business, but in spite of the oft-repeated sentiments of President Hoover to the effect that no Government agency should engage in price fixing of products lest bureaucracy succeed democracy; that initiative must not be undermined; that the intrusion of Government into trading operations will raise a host of new dangers; that the interference with normal processes of supply and demand will threaten the sane progress of the world; yet the Government through its Federal Farm Board has done all these things and more.

We know that grain growing in California has been benefited in no way by the Farm Board or the Farmers' National Grain Corporation; we also know that unbearable hardships are being imposed on business enterprises unable to maintain their position against discriminatory competition from the Government; hence our plea to the California delegation in the Congress of the United States that justice be done forthwith.

SAN FRANCISCO GRAIN TRADE ASSOCIATION,
By F. A. SOMERS, *President*.

STABILIZATION OF EMPLOYMENT

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to print in the RECORD an address made by me to the Grand Aerie of the Fraternal Order of Eagles at Toledo, Ohio, on the 12th of last August.

The SPEAKER. Is there objection?

There was no objection.

Mr. LUDLOW. Mr. Speaker, the Fraternal Order of Eagles, which is a great humanitarian organization, with a brilliant record of service and devotion to the common men and women of America, has prepared and presented for the consideration of the Congress a bill for the stabilization of employment. The purpose of this bill is to set up governmental machinery that will keep industry on an even keel and ward off such evil cycles of unemployment and attendant woes as the one through which we are now passing. In proposing this measure the Fraternal Order of Eagles has exhibited creative resourcefulness, high courage, and far-reaching vision. Splendid as is the order's record of humanitarianism this measure is the capsheaf of its service to humanity.

Reforms like this progress slowly. The bill was first introduced in the Congress by me on December 1, 1930. In the Seventy-first Congress it advanced to a hearing before the House Judiciary Committee when the merits of the proposal were ably presented by Frank E. Hering of South Bend, Ind., Conrad H. Mann of Kansas City, Representative CLYDE KELLY, of Pennsylvania, and others. Members of the committee saw in the suggestion much merit but the time was altogether too brief to secure action before the close of the short session on March 4, last. By request of the order I reintroduced the bill in the Seventy-second Congress on the 10th day of the present month and it is now pending before the Judiciary Committee of the House.

When the grand aerie, or national body, of the order assembled at Toledo last August this measure was a foremost topic of discussion. By special invitation I appeared before the grand aerie on August 12 and spoke on the measure. By courtesy of the House of Representatives the address I delivered on that occasion is herewith printed in full, as follows:

Grand Worthy President and members of the Fraternal Order of Eagles assembled from all of the States of the Union:

How to prevent recurrent periods of industrial prostration and unemployment is the greatest problem of our age. It is a challenge to the best there is in American statesmanship. We are passing through appalling times. Over 5,000,000 willing workers are out of work in our country. This unemployment has cut off the sustaining income of 20,000,000 people, or one-sixth of our entire population. The incomes of countless thousands of firms have shrunk until their business operations are being written "in the red." Investments have evaporated or dwindled in value until financial princes have become paupers and widows who invested all they had in supposedly perfect securities find themselves without a cent of income. Agriculture, no less than industry, is in the grip of creeping paralysis. Farms everywhere are for sale at less than their appraised value. Farm property is going to rack and ruin because our farmers can not pay their mounting taxes, let alone raise funds necessary to make improvements.

My Washington home is two blocks up Pennsylvania Avenue from the White House. I am an early riser, retaining the habits I formed in my adolescent youth on the farm. Every morning I ride down to my office in the House Office Building on a street car and these are the sights that successively greet my eyes: First, the White House, where abides the well-meaning President of the United States, the first citizen of this great sovereign Commonwealth of free men; second, the Treasury of the United States, money center of the world; third, the bank where Abraham Lincoln had his account, a Gibraltar of finance, its vaults bulging with money; fourth, the oldest national bank in Washington, 116 years old and with enormous resources; fifth, the home of the largest trust company in Washington, with great steel vaults that hold and protect the treasures of the rich; sixth, another strong national bank named for the first Postmaster General of the United States, Benjamin Franklin; and last but not least, on the matutinal vista a long bread line at Sixth Street with a queue extending a square and a half, whose hungry component units march forward in order under the direction of sharp-eyed policemen, and, turning with perfect military alignment and precision, enter a ground floor room in the abandoned old National Hotel to receive the morning hand-out of bread and hot coffee. Henry Clay died in that hotel and sometimes when I pause to watch the column of hungry men advance I wonder whether he is looking back across the Elysian fields and getting an eye full. If he is looking back at all he is getting an eye full, because the National Capital is a city that is supposed to be independent of the fluctuations and depressions of business. There the Government as regularly as clockwork pours out millions to meet its pay rolls, which outflow always heretofore has been regarded as a guaranty of local prosperity. Although I have been a member of the Washington press gallery for 30 years I never until during the last year saw a bread line at the Nation's Capital.

While this is going on at the Capital of our Nation countless thousands of American citizens throughout the country, clean, upright men and women, are being forced to humiliate themselves by accepting alms and the community chests and welfare associations everywhere find their funds prematurely exhausted. It is no reflection on these good people that they are compelled by the thousands to bend their pride and receive largess from the hand of charity—something they had never dreamed would be

possible. The blame rightfully belongs on society and especially on our statesmen who through lack of foresight or indifference, or both, have neglected to establish machinery to stabilize industry and employment.

With matchless leadership and clear vision the Fraternal Order of Eagles is proposing a plan which when it is carried into effect will save America's millions of working men, business men, farmers, and investors from these recurrent cycles of depression and all their attendant woes. Heretofore we have taken it for granted that these debacles are inevitable. When we emerged from one we lived in fool's paradise of unstable prosperity until the cycle turned and we again went down into the bottom of the trough. We have assumed that we had to do this, as a matter of course—that when soup-house time comes we must have soup houses, just as when night comes we must have darkness. Soup houses and unemployment have been regarded by us in our short-sightedness as part of a natural and inexorable régime that was as fixed and permanent as the planets in their orbits.

In June a year ago a brilliant son of Indiana and a great leader of men arose to challenge the truth of these conclusions. That man was Frank E. Hering, of South Bend, Ind., past grand worthy president of our order, a former professor of economics, a thinker, and above all a humanitarian of the first rank. Arising in the State aerie at Anderson, Ind., he proposed a plan for governmental machinery in the form of a commission to stabilize industry, agriculture, and commerce. His plan was so simple, so workable, so practical that it was indorsed enthusiastically by the State aerie and later in the year was adopted unanimously and with tremendous acclaim by the grand aerie, meeting in San Francisco. A commission was created to whip the proposal into shape, at whose head was placed that great Eagle and that great humanitarian, Conrad H. Mann, of Kansas City. On the commission as coworkers with Mr. Mann were chosen men of the highest intelligence and character—Otto P. Deluse, of Indiana, Ex-Congressman John M. Morin of Pennsylvania, and United States Senator JOHN J. BLAINE, of Wisconsin. This plan was written into the form of a bill which was introduced at the last congress by Senator BLAINE in the Senate and by myself in the House. On December 17 last we had a hearing on the bill before the House Committee on the Judiciary. I wish all of you—I wish every person in the United States—could have been present on that most impressive occasion. For an hour and a quarter the members of the committee listened with rapt attention to Mr. Hering as he explained the practical workability of the Eagles' plan, in language so clear, concise, and illuminating that the committee would have been glad to have listened to him all day if the program of the House had permitted. He was at his best and he carried the unflagging interest of the committee with him from start to finish.

The Eagles' plan provides for the creation of machinery that will be the greatest stabilizing influence in the world, doing for the Nation at large and for industry, employment, commerce, and agriculture, what certain governmental instrumentalities now successfully do for interests and special groups as, for instance, the Interstate Commerce Commission, which has saved many a railroad from being wrecked, and the Federal reserve system, which has been a great help in fostering and stabilizing the banking of the country. The Eagles' plan for a stabilizing commission goes far beyond anything that has ever been attempted in the direction of erecting a governmental structure that will keep industry and business on an even keel and ward off unemployment. Now and then governmental bureaus and agencies have pecked at this field of service but their efforts have been sporadic, amateurish, and wholly ineffective. Under the Eagles' plan there will be established for the first time a competent governmental agency in the form of a commission of five members that will meet continuously and give its entire time to working out plans to stabilize industry and employment. Its activities will never cease and it will deal with the subject in a very fundamental way. As all of the world is interrelated in an economic sense, all of the world will be embraced in the scope of the commission's investigations, for it often happens that factors arise in other countries that have a direct economic reaction in the United States. For instance, England's advocacy of the gold standard in India immediately dislocated the market for silver in the United States, China, Japan, and Mexico. If the Eagles' stabilizing commission had been in existence then it would have learned in advance of the factors at work in India and by taking the appropriate steps would have softened the effects of the debasement of silver so they would hardly have been felt in America.

The Eagles' commission when in operation will be a sort of general headquarters where conditions both here and abroad will undergo continual analysis by experts who understand their business and where plans of great variety will be formulated to steer our people clear of disaster. If one industry is threatened with dullness the workers in that industry will be advised where they can secure employment in another industry. If there is a surplus in sight of one crop the farmers of the country will be advised so they can turn their attention to another crop of which there is no surplus, all to the end of maintaining profitable prices. It is very properly provided that the commission shall have no authority in itself to compel obedience or even to issue orders of any kind. Its function is to be that of an adviser to Congress. It will be a great fact-finding agency and will work out carefully measured policies and programs which it will present to Congress and in that broad field of service it will become when in full operation the most comforting and helpful influence in our national life.

The Eagles' stabilizing commission has not yet arrived, but I am here to report to you that it is on the way! Its accomplishment will mark the very peak of achievement in a practical realization of the brotherhood of man, which is the hope and the objective of our splendid order. To say that these distressing cycles of depression and unemployment are natural and can not be prevented is fool's talk. To say that we who are in Congress, charged with promoting the general welfare, can not visualize the value of the plan offered to us by this great fraternal order and adopt means to ward off these unnecessary debacles is a reflection on the brains that God gave us. To say that in a great organized society there is not ability enough to arrange economic values so as to meet anticipated economic wants is a sad commentary on our public men. Of course it is a practical proposal. Of course it will succeed ultimately, and the Eagles' plan or some one fashioned after it will be adopted, and when that happy day comes the credit will belong to the great fraternal order that we all love.

PERMISSION TO ADDRESS THE HOUSE

Mr. SIROVICH. Mr. Speaker, I ask unanimous consent to address the House on January 4 next, immediately after the reading of the Journal, for one hour.

The SPEAKER. The gentleman from New York asks unanimous consent to address the House on January 4 next, immediately after the reading of the Journal, for one hour. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, is that going to be the policy this year to allow a Member one hour on a certain day, three or four weeks in advance? There was considerable discussion of that last year, and we thought it was a bad policy. But it is for the majority to make its plans, and I am not going to object.

The SPEAKER. The Chair desires to say that he does not believe in that policy, and has so expressed himself a number of times. The Chair now takes the liberty of saying as a Member of the House that he believes that that policy is a mistake, and that gentlemen desiring to address the House ought to avail themselves, as far as possible, of the Committee of the Whole for that purpose. Otherwise the business of the House is clogged, and it interferes very often with the procedure that it is desired to pursue on that advanced day by virtue of the fact that consent has been given a Member to address the House at that time.

Mr. SNELL. I think it is a bad policy.

Mr. RAINEY. May I suggest to the gentleman from New York that he make his request immediately before the adjournment for the holidays?

Mr. SIROVICH. Mr. Speaker, in deference to the wishes of the Chair, I withdraw my request. I presented it to the gentleman from Illinois [Mr. RAINEY], and the gentleman from Indiana [Mr. PURNELL], and had their consent; but I am willing to withdraw the request.

EXTENSION OF REMARKS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that all Members who have spoken to-day be permitted to extend their own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. O'CONNOR. Reserving the right to object, I do not know whether the Chair has the information, but I would like to inquire whether the gentleman from Pennsylvania [Mr. MCFADDEN] had leave to extend his remarks?

The SPEAKER. The Chair is not informed.

A MEMBER. He did not.

Mr. O'CONNOR. I am forced to object to that particular instance.

ORDER OF BUSINESS

Mr. RAINEY. I desire to state that if the Mapes committee is not ready to go on to-morrow with their bills we will go into Committee of the Whole for the further consideration of the President's message. Next Monday or Tuesday it is not the purpose to take up anything of a controversial nature. There are many demands for time and we can devote those days to more debate. We expect to get the moratorium up on Thursday and perhaps get a vote on Friday.

PERSONAL REQUEST

Mr. WEAVER, at the request of Mr. DOUGHTON, by unanimous consent, was given leave of absence for one week on account of death in the family.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 20 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 16, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

268. A letter from the Comptroller of the Currency, transmitting annual report of the Comptroller of the Currency covering the activities of the Currency Bureau for the year ended October 31, 1931; to the Committee on Banking and Currency.

269. A letter from the Secretary of the Treasury, transmitting a draft of a bill that the act of Congress entitled "An act to repeal and reenact chapter 100, 1914, Public No. 108, to provide for the restoration of Fort McHenry, in the State of Maryland, and its permanent preservation as a national park and perpetual national memorial shrine as the birthplace of the immortal Star-Spangled Banner, written by Francis Scott Key"; to the Committee on Military Affairs.

270. A letter from the Secretary of the Treasury, transmitting annual report of the Commissioner of Narcotics for the fiscal year ended June 30, 1931; to the Committee on Ways and Means.

271. A communication from the President of the United States, transmitting estimates of appropriations submitted by the several executive departments and establishments to pay claims for damages to privately owned property in the sum of $27,472.35 (H. Doc. No. 178); to the Committee on Appropriations, and ordered to be printed.

272. A communication from the President of the United States, transmitting schedules covering certain claims allowed by the General Accounting Office, as shown by certificates of settlement transmitted to the Treasury Department of payment, in the sum of $3,204.52 (H. Doc. No. 176); to the Committee on Appropriations and ordered to be printed.

273. A communication from the President of the United States, transmitting an estimate of appropriation submitted by the Secretary of Commerce to pay a claim for damage occasioned by collision with a vessel of the Lighthouse Service, in the sum of $65 (H. Doc. No. 177); to the Committee on Appropriations and ordered to be printed.

274. A communication from the President of the United States, transmitting records of judgments rendered against the Government by the United States district courts, as submitted by the Attorney General through the Secretary of the Treasury, in the sum of $289,809.31 (H. Doc. No. 175); to the Committee on Appropriations and ordered to be printed.

275. A communication from the President of the United States, transmitting a list of judgments rendered by the Court of Claims, which have been submitted by the Attorney General through the Secretary of the Treasury, in the sum of $552,394.55 (H. Doc. No. 174); to the Committee on Appropriations and ordered to be printed.

276. A letter from the Comptroller General of the United States, transmitting report to the Congress concerning the claim of the Pennsylvania Railroad Co. against the United States; to the Committee on Claims.

277. A communication from the President of the United States, transmitting schedules of claims amounting to $293,594.31, allowed by the General Accounting Office, as covered by certificates of settlement (H. Doc. No. 173); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MAPES: Select Committee on Fiscal Relations Between the United States and the District of Columbia. A report pursuant to House Resolution 285, Seventy-first Congress, recommending changes in the fiscal relations (Rept. No. 1). Referred to the Committee of the Whole House on the state of the Union.

Mr. MAPES: Select Committee on Fiscal Relations Between the United States and the District of Columbia. H. R. 5821. A bill to provide for the taxation of incomes in the District of Columbia, to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes; without amendment (Rept. No. 2). Referred to the Committee of the Whole House on the state of the Union.

Mr. FREAR: Select Committee on Fiscal Relations Between the United States and the District of Columbia. H. R. 5822. A bill to provide a tax on the transfers of estates of decedents; without amendment (Rept. No. 3). Referred to the Committee of the Whole House on the state of the Union.

Mr. DAVIS: Select Committee on Fiscal Relations Between the United States and the District of Columbia. H. R. 5823. A bill to increase the motor-vehicle fuel tax in the District of Columbia, and to provide for the better administration thereof; without amendment (Rept. No. 4). Referred to the Committee of the Whole House on the state of the Union.

Mr. DAVIS: Select Committee on Fiscal Relations Between the United States and the District of Columbia. H. R. 5824. A bill to require the registration of motor vehicles in the District of Columbia, to prescribe registration fees based upon the weight of such motor vehicles, and for other purposes; without amendment (Rept. No. 5). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAPES: A bill (H. R. 5821) to provide for the taxation of incomes in the District of Columbia, to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. FREAR: A bill (H. R. 5822) to provide a tax on the transfers of estates of decedents; committed to the Committee of the Whole House on the state of the Union.

By Mr. DAVIS: A bill (H. R. 5823) to increase the motor-vehicle fuel tax in the District of Columbia and to provide for the better administration thereof; committed to the Committee of the Whole House on the state of the Union.

Also, a bill (H. R. 5824) to require the registration of motor vehicles in the District of Columbia, to prescribe registration fees based upon the weight of such motor vehicles, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. BANKHEAD: A bill (H. R. 5825) providing for regulation of the transportation of cotton in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture.

By Mr. CURRY: A bill (H. R. 5826) to divide the northern judicial district of the State of California into two judicial districts; to the Committee on the Judiciary.

Also, a bill (H. R. 5827) to amend the act approved March 4, 1929, authorizing the acquisition of site and construction of a post-office building at Sacramento, Calif.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5828) to authorize the attendance of the Navy Band at the convention of the Veterans of Foreign Wars of the United States at Sacramento, Calif.; to the Committee on Naval Affairs.

By Mr. GLOVER: A bill (H. R. 5829) to amend the Federal highway act of November 9, 1921, so as to provide Federal aid to the States in building lateral post roads over which the United States mail is now or may hereafter be carried; to the Committee on Roads.

By Mr. LEAVITT: A bill (H. R. 5830) to provide for the protection of forests from losses caused by insects; to the Committee on Agriculture.

Also, a bill (H. R. 5831) to authorize an appropriation for the installation of a mechanical fish screen on the Sun

River Slope Canal, Sun River Irrigation project, Montana, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. RANKIN (by request): A bill (H. R. 5832) to provide payment of adjusted-service credit to sisters, brothers, and estates; to the Committee on Ways and Means.

Also (by request), a bill (H. R. 5833) to provide for the establishment of a permanent medical service in the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. BOYLAN: A bill (H. R. 5834) providing for a 5-day work week for certain Government employees; to the Committee on the Civil Service.

By Mr. BURTNESS: A bill (H. R. 5835) providing for the calling of adverse parties for cross-examination in actions at law or equity; to the Committee on the Judiciary.

Also, a bill (H. R. 5836) to amend section 99 of the Judicial Code (U. S. C., title 28, sec. 180), as amended; to the Committee on the Judiciary.

Also, a bill (H. R. 5837) to regulate the construction of bridges over navigable waters of the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 5838) to provide for the aiding of farmers on wet lands in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 5839) to authorize the Secretary of Agriculture to provide for licensing laboratories for making determinations of protein in wheat and oil in flax, to maintain laboratories to pass on appeals from determinations of licensed laboratories, to acquire and disseminate information relative to protein in wheat and oil in flax, and for other purposes; to the Committee on Agriculture.

By Mr. EVANS of Montana: A bill (H. R. 5840) to grant vacant, unreserved, unappropriated, nonmineral lands to accepting States, and to authorize the President to establish national ranges in nonaccepting States; to create a board authorized to determine as to the disposition of certain areas of public domain; to enable the United States, the States, and individuals to exchange lands for the consolidation of mingled areas, and granting lands to certain States to achieve that purpose; to provide for the control, disposition, and protection of stock-watering places, and of intrastate and interstate stock driveways; and for the conservation of grazing resources; and for other purposes; to the Committee on the Public Lands.

By Mr. HADLEY: A bill (H. R. 5841) for the refundment of certain countervailing customs duties collected upon logs imported from British Columbia; to the Committee on the Judiciary.

By Mr. HARE: A bill (H. R. 5842) to amend an act providing for Federal intermediate credit banks; to the Committee on Banking and Currency.

By Mr. JAMES: A bill (H. R. 5843) to readjust the allowances of retired enlisted men of the Army, Navy, and Marine Corps; to the Committee on Military Affairs.

Also, a bill (H. R. 5844) to increase the efficiency of the Medical Department of the Regular Army; to the Committee on Military Affairs.

Also, a bill (H. R. 5845) to grant double-time credit for retirement purposes to enlisted men of the Army, Navy, Marine Corps, or Coast Guard for certain service since August 24, 1912; to the Committee on Military Affairs.

By Mr. McKEOWN: A bill (H. R. 5846) authorizing the District Court of the United States for the Eastern District of Oklahoma to hear and determine certain claims of the Seminole Nation or Tribe of Indians; to the Committee on Indian Affairs.

By Mr. MONTAGUE: A bill (H. R. 5847) to authorize the attendance of the Marine Band at the Confederate Veterans' reunion to be held at Richmond, Va.; to the Committee on Naval Affairs.

Also, a bill (H. R. 5848) authorizing and directing the Secretary of War to lend to the entertainment committee of the United Confederate Veterans 250 pyramidal tents, complete; fifteen 16 by 80 by 40 foot assembly tents; thirty 11 by 50 by 15 foot hospital ward tents; 10,000 blankets, olive drab, No. 4; 5,000 pillow cases; 5,000 canvas cots; 5,000 cotton pillows; 5,000 bed sacks; 10,000 bed sheets; 20 field ranges, No. 1; 10 field bake ovens; 50 water bags (for ice water) to be used at the encampment of the United Confederate Veterans to be held at Richmond, Va., in June, 1932; to the Committee on Military Affairs.

By Mr. RANKIN: A bill (H. R. 5849) to amend the World War veterans act, 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5850) to amend the World War veterans' act of 1924, as amended; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5851) to provide adjusted-service credit allowance to provisional commissioned officers; to the Committee on Ways and Means.

Also, a bill (H. R. 5852) to provide for the commemoration of the Battles of Iuka and Eastport, in the State of Mississippi; to the Committee on Military Affairs.

Also, a bill (H. R. 5853) to provide for the commemoration of the Battle of Ackia, in the State of Mississippi; to the Committee on Military Affairs.

By Mr. SCHNEIDER: A bill (H. R. 5854) to amend the national prohibition act to provide for a reasonable and legal definition of the word "liquor" or the phrase "intoxicating liquor" within the purview of the eighteenth amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. TARVER: A bill (H. R. 5855) to amend the World War veterans' act of 1924, section 202, as amended; to the Committee on World War Veterans' Legislation.

By Mr. ALLGOOD: A bill (H. R. 5856) to authorize an appropriation for building highways on United States postal rural-route roads in the several States of the United States; to the Committee on Roads.

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 5857) to provide legal-tender money, without interest, secured by community noninterest-bearing 25-year bonds for public improvements, market roads, employment of unemployed, building homes for and financing through community banks organized under State laws its citizens, farmers, merchants, manufacturers, partnerships, corporations, trusts, or trustees, and for community needs of the United States; to the Committee on Banking and Currency.

By Mr. DYER: A bill (H. R. 5858) to amend the national prohibition act, as supplemented, to conform with the eighteenth constitutional amendment by limiting the prohibition to intoxicating liquors for beverage purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 5859) to amend the national prohibition act, as supplemented, to conform with the eighteenth constitutional amendment by permitting the use of alcoholic liquors for medicinal purposes; to the Committee on the Judiciary.

By Mr. HANCOCK of North Carolina: A bill (H. R. 5860) to amend the revenue act of 1926 by reducing the tax on cigars, cigarettes, and tobacco; to the Committee on Ways and Means.

By Mr. HARDY: A bill (H. R. 5861) authorizing the construction of a drainage channel in the closed basin of the San Luis Valley in Colorado, authorizing investigations of reservoir sites, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. LUCE: A bill (H. R. 5862) to establish a memorial to Theodore Roosevelt in the National Capital; to the Committee on the Library.

Also, a bill (H. R. 5863) to authorize the transfer of jurisdiction over public land in the District of Columbia; to the Committee on Public Buildings and Grounds.

By Mr. MANSFIELD: A bill (H. R. 5864) to provide for the appointment of an additional district judge for the

southern district of Texas; to the Committee on the Judiciary.

By Mr. MOORE of Kentucky: A bill (H. R. 5865) declaring the Mud River in the State of Kentucky a nonnavigable stream; to the Committee on Interstate and Foreign Commerce.

By Mr. SINCLAIR: A bill (H. R. 5866) to authorize the construction of a dam across Des Lacs Lake, N. Dak.; to the Committee on Flood Control.

By Mr. AUF DER HEIDE: A bill (H. R. 5867) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BUCKBEE: A bill (H. R. 5868) to adjust the salaries of postmasters of the first and second classes; to the Committee on the Post Office and Post Roads.

By Mr. DICKSTEIN: A bill (H. R. 5869) to exempt from the quota husbands of American citizens; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 5870) to amend an act to supplement the naturalization laws, and for other purposes, approved March 2, 1929; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 5871) to amend the act of March 4, 1924, making it a felony for certain aliens to enter the United States of America; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 5872) to amend the immigration act of 1924; to the Committee on Immigration and Naturalization.

By Mr. DOMINICK: A bill (H. R. 5873) to provide for references in law cases by consent of the parties and declaring the effect of such submission; to the Committee on the Judiciary.

Also, a bill (H. R. 5874) to provide that indictments and informations shall not be held insufficient for failure to lay the venue; to the Committee on the Judiciary.

Also, a bill (H. R. 5875) to dispense with the necessity of setting out copies of instruments in indictments and in formations; to the Committee on the Judiciary.

By Mr. ENGLEBRIGHT: A bill (H. R. 5876) to aid in the establishment of State parks; to the Committee on the Public Lands.

By Mr. HOUSTON of Hawaii: A bill (H. R. 5877) to further amend the act entitled "An act to extend the provisions of certain laws to the Territory of Hawaii," approved March 10, 1924; to the Committee on the Territories.

By Mr. KEMP: A bill (H. R. 5878) granting the consent of Congress to the Louisiana Highway Commission, and the Missouri Pacific Railroad Co., and the Louisiana & Arkansas Railway Co. to construct, maintain, and operate a combination highway and railroad bridge across the Mississippi River at or near Baton Rouge, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. LEAVITT: A bill (H. R. 5879) to authorize an appropriation for completion of the recording of the Indian sign language through the instrumentality of Maj. Gen. Hugh L. Scott, retired; to the Committee on Indian Affairs.

My Mr. McLEOD: A bill (H. R. 5880) granting the Secretary of the Treasury authority to employ a local State resident architect in the construction of Federal buildings; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5881) providing that the Secretary of the Treasury shall permit only local State resident contractors to bid on the construction work of such Federal buildings, or additions thereto; to the Committee on Public Buildings and Grounds.

By Mr. CONNERY: A bill (H. R. 5882) to divest goods, wares, and merchandise manufactured or produced by women and minors of their interstate character in certain cases; to the Committee on Labor.

By Mr. GLOVER: A bill (H. R. 5883) to prevent the sale of cotton and grain in future markets and to aid agriculture; to the Committee on Agriculture.

By Mr. KLEBERG: A bill (H. R. 5884) to provide for the appointment of an additional district judge for the southern district of Texas; to the Committee on the Judiciary.

By Mr. FULMER: Resolution (H. Res. 63) providing for the printing of 2,000 copies of the Soil Survey for certain counties in North Carolina; to the Committee on Printing.

By Mr. DYER: Joint resolution (H. J. Res. 130) proposing an amendment to the Constitution of the United States providing for national representation for the people of the District of Columbia; to the Committee on the Judiciary.

By Mr. LUCE: Joint resolution (H. J. Res. 131) to make available to Congress the services and data of the Interstate Legislative Reference Bureau; to the Committee on the Library.

By Mr. DICKSTEIN: Joint resolution (H. J. Res. 132) relative to fees in naturalization proceedings; to the Committee on Immigration and Naturalization.

By Mr. DISNEY: Joint resolution (H. J. Res. 133) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. FISH: Joint resolution (H. J. Res. 134) authorizing the disposition of wheat purchased by the Federal Farm Board for the relief of distress in the United States; to the Committee on Agriculture.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the State Legislature of the State of California, memorializing the Congress of the United States relative to changing the official name of Goat Island to Yerba Buena Island; to the Committee on the Public Lands.

Memorial of the State Legislature of the State of California, memorializing the Congress of the United States to provide compensation, in lieu of taxes, for certain lands of the United States within the borders of the several States; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 5885) for the relief of Thomas Stevenson; to the Committee on Naval Affairs.

By Mr. ANDREWS of New York: A bill (H. R. 5886) authorizing the Secretary of War to award a congressional medal of honor to Maj. Algar M. Wheeler; to the Committee on Military Affairs.

Also, a bill (H. R. 5887) for the relief of George Rounds; to the Committee on Claims.

By Mr. AYRES: A bill (H. R. 5888) granting a pension to Mary E. Pratt; to the Committee on Pensions.

By Mr. BUCKBEE: A bill (H. R. 5889) for the relief of Jennie Shellcross; to the Committee on Claims.

By Mr. BURTNESS: A bill (H. R. 5890) for the relief of the Lehigh Briquetting Co.; to the Committee on Ways and Means.

Also, a bill (H. R. 5891) for the relief of W. H. Comrie, jr.; to the Committee on World War Veterans' Legislation.

By Mr. CLAGUE: A bill (H. R. 5892) granting a pension to Mary Ann Conley; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 5893) for the relief of William H. Moore; to the Committee on Claims.

Also, a bill (H. R. 5894) for the relief of Joseph P. Noser; to the Committee on Naval Affairs.

Also, a bill (H. R. 5895) for the relief of Albin Valentene Coffman; to the Committee on Naval Affairs.

Also, a bill (H. R. 5896) granting an increase of pension to Viola Schaub; to the Committee on Pensions.

Also, a bill (H. R. 5897) for the relief of Norman H. Murphy; to the Committee on Military Affairs.

Also, a bill (H. R. 5898) for the relief of Clarence Edward Mattison; to the Committee on Naval Affairs.

Also, a bill (H. R. 5899) granting a pension to Emma Springer; to the Committee on Invalid Pensions.

By Mr. COLTON: A bill (H. R. 5900) for the relief of H. A. Soderberg; to the Committee on Claims.

Also, a bill (H. R. 5901) granting a pension to John Z. Alger; to the Committee on Pensions.

By Mr. CONNERY: A bill (H. R. 5902) for the relief of Arthur Maxwell O'Connor; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 5903) for the relief of Michael J. McNulty; to the Committee on Military Affairs.

Also, a bill (H. R. 5904) for the relief of George McCourt; to the Committee on Military Affairs.

Also, a bill (H. R. 5905) for the relief of certain officers of the United States Public Health Service; to the Committee on Claims.

By Mr. CRISP: A bill (H. R. 5906) for the relief of Lucy Stewart; to the Committee on Claims.

By Mr. DAVENPORT: A bill (H. R. 5907) granting a pension to Arthur Boyce; to the Committee on Invalid Pensions.

By Mr. DISNEY: A bill (H. R. 5908) granting a pension to Laura E. Todd; to the Committee on Pensions.

By Mr. EATON of Colorado: A bill (H. R. 5909) to authorize the issuance of patents for certain lands in the State of Colorado to certain persons; to the Committee on the Public Lands.

By Mr. EATON of New Jersey: A bill (H. R. 5910) granting a pension to Edward Brodmerkel; to the Committee on Pensions.

By Mr. EVANS of California: A bill (H. R. 5911) granting an increase of pension to Martha J. Jones; to the Committee on Invalid Pensions.

By Mr. FISHBURNE: A bill (H. R. 5912) granting a pension to Mary Frances Faris Phillips; to the Committee on Pensions.

Also, a bill (H. R. 5913) for the relief of Samuel Irick; to the Committee on World War Veterans' Legislation.

By Mr. FOSS: A bill (H. R. 5914) granting an increase of pension to Julia A. Morgan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5915) granting an increase of pension to Annie E. Stoddard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5916) granting an increase of pension to Julia O'Mara; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5917) granting an increase of pension to Julia A. Tyler; to the Committee on Invalid Pensions.

By Mr. HAINES: A bill (H. R. 5918) granting a pension to Prudence K. Clair; to the Committee on Invalid Pensions.

By Mr. HARDY: A bill (H. R. 5919) granting an increase of pension to Edeluvina G. Romero; to the Committee on Invalid Pensions.

By Mr. HARE: A bill (H. R. 5920) for the relief of Rosa E. Browning; to the Committee on Claims.

Also, a bill (H. R. 5921) for the relief of William Smith; to the Committee on Naval Affairs.

By Mr. HASTINGS: A bill (H. R. 5922) for the relief of W. A. Peters; to the Committee on Claims.

By Mr. HOGG of West Virginia: A bill (H. R. 5923) granting an increase of pension to Duracy E. Ash (with accompanying papers); to the Committe on Invalid Pensions.

Also, a bill (H. R. 5924) granting an increase of pension to Flera Messick (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5925) granting a pension to Mollie A. Ware (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5926) granting a pension to Nannie S. Daniel (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5927) granting an increase of pension to Sarah E. Boler (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 5928) granting a pension to Cora C. O'Neill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5929) for the relief of Benjamin Yarborough; to the Committee on Military Affairs.

Also, a bill (H. R. 5930) for the relief of Howard Lee; to the Committee on Military Affairs.

Also, a bill (H. R. 5931) granting an increase of pension to Chloe T. Hutchinson; to the Committe on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 5932) granting a pension to Mary Susan Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5933) for the relief of John Evans; to the Committee on Claims.

By Mr. JENKINS: A bill (H. R. 5934) granting an increase of pension to Caroline Forrest; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5935) granting an increase of pension to Frances Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5936) granting an increase of pension to Sophie M. Swigert; to the Committee on Invalid Pensions.

By Mr. KADING: A bill (H. R. 5937) granting an increase of pension to Mary Baker; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 5938) granting a pension to Angeline Woolsey; to the Committee on Pensions.

By Mr. LAMBETH: A bill (H. R. 5939) for reimbursement of expenditures made by Lieut. Felix L. Johnson, United States Navy, for transportation of his dependents incident to his transfer from Naval Academy to Asiatic station in 1928; to the Committee on Claims.

By Mr. LEAVITT: A bill (H. R. 5940) for the relief of Florian Ford; to the Committee on Indian Affairs.

By Mr. LOZIER: A bill (H. R. 5941) granting a pension to Ellen Staton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5942) granting a pension to Catherine Glasscock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5943) granting an increase of pension to Sarah I. Tomlin; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 5944) granting an increase of pension to Sophia Huber; to the Committee on Invalid Pensions.

By Mr. McCLINTOCK of Ohio: A bill (H. R. 5945) granting an increase of pension to Flora V. Reid; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 5946) for the relief of Clawson R. Nelson; to the Committee on Claims.

Also, a bill (H. R. 5947) for the relief of John Moore; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 5948) granting an increase of pension to Emily F. Ailshie; to the Committee on Pensions.

Also, a bill (H. R. 5949) granting a pension to Marvin Yeargin; to the Committee on Pensions.

By Mr. MALONEY: A bill (H. R. 5950) for the relief of Adrian M. Finney and others; to the Committee on Claims.

By Mr. MARTIN of Oregon: A bill (H. R. 5951) granting an increase of pension to Emma S. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5952) granting a pension to Ella Ann Alexander; to the Committee on Pensions.

By Mr. MILLIGAN: A bill (H. R. 5953) granting a pension to Louisa Wainscott; to the Committee on Invalid Pensions.

By Mr. MOORE of Kentucky: A bill (H. R. 5954) granting a pension to Sylvia Abner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5955) granting an increase of pension to Americus Watt; to the Committee on Pensions.

Also, a bill (H. R. 5956) granting a pension to Lee Rigsby; to the Committee on Invalid Pensions.

By Mr. MOREHEAD: A bill (H. R. 5957) for the relief of Mary E. McGerr; to the Committee on Claims.

By Mr. NELSON of Wisconsin: A bill (H. R. 5958) granting an increase of pension to Ann Cripps; to the Committee on Invalid Pensions.

By Mr. NOLAN: A bill (H. R. 5959) granting a pension to Henry Berndt; to the Committee on Pensions.

Also, a bill (H. R. 5960) for the relief of Maj. Richard K. Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 5961) for the relief of Robert Templeton; to the Committee on Military Affairs.

Also, a bill (H. R. 5962) for the relief of Robert J. Smith; to the Committee on Military Affairs.

By Mr. NORTON of Nebraska: A bill (H. R. 5963) granting an increase of pension to Marie M. Colby; to the Committee on Pensions.

By Mr. POLK: A bill (H. R. 5964) granting a pension to Bertha T. Hastings; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 5965) granting a pension to Edith A. Sunderland; to the Committee on Pensions.

By Mr. RAMSEYER: A bill (H. R. 5966) granting an increase of pension to Susan F. Coats; to the Committee on Invalid Pensions.

By Mr. RANKIN: A bill (H. R. 5967) granting the distinguished-service cross to Richard M. Boyd; to the Committee on Military Affairs.

Also, a bill (H. R. 5968) granting a pension to Phillip E. Bruton; to the Committee on Pensions.

Also, a bill (H. R. 5969) granting a pension to Julia Ann Gentry; to the Committee on Pensions.

Also, a bill (H. R. 5970) granting a pension to Charlotte DuBose Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5971) for the relief of Grover Cleveland Ballard; to the Committee on War Claims.

Also, a bill (H. R. 5972) granting a pension to Jason Paul Ford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5973) granting a pension to Harriet McEntire; to the Committee on Pensions.

By Mr. RICH: A bill (H. R. 5974) granting a pension to Hazel Stover; to the Committee on Pensions.

By Mr. SCHAFER: A bill (H. R. 5975) for the relief of William P. Rooney; to the Committee on Claims.

By Mr. SWING: A bill (H. R. 5976) granting a pension to Douglas B. Trask; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 5977) granting an increase of pension to Mary F. Elam; to the Committee on Invalid Pensions.

By Mr. SMITH of West Virginia: A bill (H. R. 5978) for the relief of Elmer James Wynne; to the Committee on Naval Affairs.

Also, a bill (H. R. 5979) for the relief of the heirs of John B. Johnson; to the Committee on War Claims.

By Mr. STEVENSON: A bill (H. R. 5980) for the relief of Lottie W. McCaskill; to the Committee on Claims.

Also, a bill (H. R. 5981) for the relief of Maj. William Lee Davidson; to the Committee on Military Affairs.

Also, a bill (H. R. 5982) granting a pension to Waddy D. Kirkley; to the Committe on Pensions.

Also, a bill (H. R. 5983) granting a pension to William T. Dickerson; to the Committee on Pensions.

Also, a bill (H. R. 5984) granting a pension to William A. Finley; to the Committee on Pensions.

By Mr. SWICK: A bill (H. R. 5985) granting a pension to Eleanor and Robert Snyder; to the Committee on Pensions.

By Mr. SWING: A bill (H. R. 5986) for the relief of Charles F. Starr; to the Committee on Military Affairs.

Also, a bill (H. R. 5987) for the relief of High G. Lisk; to the Committee on Claims.

Also, a bill (H. R. 5988) for the relief of Lloyd Earnest Robbins; to the Committee on Naval Affairs.

Also, a bill (H. R. 5989) for the relief of John O'Neil; to the Committee on Naval Affairs.

Also, a bill (H. R. 5990) granting a pension to Ollie A. DeSelm; to the Committee on Invalid Pensions.

By Mr. TARVER: A bill (H. R. 5991) granting a pension to Theodore V. Cowart; to the Committee on Pensions.

Also, a bill (H. R. 5992) granting a pension to Mary H. Auch; to the Committee on Invalid Pensions.

By Mr. THATCHER: A bill (H. R. 5993) for the relief of William H. Plyman; to the Committee on Military Affairs.

By Mr. THOMASON: A bill (H. R. 5994) for the relief of E. G. Doty; to the Committee on Claims.

By Mr. TILSON: A bill (H. R. 5995) authorizing the President to order Louis U. LaBine before a retiring board for a hearing of his case and upon the findings of such board to determine whether or not he be placed on the retired list with rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

Also, a bill (H. R. 5996) granting an increase of pension to Nellie N. Taft; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5997) for the relief of Lulu M. Peiper; to the Committee on Claims.

Also, a bill (H. R. 5998) for the relief of Mary Murnane; to the Committee on Claims.

Also, a bill (H. R. 5999) for the relief of Raymond Nelson Hickman; to the Committee on Naval Affairs.

Also, a bill (H. R. 6000) for the relief of Austin L. Tierney; to the Committee on Naval Affairs.

Also, a bill (H. R. 6001) granting a pension to Ida Raphael; to the Committee on Pensions.

Also, a bill (H. R. 6002) granting a pension to Matilda Sieber; to the Committee on Invalid Pensions.

By Mr. WHITTINGTON: A bill (H. R. 6003) for the relief of A. L. Marshall; to the Committee on Claims.

By Mr. WILLIAMS of Missouri: A bill (H. R. 6004) granting an increase of pension to Caroline Winfield; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

150. By Mr. BARBOUR: Petition of residents of the seventh congressional district of California, relative to radio protection for passengers and seamen on seagoing vessels, etc.; to the Committee on the Merchant Marine and Fisheries.

151. By Mr. BEAM: Petition of the Polish National Alliance, Commune 143, to amend the World War adjusted compensation act and provide for the immediate cash redemption of adjusted-compensation certificates; to the Committee on Ways and Means.

152. By Mr. EATON of Colorado: Memorial of the Colorado Highway Advisory Board, urging the passage of an act similar to the act of December 20, 1930, appropriating emergency Federal-aid funds equal to that of the emergency advance fund act, approved December 20, 1930; to the Committee on Appropriations.

153. By Mr. GARBER: Petition of the Committee Against Repeal of the Eighteenth Amendment, stating reasons for opposition to resubmission of the eighteenth amendment to the States; to the Committee on the Judiciary.

154. By Mr. HOGG of West Virginia: Petition of Independent Petroleum Association of America, requesting protective tariff or restrictive importations on crude oil; to the Committee on Ways and Means.

155. By Mr. HORR: Memorial of Vancouver (Wash.) Chamber of Commerce, protesting against reduction of Air Corps Reserve appropriations and seeking an increase in flying hours; to the Committee on Ways and Means.

156. Also, petition of Maj. E. M. Brown Camp, No. 22, United Spanish War Veterans, of Tacoma, Wash., protesting against any wage cut of Federal employees' salaries; to the Committee on Ways and Means.

157. By Mr. MOORE of Kentucky: Petition of Local Union, No. 5119, United Mine Workers of America, Central City, Ky., for Federal relief for unemployed miners; to the Committee on the Judiciary.

158. By Mr. SINCLAIR: Petition of Board of County Commissioners of Williams County, N. Dak., asking for Federal aid to purchase seed grain, feed, and fuel for planting the 1932 crops; to the Committee on Agriculture.

159. By Mr. THOMASON: Petition of George Scott Post, No. 394, American Legion, Bronte, Tex., asking that Congress enact a law providing for payment of balance due on adjusted-service certificates; to the Committee on Ways and Means.

SENATE

WEDNESDAY, DECEMBER 16, 1931

Rev. Frederick Brown Harris, D. D., pastor of Foundry Methodist Episcopal Church, city of Washington, offered the following prayer:

Our Father God, our fathers trusted in Thee and were not confounded; in Thee we trust. We would hush the beating of our own hearts that we may hear the beating of Thy mighty heart in the storm and tumult of these perplexing days.

Grant us courage, grant us wisdom for the facing of this hour and for the living of these days. Solemnize us with the responsibility of ability, save us from spinelessly melting into our surroundings. Teach us the glory of the loneliness that comes of following the highest we know and the noblest we can dream. Above all other loyalties and fealties may our ruling passion be to do justly and love mercy and walk humbly before our God.

Through all the maddening maze of these times that are trying men's souls, lead us to a collective life for humanity, just and merciful and full of joy. Give to us eyes that are clear enough and hearts that are big enough for those social reconstructions, for those daring brotherly feats of generous good will that will yet turn human life into a glad, gracious, triumphant fraternity all around this worn and weary world. With contrite hearts we seek the kindly light that will still lead us on if we follow patiently and obediently.

We ask this in the holy name of the Prince of Peace, of whom once more with gladdened hearts we hear Christmas angels proclaiming that the government shall be upon his shoulder. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. MCNARY and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL

Mr. MCNARY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Jones	Robinson, Ind.
Austin	Cutting	Kean	Schall
Bailey	Dale	Kendrick	Sheppard
Bankhead	Davis	Keyes	Shipstead
Barbour	Dickinson	King	Shortridge
Barkley	Dill	La Follette	Smith
Bingham	Fletcher	Lewis	Smoot
Black	Frazier	Logan	Steiwer
Blaine	George	McGill	Swanson
Borah	Glass	McKellar	Thomas, Idaho
Bratton	Glenn	McNary	Thomas, Okla.
Brookhart	Goldsborough	Metcalf	Townsend
Broussard	Gore	Morrison	Trammell
Bulkley	Hale	Moses	Tydings
Bulow	Harris	Neely	Vandenberg
Byrnes	Harrison	Norbeck	Wagner
Capper	Hastings	Norris	Walcott
Caraway	Hatfield	Nye	Walsh, Mass.
Carey	Hawes	Oddie	Walsh, Mont.
Connally	Hayden	Patterson	Waterman
Coolidge	Hebert	Pittman	Watson
Copeland	Hull	Reed	White
Costigan	Johnson	Robinson, Ark.	

The VICE PRESIDENT. Ninety-one Senators have answered to their names. A quorum is present.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

CONTRACTS FOR TRANSPORTATION OF MAIL BY RAILROADS

The VICE PRESIDENT laid before the Senate a communication from the Postmaster General, transmitting, pursuant to law, a report of special contracts made by the Post Office Department with the Colorado & Southern Railroad Co., the Hudson & Manhattan Railroad Co., and the Rio Grande Southern Railroad Co. for carrying mail, which, with the accompanying report, was referred to the Committee on Post Offices and Post Roads.

EXPENDITURES OF GEOLOGICAL SURVEY ON INDIAN LANDS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement of expenditures by the Geological Survey on tribal and allotted Indian lands during the fiscal year ended June 30, 1931, which, with the accompanying statement, was referred to the Committee on Indian Affairs.

CLAIM OF PENNSYLVANIA RAILROAD CO.

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, transmitting, pursuant to law, a report and recommendations concerning the claim of the Pennsylvania Railroad Co. against the United States, which, with the accompanying report, was referred to the Committee on Claims.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a telegram signed by Francis Chapman, president Local No. 46, National Federation of Federal Employees, of Arkansas City, Kans., protesting on behalf of the federation against the proposal to lower the salaries or wages of Federal employees, which was referred to the Committee on Civil Service.

Mr. WALSH of Massachusetts presented a petition signed by Alton C. Taylor and 108 other citizens of the State of Massachusetts praying for the passage of legislation to prohibit the shipment of foreign lobsters into United States markets, etc., which was referred to the Committee on Commerce.

He also presented a memorial signed by members of the faculty and students of Smith College, Mass., remonstrating against the alleged unwarranted measures employed by officials of Harlan County, Ky., to "break" the coal strike and miners' unions in that region, etc., which was referred to the Committee on Education and Labor.

Mr. KING presented a cablegram from Isauro Gabaldon and others on behalf of the Philippine Civic Union, Manila, P. I., embodying a resolution adopted by that assembly condemning any tentative solution of the Philippine problem other than immediate complete and absolute independence, etc., which was referred to the Committee on Territories and Insular Affairs.

He also presented the following cablegram from Aguilar Pimentel, which was referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

MANILA, P. I., *September 24, 1931.*

Commissioners GUEVARA and OSIAS,
Washington, D. C.:

Houses legislature approved in joint session to-day following memorial for President and Congress:

We, the members of the Philippine Legislature, in joint session assembled for ourselves and in behalf of the Filipino people, do hereby reiterate our petition for the immediate and complete political separation of the Philippine Islands from the United States. Our desire for liberty was repeatedly manifested in the course of our history throughout our many struggles for political emancipation, culminating in the establishment of the Philippine Republic. We lost our independence because of the superior force of America. We expect to regain it because of her plighted word. We acquiesced in American rule only when we were assured that she came not as a conqueror but as a liberator. In all good faith we relied on her promise made through her highest executive officials and confirmed by the Congress of the United States when it declared that the independence of the Philippine Islands shall be granted upon the establishment of a stable government. This condition having been fulfilled, the Filipino people rightfully expect that their independence will be recognized without any further delay. Practical considerations also justify this urgent desire for immediate separation.

The present movement to exclude Filipinos from the United States is giving rise to friction and misunderstanding. The manner in which the campaign is being conducted can not but arouse among the Filipino people a feeling that it is impelled by other than purely economic motives. Then, at the present time it is not safe for Filipinos in some parts of the United States to engage in lawful occupation. So long as we remain under the American flag, justice demands that we shall be allowed freely to live, work, and travel in any American territory.

The dual responsibility in our government, the one assumed by the Governor General and the other by Filipino officials, has been the source of serious conflicts in the past, and is ever fraught with difficulties. Such an unsatisfactory situation must end. A backward step is unthinkable. The only solution is independence.

Our present trade relations with the United States are uncertain and unstable, regulated exclusively by the American Congress. America's interests rather than our own are the dominant consideration. There is an increasing demand by American producers to maintain the American market solely for their benefit. Powerful American interests are now conducting a persistent campaign against the free entry of Philippine products. No one knows how long the American market will remain open to us. Doubts and misgivings have seized upon the minds of Philippine producers and investors, thus checking our development. We believe that enduring economic progress can only be achieved under an independent Philippines, free to dictate its own policies.

These facts prove the wisdom of the declared purpose of the United States to grant us independence. They also serve to strengthen our belief that political separation is the only solution to our problem. We see no other alternative. The happiness and prosperity of the Philippines and the economic interests of America are not to be found in the present artificial union, which hampers our national development and injures economic progress, but in political separation, wherein each may live the life suited to its distinct individuality and its national interests. The independence of America from the Philippines would seem to be as imperative as the independence of the Philippines from America.

Therefore, with all due respects, with a deep feeling of gratitude to America, and with full consciousness of the burdens and responsibilities of an independent life, we hereby submit that the time has come for the redemption of America's solemn promise to declare and recognize the independence of the Philippine Islands.

AGUILAR PIMENTEL.

Mr. KING also presented a resolution adopted by the American Mining Congress, which was referred to the Committee on Mines and Mining and ordered to be printed in the RECORD, as follows:

[Passed by American Mining Congress, Washington, D. C., December 4, 1931]

Resolution offered by A. G. Mackenzie

Whereas the expansion of credit beyond the supporting power of its metallic gold base has been a prime factor everywhere present in the world-wide business depression, with consequent disastrous fall in commodity prices which has made unprofitable the production and exchange of goods and services; and

Whereas metallic money reserves, nonfluctuating as to value, are essential to minimize undue inflation and deflation, to restore the orderly processes of industry and trade, and to maintain them in periods of prosperity and depression alike; and

Whereas domestic industry and trade can be greatly stimulated and improved through expansion of foreign markets, which in turn can be most effectively developed through encouragement of the production in all countries of the commodities each country can most advantageously provide for sale to other countries; and

Whereas large and important productive and consuming areas of the world employ silver as a money medium, and the buying power of silver-using peoples has been largely destroyed by the sharp decline in the comparative value of their money medium with corresponding elimination of them from world markets: Therefore be it

Resolved by the American Mining Congress, That it hereby pledges its assistance and support to such practical methods as shall be presented for the acceptable stabilization of silver so as to permit its employment wherever needed as money and as a monetary and credit base and enable silver-using peoples to participate under equitable conditions in trade with peoples that employ gold for such purposes.

STATEMENT BY PRESIDENT SLOAN, OF GENERAL MOTORS CORPORATION

Mr. VANDENBERG. Mr. President, I ask unanimous consent to print in the RECORD two brief paragraphs from the latest report of Mr. Alfred P. Sloan, jr., president of General Motors Corporation, to his stockholders. The report is dated December 1. These significant paragraphs bear specifically upon two considerations now challenging the attention of Congress and the country. First is the importance of understanding that the automobile has wholly graduated from a luxury into a necessity, with a family status in the average American home second only to food, shelter, and clothing, and therefore that it can not logically be part of any extra luxury-tax program. I may add that we have more passenger motor cars per capita than we have telephones or users of domestic electrical appliances. The second consideration which I emphasize in this excerpt is the brave confidence with which this great industrial organization confronts the future, confident of a better turn, and prepared to take advantage of the bitter lessons taught by economic travail.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

Notwithstanding the very subnormal rate of operations at which the automotive industry in common with all other industries is operating, I might at this time reaffirm the statement that I have made before to the effect that the motor car is to-day in the strongest position in its history from the standpoint of having become an economic necessity. The fact that next to food, shelter, and clothing the motor car has the first lien on the family budget remains unchallenged. The fact that gasoline consumption—a measure of car usage—will have reached, in all probability, in 1931 the largest volume in history demonstrates that despite the economic conditions prevailing car-mile inventory is being consumed, which means that renewal of that inventory in the form of increased purchases of motor cars must be only a question of time. I am strongly of the opinion that as confidence in the future increases and a turn in the general trend occurs the automotive industry will contribute importantly in accelerating the return to a more normal state of affairs.

I have mentioned in previous statements that a situation such as we are passing through has both its destructive and its constructive sides. As to the former, we are all too familiar with the distress, disappointment, and suffering that are essential parts of such a situation. From the standpoint of the latter, it must be recognized that there has been brought about an elimination of the inefficiency, waste, and false thinking that accompany periods of intense and prolonged prosperity and inflation. Equally important is the fact that out of the situation problems have arisen the recognition of which is sure to mean progress in our industrial development. Out of it also is bound to come a great acceleration in technical progress. All of these factors mean nothing more or less than the building of the foundation for a greater and, I believe, a more stable prosperity.

UNEMPLOYMENT RELIEF

Mr. JONES. Mr. President, I have a letter in the nature of a petition from the Olympia Chamber of Commerce, State of Washington. I do not very often ask that communications of this kind be printed in the RECORD, but this is such a strong appeal to the patriotism of our people and has attached to it a statement of such an interesting character that I ask unanimous consent that they may be printed in the RECORD.

There being no objection, the letter and statement were referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

OLYMPIA, WASH., *November 27, 1931.*

Hon. WESLEY L. JONES,
United States Senator, Washington, D. C.

MY DEAR SENATOR: I am attaching hereto an article prepared by two citizens of this community dealing with what is probably the most important subject of the present day—unemployment and the depression due to economic conditions.

A study of the thought or idea back of this article made an appeal to a number of students of our present troubles, and their reaction was entirely favorable, in that the purchasing public, to make it possible for the wheels of industry to continue must have a patriotic viewpoint.

As we recall it, during the war approximately 57,000 lives were sacrificed on the field of battle. Is it unreasonable to suppose that should present conditions continue throughout the winter that the loss of lives through suicide, caused by mental worries, starvation, lack of clothing, and proper housing facilities will not reach a total as large if not larger? And, furthermore, shall we lose sight of the fact that women and children will be included in the casualty list?

Unquestionably the individual who is drawing approximately the same compensation for his work, and in a number of instances with no reduction in remuneration is withholding, through fear of still further depression, the purchasing of manufactured products required right now until this coming year. Nothing we believe will produce quicker results than the returning to normal consumption of our necessities, affording employment and restoring confidence. To be effective, however, the patriotic appeal must be a national one. Hence our writing to you at such length.

We believe "patriotic buying" will have its effect on labor in a direct way. It will give the employed greater confidence, and he, too, will do his share of spending. The unemployed will accept it as the first direct move to put them immediately into a job.

Patriotic buying will force patriotic selling. The merchant who fails to meet this situation in a patriotic way will be in the same position as the wage earner who refuses to work for less. Both will be out of the picture as noticeably as the slacker was during the war.

The same procedure, methods, and facilities used in the sale of Liberty bonds during the war can be applied to this idea of patriotic buying. The 4-minute men, ministers from the pulpits of their churches, teachers in the schools, the spectators at athletic events, use of the radio-broadcasting chains, and even the proper slogan on the stamp cancellation machines in our post offices will tend to the restoration of business, reduction of unem-

ployment, resumption of confidence, and the saving of human lives.

We believe that the subjects contained in the accompanying article merit your most thoughtful consideration.

"Patriotic buying will end the depression."

With kindest personal regards, we are,

Very sincerely yours,

OLYMPIA CHAMBER OF COMMERCE,
RALPH L. SHEPHERD,
Secretary-Manager.

It is just as possible to do our bit toward the quick elimination of the factors that are causing this depression as it was to do our bit during the World War. In the World War we spent and fought and killed and saved and sacrificed to overcome troubles existing outside our borders. In this crisis we have greater troubles within our own borders, a crisis that will kill this winter, through suicides, sickness, privation, more of our human beings than died in the World War. It will kill women and children, and in this respect only is it different and worse than the World War.

War as a national crisis has always united the American people into a solid group, willing to work together for the accomplishment of one purpose, the successful termination of hostilities. During times of peace, prosperous or otherwise, the American people have seldom, if ever, joined hands to advance any one particular cause. Patriotism burns high during a war, but the flames die down when peace comes. President Hoover has declared the present economic crisis second only to war, as a national problem, and has called upon the citizens of the country to stand fast to ride down the depression and bring back normal times.

Is this crisis second to war?

Patriotic citizens gave up sugar during the war, sent wheat flour to Europe to feed the troops, and did a dozen other things to bring victory. Even children took their pennies and bought savings stamps. A like outburst of patriotism that will lead to the purchase of things needed now or will be needed in the spring, but being done without, would solve the depression problem.

During the recent World War the citizens of this country followed the advice of the Government leaders and endured many hardships to bring victory to American arms. Those hardships have not been forgotten by citizens; rather they are well remembered and easily recalled. To-day the country faces an emergency as acute, perhaps more acute, than war. At least millions are out of work and facing starvation, a situation that did not exist during the war. The war was won by a united Nation standing steadfast to accomplish one end. Why, then, can not the present economic crisis be overcome in the same manner, by a citizen group willing to unite, if necessary, to bring back normal conditions?

Let us put this on a patriotic basis. Is patriotism limited to war? Is not patriotism the greatest of all national principles? During the war patriotic citizens bought Liberty bonds. The need now is for patriotic citizens to buy the products of labor.

If the people of the country whose incomes have been maintained on pretty much the same basis this year as last will purchase now the things they need or are going to need, whether those things be automobiles, shoes, suits, or other manufactured articles, there will be an immediate demand for more products, and men now out of work will earn money to feed their hungry children. Once back at work, they will be able to purchase other products they need, and presently the depression will be a thing of the past. All that is needed is for concerted action to start the circle moving and everybody will benefit. And let us stop and think about this buying idea. Buying will end the depression. Why can't it start now, before the winter takes its heavy toll of our good people? Buying next year or next spring will be too late. Going into war six months later would have been too late. Where does the difference exist between a crisis of this kind and a crisis of war? Is it because patriotism is an ideal for war only that we will not be patriotic now in a crisis worse than war?

Put men back to work now! Not wholly because it will start factories, building new and more products, or give the merchant new and more business, but because it will immediately put food into the mouths of the women and children of those men who want work. It will save more lives, perhaps it will create more happiness than the winning of any war ever did.

"Patriotic buying will end the depression."

INTERGOVERNMENTAL INDEBTEDNESS—SOLDIERS' BONUS

Mr. DILL. Mr. President, I have two telegrams in the nature of petitions which I would like to have the clerk to read.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read the telegrams, as follows:

TACOMA, WASH., *December 16, 1931.*

Senator DILL,
Washington State Senator, Washington, D. C.:

Six thousand members Department of Washington Veterans of Foreign Wars urge you to withhold favorable vote on foreign debt moratorium until World War widows and orphans pensions and cash payment of bonus are assured. War veterans should come before foreign nations. America first then save Europe if necessary.

LEONARD A. SULLIVAN,
Commander Department of Washington,
Veterans of Foreign Wars of United States.

TACOMA, WASH., *December 15, 1931.*

Senator C. C. DILL,
United States Senate, Washington, D. C.:

Wild West Post, No. 91, Veterans of Foreign Wars, 992 members, vigorously object to having the foreign debt moratorium even considered until the widows and orphans of veterans pensions and adjusted compensation in full bills have been passed. Members demand that our own citizens be cared for first.

O. O. DRUMM,
Commander.

Mr. JONES. Mr. President, I have received the same telegrams, but shall not ask that they be read.

The VICE PRESIDENT. The telegrams presented by the Senators from Washington will be referred to the Committee on Finance.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. SMOOT, from the Committee on Finance, reported favorably the nominations of Ralph E. Smith, of Wisconsin, to be assistant to the Commissioner of Internal Revenue in place of Harris F. Mires, resigned, and of Richard N. Elliott, of Indiana, to be Assistant Comptroller General of the United States for a term of 15 years, to which office he was appointed during the last recess of the Senate, vice Lurton Rufus Ginn, and also the nominations of sundry officers in the Internal Revenue, Customs, and Public Health Services, which were placed on the Executive Calendar.

Mr. BORAH, from the Committee on Foreign Relations, reported favorably the nominations of William R. Castle, jr., of the District of Columbia, to be Under Secretary of State; Harvey H. Bundy, of Massachusetts, to be an Assistant Secretary of State; Green H. Hackworth, of Kentucky, to be legal adviser of the Department of State; Robert P. Skinner, of Ohio, to be envoy extraordinary and minister plenipotentiary of the United States of America to Estonia, Latvia, and Lithuania, and also the nominations of sundry other officers in the Diplomatic and Foreign Service, which were placed on the Executive Calendar.

CONDITIONS IN MANCHURIA

Mr. JOHNSON. From the Committee on Foreign Relations I report back favorably, with certain amendments, Senate Resolution 87, and I submit a report (No. 3) thereon. I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Let the resolution be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 87) submitted by Mr. JOHNSON on the 14th instant, as follows:

Resolved, That the Secretary of State be, and he is hereby, requested to transmit to the Senate the notes, correspondence, and communications from the Government of the United States to the Governments of China and Japan or to the government of any other nation relating to the present existing conditions in Manchuria, and the controversy between China and Japan, which has resulted in armed encounters in Manchuria; and particularly any messages, notes, or communications from the United States Government to either the Governments of Japan or China referring to the treaty entered into at the city of Washington on the 6th day of February, 1922, by the United States, Belgium, British Empire, China, France, Italy, Japan, the Netherlands, and Portugal, known as the 9-power treaty, and referring to the treaty entered into by Japan and China, the United States, and other nations, and commonly known as the Kellogg pact; and also the notes, messages, letters, and communications sent or transmitted by the Government of the United States to the League of Nations, or any individual or committee representing the League of Nations, relating to the said conditions in Manchuria, and the said Chinese and Japanese controversy; or sent or transmitted to any individual or individuals representing the Government of the United States in said matters acting with or in conjunction with the League of Nations or the Council of the League of Nations, or any individual or committee representing the League of Nations or the Council of the League of Nations.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. BINGHAM. Mr. President, may I ask the Senator from California whether the Secretary of State was heard at the meeting of the committee which considered the resolution?

Mr. JOHNSON. No; the understanding is that he is to be subsequently heard.

Mr. BINGHAM. Let the resolution go over.

The VICE PRESIDENT. The resolution will go to the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

A bill (S. 1964) for the relief of James Albert Bennett; to the Committee on Naval Affairs.

A bill (S. 1965) granting an increase of pension, with retroactive benefits, to Fred E. Dixon; to the Committee on Pensions.

By Mr. BRATTON:

A bill (S. 1966) to suspend the requirements of annual assessment work on mining claims during the years 1929, 1930, and 1931; to the Committee on Mines and Mining.

A bill (S. 1967) for the relief of Ernest Gaines; to the Committee on Military Affairs.

A bill (S. 1968) granting an increase of pension to W. O. Thompson; to the Committee on Pensions.

A bill (S. 1969) for the relief of Jose Ramon Cordova;

A bill (S. 1970) for the relief of Florence Cavanaugh; and

A bill (S. 1971) for the relief of Sigmund Lindauer; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 1972) for the relief of Amy McLaurin (with accompanying papers); and

A bill (S. 1973) authorizing the Court of Claims of the United States to hear and determine the claim of the city of Houston, Tex.; to the Committee on Claims.

A bill (S. 1974) for the relief of Albert T. De Baum, jr.; to the Committee on Finance.

A bill (S. 1975) to amend an act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, as amended, by including Roger P. Ames among those honored by said act; to the Committee on Military Affairs.

A bill (S. 1976) for the relief of Russell and Tucker and certain other citizens of the States of Texas, Oklahoma, and Kansas; to the Committee on the Judiciary.

A bill (S. 1977) relating to personal-injury suits by seamen; to the Committee on Commerce.

By Mr. CONNALLY:

A bill (S. 1978) for the relief of Daisy Anderson; to the Committee on Claims.

By Mr. SWANSON:

A bill (S. 1979) for the relief of Mrs. A. R. Holderby, 3d; to the Committee on Claims.

By Mr. DALE:

A bill (S. 1980) to extend the times for commencing and completing the construction of a bridge across Lake Champlain from East Alburg, Vt., to West Swanton, Vt.; to the Committee on Commerce.

A bill (S. 1981) granting an increase of pension to Laura B. Landon;

A bill (S. 1982) granting an increase of pension to Ina J. Densmore;

A bill (S. 1983) granting an increase of pension to Isabell J. Estes (with accompanying papers);

A bill (S. 1984) granting a pension to Mary Derrick (with accompanying papers);

A bill (S. 1985) granting an increase of pension to Bell J. Adams (with accompanying papers);

A bill (S. 1986) granting an increase of pension to Rose A. Fernan (with accompanying papers);

A bill (S. 1987) granting an increase of pension to Emma I. Fowler (with accompanying papers);

A bill (S. 1988) granting an increase of pension to Ann E. Foster (with accompanying papers);

A bill (S. 1989) granting a pension to Emma H. Hughes (with accompanying papers);

A bill (S. 1990) granting an increase of pension to Clara A. Phelps (with accompanying papers);

A bill (S. 1991) granting an increase of pension to Hannah L. Robbins (with accompanying papers);

A bill (S. 1992) granting an increase of pension to Vitaline Beaudet (with accompanying papers);

A bill (S. 1993) granting an increase of pension to Mary E. Daniels (with accompanying papers);

A bill (S. 1994) granting an increase of pension to Lida A. Aldrich (with an accompanying paper);

A bill (S. 1995) granting an increase of pension to Anna M. Walbridge; and

A bill (S. 1996) granting an increase of pension to Nellie Muzzey; to the Committee on Pensions.

By Mr. JONES:

A bill (S. 1997) for the refundment of certain countervailing customs duties collected upon logs imported from British Columbia; to the Committee on the Judiciary.

By Mr. SMOOT:

A bill (S. 1998) for the relief of Rada I. Kendall; to the Committee on Pensions.

By Mr. FRAZIER:

A bill (S. 1999) for the relief of Thomas M. MacLachlan; to the Committee on Naval Affairs.

By Mr. STEIWER:

A bill (S. 2000) to aid agriculture by exempting from income tax income from agricultural loans, and for other purposes; to the Committee on Finance.

A bill (S. 2001) granting a pension to Mark Baldwin; and

A bill (S. 2002) granting a pension to Christiana L. Todd; to the Committee on Pensions.

A bill (S. 2003) for the relief of Fred Herrick; to the Committee on Claims.

By Mr. PITTMAN:

A bill (S. 2004) for the relief of Gilbert McNicoll; to the Committee on Claims.

A bill (S. 2005) granting a pension to Charles A. Clark; and

A bill (S. 2006) granting a pension to Roy E. Donnelly; to the Committee on Pensions.

By Mr. METCALF:

A bill (S. 2007) to authorize the erection of a United States veterans' hospital in Rhode Island and to authorize an appropriation therefor; to the Committee on Finance.

A bill (S. 2008) for the relief of Maurice M. Keleher; to the Committee on Naval Affairs.

A bill (S. 2009) for the relief of Anna Ventrone; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 2010) for the relief of Dewey Newman (with accompanying papers); to the Committee on Finance.

By Mr. ROBINSON of Indiana:

A bill (S. 2011) for the relief of Israel Brown; to the Committee on Military Affairs.

By Mr. SHIPSTEAD:

A bill (S. 2012) for the relief of Oscar W. Behrens; to the Committee on Naval Affairs.

A bill (S. 2013) granting a pension to Ann E. Thomas (with accompanying papers);

A bill (S. 2014) granting a pension to Flora Rice Giddings (with accompanying papers); and

A bill (S. 2015) granting an increase of pension to Mary A Dittman (with accompanying papers); to the Committee on Pensions.

By Mr. NORBECK:

A bill (S. 2016) granting a pension to James E. Rush (with accompanying papers);

A bill (S. 2017) granting a pension to Emma Crow Dog Stewart (with accompanying papers);

A bill (S. 2018) granting a pension to Richard Payne (with accompanying papers);

A bill (S. 2019) granting an increase of pension to Mary H. Keck (with accompanying papers);

A bill (S. 2020) granting an increase of pension to Nellie Rowland (with accompanying papers);

A bill (S. 2021) granting an increase of pension to Gus W. Peterson (with accompanying papers);

A bill (S. 2022) granting a pension to Emily S. Marlett (with accompanying papers); and

A bill (S. 2023) granting a pension to Anthony Penson (with accompanying papers); to the Committee on Pensions.

By Mr. SHORTRIDGE:

A bill (S. 2024) granting a pension to the survivors of the *Jeanette* relief expedition;

A bill (S. 2025) granting a pension to Richard T. Cream;

A bill (S. 2026) granting a pension to Martha M. Flood;

A bill (S. 2027) granting an increase of pension to Michael J. Haggerty;

A bill (S. 2028) granting a pension to Henry A. Pennington;

A bill (S. 2029) granting an increase of pension to James R. Ready;

A bill (S. 2030) granting a pension to John Reynolds;

A bill (S. 2031) granting a pension to Josephine Stombaugh;

A bill (S. 2032) granting pensions and increase of pension to nurses of the war with Spain, the Philippine insurrection, or the China relief expedition;

A bill (S. 2033) granting a special pension to officers and enlisted men who received the medal granted to those who participated in the Battle of Manila Bay, May 1, 1898; and

A bill (S. 2034) to increase the pensions of persons who have lost the sight of both eyes in line of duty while in the military or naval service of the United States; to the Committee on Pensions.

A bill (S. 2035) authorizing the President to appoint Capt. DeWitt Blamer, United States Navy, retired, a rear admiral on the retired list of the Navy;

A bill (S. 2036) granting six months' pay to Annie Bruce;

A bill (S. 2037) for the relief of Clifton H. Cantelou;

A bill (S. 2038) for the relief of Titus Leo Crane;

A bill (S. 2039) for the relief of John Davidson;

A bill (S. 2040) for the relief of William J. Dillon;

A bill (S. 2041) for the relief of Lieut. Nicholas S. Duggan;

A bill (S. 2042) authorizing the appointment and retirement of Walter N. Fanning as a chief petty officer, Naval Reserve;

A bill (S. 2043) for the relief of William Bartlett Haegele;

A bill (S. 2044) to provide for alterations and repairs to the U. S. S. *Henry County;*

A bill (S. 2045) for the relief of James E. Hughes;

A bill (S. 2046) for the relief of Jeremiah R. Hurley;

A bill (S. 2047) for the relief of James Jackson;

A bill (S. 2048) for the relief of Bendix Peter Jensen;

A bill (S. 2049) for the relief of Michael Kelly;

A bill (S. 2050) for the relief of Maurice J. Keegan;

A bill (S. 2051) for the relief of Walter Fred Kirchoff;

A bill (S. 2052) for the relief of George Lloyd Laraway;

A bill (S. 2053) for the relief of John P. Larimore;

A bill (S. 2054) for the relief of Edward J. Murphy;

A bill (S. 2055) for the relief of George L. Newell;

A bill (S. 2056) for the relief of Stanley Nolan;

A bill (S. 2057) for the relief of Patrick O'Brien;

A bill (S. 2058) for the relief of William C. Rives;

A bill (S. 2059) for the relief of Albert Ross;

A bill (S. 2060) for the relief of Otto Schluter;

A bill (S. 2061) for the relief of Otto F. Schroder;

A bill (S. 2062) for the relief of Adam Augustus Shafer;

A bill (S. 2063) for recognition of meritorious service performed by Chief Gunner Clarence L. Tibbals;

A bill (S. 2064) for the relief of Harry Francis Zeller;

A bill (S. 2065) to amend section 30 of the act entitled "An act providing for sundry matters affecting the naval service, and for other purposes," approved March 4, 1925;

A bill (S. 2066) authorizing the promotion of certain officers of the staff corps of the United States Navy;

A bill (S. 2067) to further amend section 4756 of the Revised Statutes;

A bill (S. 2068) establishing a naval record for certain officers and enlisted men of the naval militia of California who performed active duty on the U. S. S. *Marion* or *Pinta* during the war with Spain; and

A bill (S. 2069) to amend the act entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," approved February 28, 1925; to the Committee on Naval Affairs.

By Mr. HARRIS:

A bill (S. 2070) for the relief of Frasier Matthews Porcher; to the Committee on Claims.

A bill (S. 2071) granting an increase of pension to Margaret B. Furlow; to the Committee on Pensions.

By Mr. WALSH of Massachusetts:

A bill (S. 2072) for the relief of Arthur Maxwell O'Connor; to the Committee on Military Affairs.

A bill (S. 2073) for the relief of James Flynn;

A bill (S. 2074) for the relief of Leo Dennis O'Connor;

A bill (S. 2075) for the relief of Denis Healy; and

A bill (S. 2076) for the relief of Arthur Alvie Barrette; to the Committee on Naval Affairs.

By Mr. CAPPER:

A bill (S. 2077) to relieve the Commissioners of the District of Columbia of certain ministerial duties; and

A bill (S. 2078) to amend an act approved February 20, 1896, entitled "An act to amend an act entitled 'An act to punish false swearing before trial boards of the Metropolitan police force and fire department of the District of Columbia, and for other purposes,' approved May 11, 1892"; to the Committee on the District of Columbia.

By Mr. ROBINSON of Indiana:

A bill (S. 2079) granting an increase of pension to Sarah J. Garten (with accompanying papers);

A bill (S. 2080) granting a pension to Charles F. Williams (with accompanying papers);

A bill (S. 2081) granting a pension to John A. Davis (with accompanying papers);

A bill (S. 2082) granting a pension to Lora Lemons (with accompanying papers);

A bill (S. 2083) granting a pension to Lona Wright (with accompanying papers);

A bill (S. 2084) granting a pension to Agatha Cook (with accompanying papers);

A bill (S. 2085) granting an increase of pension to Lucretia E. Aydelotte (with accompanying papers);

A bill (S. 2086) granting a pension to Lewis C. Brookshire (with accompanying papers);

A bill (S. 2087) granting a pension to Homer G. Frame (with accompanying papers);

A bill (S. 2088) granting a pension to Martha E. Goble (with accompanying papers);

A bill (S. 2089) granting a pension to Lee Jordan (with accompanying papers);

A bill (S. 2090) granting an increase of pension to Dora Klinger (with accompanying papers);

A bill (S. 2091) granting an increase of pension to Sarah A. Long (with accompanying papers);

A bill (S. 2092) granting an increase of pension to Permelia J. Long (with accompanying papers);

A bill (S. 2093) granting a pension to Lizzie Sarver (with accompanying papers);

A bill (S. 2094) granting a pension to Ella White (with accompanying papers);

A bill (S. 2095) granting a pension to John M. Williams (with accompanying papers);

A bill (S. 2096) granting a pension to Michael Kanyuch (with accompanying papers);

A bill (S. 2097) granting an increase of pension to Malinda Sprague;

A bill (S. 2098) granting a pension to William A. Luttrell (with accompanying papers);

A bill (S. 2099) granting an increase of pension to Rachel J. Johnson (with accompanying papers);

A bill (S. 2100) granting a pension to James A. Haley;

A bill (S. 2101) granting an increase of pension to Nathan Ain (with accompanying papers);

A bill (S. 2102) granting an increase of pension to Elizabeth Wesley (with accompanying papers);

A bill (S. 2103) granting an increase of pension to Ada F. Williams (with accompanying papers);

A bill (S. 2104) granting a pension to Mary Wilkins (with accompanying papers);

A bill (S. 2105) granting a pension to Laura Belle Winters (with accompanying papers);

A bill (S. 2106) granting an increase of pension to Richard M. F. Jones (with accompanying papers);

A bill (S. 2107) granting a pension to Blanche Walker (with accompanying papers);

A bill (S. 2108) granting a pension to Sandford W. Smith (with accompanying papers);

A bill (S. 2109) granting a pension to Ethel M. Saulter (with accompanying papers);

A bill (S. 2110) granting a pension to Grover C. Oberle (with accompanying papers);

A bill (S. 2111) granting an increase of pension to Emily J. Moore (with accompanying papers);

A bill (S. 2112) granting a pension to Stephen Sowinski (with accompanying papers);

A bill (S. 2113) granting a pension to Malissa J. Richey (with accompanying papers);

A bill (S. 2114) granting a pension to Charles Parker (with accompanying papers);

A bill (S. 2115) granting an increase of pension to Nancy Maskel (with accompanying papers);

A bill (S. 2116) granting an increase of pension to Gertrude Cox (with accompanying papers);

A bill (S. 2117) granting a pension to Dawson W. Fawbush (with accompanying papers);

A bill (S. 2118) granting a pension to Harriet S. Frederick (with accompanying papers);

A bill (S. 2119) granting a pension to Perlie R. Chambers (with accompanying papers);

A bill (S. 2120) granting an increase of pension to Eliza A. Caster (with accompanying papers);

A. bill (S. 2121) granting a pension to Ellen J. Owen; (with accompanying papers);

A bill (S. 2122) granting a pension to Daniel L. Myers (with accompanying papers);

A bill (S. 2123) granting a pension to Henry Stateler (with accompanying papers);

A bill (S. 2124) granting an increase of pension to Martha A. Pyle (with accompanying papers);

A bill (S. 2125) granting a pension to Carrie D. Patton (with accompanying papers);

A bill (S. 2126) granting an increase of pension to Catherine Beach (with accompanying papers);

A bill (S. 2127) granting a pension to Estella Albright (with accompanying papers);

A bill (S. 2128) granting a pension to Maud Melville (with accompanying papers);

A bill (S. 2129) granting a pension to Thomas J. Durham (with accompanying papers);

A bill (S. 2130) granting a pension to Mertena Swaidner (with accompanying papers);

A bill (S. 2131) granting a pension to Hubert G. Schwartz (with accompanying papers);

A bill (S. 2132) granting an increase of pension to Neal Whaley (with accompanying papers);

A bill (S. 2133) granting a pension to Rosa A. Woodrum (with accompanying papers);

A bill (S. 2134) granting a pension to Elizabeth Burris (with accompanying papers);

A bill (S. 2135) granting a pension to William H. Revelle (with accompanying papers);

A bill (S. 2136) granting a pension to Cecile V. Tupper (with accompanying papers);

A bill (S. 2137) granting a pension to Charles E. Gulledge (with accompanying papers);

A bill (S. 2138) granting a pension to Robert Bales (with accompanying papers);

A bill (S. 2139) granting an increase of pension to Rosanna Kellogg (with accompanying papers);

A bill (S. 2140) granting a pension to Cora D. McCart (with accompanying papers); and

A bill (S. 2141) granting an increase of pension to John G. Hawkins (with accompanying papers); to the Committee on Pensions.

By Mr. BRATTON:

A joint resolution (S. J. Res. 55) to amend section 2 of the act of February 25, 1927 (44 Stat. L., pt. 2, p. 336); to the Committee on Irrigation and Reclamation.

By Mr. ROBINSON of Indiana:

A joint resolution (S. J. Res. 56) authorizing the Comptroller General of the United States to consider, adjust, and settle the claim of the Indiana State Militia for military service on the Mexican border; to the Committee on Claims.

CONSERVATION OF WILD LIFE

Mr. WALSH of Montana submitted an amendment intended to be proposed by him to the bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish, and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply; and for other purposes, which was ordered to lie on the table and to be printed.

COMMERCE AND TRADE WITH CHINA—EXPENSES OF FOREIGN RELATIONS COMMITTEE

Mr. PITTMAN submitted the following resolution (S. Res. 96), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Foreign Relations and the subcommittee thereof authorized and directed by Senate Resolution No. 256 on June 2, 1930, Seventy-first Congress, second session, to examine and study stipulations relating to commerce in existing treaties of the United States and other governments with the Republic of China, and conditions that may affect our commerce and trade with China, hereby is authorized to expend in furtherance of such purposes $10,000 in addition to the amounts heretofore authorized.

MARGARET J. DUFFY

Mr. GLENN submitted the following resolution (S. Res. 97), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Margaret J. Duffy, widow of James E. Duffy, late a laborer of the Senate under supervision of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SOPHRONIA B. LYNCH

Mr. NEELY submitted the following resolution (S. Res. 98), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Sophronia B. Lynch, widow of Columbus F. Lynch, late a messenger of the Senate under supervision of the Sergeant at Arms, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE COMMITTEE ON PUBLIC LANDS AND SURVEYS

Mr. NYE submitted the following resolution (S. Res. 99), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Public Lands and Surveys, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expense thereof to be paid out

of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE COMMITTEE ON PENSIONS

Mr. ROBINSON of Indiana submitted the following resolution (S. Res. 100), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Pensions, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, and to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. THOMAS of Idaho submitted the following resolution (S. Res. 101), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Irrigation and Reclamation, or any subcommittee thereof, hereby is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee, may sit during the sessions or recesses of the Senate.

POSTPONEMENT OF PAYMENT OF FOREIGN DEBTS

Mr. McKELLAR. At this time I offer an amendment to be proposed to Senate Joint Resolution No. 38 and ask that it may now be read. The amendment is very short.

The VICE PRESIDENT. Is there objection to the reading of the amendment proposed by the Senator from Tennessee? The Chair hears none, and the amendment will be read.

The CHIEF CLERK. At the end of section 1, Senate Joint Resolution No. 38, it is proposed to strike out the period, to insert a colon, and the following proviso:

Provided, That it is the sense of the Congress that there should be no further moratoriums, no additional debt-funding legislation, and no further cancellation in whole or in part of the debts mentioned in this joint resolution.

The VICE PRESIDENT. Does the Senator from Tennessee desire to have the amendment lie on the table or to have it referred to the committee?

Mr. McKELLAR. I merely desire that the amendment be printed and lie on the table.

The VICE PRESIDENT. The joint resolution is in the committee and the amendment should go to the committee for consideration.

Mr. McKELLAR. I am perfectly willing that the amendment should take that course, but I desire also to have it printed.

The VICE PRESIDENT. The amendment will be printed and referred to the Committee on Finance.

BOND ISSUE FOR PUBLIC WORKS

The VICE PRESIDENT. If there are no further concurrent or other resolutions, the Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The resolution (S. Res. 94) submitted by Mr. BLACK on the 15th instant was read, as follows:

Whereas the paramount problem confronting our Nation to-day is unemployment and public distress; and

Whereas this situation exists at a time when the national wealth is the greatest in our history; and

Whereas there is to-day a surplus of food, clothing, and other necessities of life which can not be purchased by millions of American citizens who want and need them, because they are unable to secure work; and

Whereas this condition has stopped the work of our mills and factories and condemned our people to involuntary idleness; and

Whereas this condition has created a national emergency, which calls for quick and effective action, in order to utilize our national resources for the public welfare: Now, therefore, be it

Resolved, That the Committee on Finance is authorized and directed to prepare a bill and report to the Senate at the earliest possible date, said bill to authorize the issue and sale of a Government bond issue of $1,000,000,000, and providing for the expenditure of said money throughout the States in the building of highways, bridges, and other public projects, having in view the doing of such work as will be most useful to the public and employing the maximum amount of human labor, and work that can be begun in each particular locality with the least possible delay.

The Committee on Finance, or any properly authorized subcommittee thereof, is hereby authorized to conduct such hearings as may be necessary to determine how the money raised by such bond issue shall be expended to accomplish the purposes hereinbefore set out and to determine what other funds should be raised, and how, for a program of public works throughout the States, and for what purposes and in what manner it should be expended.

Mr. BLACK. Mr. President, I shall detain the Senate for only a very few moments to call attention to the resolution and the action which I desire to request be taken upon it.

Mr. President, this resolution was offered because I believe it was made necessary by the failure of the President and his stabilization committee to act in line with the bill which was passed at the last session of Congress, and which was introduced by the Senator from New York [Mr. WAGNER]. Under that bill, as referred to in a resolution offered a few days ago by the Senator from New York, it became the duty of the President, by reason of conditions and circumstances which exist in this Nation, to recommend to the Senate and to the House of Representatives an emergency appropriation for public works.

The Senator from New York calls attention in his resolution to the depression which exists, and to the fact that instead of the public-works programs having been increased in recent months public-works programs have been greatly decreased. The Senator from New York calls attention to the duty of the President, under the act which was passed at his instance, to this provision of the law:

SEC. 5. Whenever, upon recommendation of the board, the President finds that there exists, or that within the six months next following there is likely to exist, in the United States or any substantial portion thereof, a period of business depression and unemployment, he is requested to transmit to the Congress by special message, at such time and from time to time thereafter, such supplemental estimates as he deems advisable for emergency appropriations, to be expended during such period upon authorized construction in order to aid in preventing unemployment and permit the Government to avail itself of the opportunity for speedy, efficient, and economical construction during any such period.

We have had a message from the President on the moratorium; we have had a general message which instead of indicating the desire to increase emergency appropriations for public works indicates a desire to decrease emergency appropriations for public works. The resolution of the Senator from New York provides that the President shall be requested to act under the authority given him by law and report to this body at the earliest possible time concerning the things demanded by this statute in order that an emergency appropriation bill may be passed.

Since the President has not acted in compliance with this law—for what reason I do not know—it was my idea in offering this resolution that, pending action by the President, the Finance Committee itself should be called upon to perform these duties in order that the Senate and the House of Representatives may not neglect that which I believe to be the most important thing in America to-day—attempting, so far as possible, to stimulate activities in this country by necessary public works. Therefore my resolution provides as a supplement to the resolution of the Senator from New York that, pending action by the President, the Senate committee shall draw a bill providing for a bond issue and shall determine by evidence heard before it where the work may best be done in a way to use the most human labor, the work to begin as speedily as possible. I offered the resolution because it is my belief individually at the present time that we should not wait any longer before we provide an appropriation for the purpose of putting people to work, because, in my judgment, that is the supreme issue which confronts the Congress and the people at this time.

Mr. FLETCHER. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Florida?

Mr. BLACK. I yield to the Senator from Florida.

Mr. FLETCHER. Is it not a fact that appropriations have already been made and the money is in the Treasury, and in many instances has been there for two years, but those in charge of the building program, those who administer the law, have simply failed to prosecute the work that has been ordered by Congress and for which money has been provided?

Mr. BLACK. That is my understanding.

Mr. FLETCHER. If that is true, what is the use of issuing bonds, or what is the use of making appropriations, if we can not have the work done under the authority and appropriations already provided? The authorities who are carrying forward the building program are to blame for the delay in giving people employment, because the money has been provided, the projects have been adopted, and everything has been done except to let the contracts and prosecute the work. There is where the trouble lies. It is not, in my judgment, because they are without funds or that there is need of appropriations or need of further funds that should be provided by a bond issue or anything of that sort. The trouble lies in the agencies that ought to go forward with this work failing utterly and inexcusably to prosecute it.

Mr. BLACK. I agree with the Senator that that is partially the trouble. The situation, therefore, is that the Senator from New York has submitted the resolution to which I have referred and I have submitted a resolution supplementary to it. It is my hope that within the next few days those resolutions may be considered by this body. I do not think, however, in view of the fact that a number of Senators have stated that they have not as yet had time to consider and study the entire proposition, that the consideration of the resolution should be insisted upon this morning, but it is my hope and that of the Senator from New York to present to the Senate, at such time as can be agreed upon, the facts concerning the necessity for this work and the necessity for drawing bills and appropriating money in such way that those in charge of the work will be directed and compelled to proceed to meet that which I consider to be the supreme problem facing the American people to-day—the problem of in some way endeavoring to alleviate the widespread unemployment which exists in this Nation. Therefore, I shall not ask for action on the resolution this morning.

The VICE PRESIDENT. The resolution will go over.

PHILIPPINE INDEPENDENCE—LETTERS OF GENERAL AGUINALDO AND COMMISSIONER OSIAS

Mr. HAWES. Mr. President, some months ago there appeared in the press a statement to the effect that Gen. Emilio Aguinaldo was not in favor of independence for the Philippine Islands. This report was given wide circulation. Representatives of the commission in Washington reported its inaccuracy. But in order to settle the matter I visited General Aguinaldo, who was then confined in a hospital, and asked him to reduce to writing a positive statement on the subject so there might be no longer a dispute as to his position.

He sent to me, at Manila, a letter under date of July 25, 1931, a communication which will set at rest any uncertainty as to his position.

More recently there has appeared in the press, emanating from a small group of Americans in Manila who are opposing independence, the statement that Senator Quezon, Filipino leader, had abandoned his advocacy of independence and now favored merely an extension of Philippine autonomy in government. This statement is untrue, as was the one in relation to Aguinaldo's position, as is evidenced by a letter which I have received from Resident Commissioner CAMILO OSIAS.

It is time the American Congress, both the Senate and the House, should have the facts, and the American people are entitled to have them. To select two of the greater Filipino leaders and deliberately misrepresent their position regarding independence is not only unfair, it is dishonest; and I request therefore the privilege of inserting in the RECORD the letters of General Aguinaldo and Commissioner OSIAS relating to the position in the matter of independence of these two Filipino leaders.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters are as follows:

Senator HARRY B. HAWES,
Manila Hotel, Manila.

DISTINGUISHED SENATOR: I have read with care the questions you formulated on the subject of Philippine independence. My answers are herein conveyed in the form of a memorial which I have prepared for such use as you may deem convenient. I only regret that, due to my confinement in this hospital, it has not been possible for me to venture into a fuller discussion of the subject. I hope, however, that although the answers are incomplete, you will have an idea of my points of view on the independence of my country.

I am thankful to you from the bottom of my heart for having requested an expression of my opinions on the salient phases of this question, so vital to all of us. The restoration of the Philippine Republic has been the principal longing of my life. That Republic we had erected after tremendous sacrifices; it was the compendium of our dreams as a nation subjugated for three centuries by foreign domination; it forms a part of our very being as a people.

The efforts you are exerting to bring about the restoration of that Republic have the unanimous support of the Filipino people. To you and to your colleagues in the Congress who have assumed the difficult task of helping us in the campaign, we all owe a debt of gratitude. In our hearts you will find the monument to your great work.

No one, I believe, without committing an injustice, could question the sincere and unanimous desire of the Filipino people to obtain their coveted independence. Our revolutions are proof of that desire. Since then the sentiment of the Filipinos regarding their emancipation has not changed.

The insinuation that the popular expressions in favor of independence have been secured by intimidation is without justification. On the contrary, it may be said that the political leaders have had to declare themselves openly for independence, because a contrary behavior would have brought popular condemnation upon them.

The demand for independence by the Filipino people will be more and more pressing as the years go by, not only because of the innate desire of peoples for self-determination, but also because of the assurances given by the United States through her legitimate representatives, both civil and military, that upon occupying these islands America did not entertain designs of exploitation but of emancipation. The delay, therefore, in the concession of independence serves only to accentuate the people's desire for liberation and at the same time to aggravate the political and economic situation of the country.

It is true that the concession of independence will usher in new domestic problems. But it is then that our statesmen could, and will, dedicate themselves to the consideration of these national problems, preferably the economic, which have been and will continue to be neglected and relegated to the background as long as our political situation is not defined in harmony with our age-long aspirations. If we recall our revolutionary epoch of 1896 and 1898, I may be permitted to state that at that time we faced grave internal problems under the dictatorial and revolutionary governments, and later under the Philippine Republic; but thanks to the patriotism and civic spirit of our people we emerged successful from the test to which fate had subjected us.

What is more, I believe that when we are independent we shall have a better kind of democracy than that which prevails in the islands at present. As it is now, it may be said that we have only one political party. The opposition has always been weak, and this is attributable to the system whereby the majority party has intrenched itself formidably in power with the unconscious abetment of the representative of American sovereignty.

Twenty-four years have elapsed since representative government was inaugurated here, and yet the opposition party has not succeeded in coming into power. If things are to continue as they are now, I doubt whether the opposition, no matter what efforts it exerts, could ever succeed the majority party in the Government. With independence, the opposition will have a better chance; many national questions will be the theme of discussion; party responsibility and fiscalization will always be a serious issue. We could then expect periodical changes in party administration and the consequent betterment of the public service.

The possibility of a civil war or of a general disturbance is not an impediment to the concession of independence. Civil wars and uprisings have in many cases been the price which independent peoples have had to pay in order to consolidate their institutions. If it is written that the Filipino people shall pass through such a terrible ordeal, they will not hesitate to do so, provided they could be masters of their destinies. Civil wars, however deplorable, are often inevitable when constitutional means are impotent to restore the reign of law. But, despite all that, I do not believe in the possibility of a civil war or general disorder if independence is granted. By nature we are a peaceful people, lovers of public order, and it is not hazardous to affirm that if we are declared independent there will be a firmer union among the Filipinos brought about by the sense of a common responsibility and desire

to support and elevate the country redeemed. This was the case in the days of the Philippine Republic.

With the termination of the present uncertainty in the relations between the Philippines and the United States public attention will be concentrated on our economic problems, capital will emerge from its retirement, and as a result the material progress of the country will be emancipated from its present stagnation.

I believe that a delay of 20 or 30 years in the concession of Philippine independence will work irreparable harm to the cause of economic and political progress, aside from the fact that during such a long period of time new difficulties might arise which would necessitate further postponement of the grant. At present the country is literally mortgaged to the United States. Twenty years hence, therefore, the big interests will have intrenched themselves in such a manner and will command such means as would enable them easily to stifle our future as well as our desires for emancipation. Those big interests which made the independence of Cuba a solemn fiction will, if Philippine independence were further delayed, make that independence an eternal aspiration impossible of realization.

If the present situation continues for 20 years more, at the end of that period the Philippines will be a political as well as economic tributary of American capital. Individual initiative in the manhood of our race will have disappeared, and we will be nothing but a nation of bureaucrats and employees groaning beneath the thumbs of political chieftains, and whatever vestige of democracy we have now will then be a myth.

Other contingencies, too, might arise if the granting of independence were to be delayed further. The difficulties incident upon severance of relations will naturally increase a thousandfold. Various other new interests of the United States might be affected by the continuance of our association. Tariffs on our products will have to be imposed in the meantime if certain American industries are to be saved from extinction. A greater agricultural or industrial development here will have its telling effect on America's own agricultural and industrial interests. The severance of free-trade relations would seem to be inevitable. Congress could not prevent that even if it wanted to. The time, therefore, will surely come when the relations between America and the Philippines will be purely political; we will be a foreign country to her as regards trade relations, but politically we will be under her supervision and protection.

On the other hand, if independence were granted now, it would stimulate our initiative as a nation. The idea of political dependence will disappear from our minds. We could begin to fashion the structure of our nationality in our own way. We shall grapple with our problems in accordance with our capacity and means. And we shall have an opportunity to be strong and really prosperous, a thing we never can accomplish under the tutelage of another nation.

The argument that we are not prepared for independence is gratuitous. And in the strict sense, we are not being prepared for independence anyway even under the aegis of the United States. Where is the preparation for an army and navy, for aviation, and for aerial defense? Where is the preparation in diplomacy and consular service? It is true that much has been accomplished under American guidance; we have better roads, sumptuous government offices, a higher standard of living, and a modern system of public instruction. Nevertheless, as the enemies of independence would interpret the word "preparation," we have not got it, in spite of 30 years' tutelage. And two centuries from now we will be told the same thing.

The present uncertainty, as I have stated above, retards the economic development of the country. Capitalists have said that they do not care to make investments here in view of that uncertainty in our political status. If the uncertainty were terminated, the situation will change. Even in bolshevistic Russia and in China, with its continuous civil wars, foreign capital keeps pouring in. It can be safely predicted, I believe, that once independent we also can get desirable foreign capital invested here. Our industries and financial growth will also be accelerated. The responsibilities attendant upon the changed status will be so great that our people will exert all their efforts to create more wealth with which to meet their obligations. This has been the experience of countries that have attained their independence, and the Philippines does not have to be the exception.

I would prefer the opening up of world markets for our products. We have many tropical products which are in great demand not only in the United States but also in other lands. If we could place those products in the markets of other lands besides, it would surely be to our advantage. With the possible exception of cotton and steel and machineries, we could produce the things we need locally. We do not need much for our daily living. Foodstuffs we could produce in abundance. The raw materials for the primary manufactures are here also in abundance. We could be in a position to compete in the markets of the world.

The free-trade relations we now have with the United States were established by the Congress. I do not remember that we have asked for this arrangement. It has been beneficial to the islands, to be sure, but from the point of view of our national destiny it has deprived us of other markets and hence other chances.

The result of this free-trade arrangement is as follows: Encouraged by the demand in the American market, we have produced more sugar and we have also increased our production of oil and other products. But this increase is not now looked upon with favor by American agricultural interests and we are being told to restrict our output, because we are competing with American products in the United States. At the same time we are told to develop our country economically if we desire to be free. It would seem, therefore, that we are between the devil and the deep blue sea.

I venture to assert, then, that the economic structure of the country will be more stable if we secure an access to other markets besides those of the United States, although for reasons of gratitude and other considerations which we hold toward her we would be willing always to consider America as the favored nation under equal circumstances.

I am convinced that the contemplated readjustment of free-trade relations should come after the concession of independence. Disposed as we are to face the consequences imposed by new obligations that will arise our country will intensify its activities in all lines of endeavor with those new obligations in mind. Necessity is the mother of progress, and on the necessities incident upon an independent government, the Filipino people will construct the edifice of their prosperity and national greatness. On the understanding, therefore, that the adjustment regarding free trade should not precede the concession of independence, notwithstanding opinions to the contrary, I would suggest a period of not more than 10 years within which we hope to be able to adjust the economic difficulties attendant upon separation in a way satisfactory to both peoples. Let independence come at the earliest hour, however, at the latest within the next five years, inasmuch as the continuation of the present guardianship will kill our spirit of initiative as well as the characteristic elements of our nationality.

There is no doubt that the danger of a foreign invasion will be greater when we are independent than now under the sovereignty of the United States, this in spite of America's commitment under the quadruple treaty that the Philippines will not be fortified further. The mere presence of the United States here, without necessity of fortification, is sufficient guaranty against any possible danger of invasion. The country is perfectly aware of this advantage, but it can not sacrifice to it its independence ideal.

It would be desirable, of course, if the principal powers of the Pacific could reach an agreement guaranteeing the neutrality of the islands. International relations are slowly evolving toward concord and peace, and a treaty of neutrality would be a good guaranty of the external safety of the Philippines in the future. But if there should be difficulties in the realization of such a treaty the country will not renounce its ideal because of those difficulties. The Filipino people desire their independence and they will pay the price that destiny might exact.

Our people have waged two revolutions, shed much blood, and sacrificed innumerable lives and fortune in order to attain their political independence; they are disposed now to forego the material advantages they enjoy and even the greater ones they might enjoy in the future in exchange for their liberation. After all, these are transient advantages, and we have seen how, recently, a movement has been started, and is gathering momentum, to terminate the present tariff relations between the Philippines and the United States. Hence even under the present state of dependence there is a possibility, not remote, of those advantages disappearing.

The preservation of our public lands for the present and future generation of Filipinos is undoubtedly one of the serious problems which will require most careful study by our statesmen. The present laws, however, offer sufficient guarantees of protection for foreign and for local capital alike, and whatever attempt there will be to liberalize the present public land laws will meet with decided and vehement popular protest. No political party would dare father a measure which would thus rile popular sentiment.

It has been argued that with the advent of independence there will be a backslide in the sanitary conditions of these islands. Nothing is more erroneous. The present sanitary service, which is a success, has been in the hands of Filipino officials for more than 15 years. In case of independence, therefore, the danger is not in a possible backsliding but in going ahead too fast, for then there will be greater desire to serve the country recently emancipated.

The so-called Moro problem has never existed and does not exist. During the life of the short-lived Philippine Republic our Mohammedan kinsmen shared with us in the benefits of that government and abided by the orders and decrees promulgated. I repeat that there is no such problem. It has been fabricated by the enemies of independence in order to discredit us in the eyes of the Government and people of the United States. Our Mohammedan brothers are conscious of our desire and solicitude to impart to them the benefits of civilization enjoyed by the Christian Filipinos.

With respect to the oft-repeated Japanese menace, I would state that Japan has a noble rôle to play in this part of the globe as a nation which is at the vanguard of the other nations of the Far East. It would be a dark day for oriental peoples if Japan would seek to impose her sovereignty on every one of them. The awakening of China and other oriental countries during recent years is not a sign that would encourage Japan to entertain designs of suzerainty over the Far East. On the other hand, it would be to her advantage if she could have the friendship and good will of all her neighbors. Overlordship based on might has never endured. Weak peoples will not continue weak forever. Always there have been upheavals resulting in their emancipation. National consciousness and the instinct of self-preservation have always saved nations, however small, from humiliation and disaster.

There are, it is true, many more Chinese than Japanese in the Philippines. Whether, however, the Chinese constitute a menace

to the country is something we can not as yet foresee. Indications are to the contrary. The Chinese here are peaceful and law-abiding. They do not bother the Government nor their neighbors They comply with their obligations and attend industriously to their industrial and commercial speculations, in which it is hard to excel them. They mix with Filipinos; they intermarry with Filipino women and their children become good Filipino citizens. A treaty on immigration between China and the Philippines would be good for the preservation of their friendly relations.

I believe that the fact that there are only about 7,000 Americans who have taken up their residence here is due to the distance from the United States and also to the climate here. Having been born and reared in surroundings vastly different from ours, the lure of home and of dear relations would be too strong for them to want to stay here all their lives.

Our feeling of gratitude toward the United States will be intensified with the grant of independence. This is but natural. America and her illustrious statesmen have repeatedly announced that her presence here is not actuated by selfish motives, nor is it for exploitation, but to aid us in the establishment of a representative system of self-government. We placed implicit faith in her word. Its fulfillment will be the occasion for rejoicing throughout the islands; it will strengthen our faith in the sincerity of the United States. To our people the waiting has been too long. Many Filipinos of worth who have fought for the freedom of the land have already passed on—they would have been glad to witness the restoration of the Republic they proclaimed and defended. If, on the other hand, the United States does not fulfill her promise, then the Filipinos will be convinced of the injustice that has been their fate; they will realize that all their efforts and sacrifices, in war and in peace, have been in vain, and that they made a great mistake, for which their children and their children's children will rebuke them, in having trusted in the word of the United States.

Reiterating my sincere gratefulness to you and to those other Members of Congress who are taking an interest in the independence of my country, I am,

Very sincerely yours,

EMILIO AGUINALDO.

ST. JOSEPH'S HOSPITAL,
Manila, July 25, 1931.

HOUSE OF REPRESENTATIVES,
Washington, D. C., December 7, 1931.

MY DEAR SENATOR: There has been such a subtle publicity of late seeking to convey the information, or rather misinformation, that Senator Quezon has abandoned his well-known independence stand after his recent return to the Philippines. Of course, I am confident that no one who really knows Mr. Quezon and his record of persistent fight for our national emancipation would give credence to the propaganda, and I am writing you, not because I fear that you would believe the erroneous news that is going the rounds but merely to place in your hands textual quotations from his statement.

In a report submitted to the last session of the Philippine Legislature, Mr. Quezon, president of the Philippine Senate, under the caption, "What I would Do," said:

"(1) I would try to obtain immediate, absolute, and complete independence with free trade between America and the Philippines for 10 years. Safeguards for the independence and integrity of Philippine territory through a treaty entered into by the great powers of the world. If this plan fails, (2) I would strive for the fixing of a period necessary for our economic readjustment, after which the Filipino people will be given absolute independence, or will be free to choose whether they will have independence or not. During such period of economic readjustment, the government of the Philippines will be autonomous, with a chief executive elected by the people, and with such powers as may be necessary to take all the measures designed to promote the country's political, economic, cultural, and social development in keeping with the needs and the genius of the Filipino people. I would give my consent to the intervention and control of America over those matters which directly or indirectly might affect our international relations, until the complete separation between the two countries shall have been effected. (3) If I saw that none of the plans above outlined had any probability of being approved I would support any measure which would insure an action by the next Congress on the Philippine question. This means that I would accept immediate, absolute, and complete independence without free trade or any other plan that would put an end to the present uncertainty and American control of our government, which will bring us nearer to the full attainment of our national ideals."

Referring to his conversations with the Secretary of War when Mr. Quezon was last in Washington, as the head of the Philippine mission sent by the Philippine Legislature to work for independence, he said in the same report:

"I told him (the Secretary) finally that both the conservative and the radical Filipinos would be united in favor of immediate independence, even without free trade, if the other alternative only was the continuation of the present uncertainty of the political and economic relations between America and the Philippines."

The foregoing should be sufficient to show that the propaganda to the effect that Mr. Quezon has abandoned his stand in favor of the imperative necessity of remedying the unsatisfactory and uncertain status of the Philippines on the basis of the early grant of independence is without foundation, if, indeed, it may not be said to be a misinformation. The Filipino people with Senator Quezon naturally wish "a free and independent but prosperous Philippines," but between independence without prosperity and prosperity without freedom they would unhesitatingly accept the former.

Mr. Quezon, as the recognized leader of the Filipinos, spoke truly when in the same report he declared that "in the interests of both of the United States and the Philippines, the present relation between them, which is that of the ruler over the subject must terminate."

By way of conclusion he further added:

"* * * Our relations with the American people, if there are to be any, must be inspired by the principle of self-determination and voluntary partnership. It is only thus that an effective and cordial cooperation between America and the Philippines may be secured in a common design to promote the moral and material interests of both peoples."

Knowing of your zeal and disinterestedness in favor of Philippine independence, I am writing this that you may be in possession of the facts.

Trusting that you will continue helping us secure early congressional action to redeem America's pledge to withdraw her sovereignty over the Philippines and grant the independence which the Filipino people consider supreme in life, I beg leave to remain,

Yours for Philippine independence,

CAMILO OSIAS.

Hon. HARRY B. HAWES,
United States Senate, Washington, D. C.

PHILIPPINE INDEPENDENCE—SPEECH OF SENATOR HAWES BEFORE THE PHILIPPINE LEGISLATURE

Mr. HAWES. Mr. President, during my visit last summer to the Philippines I became a victim of the propaganda of suppression and misinformation coming from a Manila source opposing independence of the islands.

Fortunately, a stenographic record of my speech before the Legislature of the Philippines was made and printed in the record of the Philippine Legislature, which is similar in form to our CONGRESSIONAL RECORD, and I ask permission to insert in the RECORD a copy of the official record of my remarks.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The address is as follows:

Mr. President, Mr. Speaker, and members of the Philippine Senate and House of Representatives, the many courtesies and wonderful hospitality extended to me since my arrival in your beautiful islands now culminates in the honor of this invitation to address in joint session both branches of your legislature.

It affords me an opportunity to restate my own position in the matter of independence, but more important still, to give to you briefly not my personal opinion but the opinion of the committee which reported favorably on this subject.

There should be no partisan politics injected into this matter. It is too serious, too vital to permit party advantage or factional gain to have the smallest consideration. I have observed that both of your political parties have placed this subject upon the highest human pedestal. I hope there will be no division between Democrats and Republicans in my country.

Senator CUTTING, joint author of the bill, is a Republican. I am a Democrat. There was no partisan politics in the preparation of our bill. It will be supported by both Republicans and Democrats as it is here by both of your political parties.

It has not occurred to me in receiving your hospitality that it was personal. It was because of the bill that your generous hospitality has been extended. It would have been the same for any other man. If it had been Senator CUTTING, the reception would have been identical.

So I have not had the feeling that the united response to my inquiry was personal. It happened that Senator PITTMAN and myself were here, so the answer was given more directly to us.

Neither Senator PITTMAN or myself have attempted to influence your opinion.

I came to your islands because they interested me. There was a romance connected with them. Your repeated struggles and sacrifices for liberty are known. You have a real mission to perform in this part of the world; you must do it yourselves; it can not be done for you by another race of people. So, the more quickly the sole responsibility is yours, the more rapid will be the advance.

We sent to you some of our great men. Their personalities have impressed themselves upon your government, have advanced your welfare, and, I am sure, promoted your happiness. I have a feeling of justifiable pride in their personal achievements in the matters of health, sanitation, and jurisprudence.

We are familiar with your struggles for liberty under the old Spanish rule, and with your revolution of 1896 and that of 1898, showing a united intention to secure freedom.

Since the arrival of the American school teacher, your children have been taught the finest pages of American history, which has added to your natural aspiration for liberty, self-government, and independence.

Starting almost immediately after the war, our teachers and our public men have read to you our Declaration of Independence, celebrated the Fourth of July, and upon every occasion extolled the virtues of our colonial ancestors. This combined the history of your country and my country in their endeavors to secure self-government.

To find myself in your far provinces, introduced to large audiences by graduates of the leading American universities, such as Yale, Harvard, Cornell, Chicago, Columbia, and others, increases my pride in American accomplishments.

The subject of my special inquiry was to determine whether you earnestly, unitedly ask for independence, for complete self-government; whether you realize that the severance of the ties with America would carry with it heavy responsibilities, possibly increase in taxes, and some loss of trade.

I desired an answer to the propaganda directed partly from Manila that the voice of independence was a small, well-organized voice, or whether it came from all classes of your people, your leading business men, your executive officials, the governors of your provinces, the mayors of your cities, your local councils, from the schools, and of great importance, from your press.

Our Senate committee, in its report in May, 1930, said:

"Your committee desires to call attention to a propaganda intimating that the Philippine leaders are not sincere in their demands for independence. * * * It is insinuated that the Filipino people do not actually desire independence; their leaders do not really favor it."

On the day of my arrival in Manila, June 18, I made this statement:

"The object of my present visit is to ascertain just one thing: Do the Philippines want to be independent in the near future? Are there any Filipinos who are opposed to it? If the Philippines are united, determined, and persistent, in my judgment independence will be granted.

"The American people never intended to hold the Philippines for the sole purpose of commercially exploiting its people. The American people want your trade, your friendship, your confidence. We desire even more, your respect and your affection."

These statements by the Senate committee and myself are clear and should be easily understood.

Your answer to the charge of insincerity has been given with unanimity. It came in great volume, with energy and good-natured enthusiasm. No one can doubt either its strength or convincing sincerity.

This remarkable unanimity of opinion in the matter of independence by your people, your public men, and your local newspapers will be all controlling in America. Stories have gone to the States conveying a wrong impression, and upon these stories editorials have been written conveying a wrong impression of the attitude of your people.

The subject of independence involves the contentment and the happiness of 13,000,000 people, and rational happiness and content should be the first object of all government. It is unfair to your people and to our people to deceive them regarding either the unanimity or sincerity of your expressions.

The question of the sincerity of Filipinos in asking for independence was not raised by me. The responsibility for its presentation must rest upon those who introduced the doubt, who made the charge.

The door of doubt was not opened by me. My small part has been merely to assist in ascertaining the truth. You have now closed the door upon the falsehood.

In my country we have political leaders who express themselves, and they are supposed to express the opinion of their followers; we have great national conventions that make declarations; we have city councils and representative bodies that control our cities. We have a vigorous and intelligent press. These are the usual avenues of expression of public opinion, and it was to similar bodies here that I directed my inquiry.

In every city visited I have been presented with resolutions passed by the city council. In every province I have been accompanied by the governor of the province. In every place there have been arches across the roads; there have been parades; there have been flowers; there have been delegations of men and women, and the representatives of the old soldiers of Aguinaldo. There has been but one answer; it was complete, effective, conclusive.

Your press united in stating that the independence demonstration on the 12th of this month was the greatest of its kind ever held in the Philippine Islands; greatest in point of numbers; greatest in enthusiasm; greatest in good nature and good order.

So your answer came from every source, from your political leaders, from your organized towns, from your newspapers. From every source there was one reply: We want independence. We realize the sacrifices that must be made. We have an affection for the American people; we consider them to be our friends; we rely upon the fulfillment of their promise. This will add to our gratitude.

THE PARALYSIS OF UNCERTAINTY

Having answered hostile propaganda and disposed of the question of sincerity, we come to the serious matter of economic stagnation created by uncertainty as to the future, harmful in its effect both in America and in the Philippines.

Upon this point our Senate committee said:

"Every witness who appeared at the hearings, whether he was an official of the central or the insular government or a private person with admitted economic interests at stake, agreed that a definite policy toward the Philippines would be both necessary and desirable as a means of curing the present uncertainty.

"The initiative of the Filipino is hampered by his status. The development of 114,000 square miles of island area is being handicapped, and certain manufacturing possibilities are being dwarfed because of the general uncertainty.

"American capital, doubtful of the future, declines to enter the islands. Foreign capital with no voice whatever in the settlement of the problem will not invest there.

"Under such conditions satisfactory economic progress is impossible."

During the past 12 years billions of American money have been invested abroad, but less than one-sixteenth of 1 per cent of these investments have been made in the Philippine Islands, notwithstanding the fact that the islands have great latent resources.

The reason is the uncertainty which exists. This has prevented any new important capital from coming into the islands.

Not only has this uncertainty prevented the introduction of new American capital, but it is having its serious consequences in the matter of the American population in the Philippines.

In 1903 the population of the Philippine Islands was 7,635,426. To-day it is estimated at 13,000,000, showing an increase in 28 years of approximately five and a half millions.

But during the same period, although the islands have been under American sovereignty for over 30 years, there has been a decrease in the number of American residents of the islands.

In 1903, over a quarter of a century ago, civilian Americans in the Philippines numbered 8,135; to-day the estimate is only 7,000, of whom, it is stated, about 6,000 reside in Manila and only about 1,000 are scattered through your Provinces.

In my opinion, this decrease is due to two causes. The first is climatic conditions. The second is uncertainty regarding the future.

American business men will not come here or make any new investments until this uncertainty is removed. Young American employees will not come because of the uncertainty of the tenure of their employment.

Few young Americans are here now. The American residents are nearly all gray-haired veterans. Neither money nor men will come from America until this uncertainty is disposed of.

Still more embarrassing is the present uncertain political status of the Filipino. Under this uncertainty a Filipino is not an American citizen; he is not a Filipino. A foreigner under certain of our statutory provisions, he is uncertain as to his national status, and not sure of his international status. He carries two flags, and may not even be permitted to peacefully express his appeals in a plebiscite. He can not elect his national executives, not even the mayor of his capital city of 350,000 people, and yet, from his pockets comes the money to pay all the cost of government, including the salaries of all appointed officials.

With the exception of the salary of $10,000 a year to each of the two Resident Commissioners to the United States Congress, and a contribution to the enforcement of quarantine regulations and the Coast and Geodetic Survey, all expenses of the Government are borne by the insular treasury.

Our Department of War reports that we have spent in your islands up to June 30, 1929, $485,000,000 for Army and Navy purposes and only $8,000,000 for civil government, of which $3,000,000 was for emergency relief purposes.

Even beautiful Baguio, rising 5,000 feet above the sea, giving pure and cool air to your citizens, was built and is maintained by money from the Philippine treasury. I was surprised to find that some Americans did not know that the entire cost of government in the islands, the government of Manila and the summer capital at Baguio, is maintained by Philippine and not American taxes.

Fifteen years ago, in 1916, the Congress passed the Jones Act, and since that time there have been no important changes in your organic law. In my opinion, in view of the preamble to the Jones Act—

"Whereas it was never the intention of the people of the United States in the incipiency of the War with Spain to make it a war of conquest or for territorial aggrandizement; and

"Whereas it is, as it always has been, the purpose of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein"—

the government of the Philippines was not intended to be permanent but merely a prelude to independence.

There are some justifiable excuses for the silence of Congress during these years. The World War began in 1914 and its effects were felt by the peoples of all the earth, and the thought of the world, including the United States, was directed to this world-wide conflagration. In the year 1917 the United States entered the World War, marshalled its resources, contributed its money, placed the burdens of great bond issues upon our people for the maintenance of our Army and Navy, contributed money to assist our allies, and the attention of Congress was diverted not only from our domestic affairs but from the problems of the Philippines.

Readjustments because of the war, the depression, agricultural losses, and other immediate domestic problems have absorbed the attention of our Congress. But there can now be no excuse for further delay in the matter of a permanent decision of our future relations with your people.

There are but three courses.

The first is admission into statehood in the American Union, which for political reasons now seems impractical.

Second, the creation of a modern colonial system similar to the Canadian plan. But this would not settle either the tariff or the immigration problem, because Congress will still have the power to change its Philippine policy at any succeeding session. The present uncertain situation will continue.

And, third, independence, with its responsibilities, but also with its contentment, leaving each separate nation to deal with the other upon the basis of mutual interest, trust, and confidence.

One of these plans should now be adopted.

I realize the effect of uncertainty upon your own deliberations. With the thought of independence uppermost in the minds of your members, it must be difficult to give undivided attention to economic and other subjects.

TEMPORARY CHARACTER OF THE JONES LAW

The Jones Act created political machinery for your Government somewhat similar to the early colonial governments of Great Britain prior to our American Revolution, the strongest evidence that it was temporary in character.

While our present administration remains much the same, Great Britain has since that period completely changed her form of colonial government, with the exception of India, which is in a state of transition. She has approved the policy of agreeing with the colonies as to what form of government they should have.

In this way she solved her Irish question by calling the representatives of Ireland and agreeing with them as to what was to be the nature of their future relations.

Every historical fact demonstrates conclusively that the present form of government established under the Jones Act was temporary. On this subject the Senate committee said:

"If there be any doubt left that the ultimate purpose of the United States in its legislation with respect to the islands has been to prepare them for independence, it should be removed by the fact that in the 30 years in which we have held the Philippines we have not attempted to incorporate them.

"By the operation of our own laws we have set up what must be a temporary government, in that we have continued the administration of certain affairs of the Philippines in the War Department. We have left the general supervision of the Philippine Government to the War Department. We have provided that the Governor General report annually to some official designated by the President of the United States, and that official is not the Secretary of the Interior, the Secretary of the Treasury, or the Secretary of State, but the Secretary of War. The plain implication is that our tenure of the Philippines is temporary in character."

THE ELEMENT OF TIME

There may be honest differences of opinion as to whether independence should be given in 5, 7, or 10 years, but the proposal to delay decision for 15 or 20 or 30 years is not a plan; it is a subterfuge.

It is dodging the issue; it is a subtle plea for permanent possession. It does not end, it continues, the present paralyzing uncertainty.

To propose a plan to be executed when the proposer will probably be dead is what might be termed a grave-yard settlement, a passing of responsibility to a succeeding generation, a safe guess upon what may happen, by persons who, while boldly looking 30 years in to the future, refuse to decide a situation which is immediately before them.

Those opposed to independence should have the courage to admit it. If there are reasons why the present situation should continue, frankness may furnish information for which crocodile tears are not a substitute.

OPINION OF THE SENATE COMMITTEE

The Senate committee's report so well expresses my own judgment and it is so comprehensive that I take the liberty of reading its conclusions:

"1. That it is the policy of the American Government to free rather than retain the Philippines.

"2. That the Philippine people are justified in their plea for independence at this time.

"3. That the Philippine people have made remarkable strides in the path of self-government.

"4. That at the present time the Philippine people are conducting, except in a few instances, the affairs of government.

"5. That the Philippine people are keenly alive to the untoward eventualities of independence.

"6. That the Philippine people, realizing serious hardships may result from independence and from the loosening of the ties that now bind them to American sovereignty, prefer to risk these hardships at the present time, when they are confident of their ability to endure them, than at a remote date when the hazards of separation from the American Government would be so great as either to threaten disaster or to preclude their independence.

"7. That, so far as the interests of Americans are concerned in Philippine trade, it will be more simple to grant independence at an early date than when their interests have a deeper and more far-reaching contact with the Philippines.

"8. That at the present time the conditions existing in the Philippines and the uncertainty of the future status of these islands is operating to dwarf their initiative, handicap their agricultural and industrial development, hamper their efforts to obtain investment of foreign capital, and militate against their enjoying the full possibilities of their economic development.

"9. That there are important elements, both American and Philippine, whose interests demand some action on the part of Congress in the settlement of this national uncertainty.

"10. That the action of the American Government in relation to the Philippines will determine America's prestige in the Orient.

"11. That the Philippine Islands, of doubtful advantage at present, from a purely trade standpoint, have little or no utility in times of war and might even become a burden and a threat to us in the event of our embroilment with certain powers.

"12. That proposals to postpone the date for the granting of Philippine independence for any great number of years will result in the expansion of certain economic ties which may ultimately make impossible the granting of independence.

"13. That no selfish motives or commercial advantage of expansion should interfere with the redemption of our pledges to these people.

"14. That the Philippine people are unanimous in their demand for early and complete independence.

"The United States owes a solemn duty to the Philippine people—the duty of an honest declaration of our future intent. If we have decided to retain these islands under some form of colonial government we should be frank enough to proclaim it. We should not further encourage national aspirations to ultimate independence on the part of the Philippine people if we are ourselves opposed to their independence.

"If the delay of independence for 30 years is for the purpose of defeating independence we should say so frankly."

OUR CONGRESS

Fifteen years have passed without amendments to the law under which the islands are governed, althought changing our own laws regarding our relations with the world and by new treaties. This must be a disappointment, at least a cause for conjecture.

In addition to the national perplexities occassioned by the World War and domestic problems, our Congress, because of the necessity of solving special questions, has been compelled to meet in extra session almost continuously to dispose of its regular work.

The last Congress had before it approximately 20,000 bills, besides resolutions, treaties, and confirmations. The morning hours are devoted to extended committee hearings, so it is very difficult to bring upon the floor for discussion or to pass any measure.

A bill to pass must have behind it public necessity and the pressure of public opinion. It must be one of immediate domestic concern to have a chance of passing.

A measure involving the independence of your islands, setting up the machinery for a change and a new government, will require long discussions and debate. Therefore, there is a tendency not to take up such questions but to pass them to a future period.

So to secure consideration of your national aspiration will require patience and persistence to bring the matter to a vote.

The story of your aspirations can not be told too frequently in America as your opponents are active. In my opinion Congress will deliver its decision upon the opinion it forms of your earnestness. Your own expressions, therefore, will have great weight with it.

You may be encouraged, however, by the fact that for the first time in 15 years a bill in your behalf was favorably reported by the Senate committee.

The sending of a commission to present your cause was very helpful, both before the Congress and outside of it.

Your subject is not one that is all sentiment. In fact, it is a very practical matter. It has its moral side, but practical considerations will be brought forward and I hope that it will be decided upon the basis of common sense.

Your standards will never be identical with our own. There will always be a difference but what may be called the fundamentals are the same.

Your last commission made a most favorable national impression. It acquired experience and brilliantly presented your appeal.

But the personnel of our Congress changes; a new Congress goes into session. There are many new Senators and new Congressmen, and it is important that they should have the advice and opinions of the Filipino people. Information should be readily available; it should be in close touch with our legislative situation. Another commission, with representatives of business and educational interests, should be prepared to furnish facts, information, and to answer questions.

Any uncertainty as to your national attitude, if any now remains, would be dispelled by this commission and American newspapers could make their own inquiries direct from your authorized representatives and not be compelled to rely upon flashes from Manila.

PROSPECTS FOR INDEPENDENCE

What are our prospects for independence? is the question most frequently asked of men. I can only give my opinion.

First. The American people know the islands belong to you. It is your land, your blood, your bone, your inheritance, and its government your ultimate responsibility.

Second. Distance and climate will never make the Philippines a place of permanent colonization for Americans.

Third. Yours is an agricultural country. There are millions of uncultivated farm acres in America awaiting development.

Fourth. Your native population of Malays is rapidly increasing, and although under American sovereignty for over 30 years the American residential population in your islands is decreasing.

Fifth. If your united national aspirations for independence are withheld, it will breed unhappiness and discontent which liberty loving Americans will not permit.

Sixth. American participation in the World War to assist the European nations to secure the right of self-determination in Europe is too recent to permit its national conscience to deny the same right to an oriental people.

Seventh. Because our national promise of independence has been given to you our national honor will compel fulfillment.

Eighth. No Congress can legally bind a succeeding Congress for a long period of years, and the present destructive uncertainty to both American and Philippine interests can only be settled by independence.

Ninth. Because I believe you will, by orderly, peaceful persuasion, convince Americans of the justice of your cause.

There are economic and military consideration which will naturally suggest themselves, but it is largely because of these elemental and fundamental considerations that I believe your national aspirations will be granted.

When America retires from your islands it is my hope that there will always remain the memory of good deeds and practical accomplishments for your welfare, and in our country a justifiable pride in the period of our trusteeship.

The truth of what has happened here will reach America. For truth has the faculty of ultimately entering into the understanding of our people. One of our great American Presidents, Abraham Lincoln, wisely said:

"You can fool all of the people some of the time, and some of the people all of the time, but you can not fool all of the people all of the time."

I have caught some of your enthusiasm; it has given me what Americans call a thrill. My conviction was from the head; now it is from the head and heart, and I leave your islands with a feeling of some sadness, sad because you are so far away I may never return, but I take back with me the fine thought that you unitedly place liberty above every other consideration, economic or financial, the conviction that you will willingly pay a high cost for freedom.

My memory will always retain the benediction given before the bowed heads of 150,000 patriotic people, when Doctor Bocobo, appealing to our God, said:

"Bless Thou every hand that toils and every heart that throbs for freedom. Grant that in the vehemence of our struggles for liberty no ill will or hatred may creep into our hearts."

INTERGOVERNMENTAL INDEBTEDNESS

Mr. COPELAND. Mr. President, in the current number of the Saturday Evening Post is a splendid article by Garet Garrett relating to present economic conditions. I ask unanimous consent that it may be printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

[From the Saturday Evening Post, December 12, 1931]

OPENING THE GOLDEN GOOSE

To the further education of American credit abroad now enter these autumnal sights and experiences, viz:

First. The gold honor of the American dollar impugned in Europe, where our lending of it had been so prodigal. Our credit impugned by our debtors! And for what reason? For the reason that we had been too free with it; precisely for the reason that our debtors knew they had borrowed too much on poor security.

Second. The rationally impossible spectacle of debtor nations raiding the gold reserves of a creditor nation while the creditor is self-bound under an agreement not to collect its debts from them.

Third. The strange experience of a creditor nation finding itself beholden to one of its principal debtors, the debtor undertaking on grounds of generosity and helpfulness, to stop raiding the creditor's gold reserves short of the point at which the creditor's gold solvency might seem in jeopardy.

Fourth. The sight of public ovations in this the creditor country to the Premier of one of its principal debtors, when he comes to tell us that more of Europe's war debts must be charged to the American taxpayer in a spirit of international friendship; more public ovations as he departs, saying he has our official promise to consider it.

Fifth. Experience of numbness and a sense of ill-being in the body of American credit, probably psychic.

And for all of this, the narrative beginning abruptly.

What with the American moratorium for a year on war-debt payments owing to the United States Treasury, the rueful relending of $700,000,000 or $800,000,000 of short-term American credit in Germany to save her from default, a cash loan at the same time to the Reichsbank, then a cash loan to the Bank of England to save the gold honor of the pound sterling, and immediately another to the British Treasury for the same purpose—with all of this we put no less than $1,500,000,000 of American gold credit into Europe last summer, thinking thereby to avert the disaster of a financial collapse.

The specific intent of our loans to the Bank of England and the British Treasury was to keep the mighty pound sterling on a gold basis—keep it, that is to say, at its full traditional gold value. This the British themselves were heroically resolved to do, for if the Bank of England should be unable to meet its obligations in gold on demand, that would mean inflation, a depreciated British currency no longer worth its face in gold. It would mean, naturally, the humiliation of British credit over the whole world. Nevertheless, this happened. After the Bank of England had borrowed all the American gold credit it could get on its own signature and after the British Treasury had itself borrowed $200,000,000 more in New York in behalf of the Bank of England, the blow finally fell. On September 20 the Bank of England ceased to pay its obligations in gold. The value of the pound sterling immediately declined one-quarter, and Great Britain was on a paper-money basis.

The event may have been inevitable; nevertheless, one of the factors in the situation was the behavior of the French. For a long time they had been accumulating credits in England. That is easily explained. When French goods are sold in England there is a French credit in England. The French may take it home in cash or leave it there as a bank deposit at interest. In the marvelous business of foreign exchange there are many apparently complex transactions which, when stripped of their special language, are all as simple as that one illustration is. Two nations trading together will have balances with each other to pay and to receive, and if one elects to leave its credit balances in the other's country in the form of bank deposits payable on demand, that is all right. It is all right in proportion. But when one nation comes to have very large credit balances in the other's banks there is danger in it for that other country because something may happen to cause the one to want all its money at once in gold, and to want it when it is very inconvenient to pay gold away.

And that is what happened. Those large French balances on deposit in England turned out to be harmful to the Bank of England. Seeing that an enormous amount of British credit, along with American credit, had been trapped in Germany, and that first the Bank of England and then the British Treasury were obliged to borrow gold credit abroad to sustain the gold value of the pound sterling, the French all at once began calling on England to pay them their bank deposits in gold. Holland also had large bank deposits in England; and seeing what the French were doing, the Dutch, too, began calling on England to pay them in gold. Lastly, the British themselves fell into a panic and began individually to convert their private bank balances into gold.

A RUN ON THE BANK OF ENGLAND

Thus there was a run on the Bank of England. As American gold credit borrowed in New York flowed in at one door, other banks, other countries, the British people themselves were taking coin and bullion out by another door. The behavior of the Bank of France was the least understood and the least explained. France did not need the gold. She had already one-quarter of all the monetary gold in the world, much more than England, actually much more than any other country, excepting only the United States; and, relatively, the French gold reserves were greater than ours. The Bank of England could not stand the run. Two weeks after the British Treasury had borrowed $200,000,000 in New York to save the pound sterling the Bank of England suspended gold payments.

Now, with Great Britain off the gold basis, Germany financially frozen, Austria and Hungary bankrupt, all war-debt payments owing by Europe to the United States Treasury suspended for a year, the situation in principle was simply this: That what Europe owed us was payable either in depreciated paper currency or not at all, whereas anything we owed or might owe to Europe was payable in gold on demand, because the United States was still on a gold basis.

Is that clear? Suppose you have at your bank two separate accounts. In one account you owe the bank $1,000,000 on a long-term promissory note which you have undertaken to pay off gradually with interest. The other account is current. You have there a credit, say, of $50,000. That is the account in which you transact your daily business. Now suppose you go to your bank and say: "I can not pay the interest on that $1,000,000 note. I am bankrupt if you make me pay." Saying this, you put yourself in the hands of the bank. It can demand payment and sell you out; it can foreclose on your business and take all your property for debt. But the bank does not want to do that. It says: "All right. These are hard times. Let the interest go for a year and let the note run." You say, "But how about my current account in which I have $50,000? What will you do with that?" The bank says, "Well, of course, you have to go on doing business. We will treat that account as if you were solvent. Go on drawing your checks against it as before and keep your business going. All this will work out in time."

A reasonable arrangement. Its element is grace. But suppose the next day you walk into that bank and say, "I'm afraid of this institution. It's too loose with its credit. My current account may not be safe. I am closing it out. Here is my check for $50,000, and I want it in gold, please."

That would be difficult behavior on the part of a debtor, owing his bank $1,000,000 on which he is unable to pay the interest, yet demanding $50,000 in gold. The bank, however, having made that arrangement with him, is obliged to pay him his credit balance of $50,000, and pay it in gold if he demands gold, or confess itself insolvent.

Between an individual and his bank such a case would be preposterous. Between Europe and this country it is in the same nature preposterous, though the fact may be somewhat obscured by its own magnitude and by the high language surrounding it.

EUROPE LOOKS TO THE WEST

Owing this country $15,000,000,000—a part of it war debt, the rest of it representing private and public borrowing from American investors and American banks—Europe, nevertheless, had very

large credit balances over here, payable on demand. You might put the sum of these balances at $1,000,000,000. They had originated in various ways. While American banks had been putting deposits in European banks—especially German banks, because the rate of interest was high—European banks at the same time had been putting deposits in American banks for an opposite reason. They wanted safety. So there were credit balances of that character, payable to Europe on demand. Then European exporters had been in the habit of leaving their profits on deposit in American banks, thinking the money was safer here than in Europe, especially German exporters, who were quite right. More or less for the same reason private European capitalists had been sending money to New York to be employed in short-term paper which they could sell at a moment's notice. And some of Europe's credit balances in this country were simply the untouched proceeds of recent American loans, even the ambulance loans we had made in the summer to avert a financial collapse in Europe. And now, what happened to these European credit balances, or, rather, what they did to us, is what we are about to see.

The Bank of England suspended gold payments for the reason, at the very last, that as fast as the New York banks could write in their books, "Item, gold credit set aside for the Bank of England on the security of her promissory notes," the European raiders ran to the Bank of England and took the actual gold away, in coin and bullion. The Bank of England in that case was a sieve. When the New York banks stopped writing that item down in their books—"Item, gold credit set aside for the Bank of England"—then immediately the Bank of England stopped paying out her own gold to anybody. She decided, instead, to hoard what was left.

What followed was a revelation in the abnormal possibilities of international finance. Europe looked westward. The historic habit. For nearly four and a half centuries she has been looking westward for gold. There lay the great American gold reserve—$5,000,000,000 of it—exposed and unprotected. She had keys to it. The keys were those credit balances in New York banks, payable in gold on demand. And where these balances represented, as some of them did, the untouched proceeds of recent American loans to Europe, the keys she had to the American gold reserve were keys we had unwittingly handed away.

The American gold reserve was defenseless. There was no way to stop Europe from using those keys, no matter how she had got hold of them. We were foreclosed from making such demands upon Europe as would offset her demands upon us for gold.

True, we had enormous bank balances in Europe, but these were either frozen, as in Germany, or now payable in paper money. In no case could we get gold for them. But Europe could demand all her credit balances in New York to be paid forthwith in gold.

True, Europe was owing to the United States Treasury $250,000,000 a year on account of her war debts, and that would have been a large offset against her demands upon us for gold, but we had granted her a 1-year moratorium on that obligation; wherefore it was no offset at all.

True, we had immense investments in Europe, principally in Germany, but if we sold them we could not get gold for them, whereas German investments in this country could be sold and converted at once into gold.

True, we could sell dollars in Germany or dollars in London, but we could not get gold for them; whereas Germany could sell paper marks in New York and get gold for them; England could sell paper pounds in New York and get gold for them.

ONE-WAY GRACE

The curious and final illustration would be this: That a British holder of a pound-sterling note could not go to his own Bank of England and get gold for it, but he could send it to New York, sell it in the foreign-exchange market, and take the proceeds in gold. A gold-money country must be prepared to honor every kind of paper obligation, not in gold equivalent, not in gold credit, not in something that may be sold somewhere else for gold, but in the gold itself, when, if and as the gold is demanded; and it must do this without demur or hesitation. Therefore, the only protection a gold country has against a run on its gold reserve is to be steadily receiving from its debtors as much as it pays out all together; its income from foreign countries must equal its outgo to foreign countries, for otherwise it will lose its gold.

But we had relieved our debtors. We had eased them of their obligations to us without limiting in any way our obligations to them. One-way grace. Thus the abnormality that owing us $15,000,000,000 in the form of public debt on which we had granted a 1-year moratorium and in the form of private debt on which we could get nothing in gold even where it was not in default, in the form of overdue short-term credits in Germany and Austria which we had agreed not to demand payment of, and in the form of bank balances all over Europe that were simply frozen—owing us all this, Europe nevertheless could demand payment forthwith, and payment in gold, of all her credit balances in New York, amounting to $1,000,000,000, more or less. And we were obliged either to give up the gold or leave the gold basis ourselves. If we refused the gold in a single case, that instant we were off the gold standard.

How preposterous. Debtors owing us in all manner of ways much more than they can pay, themselves protected by grace, by moratorium, or by insolvency, are yet able to descend upon the American gold reserve and deplete it wholesale. During July and August Europe swallows up $1,500,000,000 of American gold credit, much of it without security, simply because she is in despairing need of it; in September she is making a run on the American bank system for gold, and the American bank system is helpless.

We were complacently prepared to lose some gold. We were thinking of Europe and her problems and of ways in which we might help to build England back to the gold standard. One way of helping would be to set no obstacles against a natural movement of gold from this country to Europe. We were willing to sell and lend her all the gold we could spare. But we were not prepared for a raid. Not only did Europe demand her deposits with American banks to be paid immediately in gold; she began selling out her short-term American investments, even her American bonds and stocks, and to demand the proceeds of these in gold, and this at a time when our own internal liquidation was running at flood and the whole American banking structure was under a terrific strain. One of the principal reasons for our own internal liquidation was the frozen and moribund condition of American investments in Europe. For example, American banks were obliged to sell high-class American bonds, even Government bonds, because their enormous assets in Europe, especially in Germany, could not be liquidated. Now, on top of it all comes this selling of American things by Europe with but one idea, and that is to get the proceeds in gold.

COMPARATIVE FIGURES ON GOLD

In six weeks we lost $750,000,000 of coin and bullion, and that was nearly one-sixth of our entire stock of monetary gold. In less than a year, at that rate, we should be bare of it. And it was not simply that Europe's need for this gold was greater than ours, not that the mere possession of it would cure any of her economic ills. The raid was motivated much more by fear and panic than by any economic necessity; and yet that was not all. Europe wanted the gold for its own sake, while she could get it. The gold itself. The power of possessing it. The American gold. The temptation was irresistible.

This strange phase of the situation was presently made clear by the daily figures on where it was going. England did need gold; there was no doubt of that. But to our astonishment England was not getting it. Of the $750,000,000 we lost out of the American reserve in the first six weeks, France alone took more than one-half—nearly, if not quite, two-thirds—and she did not need it at all, for already she had actually more gold in her possession than any other country, save only the United States, and relatively more than we ourselves possessed. This statement has occurred before. It will be convenient at this point to give the data.

When the Bank of England suspended gold payments our gold stock of monetary gold was $5,000,000,000; the French stock was $2,330,000,000. But our population is threefold that of France; our national wealth may be easily five or six fold greater. Therefore, France had more gold than this country in proportion to her economic weight and rank. Our stock of monetary gold was less than $42 per capita; hers was more than $57 per capita. Yet it was France that led the run on the American gold reserve.

Why did she want the gold? Was she fearful that the United States would abandon the gold standard? If so, did that fear seize her all at once?

In any case all that France could do with the gold would be to hoard it, and for that purpose she has built since the war a treasure chamber unique in the world. Every country, of course, has a massive burglarproof vault for its gold reserve. But France decided to make one so deep and strong and mysterious that not even a victorious modern army could break into it. You might blow the Bank of France away with bombs and its gold would be all the safer. The chamber is 2½ acres big; it lies 200 feet deep in the earth. Over it, first, is 40 feet of water, which is a lake they made by damming the subterranean river that flows beneath Paris, and then above the water 50 feet of solid rock. The way to it is through six steel towers with revolving doors moved by electric engines, and the passage of descent can be flooded at a moment's notice.

At the signal of alarm a detail of defenders would instantly vanish through this passage, pull the water in after them, and be forgotten—safely forgotten for an indefinite time, or for the duration of the war, because everything has been thought of beforehand. They would find in the gold chamber a kitchen, provisions enough for two or three arctic expeditions, dishes, linen, beds, all the facilities for comfortable housekeeping.

Beginning on or about September 20, every fast ship from New York for French ports carried gold on its way to this hiding place. The same fast ships or others carried gold also for Holland, Switzerland, Belgium, Italy, and Germany. Even Germany, where $700,000,000 or $800,000,000 of American money was frozen in the form of bank balances and overdue short-term credits—even Germany could take gold from New York.

THE CAMPAIGN AGAINST THE DOLLAR

To lose $750,000,000 of gold coin and bullion in six weeks, with no saying when or where the run would end and no way of stopping it, was a very serious matter for this country, especially in view of its own condition of internal stress. No country, under any conditions, could lose gold at that rate or in that proportion for long and hold to the gold standard. That would be true if, to begin with, it had exactly all the gold in the world. We had only ourselves to blame. One-way grace; no means of self-protection reserved. Caught by our gold heel in a trap we had built for ourselves. We made it and walked straight in. It was not inevitable that we should have exposed our gold reserve, without protection, to an unlimited foreign attack. Once we had done it, however, the attack, all the natural consequences, were inevitable. But this is not to say the total of Europe's behavior was only such as we might have expected. Who could have foreseen that parallel to the raid on the American gold reserve there would

run in Europe a campaign of rumor, innuendo, and propaganda against the value of the American dollar? That also happened, and it certainly was not inevitable—not even from our naïve point of view.

As the Bank of France took gold from New York, rumors of an imminent financial collapse in the United States spread throughout Europe, and the French papers kept saying with one sound that the franc was the sound gold money of the world. Then came the news that President Hoover had called upon American bankers to mobilize the credit resources of the American banking system against the tide of liquidation that was running in New York—much of it foreign liquidation in order to produce gold for Europe—and instantly, upon the raw news, without waiting for details, it was said in France that the United States had entered the path to inflation. This was the beginning of the end of the gold dollar. Would the people now believe it? The franc was the good gold money of the world.

THE DOLLAR DECLINES IN EUROPE

Immediately in all the financial capitals of Europe the value of the American dollar declined. In Poland, where the dollar had been for years a standard unit of value, serving even as security for the Polish currency, there was a dollar panic. The New York Times correspondent at Warsaw cabled October 9:

"A flight from the dollar started here this morning on the heels of alarming reports from Paris that the United States Government had decided to abandon the gold standard and that an increase in the issue of dollar notes was being discussed in Washington."

In one day the Polish people, remembering what inflation was like, sold 1,000,000 American dollars to the Bank of Warsaw at 99 cents. The panic lasted several days, and then subsided in a bewildered realization that the Paris rumors were false.

The British campaign was led by the Rothermere newspapers, which have a combined daily circulation of 5,000,000. Day after day these papers printed under big headlines the editorial opinion that the downfall of American credit was at hand, together with the exhortation to sell dollars and dollar securities while yet there was time to convert them into gold. Examples:

"BRING YOUR MONEY BACK TO BRITAIN

"Advices from America indicate a serious state of affairs. This, therefore, offers a favorable moment to sell dollar securities and bring back the money to this country."

Again:

"SELL DOLLAR AND FRANC SECURITIES

"Don't be trapped. When the break on Wall Street comes, the reaction may be far-reaching."

Another day:

"WHO WILL GO OFF THE GOLD STANDARD NEXT?

"The American banking position shows no sign of improvement."

And so on, in such taste and meaning, day after day, with $350,000,000 of American gold credit freshly trapped in the Bank of England and in the British Treasury.

The financial nerves of the world are taut. They have been plucked and frayed to the snapping point. All the shapes of insolvency are dim. At this moment the Premier of France must pay a visit to the President of the United States to examine with him the problems of the world and explore all solutions.

What is it France wants? We already know in principle, even in some particulars, what she wants. First, she wants to get rid of her war debts to the United States Treasury. She wishes the American Government to forgive her these debts and charge them to the American taxpayer. At the same time she wants to continue receiving reparations from Germany. Therefore she wants to save the Young plan, which Germany, England, and many Americans, too, have taken for dead since the London conference last summer, especially since the report of the Wiggin committee of experts. The reason why she wants to save the Young plan is that it stipulates for certain large unconditional annuities to be paid by Germany to France before anyone else shall receive reparations at all. She does not want the Hoover war-debt holiday to be extended beyond its year; she prefers to be receiving more money from Germany on account of reparations than she pays to the United States Treasury on account of her war debts, as it was before. The holiday had almost cost her $100,000,000 a year, which was the excess of her German reparations over her payments to the United States Treasury; and it would have cost her that if she had not demanded special treatment as a preferred German creditor. Then in principle, of course, France wants anything else that will increase her power and prestige in the world.

THE FRENCH CREDITS IN AMERICA

What has any of this to do with the gold crisis? Well, what it all has to do with the gold crisis now immediately appears.

With the Premier of France on the high seas in this direction and with the newspapers running big headlines on the momentous nature of his visit and what France wants, and will she get it, suddenly we are astonished by the news that the Bank of France has notified the American banking system that France can not afford to leave her credit balances in New York any longer unless the rate of interest is raised. If the rate of interest is not raised, she will feel obliged to call the remainder of her credit balances home. And the remainder of these credit balances is $600,000,000.

This is as the news appeared in the New York Times on the morning of October 20:

"The Bank of France, which has about $600,000,000 of short-term balances in this market, yesterday notified New York banks that the 1½ per cent rate of interest now being paid on foreign central-bank deposits by local institutions was unsatisfactory. The French bank of issue indicated that unless a higher rate was provided it would seek other employment for its huge dollar balances.

"The French demand for a higher rate of interest, carrying with it the implied threat of withdrawal of French dollar balances in the form of gold, aroused a mixed reaction in Wall Street. Some bankers, who interpreted the move as an attempt to dictate to this market the terms under which France would refrain from recalling her money, flatly declared that they were willing to see the funds go. They said, despite the heavy gold losses recently sustained by the country, the United States had nothing to fear from such action on the part of France and much to gain by getting rid of an unwieldy obligation that, under other circumstances, might prove embarrassing. Other important bankers expressed the belief that the Bank of France would be satisfied with a slightly higher rate, possibly 2 per cent, and were inclined to stress this viewpoint as an indication that amicable arrangements for maintaining French balances here intact could be reached."

Firstly, the figure was astounding. For a long time France had been doing here what she did in England, namely, accumulating enormous credit balances. The amount of them was much more than we realized, much more than Wall Street itself knew, since, of course, they were not all in one place.

PROTECTED BY OUR MORATORIUM

Secondly, what did these French credit balances represent? Besides the normal proceeds of trade left on deposit with American banks, they represented, (a) dollar checks cashed by American tourists in France, and (b) American money loaned to Germany to pay reparations to France. These transactions are easily understood. As the French banks cashed the dollar checks of American tourists they took credit for them in American banks. This credit in American banks was gold credit; therefore the Bank of France treated it as gold reserve, as if it were gold actually in hand, and issued French currency against it for circulation in France. And the same way with American credit loaned to Germany to pay reparations. The Germans transferred it to France on the books of American banks, and the French left it here at interest.

Thirdly, how oblique that France, our debtor, owing us in one pocket $3,750,000,000 on which she is paying us this year nothing, may yet demand $600,000,000 of gold out of another pocket! She has that right. If she insists, we shall have to give her the gold. But she can do this only because her payments to the United States Treasury are suspended for a year by grace of an American moratorium.

Fourthly, such a thing as the central bank of one country serving notice on the banking system of another country that because the rate of interest is too low, or for any reason, it may feel obligated to call its aggregate credit balances away in gold, was hitherto unheard of. No one could have imagined it. That is not the way it happens in the normal course of international finance. Credit balances are continually shifting. If the rate of interest is higher in New York than in London, credit balances move automatically to New York; or if the rate of interest is higher in London, they shift from New York to London, and nothing is ever said about it. The only news of it will be in the bank statistics.

Now, the Bank of France very well knew that suddenly to lose $600,000,000 more gold, on top of what we had already lost to Europe—and the bulk of it to France—would create a grave situation in this country. And mark this: If the French themselves believed what they had been saying in Europe about the dollar and about the American financial situation in general, they must have believed that a demand upon New York for $600,000,000 more gold all at once would pitch this country off the gold standard. Well, of course, in that event—in the event of the dollar going the way of the pound sterling—then the French franc assuredly would be the premier gold money and govern the world of finance.

Did she mean it? That is a very interesting question. As a proposition in pure finance you would suppose that if the Bank of France had really meant to call away her $600,000,000 credit balances in gold she would not have been so stupid as to announce her whole intention beforehand. Any village banker would know better. Actually, therefore, the Bank of France was probably bluffing. The Bank of France is to France what the Bank of England is to Great Britain. In finance it is France. Therefore, it would have been France that was bluffing, and this carries it at once beyond finance into high politics.

Under pretense of being dissatisfied with the rate of interest in New York, the Bank of France revealed to us, to Europe, to the whole world, the amazing fact that France almost had the power, if not quite, to throw the American banking system off the gold standard! To send the American dollar after the pound sterling!

That was something for the Premier of France to have in his hand when he should begin to examine the problems of the world and explore solutions with Mr. Hoover in the White House. But it was at the same time a revelation in no way calculated to relieve the tension then existing here and elsewhere or to check the hoarding of gold by individuals—a dread movement that was already world-wide and threatening to become uncontrollable.

There were some very anxious moments in Washington. Public utterances were guarded and hushed, lest something should get

said out loud to offend the feelings of France. What would Wall Street do? What could it do? If it were willing to raise the rate of interest, on the ultimatum of the Bank of France, still, to do so would be to acknowledge the power of France. But if it refused, then what would happen? Would France really demand the gold?

WALL STREET STANDS FIRM

But there was only one right thing for Wall Street to say. May it be long remembered to the credit of Wall Street that it did say it. To this effect: "We pay here the New York rate of interest, whatever that may be. If France wants her credit balances, let her take them. If she demands them in gold, the gold will be ready."

The right honorable Financial Chronicle, with its Biblical prestige in Wall Street, said:

"The move was resented as an attempt to bring financial pressure to bear on the United States after the fashion that has been followed from time to time in recent European political maneuvers.

"Bankers here are confident that the country has nothing to fear from such a move, provided the American people themselves remain undisturbed. We think this is a proper attitude for our banking institutions to take. France contributed in no unimportant degree to the financial breakdown in Germany by withdrawing large amounts of short-term credits which it had employed in that country, its action then being followed by general withdrawal of credits and deposits by other foreign governments. It was then supposed that its purpose was mainly political. But later it began also to indulge in withdrawals of capital and of funds from Great Britain, though when the French bank became alarmed as to the possible consequences it once more began to cooperate and to extend new credits to the Bank of England and to Great Britain. But it was now too late to save Great Britain from suspension of gold payments.

"In like manner France is now engaged in huge withdrawals from New York, though we can not get ourselves to believe that the Bank of France has any ulterior purpose in doing this. At all events, the effect has been to create a feeling of distrust all over Europe and to lead to large withdrawals here by other important European countries, and more particularly Holland, Belgium, and Switzerland. In these circumstances the best course is unquestionably to ignore all threats—if such have really been made—and to let France do her worst if she is really bent on doing so."

Any other way of speaking to the Bank of France would have stultified American credit in the eyes of the world. The effect of that way of speaking was immediate. In all foreign financial capitals the dollar rose to new prestige and its value increased. When the disordered events of 1931 come to be viewed in perspective, it may well appear that Wall Street's strong-minded behavior at this point was of crucial importance, not only to this country but to a world that needed more than anything else just then a point of stability whereon to rest its confidence.

THE GOLD TIDE TURNS

So it turned out that when the Premier of France landed in New York the matter of a withdrawal of the French credits had been settled, and Laval pledged France to assist the United States in maintaining the gold standard.

In the joint statement issued from the White House on October 25 by President Hoover and Premier Laval this paragraph occurred:

"Particularly we are convinced of the importance of monetary stability as an essential factor in the restoration of normal economic life in the world, in which the maintenance of the gold standard in France and the United States will serve as a major influence."

And what would be the French contribution to the monetary stability of the world? What would France do to assist the United States in maintaining the gold standard? This, to wit: Pending a reexamination of her war debt to the United States Treasury, pending, further, a reexamination of Germany's capacity to pay under the Young plan, which makes France the preferred creditor, France would make no more abnormal demands upon the American gold reserve.

In his news report of the Hoover-Laval conversations, the Washington correspondent of the New York Times, October 26, wrote:

"In a cautious way, the joint statement made known that President Hoover and Premier Laval had determined that their two Governments should stand together in the maintenance of the gold standard. * * * Among the things accomplished were the assurance by Premier Laval that abnormal movements of gold from New York would be stopped, and that reexamination of Germany's capacity to pay reparations should be made under the existing provisions of the Young plan, with the United States deferring action on a survey of European debts to this Government to determine the capacity of debtor nations to pay until after a Young plan committee had reported on Germany's financial position."

Again in the same dispatch:

"Premier Laval made known that steps had been taken * * * to stop the flow of gold from New York to France."

Then the news of reflection, New York Times, October 28, from Washington:

"Two days after the results of the conversations between President Hoover and Premier Laval were announced in a rather colorless and unilluminating communiqué, a considerable Washington reaction is that beyond the mutual measures taken for the preservation of the gold standard, the stabilization of international exchange and the stoppage of abnormal shipments of gold from New York to France, the United States obtained no immediate concrete benefits from the Franco-American exchanges."

"Abnormal" is a strange word to be appearing in respect of the demands of one nation upon the gold reserves of another. In respect of the demands of a debtor nation upon the gold reserves of its creditor it grows stranger. And that the debtor should be able to oblige the creditor nation by undertaking to make no abnormal demands upon its gold reserves is more than strange. Why any possibility of abnormal demands by France upon the American gold reserves?

Then, again, what is abnormal? Did M. Laval mean abnormal in principle, perhaps? He sailed away on Monday, October 26. On that day the Bank of France took $20,000,000 more gold from New York, on Tuesday $18,000,000, but on Wednesday only $3,500,000. Yet $41,500,000 gold in three days is certainly a great deal. However, there were signs by then that the tide was beginning to turn. Still losing gold heavily to France, we were again receiving gold at the same time, because the dollar at last was taking to mind its own welfare, and the world's confidence in American credit was rising.

A gold country is like a bank. Its first responsibility is to itself, for the integrity of its money, its credit, and its assets, and if it suffers its view of this principle to be overcome by a sense of responsibility to others, no matter with what intention, it will fail the others because it has failed itself. It is the natural law, and there is no other.

A FAMILIAR FIGURE MISSING

In one of the bad moments last October a member of the Federal Reserve Board was heard saying: "Not only is this the worst financial crisis in all history. Something is missing that was always there before. All over the world there is this sense of something missing, like a familiar rock, an immovable point, a wheel of balance. And what is it? The Bank of England is missing. The authority of the pound sterling is missing. The value of the pound sterling itself is uncertain, changing from hour to hour. We never had that to contend with before."

So it was. And that is why the suspension of gold payments by the Bank of England was an appalling financial event. No longer was the pound sterling worth $4.86 in gold anywhere in the world. No longer was it the universal unit of value in which all other things were priced. For now it was that the pound sterling itself had to be priced in other things—in American dollars, for example. Then suppose the same thing should happen to the dollar, which had recently become the next most stable unit of value in the world's opinion. Suppose the dollar, instead of being worth 100 cents in gold anywhere in the world, should have to be priced at 90 cents, 80 cents, 70 cents, in terms of something else, maybe the French franc.

The long and familiar preeminence of the pound sterling as a universal unit of value in any kind of financial weather, war only excepted, had been worth to Great Britain an income of $300,000,000 or $400,000,000 a year from the rest of the world in the form of banking profit, meaning discounts, commissions, interest, and fees. Preeminence of the American dollar in the trade and exchange of the world in place of the pound sterling would be worth $300,000,000 or $400,000,000 a year to this country. Or, if such preeminence passed to the French franc, it would be worth $300,000,000 or $400,000,000 a year to France.

THE OLD PREEMINENCE OF THE POUND

So you may see what was involved as between the dollar and the franc, merely in terms of national income; you may see also what Great Britain had lost.

When the British say it was a good thing for England to leave the gold standard, they mean only that it was good for England that she embraced a bitter necessity in time. Now she will work harder, trade harder, spend less, live a little less, until she is quite solvent again. Her export of goods will increase for several reasons. They will be priced in the depreciated pound sterling, which means they will be cheaper for the world to buy, or, to say it another way, other people's gold money will buy more in England than before. Prices will rise in England, but probably not so much as the value of the pound sterling declines outside; as prices rise in England real wages will fall, wherefore the labor cost of producing British goods will fall, and so will the standard of living in England, temporarily at least. And this must happen to any country that loses the integrity of its money.

True, some British economists are saying it was not England that failed the gold standard; it was the gold standard that failed the world. Therefore, they say, the world may do well to try something in place of the gold standard. This is a novel way of thinking in England; elsewhere it is very old. Putting the blame on money! If England had not lost her hold on the gold standard she would be the last to say the gold standard had not been working—in a remorseless manner, to be sure, yet, nevertheless, working as it should—in the past three years. If she had not lost her hold on it and other countries were losing theirs, the Bank of England would be saying: "This is hard, but it is the way the gold standard works." It would be a grim thing to say, a selfish thing, perhaps, and yet quite right. For how did the pound sterling come to have preeminence throughout the world in the first place? Its prestige was from the fact that the British had always a primary sense of their responsibility to themselves; that is to say, again, for the integrity of their own money and their own credit; and it turned out, as the law is, that the more jealous they were in this first sense of responsibility to themselves the more certain they were not to fail the world in their responsi-

bilities to it, including the responsibility to keep the balance wheel running true. Thus the pound sterling became a symbol of stability that was a great asset to the whole world.

The best answer to anything the British may now be saying against the gold standard is that, whatever they say or seem to be thinking, all their behavior is governed by an imperious resolve to work themselves back to it by any sacrifice of immediate comfort.

The true meaning of the gold standard is not gold, any more than the value of a piece of paper money is in the quality of the engraving. The true meaning of it is a convention, and the faith of that convention must be kept, not in gold but in credit. Gold is the accidental figure in which the convention is embodied. It might be almost anything else, except that after long experience it was found that gold served better than anything else, merely as the figure. Once it was silver. The pound sterling originally was a pound of silver. The American dollar was originally silver.

Yet when that was true—when the figure was silver—the convention was the same; so also were the penalties for breaking the faith, only not so calamitous, because the great mechanism of money, credit, and exchange, in which all modern wealth is revolved more and more each year, controls the rhythms of human welfare down to the lowest chord.

The value of gold is arbitrary; so is the length of a yardstick. But just as it is necessary to sell cloth by the yard or coal by the ton, so it is necessary to have some arbitrary unit of value in which to price the yard of cloth and the ton of coal. It would be ideal to have something of absolutely invariable value in which to price them. But there is no absolutely invariable thing in the world.

The relative constancy of the gold supply, the durability of the metal, the fact that over the centuries the amount of human exertion necessary to get it out of the rocks changes very slowly—for these and other reasons gold is the least instable thing man has found for purposes of money, hence his preference for it.

Once the quantity of it was important merely as money. That is no longer true. The actual quantity existing is very small. Yet if the mechanism of credit and exchange were perfect and all people could be trusted by themselves and by one another to keep the convention, 1 ton of it—1 ounce of it, in fact—would serve the modern purpose.

THE CONVENTION OF GOLD

One of the singular characteristics of gold is its extensibility. Between two pieces of fine leather made from the intestines of an ox it may be beaten to the impalpable thickness of one three-hundred-thousandths of an inch, so that 1 troy grain may be made to cover 56 square inches. On the number of pure gold leaves 4 by 7 inches that could be beaten from 1 ounce, worth $20.60, you could print the Old Testament in the ordinary Bible type, if the leaves would bear printing. The ancient goldbeater's art may astonish the senses. More astonishing to the imagination is the extensibility of gold in a nonexistent dimension.

Out of this same tame and friendly metal men have beaten a pure fiction of gold, the very spirit of it, and this fiction or spirit is infinitely extensible and infinitely divisible. The gross name for it is credit. The business of extending and dividing the spirit of gold—the business, that is to say, of creating credit and setting it free—is in the hands of bankers, banking systems and governments, and the convention—namely, the true meaning of the gold standard—is simply their undertaking that the amount of credit to be created and set free shall bear a certain relation, called a ratio, to the amount of actual gold in their possession. The ratio is variable from time to time. If and as the business of the world increases faster than the gold supply, so that there is really a need for more money and credit, the ratio may be raised. It is not the ratio itself that is so all-important, as many people think; especially debtors who are always wanting cheap money with which to pay their debts, or, on the other hand, creditors whose advantage is in dear money. The imperatives are simple, and three: First, that there shall be some definite ratio; second, that it shall have been agreed upon when we were all in our right minds; third, that we hold to it in good faith.

CREDIT REPRESENTS DEBT

For this now is the modern function of gold—to limit the amount of money and credit that may be willfully, irresponsibly created and set free. Organized credit is, relatively, a strange thing in the economic life. New and experimental forms of it are continually being invented and we love to deceive ourselves with them. We forget that credit in any form represents debt in some other form. We know about ourselves that we have seizures of ecstasy and mass delusion; that again a time may come when the temptation to throw the monetary machine into wild motion so that everybody may become infinitely rich by means of infinite debt will rise to the pitch of mania, as it did, for example, in 1928 and 1929. With this intelligent knowledge of ourselves we make bargains beforehand with reason; we agree that money, credit, and debt shall not be inflated beyond a certain ratio to gold, under certain penalties such as we shall be very loath to pay, and yet such as we can not refuse to pay under worse penalties still.

So long as the convention is reasonably kept in the faith of credit nobody wants gold. People know what the fiction is. They may read for themselves in the published figures of the bank that its liabilities exceed its gold ten or twenty fold, and yet they feel no anxiety about the gold value of their deposits. They may read for themselves in the figures from the Public Treasury that the gold reserve is only one-half or one-third as much as the amount of paper money in circulation. Yet they will treat that paper money as if it were gold. Nobody would dream of supposing that a country, no matter how rich, could redeem its bonds all at once in gold. Yet its bonds will be treated as if they were gold, and one who happens to want gold for them may freely have it. All so long as the convention is kept.

Does this mean, as some of the silly textbooks used to say, that we are all gambling upon a mythical law of averages? No. It means a very definite thing. It means that if every kind of physical wealth were priced in gold, all in one moment of inventory, the aggregate value of it would not be less than the total amount of money, credit, and debt outstanding against it. Then all the money is as good as gold, all the credit is gold credit, and gold itself is a nuisance in the pocket.

But let the faith be broken, let the delusion arise that the fiction is the reality, let the limit upon the amount of credit that shall be set free be left to imagination, and presently there is no way of telling what anything is worth by pricing it. For a while this difficulty of not knowing what anything is worth but inflames the ecstasy. Everything will be priced higher and higher to make sure it is high enough; there will be the illusion that things are becoming dear and scarce. They seem to be dear because the value of the money and credit in which they are priced is falling; they will seem to be scarce because people are buying in the expectation that prices will go higher and higher still.

Suddenly doubt, then coming awake, then panic. The spirit of gold has been debased by senseless inflation. The faith is lost. All with one impulse people rush to seize the gold itself as the only reality left—not only people as individuals; banks also, and the great banking systems and governments do it, in competition with their own depositors and their own people. This is the financial crisis. All of it has happened. It was not the gold standard that did it; it was breaking faith with the gold standard that did it, and the case would be the same if the standard were anything else.

In this country had taken place an increase of actual and potential wealth so sudden, in many ways so unexpected, altogether so prodigious, that we lost our heads.

The reality was not enough. We got the delusion that American credit was inexhaustible. One aspect of the delusion was an acute anxiety in Wall Street lest it should become impossible to invent new forms of debt fast enough to absorb the new forms of credit.

Then many unsound ideas about what credit was for and what it would do. One was the idea that it not only could but was somehow obliged to solve the problems of Europe. We had come new to the business of world creditorship, with no experience in it, no philosophy of it that was our own. Europe read us endless lectures on the obligations of a world creditor, always with emphasis upon its obligation to keep its credit at the call of debtor nations. For otherwise how should the debtors keep going or ever be able to repay what they had already borrowed? We did not forget the law that the first responsibility of a creditor nation is to itself, and that if it fails in this it fails the world. We had never learned it. If now we comprehend it, the frightful cost of educating American credit abroad has not been wholly wasted.

CONSERVATION OF WILD LIFE

The VICE PRESIDENT. Morning business is closed. The calendar under Rule VIII is in order. The Secretary will state the first bill on the calendar.

The Chief Clerk read by title the bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish, and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply; and for other purposes.

Mr. REED. Mr. President, I should like to ask one of the sponsors of this bill about a particular paragraph of it.

The VICE PRESIDENT. The bill has not as yet been read. Does the Senator wish to ask the question before the bill shall have been read?

Mr. REED. No; I thought it had been reached on the calendar.

The VICE PRESIDENT. It has been reached, but the bill has not as yet been read.

Mr. REED. It was discussed at some length yesterday.

The VICE PRESIDENT. Yes; it was discussed before it was read. The Senator, however, may proceed with his question.

Mr. REED. I should like to see the bill made the unfinished business, and to that end I move that the Senate proceed to its consideration.

The VICE PRESIDENT. That may not be done before 2 o'clock.

Mr. REED. Very well.

Mr. THOMAS of Idaho. I ask that the bill may go over.

The VICE PRESIDENT. Is there objection to the bill going over?

Mr. REED. Yes. I object to its going over.

Mr. President, in section 5 of the bill I notice this provision:

> In the event that any department of the United States Government has for disposal any lands that are of no further use to such department for the purpose or purposes for which such areas were acquired—

And so on. Then there follows a provision that the land shall be offered to the various governmental agencies authorized by Congress to engage in the conservation of wild life. If the United States Government owns a 20-foot lot which has been bought for post-office purposes in the business district of some city, it is certainly rather ridiculous to require the Post Office Department to offer that to the Biological Survey for duck-breeding grounds or a fish hatchery. So I suggest that the Senator who has charge of the bill should consider some modification of that language, so as to make it apply only to lands that have some reasonable suitability for the purposes contemplated.

Mr. WALCOTT. Mr. President, of course the intent of that section is that it shall apply only to lands suitable to such purpose; that is, for the raising or for the care of wild life or fishes. If the intent is not sufficiently clear, it can be made clear.

Mr. ROBINSON of Arkansas. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Arkansas?

Mr. WALCOTT. Certainly.

Mr. ROBINSON of Arkansas. In that connection I call the attention of the Senator from Pennsylvania to the following language in the same section to which he has referred:

> Such areas shall first be offered to other various governmental agencies authorized by Congress to engage in the conservation of wild life, including fishes and forests, to ascertain if such areas are suitable and are desired to be taken under administration by such Federal conservation agencies to assist in carrying out the purposes of this act. Whenever such areas having been so offered shall upon investigation be found to be suitable for these purposes, the administration of such areas shall be transferred to the department or departments requesting such transfer, to be administered in conformity with the purposes of this act, and such lands shall not be subject to other disposal until said lands have been duly offered to and declined by other governmental departments.

I merely point out that the section does not seem to be open to the particular objection implied in the question of the Senator from Pennsylvania, because it does provide for a formal ascertainment and a decision of the question whether the lands to be taken over are suitable for purposes of conservation as contemplated by the bill. It is, however, an unusual provision, a very extraordinary provision.

I have felt—and the burden of proof, in so far as my own judgment is concerned, is upon the sponsors of the bill to change that opinion—that the proper way for Congress to set aside areas for conservation purposes is to define the areas to be so set aside rather than to incorporate a blanket provision which might invite the taking over of areas which are not really suited to the purposes intended, with the thought and purpose in mind of disposing of those areas or of exchanging them for other areas.

In other words, the provision is quite too general to meet with my approval unless it is made clear that it will operate differently from what has been suggested.

Mr. HAWES. Mr. President——

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Missouri?

Mr. WALCOTT. I do.

Mr. THOMAS of Idaho. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. THOMAS of Idaho. I am wondering what rule we are working under. I thought the calendar had just been called, and I asked that the bill go over.

The VICE PRESIDENT. There is only one bill on the calendar. If the Senator objects to the bill, it goes over unless it is taken up by motion.

Mr. THOMAS of Idaho. I am objecting to the consideration of the bill.

The VICE PRESIDENT. The bill will go over unless taken up by motion.

Mr. WALCOTT. I move to take it up, Mr. President.

Mr. HAWES. Mr. President——

The VICE PRESIDENT. The question is not debatable. [Putting the question.] The Chair is in doubt.

On a division, the motion was agreed to; and the Senate resumed the consideration of the bill, which had been reported from the Select Committee on Conservation of Wild Life Resources with an amendment.

Mr. HAWES. Mr. President——

The VICE PRESIDENT. Does the Senator having the floor yield to the Senator from Missouri?

Mr. WALCOTT. I do.

Mr. HAWES. The Senators from Pennsylvania and Arkansas were asking about a provision of the bill. I should like to have an opportunity to explain why we inserted that provision.

For months during the last summer and the summer before our committee had been investigating what might be called the wild-life resources of our country. We discovered that there were vast acreages in parks, Indian reservations, cut-over lands, and other public acreages, upon which no effort was being made to propagate either fish or game; so we decided that cooperation of the Federal departments would be helpful. This section is not designed to transfer land to a game department, or to create a sanctuary. It is only to put upon this land propagation enterprises of birds and fish and mammals which have been neglected in the past.

Mr. President, I do not believe that the importance of this subject and the interest which people have in it are sufficiently realized. Some time ago the Southern Newspaper Publishers' Association conducted an investigation solely for the purpose of ascertaining the relative advertising advantages of different sports. They caused an estimate to be made in 14 of the Southern States in the radius of their publications. I shall not read all of these figures but I shall read those of the State of Alabama.

The hunters and fishermen in Alabama, in round numbers, were 298,000 in number; the baseball fans, 169,000; the football fans, 84,000; the golf players, 63,000; the tennis players, 25,000.

Taking the total of these 14 States, we find that there are 4,420,000 men and women who hunt and fish; 2,426,000 who may be termed baseball fans; 1,218,000 football fans; 900,000 golf players; and 363,000 tennis players. So, taking the total of all the sports put together, the hunters and fishermen in those 14 States number 4,420,876, and the total of those who are interested in the four other forms of outdoor recreation amounts to 4,916,652.

I ask for the insertion in the RECORD of this statement.

The VICE PRESIDENT. Without objection, leave is granted.

The matter referred to is as follows:

PUBLIC INTEREST IN OUTDOOR RECREATION

Reports all agree that instead of the interest in outdoor recreation, hunting and fishing, decreasing, there is a rapid and continuous increase.

For illustration: A representative of the Southern Newspaper Publishers' Association, seeking to determine, for the purposes of publicity, the relative news value of hunting and fishing as compared with baseball, football, golf, and tennis, assembled the figures available for 14 of the Southern and Southwestern States. He reports the following results:

State	Hunters and fishermen	Baseball fans	Football fans	Golf players	Tennis players	Total football, golf, tennis, and baseball
Alabama	298,259	169,933	84,966	63,725	25,490	344,114
Arkansas	260,250	128,200	64,100	48,075	19,230	259,605
Florida	173,023	94,200	47,100	34,075	13,630	189,005
Georgia	343,842	211,400	105,700	79,275	31,710	428,085
Kentucky	319,702	169,200	84,600	63,450	25,380	342,630

State	Hunters and fishermen	Baseball fans	Football fans	Golf players	Tennis players	Total football, golf, tennis, and baseball
Louisiana	263,577	128,933	64,466	48,350	19,340	261,089
Mississippi	[1] 275,000	199,374	59,687	44,765	17,906	241,732
Missouri	331,101	234,000	117,000	87,750	35,100	473,850
North Carolina	385,690	193,133	96,566	72,425	28,970	391,094
Oklahoma	352,751	159,800	79,900	59,925	23,970	323,595
South Carolina	264,820	123,000	66,500	46,125	18,450	254,075
Tennessee	270,109	165,666	82,833	62,125	24,850	335,474
Texas	554,453	359,800	179,900	134,925	53,970	728,595
Virginia	328,299	169,733	84,866	63,650	25,460	343,709
Total	4,420,876	2,426,372	1,218,184	908,640	363,456	4,916,652

[1] Estimated; no game and fish department.

These figures clearly demonstrate the interest of the Nation in the great out-of-doors. It is conservatively estimated that there is a 400 per cent increase during the last decade in the number of people who enjoyed the pastimes of hunting and fishing.

Mr. REED. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Pennsylvania?

Mr. HAWES. I do.

Mr. REED. I am in sympathy with the main purposes of the bill; but it does seem to me that section 5 is open to objection, first, for the reason that it imposes an unnecessary formality on the sale of property that is obviously unsuitable, and it is hard enough to sell Government property now anyway. We ought to be able to realize promptly upon unnecessary lands held by the Government.

Certainly the Senator does not want a lot in downtown New York to be offered to the Biological Survey. I am sure that would not be his intention; and yet, as the section stands, we would have to take a lot in downtown New York and offer it to the Biological Survey and get their opinion that it is unsuitable for raising quail before we could go ahead and sell it.

What is the use of putting unnecessary impediments in the way of Government business if, by some modification of the section, we can carry out its real intent?

Then, I think the Senator from Arkansas [Mr. ROBINSON] has pointed out an even more serious objection, in that the language leaves too much discretion to the bureau officials here in Washington, who might be so absorbed in their own subject that they would want to retain for wild-life breeding land that was very valuable for other purposes, and ought not economically to be so held.

For example, suppose we wanted to sell Camp Meade out here. It is worth a very large amount of money. The head of the Biological Survey might say, "Why, no; I can raise birds there, or a fish hatchery can be established there." He ought not to be allowed to have such valuable land for that purpose. I am quite in sympathy, however, with the Senator's idea of using appropriate lands, wild lands, for this purpose.

Ought not the section to be further considered and modified?

Mr. KING. Mr. President, before the Senator answers, will he permit a suggestion?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Utah?

Mr. HAWES. I do.

Mr. KING. It seems to me we would be violating what many of the representatives of Western States have contended for if this bill were passed in its present form, in that as just indicated, it permits an agency of the Government to make the selection. I think land belonging to the Government ought to be transferred only by and with the consent of Congress.

Mr. WALSH of Montana. Mr. President, I intend to offer an amendment to that section, and, if the Senator will pardon me, I should like to make some observations with respect to it.

The VICE PRESIDENT. Does the Senator from Missouri yield for that purpose?

Mr. HAWES. I do.

Mr. WALSH of Montana. Mr. President, that section of the bill is of particular importance to the Senators from the Western States. The Forestry Service, in its zeal in the discharge of its own duties, of course, has been persistent in endeavoring to include within the forest reserves vast areas of the West, the inclusion of some of these areas in the forest reserves being opposed by the people of the locality. The Forestry Service was so insistent that it became necessary for Congress to pass a bill taking away from the President—and that meant from the Forestry Service—power to include, by order, lands within the forest reserves, reserving to Congress the right to say what lands should or should not be included.

In the West there are great areas that are set apart for Indian reservations, for military reservations, and other purposes of that character. If they are no longer needed for those purposes, they are to be offered to these various departments of the Government—the Forestry Service, for instance—and the Forestry Service immediately takes over the administration of those areas.

Let me illustrate. In my own State Fort Assiniboine, a huge area of 49,000 acres, was abandoned some time ago by the War Department for military purposes. Under this bill it would be offered to the Forestry Service, and that whole area of 49,000 acres, if the Forestry Service desired it, would be added to the forest area of the State of Montana.

Fort Keogh Reservation, almost as extensive, was likewise abandoned. By act of Congress that was created a station for the development of methods of more perfectly utilizing the range for range cattle.

In the case of Fort Assiniboine, 2,000 acres of it, together with buildings, were turned over to the State of Montana for agricultural purposes, and the remainder was opened to homestead settlement.

In the case of Fort William Henry Harrison, an area of about 2,000 acres adjacent to the city of Helena, was abandoned by the War Department for military purposes. That has been turned into a veterans' hospital and is now a flourishing institution for the care of disabled veterans.

Under this bill all of these areas would be offered to the Forestry Service, for instance, and turned over to that department or to the Biological Survey or to some other department.

In that situation of affairs, Mr. President, and in conformity with the policy heretofore expressed by Congress, I shall propose that in line 5, after the word "shall," there be inserted the language "upon approval by the Congress," so that it will read:

Whenever such areas having been so offered shall upon investigation be found to be suitable for these purposes, the administration of such areas shall, upon approval by the Congress, be transferred to the department or departments—

And so forth.

Mr. REED. Mr. President, I am afraid that would have the effect of slowing up the sale of all Government real estate so as to make it almost impossible to sell a tract of Government land.

Mr. HAWES. Mr. President, I should like to answer the Senator's question of a moment ago, and the questions of the Senator from Arkansas.

The VICE PRESIDENT. The Senator from Missouri.

Mr. HAWES. This bill does not contemplate a change of management or a control of these properties. All that it is intended to do, and all the committee believes it will do, will be to utilize certain portions of our great unoccupied areas for the propagation of game and fish.

That does not mean the whole property. For instance, we shall introduce in a short while a bill for the establishment of a game farm. That requires only a thousand acres. All this would do would be to promote propagation of fish and game on the public acreage. There would be no jurisdictional changes. The investment for this purpose would be small, infinitesimal.

Mr. SHORTRIDGE. Mr. President, will the Senator yield?

Mr. HAWES. I yield.

Mr. SHORTRIDGE. Does not the Senator recognize the rule of interpretation of statutes, which would mean that if this bill passes with the language now in it, it will amend existing statutes?

Mr. HAWES. It would amend existing statutes, of course.

Mr. SHORTRIDGE. I say with deference to the Senator that it would to a certain degree amend existing statutes.

Mr. HAWES. Certainly.

Mr. SHORTRIDGE. With respect to the power of disposal of the use of the lands referred to in the bill before us.

Mr. HAWES. I would welcome any clarifying amendment which would more thoroughly define our object, which is the temporary use of this land, just like boys on a vacant lot in a city are permitted by the owner of the lot to play baseball on it until it is used for some other purpose. That is all this bill intends, and it does not transfer jurisdiction from the Park Service to the Biological Survey, nor does it change it the other way, or to the Bureau of Fisheries. It leaves the jurisdiction just as it is.

Mr. SHORTRIDGE. The Senator will understand that I am in hearty sympathy with the purposes of the bill.

Mr. HAWES. Mr. President, the extended discussions in relation to this bill were not anticipated. The amendments proposed are not objectionable. The work of the Committee on Conservation of Wild Life Resources occupied a great deal of the time of its members, and the continuous work which it has applied to the subject may be responsible for the appearance of this bill as No. 1 on the calendar.

The immensity of the subject to be covered by the committee may be visualized when it is understood that, in addition to the immediate subjects under investigation, it is connected with the matters of flood control, irrigation, reclamation, Government lands, military and naval reservations, public parks, and reforestation. To these may be added international treaties and regulations thereunder; regulations of the Customs Service; prosecutions by the Department of Justice; and actions of other Federal agencies.

The committee had before it for advice and suggestions representatives of each department of the Government who have administration either of direct or related activities.

It held extensive hearings, received suggestions, and personally visited wide sections of the central and extreme West, and on the Canadian border, holding hearings and taking testimony. On account of lack of time it was possible to visit but a small portion of our Nation, neglecting for the time other important and interesting sections which will require special study and consideration.

As the work of the committee proceeded, the magnitude of the subject has developed. The information so far obtained is but a small part of that necessary to complete the directed undertaking of the committee.

It will require at least two years, probably longer, to complete its investigations and recommendations, but its inquiry so far has established the vital part in health, national revenue, industrial investment, and recreational value that the preservation and restoration of American wild life holds for the Nation.

Your committee found convincing evidence of a rapid disappearance of wild life. The evidence supporting this conclusion comes from every source. It is not disputed.

Both National and State sources of information agree, and substantiation comes from conservation and sportsmen's organizations, from manufacturers and dealers, from research bureaus and statisticians.

The alarm of the conservationist, sportsman, fisherman, recreationist, and hunter has never been greater than at the present period. The rapid disappearance of wild life is proclaimed by the great newspapers of the Nation and by the smallest local publication. This alarm is supported by all of the Government experts who have appeared before your committee and by reports received from the conservation commissions of the 48 States.

There is unity of opinion on this subject. It is a matter which is not disputed, nor are the complaint and alarm sectional in character; it comes from every part of our country.

Happily for America, but contributing materially to this disappearance of wild life, we find that the instinct or call for hunting and fishing has not decreased but is constantly increasing. It is an hereditary instinct transmitted from pioneer ancestors.

We find that while there is a steady decrease of game and game fish, there is a corresponding increase in the number of hunters and fishermen.

Outdoor recreation and camping have everywhere increased as the result of the introduction of the motor vehicle, providing opportunities for wholesome recreation to millions of our citizens heretofore denied these blessings.

The principal influences which have been effective in reducing and destroying our wild life, your committee finds, are drainage, deforestation, fire, disease, water pollution, increasing numbers of hunters and fishermen equipped with means for rapid, cheap transportation, and, finally, the extended occupation of land by agriculture and industry. It must be expected that to a considerable degree the original stocks of birds, mammals, and fishes must give way for the predominant needs of our advancing civilization. From the investigations already conducted your committee has reached the positive conclusion that the destructive effects to wild life everywhere, apparently, might have been greatly modified and in many cases actually avoided had a national policy of conservation been adopted earlier by State and Federal Governments. And your committee is also of the opinion that it is not yet too late to formulate and apply such policies with every hope for success, and that the timely inauguration of a sound program will yet insure not merely a maintenance of existing supplies of birds, animals, and fishes but should produce an increase in these resources so that future generations of Americans may profit by this wholesome recreation even beyond our own present opportunities.

The larger part of a successful conservation program in the preservation and replacement of wild life belongs to the various States, but without active participation and the leadership of the Federal Government the work will fail.

National participation has been effective but has not been either fully defined, coordinated, or supported.

Our study has not advanced to a point which justifies our positive expression of opinion at this time in the matters of consolidation under a new Federal department of conservation or a consolidation of departments under one department with a permanent under secretary in charge.

Your committee has not had the opportunity to advance its investigation of these suggestions and is leaving the subject open for further consideration.

In asking for an orderly and effective program, your committee has given first consideration to Federal activities in wild-life preservation and finds that in the case of forage and farm crops experience has developed two principles now applicable to wild life:

(*a*) The Federal Government's part in connection with game crops grown on State land is to assist the States to work out better game-cropping methods. The Federal function is research and demonstration.

(*b*) On Federal lands the Federal Government should conduct its own game-cropping operations.

In seeking means to apply approved principles in Federal projects to develop wild life your committee has endeavored to define, in part, the responsibility of the National Government and to allocate this responsibility to the various departments and bureaus. The committee recommends concentration on the allotted subjects by these departments in order to promote a more effective coordination among the Federal agencies.

Congress has created two major Federal bureaus especially to administer the resources of birds, mammals, and fishes and designed to be the scientific fact-finding organization for all Federal agencies and operations having to do with

the development, protection, and utilization of wild life. They are the Bureau of Fisheries in the Department of Commerce and the Bureau of Biological Survey in the Department of Agriculture. The functions of these two bureaus in the Federal program are of a vital and peculiar nature. From these bureaus must come the information, both scientific and practical, to enable administration executive agencies to use methods for increasing the production of wild life which are economical and practical.

The Park Service, in the Department of Interior, and the Forest Service, in the Department of Agriculture, are two major Federal bureaus also principally responsible for the preservation and replacement of wild life by reason of the control which they exercise over great areas of public domain; the opportunities thus provided for increasing the supply on such lands and also because of the demonstration value of such operations to the State commissions and to other organizations and individuals engaged in similar undertakings.

We find that conservation is directly or partly administered by all members of the President's Cabinet: The Secretary of State; Secretary of Agriculture; Secretary of Commerce; Secretary of the Interior; Secretary of the Treasury; Secretary of War; Secretary of the Navy; the Attorney General, directing the Department of Justice; the Postmaster General; and the Secretary of Labor.

The necessity for coordination and cooperation between State enforcement and national enforcement is self-evident.

Industrial developments and the rapid expansion of the American population in its manifold activities and occupations have made serious inroads upon the forests and other natural environments of wild life. The marsh and other areas so necessary to the maintenance of wild fowl suffered especially by this development. Tremendous acreages were drained, and in many cases the soil exposed by the drainage operations proved to be worthless for agriculture.

Improved roads and the widespread use of automobiles and motor boats have brought the sportsman more quickly to his game. Even the effect of the building of railroads in the Middle West and the introduction of cold storage have hastened an unfortunate situation.

Mr. ROBINSON of Arkansas. Mr. President, I desire particularly the attention of the Senator from Missouri [Mr. HAWES] and the Senator from Connecticut [Mr. WALCOTT], who have expended much time and effort in the preparation of this bill. I think those who have not made a study of the subject are not fully informed of the conditions which the bill intended to remedy, in part.

With the multiplication of the processes of civilization, the clearing up of large swamp and forest areas, the placing of them in cultivation, the reclamation, by drainage and other processes, of grounds which constitute the natural breeding and hatching places of animals and fowls, the constant consequent narrowing down of the places where such animals and fowls may find life and protection, wild life in America is disappearing much more rapidly than is generally understood. The time is not far distant when any remedy which can be offered will prove largely futile, for the reason that it will come too late. Indeed, I am not certain, from the limited study I have been able to make of the subject, that we have not already waited too long, and that in spite of everything which may now be done it will prove difficult, and almost impossible, to preserve wild life within the meaning of the intention of this proposed act and its author.

Some years ago, at the instance of those who were familiar with the problem, I introduced in the Senate a bill to establish game sanctuaries in the national forests; I refer to Senate bill 266, introduced April 18, 1929. I do not refer to that with any degree of pride, because it has not been practicable to secure action on the measure. The bill has been reintroduced during the present session. It provides:

That for the purpose of providing breeding places for game animals on lands in the national forests not chiefly suitable for agriculture, the President of the United States is hereby authorized, upon recommendation of the Secretary of Agriculture and with the approval of the State legislatures of the respective States in which said national forests are situated, to establish by public proclamation certain specified areas within said forests as game sanctuaries or refuges, which shall be devoted to the increase of game animals of all kinds naturally adapted thereto, but it is not intended that the lands included in such game sanctuaries or refuges shall cease to be parts of the national forests wherein they are located, and the establishment of such game sanctuaries or refuges shall not prevent the Secretary of Agriculture from permitting other uses of the national forests under and in conformity with the laws and the rules and regulations applicable thereto.

There are other provisions in the bill which seek to effectuate its purposes.

As Senators all know, particularly those Senators who represent Western States, there are millions of acres of lands within these national forests; and these areas, or at least large parts of them, may be operated and preserved in entire consistency with their simultaneous use as game sanctuaries. It would conform to the purposes of the section now under consideration if the Senator in charge of the bill should see fit to give consideration to the incorporation of some such provision as that embraced in the bill to which I have been referring.

The bill creating game sanctuaries in national forests was prepared at my suggestion by the departments which are intrusted with the administration of the national forests, and it is so framed that, in the opinion of those authorities, its administration would not interfere with the use of the forests for the purposes for which they were created.

It would constitute a material advance along the line which the committee reporting the pending bill evidently had in mind, in that it would make possible at once the creation of refuges for wild animals, game animals, and birds; and carry forward the purposes of conservation without undue interference with any other use of the land, and it would not bring into the public domain areas which are not now a part of the national forests. It would result in a sensible and practicable use being made of these natural sanctuaries, and if something of this nature had been begun 20 or even 10 years ago we would not be confronted now with the conditions which we are all desirous of remedying.

The protection of the breeding places of game animals is not an immaterial matter by any means; it is a very material one, because they supply a large part of the food products consumed by the people of the United States. These breeding places are constantly being diminished in number and in area, and one reason why the question of the preservation of wild life has become so acute at this time is the fact that during 1930 an additional natural cause cut off perhaps one-half of the supply of game which might have been anticipated without that cause. Great droughts, extending to the hatching places and the breeding places of fowl and animals which require water for their propagation, prevented the normal processes of propagation.

I wonder whether the attention of the committee was called to this bill, and whether they would like to consider it as an amendment to the section now under consideration. It would result in a definite incorporation, in the areas useful for the propagation of wild life and the protection of wild life, of literally millions of acres of land suitable for the purposes.

Mr. WALCOTT. Mr. President, the senior Senator from Arkansas [Mr. ROBINSON] has stated precisely what the committee had in mind in preparing this bill, and he stated it very clearly.

The chief purposes of the bill were to help those States within whose borders are still found the largest remnants of game and wild life, mammals and fish, and it is perfectly apparent that the Senators from those States are not in sympathy with all the provisions of the bill. I refer particularly to the States of Wyoming, Montana, and Idaho. Those are the States which most need help; they are the States which we are determined to help, and we thought this bill would help them. But apparently there are some objections to the bill.

I do not wish to have the bill lose its place on the calendar. I do want to have it helpful, and so does the entire committee. Therefore, if there is no objection, I would

like to have the bill go over until to-morrow, and we will try to iron out these difficulties and see if we can not get a really constructive measure here by to-morrow.

Mr. ROBINSON of Arkansas. Mr. President, I would like to point out to the Senator that the provision I have been describing contemplates the consent of the legislatures of the States in which the areas exist.

Mr. WALSH of Montana. Mr. President, it is quite agreeable to me that the bill should go over, but before that course is taken I want to remark that no doubt the Senator from Pennsylvania [Mr. REED] is concerned about military reservations and that sort of thing. It will be remembered, however, that the disposition of abandoned military reservations is provided for by general law. It would meet the requirements in that respect well enough to have a simple provision in the pending bill that nothing in it shall be construed to repeal or amend the law in relation to the disposition of abandoned military reservations, so that the law could not be made applicable to them.

But there is another feature of the bill which I think has not been adverted to particularly and concerning which I should like to speak for the information of the committee in its work in redrafting the bill, if it should take that course.

Section 7 of the bill reads as follows:

SEC. 7. The Bureau of Biological Survey and the Bureau of Fisheries are hereby authorized to make surveys of the wild-life resources of the public domain, or of any lands owned or leased by the Government, to conduct such investigations as may be necessary for the development of a program for the maintenance of an adequate supply of wild life in these areas, to establish game farms and fish-cultural stations commensurate with the need for replenishing the supply of game and fur-bearing animals and fish thereon, and, in cooperation with the National Park Service, the Forest Service, or other Federal agencies, the State agencies, to coordinate and establish adequate measures for wild-life control on such areas.

I do not know whether it is the correct construction, but it would appear to me as though this provision would authorize the Bureau of Biological Survey and the Bureau of Fisheries to establish game preserves, which, of course, implies the purchase of the necessary land, the establishment of the necessary buildings, and that kind of thing. As to the establishing of fish-cultural stations, I think the principle has the approval of every Member of this body, but heretofore Congress has reserved to itself the power to say where and when fish-cultural stations shall be established. I doubt whether Congress would like to grant full authority to the Bureau of Fisheries and the Bureau of Biological Survey to establish stations at will, or the power to do such a thing. I scarcely think it could have been the intention of the committee to confer any such power upon the bureau.

I make these suggestions in view of the possibility that the bill may be amended by the committee.

Mr. VANDENBERG. Mr. President, before the bill goes over may I pursue the suggestion just made by the Senator from Montana to the extent of calling attention to the fact that under section 9 the authority even to accept the donations of land for these various purposes is transferred to the Secretary of Agriculture and the Secretary of Commerce? The power even to accept donations is conferred. It seems to me those donations might amount to a sufficient magnitude upon occasion to be comparable almost with the offering of a national park, which, of course, we could not accept without the authorization of Congress, because it has implied in it the responsibility of upkeep and public taxation for that purpose. It seems to me if the question is to be restudied most assuredly section 9 should be restudied from that viewpoint.

Mr. THOMAS of Idaho. Mr. President, I am very much in favor of the bill going over. No State in the Union is more interested in the conservation of wild life than is Idaho. We have within the borders of that State the greatest fishing and hunting grounds in the country, and for that reason we are deeply interested in any legislation that is proposed affecting the matter. The pending bill has been brought before the Senate before our people had a full chance to study it. They know nothing about its provisions. I think it is very well to have the bill go over to afford us an opportunity to give it consideration before we discuss it on the floor of the Senate.

The VICE PRESIDENT. Without objection, the bill will go over.

WORLD COURT MATERIAL

Mr. BORAH. Mr. President, I ask to have printed as a Senate document a chronological history of the proceedings with reference to the World Court. The matter has been arranged by the executive clerk, and I am informed is full and complete.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. BORAH subsequently said: Mr. President, I desire to submit a written order authorizing the printing of the World Court record which I presented a few moments ago, and I ask unanimous consent for its immediate consideration.

There being no objection, the order was read, considered, and agreed to, as follows:

Ordered, That the Secretary of the Senate be directed to prepare in the form of an executive document material relating to the subject of the World Court, consisting of indexes on the subject, contained in volume 64, Part I, of the Executive Journal; indexes to the CONGRESSIONAL RECORDS for the Sixty-seventh Congress, fourth session, to and including the third session of the Seventy-first Congress; reservations, resolutions, and amendments offered or submitted during the first session of the Sixty-ninth Congress, with the yea-and-nay votes thereon; the protocol with resolution of adherence and reservations agreed to on January 27, 1926; the present pending protocols and the so-called Root hearing held before the Committee on Foreign Relations on January 21, 1931; and that 2,000 copies be printed as an executive document.

IMPORTATION OF WOOD PULP

Mr. McNARY. Mr. President, on yesterday I offered a resolution which is on the clerk's desk. I ask that the clerk report the resolution and I request its immediate consideration.

The VICE PRESIDENT. Let the resolution be read for the information of the Senate.

The resolution (S. Res. 95) was read, as follows:

Resolved, That the United States Tariff Commission is directed to make a thorough investigation of the effect of the depreciation in value of foreign currencies upon the importation into the United States of mechanically ground wood pulp, chemical wood pulp, unbleached or bleached, and pulpwoods, and to report to the Senate as soon as practicable the results of such investigation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. REED. Mr. President, I would like to ask the Senator from Oregon whether it might not be wise to broaden the terms of the resolution? The problem presented by Canadian exchange in regard to importations of wood pulp is after all only a duplicate of the problem presented by imports from Great Britain, from Japan, and from a number of other countries that have allowed their currency to go off the gold basis. Would not the Senator be willing to broaden the resolution to extend it to all importations? The problem is the same everywhere.

Mr. McNARY. Mr. President, I realize that the problem of exchange is involved generally, but a resolution so general in character as suggested by the Senator from Pennsylvania would involve a great study and a tremendous length of time on the part of the commission. This matter was brought to my attention. It is imperative that some study be made. Hence, I took up the matter with the Tariff Commission and they suggested the resolution in its present form. There may be a lot of industries which are not caring about the investigation. This industry feels that it is important to have the investigation.

Mr. REED. I do not want to impede the passage of the Senator's resolution, so I shall prepare one of my own, if I decide to do so.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages from the President of the United States

submitting several judicial nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

ELECTION OF PRESIDENT PRO TEMPORE

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, which is the election of a President pro tempore.

Mr. ROBINSON of Arkansas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Jones	Schall
Austin	Cutting	Kean	Sheppard
Bailey	Dale	Kendrick	Shipstead
Bankhead	Davis	Keyes	Shortridge
Barbour	Dickinson	King	Smith
Barkley	Dill	La Follette	Smoot
Bingham	Fletcher	Lewis	Steiwer
Black	Frazier	Logan	Swanson
Blaine	George	McGill	Thomas, Idaho
Borah	Glass	McKellar	Thomas, Okla.
Bratton	Glenn	McNary	Townsend
Brookhart	Goldsborough	Metcalf	Trammell
Broussard	Gore	Morrison	Tydings
Bulkley	Hale	Moses	Vandenberg
Bulow	Harris	Neely	Wagner
Byrnes	Harrison	Norbeck	Walcott
Capper	Hastings	Norris	Walsh, Mass.
Caraway	Hatfield	Nye	Walsh, Mont.
Carey	Hawes	Oddie	Waterman
Connally	Hayden	Pittman	Watson
Coolidge	Hebert	Reed	White
Copeland	Hull	Robinson, Ark.	
Costigan	Johnson	Robinson, Ind.	

The PRESIDING OFFICER (Mr. ODDIE in the chair). Ninety Senators having answered to their names, a quorum is present. The question is the election of a President pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOSES (when his name was called). Again announcing my unimpaired pair, I withhold my vote.

Mr. NORRIS (when Mr. HOWELL's name was called). I desire to announce the absence of my colleague [Mr. HOWELL]. He is paired with the Senator from Montana [Mr. WHEELER]. If present, my colleague would vote for Senator HEBERT.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is detained at home on account of illness. I transfer that pair to the senior Senator from Ohio [Mr. FESS] and vote for Senator MOSES. I was requested to announce that if the senior Senator from Ohio were present he would vote for Senator MOSES.

Mr. WAGNER (when his name was called). I have a pair with the junior Senator from Missouri [Mr. PATTERSON], and therefore withhold my vote. If he were present, he would vote for Senator MOSES, and if I were permitted to vote I should vote for Senator PITTMAN.

The roll call having been concluded, resulted as follows:

FOR SENATOR PITTMAN—42

Ashurst	Connally	Hawes	Robinson, Ark.
Bailey	Coolidge	Hayden	Sheppard
Bankhead	Copeland	Hull	Smith
Barkley	Costigan	Kendrick	Swanson
Black	Dill	King	Thomas, Okla.
Bratton	Fletcher	Lewis	Trammell
Broussard	George	Logan	Tydings
Bulkley	Glass	McGill	Walsh, Mass.
Bulow	Gore	McKellar	Walsh, Mont.
Byrnes	Harris	Morrison	
Caraway	Harrison	Neely	

FOR SENATOR MOSES—32

Austin	Goldsborough	McNary	Smoot
Barbour	Hale	Metcalf	Steiwer
Bingham	Hastings	Norbeck	Townsend
Carey	Hatfield	Oddie	Vandenberg
Dale	Hebert	Reed	Walcott
Davis	Johnson	Robinson, Ind.	Waterman
Dickinson	Kean	Schall	Watson
Glenn	Keyes	Shortridge	White

FOR SENATOR HEBERT—12

Blaine	Capper	Jones	Nye
Borah	Couzens	La Follette	Shipstead
Brookhart	Cutting	Norris	Thomas, Idaho

FOR SENATOR McNARY—1

Frazier

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 42 votes, Senator MOSES 32 votes, Senator HEBERT 12 votes, and Senator MCNARY 1 vote. The total number of votes cast is 87; necessary for a choice, 44. No Senator having received a majority of the votes cast, there is no election, and the Secretary will again call the roll.

The legislative clerk proceeded to call the roll.

Mr. NORRIS (when Mr. HOWELL's name was called). Repeating the announcement I made on the previous ballot regarding my colleague and his pair, I desire to say that if present my colleague would vote for Senator HEBERT.

Mr. TYDINGS (when Mr. METCALF's name was called). On this vote I have a pair with the senior Senator from Rhode Island [Mr. METCALF], who is necessarily absent. If he were present, he would vote for Senator MOSES, and if I were permitted to vote I should vote for Senator PITTMAN.

Mr. MOSES (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as before, I vote for Senator MOSES.

Mr. SHEPPARD (when Mr. WAGNER's name was called). The Senator from New York [Mr. WAGNER] is unavoidably absent. He is paired with the junior Senator from Missouri [Mr. PATTERSON]. If the Senator from New York were present, he would vote for Senator PITTMAN.

The roll call having been concluded, resulted:

FOR SENATOR PITTMAN—41

Ashurst	Connally	Hawes	Robinson, Ark.
Bailey	Coolidge	Hayden	Sheppard
Bankhead	Copeland	Hull	Smith
Barkley	Costigan	Kendrick	Swanson
Black	Dill	King	Thomas, Okla.
Bratton	Fletcher	Lewis	Trammell
Broussard	George	Logan	Walsh, Mass.
Bulkley	Glass	McGill	Walsh, Mont.
Bulow	Gore	McKellar	
Byrnes	Harris	Morrison	
Caraway	Harrison	Neely	

FOR SENATOR MOSES—31

Austin	Goldsborough	McNary	Steiwer
Barbour	Hale	Norbeck	Townsend
Bingham	Hastings	Oddie	Vandenberg
Carey	Hatfield	Reed	Walcott
Dale	Hebert	Robinson, Ind.	Waterman
Davis	Johnson	Schall	Watson
Dickinson	Kean	Shortridge	White
Glenn	Keyes	Smoot	

FOR SENATOR HEBERT—13

Blaine	Couzens	La Follette	Shipstead
Borah	Cutting	Norris	Thomas, Idaho
Brookhart	Frazier	Nye	
Capper	Jones		

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 41 votes, Senator MOSES 31 votes, Senator HEBERT 13 votes. The total number of votes cast is 85; necessary for a choice, 43. No Senator having received a majority of the votes cast, there is no election.

ADJOURNMENT

Mr. MCNARY. I move that the Senate adjourn.

The motion was agreed to; and (at 1 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Thursday, December 17, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 16, 1931

UNITED STATES DISTRICT JUDGE

Gunnar H. Nordbye, of Minnesota, to be United States district judge, district of Minnesota, additional position. (Mr. Nordbye is now serving under a recess appointment.)

UNITED STATES ATTORNEYS

John B. Isbell, of Alabama, to be United States attorney, northern district of Alabama, to succeed Charles B. Kennamer, resigned, and Jim C. Smith, appointed by the court. (Mr. Isbell is now serving under a recess appointment.)

Edward W. Wells, of Pennsylvania, to be United States attorney, eastern district of Pennsylvania, to succeed Howard Benton Lewis, appointed by the court. (Mr. Wells is now serving under a recess appointment.)

John D. Hartman, of Texas, to be United States attorney, western district of Texas. (He is now serving in this position under an appointment which expired December 15, 1929.)

HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 16, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We thank Thee, our Heavenly Father, for the imperishable realities of the soul, namely, faith, hope, and love. These are the sublime graces which inspire wise and heroic deeds and bind us together in those lasting friendships which shall abide forever. We pray that we are here to-day by a common impulse to record achievements that shall stimulate faith and confidence in our great system of government. Shed abroad in all hearts that spirit which gives courage and zest of life. These are not evoked by things and daily circumstances. With unflagging interest and generous enthusiasm may we serve the country which has so signally honored us. With unerring vision may we see "Immanuel"—God with us everywhere. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed, without amendment, a joint resolution of the House of the following title:

H. J. Res. 72. Joint resolution to permit the temporary entry into the United States under certain conditions of alien participants and officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad to be held in the United States in 1932.

THE SAVANNAH RIVER PROJECT

Mr. BRAND of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech delivered by myself before the Rivers and Harbors Congress last week in regard to the waterways of the country, particularly the Savannah River.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. BRAND of Georgia. Mr. Speaker, under leave to extend my remarks in the RECORD, I submit an address delivered by me at the Twenty-seventh Convention of the National Rivers and Harbors Congress which was held in Washington, D. C., on December 8 and 9, 1931. The facts and figures embraced in this address were furnished me by persons interested in the Savannah River project.

The address is as follows:

Savannah River is the boundary line between Georgia and South Carolina. When General Oglethorpe settled Georgia, as the last of the original thirteen Colonies, he established the city of Savannah at the mouth of the Savannah River and a trading post at the head of navigation, which later became the city of Augusta. As a trade center, with the interior and the river affording communication with the coast, Augusta grew rapidly.

Over 100 years ago tobacco was brought over the mountains from Tennessee to Augusta for shipment by water. Later, trade at Augusta had grown to such proportions that the people of Charleston built the Charleston & Augusta Railroad, now the Southern, from Charleston to Hamburg, which is just across the river from Augusta, in order to direct part of the river traffic to the port of Charleston. From that time until the present, water transportation on the river has been continuous in spite of the fact that very little improvement has been made in the original channel conditions as compared with the tremendous improvement in railway and highway facilities.

Augusta is strategically situated as an Atlantic-seaboard outlet for the wonderful Piedmont section of northwestern South Carolina, northern Georgia, the western section of North Carolina, and the eastern section of Tennessee. This area is rich in hydroelectric power and minerals and is a highly developed textile and clay-products area. Its agricultural and other potentialities are unsurpassed by any other section.

With the wonderful port of Savannah at one end and the trade and industrial center of Augusta and vicinity 200 miles inland by water on the other end, the possibilities for navigation, provided there is an adequate channel, are tremendous.

An economic survey of potential water-borne traffic between Augusta and its tributary territory and the outside world, which was made during the past year, indicates there would be a movement of about 2,000,000 tons per year and that if this tonnage moved by water there would be an annual saving to the general public of several million dollars. Even discounting these figures by a large percentage, the reduced estimate of the savings would warrant an expenditure of between thirty and fifty million dollars in the construction of improved navigation facilities.

The river and harbor act of July, 1930, authorized the construction of a 6-foot channel between Savannah and Augusta by canalization, but the people in this section desire to be on the same footing as regards navigation with those on the Warrior, the Tennessee, the Ohio, and the intracoastal cities along the Atlantic and Gulf coasts, so that there can be free interchange of commerce without transfer of cargo by means of through-barge traffic. To accomplish this a channel 9 feet deep is necessary between Savannah and Augusta. Anything less on the river must be considered as a narrow-gage transportation line connecting with the standard-gage line at Savannah, and in this day and time no one would consider spending a dollar for the construction of a narrow-gage line to haul a large volume of traffic.

During the past year the Interstate Commerce Commission held extensive hearings in Augusta on an application by the Augusta-Savannah boat line for through rail-water routes and rates between the river-boat line and the railroads entering Augusta. The commission examiner, after hearing the evidence on both sides, decided that the establishment of such routes and rates was adequately justified and so recommended to the Interstate Commerce Commission.

I wish to have it clearly understood that Augusta and the promoters of the Savannah River project are not fighting the railroads because they are in favor of an improved waterway. The economic survey that I have just referred to indicates that the bulk of the prospective traffic will be new traffic that is not now handled by the rail lines, and that when this traffic is developed the present business of the railroads will be enormously increased by reason of the fact that much of it must be handled by the rail lines between Augusta and the back country. The citizens of Augusta do not claim to be the potential distribution point for the entire interior of the United States, but they do claim to be in a position to give to Augusta and its legitimate trade territory the opportunity to compete with the rest of the world.

A review of the present authorized 6-foot navigation project on the Savannah River is in preparation for consideration by the Chief of Engineers, United States Army, and it is hoped that when all the facts are before him he will agree with us that a 9-foot navigation project between Savannah and Augusta is justified and that its consummation in the near future will be a large factor in hastening the return and establishment of our national prosperity.

Augusta is at the head of navigation on the Savannah River, with a vast territory rich in agricultural, mineral, and manufacturing resources in the interior of the southeast that will be influenced in its economic development by a 9-foot channel on the Savannah River. Within this area is the great Piedmont section of Georgia and the two Carolinas, with the important cities of Atlanta, Athens, Macon, and Rome, Ga.; Chattanooga and Knoxville, Tenn.; Asheville, Charlotte, and Gastonia, N. C.; and Columbia, Spartanburg, Greenville, Anderson, and Greenwood, S. C. This is the textile center of the South and textile goods will be moved from this great area to eastern markets, to the Orient via the Panama Canal, and by direct steamer from Savannah to European markets, by means of the Savannah River.

Augusta is the second largest inland cotton market in the United States, handling an average of from 1,000 to 1,500 bales of cotton per day, including Sunday.

Augusta is one of the greatest cottonseed-crushing centers in the United States, with six large mills. Huge quantities of cottonseed oil will move down the Savannah River to the refineries of the East, as will cottonseed meal and cottonseed hulls.

Augusta is in what is probably the largest kaolin-clay-producing center of the United States, with mines on each side of the Savannah River working in deposits which geologists find to be practically inexhaustible. One kaolin producer estimates that with a 9-foot channel he will move 75,000 tons annually down the Savannah River.

Augusta is the largest brick and tile producing city in the entire Southeast, with 175,000,000 building brick made there each year. The clay from which this brick is made is on the banks of the Savannah River.

The executives of several of the large oil companies have made tentative plans for putting on oil and gasoline barges as soon as the 9-foot channel is completed, and this city, which is the farthest west of any city of the Atlantic-coast region on a navigable waterway, will be the distributing point for a vast territory for petroleum products.

Large sugar-refining companies have indicated their desire to put on their own boats to Augusta on the 9-foot channel, bringing sugar from the port of Savannah for 10 cents per hundred pounds, against 18 cents per hundred pounds that is now charged by the river packet boat and 24 cents by rail.

Fertilizer materials from the phosphate beds of Florida, nitrate from Chile, and other ingredients for fertilizer will move up the Savannah River to this city, which is one of the largest fertilizer manufacturing points in the entire Southeast.

Augusta as an inland port of the Southeast, representing to this section what Houston does to the Southwest, will distribute agricultural machinery, plumbing supplies, hardware and all kinds of canned goods from both the Pacific and Atlantic coasts.

The gross estimated cost of a 9-foot channel is between $10,000,000 and $12,000,000, and the territory affected has in excess of 10,000,000 people, a section which is so rich in resources that its development in the next 25 years will be so great as to stagger the imagination.

Augusta urges a 9-foot channel because of the fact that it is going to be the standard set for inland waterways by the United States Government and will conform to the plans of the Government for the upper Mississippi River, and which have already been carried out on the Ohio. In other words, as we see it, there is no place in our economic scheme of things for a 6-foot channel with the 9-foot standard depth of all important inland waters.

Augusta, at the head of navigation on the Savannah River, with a 9-foot channel, will become the gateway and port of entry of the Southeast. Shipping via Augusta and the Savannah River will save the South millions of dollars in her actual annual freight bill—savings that will pay for the cost of the project several times each year.

THE PLACE OF FEDERAL RECLAMATION IN A FEDERAL LAND POLICY

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing therein an address delivered by Dr. Elwood Mead, of the Reclamation Service, on the Place of Federal Reclamation in a Federal Land Policy.

The SPEAKER. The gentleman from Idaho asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. SMITH of Idaho. Mr. Speaker, under leave to extend my remarks in the RECORD I submit an address delivered by Hon. Elwood Mead, Commissioner of Reclamation, before the convention of representatives of land-grant colleges and universities at Chicago, November 19, 1931.

The address is as follows:

The reclamation which I shall discuss is the reclamation of arid land by irrigation. Originally this was not a concern of our Government. Individuals or groups of individuals turned the water of streams on low-lying bottom lands. The first works were small and inexpensive. Later corporations and districts undertook larger and costlier works, but in time all the opportunities attractive to private enterprise were utilized. The further conservation of our resources of land and water became primarily a task of the Federal Government. It alone had the resources adequate to overcome the obstacles which have to be met. The works now being built are reservoirs to hold back floods until they are needed and great and costly diversion dams and canals to utilize the water of large rivers. These works require a high degree of engineering skill and experience to design and construct them. The outlay is too great and the return is too slow to make it an attractive field for private enterprise.

The experience of the United States has been the experience of the world. Wherever irrigation works are being built, the central government builds them. This country is doing precisely what is being done in Italy, Egypt, India, Australia, Japan, Mexico, and Peru.

Irrigation and the conservation of water comprise part of the development of the western part of this country in a zone 1,500 miles wide and extending from our northern to our southern boundary, which must travel along with the growth of population and industry throughout the Nation as a whole. The economic development of the West is essential to national success and to the best use of all our resources.

Here we are evolving land and water policies suited to economic conditions. Many of these are foreign to our past traditions and experiences. The greater part of the land can be used advantageously only for forestry or grazing. Water for irrigation can not be obtained. The part which can be reclaimed is in relatively small and widely separated tracts. Its total area is insignificant—less than 1 per cent of the area cropped in the whole country.

Nevertheless, it has an important national significance. These oases of production are "seeds of civilization" in what would otherwise be unpeopled and useless deserts. They give value to the surrounding grazing land. Their influence is felt in many directions. They give winter feed to range stock. They provide cheap and fresh fruits and vegetables to local towns, mines, and lumber camps and are an important factor in the Nation's commerce. If it were not for the people of the arid States supported by irrigation and the traffic originating on and sent to these irrigated districts continental freight rates would be much higher. In one year 17 of these projects received 95,000 carloads of merchandise from eastern points valued at $120,000,000. They are life-savers to the railroads and to makers of automobiles, clothes, farm machinery, and furniture.

THE CHANGED VIEWPOINT OF THE WEST

The activities, the hopes and plans of the arid States to-day are as unlike those of 50 years ago as the automobile of to-day is unlike the covered wagon of that period. A few illustrations will show this. Cheyenne in 1880 was the chief center of the range-stock industry. The life of the range stockman was alluring. The grass eaten by the flocks and herds costs nothing. If anyone realized that the grass could be destroyed by overstocking and that the industry could survive only by combining it with irrigation, he kept it to himself. The universal desire was to keep conditions unchanged. Julian Ralph, seeking facts for his book Our Great West, came to Cheyenne and was told by one of the leading stockmen that irrigation farming in Wyoming was impossible, that only deluded visionaries advocated it, that Wyoming was suited only to the range-cattle business, and that those who talked irrigation would spoil a horn without making a spoon. To-day Wyoming has one of the best-administered irrigation laws of any arid State. Irrigation has saved the livestock industry, and no one works harder for more canals and more reservoirs than the cattle and sheep owner of Wyoming.

MINES GIVE WAY TO FARMS

In the place of mines, like the Comstock in Nevada, the Little Pittsburg in Colorado, or the Ontario in Utah, we have great irrigation projects, like Imperial Valley in California and Yakima in Washington. We have power projects, like the Southern California Edison in California and the Idaho Power Co. in Idaho. One pumps water to irrigate thousands of acres, the other provides electricity to light 10,000 farm homes. We are creating a new industrial empire based on the conservation and use of water.

Statistics are tiresome, but they show as nothing else can how the collapse of the West threatened by the decline in mining and lumbering was averted by the growth of irrigated farming. In 1900 the gold and silver output of Colorado was about $50,000,000; in 1930 it had shrunk to $6,000,000. The great Argo and Grant smelters at Denver have been torn down. There are none to take their place. The processions of ore trains that once came out of the canyons of Boulder and Clear Creeks and the Platte and Arkansas Rivers are gone. The leading railroad from Denver to Leadville has been abandoned. If there had been no other resource to take the place of the abandoned mines, if some other profitable employment of labor could not have been found, Denver to-day would be a decadent city with grass growing in its streets, as it does in the streets of Leadville and Cripple Creek. The resource was the water of its streams replenished from the snows of its mountain summits and making fertile the wonderful soil of the valleys. To-day irrigated farms give employment to more people and yield more certain and larger returns than the mines ever did.

The experience of Colorado was repeated in every State where the mining of gold and silver was once important. The gold and silver output of Montana in 1900 was over $13,000,000. By 1930 it had shrunk to less than $4,000,000. The returns from the gold and silver mines of Washington in 1930 were less than one-tenth of what they were in 1900. The Comstock lode in Nevada turned out in 20 years bullion worth $278,000,000. To-day the costly homes and business houses of the city it created are in ruins, the great mine worked out, and nothing like it exists in any State.

The pioneer who preceded the irrigator was active, but his was a destructive activity. He slashed away the mountain forests. He overgrazed and destroyed the native pasture of the valleys. He wrested a golden hoard from its hiding place. Gold is not renewed when the mine is worked out; the miner must look for a job elsewhere; the store and the boarding house have to migrate with the worker and his wages. The situation has been saved where irrigation is possible. The lumberman, the stockman, and the miner have shifted from denuding the country of its wealth to conserving its resources and creating wealth. Boise, Idaho; Phoenix, Ariz.; Yakima, Wash.; and Denver, Colo., are only a few examples of the prosperous transition to irrigated farming.

The western third of this country is becoming water conscious. It sees more clearly than in the past that future growth depends on measures adopted to conserve and distribute its water supply. In its 30 years' experience the Reclamation Bureau has learned much of what to do and what to avoid. Let me explain some of the principles which govern its action.

FEASIBILITY—ITS MEANING IN RECLAMATION

First of all, let me explain the meaning of feasibility, as found in recent reclamation laws. The act of December 5, 1924, provides that "no new project or new division of a project shall be approved for construction or estimates submitted therefor by the Secretary, until information in detail shall be secured by him concerning the water supply, the engineering features, the cost of construction, the land prices, and the probable cost of development, and he shall have made a finding in writing that it is feasible, that it is adaptable for actual settlement and farm homes, and that it will probably return the cost thereof to the United States." Federal reclamation is one of few Federal activities that is expected to pay its way, to return all the money spent in constructing works. Before the Secretary of the Interior recommends any new project for construction he has to certify that it is feasible and will probably repay all the costs incurred. Before projects are submitted to the Secretary, the soil, climate, crops, and markets have been thoroughly studied to determine what returns may be expected from irrigation. The plans and estimates of costs have been carefully reviewed and recent estimates have been remarkably close to final costs. In the case of nearly all recent projects, authority to

construct has been preceded by a contract with the water users requiring the payment of the entire cost within 40 years. In 1930 over 97 per cent of the money due under these contracts was paid. The effort is to make reclamation a business activity in all the term implies.

POWER A GROWING FACTOR IN FEASIBILITY

When Federal reclamation began the opportunities to generate hydroelectric power as an adjunct to irrigation were disregarded, both in construction and in reclamation laws. Now the ability to generate such power is one of the important factors in determining the feasibility of new works. The value of power plants is twofold. Electricity on the farm makes life easier. The electric washer and the electrically driven separator save many a weary arm and tired back. The revenue from several of the power plants already built is greater than the income from irrigation payments. This income lightens the irrigation payments of farmers and makes possible many works which, without it, would not be feasible.

It is doubtful if the great development to control and utilize the Colorado River at Boulder Canyon would ever have been approved by Congress, had it not been for the fact that contracts for the power to be generated there insure the payment in 50 years of all the money spent by the Government on construction with 4 per cent interest. It gives a subsidy to the States of Nevada and Arizona, and will, in the end, leave $66,000,000 profit to be used in development elsewhere. The remarkable increase in the financial return from power plants, the industrial and social advantages of having hydroelectric power on projects make it one of the important factors in future reclamation activities. More adequate laws to protect the public interest in these power plants are needed. We need laws to define how these power plants shall be financed and how the net profits shall be used.

WHERE THE PRODUCTS OF IRRIGATION ARE MARKETED AND USED

There is a widespread misconception that Federal reclamation contributes to the agricultural surplus and so is an injury to the rest of the country. Those who know what is taking place know that is a mistake. As Secretary Wilbur has stated, one timely rain in the Mississippi Valley will cause a greater increase in our crop production than all the crops grown under Federal works. Besides, the greater part of the crops grown on arid lands are noncompetitive. Sugar beets, long-staple cotton, the products of the orchards and gardens of the Southwest that come into the markets at a time when they can not be grown elsewhere except at prohibitive cost add to our national wealth and satisfaction, but do not compete with the products of the farms of the East and Middle West. Each year an ever-increasing proportion of the products of the irrigated areas goes to meet the steadily growing needs of western cities, especially the cities of the Pacific fringe of the country. The butter from the dairy farms of Idaho goes to Los Angeles. A constantly increasing part of the products of the orchards of Oregon and Washington is finding markets across the Pacific.

THE DEVELOPMENT OF IRRIGATION INSTITUTIONS

In irrigated areas human foresight in planning has to supplement nature. Farms stretching for hundreds of miles along a stream are bound together by their common tie of dependence on its water. To protect them there must be water laws, measurement of streams, regulation of diversions. The early irrigators did not realize the significance of these things. They looked on the water of streams as being like air, free to all alike. They built ditches and took water as they shot game and caught fish. They opposed laws needed for their protection, because they believed they could always do as they pleased. They now know that as population increases the value of water increases and the struggle for its control increases in like measure.

SUPPLEMENTAL STORAGE ESSENTIAL

Dependence upon the spring floods of unregulated streams is as uncertain as dependence upon rain in time of drought. As irrigated districts began to grow better crops, to have orchards and dairy herds, they found that irrigation, to be successful, required a water supply that would last throughout the whole growing season, and such a water supply on nearly all streams necessitates storage of the floods. Reservoirs are costly. The pioneer irrigation districts could not build them, and the reclamation act was born out of their needs. The irrigation works that stand out as the greatest contribution to the prosperity of the arid region are reservoirs built to salvage private enterprises, to rescue communities, where irrigation companies were bankrupt and settlers were suffering from lack of water in midsummer to irrigate their fields.

One of the first of these works was the Roosevelt Dam. Without Government aid to create that storage, the orchards and farms which surround Phoenix, and which created Phoenix, would have gone back to desert. The floods which the Roosevelt Reservoir stores bring to maturity crops worth over $25,000,000 a year and enable the people living on the project to buy, largely from the East, manufactured goods of equal value.

Without the two reservoirs which the Government rebuilt and enlarged on the Pecos River to irrigate the burnt-up fields of the Carlsbad private project that prosperous district would to-day be only a memory.

Without the Elephant Butte Reservoir to hold back the floods of the Rio Grande the irrigated country above and below the city of El Paso, and which has done so much to make it a city, would be confined to the lands of a few primitive and discouraged Mexican irrigators.

The bankrupt private development along the Klamath River was made an enduring success when the Government put a dam across the outlet of Klamath Lake and built two other reservoirs to supplement it.

On the Yakima River private enterprise built canals; but, without stored water for later irrigation, they proved of little value. The Government has built the reservoirs. The city of Yakima, with its 22,000 people, its great fruit warehouses, and the growing vegetable industry of the valley, is the creation of these reservoirs.

THE GOVERNMENT SUPPLEMENTS PRIVATE EFFORT

The Federal Government has agreed to build five storage reservoirs to supply water to the lands first reclaimed in Salt Lake Basin at critical periods of the year. The first of these reservoirs was completed in time to be used this year. The value of the water the first season equaled the cost of the storage.

Two Government storages built on Snake River in Idaho have taken the hazard out of farming in that important valley. These two reservoirs hold over 2,000,000 acre-feet of water. It can be drawn upon whenever the settlers need it. Certainty and security have exerted a great influence toward creating better farms and better farming. The crops taken from the irrigated fields of this area give more business to the Union Pacific Railroad in a year than was furnished by the whole State before this irrigation development started. The crops saved by these storages in 1931 were worth more than the cost of the reservoirs.

The Government storage on the North Platte project was worth $1,000,000 to the farmers this year.

In all, the Federal Government has built 52 storage dams and has petitions to build 144 more. Every one of these is to improve the water supply of existing communities. Hoover Dam will create the largest artificial lake in the world. It will hold the entire flow of the Colorado River for two years. Without it, the river would continue to be a turbulent agent of destruction with an ever-present threat of inundating the irrigable lands in Mexico and the Imperial Valley in California. Los Angeles will draw on this lake to meet its imperative needs. It will add millions to the population of the Southwest and give an immense stimulus to industry.

INCOME AND EXPENDITURES OF THE RECLAMATION BUREAU

The bureau's means and efforts are to-day directed mainly to the rescue of harassed and impoverished communities that lack money and credit to help themselves. These reservoirs would be worth many times their cost. They would save farm homes and local banks and stores from failure. The progress made depends on the fund's income, which is about $6,500,000 a year.

This is being spent to build the Cle Elum Dam on the headwaters of the Yakima River, to build the Owyhee Reservoir to meet the water needs of four privately built irrigation systems in the valley of the Owyhee and Snake Rivers. It is building a larger pumping plant for the Kennewick district, which has orchards 20 years old, and will build the Hyrum Reservoir in the Cache Valley in Utah to supply the water needed to raise sugar beets on farms cleared, improved, and irrigated by the early Mormon settlers. It is building a reservoir for the Baker project in Oregon to provide water for one of the oldest communities in the State. The Seminole Reservoir in Wyoming will give that State a larger share of the water of the Platte River and create a sorely needed agricultural district in a Wyoming county which has contributed $30,000,000 to the reclamation fund from the oil leases in the mid-West field.

No activity of the Government has brought greater private and public benefits to the Nation than have come from the money spent on these Government reservoirs. Unless it is continued, scores of impoverished communities will give up, thousands of farms will be abandoned. This would be a national loss as well as a local disaster. It ought to be averted. An unhappy ending to the courage, sacrifice, and industry of thousands of worthy people who blazed the trails and began the development of irrigated agriculture would be a national calamity. The future of cities, railroads, mines, and factories, as well as farms of the arid region, rests on the measures taken for the conservation of the waters of western rivers. Water is the dominating factor in all its development. Federal reclamation is meeting a national economic need and is averting a crisis in the business and industrial life of the arid region.

RESIGNATION FROM A COMMITTEE

The SPEAKER laid before the House the following communication, which was read:

HOUSE OF REPRESENTATIVES,
Washington, December 15, 1931.

To the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I hereby tender my resignation as a member of the Committee on Accounts.

Most respectfully yours,

EFFIEGENE WINGO.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that Calendar Wednesday be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

INCOME TAX IN THE DISTRICT OF COLUMBIA

Mr. MAPES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5821) to provide for the taxation of incomes in the District of Columbia, to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes. Pending that, in accord with an agreement which was reached between the gentleman from Tennessee [Mr. DAVIS] and myself, I ask unanimous consent that general debate upon the bill be limited to two hours, one-half to be controlled by the gentleman from Tennessee, Judge DAVIS, and one-half by myself.

The SPEAKER. The gentleman from Michigan moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5821. Pending that, he asks unanimous consent that general debate be limited to two hours, one half to be controlled by himself and the other by the gentleman from Tennessee [Mr. DAVIS]. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Michigan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5821, with Mr. MCMILLAN in the chair.

The Clerk read the title of the bill.

Mr. MAPES. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAPES. Mr. Chairman, I yield 15 minutes to the gentleman from Maine [Mr. BEEDY].

Mr. BEEDY. Mr. Chairman, ladies and gentlemen of the committee, I did not happen to be in the Chamber yesterday when the gentleman from Pennsylvania [Mr. MCFADDEN] delivered his speech, but shortly thereafter I was advised that he had delivered a speech in which he had made certain references to the President of the United States. Late last night I requested and received from the Government Printing Office a proof copy of the speech in question. I read and reread the speech a second time. I wanted to be sure that I understood just what it was that the gentleman from Pennsylvania was undertaking to say.

I think in all my reading of the record of debates in this House, in all my reading of American history, limited as that may be, nothing has ever been called to my attention which surpasses in its enormity the charges which the gentleman from Pennsylvania makes against the Chief Executive of this Nation.

Moved by various considerations, I should not have taken the notice of the gentleman's speech which I now do, were it not that it is spread upon the records of this House and has been broadcast to the Nation. The vast reading public, having no intimate knowledge of the personalities of this House, would unquestionably give the speech much credence because it was delivered by the ex-chairman of the Committee on Banking and Currency. It is because the public is entitled to the facts and with a view to keeping the record of the House straight that I now take the floor.

The gentleman from Pennsylvania [Mr. MCFADDEN], in the early part of his remarks, accuses the President of a proposal "to sell us out to Germany." Referring to the President's proposed moratorium for one year, the gentleman states:

> If he was the agent of Germany. * * * We can not have an agent of Germany acting as President of the United States.

With that sentiment I think we are all in accord. But here I call the attention of the House to the fact that when the gentleman from Pennsylvania neared the close of his speech he abandoned the precautionary "if," and makes the open charge that "Germany was guilty" of violating the provisions of the Young plan, because she, Germany, was "using the President of the United States as an agent instead of acting for herself." Therefore we have the flat charge that the Chief Executive of this Nation has permitted himself to be used as an agent by the German Nation, and, as the gentleman would have us believe, to inflict losses upon the masses of our people who toil in order to lessen the burden of a nation but yesterday our enemy in the World War.

I have taken as much pains as has been possible in the time at my command—of this I give assurance to the House—to justify myself in the statement which I am about to make. I say that there is not an iota, not the smallest particle, of truth in this infamous accusation. [Applause.]

There are those of us who have been in close contact with the gentleman from Pennsylvania [Mr. MCFADDEN]—I myself have been a member of his committee for several years—who have felt for some time that the gentleman from Pennsylvania has come under the spell of pernicious influences. Just what there is behind the succession of speeches which has been launched for the past year or more against our banking system and the administration in general by the gentleman I am not now prepared to state. The gentleman stated yesterday that—

> It will be interesting when this matter goes to trial before the Permanent Court of International Justice to find out whether Herbert Hoover was acting as a legal agent of Germany or as the President of the United States when he made his [moratorium] proposal.

Let me say to the House that there are those of us here who think it would be quite as interesting, if trial and hearing could be had, for the information of the country generally, to ascertain just what sinister influences are moving the gentleman from Pennsylvania and just whose is the Machiavellian hand behind the speeches which the gentleman has been delivering upon this floor.

There are at my command facts which I might utilize at this time in derogation of the individual, who is by no means sparing in his accusations of the President. However, I shall forego personal references in that direction because I believe it is always most helpful to steer as clear of personalities as possible.

The accusation that President Hoover in December, acting as a member of a group of international conspirators, made secret overtures to the German Government, seeking the opportunity to help Germany at the sacrifice of American interests is absurd and indefensible. It is not true.

I do not know what part, if any, Treviranus, the German Minister of Transportation, may or may not have in what is all too apparently a far-flung conspiracy to impeach the integrity of our President. However, the minister's address reported to have been delivered in Berlin on October 23 last, to the effect that "the American President was in intimate negotiations with the German Government regarding a year's debt holiday as early as December 1930," and that the President "did not even let his Cabinet members know what was going on" is an unqualified falsehood. This insidious attempt to poison the public mind by implanting in it the thought that President Hoover, deceiving his own Cabinet, was endeavoring behind their backs as early as December, 1930, to put over a plan which has been represented as robbery of the American Nation and in aid of Germany is a cheap and traitorous attempt to assassinate the character and befoul the integrity of our President.

I am authentically advised that this subject of a moratorium for war debts first came under consideration by the President on May 6 last, when former Senator Sackett, now ambassodor to Germany from the United States, arrived in this country. He then brought to the attention of the President and certain officials of the Government the extremely

serious situation which existed in Germany, if not in Europe as a whole. At that time the possibility of a moratorium was given thoughtful consideration and in the customary manner. Natural prudence would have deterred the President from making what would then have been a premature announcement of his deliberations concerning public questions vitally affecting not only our own country but other nations as well. To have done so on May 6, or at any time subsequent thereto pending a final conclusion, would have been to violate every precedent and to have grossly betrayed the best interests of all concerned.

I am further able to assure this House that so late as the 14th of last June, when the President started for the West to dedicate the Harding memorial, he was still undecided either as to the wisdom or the necessity of a year's moratorium on war debts.

The crisis which was precipitated in Austria by the failure of the Credit Anstalt in May, 1931, and culminated on Friday, June 19, with withdrawals from the Reichsbank in Germany so heavy that its reserves reached the legal minimum. This constrained the President to the decision that it was not only his duty to his own country, but to the world, to urge a year's moratorium on war debts. He straightway made the decision—subsequent to his return from the West—contacted Members of the Congress and announced the moratorium proposal on the 20th of June.

The gentleman from Pennsylvania [Mr. McFADDEN] pictures the President as at all times engaged in a secret and malign conspiracy. It was in pursuance of this secrecy, if we are to believe the charge of the gentleman from Pennsylvania, that the President called in consultation numerous of the Members of the House of Representatives and the United States Senate. Was this, indeed, the act of a President who sought to betray his country in secret? Surely, a general consultation by the President with the Members of the Congress does not support the claim that the President was promoting his traitorous purpose in darkness and in secrecy.

Just how could the President have invited more general consideration of his moratorium proposal prior to its public announcement? There was but one alternative. As my esteemed friend from Texas [Mr. SUMNERS], chairman of the Committee on the Judiciary, has said, the President could have called the Congress in special session. Would any different considerations obtain under such procedure than obtain at the present moment? Certainly not. The President was loath to subject the country to the unnecessary expense of a special session. He had received evidence through the customary diplomatic channels. He had gathered facts from numerous and authentic sources of information in this country and, proceeding in strict accordance with his oath of office, he presented his recommendations through a message to the Congress in regular session.

The gentleman from Pennsylvania [Mr. McFADDEN] would have the country infer that the President was stabbing France in the back. If that were so, surely the French nation is intelligent enough to have known it. The President must indeed have been an archconspirator if, having betrayed France, he could then turn to that country and invite her Prime Minister, Monsieur Laval, to a series of conferences. If France had been betrayed, do you think her Prime Minister would have accepted the President's invitation, journeyed to this country, and participated in that series of cordial and friendly exchanges of ideas which may ultimately prove to be of greater help to the stricken world than you or I can now estimate?

I think the charge that the President betrayed France is sufficiently answered by the attitude of that country herself, not only in sending her Prime Minister for a conference with our President, but later in agreeing to a moratorium proposal.

The gentleman from Pennsylvania [Mr. McFADDEN] painted in glaring colors the details of a conspiracy. He builded a veritable tissue of heinous machinations which he lays at the door of President Hoover. He pursued his way in exultation from one scene of the monstrous plot to another until at length, carried away by his own enthusiasm, reason is displaced and ludicrous impossibility is enthroned. He climaxes the entire plot by representing the crash in the stock market of 1929 as a part of the entire scheme perpetrated by those whom he repeatedly nominates German international bankers. At this point he would have us believe that the international conspirators had signaled the electrician, had called for the spotlight and pushed President Hoover upon the stage to announce his proposed moratorium in the midst of falling prices and tremendous personal losses incident to a financial panic. Here every vestige of reason and sense in the alleged climax of the conspiracy disappears. If, indeed, the President had entered into any such conspiracy he certainly would have been intelligent enough to suggest to his masters, the German bankers, that the time to ask the American people to indorse a moratorium of war debts owing us by foreign nations was not when we had become impoverished in 1931, as the result of a world-wide depression.

Had the gentleman from Pennsylvania argued that German bankers, dominating our President and tricking the American Nation, had lent aid and encouragement to a policy of inflated credits and an unjustifiable bull-market orgy; had he advanced the seductive accusation that these self-same German international bankers had then proceeded to crack the whip over President Hoover in the fall of 1929 when prices were at their peak and we were deluding ourselves with fictitious evidences of wealth, it might have been barely possible for the gentleman from Pennsylvania to convince some of our people that there was a grain of truth in his cunningly fabricated charges. Certainly, no one with intelligence enough even to enter this alleged conspiracy, much less to fashion the methods of its operation, would aim to reduce us to a state of depression and necessity, and choose that hour of our necessity as the psychological moment to ask that we temporarily forgive our debtors. The entire charge of the gentleman from Pennsylvania [Mr. McFADDEN] is absurd, preposterous, and false.

I deny in whole and in part, in toto and seriatim, those charges contained in the gentleman's speech which attribute to the President of the United States any disloyal conduct, any betrayal of the interests of his own people. [Applause.]

My colleagues, the world is in extremity. Civilization itself stands at the crossroads. The family of nations is well nigh prostrate. People the world over are laboring under the burdens of debt incident to a world war which never should have been. We of America are one member of this family of nations. True, we are not a member of the League of Nations, but it is equally true we are inextricably interwoven with the very fabric of the world's civilization. Shall we assume an attitude of sufficiency unto ourselves? Can we ignore the hardships of our debtors whose crippled purchasing power is contributing to the paralysis of trade and the stagnation of world markets? Shall we stand aloof and unsympathetic with the problems and hardships of our world neighbors? All partisanship aside, no man of us would advocate that his country take any such stand. Furthermore, no thinking man of us would lend encouragement to future wars in Europe by permanently forgiving the war debts of Europe. But with commerce languishing, with want and need on all hands, the question has been, and is, What can the United States do not only to help itself but to assist a stricken world to rise from its knees to its feet? President Hoover's answer to this question was, let us give our debtors a breathing space. To that end he proposed a year's moratorium. To that proposal of the President, the Congress and the country should give their unqualified support.

So much for the humanitarianism upon which, among other considerations, the President places justification for his moratorium proposal. So much apropos of the charge of the gentleman from Pennsylvania [Mr. McFADDEN], that the President has linked his proposal "as usual with a lot of false and insincere humanitarianism."

At the very outset the gentleman from Pennsylvania misled the House. Bear in mind that it is the President's

advocacy of a moratorium which is under discussion from the start. He tells you that "the Hoover proposal originated in the offices of the German international bankers in New York." He tells you that the plan was presented to Mr. Hearst months before it was made public. He tells you that it was presented by at least one of these bankers to President Hoover, "who was rebuked by Mr. Hearst for his cheek and impudence." In proof of these assertions the gentleman from Pennsylvania quotes the following statement of William Randolph Hearst—I am now reading from page 560 of the CONGRESSIONAL RECORD of December 15:

> This plan for revision of war debts, with America paying the piper while war-mad Europe dances, is purely a plan of international bankers, who make money through commissions out of spoliation of their countrymen.

This was the plan which was presented to Mr. Hearst and repudiated by him. But what plan is it which is referred to in the statement by Mr. Hearst? Mark you, it is not the Hoover plan for a year's moratorium, or delay in payment. It was a plan for revision of war debts.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I yield the gentleman five additional minutes, but I will say to him that I will be unable to yield him any further time.

Mr. BEEDY. I thank the gentleman.

But any plan for the revision of war debts was quite distinct and apart from the plan for a year's moratorium proposed by President Hoover. In fact, you will recall that when the President announced the proposed moratorium, he specifically stated that it had no connection whatever with any proposal for the revision or cancellation of war debts. The plan, therefore, which was rejected by Mr. Hearst was an entirely different plan, dealing with an entirely different subject matter and having nothing whatever to do with the plan announced by President Hoover.

I have lived to see many things happen in this House which I never expected would happen. But I had never dreamed that I should live to read in the record of House proceedings an utterance by a man, whom I took to be a loyal American citizen, charging the President of the United States with any such preposterous offense as that which has been made by the gentleman from Pennsylvania [Mr. McFADDEN].

I do not know how the country may react to the gentleman's speech. I do not know what may be the mental processes of men in this House with respect to the charges which have been launched. For myself, when I contemplate such vicious and groundless accusations against the man who is to-day ridden not alone with the cares ordinarily incident to the great office of Chief Executive but burdened as well by the extraordinary cares incident to a world crisis, against a man, in this hour of his great trial, when our own Government and the well being of humanity are in the crucible, I unhesitatingly take my stand by the President in the White House. It is that President who, though worn and harried and misrepresented, still continues patiently and diligently at his task, moved only by a great love for his country and a sincere purpose, to do the best he can under extremely difficult circumstances. [Applause.]

The gentleman from Pennsylvania quoted from President Hoover's speech delivered at the dedication of the Harding memorial. I shall assume that he quoted with entire approval the noble sentiment therein expressed. I shall certainly not attribute to him any other motive. The quote is as follows, and I read from page 563 of the RECORD for December 15:

> There are disloyalties and there are crimes which shock our sensibilities, which may bring suffering upon those who are touched by their immediate results. * * * But the breaking down of the faith of a people in the honesty of their government and in the integrity of their institutions, the lowering of respect for the standards of honor which prevail in high places, are crimes for which punishment can never atone.

These are the words of our President. They are the words of a man whom it is sought to stigmatize as a traitor. I commend them to the thoughtful and silent consideration of the gentleman from Pennsylvania [Mr. McFADDEN]. I say to him, irrespective of his motives—for they indeed are hidden from my sight and are open alone to the Infinite—I say to him that he has done his country a great disservice. Yes; in this hour of unrest, when there is a concerted attempt to undermine our system of representative government and the financial fabric of the world, the gentleman from Pennsylvania [Mr. McFADDEN], by his reckless utterance, may have done his country and the world a greater disservice than he realizes. In so doing he becomes guilty of a crime for which punishment can never atone. [Applause.]

In closing, inasmuch as the gentleman from Pennsylvania has taken it upon himself to prefer charges so grave and reprehensible in their nature against the Chief Executive of the Nation, I now demand of him in the interest of fair play, in behalf of the American people, in behalf of those of us intrusted with the responsibility of government, in behalf of those whose dollars are invested in American industry and in behalf of those millions who depend for a livelihood upon their own labor, I demand that he produce authentic proof that the President has acted as an agent of the German Government. [Applause.]

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I yield the gentleman one additional minute.

Mr. TEMPLE. If the gentleman will permit, I think it fitting for me to say that the Republican members of the Pennsylvania delegation held a meeting this morning and passed a resolution indorsing the 1-year moratorium and expressing complete confidence in the President of the United States. [Applause.]

Mr. DAVIS. Mr. Chairman, I yield five minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, we have observed here upon yesterday and to-day a very unusual, if indeed I might not say, a very remarkable, incident in the annals of the Congress.

Upon yesterday the former chairman of the House Committee on Banking and Currency [Mr. McFADDEN] saw fit, upon his own responsibility as a Member of this House, to make certain very grave and serious charges against the Chief Executive of this Nation. I am not advised, of course, upon the basis of what facts those charges were made. That is answered this morning by a statement from the distinguished gentleman from Maine [Mr. BEEDY] by innuendo, at least, that if he were disposed to do so, he could produce certain facts that might reflect upon the integrity of the gentleman from Pennsylvania [Mr. McFADDEN] in connection with his speech.

Speaking as a Democrat and as one whose party has been charged with the deliberate purpose to undertake to "smear" in the national esteem the dignity and integrity of the President of the United States, I merely take occasion here this morning to call to the attention of the House and of the country that these charges, amounting in effect to an impeachment of the President of the United States for high crimes and misdemeanors, do not come from the Democratic side of this House. [Applause.]

I think it shall be the legitimate purpose and expectation of the Democratic Party in the coming national campaign to take advantage of every legitimate political opportunity that falls into its hands for attacking the present Republican administration, but I feel that I voice, without having consulted it, the best thought of the political sportsmanship of the Democratic side of this House that if we expect to win the national election, we shall do it upon the basis of the President's incapacity for leadership, the blunders of the Republican administration for the last 10 years, and that it shall not be predicated upon any presumed malfeasance in office or lack of patriotism upon the part of the President. [Applause.]

I yield back the balance of my time, Mr. Chairman.

Mr. MAPES. Mr. Chairman, I yield 30 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman and gentlemen of the committee, it seems almost unreasonable to take the time of the

House, which is valuable time to every Member, to discuss what seems to be a local matter and one that is put before us as a committee that we would gladly have avoided except it has been assigned to us and we have undertaken to perform the duty.

In view of the importance of the questions that have been discussed here to-day and yesterday, I feel this is true, and yet we are anxious to be relieved of a task that we have performed under direction of the House and had sought to perform properly and give you the facts to which you are entitled.

Both papers this morning, and the papers last night, criticized without gloves those who have been engaged in the work of this committee in trying to give to the House the facts that have come to us through the experts and through the studies we have made, and I am not going to answer the billingsgate of one of the morning papers. Those of us who know the publisher, know his character, and know the character of others who are responsible for such statements would not object to having our own records compared with theirs, and yet they abuse men, misrepresent their motives and acts so that no one wants to act in District matters.

I am not going to discuss them personally, but I am going to emphasize, if I may, in a few moments a situation that confronts the country in regard to the city of Washington and the District of Columbia that you should know. You Members who come from outside of the city should know what is being done here, the purpose of the proffered legislation. It ought to be discussed frankly on the floor of the House, because we have no other way by which to reach the subject of District taxes, of lump-sum appropriations or the District dole, as it was called this morning.

So, I am going to read, briefly, not from the additional views which I expressed to you yesterday and placed in the RECORD. I think that is practically a complete answer to the subject of unjust taxation if the committee is correct in its facts, and we are all agreed about that. I desire to discuss briefly the effect of this unfair District taxation scheme upon the rest of the country and in relation to a publisher of whom I speak in the highest terms, because I believe he is a gentleman whom we all respect, but do resent some of his unjust comments on the committee's labor.

Mr. Chairman, the hearings of the committee occupied a number of weeks and many District witnesses appeared, practically all of whom agreed that the District should pay the same average tax as that paid by comparable cities, but with the contention in nearly every case that it was doing so at the present time. This committee, as stated, has found to the contrary, and that $14,000,000 annually would be required to equal that paid by 22 other comparable cities.

In seeking to sustain the position that it is paying full taxes, the city at the outset presented the Government's Board of Efficiency that volunteered some novel tax suggestions never before encountered by any city or other government, and that fell by their own weight. This commission at the outset insisted it had been requested by committee members to prepare a report and it was given full publicity by the local press because of its evident efforts to maintain the District's claim of present payment of full taxes. This statement was repudiated by every member of the committee and apparently was due to a mistake, or to effort in advance to prejudice any action by the committee.

The commission first proposed the original idea that Washington was paying a per capita tax equal to that of the average city, and it quoted some meaningless statistics of average per capita property holdings to sustain this position. Every tax authority in this and every other country rejects any such theory. A brief illustration is sufficient to show its absurdity.

During the past 10 years and more Secretary Mellon has lived most of the time in Washington and is practically a resident of the city, although a taxpayer of Pittsburgh. If based on estimates of his wealth, if he was rated a Washington resident, it would raise the average per capita holding of wealth nearly $2,000 for each individual, although 487,000 other residents would have no individual benefits from his holdings.

In like manner his assistant, formerly a Member of Congress and resident of New York but officially living in Washington, according to his estimated wealth would have given a per capita holding for Representatives in Congress during his membership in that body of approximately $200,000 more than the average held.

These illustrations could be carried on indefinitely, and, on the other hand, many thousands of employees working in factories outside of big cities are an added burden placed upon the taxpayers of these cities during the closing of the great mills in which they are employed.

It would be as logical to claim that the color of the hair or its partial absence among men of one community would furnish a standard for men of another community. The property held has no relation whatsoever to the per capita method of estimates. That is fully recognized by every municipality and tax authority in the world, because, so far as the committee's investigation goes, it has never been employed and was only a creature of the fertile brain of the tax adviser of the Government's Efficiency Bureau.

Another equally original absurd argument was offered by this same commission which sought to fix the value, not only upon the real property owned by the Government in the District, but upon the personal property as well, and even upon intangibles. The whole method of comparison was without any authority or quoted from any responsible tax experts the whole world over. Apart from this fact, no other city has ever adopted the plan nor has it been suggested that it should adopt any such method of offset as proposed by the commission.

I have offered a brief illustration of a few of these offset items which disclose the labored efforts of the Efficiency Bureau to ignore the plain facts of the case and place a heavy burden upon the Federal Government.

Mr. BLANTON. I would like to ask the gentleman from Wisconsin if he pays any serious consideration at all to any statement or report from the Bureau of Efficiency?

Mr. FREAR. The committee rejected it entirely because of the absurdity of the reasoning.

Mr. BLANTON. It is the most unreliable of any bureau in the Government to-day.

Mr. FREAR. Fantastic tax gymnastics were offered by the Bureau of Efficiency that furnished several witnesses from among its employees, who frequently were local taxpayers to be affected by the result.

Outstanding lights of the "Bureau of Efficiency" findings

	Valued at
The National Capitol Building and Grounds	$45,490,640
Treasury Building and land	29,515,250
State, War, and Navy Building	19,800,000
Monument grounds and ellipse	29,842,570
White House	17,999,528
Triangle section	66,681,685
Potomac Park	33,694,305
Smithsonian Institution	15,131,592
Rock Creek parkway, park, and Zoo	15,462,940
Senate and House Office Buildings	15,700,000
Lafayette Square	10,620,750

Interior Department and other lots and buildings also were given careful estimated values to "set off" their value from District private property. City parks so charged to the Government included—

	Valued at
Dupont Circle	$1,991,620
Thomas Circle	563,520
Mount Vernon Square	1,453,320
Iowa Circle	482,690
Franklin Square	3,182,010
Pennsylvania Avenue and Thirteenth Street	1,066,550

All appraised with mathematical accuracy; and 250 triangles and other small parks are lumped off by the "efficiency commission" casually at $6,830,000.

	Valued at
Water works and reservoirs	$15,950,000
Soldiers' Home, St. Elizabeths, and others	25,733,709
Navy yard and Judiciary Square	60,120,938

Other items of from a few thousand dollars to $10,000,000 are named by the "bureau," all reaching a grand total of $499,960,928, or, to avoid more certain comment, $39,072 short of a half billion dollars. "Values," "sentimental" or otherwise, used by District residents in many instances but "offset" against District assessments.

The Efficiency Bureau did not offset churches, but reached all other nonprofit Government business that could be discovered in the District excepting the Monument.

This is all nonprofit Federal property taxed or offset by this efficiency commission. No other place in the world so far as known indorses or accepts such reasoning or lack of reason. To complete the picture, the Federal Government set apart this district and property originally for its own use.

Federal personal property, machinery, furniture, etc., was estimated at	$180,000,000
But depreciation was allowed arbitrarily at	90,000,000
Leaving Federal tangible personal property	90,000,000

The efficiency commission admitted it could not even vaguely reach varying cash in the Federal Treasury, but that was lumped off just casually at $90,000,000 for intangible values. Match it if you can anywhere in the universe. Chief "Expert" Murphy's testimony in hearings extract, attached hereto, gives his views adopted by the Efficiency Bureau on the subject.

Even the surplus of park area over 14 city parks average was scientifically determined and "charged off" against the Government for values and maintenance.

It was a picture painted by a United States Bureau of Efficiency that shows an inventive genius which might be employed at some more useful and certain work—or these "efficiency experts" should all be taken from the pay rolls of a Government they impose upon by such unbusinesslike taxing theories.

A third basis of tax comparison was constantly used by bureau "experts" and others in this adventure in tax wonderlands, known as a "per capita basis." Incidentally, it is nowhere employed in the world for tax purposes. It was figured that notwithstanding a fair proportion of millionaires and many people of wealth and a relatively small proportion of poor people, when compared with great industrial centers, the city of Washington should pay a per capita proportion compared with expert population computations from 14 cities it considered. This plan was rejected by the committee, and by every tax authority the world over.

Mr. Chairman, let me repeat the average adjusted rates based on reducing the present tax rates of comparable cities arrived at by careful and exhaustive study as heretofore stated. From these studies it will be readily seen that Washington with an adjusted rate of $15.30 is less than one-half that of Louisville and by far the lowest rate of any city.

The 23 comparable cities and adjusted rates are as follows:

City:	Rate
Louisville	$30.80
Boston	29.26
Minneapolis	28.54
Pittsburgh	26.60
Rochester	24.01
Atlanta	21.70
Cincinnati	17.68
Kansas City	17.58
Jersey City	30.34
Memphis	28.94
Buffalo	27.67
Milwaukee	26.34
Baltimore	23.40
San Francisco	20.20
St. Louis	17.61
Washington	15.30
Newark	29.55
Seattle	28.56
Portland	26.89
Denver	24.26
Cleveland	23.08
Dallas	18.18
Providence	17.68

The $9,500,000 annual contribution is referred to in the District press as a "District dole," to be maintained or increased irrespective of additional revenues derived from increased gas, motor-vehicle, estate, income, and other taxes. The following increases have been recommended as just and equitable by the committee based on above average tax rate:

An increased gas tax	$1,600,000
An increased motor-vehicle tax	1,000,000
Income and estate taxes	1,500,000
Increased public-utilities taxes	640,000
Increased railway-tunnel taxes, etc	175,000
Increased real and personal taxes	9,000,000
Total	13,915,000

This increased tax of about $14,000,000 annually should be paid before any District dole can be properly or justly fixed.

Contributions to the Federal Treasury and payments back to the contributors are studied by the States more than by local beneficiaries.

For 1930 the same year the following payments and receipts by and from the Federal Government are noted in several of the States:

Pennsylvania paid in $230,202,064; percentage returned, 3.1.

Michigan paid in $137,076,199; percentage returned, 2.8.

Illinois paid in $247,137,637; percentage returned, 1.7.

Among the smaller payments were:

Wisconsin paid in $35,512,796; percentage returned, 12.3.

Tennessee paid in $16,478,693; percentage returned, 15.5.

Texas paid in $38,884,521; percentage returned, 22.6.

The largest payment and the amount returned:

New York paid in $928,955,021; amount returned, $8,727,208, or less than 1 per cent.

The District of Columbia received more than any State in its subsidy, $9,500,000, and discloses another reason why Washington should properly pay the same tax rate as is now paid by 22 comparable cities.

In 1930 it is stated New York State paid about $929,000,000 in round numbers toward the support of the Federal Government and received back through various Federal subsidies $8,727,208, or less than 1 per cent of the amount contributed by this one State.

New Jersey paid $123,948,441 and received back $1,976,285, or only 1.6 per cent.

Illinois paid $247,137,637 and received back $4,300,201, or only 1.7 per cent.

Pennsylvania paid $230,203,064 and received back $7,069,423, or only 3.1 per cent.

Michigan paid $137,076,199 and received back $3,807,833, or only 2.8 per cent.

Wisconsin paid $35,512,796 and received back $4,372,665, or only 12.3 per cent.

Tennessee paid $16,478,693 and received back $2,561,202, or only 15.5 per cent.

Texas paid $38,884,521 and received back $8,786,883, or only 22.6 per cent.

The District paid in about $15,000,000 and received back about 66 per cent of that amount.

These figures include several States represented by the membership of this committee. They are not offered to present comparisons of States but to show that every one of these States pays far more for Federal and District support than it receives back.

Several Western States receive more than they pay, but in the whole list not a single State from New York, Pennsylvania, Illinois, or any of the remaining 45 States receive from all Federal subsidies combined as much as the District of Columbia's $9,500,000, which the local press says is far too little and should be increased. Actual comparisons present a picture to the rest of the country that can not be ignored. If District tax rates are increased $10,000,000 instead of $14,000,000, there will be no need of Congress giving any District dole.

The committee's tax expert, at the committee's request, has made comparisons of average real-estate taxes paid in 23 comparable cities giving a corrected adjustment so far as possible by bringing down the assessed values compared with actual values and tax rates to a common basis. That statement is unprejudiced and I believe discloses the real facts

of under taxation in the District compared to the rest of the country that contributes the $9,500,000.

The list of cities in population begins with Cleveland, Ohio, and ends with Providence, R. I. The cities reported within these limits include Washington, with a $1.53 per hundred rate or $15.30 per thousand dollars tax on its real estate, at 100 per cent valuation. The adjusted-tax rate of Washington among all these 23 cities was by far the lowest on the list, and a brief comparison by any Member will disclose that probably in no case is the tax paid by him in his home district on $1,000 in actual values of real estate in his own community anywhere near so low as $15.30, the adjusted rate paid in Washington. All States can not be compared, but about a score are submitted that speak their own lesson.

COMPARE TAX RATES PAID BY WELL-KNOWN PAPERS

The two outstanding papers of Washington, one published by Editor McLean and the other by Editor Noyes, president of the Associated Press, continually scold Congress and any questioning Member when District taxes are under consideration. The Washington Post is valued at $3,000,000, recently offered. The tax increase for the Post can readily be figured in all cases.

It is probable that Mr. Noyes, an eminently fine gentleman personally, owner, or largely owner, of the Washington Star and other properties, is worth a million dollars, maybe much more. No one begrudges him his wealth, whatever it may be. As real and personal property District tax rates are the same, it may not be important for comparison whether his holdings are real or personal property; but how do his tax payments compare with those of other papers of like or comparable circulation in 22 other municipalities?

The Star is a gold mine. His newspaper and other properties are now subject to a tax rate of only $15,300 on a million dollars of real estate, based on a rate found of $15.30 per thousand.

Now, I want to discuss a gentleman, one of the editors of a paper in this city, because he is a gentleman of high intellectual ability. He stands high in the country at large; he is president of the Associated Press of the country. I have the highest respect for him, but I want to discuss, not in a way to be critical but taxation in the District, because he occupies with reference to the other parts of the country an equally prominent place. I will not be personal, because I have no personal feeling in the matter. In fact, I have only sought to place frankly before the House the facts unanimously found by the committee.

CLEVELAND

Cleveland's adjusted local tax rate is $2.31 per $100, so the Cleveland Plain Dealer pays $23,000 on every million dollars of property compared with Mr. Noyes's Star, that pays only $15,300, or approximately 50 per cent more is paid for the privilege of living in Cleveland instead of the Capital City. The Cleveland Press, with all other Cleveland taxpayers, pay at the same rate, and in addition these Cleveland papers pay their proportion of the $9,500,000 that Mr. Noyes urges for contribution to meet District's expenses caused by his own extremely low taxes.

BALTIMORE

The Baltimore Sun and News, only 40 miles distant, in addition to paying double gas and automobile tax license fees compared with Mr. Noyes's paper, pays $2.34 per $100 for real property, or $23,400 on every million dollars of real estate and personal property, if fortunate enough to own that amount, compared with $15,300 paid by Noyes, or $8,100 less is paid by the president of the Associated Press, who so frequently lampoons Congress on the subject of his taxes.

Baltimore is a fine city to live in, but just what advantages are possessed by the city only 40 miles distant to require it to pay over 50 per cent more taxes on real estate than is paid by Mr. Noyes and other Washington residents has not been explained. It calls for a conscience fund of large size from past records. Why Baltimore should contribute to the $9,500,000 subsidy now paid Washington has never been explained.

BOSTON

As the local publisher revels in statistics, Boston will next be taken with its adjusted tax rate of $29.26 compared to Washington's $15.30 rate per $1,000. Now comes the Boston Post and the American, the Christian Science Monitor and Boston Globe, all metropolitan papers of note, that pay $29,260 in taxes, or $13,900 more on every million dollars of property, or 85 per cent more than is paid by Mr. Noyes in Washington, in actual values based on the adjusted comparison.

No one will depreciate the climate or esthetic surroundings for which the educational Hub is famous, but just why the Christian Science Monitor or Post and hundreds of thousands of taxpayers should pay 85 per cent more taxes, adjusted comparative rates, together with vastly larger gas and automobile license fees than is paid by our eminent friend on Eleventh and Pennsylvania Avenue is not yet explained.

In addition to all this, Boston taxpayers, including the publishers above named, contribute annually $6,587,173 State income tax, or a total tax levy in all more than double that of Washington.

PITTSBURGH

I may go further into this interesting statistical field. The next city, Pittsburgh, pays $26.60 per $1,000 on real estate, compared with Mr. Noyes, who complains over his $15.30 payment. What reason can be given by the president of the Associated Press why his profitable Washington Star only pays $15,300 per million dollars on its investment, while the Pittsburgh Press and Post Gazette pay $26,600, or $11,300 more than the District on the same investment, which translated into percentages indicates that the atmospheric conditions of the Smoky City call for a 70 per cent higher tax rate than is paid by Mr. Noyes, who scolds because Congress does not make Pittsburgh pay an additional subsidy so as to increase the amount received by the District from such source to $10,000,000 or $12,000,000 annually instead of $9,500,000 paid last year. It should be borne in mind that these outside publishers and all Pittsburgh taxpayers also aid with their contributions to the District in addition to the taxes they now pay.

Now, I take the city of Milwaukee, and I know something about Milwaukee. It is run, not by a Democrat, not by a Republican, but a Socialist mayor. There is not one word of criticism; he has been elected time after time because he has run the city so effectively and successful, and not one word of graft or extravagance is brought against him.

MILWAUKEE

Milwaukee, the metropolis of my own State, is slightly larger than Washington and prides itself upon its municipal management, unlike that of its neighbor Chicago, and has had no suspicion of city graft or waste or extravagance in recent years. Charges of extravagance alleged to be a normal condition in District of Columbia school and other affairs is at a minimum in Milwaukee. That city pays $26.34 per $1,000 adjusted assessed value on real estate compared with the $15.30 paid by Mr. Noyes, or $11 excess on every $1,000—nearly 70 per cent higher in Milwaukee than in Washington. This is also apart from the difference in fees to be paid by the gas tax, which is double in Wisconsin, and the automobile tax which is a thousand per cent more than that paid in the District.

Again this is only a beginning of the comparison, for Milwaukee paid in 1930, $7,542,403 additional State income tax. The difference in increased percentages borne by the metropolis of my State is apparent at a glance. Yet there is no reason known to the average citizen of Milwaukee why there should be 70 per cent more real estate and personal property taxes paid in Milwaukee by all its taxpayers than in Washington, but that is submitted for the consideration of the distinguished president of the Associated Press. In fact, many people living elsewhere would say that such evidences

constantly presented to the surrounding country indicate a plain case of tax favoritism for those who defend the District tax rates.

The only justifiable answer that can be made is that Congress, and Congress alone, is responsible for the District tax rate and should answer to itself for the unjust comparisons above cited.

BUFFALO

Buffalo is in a State that pays to the Federal Government ninety-nine times as much as it receives back in State subsidies. Buffalo is slightly larger than Washington and pays $27.67 per $1,000 valuation on Buffalo real estate, compared with $15.30 paid on every $1,000 by Mr. Noyes, publisher of the Washington Star, or otherwise stated, the New York tax collected on real property is over 75 per cent higher for Buffalo than Washington, based on the same comparable assessed valuation. When Buffalo's tax collector faces the disbursing officer of the Buffalo Courier-Express and the Buffalo Times and every other Buffalo taxpayer, he says in unmistakable terms, "You will please plank down $27.67 on every $1,000 in real estate you own, because Mr. Noyes, president of the Associated Press, protests so loudly against paying $15.30 for a like amount of property in Washington that Congress seems afraid to make a proper tax adjustment."

Another factor appears when Buffalo not only pays 75 per cent higher real-estate taxes than Washington, including far higher automobile taxes, but it pays $1,683,209 in State income taxes in addition to Federal income and personal-property taxes paid by other States. It also helps support the $9,500,000 fund demanded by the District publisher in addition to its 75 per cent heavier local tax for the privilege of living in New York State.

MINNEAPOLIS

Minneapolis has a population of 464,753 and Washington has 486,869, so it is a comparable case. Minneapolis has many summer advantages and is a fine city, but I doubt if any Minneapolitan would say his home city has the year round advantages over the Capital City of the country that receives $200,000,000 regularly from the Federal Government for its employees and other purposes, and has many other advantages over any other city in the world.

The parks of each city are beautiful and extensive, but many of the parks in Washington are cared for by the Federal Government, whereas Minneapolis pays for all as it goes. The Minnesota law provides for a 40 per cent assessment, which District witnesses dwelt upon with emphasis in the hearings without enlightening the committee about the tax rate paid of 73.9 per cent compared to Washington's 15.3 per cent rate.

On the adjusted tax rate, wherein assessments and a tax rate of 75 per cent in Minneapolis are reduced to a common denominator with Washington, it is shown that while Washington pays $15.30 per thousand in taxes that Minneapolis pays $28.54 per thousand, or 75 per cent more than Washington. Why?

The Minneapolis Journal and Minneapolis Tribune are found paying $28,540 per million dollars in Minnesota for the same valued property on which Mr. Noyes pays only $15,300 in Washington. All the explanations and smoke screens in the world can not confuse these figures; for in addition to its local taxes so paid the taxpayers in these outside cities contribute to the support of the District's normal maintenance because Mr. Noyes, president of the Associated Press, and other residents do not pay their fair share of taxes according to the adjusted rates quoted.

I am presenting facts, and I do not question the motive of those that do not want to pay taxes. To the gentleman from New Jersey, who is just leaving the Chamber, I want to say that 100 per cent more in taxes is paid by cities of New Jersey than is paid in the city of Washington on personal and real property.

NEWARK AND JERSEY CITY

Newark, N. J., with 442,337 population, compared with Washington, pays on adjusted rate on full value of $28.54 per thousand, or more than 80 per cent higher than Washington, $15.30, and the News, Ledger, and Star Eagle of that city have a right to be heard in protest of Mr. Noyes's taxes, which enable him, in addition, to exact from Congress $9,500,000 in order to preserve the low tax rate of $15.30 which is paid in the District.

Jersey City, in the same State, pays into the Federal Treasury more than $60 for every dollar returned in shape of any State subsidy and is a shining mark with its adjusted tax rate in that city disclosed to be $29.55, or practically double the $15.30 paid in Washington.

LOUISVILLE

Louisville, Ky., another comparable city, has an adjusted tax rate of $30.80, or more than 100 per cent higher than the $15.30 rate paid by Washington on the same adjusted valuation and rate basis, in addition to contributions toward District subsidies and higher auto and gas rates.

The Jersey Journal, Courier Journal and Louisville Times, and all Louisville taxpayers have real complaints to make against the president of the Associated Press, who uses his Washington Star and his own prestige as president to compel these Louisville papers to contribute toward the $9,500,000 for the support of the District so he can be relieved from his fair share of taxes, of which he pays, in comparison, only 50 per cent.

MEMPHIS

The Memphis Appeal, from the State of my colleague [Mr. DAVIS], and the Press-Scimitar, of the same city of Memphis, sound their appeals on deaf ears and wave their scimitars without effect. For the past 20 years they have been paying nearly double the taxes collected from the president of the Associated Press and publisher of the Washington Star, and what is true of these papers is equally true of every Memphis taxpayer.

The adjusted rate is found to be $28.94 per thousand dollars for Memphis, compared with $15.30 for Washington, or about 80 per cent higher in addition to other high license and gas expenses heretofore mentioned.

Senators and Members of Congress who wink at injustice to the rest of the country get laudatory notices from the Star for their "fairness," but what right have they to rob Peter to pay Paul in order to insure the publicity puffs given out by the president of the Associated Press for these Senators and Members.

In this discussion I have taken only certain cities that in many ways seemed comparable to Washington, but it would be unfair to say that all cities that pay more taxes are proportionately so much higher than Washington. New York, presumably, would go above any of the figures quoted, while Dallas, Alexandria, Fairfax, and other towns not especially favored in Federal surroundings like the Capital City may pay nearer the Washington rate. Yet adjusted tax receipts in the average city, whether large or small, I submit, will show a higher rate paid than in Washington.

It is repeated that all the other 22 cities, based on the adjusted tax rate, pay more taxes than the city of Washington. Reaching an average for the 22 cities, the adjusted tax rate is about $24.21 a thousand dollars, or over 60 per cent higher than that collected in the District. Instead of paying 60 per cent higher tax for its superior advantages, the city now pays approximately that percentage below the average of those making contribution for its support.

Leaving out of consideration the manifold special advantages enjoyed by every resident of Washington over that had by residents of other cities, the taxpayers of this city enjoy the luxury of living in a city of unequaled beauty of surroundings the world over, where approximately $200,000,000 is spent annually by the Federal Government, giving constant business and labor stability unknown elsewhere in this or any other country, and yet the Capital City pays less taxes than any of the other cities, all of which contribute liberally to the District support to make annual deficit.

It is that contribution which now makes an increased demand on Congress for a larger subsidy or dole. Included in the Star's news columns are protests from Brightwood, Takoma Park, Swampoodle, and other admirers and followers who so frequently and loudly resolute to Congress

without any conception of the real facts because they only read the Washington Star. A fine gentleman, personally, is Mr. Noyes, but from comparisons quoted he is mistaken in his facts so frequently given to the public through the columns of his Washington Star. I assume his apology for mistakes will come in the same mail with the letter expected from Mr. Gardiner that goes to the President.

The average tax rate adjusted as to valuations and local rates of 22 cities including Washington is stated as $24.20 per thousand instead of $15.30 now paid by the District. On District real estate of $1,182,463,345 a rate of $24 instead of $15.30 will increase the amount collected to that of other cities.

The National Capital does not belong to the District of Columbia but to all the States that pay their just taxes, without evasion. These comparisons are submitted to the president of the Associated Press and those who have been following his argument in order that he may consent to a fair adjustment of taxes to support the District of Columbia.

No Member seeks to criticize the publisher of the Star or the Washington Post or other news critics on the tremendous savings in taxes they have helped to bring about for themselves. Tax rates for all publishers in the District are alike, but the country is entitled to know that District papers pay approximately 40 per cent less than are paid by various comparable cities quoted, based on the best available testimony before the committees which after examination has been accepted in full by the committee. That is the unanimous finding of the committee.

Of course, Congress and neither Mr. Noyes, Mr. McLean, nor any other individual is to blame for the almost unbelievable tax situation brought about by constant misunderstandings not corrected by the local press. I doubt if any Representative or Senator can find a tax receipt back in his own State that for the same comparative-valued property in Washington is not 50 per cent or 100 per cent, and often higher, back home than here. Other added tax burdens will increase the amount far more than that stated.

We may desire to give liberally to the District, and I am not questioning that policy; but as one appointed to ascertain the facts without prejudice, I believe the District should pay its fair share for the maintenance of the city of Washington.

It has been openly argued that Senators and Representatives owning property in the District can be depended upon to refuse any readjustment of taxes. That is an inference, if at all, that a financial tax benefit to them will govern their judgment and action. It is a reflection on any property owner who is an official of the Government to so argue.

As an evidence of arguments offered by the local press to drive Senators and Representatives into support of the present indefensible annual tax avoidance of $14,000,000, which the committee has demonstrated should be added to District tax rolls, I attach extract from a news clipping, Washington Post of November 30, 1930:

MANY LAWMAKERS HAVE HOMES HERE

To-day nearly 100 Members of Congress own their own homes in Washington or in nearby Maryland and Virginia, and the sum they pay in taxes helps a lot to run the local government.

A great many things explain this—more attractive homes, the automobile (which permits Members to live long distances from Capitol Hill and yet get there in short time), and high-class school system in Washington.

There is many a young man or young woman the son or daughter of a Member of Congress who has received his or her entire education in this city.

Then follow the names of 24 Senators, with their political affiliations and State represented.

Also 34 Representatives in Congress, with the notation:

The lists bear the names of a number of Members who own property but who give apartment homes or hotels as their address in the Congressional Directory.

That published statement clearly calls attention to the supposed influence some personal interest may have in the judgment of those so listed.

An editorial from the same paper on December 7, 1931, at the opening of this Congress, contains additional editorial advice, offering novel arguments, usually made by the local press whenever efforts occur to correct self-evident tax favoritism extended by Congress to the District. The editorial says among other things:

It seems to be the attitude on Capitol Hill that residents of the District should pay as much taxes as do residents of other cities, regardless of other factors involved. This is not logic nor reason, but politics. Congressmen love to return to their home districts and tell how they "have soaked" the voteless Capital with taxes. Such an attitude makes a farce of every gesture that is made to adjust the costs of maintaining Washington on an equitable basis.

No member of the committee and presumably no Member of Congress from either branch has ever believed in or expressed views found in the editorial. Only a just share of tax burdens has been asked from the District, as well as from 435 other districts in the 48 States which are contributing to a district that does not pay taxes equal to those paid by any comparable city in the country.

Nowhere in the committee hearings or elsewhere will be found any warrant for believing Senators or Members are influenced in District tax matters by self-interest nor by any desire to do injustice to the District. Possibly a comparable tax recommendation for the $3,000,000 Post properties in Washington and on other property belonging to its publisher, now a resident of Latvia, Europe, may have influenced the editorial writer, but in the interests of independent and orderly legislation it is to be regretted that Members assigned without desire or knowledge to certain legislative duties should be subjected to a charge of motives of self-interest or prejudice when engaged in the study of District matters.

The committee's finding is that the gas tax must be doubled to meet that in surrounding States, and on the average it is below the average rate in the country. Motor vehicles are to be taxed, and the gentleman from Tennessee [Mr. DAVIS], on the Democratic side, is going to deal with that question. In my State motor vehicles pay something like $14 on the average, and yet you get your license here for $1 and a small personal-property tax.

The estate tax, as I said, is practically all returned to the District, so that they will pay only one estate tax. That is equally true of the income tax, which, of course, takes the place of the intangible tax now paid. So that you have practically only the motor-vehicle tax and the gas tax added to District tax burdens. I believe a real-estate and personal-property tax ought to be imposed to a larger extent, but we are not going to attempt to do that here. However, there is a legislative committee of the House on District affairs that ought to make a study of that phase of the question and undertake to remedy the present situation.

Mr. REILLY. Has the gentleman the assessed value of the non-Government property?

Mr. FREAR. Yes. All of that is presented in the report and it is in my minority report. I think that is all I have to say at this time. [Applause.]

A STUDY IN TAX OFFSETS

Mr. Murphy, chief expert in the Bureau of Efficiency, was testifying as to the method he pursued in estimating Federal Government tangibles and intangibles reached a total of $180,000,000.

Bearing in mind that nowhere else in the world has any such preposterous method been followed in trying to match up Federal, personal, and intangibles against a properly taxable community, I submit the following "expert" tax opinion that now bolsters up the District tax situation:

Mr. MURPHY. The Bureau of Efficiency made a request on the various Government establishments to report the value—that is, the cost—of the equipment and machinery, and so forth, which is owned and used in connection with the Government's operations. On the basis of these reports, which excluded the contents of the Capitol, the contents of the Congressional Library, the contents of the Smithsonian Institute, and Army Medical Museum, we arrived at a figure of $180,000,000 for the value of the personal property devoted to this use.

Mr. FREAR. What property did you include?

Mr. MURPHY. We included the property in all the Federal establishments that we had classified in our first list as being devoted to general Government needs, and the property which they were using which would be taxable if privately owned.

Mr. FREAR. That is, the desks and everything, the furniture and everything in the buildings?

Mr. MURPHY. Yes; machinery and everything of that kind. Now that $180,000,000 is the cost of that new. Of course, it was in various stages of depreciation and we took one-half of its value, or $90,000,000, as a basis for a tangible property tax.

Mr. FREAR. That was all arbitrarily based; I am trying to ascertain just what you used, how you arrived at your figure. It is arbitrarily based by your commission or your board of efficiency?

Mr. MURPHY. You mean the 50 per cent?

Mr. FREAR. Yes. Both that and the fact that you reached the basis of $180,000,000 by including all the furniture. I mean, have you had any figures of that kind from anyone else?

Mr. MURPHY. Of course, the figures we used were the figures and values of the various departments and establishments. We did not put our own figures on it. We took theirs.

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Mr. FREAR. Then you took half of that?

Mr. MURPHY. Then we were confronted with the problem of what part should be used as the valuation for tax purposes. We know in personal property the valuation is scaled down materially, and we scaled it down 50 per cent and arrived at the figure $90,000,000 in that way. Of course, we could not include the property of the Army Medical Museum and the Smithsonian, because nobody could value that.

Mr. FREAR. I am not criticizing; I am trying to get the method you followed.

Mr. MURPHY. Now, we were confronted with the problem of determining what basis should fairly be used to determine the amount for intangibles. Obviously, any effort to determine the value of intangible property of the Federal Government on the same basis that is used for private individuals would be unsatisfactory. You could not take all of the debts due the United States from foreign countries and railroads, and all the cash in the Treasury on a given date and take one-half of 1 per cent of that, so we felt that we might arrive at a basis for determining this that would not be unfair to the Federal Government and would not be unfair to the District of Columbia government, and we made an examination of the tax returns of the principal business concerns in Washington to find the relationship between the value they reported for personal property and the value they reported for intangibles. Taking a group of those, we found that the values were approximately the same.

Mr. FREAR. That is, between the personal property and the intangibles?

Mr. MURPHY. That is right. So we inserted $90,000,000 as a valuation of the intangible property on which one-half of 1 per cent would be computed.

Mr. FREAR. That was the Government's share of intangibles. Now, will you go in detail and show what that consists of? Can you in any way show what this $90,000,000 of intangibles is that the Government is taxed for, or so set off and put into this estimate?

The CHAIRMAN. That was a purely arbitrary figure, was it not, Mr. Murphy?

Mr. MURPHY. Yes. It was out of the question, in our judgment, to attempt—I can tell you this, that for 1932 the amount of tax we arrived at, one-half of 1 per cent, is $451,000. That is part of the nine or ten million dollars.

Mr. FREAR. I feel that you are entitled for your own sake to make that more definite as to what would be considered. You say you could not arrive at the question of foreign debts, which, of course, is certainly true. No one ever anticipated that that would be considered. But what did you take as personal property of the Government? Did you take the gold and silver that is up in the Treasury Department?

Mr. MURPHY. That comes under intangibles. That is why I explained we thought we could not possibly take the cash balance in the Treasury from day to day.

Mr. FREAR. In personal property?

Mr. MURPHY. Yes; money and credits come under intangibles which I explained we thought we could not possibly take and get any satisfactory results, so we have attempted to offer for the consideration of the committee this other as a basis for arriving at it, which we feel is not unfair to either the District of Columbia or the Federal Government.

Mr. FREAR. That is $90,000,000 for Government intangibles?

Mr. MURPHY. Yes.

Mr. FREAR. I think this is important to be made a matter of record, that you arbitrarily say that because the business property of the city has an intangible value of a certain amount, the same amount of intangible property to personal property should apply to the Government that the private business has. That is right, is it not?

Mr. MURPHY. We arrive at the assessed valuation of intangibles on the basis of the actual assessed valuation of the tangibles.

Mr. FREAR. In private business?

Mr. MURPHY. No; in the Federal Government. We obtained a figure of $90,000,000 as the actual assessed valuation of the tangible personal property. Now, we arrived at the assessed valuation of the intangibles by taking an equal amount after having determined from a group of business returns that their reports showed that the assessed valuations of their tangibles and their intangibles were about the same.

Mr. FREAR. Yes; of course. Now, I am asking, we can take intangibles, stocks and bonds and matters of that kind that are held by private individuals, and we can very readily ascertain a correct statement of them; but what did you consider of the Government, outside of simply saying, "We will take the same rate that private individuals have"?

Mr. MURPHY. That is all. We are trying to put the Government in the same position as another business concern here, as far as the property which is used, both real and personal, is concerned.

Mr. FREAR. Do governments have the same intangibles in proportion as private individuals? Is that the suggestion?

Mr. MURPHY. No. The suggestion is that the business concern will have the same proportion as the Government.

Mr. FREAR. You have taken that arbitrarily; but have you had any estimates from any particular source? Is that true of any city that you know of?

Mr. MURPHY. In regard to intangibles?

Mr. FREAR. In regard to intangibles of the municipal government or of any government abroad or here?

Mr. MURPHY. We have no data on that; no.

Mr. FREAR. You have just assumed that?

Mr. MURPHY. That is all.

In discussing the efficiency commission's peculiar intellectual bent when trying to support the District of Columbia's contention that Federal property should be offset on the tax roll, I attach a brief extract from testimony in hearings of Congressman Browne that expresses a general estimate of the offset contention, as follows:

Mr. BROWNE. Let us accept the District of Columbia valuation of the Government property and charge 5 or 6 per cent for the use of parks. Let us go a little further. The Federal Government owns the streets of the city of Washington, in fee and not in use. The Government property should have a tax paid on it. Then, let us charge rent for the use of the streets. I can show you streets that are worth $100 a square foot. The whole value of the adjacent property rests on the free use of those streets. Let us be logical and have a sequence to our argument. Let us not be all one sided. Let us balance it. If the Government holdings can be taxed, then the Government can collect rent.

Mr. FREAR. From whom?

Mr. BROWNE. From the District, which uses it. There is the logic. Let us carry this logic a little further.

Mr. FREAR. They suggest it is used by outsiders as well as the District, because of the location of the Federal Capital.

Mr. BROWNE. It is in evidence and established anyway, just as any street in any part of the country, the District of Columbia people travel through the streets and roads in Washington and through Baltimore and through Virginia. So that goes both ways.

Mr. DAVIS. It is also a fact, is it not, that visitors to the city are always welcome because they spend their money in Washington?

Mr. BROWNE. They pay handsomely all the time they are there, and the District business houses and hotels get the money. I have no doubt there would be many places glad to welcome home the Federal Government of the United States if it spent $100,000,000 a year in the community. I am merely following what I consider an absurd point of view to its logical conclusions. We tax our intangibles. If we have money in the bank on the 30th of June there will be an assessment on it. It is an intangible. Why not tax the balance in the Treasury? It is the same thing.

Mr. FREAR. That has been suggested.

Mr. BROWNE. Four or five hundred million dollars. Why not put an income tax on the Government's income—carry the absurdity to the logical conclusion?

Mr. FREAR. It has been suggested to the committee by the Bureau of Efficiency it is difficult to obtain the exact indebtedness of the Government and to take a blanket of $90,000,000 intangibles as an equivalent.

Mr. DAVIS. Now, carrying that analysis further, if, as suggested by you, we accept the theory that the Government should respond in a manner either directly or indirectly as a taxpayer on its property in the Capital, what would be a proper basis for the payment of taxes on property like the Capitol and the Smithsonian Institution, the National Museum, and Zoological Gardens, and so forth?

Mr. BROWNE. If we accept that argument, the basis would be like the basis of any taxes—on the theory of what they are worth. And while we are about it, why exempt anything—churches, charitable institutions, and other benevolent institutions—and put taxes on them. They are benevolent institutions, and so is the Federal Government a benevolent institution.

I will be glad to give my opinion on anything that comes up. As long as we keep our feet on the fundamental economics we will not go astray.

Mr. Chairman, most of the Members of this House are to some extent students of taxation, as necessarily they have to be in the positions they occupy in the various districts. I think they will be interested in reading what I have attached here to my remarks from this Bureau of Efficiency expert, who was before us for several days. I call it a study in tax effects. He attempts to show why they should offset something like $500,000,000 worth of Federal Government property in this District-tax question.

It should be kept in mind that the Government does not have its property in Washington taken care of by the District of Columbia. The Government has its own policemen. The Government built the water plant here, and that was undertaken as a Federal activity. Of course, some expenditures may be made by the District of Columbia for the Federal Government, and the District ought to be paid for that, and no one will question that; but that does not enter into this, it is not an element for consideration at all. I do not think that any Member sitting on this floor will oppose any appropriation that is intended to beautify the city of Washington and make it what it is to-day, the most beautiful capital I have ever been in, and I have been in all of the European capitals, with one or two exceptions.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes.

Mr. BLANTON. The Government of the United States pays for the policemen in the Capitol and the House Office Building and the Agriculture Department and the park police and various other police. The Government pays for them exclusively.

Mr. FREAR. I thank the gentleman for his contribution.

Mr. COX. Mr. Chairman, I believe the gentleman pointed out in his speech yesterday that if the tax burden of the people of the District was equalized with that of people living in comparable cities, there would be no necessity for this Federal contribution.

Mr. FREAR. Fourteen million dollars, I stated yesterday, by the findings of the committee, would be raised in addition to what they pay now, whereas they now get $9,500,000 annual dole, and that has been reduced by the committee because of raising $4,000,000 by offered bills to $6,500,000. I can see no necessity for even that amount. A total increased tax of $10,000,000 ought to be sufficient to meet the District's needs, and if not, then I shall vote for everything that is reasonable for the District.

I shall not take more time of the committee now, for I expect to speak briefly upon the matter of the estate tax later.

Mr. DAVIS. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, ladies and gentlemen of the committee, this week seems to be wash day for the Republican organization. We Democrats are not concerned with their washing out of their dirty linen. The most serious criticisms of President Hoover that have been made in the other end of the Capitol have come from an old-line stand-pat Republican. The most serious charges against and criticisms of President Hoover that have been made in this Chamber come from the Republican chairman of that great Committee on Banking and Currency, and he has been the Republican chairman of that committee for several years until the present Congress.

Whatever have been the conditions prevailing in this country for the past 10 years, culminating in the present unprecedented depression, the people of the United States have now a ray of hope. From day to day, I predict, and I have been fairly close to the business men of this Nation, that the business men of the United States engaged in legitimate business are going to have more and more respect and confidence for the leader of this House. He is going to instill confidence into the business affairs of the country. The people are going to know that the legitimate enterprises will get a square deal, and that the illegitimate ones are going to be called to a halt from now on, and that the people have safeguards aplenty as long as we have JOHN GARNER in the Speaker's chair. [Applause on the Democratic side.]

I ask unanimous consent, Mr. Chairman, to insert at this point a short editorial from the Bridgeport Post concerning Speaker GARNER.

The CHAIRMAN. Is there objection?

There was no objection.

The editorial referred to is as follows:

[Bridgeport Post, December 15, 1931]

THE SPEAKER'S CAR

One prominent Democrat has set an example for lesser Democrats to follow.

JOHN N. GARNER, of Texas, newly elected Speaker of the House of Representatives, has refused to accept the use of the handsome motor car that has gone with the House Speakership for many years.

Congressman GARNER figures that he can save the Nation between $5,000 and $7,500 a year. He and Mrs. Garner, he explains, have found that they can readily take a trolley from their modest apartment and within a short distance of the Capitol can complete the trip "in one of those 20-cent taxis."

Besides, having the official car involves an official chauffeur in attendance at the Capitol entrance, waiting for the Speaker to emerge. "And I don't want any man hanging around waiting for me," says the democratic Mr. GARNER.

When the late Nicholas Longworth was alive and the make-up of the present Congress had not yet been determined, Speaker Longworth and his minority rival, Mr. GARNER, used to spoof each other a good deal about the official car and who would have the use of it in the present session. The division appeared so close that they compromised by calling it "our car."

Mr. Longworth is dead and Mr. GARNER has become the majority spokesman in troublous times. His act in rejecting the car, simple as it is—and theatrical as some critics may say it is—sets a good example. It strikes the right note.

After all, why shouldn't our public officials, from the President down, furnish and pay for their own cars if they must have cars? This business of providing luxurious equipage for our well-paid public servants to ride in never had any real sanction either in economy or common sense.

Mr. BLANTON. You are going to see commendatory editorials such as the above coming forth from every Republican paper in the land before this year terminates. For Mr. Speaker GARNER deserves it.

Mr. SHANNON. Which Bridgeport?

Mr. BLANTON. Bridgeport, Conn., the State from which hails our good friend Mr. TILSON. It is a leading daily from a strong Republican State.

I asked the other day the distinguished gentleman from Ohio [Mr. COOPER]—and there is no finer gentleman in this House—about an editorial that came from that staunch Republican newspaper, the Akron Beacon-Journal. It was trying to shunt Mr. Hoover aside as the Republican nominee next year and to substitute Mr. Coolidge as your standard bearer. And in such connection it carried a cartoon that had attached to it its own loud speaker. The gentleman from Ohio did not seem to remember it. It was a very short editorial.

The accusations which are coming against the Republican administration are not coming from Democrats. They are coming from Republicans. I do not blame my friend from Maine, Mr. BEEDY, for trying to iron them out this morning. Mr. BEEDY is a graduate of the Yale Law School.

Mr. BEEDY has been on various debating teams; for instance, on the Yale-Harvard debating team, the Yale-Princeton debating team. He has been on debating teams all over the New England States. He is a profound lawyer. He has been a distinguished district attorney in his district, and he has had a record than which there is no better in New England for prosecuting people who need prosecution. He is a wonderful prosecutor, but he is a poor defender. I presume you gentlemen picked the best lawyer that you had as a defender on your side, next to the gentleman from Illinois [Mr. CHIPERFIELD].

All of this defense commotion is unnecessary. When the President of the United States was disturbed about prohibition, when he could not answer all of his callers from New York who daily visited him on that subject, he appointed a commission to attend to that proposition for him, and with the report of his Wickersham Commission he has appeased the people of the United States—"wets" and "drys"—so that they are no longer concerned on that question. [Laughter.]

When the Navy League attacked the President and made accusation after accusation, the distinguished President of the United States, as was his wont, referred that to a specially selected commission, duly appointed, and they brought in a report clearing the President. [Laughter.] Now he is

cleared of those Navy accusations. To-morrow he is going to appoint a commission to take up the accusations made by the gentleman from Pennsylvania, his erstwhile Republican chairman of the Committee on Banking and Currency [Mr. McFADDEN]. [Laughter.] And in due time they will be passed on to the satisfaction of the American people. So why take up the time of this House washing out the Republican dirty linen? Why do you not take up the debate on these four splendid bills presented by this splendid committee, headed by our splendid colleague from Michigan, Mr. MAPES, and debate these bills?

Mr. LaGUARDIA. Why does the gentleman not set a good example and start right now?

Mr. BLANTON. I intend to do that. There are many new Members who may not be acquainted with our friend from Wisconsin [Mr. FREAR], of Hudson, Wis. I was here where he crossed swords with one of the strongest men of this House. It was a most memorable fight. It was with no less an antagonist than the distinguished former Member and Speaker of this House, Mr. Nicholas Longworth, of Ohio. You older Members remember that great fight on the dye schedules, the debate on one side led by Mr. Longworth, and on the other side by the gentleman from Wisconsin, and Mr. FREAR won the debate. He got enough votes on both sides of the aisle to uphold him in it. While he has been a Republican all these years, I have followed him on many fights, and I am following him now on the only speech that has been made on the present legislation that is before the House. He is a safe man to follow on propositions of this kind. [Laughter.]

Mr. FREAR. Why make any reservations? [Laughter.]

Mr. BLANTON. If the gentleman were not on the wrong side of the aisle there would be no reservations. [Laughter.] If my judgment is good, if the party to which the gentleman belongs continues in the way it has been going for the last 10 years, not only the gentleman from Hudson, Wis., but the entire Wisconsin delegation and other delegations from the western part of the United States are going to cross this aisle and we will have to move that middle door at least one section down, and move our aisle westward to accommodate the new Democratic Members. [Applause.]

[Here the gavel fell.]

Mr. DAVIS. Mr. Chairman, I yield to the gentleman from Texas 10 additional minutes.

Mr. BLANTON. For over 12 years' service here I never took a vacation. I spent every single interval between sessions of Congress in Washington investigating bureaus and commissions and independent offices and departments of Government. I went down there and had them show me where the money was going that we were appropriating here by hundreds of millions. I had them show me their methods of doing business.

In some investigations I had as many as 10 different people working for me, helping me gather the facts. And I had to pay them out of my own pocket. Incidentally, in checking up all Government business I investigated District matters. At that time these favored people in Washington were paying only 80 cents on every $100, as a total tax for everything, including water, streets, and schools. That covered every tax they paid—80 cents on the hundred dollars, because the people of the United States, through Congress, paid all of the other civic expenses for them out of the Public Treasury. The Members of Congress had given Washington what they called a 50-50 plan. The Government paid half of all street paving; paid half of all sewer connections; paid half of all the Metropolitan police force; paid half of all the fire protection; paid half of the salaries of all the trash gatherers, garbage gatherers, ash gatherers, street cleaners; paid for the water; and paid half of every other civic expense of this great city. Property rose in value here, and because of that you found tax evaders moving from every part of the United States to Washington. The tax on intangibles was only one-half of 1 per cent. You found multimillionaires coming to Washington with millions of dollars in their bank boxes in securities that were not touched by taxes, and then we began to fight that. I found many situations interwoven in District affairs that were intolerable. And I made an uncompromising fight to rectify them. Naturally I incurred the enmity of individuals and officials I investigated.

But no man can accomplish anything without making somebody mad. When I was judge of the forty-second judicial district of Texas and cleaned the congested dockets by dispatching business, I made some easy-going lawyers mad. But nevertheless, I cleaned up the court dockets in my five counties—Eastland, Stephens, Callahan, Shackleford, and Taylor. I incurred the special emnity of a lawyer named Dallas Scarborough. When my 4-year term expired he made an attempt to get me off the bench. He announced as a candidate against me for the office. We had a memorable joint debate at Ranger, Tex., and I ran him out of the campaign. But he has never forgiven me. He has opposed me for over 20 years. Every time I have run for Congress I have had to defeat not only the men who were in the race against me, but also this Mr. Scarborough. He has criticized me for this, and for that. He has incited and helped candidates to run against me. He has continually meddled in my affairs. He has repeated and helped to circulate adverse newspaper criticisms against me. He has just recently written a snooping letter to an official here in Washington seeking information about my office which he could have gotten from me for the asking. I always carry his old home county of Callahan almost solidly. I am willing for my office employees to tell him something about my work here.

Mr. Chairman, I ask unanimous consent to insert in my remarks four short statements by employees who have worked for me—some for a long time. They are about one page each.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AFFIDAVITS OF EMPLOYEES

WASHINGTON,
District of Columbia:

I, Mrs. Louise Kennedy Marx, being duly sworn, upon oath state: I am Congressman THOMAS L. BLANTON'S secretary, in charge of his Washington office. I am not related to him in any way. Excepting a few intervals, I have been his secretary since April, 1917. During the short time he was out of Congress following his campaign for the United States Senate he "loaned" me to Congressman Spearing, of Louisiana, whose secretary I was until Mr. BLANTON returned to Congress.

I am a graduate of the Abilene High School and attended business college there, and my parents and sister still live in Abilene, Tex.

I draw a salary of $2,000 per annum, and Congressman BLANTON gives me a vacation of one month off each summer on full salary, and he pays for the substitute who does my work while I am absent.

For more than 10 years Congressman BLANTON took no vacations but devoted the entire intervals Congress was not in session to making close, careful, exhaustive investigations of all departments, bureaus, commissions, and independent offices of the Government, familiarizing himself in minute detail with their manner of spending public money and their methods of transacting business. This cost him much money.

He has never been on a junket. His check-ups caused several high officials to lose their positions. He has worked day and night in numerous important hearings and is well posted on every feature of Government business, which is of incalculable value to him in his efforts to keep waste and extravagance out of all bills. I know that since 1917 he has spent several thousand dollars of his own money in making investigations, and he has paid out for clerical help far more than his Government allowance.

All of his various employees who have worked for him like him and are still his loyal friends. Miss Ruby Saylors, who has worked for him for the past three years, is his private secretary in charge of his Abilene office, which he maintains specially to assist ex-service men.

He has recently been rewarded by being elected a member of the important Committee on Appropriations, a position long sought by him.

(Mrs.) LOUISE KENNEDY MARX.

Sworn to and subscribed by the said Mrs. Louise Kennedy Marx before me on this the 16th day of December, A. D. 1931, in Washington, D. C.

[SEAL.] W. G. LADD,
Notary Public in and for the District of Columbia.

THE STATE OF TEXAS,
County of Taylor:

I, Ruby Saylors, being duly sworn upon my oath, state: For the past three years continuously I have been the private secretary of Congressman THOMAS L. BLANTON. I am in charge of his Texas office, while his secretary, Mrs. Louise Marx, a graduate of the Abilene High School, is in charge of his Washington office. He pays me $150 per month with his own personal checks. I am not related to him.

When it developed that many sick and disabled veterans and widows, children, and dependent fathers and mothers of veterans were unable to obtain merited compensation because they had no one to properly prepare their papers for them or to help them secure needed evidence and that they were unable through letters properly to explain their cases, Congressman BLANTON at his own expense opened local offices in his district, and pays $600 per year rental for two rooms in the Alexander Building, at Abilene, devoted to official business, thus giving his constituents an opportunity to be heard and to personally explain their business. He has taught me how to prepare their papers for them, and pays all expense incident to qualifying me as a notary public, and he furnishes free notary service to all of them, and constituents from every county in his district come to the Abilene office for consultation and assistance.

Under his guidance and direction I prepare the applications and affidavits and fill in the required Government forms for disabled veterans, their widows and dependent parents, and administer the oath required, so that the papers may go to Congressman BLANTON in good shape. I draw for them their affidavits of fact to be executed by witnesses scattered over the United States. I secure certificates of marriage records, certificates of death, birth certificates, transcripts of probate proceedings and of divorce decrees, and certificates of adoption, and I properly prepare their papers for them so that Congressman BLANTON may obtain needed redress for them from the Government; and he obtains for many of them duplicates of lost discharges and of lost adjusted-compensation certificates. When minor sons run off from home and join the Army or Navy, or when emergent necessities require the immediate return of adult sons, I prepare for their mothers and fathers proper applications and affidavits of needed witnesses, so that Congressman BLANTON may get such sons discharged and sent home promptly. I am an Abilene girl, and am not related in any way to Congressman BLANTON. I have worked in his Washington office, and know that he labors incessantly for his constituents.

RUBY SAYLORS.

Sworn to and subscribed by the said Ruby Saylors before me on this the 1st day of December, A. D. 1931. Given under my hand and seal of office in Abilene, Tex.

[SEAL.] KATE RATHMELL,
Notary Public in and for Taylor County, Tex.

The STATE OF TEXAS,
County of Taylor:

I, Louise Logsdon, being duly sworn, upon oath, state: I am employed by Congressman THOMAS L. BLANTON as mailing clerk for his office. I succeeded Miss Alleyne Osborne, an Abilene girl, who held this position until she married. Congressman BLANTON pays me my salary with his own personal checks.

I have mailed out over 80,000 farmers' bulletins that he secured from the Agricultural Department to his constituents in his district. They have contained valuable instructions on Canning Fruits and Vegetables at Home; How to Mix Plain Concrete for Farm Use; Farm Terracing; Swine Production; Fitting Dresses and Blouses; Raising Chickens, Turkeys, and Other Poultry; Proper Food for Young Children; Beautifying the Farmstead; Marketing Farm Produce; Use of Parcel Post; and many other subjects, which are constantly called for by constituents.

I have mailed out many educational bulletins and data to the teachers in Congressman BLANTON's district, and mail out continually veterans' laws, and different rules and regulations of the United States Veterans' Administration to the veterans of different wars who call for them. Congressman BLANTON maintains at his own expense two rooms in the Alexander Building devoted exclusively to official business for which he pays a rental of $600 per year out of his own pocket. I am an Abilene girl, and am not in any way related to him. He has two other Abilene girls working for him, Miss Ruby Saylors, who is his private secretary, and Mrs. Louise Marx, who is his secretary in charge of his Washington office both during term time and in vacation, and neither of the two are in any way related to him.

LOUISE LOGSDON.

Sworn to and subscribed by the said Louise Logsdon before me on this the 1st day of December, A. D. 1931. Given under my hand and seal of office at Abilene, Tex.

[SEAL.] RUBY SAYLORS,
Notary Public in and for Taylor County, Tex.

The STATE OF TEXAS,
County of Taylor:

I, Kate Rathmell, being duly sworn, upon my oath state:

I have worked for Congressman THOMAS L. BLANTON as supply when his help was off on summer vacation. He paid me with his own personal checks. I am an Abilene girl, and am not related to him in any way.

In my opinion it is of great benefit to his constituents for Congressman BLANTON to maintain a local office in Abilene, as it affords them an opportunity to be personally heard on their varied business matters, and they can explain and discuss the details of their various cases. I know that his constituents come from different parts of his district to see him.

KATE RATHMELL.

Sworn to and subscribed by said Kate Rathmell before me on this the 1st day of December, A. D. 1931. Given under my hand and seal of office at Abilene, Tex.

[SEAL.] RUBY SAYLORS,
Notary Public, Taylor County, Tex.

Mr. BLANTON. The above will keep Mr. Dallas Scarborough from circulating in my big district unwarranted criticism at a time when I am 2,000 miles away busily engaged in attending to the important Government affairs with which my constituents are vitally concerned.

But we who do our duty here may expect to be criticized. We can not do our duty without opposing measures which others espouse ardently. Every time we stop somebody from doing something they want to do, they will get mad and criticize us. If we are not able to withstand unjust criticism, we have no place here. It is only just criticism that hurts. Unjust criticism may sting for a while, but ultimately it does no harm. We must be willing to dare to do right, and take the political consequences. Our consciences will be clear in any event.

Mr. MAPES's committee is now passing legislation for which I have been making an earnest, uncompromising fight for 15 years. When I began fighting the tax rate here in Washington was only 80 cents on the $100, covering all taxes. When we raised it to 90 cents on the $100 we had this identical criticism from the Washington newspapers. Mr. Multimillionaire Ed McLean, of the Post, did not like it. Mr. Multimillionaire William Randolph Hearst, of the Herald and Times, did not like it. Mr. Theodore Noyes, of the Star, did not like it. But nevertheless we raised it. And then we raised it to $1.10 on the $100, and then again to $1.20 on the $100. And then we made another fight and raised it to $1.40 on the $100. And each step, we who led the fight had to be criticized and crucified by the five daily papers in Washington. And when we Members who had been leading the fight succeeded in raising the rate to $1.70 on the $100, we were all treated shamefully by the Post, Star, Times, and Herald. In the last campaign, when I returned to Congress, there was sent to my district, to be carried by as many of the 64 newspapers published in my district as would carry it, a front-page personal attack made upon me in the Washington Post. And it will be remembered that this is the newspaper whose owner carried the $100,000 in "greenbacks" in his little satchel as a go-between, which caused Mr. Secretary Fall to be condemned a felon.

I can not get fair treatment even through the great Associated Press because of the fights I have made here, for Mr. Noyes is president of the Associated Press. But does that deter me from doing my duty? Does it deter the gentleman from Wisconsin [Mr. FREAR]? Has it deterred the gentleman from Michigan [Mr. MAPES]? Has it deterred the gentleman from Tennessee, my friend, Judge DAVIS, or my colleague, Mr. PATMAN? No. They have done their duty on this committee in spite of this newspaper criticism.

We through the years have raised the tax from 80 cents to $1.70 on the $100, which Mr. FREAR has correctly stated is the lowest rate of taxation in any comparable city in the world. Yet these five daily newspapers are kicking about it.

Oh, they will chastise us about it, but we are doing our duty. We owe it to our people back home. They are tired of paying Washington taxes.

I love the city of Washington and its people as much as does Mr. Theodore Noyes. I have just as many close personal friends here as has he. I am just as much interested in beautifying the city of Washington and making it the most beautiful city in the world as is Mr. Theodore Noyes or Mr. William Randolph Hearst. I will take just as much interest in it and go just as far with you. I supported my friend from Massachusetts [Mr. UNDERHILL] in giving you a

great parking system for the District, giving you all the money the District needed for a parking system, one of the finest in the world. I have gone all the way down the line, as far as was just and right, but I have insisted that the Government of the United States should no longer pay the civic expenses of the people of Washington, much of which all of our people back home heretofore have had to pay.

Take the water system. Do you know that this Government paid for and owns the original conduit of this system? Do you know that much of the money that has gone into this magnificent water system, one of the best in the world for any large city, has been furnished to a large extent by the Government? You who have residences here get your water for your family for $5.60 a year. Where is the home back in your district that can get water for $5.60 a year? In the summer time in my home city I have in years gone by paid as high as $20 a month for sufficient water to keep trees alive. Here you get it for $5.60 a year. A residence in Washington does not have to pay a 5-cent piece for current sewer connections. After you once pay a nominal charge to connect your property with the sewer you are not charged thereafter. In every other city in the United States you pay so much per month for every connection you have and also pay full cost of installing. I do in my city, and as far as I know that is true everywhere else in Texas and other States. But you pay nothing for current sewer charges here. After you once get your connection you do not pay any more. You do not have any monthly payments or yearly payments. It is all paid for you through this old system which we have had going on here for so long.

I want to take my hat off to this Mapes committee. I think it has rendered a service that is invaluable to the people of the country. I say that the newspapers are not treating the Washington people fairly when they are continually hounding Congress by intimating that we are unjust to Washingtonians. It creates a false idea in the minds of the taxpayers here, when we are just and fair.

You take these 20,000 people here who have not paid their taxes. I heard some time ago that there was an undercurrent here, "Do not pay your taxes. We are going to get Congress to grant a moratorium, and after the moratorium we will have Congress pay them; so do not let us pay our taxes."

I am going to put in the RECORD in a few days a statement from your tax assessor here showing the big corporate interests that have refused to pay their taxes under this hope of a moratorium. I am going to show how much they owe and the exact situation. The tax assessor is against it. He says it would be ruinous to the tax system in this District to grant such a moratorium. Yet these newspapers have insisted on that being done.

Do you know how much that would mean to Mr. Theodore Noyes and his Star? Do you know how much that would mean to Mr. William Randolph Hearst and his Times and Herald? Do you know what that would mean to Mr. Ed McLean and his Washington Post? It would mean a tremendous saving.

Take automobiles. You pay $1 here to register a Rolls-Royce, $1 only; yet that would cost you $25 back in any one of the 48 States. Yet $1 is all you pay here. All of the vehicles and trucks which the Washington Star operates every day to deliver its papers cost Mr. Noyes $1 apiece.

Mr. COLE of Iowa. But automobiles are taxed as property, are they not?

Mr. BLANTON. Oh, yes; but I am talking about the $1 which it costs to register an automobile in the District, when back home you pay for registration $12.50 on a Ford and on up on the higher-priced cars.

Congress has been the best friend on earth to Washington. The great trouble is that there are too many of us who own homes here, too many distinguished gentlemen in the other end of the Capitol who own palatial homes here.

[Here the gavel fell.]

Mr. DAVIS. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. BLANTON. A bill was once introduced by a distinguished gentleman at the other end of the Capitol to appropriate $94,000 to buy a parking system. I went out and investigated it. I took a photographer out there with me.

I found a little cut-over park, with all of the timber cut off it. It was land that belonged to Harry Wardman. I did not blame Harry for wanting to sell it, and I did not blame him for wanting to get a good price for it. I saw a magnificent residence just opposite it. There were a lot of improvements going on there and they were putting on sale some town lots around the residence. I called a cop over and I said, "Officer, who owns that fine residence," and he said, "Senator So-and-so," and it was this same Senator who had introduced that bill, the same one. He was not a Democrat, either, and he is not here any longer. [Laughter.] Of course, our committee did not approve of that bill. They killed it. Why, if you will go out here and look at all of this underbrush and all of this bog that is under this Tiger Bridge you will find it is almost worthless, yet do you know that they once tried to sell that bog to this Government for over $100,000? The members of the District Committee, a few of us, got into our cars and went out there and investigated it. We found out what it was and we stopped that bill. You have got to keep your eyes open, gentlemen of the Congress, when the District is concerned.

You have got to keep your eyes open, gentlemen of the Congress, when District bills come before us. You have got to keep your eyes open when Theodore Noyes and McLean and William Randolph Hearst are fighting for something in Washington. You can just bet your head it is something you ought not to vote for. [Laughter and applause.]

[Here the gavel fell.]

Mr. DAVIS. Mr. Chairman, I yield 10 minutes to myself.

Mr. Chairman and members of the committee, the moratorium and controversies on the other side of the aisle have been discussed, and you have heard considerable discussion of the fiscal relations between the Government and the District of Columbia of a general nature and discussion of the work of the committee. I think it is only fair to the membership of the House that you have a brief explanation of the particular bill under consideration.

The bill which we are considering is H. R. 5821, providing for taxation of incomes for the District of Columbia, and is one of four bills which have been introduced in accordance with the report of the special committee appointed during the last term of Congress to investigate and study and make recommendations with respect to fiscal relations between the District of Columbia and the United States.

At the present time there is an intangible property tax in force in the District of Columbia. As you are aware, these taxes are rarely ever very workable or fully enforced. The trend is toward an income tax, and this committee has undertaken to prepare, and the chairman has introduced, a bill which we think is in conformity with the modern provisions of income tax laws.

In arriving at a proper course with respect to all of these features of taxation the committee has studied the laws in force in other States and in other cities of comparable size with Washington, and we have undertaken, to the best of our ability, to adopt the most modern and most satisfactory provisions that are in force, and have undertaken to arrive at about an average of all the different jurisdictions.

Of course, there is a variation in the rates and in the terms of these bills in the different States, and yet, as you will see from an examination of the rates in other States, which are given on the back of the report on this bill, there is pretty close conformity with respect to rates in the different States which have adopted income tax laws.

The bill under consideration, in the first place, fixes an exemption of $1,000 in the case of a single person and $2,500 in the case of a married person living with his or her spouse, and $300 exemption for each dependent child under the age of 18 or other person dependent. These exemptions are somewhat lower than those embraced in the Federal income tax law but are more in keeping with the exemptions of other States with respect to State income tax.

The rates embraced in this bill are 1 per cent upon the first $2,000 of net income.

One and a half per cent on incomes in excess of $2,000 but not in excess of $5,000.

Two per cent of the amount of net income in excess of $5,000, but not in excess of $10,000.

Two and a half per cent of the amount of net income in excess of $10,000, but not in excess of $15,000.

Three per cent of the amount of net income in excess of $15,000, but not in excess of $20,000.

Three and a half per cent of the amount of net income in excess of $20,000, but not in excess of $30,000.

Four per cent of the amount of net income in excess of $30,000, but not in excess of $50,000.

Five per cent of the amount of net income in excess of $50,000.

Mr. BLANTON. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. BLANTON. I just want to call the gentleman's attention to the fact that with so important a bill as the gentleman now has under consideration we have only 20 Republican Members on the floor. Of course, the country is in safe hands as long as that condition prevails.

Mr. DAVIS. Well, do you not suppose the Republicans recognize that fate?

We do not think the taxpayers of the District of Columbia have any just right to complain of the enactment of the pending bill. We think from their viewpoint it is fairer and can be more easily and more economically and more effectively administered than their present law, and we think it will result in parties paying tax who are now escaping the payment of tax, because of the fact that they do not report their intangible property; and so far as the District of Columbia is concerned, and so far as the people of the United States are concerned, it is conservatively estimated that the substitution of this income tax law for the present intangible property tax law of the District will increase the revenues of the District of Columbia at least $750,000 per annum.

This, briefly, explains the bill. We are all more or less familiar with just what an income tax is, and the provisions are all the same in principle.

Now, just a word with respect to some matters that have been advanced by the gentleman from Texas [Mr. BLANTON] and the gentleman from Wisconsin [Mr. FREAR] with respect to the liberality which has heretofore been shown the District of Columbia. There is no question about that in my mind and, I think, in the minds of the members of the committee.

Some Members of the House seem to be of the opinion that, perhaps even with the enactment of the legislation we propose and the contribution that we suggest, we, representing both the District of Columbia and the people of the United States, are perhaps still too liberal.

In the first place, I call attention to the fact that the enactment of the measures we propose does not in any sense of the word preclude enactment of any additional measure. Any Member of the House is at full liberty to examine the report of the committee, the large mass of facts and data which are furnished in the report and appendices, and such other information which he may obtain, and prepare such additional bill as he may prefer with reference to a real property tax, or anything else, and present it for the consideration of the Congress.

Personally, the members of the committee feel that a great deal will have been accomplished, and a great deal of progress made if we enact the bills which members of the committee have introduced, and adopt the contribution not to exceed $6,500,000 suggested by the committee.

In that connection I want to state that, in the final analysis, whatever contribution shall be appropriated from the Treasury of the Federal Government for the support of the District of Columbia must be reported by the Committee on Appropriations, enacted by both the House and the Senate, and, of course, signed by the President of the United States.

Upon the subcommittee of the Committee on Appropriations which will handle the District of Columbia appropriation bill are such men as the gentleman from Texas [Mr. BLANTON], the gentleman from Nebraska [Mr. SIMMONS], the gentleman from Illinois [Mr. HOLADAY], and the gentleman from Missouri [Mr. CANNON], who is chairman of the subcommittee. There are no men in the House more familiar with the history of the affairs of the District of Columbia and the relation between the District of Columbia and the Federal Government than those gentlemen. These gentlemen have for years been studying these problems, and they may be relied upon to handle the situation intelligently and patriotically. If, in their own good judgment, they think $6,500,000 is too much, it is within their power and is their privilege to fix such other amount as they see proper.

In our report we feel that, under the direction given us by Congress, it was not proper to deal with the situation as it existed only for one year, but we undertook to deal with the situation generally for a number of years in order that there might be some stabilization of these relations and in order that we might not have a continual controversy in Congress year after year as to the size of the contribution, particularly between the two branches of Congress. We devoutly hope that the laborious efforts of the committee, with their report and the bills introduced, may to some extent, at least, solve that very troublesome and important question. [Applause.]

Mr. MAPES. Mr. Chairman, the gentleman from Tennessee has explained the provisions of the bill before the committee in a way that makes it unnecessary to explain them much further than he has already done.

I take it from my reading of the local papers during the last few days that there is some criticism of the action of the committee as to the recommendation of the committee of the contribution to be made by the Federal Government to the expenses of the District, but I have not heard any serious criticism of the bills which were reported by the committee.

The truth is that the home owners in the District of Columbia ought to welcome this income tax bill now before the committee. If people do not have an income, they do not have to pay an income tax, but the home owner who owns a house and lot has to pay the general property tax whether he has the money to pay it with or not, or whether he has any income or not. If he can not pay it, he loses his home. One of the purposes of the committee in reporting this bill is to relieve to some extent the general property tax. The committee believes in the principles of an income tax. It believes that it is one of the fairest and most equitable taxes that can be levied and it believes that it should be adopted for the District of Columbia.

Mr. KETCHAM. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. KETCHAM. My understanding of the discussion yesterday under general debate is to the effect that the committee expects to raise about four and a half million dollars of additional revenue by the proposed changes.

Mr. MAPES. Yes.

Mr. KETCHAM. Then, I also recall that a recommendation was made that the lump sum we appropriate every year should be reduced from $9,500,000 to $6,500,000. That is a reduction of $3,000,000. Taking that from the four and a half million dollars of increased taxes, we have one million and a half dollars which is to be taken off the levy now made against the real estate in the District of Columbia. That means that the homes of which the gentleman has just spoken will be relieved to the extent of that amount, if the present set-up remains the same, and that people who have not been paying taxes on other classes of property will make that contribution.

Mr. MAPES. What my colleague says is true, with this exception, that the law now provides that the tax rate on real estate and tangible personal property shall be not less than $1.70 per hundred. That is as high as it has been during the last few years. Unless that law is changed that rate will continue, or will not be lower, but the passage of

this bill and the others reported by the committee will help to keep the rate down as the cost of government increases.

Mr. KETCHAM. Then my colleague's idea is that the passage of this bill as it is establishes the principle that if additional taxes are to be paid they are to come out of other sources rather than increasing the tax rate on homes.

Mr. MAPES. That is correct.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. GRIFFIN. I received in the mail this morning a printed report from the committee of which the gentleman has the honor to be the chairman, entitled "Fiscal Relations in the District of Columbia," and it is labeled Report No. 1. I have had no opportunity to go through this report. I am anxious to know how many other reports will follow this.

Mr. MAPES. As was explained on the floor yesterday, the main report of the committee requires no action by the House.

Mr. GRIFFIN. Is this to be the main report?

Mr. MAPES. Report No. 1.

Mr. GRIFFIN. Reducing the contribution of the Government from $9,500,000 to $6,500,000?

Mr. MAPES. That is correct.

Mr. GRIFFIN. That is the main report?

Mr. MAPES. In addition to that report the committee reported four bills, and accompanied each bill with a separate report. The first bill called up by the committee is the bill calling for an income tax within the District of Columbia, and a separate report accompanies that bill.

Mr. GRIFFIN. That is the bill now under consideration?

Mr. MAPES. Yes.

Mr. GRIFFIN. Does the gentleman contemplate that the bill will be brought to a vote to-day?

Mr. MAPES. That is the hope of the committee.

Mr. GRIFFIN. Is there any argument or any report in favor of this income tax indicating the reasons for the income tax?

Mr. MAPES. Yes. I shall call the gentleman's attention to some in a moment.

Mr. GRIFFIN. Is that printed?

Mr. MAPES. The hearings are printed. I have just said that each one of these bills is accompanied by a separate report.

Mr. GRIFFIN. I see a report here entitled "Report No. 2," consisting of a page and a half. It simply expresses the opinion of the committee without giving any argument or advancing any reasons in favor of the bill?

Mr. MAPES. Of course, the gentleman can reach that conclusion if he chooses to do so. There is no argument that would convince some people and make them favor an income tax. The committee accepts that condition or attitude of mine, but it does not agree with it.

Mr. GRIFFIN. May I ask the gentleman another question?

Mr. MAPES. I have only a few minutes' time. I ask the gentleman to make his question brief.

Mr. GRIFFIN. Oh, the gentleman can get loads of time.

Mr. MAPES. My time has almost expired.

Mr. GRIFFIN. The bill providing for an income tax is supported by this report which I have mentioned, No. 2. Would it not be well to have a decision reached by the House on the main proposition, the reduction of the lump sum, before we pass on this question of an income tax?

Mr. MAPES. Mr. Chairman, as far as the committee is concerned, it will be glad to have an expression of the House on the main proposition, as the gentleman has called it; that is, on the report which the committee has made with reference to the contribution of the Federal Government to the expenses of the District government; but regardless of that, whatever the attitude of the House may be on the main report, the committee feels that an income tax law should be enacted for the District of Columbia in place of the present intangible personal-property tax, and I am sure the gentleman from New York can express his convictions and his thoughts upon this particular piece of legislation without any reference to the main report of the committee.

The committee thinks that the income tax should be substituted for the present intangible personal-property tax, and that it is the most equitable, the fairest, and altogether the simplest tax, as far as intangible personal property is concerned, that can be levied. The committee expressed its judgment about the desirability of such a tax by reporting this bill.

The committee feels that it is as important perhaps to adopt the policy of the income tax in the District of Columbia as it is to adopt any particular feature of the bill. For that reason it has been particularly temperate in the rates which have been suggested in the bill.

[Here the gavel fell.]

Mr. DAVIS. Mr. Chairman, I yield five additional minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. The House and the District should keep in mind that this bill not only establishes an income tax, but it repeals the present intangible personal-property tax. In the different States criticism is sometimes made of a proposed income tax law that it simply raises so much more revenue without relieving the tax burden at some other point and is to that extent an invitation to the authorities to increase their budget. This bill can not be subjected to this criticism, because it repeals the present intangible personal-property tax. Notwithstanding the low rates in the bill, it is estimated by the District assessor's office and by the tax expert of the committee, that it will raise in revenue something between $750,000 and $1,000,000 more than is now raised from the intangible personal property tax.

The gentleman from New York [Mr. GRIFFIN] asked if there was anyone appearing before the committee who suggested a tax of this kind for the District. I call his attention to the statement of Mr. Thomas Walker Page, at present a member of the United States Tariff Commission, and as he says, for 30 years a professor of taxation in different universities, such as the University of Chicago, the University of California, the University of Texas, the University of Virginia, and others. Mr. Page says on page 261 of the hearings:

> My suggestion of an income tax is based upon the experience that several States have had with it as a substitute for the tax on intangible property. Your own State—

Addressing himself to Mr. FREAR, of Wisconsin—

> was the leader in that movement. The State of Wisconsin was the first State that substituted the income tax for the tax on intangible property. Other States have followed. Some have substituted it completely for the tax on intangible property; others only partially; and some States have both an income tax and a tax on intangible property, and that is quite obviously unfair.
>
> Mr. FREAR. It results in double taxation?
>
> Mr. PAGE. Yes. My belief has been for many years that of all our taxes, that on intangible property works more injustice than any other. It is too easy to conceal intangible property, so easy that most people evade it.

It is in pursuance of the best thought on taxation, as the committee thinks, that it reports this bill.

On page 265 of the hearings Mr. Page said:

> There was one capitalist of national fame, one of our greatest men, who was a citizen of one of the adjoining States—I will not mention his name—who, when his estate was assessed for income-tax purposes, moved his residence at least nominally to the District of Columbia.

Now, as the committee says in its main report, this tax is paid in different States, and unless the District of Columbia has a similar tax, the tendency is bound to be on the part of those who do not want to pay an income tax, who want to dodge such a tax, to move to the District of Columbia. It is to prevent that and to relieve the general property tax that the committee reports this particular bill.

Mr. Chairman, if there is no further debate on the bill, I ask that the Clerk read the bill.

The Clerk read the bill, as follows:

Be it enacted, etc.—

DEFINITIONS

SECTION 1. The following terms in this act are for the purpose hereof defined as follows:

(a) The term "person" shall mean and include every individual, trust or estate, corporation, joint-stock company, partnership, or association organized for profit, unless otherwise expressly stated.

(b) The term "fiduciary" shall mean a guardian, trustee, executor, administrator, receiver, conservator, or any person, whether individual or corporate, acting in any fiduciary capacity for any person, trust, or estate.

(c) The term "District" shall mean the District of Columbia.

(d) The term "dividend" shall mean any distribution made by a corporation out of its earnings or profits to its shareholders, whether in cash or in other property, or in stock of the corporation other than stock dividends, as herein defined.

(e) The term "stock dividends" shall mean new stock issued for surplus or profits, capitalized to shareholders in proportion to their previous holdings.

(f) The term "gross income," wherever it appears in this act, shall mean and include gains, profits, and income derived from business of whatever kind and in whatever form paid, including gains or profits or income derived through estates or trusts by the beneficiaries thereof, either as distributed or as distributable shares; gains, profits, or income from dealings in real or personal property; gains, profits, or income received as compensation for services, as interest, rents, commissions, brokerage, or other fees, or otherwise received in carrying on any business, profession, or occupation; all interest received from Federal, State, municipal, or other bonds and all dividends received on stocks: *Provided*, That if the gross income is derived from the transaction of business in part within and part without the District of Columbia, gross income shall mean that portion of the income derived from business transacted within the District of Columbia, to be ascertained and allocated in such manner as will fairly determine the gross income of business transacted within the District. The assessor of the District shall have power to prescribe such rules and regulations as will properly carry out the direction and detail of this provision.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the select committee, appointed to study fiscal relations with the District of Columbia, has devoted a great deal of time and study to this very important question, but it seems to me we are putting the cart before the horse. I feel it would have been more constructive had we appointed a committee to study and submit plans for the reorganization of the municipal government of the city of Washington. The present arrangement is cumbersome, unwieldy, and unsatisfactory. Congress can not, in the very nature of things, devote the time and attention which the details of a municipal government require. Just think of it. The paving and repaving of streets, the opening of streets, lamp-posts, pushcart peddlers, and many, many petty details that a municipal government must attend to, come before the House of Representatives and the Senate, with no one particularly interested in the subject matter.

Mr. BLANTON. Will the gentleman yield right on that point?

Mr. LAGUARDIA. I yield.

Mr. BLANTON. The distinguished gentleman from New York, among the many valuable fights he has made here, made one of extreme value to the people when he stopped the city administration and commissioners from running a street through the Walter Reed Hospital grounds.

Mr. LAGUARDIA. I remember that fight.

Mr. BLANTON. Suppose we had had the kind of legislation which the gentleman now wants, giving them all the power and not having to come to Congress, they would have opened a public street through the Walter Reed Hospital grounds to the detriment of every single soldier there.

Mr. LAGUARDIA. No.

Mr. BLANTON. The gentleman rendered signal service in stopping it.

Mr. LAGUARDIA. They could not have done that, because in order to run a street through Government property they necessarily would have had to obtain the consent of Congress, and we would have stopped it.

The present government of the District of Columbia is unsatisfactory.

Now, there are some gentlemen who have devoted a great deal of time and effort to the management of the District.

When the gentleman from Texas [Mr. BLANTON] was on the District Committee, he devoted all of his time and his energies, to the detriment of his health, to an active and intelligent interest in the affairs of the District of Columbia. For that he was abused and ridiculed, and word was sent to his district that he was devoting all of his time to those matters. That is the fate of every Member who goes on that committee and assumes responsibilities as a member of the District Committee. It is simply impossible to resolve this body into a board of aldermen to properly attend to District matters.

I believe the city of Washington ought to be a model city in every way. It ought to have the best schools of the country, the best police and fire departments, the best street-cleaning department, an up-to-date health department, and proper supervision of housing. It ought to be the model municipal government of the whole country. Therefore I believe we should give the matter of the government of the District of Columbia some study. I believe we should provide a managerial form of government, with proper control and supervision by Congress, but limiting the powers of Congress to the supervisory end of it, instead of trying to do the work of a board of aldermen.

We boast of the building program that is now going on in the city of Washington. Without doubt the city of Washington will be the most beautiful city in the world within five years, when that building program is completed. But, gentlemen, within a few blocks of these monumental Government buildings we still have people living in hovels and in such insanitary homes and under such conditions as would shame any first-class city.

[Here the gavel fell.]

Mr. LAGUARDIA. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. BOYLAN. As a matter of fact, they are really dumps.

Mr. LAGUARDIA. Yes. As my colleague from New York [Mr. BOYLAN] points out, they are dumps, and I believe on several previous occasions he has called the attention of the House to them. Think of spending hundreds of millions of dollars in a great building program and neglecting housing. The housing of the District of Columbia has been absolutely neglected. We should provide in the Capital City model apartment houses and model homes. Oh, some one will say: What are you suggesting—that the city go into the housing proposition? Yes; if necessary. I am not afraid to suggest it if that is necessary in order to give all the inhabitants of the District of Columbia sanitary and cheerful American homes. The greedy landlords of the city will not do that, so the District should put up model apartments and houses for wage earners of moderate means.

Mr. PATTERSON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. PATTERSON. Would it not be well to set some kind of an example like that and see about the outrageous rents which are charged here?

Mr. LAGUARDIA. I am coming to that. A great deal has been said about lifting the burden of taxation on real estate and, of course, the home is always brought up. Well, I am for that. I would like to lift from the home owner all the burden possible, but we have in Washington the greediest lot of profiteering landlords than there are in any city of the country. I have no sympathy for them. They will take care of themselves, as they always do. We should provide a municipal government, and municipal housing should be one of its important functions.

I submit that some reorganization of the District government ought to be brought about in order to relieve the Congress of the details of a board of aldermen. A city manager should be provided; the people of the District should have a voice in the election of the commissioners; the Government should be properly represented in the commission-managerial form of city government. The budget should be submitted to the Congress for approval and determination as to its contribution which comes out of the Federal Treasury. The conditions of the city of Washington and the tax-rate conditions here are not comparable to any other city in the country. We have no industries here, and properly so. We have more space taken up by public buildings than is usual in any other American city. We have more boulevards and avenues and parks, necessary to provide

proper landscaping for our monumental public buildings. Therefore we can not compare conditions in the city of Washington with those of any industrial or commercial city in the country.

Mr. BOYLAN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BOYLAN. Does not the gentleman think that under the efficient chairmanship of the distinguished lady from New Jersey the District Committee is liable to be rejuvenated?

Mr. LAGUARDIA. Yes.

Mr. BOYLAN. And perhaps we will have better and more beneficial results than we have had heretofore.

Mr. LAGUARDIA. The gentlewoman from New Jersey is well qualified. She will no doubt take up her tasks as chairman of the District Committee full of ideas and ideals, and she will no doubt bring to the attention of the House the social legislation necessary for the protection of the people of the District. I fear that she, too, will be blocked on every side, and perhaps unjustly abused as many others who endeavored to be of real service to the District.

Mr. BOYLAN. We will not permit it, will we?

Mr. LAGUARDIA. We will not. The lady from New Jersey [Mrs. NORTON] is a very useful legislator and well able to assume the difficult task of chairman of the District Committee.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BLANTON. In advocating that the Government build homes for the people of Washington—

Mr. LAGUARDIA. Certain types of homes.

Mr. BLANTON. And renting them to the people of Washington, is the gentleman speaking the policy of the Hoover-Mills-Mellon-Snell Republican administration?

Mr. LAGUARDIA. I am speaking the policy of progressive, up-to-date city government.

Mr. BLANTON. The gentleman spoke of no industries here. The gentleman forgets that there is a Government pay roll here for nearly 100,000 people under which money is paid to them every two weeks, new money that has never been spent before. The people on that pay roll enjoy the greatest benefits of any people in the world, because they get their money regularly. There are no bank failures and there is no depression in the District.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for five additional minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the gentleman from New York may proceed for five additional minutes. Is there objection?

There was no objection.

Mr. BLANTON. With a Government pay roll for nearly 100,000 people you do not need industries.

Mr. LAGUARDIA. Of course not. I am not advocating industries here. I would even make the zoning laws stricter in order to prevent any encroachment on the residential districts. I would not have any industries here at all.

As to the 100,000 employees and what they get, I for one will take the stand that they earn every cent they get, and let the word go out right now that there is going to be the greatest and bitterest fight that ever happened on the floor of this House if any attempt is made to reduce the salaries of Government employees. [Applause.] I think the United States Government ought to set an example as to what is a fair, American wage to permit working men and women to live up to the American standard. But let us not get off the subject now. We will take care of that fight when it comes.

I do believe, however, after you are through establishing your fiscal arrangements, after you have fixed the taxes, we should get right down to the fundamentals of what is in the best interest of the people living here in the District and of the country in general, and should appoint a committee to study any necessary reorganization of the municipal government of the city of Washington.

Mr. BLANTON. If the gentleman will permit, on the question of reducing salaries, the only proposal that has thus far been made in this Congress has come from the gentleman's Republican side and in a Republican bill.

Mr. LAGUARDIA. Good. Now, will the gentleman from Texas stand by me in opposing salary reduction?

Mr. BLANTON. Yes, I will; on every legitimate salary now drawn by an honest employee of the Government.

Mr. LAGUARDIA. Fine; shake on that. [Laughter and applause.]

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, ladies, and gentlemen, I have not had time to study all the provisions of this bill, but I have read some of the first sections, and as I was reading the first section the query mounted in my mind as to whether the committee has described the word "person" with sufficient definiteness. I would like to inquire of the chairman of the special committee whether the word "person" includes Members of Congress. I may call the attention of the Members of the House to the fact that the word "person" as described in this first section does not say those domiciled or residing in the District of Columbia, but simply says that the term "person" shall mean and include every individual, trust or estate, corporation, and so forth. I think the bill is wanting in definiteness in not singling out just what the word "person" includes. Perhaps it is the intention of the committee reporting this bill that Members of Congress shall be subject to its provisions with respect to the payment of income taxes. Certainly, as the bill is drawn, with this vague definition of the word "person," I think it could with consistency be claimed that Members of Congress are subject to the payment of the income tax. Is it the purpose of the gentleman's committee to include Members of Congress in the payment of the income tax as provided in this bill?

Mr. MAPES. If any of them live in the District of Columbia; but, of course, none of them do.

Mr. STAFFORD. Do we not all live in the District of Columbia during the sessions of Congress?

Mr. BLANTON. If the gentleman will permit, certainly it would not apply to a Member of Congress, because he lives in his home district and is taxed in his own State.

Mr. STAFFORD. I am serious in my presentation of this question.

Mr. MAPES. I will answer the gentleman's question. Section 10, on page 12, says that a tax is "hereby imposed upon every person as herein defined resident of the District of Columbia."

Mr. STAFFORD. I must confess that I had not read that far in the bill. I was trying to scan some descriptive definition of the word "person."

Mr. MAPES. As the gentleman knows, you can not put all of a bill in the first section.

Mr. STAFFORD. That is true; but the bill defines in the first section what a "person" is. I thought that was the proper place to look for a delimitation of the description of "person."

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BLANTON. And we Members of the Congress who have to stay here to attend to our business, whether we stay in a rented house or in an owned house, are not residents of the District of Columbia; we are residents of our respective districts in our own States.

Mr. STAFFORD. The chairman of the special committee has called attention to the fact that it is limited to residents of the District. My attention had not previously been called to that section.

The pro forma amendment was withdrawn.

The Clerk read as follows:

DEDUCTIONS FROM INCOME OF INDIVIDUALS

SEC. 2. The term "net income," as herein used, shall mean the gross income less the following deductions:

(a) All interest paid during the taxable year on indebtedness: *Provided*, That no interest shall be allowed as a deduction if paid on an indebtedness created for the purchase, maintenance, or improvement of property, or for the conduct of a business, unless

the income from such property or business would be taxable under the provisions of this act.

(b) Taxes paid during the taxable year (except inheritance taxes, taxes paid under the provisions of this act, and taxes on income and profits imposed by authority of the United States): *Provided*, That special taxes imposed for betterments, and which betterments tend to increase the value of the abutting property, shall not be deducted.

(c) All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on business, or a profession or occupation, including a reasonable allowance for salaries or personal service actually rendered; also rentals or other payments required to be made as a condition to the continued use or possession for business purposes of property to which the taxpayer has not taken or is not taking title, or in which the taxpayer has no equity: *Provided*, That the provisions of this subdivision shall not be construed to include payment as a premium to an occupant to vacate such property for the benefit of the person or firm wishing possession of such premises.

(d) Losses sustained during the taxable year and not compensated for by insurance or otherwise: *Provided*, That no loss resulting from the operation of business conducted without the District may be allowed as a deduction unless the income derived from the operation of business without the District is subject to taxation: *And provided further*, That no loss may be allowed on the sale of property purchased and held for pleasure or recreation and which was not acquired or used for profit, but this proviso shall not be construed to exclude losses due to theft or to the destruction of property by fire, flood, or other casualty.

(e) All worthless debts charged off within the taxable year.

(f) A reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in the transaction of business may be deducted from gross income, provided such depreciation is actually charged off.

(g) Contributions or gifts made within the year to corporations or associations operating within the District of Columbia and organized and operated exclusively for religious, charitable, scientific, benevolent, or educational purposes; or to societies conducted exclusively for the prevention of cruelty to children or animals, no part of the net income of which inures to the benefit of any private stockholder or individual. The assessor of the District shall prescribe such rules and regulations for the carrying out of the provisions of this subdivision as he may determine are necessary in order to prevent any abuse of this exemption privilege.

(h) Dividends or incomes received by any persons from stocks or interest in any corporation, joint-stock company, or association, the income of which shall have been assessed under the provisions of this act: *Provided*, That when only part of the income of any corporation, joint-stock company, or association shall have been assessed under this act only a corresponding part of the dividends or income received therefrom shall be deducted.

(i) Dividends received on shares of corporations doing business in the District of Columbia and which corporations are required by law to pay a tax on their gross earnings or gross receipts.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

I wish to inquire of the chairman of the committee wherein the provision under subtitle (i) differs from the provision under subtitle (h). Under subtitle (h) there are exempted dividends or incomes received by any person through stocks or interest in any corporation, and so forth, and then in subtitle (i) you, seemingly, provide for the same character of dividends. Will the chairman of the committee explain the reasons for the need of subtitle (i)?

Mr. MAPES. It seems to me that one applies to the companies that are assessed on their incomes under this bill, and the other applies to companies that are assessed under the present law which assesses them on their gross receipts and gross incomes.

Mr. STAFFORD. Though the phraseology is slightly different, still it pertains to the same subject matter, as I read it.

Mr. MAPES. I think if the gentleman reads it closely, he will find that section (h) relates to corporations which are required under this act to pay the income tax, and subdivision (i) relates to those corporations that are assessed under existing law on their gross receipts and gross incomes.

Mr. STAFFORD. Subdivision (h) refers to dividends received by individuals and is a customary provision in income-tax legislation, that there shall not be double taxation; that if a person receives a dividend from a corporation, as the gentleman well knows, he shall be exempted from including that dividend in the reporting of his gross income.

Mr. MAPES. But subdivision (h) says that the individual who receives dividends from a corporation that has had to pay an income tax shall not be required to pay further income tax on those dividends. Subdivision (i) says that that same rule shall apply to those that receive dividends from corporations that are assessed on their gross receipts or gross incomes.

Mr. STAFFORD. May I inquire further, if the gentleman has not previously stated to the House, whether the committee followed any income tax law of any State as its model?

Mr. MAPES. The committee endeavored to make a model income tax law, taking the best provisions of different States.

Mr. STAFFORD. But the committee did not adopt the provisions of any one State, but used the statutes of some States as a working basis?

Mr. MAPES. No; the committee did not adopt the provisions of any State in toto.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. Mr. Chairman, it took me several years to find out the unwisdom of the suggestion made by our friend from New York [Mr. LAGUARDIA] that Congress should release its control of this District and turn it over to local authorities in Washington. The few miles square that constitute the District of Columbia are specially set aside by the United States Government for the transaction of its business. It is not constituted for the benefit of the hotels of Washington. They are put up for the private profit and benefit of business combinations which coin money out of our people by reason of the Government's plant in Washington. The District of Columbia is not here for the benefit of the newspaper publishers, Ed McLean, William Randolph Hearst, or Theodore Noyes. Those newspapers are merely incidents; they have come here to make money off the Government plant by selling their papers to the people who live here, and so of all the business organizations of the city of Washington. They do not have to live in Washington if they do not like it. If they do not like the way Congress runs Washington—these few miles square set aside for the Government business—they can move out.

If the city of Chicago will pay $150,000 for the Republican convention, how much do you suppose Chicago would pay for this Federal Government? How many million dollars? How many million dollars would Philadelphia pay if the Capital were moved there? These people are here to make money off the Government plant and the Government employees, and those who live here should consider themselves especially fortunate.

Their property has grown from lots worth $100 to lots now worth $500,000, some of them, and every time the Government wants to buy a piece of property for its own use it is charged four times as much as they would have asked for it before the Government needed it.

I say to my friend from New York that when I first came here I could not see any necessity for a separate park police; I could see no necessity for a separate police force for the Capitol; I could see no need for a separate police for the Senate and the House Office Building, or for a separate police for the White House, or for a separate police for the Agricultural Department. I could not see any sense in it. I sought for five years to consolidate them all within the Metropolitan police force.

Then I waked up, and I found I was all wrong. I realized that there is a necessity for it. It is for the interest of the Government and the people of the United States that we keep absolute control of the District of Columbia, that we keep control of its streets, that we keep control of the Government plant here, in spite of the criticism of these newspapers. They are not running the Government.

Mr. Hearst invited me to go on his Canadian junket. I appreciated his invitation, but I wired Mr. Hearst that while I thanked him, I preferred to be wholly untrammeled in passing upon the proposition he had under way—the sales tax.

Do you know that there has been an attempt by the big financial interests for years to put on the shoulders of the poor people an added burden of a sales tax?

Here is one Member of Congress that is not going to be hog-tied on that proposition. They are not going to saddle onto the backs of the poor people of this country by my vote the burden of a sales tax. While I appreciated the invitation of our splendid entertainer in New York, Mr. Hearst, to go on his junket, where they had a good time and plenty to eat, and other good things [laughter], I respectfully declined.

Now, I want to say of my friend from New York [Mr. LAGUARDIA], that he is a very valuable man, and always has been. He saved Muscle Shoals for the people of the United States. When there was a proposition to turn it over 10 years ago, the gentleman from New York [Mr. LAGUARDIA] stood here and led the fight to hold it for the people of this country. But I want to say that when he advocates taking away the Government control of property and all business here in Washington, it is not for the best interest of the United States Government. [Applause.]

The Clerk read as follows:

SEC. 5. For the purpose of ascertaining the gain derived or loss sustained from the sale or other disposition of property, real, personal, or mixed, acquired on or after January 1, 1931, the basis shall be the cost thereof and, in case of property acquired prior to that date and disposed of thereafter, the basis shall be the fair market value thereof as of said date.

Mr. BURTNESS. Mr. Chairman, I move to strike out the last word in order to ask a question about another section. On page 7, line 16, subsection (e), there is a reference to contributions or gifts made within the year to corporations or associations "operating within the District."

Assume, for instance, that in a year like last year when public contributions were solicited for the Red Cross to take care of the drought situation in other States; collections are made and received here by the Red Cross for such a general purpose. Under the language of this paragraph I am wondering whether contributions so made could be deducted. As I construe it, simply as a curbstone proposition, it would appear not.

Am I right, or is it to be construed otherwise? What do the words "operating within the District" mean? Operating is a general term. At first I thought it meant any corporation with its headquarters or principal place of business in the District. I assume that such can not be so, because more exact language would have been used in that case. There are many charitable organizations of various kinds that operate all over the United States, but because of the situation which exists here in the National Capital, economic and otherwise, they do not operate within the District under the general meaning of that term. There are certain organizations whose work of necessity takes them into rural communities—public-health work of various kinds—that might not operate at all within the District.

Mr. MAPES. Mr. Chairman, this is a provision which is usual in the State income tax laws. The gentleman from Wisconsin [Mr. FREAR] suggests that if we attempt to go any further than that we would find ourselves without jurisdiction. We have no jurisdiction outside of the District. Further, this is a very liberal provision as it stands. As the gentleman knows, the Federal law gives exemption only for a limited amount.

Mr. BURTNESS. Fifteen per cent, if I remember correctly.

Mr. MAPES. So that the committee thought on the whole this was a very liberal provision.

Mr. BURTNESS. I agree that the provision seems liberal in a general way, but what I am asking is the committee's construction of the words. Of course, on the question of jurisdiction which the gentleman from Wisconsin raises, that is a question that is not involved at all. All you are doing here is to provide for an exemption from taxation of a certain amount contributed by a corporation doing business within the District of Columbia. I take it that you have a legal right to exempt any contribution, if you so desire, made for charitable purposes, wherever it may be made. You are not in any way attempting to control the business of the corporation in that regard, but may extend or limit exemptions in your discretion, as far as your legal right to do so is concerned.

Mr. MAPES. My construction of the language would make it include the Red Cross. As you say, that is operating within the District.

Mr. BURTNESS. Would it include contributions made to the National Red Cross for national work, or would it include only contributions that may be made to the local Red Cross Association for local work within the District?

Mr. MAPES. The gentleman's guess is as good as mine. My own guess is that it would include the Red Cross generally.

Mr. BURTNESS. It would include contributions made to the National Red Cross?

Mr. MAPES. Yes.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

The Clerk read as follows:

EXEMPTIONS

SEC. 9. The following items shall be exempt from taxation under this act:

(a) The income of a single person, or a married person not living with husband or wife, up to but not in excess of $1,000.

(b) The income of a married person living with husband or wife up to but not in excess of $2,500: *Provided*, That if a husband and wife make separate returns or have separate incomes the exemption for each shall be $1,000.

(c) Three hundred dollars for each dependent child under 18 years of age, and for each additional person who is actually supported by and entirely dependent upon the taxpayer for his support.

(d) Dividends received from national banks and mutual savings banks.

(e) Pensions received from the United States.

(f) All inheritances, devises, bequests, and gifts received during the year.

(g) All insurance received by any person in payment of a death claim by any insurance company, fraternal-benefit society, or other insurer, except insurance paid to a corporation or to a partnership upon policies on the lives of its officers, partners, or employees: *Provided*, That interest on premiums paid to the insured or accumulated for him before the maturity of any insurance policy shall not be exempt from taxation.

(h) Income of national banks, mutual savings banks, trust companies, building and loan associations, and of all religious, scientific, benevolent, or educational organizations not organized or conducted for pecuniary profit.

(i) Interest upon the obligations of the United States or its possessions; or interest upon the obligations of any State government or of any political subdivision thereof.

Mr. BURTNESS. Mr. Chairman, I move to strike out the last word to direct the attention of the committee in charge of the legislation to paragraph (b) of this section 9.

Paragraph (a) provides that the exemption for a single person shall be $1,000. Paragraph (b) provides that the exemption of a married person living with the husband or wife shall be $2,500. Then there is a provision that if the husband and the wife make separate returns or have separate incomes, the exemption for each shall be $1,000. I never did think there is exact justice in our Federal law which does not permit a single man or a single woman an exemption amounting to as much as 50 per cent of that granted a married person, but I shall leave it to the bachelors of the House to argue that feature of it. The gentleman from Wisconsin [Mr. STAFFORD] says that he will take care of that.

I can not now see why if a wife has had a little legacy left her by some member of her family, and may have an income of $100 a year from it and would therefore be obligated to file a return, the family as such in that case should have the exemption cut down $500. If I construe the language correctly, that is what it amounts to. It would create an incentive possibly for fraud and deception, or at least for failure to file returns. There does not seem to be a provision authorizing one member of the family to file a return for himself and spouse. Such is the case under the Federal law, and the exemption can be claimed in the general way. What, therefore, is the reason for this deduction of the exemption for husband and wife jointly under this law if they have to file separate returns? Why are they not at least entitled to an amendment which would make the exemption for each $1,250 instead of $1,000, so that between the two of them they would have the same exemption as that granted the husband if he alone files the return.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. STAFFORD. I assume that the committee determined that for a single person $1,000 should be the maximum amount of the exemption, and the next provision that the maximum exemption for a family should be $2,500. The following provision, I take it, is where perhaps a man and a wife make a living separately, and if they are living separately, without the responsibility of a home, maybe the committee thought they should be placed on the same plane as a single person.

Mr. BURTNESS. But the bill does not say so. It does not refer to the husband and wife living separately but is general in application.

Mr. STAFFORD. Oh, no.

Mr. BURTNESS. There are many husbands and wives who have separate incomes. In many cases the income of the wife may be only a nominal income, and yet I assume she would have to file a return.

Mr. STAFFORD. Assuming the wife has a separate income and the husband has a separate income and they are living together and have children, the man would be entitled not only to the $1,000 exemption but he would also be entitled to the exemption that is accorded for children up to 18 years of age. Not so with the wife. The husband would be getting the exemption that properly falls to a married man as far as having children is concerned. He would get his $1,000 exemption and also $300 exemption for each child under 18 years of age. This is predicated upon the idea that both the man and the woman have large separate incomes of their own. If they have large separate incomes of their own, why should the wife be entitled to any greater exemption than a single person who is not maintaining a family?

Mr. BURTNESS. I do not think she should be entitled to any exemption under those circumstances, but I do think that the husband should be entitled to deduct his exemption of $2,500 as a married man, and thus do away with the discrepancy that is plainly involved in this bill under the terms thereof.

Mr. STAFFORD. The gentleman referred to me in connection with the question of celibacy. I think if a gentleman was living with a woman with a separate income he would find some trouble in the family if she was not granted a deduction.

Mr. BURTNESS. None of them is granted a deduction under the Federal law unless the husband fails to claim it.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I move to strike out the last two words.

While the income tax is being discussed and the matter of exemption being considered, I notice in the last paragraph of the bill in respect to the tax on intangible property, the words that "for the period between July 1, 1932, and July 1, 1933, it shall be credited to the income tax payable in 1933." Although I have not noticed it in the bill, yet I presume it is there, that intangible property is not hereafter to be subjected to a millage tax. It has been so written in most of the State income tax laws, and the assessors of municipalities, after an income tax is imposed, can not further reach intangible property. Thereafter those people who have hidden their intangibles during all these years, and who have been unwilling to subject themselves to a millage tax of perhaps $17.50 per $1,000, can draw a long breath now and say, "We can now be honest. We can now tell what we have, and have such a light income-tax rate that we will pay less than we would have had to pay before."

This is an unconditional surrender to owners of intangibles, as it usually is in all of the States. My own State has an income tax of 6 per cent, but the assessors can not impose a further tax on intangible personal property in any municipality. So that the burden is imposed on those who own real estate, the homes of people who have to pay twenty-five or thirty dollars per thousand on that class of wealth. For instance, if they have a thousand dollars of intangible property, a bond that pays 6 per cent or yields $60 a year, they pay 6 per cent on that $60. Therefore they pay $3.60 a year on that bond, which may be easily sold. They pay on that $3.60 as against the home owner who pays twenty-five or thirty dollars per thousand.

Mr. MAPES. Will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. MAPES. The estimates are that the receipts from the income tax will be more than the receipts from the intangible personal property tax.

Mr. GIFFORD. I read that; but I would say that in my State we estimated that $5,000,000,000 was in hiding, and it was, but when our tax was imposed we got about the same amount from the income tax as we got from the old tax on intangibles. Is it any victory that you may after all these years get that class of people to acknowledge that they have had these intangibles for years and years? Is it any answer to say that you get a little more revenue by this form of tax and grant this difference to these two classes of wealth?

Mr. MAPES. Will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. MAPES. If under your intangible-tax system you were unable to find all of this amount that was in hiding, certainly it would be more equitable to have the tax applied to the income of all alike than it is to let some evade the millage or intangible tax.

Mr. GIFFORD. I have heard that argument many times before. We yield to the practical conditions. Rhode Island and Connecticut impose, as I understand it, a tax of 3 or 4 mills, or perhaps $4 per thousand, but they do not dare demand that their citizens make a return, because if they were forced to they would move to New York, where the rate is only 1 per cent on the first ten thousand, 2 per cent on the second ten thousand, and only 3 per cent on incomes of $50,000 or more, and the intangibles bear no other State or municipal taxes. Therefore, the race to attract money from one State to another is so great that our adjoining States do not dare tax property as they should.

[Here the gavel fell.]

Mr. GIFFORD. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. GIFFORD. My idea in proceeding a little longer is to quote you, when we come to these rates of 1 per cent and 2 per cent and as high as 5 per cent, that New Hampshire, on account of the situation regarding Massachusetts and the other States, imposes a very light income tax. It would make it amount to perhaps $1 per thousand on this class of wealth, as against $25 or $30 per $1,000.

I can remember not long ago the very best citizens of our communities being approached by outside salesmen who would say, "You may well buy these intangibles; your assessors will never know you have them," although they knew it was their duty to pay a tax on their intangibles like other people for the support of their institutions. They would invest money in those intangibles and would escape the tax.

What I want to impress upon you in these few remarks is this: To-day you are untaxing the intangible wealth of the District of Columbia. You are saying you are going to make men honest, but only honest because they have such a low rate, the rate being so low that you will hardly get any increase even in the returns that may be made. I want to remind you that has been the situation in all the States. Illinois, I think, sticks to the millage tax. They have not been willing to come to an income tax. I do not know why; but I remember that one of their citizens came into one of my towns one day and said, "They are dooming me too much; they are guessing at me too much; I will bring $16,000,000 into your State if you will not ask me for any more." And they cut the tax rate more than one-half by that one action, so that people were moving these intangibles from place to place. But sometime the home owners are going to wake up. They are going to understand this plan and they are going to say, "How long, how long will intangibles, bonds and stocks, and things of that kind, which

can readily be sold on the market, be taxed only when they pay a dividend, and then at a rate of only $2 or $3 a thousand, when the home owner is compelled to pay 25 per cent or 40 per cent on his home?"

[Here the gavel fell.]

Mr. BOYLAN. Mr. Chairman, I offer some amendments to the section.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read, as follows:

Amendment offered by Mr. BOYLAN: On page 10, in line 19, after the word "of," strike out the sign and figures "$1,000" and insert in lieu thereof the sign and figures "$1,500."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

Mr. BOYLAN. Mr. Chairman, I would like to have all of the amendments read, because they pertain to this same section.

The CHAIRMAN. The amendments will have to be considered separately.

Mr. BOYLAN. I have offered four amendments. They all pertain to this same section, and I think if they were all read, I would be willing to discuss the four at one time, in order to save the time of the committee. Mr. Chairman, I ask unanimous consent that they be read for information.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the amendments he proposes to offer be considered en bloc. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

On page 10, line 19, after the word "of," strike out the sign and figures "$1,000" and insert in lieu thereof the sign and figures "$1,500."

On page 10, line 21, after the word "of," strike out the sign and figures "$2,500" and insert in lieu thereof the sign and figures "$3,500."

In line 24, page 10, strike out "$1,000" and insert "$1,500."

On page 11, in line 1, strike out the words "three hundred" and insert in lieu thereof the words "five hundred."

On page 11, line 24, insert a new section, subsection (j): "All moneys expended for medical and hospital services."

Mr. BOYLAN. Mr. Chairman, ladies and gentlemen of the committee, the first amendment, on page 10, increases the exemption from $1,000 to $1,500. This is in conformity with the Federal income tax law and in those States having an income tax the Federal rates are usually followed. The second amendment, on page 10, line 21, increases the exemption for married persons to $3,500, which is also in conformity with the Federal law. The amendment on page 10, line 24, creates an exemption of $1,500 each for a husband and wife making a separate return. That has already been gone into by the gentleman from North Dakota [Mr. BURTNESS]. I think that married persons should at least have the same exemption as single persons. The amendment on page 11, line 1, provides an exemption for each dependent child of $500 instead of $300. All of us who pay an income tax know that the idea of trying to say you can support a child on $300 a year is a myth. So I have made that exemption $500. The new section, following line 24, on page 11, subsection (j), provides an exemption for all moneys paid for medical and hospital services during the year.

I think every one of these amendments is a fair amendment. Why should we mulct the people of the District of Columbia? The exemption made in the Federal tax law is $1,500 for a single person, so why should we only allow $1,000 in this bill? If the exemption for the head of a family is $3,500 under the Federal act, why should we only allow $2,500?

Mr. MAPES. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. MAPES. The gentleman's State of New York is one of the States that has an income tax law. I would like to ask the gentleman what the exemption is in his State law.

Mr. BOYLAN. In New York State we follow the Federal exemption, as I stated in my remarks.

Mr. MAPES. Is there provision made in the New York law for the exemption of medical and hospital services?

Mr. BOYLAN. There is not; but I am going to introduce an amendment to the Federal revenue act to include it, because I think it is very unfair to the taxpayer that it is not included.

I have had experience in the last year or two with personal friends of mine where as much as eight-tenths of their entire income during one year was paid for hospital and medical expenses and not one dollar of that was permitted to be exempt under the law.

I think if we are going to tax the people of the District we ought not to go any farther, at least, than the Federal law goes. I think these amendments are fair.

Mr. FREAR. Will the gentleman yield?

Mr. BOYLAN. Certainly.

Mr. FREAR. The question occurs to me, if you offer this amendment and it should be adopted, whether you would not invite a number of other amendments, because you are granting an exemption here of something that is not granted in any law so far as I have ever heard. Possibly the gentleman is familiar with some law that has such an exemption.

Mr. BOYLAN. What the gentleman says is true, but we should not be bound by mere precedent. We should establish precedents.

Mr. FREAR. But if you establish a precedent of this kind, are you not inviting precedents with respect to many other expenditures that may be made? That is the difficulty of the situation.

Mr. BOYLAN. I do not think there could be any other exemption of such a personal nature as this, where the preservation of health is involved.

I think every one of these amendments is a fair amendment.

Mr. FREAR. Suppose you have a lawsuit, and you have a very expensive attorney you are hiring just as you would a doctor, there may be hospital or perhaps other expenses required for necessary purposes.

Mr. BOYLAN. Well, the expenses of an attorney would not come under the same category as medical expenses.

Mr. FREAR. I understand; but does not the gentleman invite such amendments by establishing such an exemption? That is the only danger I see about it.

Mr. BOYLAN. I think this is the place to start these things. We should blaze the trail, and we should not wait for some State to suggest things for us to do. We should show the States what to do.

Will the gentleman accept the amendments? I trust he will.

Mr. MAPES. No; I can not accept the amendments. I want to ask for recognition when the gentleman has concluded.

Mr. BOYLAN. I have explained the amendments, and I ask their support and adoption by the committee. They are fair and just and reasonable.

Mr. MAPES. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, of course, how much exemption should be allowed to the taxpayer is a matter of judgment. It does not seem to the committee that it will be any hardship to a single man who is making $2,000 to pay a tax of 1 per cent upon his income over and above his exemption of $1,000. A single man would then pay on a $2,000 income 1 per cent on the excess above $1,000, or $10. It did not seem to the committee that this would be any hardship. The committee feels that the rates in this bill are low and reasonable. They conform pretty generally to the rates in the States.

I do not want to take the time of the committee unnecessarily. I imagine every member here has some conviction on this subject. It is not exactly parallel with the Federal law, but we are trying to adopt a law which we think will be fair and reasonable, patterned after the State income tax laws, to be applied here in the District of Columbia, after abolishing the present intangible personal-property tax.

There is this further thought in connection with the matter. The revenue to be derived from the rates proposed

in this bill has been pretty carefully figured, and just what effect the gentleman's amendment would have on the total revenue to be raised I would not be prepared to say at this time.

Mr. BOYLAN. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. BOYLAN. I would say to the gentleman that my amendments do not go to the rates fixed by the committee. They go to the matter of exemptions, and the mere fact that by mathematical computation you have figured out the yield under these exemptions is no reason why an injustice should be perpetrated upon the people of the District. In making these exemptions you do not follow the Federal act, and you do not follow any State law so far as I know. Certainly the State acts are generally predicated on the Federal act, the exemptions being the same.

Mr. MAPES. The committee does not think any injustice is being done to anybody under the rates here. Of course, the gentleman's amendments do not go to the rates but go to the equity of the whole matter as to how much should be exempt.

Of course, there are people who do not want to pay any income tax. They want the entire income, no matter how much it may be, to be free of taxation. The committee thought it would be fair and would not be burdensome to the people with an income of over $1,000 to pay at least 1 per cent on all income in excess of $1,000.

The gentleman's amendment in regard to hospital bills and doctors' bills, it seems to me, is a very dangerous amendment. There are other bills that men have to pay that are just as necessary as hospital and doctors' bills, and if we start putting in exemptions and saying to men, "No matter what your income is, if you have spent your money in this particular way, you will not have to pay an income tax," it will throw the doors wide open. A man with a quack doctor or something of that kind might be exempted from a great deal of tax.

Mr. BOYLAN. I do not think the argument of the gentleman applies, inasmuch as no man seeks medical or hospital treatment unless he is actually compelled to do so. A man may enter into a lawsuit or contract other expenses under entirely different circumstances.

[Here the gavel fell.]

Mr. BOYLAN. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOYLAN. If a man were allowed to claim exemption for other things, of course, I assume that would open the door wide, but no one he wants to be sick if he can keep well.

He does not want to employ doctors or incur hospital expenses unless it is absolutely necessary. If he did I should think there was something the matter with his mental make-up.

Mr. FREAR. Suppose a case like this: An individual would like to go to a sanatorium, which is a hospital, and he stays there six months or a year. What would be the effect, and what would be the construction under the gentleman's proposed amendment?

Mr. BOYLAN. He would have to show that he was ill and required medical attention.

Mr. FREAR. And that would have to be passed upon by the assessor.

Mr. BOYLAN. He would have to have proper evidence submitted to him.

Mr. STAFFORD. Following the suggestion of my colleague, I know that there are persons who go to Battle Creek Sanitarium regularly for treatment for a month or two as a sort of rest. They are in fairly good health, but they are taking this vegetarian treatment, and under the wording of the gentleman's amendment, that person would be entitled to an exemption.

Mr. BOYLAN. In answer to the gentleman, I would say that many Members of Congress go to Battle Creek. They need to go after the strenuous sessions we have here. The benefit of that rest inures to the good of the country, for they come back rejuvenated and full of vigor, like the gentleman from Wisconsin, and able to stand on the floor and labor for the best interests of the country.

Mr. STAFFORD. Under the logic of the gentleman's amendment, why should I not be entitled to expenses in going to the woods of Wisconsin to recuperate from the labors of the session?

Mr. BOYLAN. If the gentleman required medical care and took his physician with him, he should be entitled to an exemption.

[Here the gavel fell.]

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York.

The question was taken, and the amendments were rejected.

Mr. DALLINGER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 11, line 2, strike out the word "eighteen" and insert in lieu thereof the word "twenty-one."

Mr. DALLINGER. Mr. Chairman, the most expensive age in the life of boys and girls, so far as parents are concerned, is between the ages of 18 and 21, when they are going to college, because at that time the parent not only has to support the child but also to pay tuition, or at least a part of it, even in those cases where the boy or girl may be halping to secure his education by working a part of the time. It is a most expensive time for the parent.

Where the father is earning a comparatively small salary and has a boy or a girl in college, or perhaps more than one, it is a very critical time, and is the time above all others when he should be entitled to an exemption. It seems to me that if you make the maximum age 21 you give the parent the exemption when he most needs it. If the boy and girl are at work, of course, they are not dependent and the exemption does not apply.

Some time ago I appeared before the Committee on Ways and Means in behalf of a similar amendment to the Federal income tax law, and the point that I made in this regard was well received by members of the committee, and at one time it looked as if the Committee on Ways and Means might report an amendment to this effect.

I am satisfied that a majority of the members of the committee believed in it, but they did not think it was wise at that time to report it because other more important matters were before them, and so nothing was done.

I appeal to the membership of this House to give serious consideration to this amendment. I know that many Members of the House have put their children through college, and they will know what it costs. Where a man on a comparatively small salary is trying to educate his children he will appreciate the importance of this amendment. The paragraph as amended will read:

Three hundred dollars for each dependent child under 21 years of age, and for each additional person who is actually supported by and entirely dependent on the taxpayer for his support.

It is carefully guarded. The amendment can do no harm, and it will be a positive blessing to countless parents in the District of Columbia. I trust the amendment will be adopted. [Applause.]

Mr. MAPES. Mr. Chairman, I think we all have a great deal of sympathy with the sentiment expressed by the gentleman from Massachusetts [Mr. DALLINGER]; but the truth is that in the average home the child of 18 years is usually working and has an income. This is the age in the Federal statute, and I would hate to see a different age adopted here for the District of Columbia. I know that men with limited incomes who are sending their children through college have some hardships in meeting expenses, but the average child does not go through college. As I say, this is the age that is in the Federal law, and I would hate to see the District bill jump the age three years higher than the age fixed in the Federal law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

The Clerk read as follows:

IMPOSITION OF TAX

SEC. 10. A tax is hereby imposed upon every person, as herein defined, resident of the District of Columbia, which tax shall be levied, collected, and paid annually upon and with respect to his entire net income, as herein defined, at rates as follows:

(a) One per cent of the amount of net income not exceeding $2,000.

(b) One and one-half per cent of the amount of net income in excess of $2,000 but not in excess of $5,000.

(c) Two per cent of the amount of net income in excess of $5,000 but not in excess of $10,000.

(d) Two and one-half per cent of the amount of net income in excess of $10,000 but not in excess of $15,000.

(e) Three per cent of the amount of net income in excess of $15,000 and not in excess of $20,000.

(f) Three and one-half per cent of the amount of net income in excess of $20,000 but not in excess of $30,000.

(g) Four per cent of the amount of net income in excess of $30,000 but not in excess of $50,000.

(h) Five per cent of the amount of net income in excess of $50,000.

A like tax is hereby imposed and shall be levied, collected, and paid annually at the rate specified in this section upon and with respect to the entire net income as herein defined, except as otherwise herein provided, from all property owned and from every business, trade, profession, or occupation carried on in the District of Columbia by persons not residents of the District.

The tax herein provided shall be first levied, collected, and paid in the year 1933 upon and with respect to the taxable income for the calendar year 1932, or for any fiscal year ending during the year 1932.

Mr. BURTNESS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BURTNESS: Page 13, line 7, after the figures "1932," strike out the comma and the balance of the line up to the period.

Mr. BURTNESS. Mr. Chairman, I think the bill as presented by the committee is a very fine piece of legislation, and any suggestion that I have made here to-day has been for the purpose of perfecting it and not otherwise. In a bill of this magnitude it is evident that we may have different viewpoints on various matters such as exact amount of exemptions and things of that sort, which do not go to the question of principle involved in the bill. The amendment that I have now offered is an amendment which I think would correct a very serious discrepancy in the bill, if I can read English language correctly. Surely it must be true that if we are going to start the imposition of an income tax on incomes of individuals and corporations, we should start it on all of them as of the same day, and we should not continue to tax intangibles, for instance, for the year 1931 against certain corporations and then compel some but not all of such corporations to start paying taxes upon the income earned in 1931 also or a part of such income.

Mr. MAPES. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. MAPES. As far as I am concerned, and the other members of the committee with whom I have consulted, we are willing to accept the gentleman's amendment.

Mr. BURTNESS. So that the purpose may appear in the RECORD, may I state that if a corporation ended its fiscal year on March 1, 1932, it would have to pay an income tax from March 1, 1931 to 1932, or if their fiscal year ended on July 1, it would have to pay a tax for six months prior to the time when the rest of the corporations or individuals started to pay the income tax. The starting date for all should be January 1, 1932.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. BLANTON. If the gentleman will investigate the matter, he will find that on intangibles the tax they paid is infinitesimal. Very few of them paid any intangible tax at all.

Mr. BURTNESS. I agree with the gentleman, and I commend the action of the committee in proposing this bill. The point is that beginning with January 1, 1932, all of them ought to pay the income tax on business done for that year and not before.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota.

The amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. In view of the amendment just adopted, I rise to inquire of the chairman of the committee whether there must not be some provision made authorizing the assessor of incomes to have some other year for the assessment of incomes for those corporations who have a fiscal year different from the calendar year. Under the wording of the bill as reported a corporation would have been obliged to pay for the fiscal year as adopted by the corporation which ended during the year 1931. I do not find any provision whereby the corporation whose fiscal year ends differently from the calendar year, and there are many of them, to pay on the basis of that arrangement.

Mr. MAPES. Mr. Chairman, the administration of the act is left with the assessor of the District under such regulations as he may see fit to promulgate. Personally, I have always felt that these income taxes ought to go along with the calendar year. It is simply a matter of bookkeeping.

Mr. STAFFORD. I strongly disagree with the gentleman's position as to having business corporations adjust their fiscal year to the calendar year. In the Federal income tax law and in the income tax law of Wisconsin, which was one of the pioneer States in the establishment of an income tax in place of a tax on incorporeal property, we recognize the need of having a provision whereby we permit corporations to pay their income taxes based on their fiscal year.

There are many large corporations which find it absolutely impracticable to have their fiscal year coterminus with the calendar year, and necessarily we must recognize that business arrangement. I think the gentleman should recognize that, and if the bill in its present form does not provide for it, I would feel impelled to offer an amendment to make provision for that condition of affairs.

Mr. BURTNESS. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. BURTNESS. As the one proposing the amendment, I, of course, agree with the gentleman that the bill should, either by implication or otherwise, make it possible for the fiscal year to end at some time other than January 1, and I take it for granted that the powers of administration given under section 17 are sufficient for that purpose. Surely, with the statement made by the chairman who is in charge of the legislation, that the language does make it possible to provide rules and regulations so as to bring that about, it would seem that would give the assessor and the courts a legislative construction that would probably be binding. Nevertheless, I think it might be well to have the safeguard in, but does the gentleman not think it is a minor amendment that could be taken care of in the Senate?

Mr. STAFFORD. I think perhaps my purpose has been accomplished by calling attention to it in the House, and if the Senate feels it is necessary, they can embody it in the proper language.

Mr. BURTNESS. In any event, I think the legislative intent is that such provision can be made by regulation.

Mr. STAFFORD. That is why I took issue with the chairman of the committee when he said that all returns should be based upon the calendar year.

Mr. BURTNESS. Of course, some businesses could not make returns on the basis of the calendar year.

[Here the gavel fell.]

The Clerk read as follows:

PENALTIES

SEC. 19. Any person as herein defined whose duty it is to file the income-tax return required hereby and who shall refuse or neglect to file such income-tax return shall be liable to a penalty of $500, to be recovered in an action to be brought by the legal department of the District government in the name of the people of the District.

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word. I do this for the purpose of asking some member

of the committee or some of the other representatives from States where a State income tax law is in operation, to give us a word of explanation concerning the enforcement of the collection provisions of the State income tax or District income tax. I do this because in our State and in other States where the question is now under discussion, one of the favorite arguments made in opposition is that the State income tax law is not enforceable and the tax is not collectible. It seemed to me that in this discussion, particularly in connection with this section and also section 15, it might be well to have a word with reference to the experience of States on that particular point. If the committee has any information, I would be glad to receive it, and if other gentlemen have any information I would be glad to receive that also at this point.

Mr. MAPES. I have had no experience as far as the State laws are concerned. I may say, however, that we do not anticipate any particular trouble in the administration of the laws in that respect in the District of Columbia on account of the Federal income tax law. I started to say, a provision was considered by the committee which would require the heads of the different departments in the Government to submit a list of the names of employees, the amount of their salaries, and so forth, to the District assessor. However, the committee did not look with favor upon that. It reached the conclusion that the assessor could get the information he needed without putting any such provision in the law. The office of the assessor and the office of the collector of customs of the District of Columbia do not feel that there will be any particular difficulty in enforcing the provisions of this bill as it stands.

Mr. STAFFORD. If I might trespass for a moment upon the House to reply to the gentleman's query——

Mr. KETCHAM. I yield to the gentleman.

Mr. STAFFORD. As far as the administration of the income tax law on personal property in the State of Wisconsin is concerned, I am not surprised that the opponents of State income tax legislation are raising all kinds of scarecrows, trying to prevent its adoption. In the State of Wisconsin, when this measure was adopted years ago, from securing only very minor returns from personal property, particularly on incorporeal property, intangible property, we have succeeded in having the salaried man and all other classes pay as faithfully as they pay under the national income tax law. It is true there are a few instances where persons have defaulted, and those instances are called to the attention of the district attorney by the assessor of taxes, and the district attorney begins suit; and if the man has property he must pay the tax, with the added interest imposed under the act as a penalty. Otherwise, execution will issue against his property.

I can not subscribe to the position taken by the gentleman from Massachusetts [Mr. GIFFORD] that the establishment of an income tax law by a State does not bring in additional revenue. I remember upon my entrance to the floor of this House 29 years ago Mr. Burleson, of Texas, later Postmaster General, called attention to the fact that Washington had become a Mecca for the tax dodgers of the country. They were coming here in large numbers for the sole purpose of evading the payment of taxes on intangibles, and an effort was then made to try to reach the intangibles. We succeeded in a little way, but not nearly so efficaciously as if this income tax law is adopted. This income tax law will reach everybody. There is also the national income-tax return, which will be available to determine the taxpaying class.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

Mr. MAPES. Mr. Chairman, I offer a perfecting amendment to section 19.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MAPES: Page 17, line 17, after the word "of," insert the words "not to exceed."

Mr. MAPES. Mr. Chairman, I think the purpose of that amendment is clear. It provides that the penalty shall not exceed $500. The amendment will give the court discretion to inflict any penalty it sees fit up to $500. As the bill now reads the penalty in every case would be $500.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

The Clerk read as follows:

SEC. 20. If any corporation doing business in the District of Columbia refuses or neglects to comply with the requirements of this act or with the rules or regulations of the assessor of the District, relating to the administration of this act, or refuses or neglects to pay the tax herein provided, it shall not exercise any of its corporate powers or franchises or do any business whatsoever in the District of Columbia during the period it refuses or neglects to fully comply with all the requirements of this act.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word for the purpose of completing the statement I just made. The gentleman from Massachusetts cited the State of Illinois, where they have no income tax law. What is the condition in the city of Chicago so far as the assessment of personal property is concerned? It is known to every person who has had any personal acquaintance with taxation in the city of Chicago that favoritism and underassessment is the rule with personal property there. Need I bring to the attention of the gentleman from Massachusetts the fact that to-day Chicago is virtually bankrupt? It can not pay its teachers because of the methods followed in Illinois.

Mr. HOLADAY. Will the gentleman yield?

Mr. STAFFORD. Certainly.

Mr. HOLADAY. The condition which the gentleman outlines as existing in Illinois became so unsatisfactory that the governor called a special session of the legislature. The legislature is now in session and is to-day considering an income tax law for Illinois.

Mr. STAFFORD. The trouble with the governor and people of the State of Illinois is that they are 25 years behind the times. They are now forced to enact an income tax law. Why did not they take counsel from the State of Wisconsin 25 years ago? If they had done so, they would not have the condition which confronts them to-day.

The pro forma amendment was withdrawn.

The Clerk read as follows:

SECRECY REQUIRED OF OFFICIALS AND EMPLOYEES

SEC. 21. It shall be unlawful for the assessor of the District of Columbia, his deputy, secretary, or clerk or other employee of his department, or any other person, to divulge or make known in any manner whatsoever not provided by law to any person the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any income-tax return filed with the said assessor by any person subject to taxation under this act, or to permit any such return, or copy thereof, or book containing any abstract or particulars thereof, to be seen or examined by any person, or to print or publish in any manner whatsoever any such return, or any part thereof, or source of income, profits, losses, or expenditures appearing in any such report. Any person who shall violate the provisions of this section shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than $500, or he may be imprisoned for a period not exceeding 90 days, or by both such fine and imprisonment, in the discretion of the court: *Provided*, That this section shall not apply to any authorized representative of the United States Government or any authorized representative of any State government. Such representatives, upon written request, shall be permitted to examine such returns at such time as the assessor of the District may designate.

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the section. This is not a pro forma amendment. It is a bona fide amendment, and I want to appeal to the membership here present to approve this amendment. It will be an entering wedge in restoring the wholesome provision in our tax laws making income-tax returns public records. The records of taxes on real estate are now matters of public record, and there is no reason why income-tax records should be clothed with secrecy.

We tried it one time and it worked very successfully, so successfully that they came in the next year, on the recommendation of Mr. Mellon, the Secretary of the Treasury, and repealed the publicity provision in our income tax law.

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. BLANTON. Will the gentleman have the backing of the Mellon-Mills Republican administration on his proposal?

Mr. LAGUARDIA. No.

Mr. BLANTON. Why does not the gentleman go further and provide that all income-tax matters shall be public?

Mr. LAGUARDIA. We will soon have a tax bill, as the gentleman knows, and we will do it there.

Mr. BLANTON. When the gentleman says "We will," does he mean the Republicans or the Democrats?

Mr. LAGUARDIA. I mean the House of Representatives will have an amendment to the existing tax law before it, and at that time we should make a drive to restore the publicity provision.

Mr. BLANTON. Certainly we should.

Mr. LAGUARDIA. Fine. So we might as well strike out this provision in order that the country may be advised that we will insist upon the restoration of the publicity provision of the Federal tax law.

Mr. BLANTON. After we pass it and the present President vetoes it, will the gentleman provide enough Republican votes over there on his side of the aisle to help us Democrats override him?

Mr. LAGUARDIA. The gentleman can speak for one vote, that is his own, and he knows just how he is going to vote at all times.

Mr. DAVIS. Will the gentleman yield?

Mr. LAGUARDIA. I yield to the gentleman from Tennessee.

Mr. DAVIS. I wish to state that many of us have a good deal of sympathy with the principle stated by the gentleman from New York, but the members of the committee are particularly anxious to have these bills become law, and I think the gentleman from New York will agree that if we were to inject into this bill a highly controversial matter of that kind it will probably result in flagging the bill at the other end of the Capitol, or perhaps promote a veto by the President. This is in conformity with the existing law with respect to Federal income taxes.

Mr. LAGUARDIA. May I suggest to the gentleman from Tennessee that I can not approve of any method of legislation in anticipation of what the Executive will do to a bill. Let us legislate according to our best judgment, and if we are met with a veto the Constitution provides exactly our rights in the matter. I think, judging from past experiences, that we are not going to be confronted with many vetoes in the future. I am ready to face the situation. For one, I want to go on record now as saying that I shall do everything possible at any time to restore the publicity provisions in our income tax law. I think they are wholesome, I think they are sound, and I think they are necessary.

Mr. DAVIS. I want to say that I will vote with the gentleman on that proposition, but we are right now confronted with the question of enacting a law and not of amending one that is already on the statute books.

[Here the gavel fell.]

Mr. MAPES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in addition to what the gentleman from Tennessee [Mr. DAVIS] has said let me suggest that, like the gentleman from Tennessee, I have a great deal of sympathy with the position taken by the gentleman from New York [Mr. LAGUARDIA] so far as the general proposition is concerned; but we are passing a bill here for the District of Columbia, and the gentleman from New York is well aware that the District does not take kindly to tax suggestions from the Congress. If we put in a provision of this kind applying to the District, that does not apply to the country generally. I am afraid we will be subject to just that much more criticism. I think it would be advisable, as the gentleman from Tennessee has suggested, for us to let this provision go along as written in the bill. I hope the amendment of the gentleman from New York will not be adopted.

Mr. FREAR. Mr. Chairman, I rise in opposition to the amendment.

I wish to say, however, I am thoroughly in favor of publicity, and was when the Federal law was originally passed. We worked as hard as we could to get such a proposition through Congress. However, I was amazed when I visited Mr. Philip Snowden at one time in London and was with him a couple of hours to learn his views on publicity. When I stated we were trying to get a provision with respect to publicity as we have in our own State of Wisconsin through Congress, he said that he was opposed to it, and he gave reasons which seemed to him to be of value, and they have not adopted such a provision in England.

I can see no objection to it and am heartily for it; but I would not want to bring it up at this stage of the proceedings for fear we may endanger the bill, as the chairman of the special committee and as the gentleman from Tennessee [Mr. DAVIS] have both well said. For that reason I am opposed to it at this time, but if such an amendment is offered afterwards I shall support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. MAPES. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MCMILLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 5821) to provide for the taxation of incomes in the District of Columbia, to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendments. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MAPES, a motion to reconsider the vote by which the bill was passed was laid on the table.

ESTATE TAX FOR THE DISTRICT OF COLUMBIA

Mr. MAPES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5822) to provide a tax on transfers of estates of decedents, and pending that, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 1 hour, 30 minutes to be controlled by the gentleman from Tennessee [Mr. DAVIS] and 30 minutes by the gentleman from Wisconsin [Mr. FREAR].

The SPEAKER. The gentleman from Michigan moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5822, and pending that motion asks unanimous consent that general debate be limited to 1 hour, 30 minutes to be controlled by the gentleman from Tennessee [Mr. DAVIS] and 30 minutes to be controlled by the gentleman from Wisconsin [Mr. FREAR]. Is there objection?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, I would like to inquire of the chairman of the committee whether it is his purpose to conclude the consideration of the bill this evening.

Mr. MAPES. The committee would like to go along as long as it can reasonably, but it has no desire to keep the House here unduly late, I will say to the gentleman.

Mr. STAFFORD. It is nearing 4 o'clock, and an hour of general debate would bring us to the usual time of adjournment. Is it the purpose of the gentleman to conclude general debate to-night and consider the bill under the 5-minute rule at some future session?

Mr. SNELL. I understood from the gentleman from Illinois [Mr. RAINEY], the majority leader, if the moratorium proposition is ready to-morrow, the gentleman would take it up; but if it is not ready, I do not know of anything to come up in preference to this measure, but I am not authorized to make such a statement.

Mr. BACHARACH. The committee is still holding hearings on the moratorium bill, and I do not see how the bill can possibly be ready to-morrow.

Mr. MAPES. As the minority leader has stated, the understanding I have had with the majority leader is that these bills will proceed except for consideration of the moratorium measure. When the Ways and Means Committee is ready with that bill, the House will proceed with its consideration, otherwise we are to proceed with these measures until they are passed.

Mr. STAFFORD. Would it be agreeable to the gentleman that we only have general debate on this measure this afternoon?

Mr. MAPES. That is all right.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MAPES]?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5822, with Mr. MCMILLAN in the chair.

The Clerk read the title of the bill, as follows:

H. R. 5822

A bill to provide a tax on the transfers of estates of decedents.

Mr. FREAR. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. FREAR. Mr. Chairman and gentlemen, I shall only take a few moments of your time in the discussion of this particular bill. Estate taxes, as you may know, have been passed by 46 of the 48 States, so it is not a new question. We have it in the Federal law. It is practically no increased burden upon the District of Columbia in this case, because 80 per cent under the present law—which I think is more than it should be—is returned to the State or municipality under the law—in this case, the District.

The bill we have is a general bill prepared along the lines of the report of the National District Tax Association. There is no particular difference in the rates, so far as I know.

There is an exemption of $20,000 for the widow of a deceased, where there is one, and an exemption of $10,000 for the husband, where there is one. Then there are smaller amounts for brothers and sisters. It is a regular estate tax instead of an inheritance tax.

It begins with 1 per cent on the net income up to $50,000. From that on it is increased regularly, until over $2,000,000 and not to exceed $5,000,000, is taxed at the rate of 10 per cent, and over $5,000,000, the largest amount, is at 15 per cent. The other provisions are for administration and are general provisions that accompany laws of this kind, and are practically the same as in the States, and provisions by the national commission.

Mr. STAFFORD. Will the gentleman yield?

Mr. FREAR. I yield.

Mr. STAFFORD. The gentleman has referred to the exemption for the husband, which is one-half of that allowed for the widow. Under the Wisconsin law the husband is granted the same exemption as a child. The widow is entitled to an exemption of $15,000. But I rise more to ask an explanation of what I regard as rather an unfavorable disparagement in the amount of exemption granted to the brother and sister, namely, $5,000, and to the child, $2,000. That seems to me a glaring inequality.

The committee will find that on page 7, paragraph 8.

Mr. FREAR. There is no reason I have to offer, except that is the rate suggested by the commission. Is my colleague familiar with the Wisconsin statute?

Mr. STAFFORD. I am. There is no such large exemption accorded to brother and sister.

Mr. FREAR. What is the exemption under our statute?

Mr. STAFFORD. It is $2,000 to children and, as I recall, $500 to brothers and sisters. Under the Wisconsin law the rate is graduated according to the degree of consanguinity and the amount of the estate that devolves.

Mr. FREAR. Yes.

Mr. STAFFORD. It seemed to me a rather striking difference, which could hardly be justified, to accord a child only $2,000, and in most instances they are minor children, and brothers and sisters $5,000.

Mr. BURTNESS. Is not the gentleman inclined to think that there may be a transposition of the figures, that at least $5,000 ought to be allowed a child, while a couple of thousand dollars might be afforded to the brother and sister?

Mr. STAFFORD. That was the purpose of my rising. I wanted to call attention to an obvious inconsistency.

Mr. FREAR. If the gentleman will withhold, I think that he will learn that that is the fact before the item is reached in the bill. It would seem to be a mistake in drawing the bill.

Mr. STAFFORD. And that was the purpose of my suggestion that this matter go over until to-morrow, so far as the reading of the bill is concerned under the 5-minute rule.

Mr. FREAR. That is the way to leave it now, and that is the only statement I care to make unless some other gentlemen desire to ask questions. I reserve the remainder of my time.

Mr. DAVIS. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. SHANNON].

Mr. SHANNON. Mr. Chairman, after listening to discussions of this body on the President's message, and especially after listening to the distinguished Member from New York, HAMILTON FISH, and the noted constitutionalist from Pennsylvania [Mr. BECK], I concluded, believing as I do that this Government is suffering, and has been for years, from an overindulgence of Hamiltonian doctrines that now is a most appropriate time for a Jeffersonian speech.

The gentleman from New York [Mr. FISH] said that he was for sustaining the President on the moratorium. And in effect he added that the international bankers had taken $2,000,000,000 of American money and built up European industries which were thereby put in competition with American industries. However, he said: "I want my day later to go after the international bankers."

To me it was not clear why the job should be put off to a later day. Why not act now?

The gentleman from Pennsylvania [Mr. BECK], who has gained an enviable reputation for his views on the Constitution, suddenly becomes the party hack and pleads, with tears in his voice, to sustain the President. He says the President, in his negotiations on the moratorium, was acting within his constitutional rights. He goes on to say that it is "the wise policy to give to him a very generous and broad discretion." This means a loose, liberal construction of the Executive's rights under the Constitution.

I feel mighty glad that the party of which I am a member has always stood for a strict construction of the Constitution, believing that to be the only way we could perpetuate it as well as preserve the liberties of the people.

It is unfortunate that one so able and with a reputation to sustain, as Mr. BECK has, would not think that there is something of far greater importance to consider in this matter than a mere political party, or even a mere administration. The very Government itself is involved. Shall it last, or shall it go the way of all republics of the past?

If I remember correctly, the gentleman from Pennsylvania says the crash will come if the administration is not sustained. He adds in the course of his speech that the international bankers and the people of America are so thoroughly interlinked that it would be a great disaster if relief is not furnished. I could not help but think, when the gentleman said this: To what extent was the interlinking between the mass of the people and the international bankers? Was it only on the debit side that they interlinked, to share in the losses? For I am sure that nobody in the part of the country that I come from has shared in any of the tremendous commissions paid to the international bankers for the money borrowed through them to rebuild the industries of Europe.

Many Members are sitting in this House to-day who feel their position on this question was complicated somewhat by the message sent to them by the President and the answer they gave thereto. It is to be regretted that the Members were so hasty in replying. As for myself, when I received the message I read it and reread it and then read it again. However, I had previously received numerous questionnaires asking me how I stood on certain questions and how I would vote on them. I always read these communications carefully and then filed them for future reference. So that when I received the President's message I concluded I would just place it along with the other questionnaires and wait until I could see what the propositions were that I would be called to vote upon before giving an expression. I have so often found that questionnaires are not sent to put you on record but merely to put you in a hole.

I feel the Members are not bound by anything that has taken place in this connection, because I find—while I am not a constitutional lawyer, great or near great—that the Constitution provides the only way a yea-and-nay vote can be taken on any proposition is by the request of one-fifth of the Members, unless that provision be liberally construed and the President be deemed to have a right to call for a private vote. So I feel that the Members were imposed upon, and I assure them, if they see fit to change their vote from that which was given in the private poll, their constituents will not call them to account for it. Let your conscience be your guide in this matter. I, for one, stand open and free on the question. I am neither for nor against it, and my vote will be recorded yea or nay, according to the merits of the case.

If I believed I would be serving humanity, or that I would be serving the German people or the German Republic, it would influence me very much. But if I am to be used as a mere cat's-paw to take care of the loans of a lot of money changers, and thereby add further to the American depression, I will not vote for it.

The gentleman from Massachusetts [Mr. LUCE], in discussing the question of the Executive's sidestepping the Constitution, said that that was "not a matter that ought to be introduced into this solemn discussion of what should be done to save the world." This was most magnanimous on the part of the benevolent gentleman from Massachusetts, but if we are to save the world, why not begin by protecting and saving America?

I purpose to try to make clear the importance of one thing, that when Jefferson found it necessary to establish a political party, he did so with this in mind: That it would be truly a national party.

Senator George F. Hoar, a great Republican Senator from Massachusetts, said on one occasion that—

> Every American political sect finds its political doctrine in Jefferson, almost as every religious sect finds its doctrine in the Savior of mankind.

In the great campaign between Stephen A. Douglas and Abraham Lincoln in the State of Illinois invariably, when Mr. Lincoln was pushed to the wall in debate, he would reply to Mr. Douglas by saying:

> I stand squarely where Thomas Jefferson stood. I am fighting in the Jeffersonian, Washingtonian, Madisonian way.

In the campaign preceding the 1861 conflict Mr. Jefferson Davis, of Mississippi, afterwards President of the Southern Confederacy, went into the State of Massachusetts, as well as all the other New England States, and appealed to the Democrats to stand as one. He said in a speech at Faneuil Hall, Boston:

> There is grave danger ahead if the party [meaning that of Jefferson] disintegrates. Remember always that the pulse of a Democrat beats the same whether it is in Massachusetts or Mississippi.

Almost at that very moment Mr. Lincoln took his pen in hand—to be exact as to the time, it was on April 6, 1859—and wrote a letter addressed to H. L. Pierce and others, in the city of Boston, replying to their invitation to address the Republicans in a Thomas Jefferson birthday celebration, and in it he said:

> My engagements are such that I can not come.

But then he went on to say in this letter that something unusual had happened, that the Republicans of that time were the real Jeffersonians, and that the party of the opposition had ceased to be the representative party of Jefferson. Then he added this tribute to Jefferson:

> All honor to Jefferson—to the man, who, in the concrete pressure of a struggle for national independence by a single people, had the coolness, forecast, and sagacity to introduce into a merely revolutionary document an abstract truth applicable to all men and all times, and so embalm it there that to-day and in all coming days it shall be a rebuke and a stumbling block to the very harbingers of reappearing tyranny and oppression.

In this letter he also said:

> The Republican Party is for both property and man; in case of conflict, for man first.

How far the modern Republican organization has drifted from this in its efforts to serve the privileged few is evidenced by the economic developments of the present era of industrial aggrandizement.

MISSOURI IN JEFFERSONIAN LEADERSHIP

My own State of Missouri, in the great struggle between the States, furnished ample evidence that the political mantle of Jefferson was intended to cover all. We have it in the history of the outstanding public men of our great city of St. Louis, patriotically exemplified in that splendid soldier and statesman, Frank P. Blair, who espoused the cause of the North, organizing the first company of Union men in the South. He was a Jeffersonian. We have it in the life of that great military commander, Gen. D. M. Frost, who, as patriotically devoted to his own ideals, espoused the cause of the Southern States. Both were Jeffersonians. Let me bring it more closely down to a later day in Missouri's affairs. I shall pick four men famous in public life. Boone, Pettis, Johnson, and Saline Counties furnished them. However, all Missouri remembers and honors them. Their names are Crittenden, Cockrell, Vest, and Philips.

Thomas Theodore Crittenden, who had served in the Congress of the United States prior to the war, was a brave soldier of the North, a Kentuckian by birth, a Jeffersonian in politics. After the war he was Governor of Missouri and Minister to Mexico.

Francis Marion Cockrell was a soldier of the Confederacy, and in Pollard's great Southern History of the War Between the States he gives special praise to Cockrell and his legion as having conducted themselves in a brave and gallant way. In after years he was a famous Missouri statesman, and all his life he was a Jeffersonian.

Then let us look upon Missouri's two great scholars, also of that period: First, John F. Philips, who was a Member of Congress several times after the conflict between the States, and who had performed heroic service as a soldier in the army of Lincoln and afterwards achieved honor and distinction as a distinguished jurist in the Federal courts of this Nation. He likewise was a Jeffersonian.

Last, but not least of the four by any means, let us recall George Graham Vest, that great statesman who served his State as both Congressman and Senator in the Confederacy. We find him closing his career politically in the Congress of the reunited States wherein he served 24 years as a Sen-

ator. From the beginning to the end of his splendid career he was a Jeffersonian and an eloquent and outspoken one.

The mere difference of section, or the intensity of conflict between the sections, in no way separated these men from their beliefs in the teachings of Jefferson.

JEFFERSON STILL IGNORED

President Lincoln once said: "It is now no child's play to save the principles of Jefferson from total overthrow in this Nation." This is as applicable to-day as it was when Abraham Lincoln said it in 1859. Those who are interested in the suppression of the teachings of Jefferson are constantly at work. I have in my hand a clipping which contains a statement issued by an organization of to-day known as the Constitutional Education Association. It was sent throughout the Nation as a copyrighted newspaper article. It names, in a peremptory way, as the six greatest American statesmen, Franklin, Washington, Hamilton, Marshall, Webster, and Lincoln. It characterizes them as the men who were most effective in establishing the Constitution and carrying forward its sequence. It undertakes to specify their contribution to that document in this way:

Benjamin Franklin is most intimately associated with the preparation of the Constitution, George Washington with its creation, Alexander Hamilton with its ratification, John Marshall with its interpretation, Daniel Webster with its exposition, and Abraham Lincoln with its preservation.

Not one word is said of Jefferson's connection therewith, nor of what the Jeffersonians, headed by Madison, Mason, Monroe, and others, contributed. Mr. Jefferson was minister to France at the time. He took his pen in hand after seeing the proposed Constitution and wrote to his friend James Madison and others:

There is a great mass of good in it, in a very desirable form, but there is also to me a bitter pill or two. I will now add what I do not like: First, the omission of a bill of rights providing clearly and without the aid of sophism freedom of religion, freedom of the press, protection against standing armies, restrictions against monopolies, the eternal and unremitting force of habeas corpus laws and trials by jury in all matters of fact triable by the laws of the land and not by the laws of the Nation. A bill of rights is what the people are entitled to against every government on earth.

WHAT JEFFERSON GAVE TO THE CONSTITUTION

Then the Jeffersonians commenced to patch this document in accordance with Jefferson's ideas. Patch No. 1, which is amendment No. 1 to the Constitution as framed by the fathers—

Religious liberty, freedom of speech, right of petition: Congress shall make no law respecting an establishment of religious belief, or preventing the free exercise thereof or abridging the freedom of speech or of the press or of the right of the people peacefully to assemble and to petition the Government for a redress of grievance.

Patch No. 2. The right to bear arms. This was intended as a State right and as a people's right to bear arms for their own protection.

Patch No. 3. Soldiers shall not be quartered in private houses.

Patch No. 4. Search and seizure. The right of the people to be secure in their persons, homes, papers, and effects against unreasonable search and seizures.

Patch No. 5. Rights of persons accused of crime. (This carries with it the necessity of a presentment or indictment of a grand jury, which prohibits the use of a defendant to be made a witness against himself or to be deprived of life, liberty, or property without due process of law.)

Patch No. 6. In criminal prosecution the accused shall be entitled to a speedy trial.

Patch No. 7. Trial by juries guaranteed.

Patch No. 8. Excessive bail prohibited.

Patches 9 and 10 have to do with the preservation of the rights of the States.

All of the foregoing provisions, now the constitutional law of the Nation, were put into the Constitution by amendments inspired by Thomas Jefferson and sponsored by his political followers. They were not in the original draft of the Constitution.

The Constitutional Education Society was both prejudicially blind and deaf to what Jefferson and Jefferson's followers did. Let me make up their oversight. All that Jefferson and his followers did was to humanize the Constitution. These Jeffersonian patches are America's bill of rights.

I feel free to assert that the life of Jefferson has not been taught to the children of America as it should have been purely from an educational standpoint. Concerning holidays, many of the States have both a Washington and a Lincoln day. Rightfully so; but concerning the schools, George Washington had something to do with the early school system; Mr. Lincoln had nothing to do with it. His was a work of another kind. But on the part of Jefferson, Jefferson had everything to do, fundamentally, with the schools of America and the struggle for the education of the masses. Yet to-day there are but three States in the Union that have a Jefferson holiday: One is Alabama; Missouri now has one, only recently enacted by the general assembly; and Florida has followed Missouri with one also, which makes three—two being of most recent enactment.

THE SPONSOR OF FREE SCHOOLS AND UNIVERSITIES

Jefferson in his early life made a fight in the House of Burgesses of the Colony of Virginia to the end and purpose that the children of all should have the benefit of free schooling. In this he was opposed and four times suffered defeat at the hands of the aristocracy of his State for the reason that they did not purpose to be taxed to educate the children of the poor. This did not deter Jefferson. He continued the struggle until finally, after many, many years, the Colony and later the State of Virginia gave to the children what they were rightfully entitled to, educational facilities at public expense.

Jefferson held many places of high and of modest honors. He was not only a President of the United States, he was also a Vice President; he was a Secretary of State; he was a minister to France; he was a Member of the Continental Congress; he was a member of the House of Burgesses of the Colony of Virginia; he was a justice of the peace; he was a vestryman of the Episcopal Church. When he came to write the things he wished to be remembered by, he forgot all of these honors and plainly indicated that he wished to have engraved upon his tombstone only three achievements:

Here was buried Thomas Jefferson, author of the Declaration of American Independence, of the statute of Virginia for religious freedom, and founder of the University of Virginia.

He founded the University of Virginia, of which he was rector until his death. Over its doors he caused to be inscribed a motto. I have always felt that the child going to school should have something to connect its school days with the hereafter, something that would be lastingly impressed upon the mind of the child. "God is here. God is everywhere. God is just." Just something so that the child would make a connection between its worldly education and the life to come. I felt often that maybe it could not be. Always I had the dread that in things religious an interpretation by an unwise school-teacher might be injurious to the child. I never realized I was sensing a sound Jeffersonian doctrine until I stood at this great Virginia institution of learning, founded by Jefferson, and learned that the motto he had written for that university was, "Ye shall know the truth and the truth shall make ye free." This was taken fresh from the lips of the Savior, and every child, boy or girl, who goes to the University of Virginia will always remember that the motto of that great institution, selected by Thomas Jefferson, was one connecting the Savior of Mankind with its education.

Again let me add that practically all of the great ideas of aim, administration, and curriculum which dominated the nineteenth century American universities were anticipated by Jefferson. I am not saying this. That is what the Encyclopedia Britannica says of Jefferson's university ideals, and still this great champion of education is practically unknown to the American child, still deliberately ignored by the educators and molders of public opinion in our country.

JEFFERSON'S PRACTICAL EDUCATIONAL PLAN

Prof. James C. Carter, in 1898, at the University of Virginia, recalled an occasion when there had been a meeting in 1818 in Virginia at which there was present the then Presi-

dent of the United States, James Monroe, and two ex-Presidents, Thomas Jefferson and James Madison.

At that meeting there was read the celebrated report prepared by Jefferson for the commission appointed by the governor, which contained in effect his definitions of the objects of primary education. It was as follows:

1. To give to every citizen the information he needs for the transaction of his own business.
2. To enable him to calculate for himself and to express and preserve his ideas, his contracts, and accounts in writing.
3. To improve, by reading, his morals and faculties.
4. To understand his duties to his neighbors and country and to discharge with competence the functions confided to him by either.
5. To know his rights; to exercise with order and justice those he retains; to choose with discretion the fiduciary of those he delegates; and to notice their conduct with diligence, with candor, and judgment.
6. And, in general, to observe with intelligence and faithfulness all the social relations under which he shall be placed.

This statement of the objects of primary education—

Said Professor Carter—

will never be improved. It ought to be written in letters of gold and hung in every primary school throughout the land and be known by heart to every teacher and child therein. It is, indeed, more than a statement of the elements of rudimentary education. It is an enumeration of the duties of every good citizen under a popular government.

Let me add how sadly I have found that Professor Carter's admonition in this respect has been ignored. I have frequently met school-teachers who were puzzled as to which was which, Thomas Jefferson or Jefferson Davis, so little had they been taught about Jefferson and the things he stood for. I purpose to give before I am through the real reasons why the teachings of Jefferson have been suppressed and why a persistent campaign of belittlement and abuse has been conducted against his teachings from his own day to the present time, when we find a presumptive "educational" society has gone so far as to omit his name from the great contributors to the letter and spirit of our Constitution.

A GENIUS AS WELL AS A STATESMAN

Jefferson was the father of so many things. He was the father of fast mails. When he was Secretary of State he was the father of the patent system. All the early patents were issued by him as Secretary of State.

He was a great inventor, but patented nothing himself. His contention was that when one was blessed with genius he should devote its use to the benefit of mankind. Invariably upon Jefferson's inventing anything he immediately gave it to the public. The models of his inventions are on exhibition at Monticello.

Jefferson was the father of the almighty dollar. He was responsible, or, rather, he was the author of the coinage act of the United States, and whenever you have a 10-cent piece in your hand or a dollar or a $10 gold piece, you have in hand an evidence of one of the acts of Jefferson, wherein he fixed the unit of value. But he never made the dollar the standard of citizenship.

The children of the United States have been fed up by the press on George Graham Vest's famous speech on the dog, in which he said the dog was the best friend man ever had. But why not give to the child something that Vest had to say on Thomas Jefferson as a friend of man? It is a most beautiful tribute. It would thrill not only a child but any man or woman who will read it. Let me quote from George Graham Vest's great utterance on Jefferson, delivered in the city of St. Louis before the Jefferson Club on October 31, 1895:

On June 21, 1775, Jefferson took his seat as a Member of the Continental Congress, and in June, 1776, wrote, with his own hand, the Declaration of American Independence, the most sublime enunciation, save one, ever made to the human race. That "All governments derive their just powers from the consent of the governed" is but a corrollary of the divine injunction "All things whatsoever ye would that men should do to you, do ye even so to them." Together these two great truths embrace all the rights and duties of mankind.

To Jefferson we owe eternal gratitude for his sublime confidence in popular government and his unfaltering courage in defending at all times and in all places the great truth, that "All governments derive their just powers from the consent of the governed."

The love of liberty is found not in palaces, but with the poor and oppressed. It flutters in the heart of the caged bird, and sighs with the worn and wasted prisoner in his dungeon. It has gone with martyrs to the stake, and kissed their burning lips as the tortured spirit winged its flight to God!

In the temple of this deity Jefferson was high priest! For myself, I worship no mortal man living or dead; but if I could kneel at such a shrine, it would be with uncovered head and loving heart at the grave of Thomas Jefferson.

THE FRIEND OF EQUALITY AND FREEDOM

Jefferson fought the ancient English laws of entails and primogeniture so that there should be no distinction between the rights of children and that all American children should stand on an equality in the sharing of property. When he was making this fight, to abolish the odious custom that had resulted in the building up of a vast landed aristocracy, he was confronted with great opposition. This opposition finally had to give way, and when he was about to complete this great change in the passing of property, he was appealed to, to be at least as fair as was the custom under the ancient Jewish laws, whereby the oldest boy received a double portion. Jefferson's reply was:

Yes, I think that on proper showing the oldest boy should have a double portion; however, he should be made to show that he does double the work, or eats double the amount of food, otherwise he should share equally with the youngest or the rest of the children.

I contend that Thomas Jefferson said things more terrific in their indictment of human slavery and things more beautiful in his praise of those who were trying to abolish human slavery from the world than Henry Ward Beecher, Harriet Beecher Stowe, Wendell Phillips, and Lloyd Garrison all put together, and still Jefferson as an enemy of slavery is almost unknown in the school histories. How few realize that as a young man, then a member of the House of Burgesses of Virginia, he fought to do away with the expulsion law which sent out of the colony the slave that had earned the good will of the master to such an extent that the master gave him his freedom. The property laws demanded that he leave instantly the colony lest he be a disturbing element.

Jefferson took the position that if the manumitted slave had earned the good will and the trust of those about him, he should be permitted to live and die among his people. Four times he was defeated in this contention. There are 49 utterances of Jefferson on the question of human slavery, any one of which would thrill the heart of every lover of human freedom. And this notwithstanding he was the man who taught all the States the correctness of the doctrine of State rights as one of the fundamental principles of interstate harmony and of national freedom.

How few to-day realize that when Jefferson wrote the immortal document of independence, he incorporated in his original draft of it a vigorous indictment of the King of England for having made war upon these unfortunate people of another race who had harmed him in no way, put them aboard his ships, many of them dying horrible deaths in transit to the Colonies. He indicted him further for having set up markets for their sale, and when the Continental Congress came to vote on these arraignments they were stricken from the Declaration of Independence. This was done mostly through the influence of New England shipowners, who said:

It wouldn't do to condemn England for the very thing that we shipowners are making profit out of.

Little Rhode Island alone had over 100 ships engaged in the slave traffic. Property influence prevailed even in the framing of that immortal document, and the indictment against England for encouraging slavery was stricken from the Declaration of Independence.

JEFFERSON AND THE THIRTEENTH AMENDMENT

While a Member of the Continental Congress, Jefferson was appointed one of the committee to draft the laws which were to govern the territory soon to be admitted as States to the Union. It comprised that portion of the country which is now Alabama, Mississippi, Tennessee, and Kentucky. He, on that occasion, reported an ordinance which reads as follows:

Slavery, abolition of: After the year 1800 of the Christian era, there shall be neither slavery nor involuntary servitude in any of

the said States otherwise than in punishment of crime, whereof the party shall have been duly convicted to have been personally guilty.

This ordinance was lost by a single vote of a single Member of Congress from one of the States. The vote was by States. Seven States were necessary; six States voted for it. Had there not been a Member from New Jersey ill at the time, it would have carried. That was 81 years before the thirteenth amendment was adopted.

Now, let me read to you the thirteenth amendment to our Constitution as introduced by John B. Henderson, a Missouri Senator, and passed by Congress in the year 1865, February 1:

SECTION 1. Neither slavery nor involuntary servitude, except as punishment for crime whereof the party shall have been duly convicted, shall exist within the United States or any place subject to their jurisdiction.

SEC. 2. Congress shall have power to enforce this article by appropriate legislation.

If you will compare the Jefferson ordinance and the thirteenth amendment, you will find not only the thought but the wording almost exactly the same, so that when Senator Henderson came to write the thirteenth amendment he simply went to the defeated ordinance of Thomas Jefferson and adopted it word for word and put it into the Constitution.

Jefferson said, concerning the failure of his ordinance:

There were 10 States present; 6 voted unanimously for it, 3 against it, and 1 was divided; and 7 votes being requisite to decide the proposition affirmatively, it was lost. The voice of a single individual of the State which was divided, or of one of those which were of the negative, would have prevented this abominable crime from spreading itself over the new country. Thus we see the fate of millions unborn hanging on the tongue of one man, and Heaven was silent in that awful moment! But it is to be hoped it will not always be silent, and that the friends to the right of human nature will in the end prevail.

Had Jefferson's ordinance prevailed, the War between the States would have been averted; the sufferings which grew out of that war would never have taken place. Jefferson's last thoughts on this question were these. As his life was drawing to a close he said, "I am too old to make this fight. This will have to pass to the shoulders of others. All I can offer now are the weapons of an old man, my prayers." He had said, "Remember, it is written in the book of fate that these people shall be free."

I have frequently referred to this and been confronted fronted later by men of the Negro race who said, "But Jefferson taught that the races shouldn't live side by side, that there should be a separation and that the white man should assume responsibility, should educate and train the Negro and find a habitation for him." They said, "Do you think he was fair in that?" "Well," I replied, "in the light of what happened later, I would think that the Jefferson of his time was eminently fair, for we find seventy-odd years afterwards Abraham Lincoln, the Emancipator, saying the same thing."

On August 14, 1862, addressing a deputation of colored men, President Lincoln expressed clearly his belief that the colonization of that race would be the wisest solution of the difficulties which he foresaw would grow out of the emancipation of the race. In the course of that address he said:

We have between us a broader difference than exists between almost any other two races. Whether it is right or wrong I need not discuss, but this physical difference is a great disadvantage to us both, as I think. Your race suffers very greatly, many of them, by living among us, while ours suffers from your presence. In a word, we suffer on each side. If this is admitted, it affords a reason, at least, why we should be separated. * * * It is better for us, therefore, to be separated.

JEFFERSON ON RELIGIOUS FREEDOM

It was no easy fight for Jefferson and his followers to dislodge the clergy selected and appointed from England by the Church of England, and paid by tithes in the colony of Virginia. When Jefferson undertook this great fight, which took years and years to win, and when victory was about to be attained and he was about to achieve the complete divorcement of church and state, he was confronted by two great men, who said to him: "Jefferson, you are right in divorcing the church and state, but you are going too far. Let the taxes for church purposes be collected from each person and then permit him to designate to what particular church he wishes the taxes diverted." And then Jefferson gave utterance to this characteristic declaration: "I have sworn, upon the altar of God, eternal hostility against every form of tyranny over the mind of man." And he pushed forward with his work. How few remember in these days that the two men he had to defeat in the final struggle were none other than Patrick Henry and George Washington, the Father of his Country. Why wouldn't this be interesting reading, not only for school children but for grownups as well?

The responsibility for this failure on the part of America to understand its greatest statesman, or rather to know something of him beyond the fact that he wrote the Declaration of Independence is due to the doctrines he taught, which had to do with the menace of wealth—the encroachments of the "big rich." He taught that if there ever was a chosen people of God it was those who tilled the soil. In this he was right, even as it is handed down to us by history and tradition, because the ancient Jewish people were tillers of the soil. He taught that if happiness was to be ours it had to come primarily from those who tilled the soil. He taught that there should be no centralization of government; likewise, that there should be no centralization of wealth. His teachings warn us that every device of legislation should be used to keep down the building of great fortunes, lest it lead in the end to tyranny.

All his writings bring us to the conviction that he believed in a multiplicity of well-to-do people scattered over the land and not a few very, very great rich centered in a corner of the land. He taught a doctrine which would be of grave danger to the captains of these great fortunes were the children of this land to know that Jefferson believed in the right of revolt under oppression either of tyranny or wealth. He said he would not give a fig for a people who did not have the spirit of revolt in their blood, lest those who are their agents might forget whose Government this is; that to keep this fact in mind an occasional uprising of the people in protection of their rights was a wholesome thing. Surely these great captains of wealth would not want the children to become acquainted with such dangerous doctrines or to come out of school and find that the vast fortunes piled up in the hands of a few had abridged their opportunities, leaving nothing in sight for the boy or the girl facing the world in the country of Jefferson but the meager chance of securing employment at Sears-Roebuck or Montgomery Ward's or at some other centralized institution.

This, and this alone, is responsible for the motives of the "big rich" in keeping dark the things that Jefferson taught.

Many masquerade as Jeffersonians in one party who are not Jeffersonians at all, and some there are in other parties not bearing his name who are really Jeffersonians. The principles of Jefferson are in their mere infancy, so far as government application is concerned. The principles of Alexander Hamilton are to-day functioning 100 per cent in the national Government. The teachings of Jefferson were intended not merely for party purposes but to perpetuate the Republic; departure from the teachings of Jefferson means that this Republic will soon follow in the footsteps of those republics which fairly dotted the old world long before this one was ever thought of. The perpetuation of this Republic, if it is to be, must be through a return to the teachings of Jefferson.

THE OPPOSING IDEALS OF HAMILTON AND JEFFERSON

Alexander Hamilton believed and often asserted that the people is a beast and has to be led. He taught that the well-born and rich should have something more than the great mass of people. Jefferson taught this was a government of the people, and that the humblest had as great a voice in it as the richest. He had sublime confidence in the judgment of the people. Sometimes it looks as though he were mistaken. The people fail to grasp the importance of a people's government. Mr. Thomas Watson, of Georgia, a great historian and great statesman, wrote concerning Hamilton, that "Hamilton had hardly taken off his hat and settled in his office as Secretary of the Treasury before he

began to write laws to please the rich, to enlist the rich, to additionally enrich the rich."

Let me quote from an article in the La Follette newspaper, the Progressive, which states that in 1920, 33 people had an annual income of $1,000,000 or more; in 1928 this had grown to 504 people with such incomes. In 1920 four people had an annual income in excess of $5,000,000; in 1928, 36 people had such an income. In 1920, 3,167 people had an annual income in excess of $100,000, and at the later date the number had grown to 14,242. This all in the first eight years of the reign of Andrew Mellon, sitting in the key place of government, the place which Hamilton held. It has been frequently said that Andrew Mellon is the greatest Secretary the Nation has had since the days of Hamilton. He surely meets Tom Watson's description of what Hamilton stood for in the way of additionally enriching the rich.

There has been at times in this country a real effort on the part of many men to revive and to make effective the teachings of Jefferson. Jefferson said there was no proper regulation of monopoly proposed by the Constitution. In 1889 and 1890 the men who composed the Congress of the United States believed that monopoly would soon destroy the little fellow in trade everywhere. The Sherman antitrust law was the outgrowth of this feeling. In December, 1889, John Sherman introduced his famous measure to regulate combinations in restraint of trade, known as the Sherman antitrust law. In that body were many great men, among whom were George Edmunds, of Vermont; George F. Hoar, of Massachusetts, a great Senator; J. Z. George, of Mississippi; Senator John Reagan, of Texas; Cockrell and Vest, of Missouri; Plumb and Ingalls, of Kansas. This measure finally passed the Senate of the United States by an affirmative vote of 51 and a single negative vote. It reached the lower House of Congress and, under the leadership of Silver Dick Bland, passed with not a negative vote recorded. The measure was signed by the President of the United States and became a law in June, 1890.

For 21 years this measure weathered the courts. On two occasions the Supreme Court of the United States sustained it. In 1911, 21 years after its enactment, two struggling infant industries—namely, the American Tobacco Co. and the Standard Oil Co.—with their heads hardly above water, in great distress, through their hired agents made an appeal, saying: "We can not get justice from the people; we can not get justice from the Congress of the United States. We want justice. We are here appearing before the Supreme Court for a new interpretation of the Sherman antitrust law." And 21 years after its passage the Supreme Court, through its Chief Justice, White, wrote the infamous decision wherein it was declared that in the light of reason, the rule of reason is that Congress meant to say not all combinations in restraint of trade, but all combinations in "undue" restraint of trade.

A JUDGE-MADE LAW

The Supreme Court of the United States wrote the word "undue" into the Sherman Act and thereby took the teeth out of it, and there has not been a bad trust in the United States since that day. Justice Harlan, a member of the court, in a minority opinion said:

> If Congress meant to say that, why didn't it say it? And it has had 21 years to say it in and hasn't said it yet. You at this late day write that word into the act.

He further said:

> You are not interpreting the law, you are not rendering a decision based upon the act, you are writing the act. You are performing a function that was never intended you were to perform. This is judicial legislation, not judicial interpretation.

How the trusts must have trembled when President Hoover, a few months ago, named as a new Chief Justice a gentleman who was one of the affirming members of the court that voted to take the teeth out of the antitrust law, Charles E. Hughes. And now the trusts are crying for more privileges, and the President responds. In his message he says, concerning the antitrust laws, that there is wide conviction that some changes should be made, especially in the procedure under these laws. He adds: "* * * I do not favor their repeal * * *." Why, the truth of it is they have not had anything but privileges since the law was put upon the books. First, they had Executive permits by inaction, and then they have had judicial permits, and now they are clamoring for something more. If there is anything left for them to get in the way of Executive and judicial favors, I do not know what it is. Remember that the State courts sustained their trust laws; remember that the decision in this particular Standard Oil case, which originated in eastern Missouri, was unanimously sustained by the United States Circuit Court of Appeals, and the opinion of that court, which was set aside by the United States Supreme Court, should be known to everyone. The special concurring opinion of Judge Hook should be read by every citizen of the Nation to-day. It was sound, and should have become also the opinion of the Supreme Court.

SOME CRITICS OF THE COURTS

We are told not to criticize the courts, and we should not, unless we do it in the way it was done by such a dangerous man as Thomas Jefferson, who pointed his finger at John Marshall, the then presiding Chief Justice, and said:

> There sits the man who, by his twistifications of acts of Congress, is going to take away from the people their liberties.

And there were other dangerous men.

The next man who proved to be a critic of the Supreme Court was none other than "fighting" Andrew Jackson. He said of the same Marshall:

> He has written an opinion, but to enforce it, it takes the militia. I have charge of the militia. Let's see John Marshall get the militia to enforce his decision.

And then another dangerous man came along who had the hardihood to criticize the court. His name was Abraham Lincoln. He said:

> Better that we destroy that court—

Referring to its decision in the Dred Scott Case—

> than for that court to destroy this Republic.

And then a little later two more dangerous men arose to offer some criticism of the courts.

One of them was a very impulsive man who, in 1912, one year after the Supreme Court rendered its trust decision, went into the State of Ohio and made a speech, and on that occasion he criticized the tendency of the courts to interfere with the rights of the people. He said:

> There are certain decisions in which the people should have a voice even after the decision is rendered. There are private suits between litigants that the effect of decision therein is to interfere with rights of the people as a whole; therefore, the people should have some voice in approval or disapproval of such decision.

He also added on that occasion:

> Opportunity should be preserved to the American boy, just as his father and his grandfather had before him.

That was Teddy. Theodore Roosevelt was running for the Republican nomination for President, and up to the day he made that speech he looked like a winner but after he made it, big business saw to it that the nomination went to Mr. Taft. They preferred defeat with Taft rather than victory with Roosevelt with such doctrines as these in his mind.

A short time ago, in the city of Cleveland, there was a meeting. It was the World's Alliance of Young Men's Christian Associations, and at this meeting was voiced the protest of youth against conditions that were fast closing the doors of opportunity.

> In particular the World's Alliance urges that immediately further steps be taken by governments and leaders of commerce and industry to give youth opportunity to gain a livelihood until economic stability is restored.

That resolution was passed at that meeting. I wonder if these young Christian gentlemen who met over there and passed that resolution had any realization of what happened to Theodore Roosevelt when he got in the way of big business and demanded opportunity for the boy of his day, expressing the wish that he should have the same opportunity that his father and his grandfather had?

Dealing with this word "opportunity" at this moment, let me just say that there is no liberty unless there is opportunity. If we are, nominally, free but with no opportunity to make a living, then there is no liberty, and Roosevelt and the Young Men's Christian Association were both right in demanding that the youth of to-day have such equal opportunity as may accord them at least a chance to obtain a job or embark in a better business which will assure them a fair living and the right of a competency for their families.

BRYAN A GREAT JEFFERSONIAN

The next man who appeared in the limelight as indicting the courts was William J. Bryan. In the same year, 1912, a year after this Standard Oil decision of the Supreme Court was rendered, he said:

> There sits at the White House the man who has packed the courts in the interests of the trust—

meaning Mr. Taft. Mr. Taft said on that occasion that he would not dignify Mr. Bryan with an answer. Mr. Bryan was right. He did not believe Mr. Taft was personally dishonest; he did not believe that he would take money; but he did know that Taft was a Hamiltonian, that Taft was not a Jeffersonian, or a believer, like Jefferson, in the rights of the people.

Taft believed as a loyal Hamiltonian that it was the duty of government "to write laws to please the rich, to enlist the rich, and to additionally enrich the rich." Therefore the little fellow in trade met disaster from those statesmen who followed the theories of Alexander Hamilton.

William J. Bryan tried hard to revive the doctrines of Jefferson, and in his preachment of these doctrines he urged the things that would have resulted in good for the little fellow in trade. Bryan's greatest speech was not his "Cross of Gold" speech, but his speech on the trust question in 1900 in Chicago at a gathering of those for and against the trusts, in which he said this:

> I am opposed to any plan which places the dollar on a pedestal and man under the dollar. The dollar was made for the use of man, and not man for the use of the dollar. This is a debasement of mankind.

He then went on to describe the contest ahead of us as a contest between two men: The God-made man and the man-made man. The God-made man was a man who was brought into the world with a heart and a soul; he was only permitted to remain here a short time, 60 or 70 years, not long enough to do much harm; in the God-made man, the biggest was not much bigger than the smallest, the strongest not much stronger than the weakest. Then man made a man, and that man was given a life in perpetuity. This man-made man was not made of equal strength with the God-made-man; but given a strength, yes, one thousand or one million times greater. This man-made man had neither a heart nor a soul.

The God-made man, said Bryan, had a soul that he might be punished in the world to come for misdeeds; there was no punishment for the man-made man unless it was on this earth. The man-made man can be found in the form of a corporation that is at the back of every trust in the United States. Man was the creator of this man; he could regulate it. And, let me add, that if need be, he can put it out of existence if its continuance means the destruction of the happiness of the God-made man. This was Bryan's greatest speech.

He was preaching simply the doctrine of Jefferson when he gave this great utterance, but for some reason or other there was not an American response. The people preferred those who were preaching the Hamilton doctrine. They followed the Hamiltonian teachers of that day, and disaster has followed quickly in the wake of this Hamiltonian decision of the Supreme Court written by Hamiltonian judges appointed by a Hamiltonian President. The Standard Oil Co. and the American Tobacco Co. were taken care of, and the thousands of other trusts which have waxed fat on the nourishment of that decision are no small contributing factors to the depression in which this country is sunk to-day.

Let us not forget that the Hamilton believers are working all the while. I have here a copy of the Saturday Evening Post, in which the sage of Northampton, Mass., Calvin Coolidge, takes his pen in hand—I think he gets $3 a word for these effusions that appear from time to time. Being thrifty and diligent, like all New Englanders, he gives little for nothing. Mr. Coolidge, in his articles, proceeds to give real Hamiltonian doctrine to the Post readers—the plain, old-fashioned Vermont garden variety.

COOLIDGE ON LEADERSHIP

He says in this article:

> It is natural and inevitable that the people would wish to see their authority repose in some public officer and translated into positive action for their relief and protection. More and more they have come to look to the Executive Office for leadership.

That is typical Hamiltonian doctrine, "look to the Executive Office for leadership." The people's representatives in Congress do not count. Then he says:

> The ordinary voters can not give the time and attention necessary to solve the intricate and complicated problems of modern government. They have to be engaged in earning their livelihood; the natural rule of division of labor requires them to delegate governmental duties to expert officers.

"Delegated to expert officers." You know the ones he means.

First, I take issue with him when he says that the people have not time to give attention to the problems which concern them or that they are too busily engaged making a living to give thought to these complicated questions of government. When Mr. Hoover took his seat more than three-fourths of American employees and little merchants sat down with him, and they have not gotten up yet. They have had plenty of time to think of these complicated questions of government. The trouble with the American people is they have trusted too much to the Hamiltonians of the Coolidge-Hoover type, and the leadership has been a false leadership, a leadership of property and not of humanity.

I listened to Mr. Coolidge over the radio some time ago. He was crying out that he wanted the people to buy insurance, that he was a director in the New York Life Insurance Co. himself, and that he could recommend insurance as a good investment. I could not believe the evidence of my own ears, that an ex-President of the United States would lend his prestige to the selling of life insurance. I could not help but think that perhaps if he had lived in an earlier day, he would have been selling lightning rods or sewing machines, because many New Englanders engaged in those two occupations. But when I thought that this man, in this period of distress, was urging others to buy—he who was so thrifty, and who had received $75,000 a year as President of the United States and saved most of it—and when I remembered it was said that when he decided to move back to Northampton he used Government trucks to haul his household effects, I was no longer surprised that he had left the Presidency to peddle life insurance and tell the people, at $3 per word, the kind of leaders they ought to follow.

When the great War between the States closed and President Grant was installed, he met George Pickett, of the famous Pickett brigade of the Southern Army, and he said, "Pickett, I am going to make you marshal of Virginia." Pickett was, oh, so poor, and he said, "Why, Mr. President, you can't do that." "Yes; I can." "No, no; you can't. There are two reasons. First, you can't afford to do it; and, second, I can't afford to take it." And then the President, in his brusque way, demanded, "Who in the hell told you I couldn't afford to do it?" "Maybe you can, Mr. President, maybe so; but the second reason stands. I couldn't afford to take it at your hands." This in no way detracts from the magnanimity of Grant in tendering it. Grant saw it in the light that he wanted to help Pickett, but Pickett could not bring himself to accept anything at the hands of President Grant lest those whom he had led such a short time before, many of them to death, all of them to poverty, might disapprove of his accepting something at the hands of one who had led the forces of the opposition. That was Pickett's idea of prestige and honor.

The same State furnished a great leader, the commander of the armies of the South. After the war the New York

Life Insurance Co., later the employer of Calvin Coolidge, said to Gen. Robert E. Lee, "We want you as our president," and tendered him the magnificant salary of $50,000 a year. And then this great man said in reply: "I am not an insurance man. I know nothing about the insurance business. Therefore, if I accepted this place, it might be considered that I was bartering away my people or my name. This can't be done." Lee declined it. He accepted instead the presidency of the Washington and Lee University, of Lexington, Va., at a salary of $1,500 a year. No Vermonter of the Coolidge kind could understand this, but it was a great example of real leadership, without thought of the dollar.

JEFFERSON REFUSED GIFTS AND EMOLUMENTS

When Thomas Jefferson was President, he protested against the presentation of gifts to him while holding that office. First the question came up in the presentation of merely "a bust of the Emperor of Russia." When this presentation was made he had to accept it diplomatically, but a little later a cane was tendered him, and he declined it. In his declination he said that the President of the United States should receive a gift of no kind from any source, unless it be a pamphlet or a book, and he should receive no compensation or remuneration of any kind outside of his salary. He carried this principle out even on his retirement into private life, refusing employment of any kind that carried with it compensation, lest it be said of him that he was selling the prestige of that office. I would respectfully suggest to the sage of Northampton that he should substitute the Virginia ideals of leadership for the Vermont idea of getting while the getting is good.

Let me remark, as I am about to conclude, that I recently read in a newspaper of Hoover proclivities an article which expressed a concern for the Democratic Party often voiced by those who support the enemy. This paper was worried about whether the Democratic Party was a wet, a dry, or a moist democracy.

A PARTY OF FREEDOM OF OPINION

That we have wet Members, dry Members, and those who are merely moist, is evident. I know we are a national party, and as such we are bound to have supporters of all shades of belief on this question. The same is true of the other party.

But what is sinful in us is never sinful in the party of Hamilton. The downright truth of it is that the one party that is always held responsible for its shortcomings is the Democratic Party. The other party, with its high collar, its stovepipe hat, its Prince Albert coat, and its hands folded in prayerful attitude, is always above reproach. I guess that must be because it has the "grace" that "abounds for the chief of sinners."

But, my friends, let us not be misled by the things that are said by the Republican press or the Republican leaders. Be as big and as broad on this question as was John Sharp Williams, of Mississippi, when asked the question, "Are you for Al Smith for President?" "I certainly am." "But, Mr. Williams, you are dry." "Yes, I am dry; but the principles of Thomas Jefferson are greater than any sumptuary or church question that may arise."

Now, a word about Jefferson and the liquor question. He would not use hard liquor even as a prescribed remedy lest it would lead to evil habits. However, at every meal served on his table there was a bottle of wine. His practice on this question was one of both caution and tolerance.

I know that many Republicans are sincere in passing on questions of government. But they do not let their sincerity go far enough. I think they should go as far, when they are being misled, as did the old gentleman a short time ago in a church gathering just outside of Osceola, Mo. On that occasion—it was during the presidential election—the preacher, just before the close of the service, said to his congregation, "I intend to talk to you plainly to-night. I am going to give you a good talk on politics. I am going to talk concerning Alcohol Smith." Just then an elderly gentleman—a seasoned-in-the-wood Democrat—stood up in the back of the church and said, "Hold on, Brother; hold on. Now, if you are going to make a political speech, I want to make one, and I want to make mine first. When the revivalists came into this section and held their meetings, they told me if I would give up liquor, give up swearing, give up gambling, I might be saved; and now if you are going to impose a new condition, that I have to vote the Republican ticket, I'll be damned first."

In conclusion, I say to the gentlemen on the other side of the House, if you are to have a leadership, let it not be that of the big rich. And if you will not tolerate as liberal a one as that furnished by your party in Nebraska and Wisconsin, then let it be as conservative as that of George Hoar or John Sherman, who fought that the little fellow in trade might be saved against the encroachment of big combinations of wealth.

Mr. SCHAFER. And Tammany, too?

Mr. SHANNON. Is this the gentleman who deserted La Follette?

SEVERAL MEMBERS. Yes.

Mr. SHANNON. Then he deserted one of the greatest democrats that ever lived. My only regret is that La Follette was in the Republican Party, because he did not belong there with such fellows as that in it. [Applause.]

If this can not be, then you should go as far as did the old gentleman who broke up the church meeting, and let the Republican Party be damned first. [Applause.]

[Here the gavel fell.]

Mr. FREAR. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. MOORE].

Mr. MOORE of Ohio. Mr. Chairman and members of the committee, it is my purpose to make some comments concerning the remarks of the gentleman from Ohio [Mr. SWEENEY] which he made last Friday. Since my colleague was just recently elected I had not had the opportunity and pleasure of meeting him until last Monday when I went to his office to invite him to become a member of the Ohio Society, and in conversation I advised him I would probably make some observations concerning his address. I found him courteous, and well he might be, for he succeeded one of the most friendly and affable gentlemen who has served in this House, the late Hon. Charles A. Mooney, who, unlike his successor, always spoke a good word for his colleagues and the House. My new colleague from Ohio comes from the metropolis of my State, from the great city of Cleveland, which has had a marvelous growth and development in the last several years.

I hasten to advise my colleague that he did not offend me personally in what I regard as unfair and unwarranted statements, but I am only offended when I think he offends against the truth.

We have become somewhat accustomed to these attacks from the outside, but rarely do we have exhibitions of this kind from our membership and especially from one who has had such limited opportunity to observe.

Of course, it is the pastime of some to try to play on what is a popular chord in the public mind and criticize everything and everybody.

It seems to me unfortunate that the gentleman from Ohio should begin his service in the Congress by making this attack on Congress and the President at a time when government is difficult. Those of us who have had some experience here have frequently observed that when a class or group in this country does not get from the Congress what it wants or is required to do something it does not want to do it attempts to discredit Congress. Evidently the gentleman from Ohio is trying to follow this policy—being a bitter foe of prohibition himself he is trying to discredit prohibition by discrediting the Congress, through which the eighteenth amendment was submitted to the various States. [Applause.] The gentleman appears to be so much more interested in this one subject than in his colleagues and the Congress that after only five days' service he will assume to pass judgment upon the conduct of the Congress and his colleagues.

Frankly, it seems to me we have a right to expect more consideration and a somewhat judicial temperament from

one who has been honored as a municipal judge by the great city of Cleveland.

Our new friend said:

> My friend from Ohio [Mr. COOPER], who preceded me, is an ardent dry, a sincere dry. I pay tribute to his sincerity. He is not that type of a dry who goes to the wash room, takes a drink of liquor, and then comes back on the floor and votes dry. He is honest. There are a few of that type left. He said that prohibition was one of the important questions before the American public.

The tribute he pays to my colleague from Ohio as to his character and sincerity is amply deserved, but the charges, insinuations, and innuendoes as to the membership of the House are unwarranted and untrue. Our new colleague plays the rôle of a modern Diogenes looking for an honest man and after only being a Member of this House for five days he makes these untrue inferences. As I said, I have been a Member of this House for 13 years, and during that time I have never seen a Member of the Congress or anyone else take a drink of liquor in the washroom, the cloakroom, or any place in this House. [Applause.] I have talked to employees of the House, and they have made the same observations that I made that this does not exist. The fact is, during my service of 13 years I could count on the fingers of one hand all the Members of Congress that I have ever seen under the influence of liquor.

Speaking in the large, the membership of this House observe the laws, support the laws, and try to assist those who are having a difficult time in administering them. Contrast that attitude with the untrue and unfortunate utterances of my colleague, who evidently is swayed by the propaganda that would discredit our membership and demoralize government itself.

But we forget, yet we should not forget. I would cast no reflection upon the Members of this House who served in other years. They served their day and generation well, like we are trying to do. However, I speak about a condition. It is a well-known fact, although some forget it, that in this Capitol there used to be a bar, where liquor was dispensed and which Members of the Congress patronized. I have talked with men who served in the Congress then and who have served now, and I have never found one who is in a position to observe but what said there is much less drinking now than there was then.

The gentleman from Ohio alleges that two Members of Congress were discussing the bad quality of Washington liquor. I really feared my friend was going to qualify as a "snooper," but he hastened to say that he was not a Smedley Butler, and yet he did something that I think is infinitely worse. "Oh," he hastens to say, "I will not tell you their names." He refuses to tell the names of two Members, thereby putting odium and a cloud upon the entire membership of the House. I think that is indefensible. If I talked recklessly and extravagantly like the gentleman from Ohio, I would say more.

And then the gentleman speaks of hypocrisy. I charge no one in this House with hypocrisy, not even the gentleman who has spoken these words. I leave each Member to his individual judgment and conscience when he votes. But, since the gentleman raises this question, I am wondering how, having been a municipal judge and how, having five days ago, with all of us, taken the oath to support and uphold the Constitution of the United States, he squares his attitude by attacking the Constitution in his first utterance in this House. He would attack the man and call him a hypocrite who happens to take a drink of liquor, a thing which I do not do or defend, but who supports the Constitution and does what he can to enforce the law. Our colleague appears to feel that his attitude or privilege is to take an oath to support and uphold the Constitution but thereafter he would not be hypocritical if he would drink, talk against the Constitution, embarrass those who are trying to enforce it, and put every obstacle in the way of its success. [Applause.]

Apparently, from his attitude, that would be what he thinks a Representative should or could do with propriety. The unwarranted statement of the gentleman is unfortunate, to say the least, and his attitude makes difficult the work of those who are honestly trying to enforce the laws.

Then, the gentleman says:

> I hope there is courage here, and I hope there is no group that will control anybody.

Allow me to say I share that hope.

Now, keeping in mind the gentleman comes from a great city, he demonstrates his unusual courage by attacking the Anti-Saloon League and charging us with being subservient. I marveled at his ability to observe, but I have marveled more at his courage in this respect. Do you suppose it could be possible the gentleman is thinking about his own subserviency to some organization?

He not only lectures Congress but he criticizes the President. He states:

> I am also concerned with the attitude of the President of the United States. I am surprised that he has made no mention of this question of prohibition.

My colleague criticizes the President for not saying anything, but I feel absolutely sure that he would have criticized what the President would say if he were speaking on this subject. The President's position on this matter is clear, and he does not have to keep continually talking about it to satisfy the gentleman from Ohio. But he says where is the statesmanship, where is the leadership, and then he wonders what Al Smith would have done. Many times I have wondered the same thing. My friend did not tell me what Al Smith would have done, and I can only leave you wondering and wondering. The American people decided between Herbert Hoover and Al Smith. Few of our Presidents have had to serve in more difficult times than President Hoover. I feel confident the thoughtful people of this country are behind President Hoover in his efforts to serve the country in his great office. Fortunately we have a world figure when we have world problems. The President has maintained our prestige abroad and carefully, honestly, and efficiently administered our affairs at home. We will do well to support him rather than be a party to destructive criticism like that in which my new colleague has indulged. [Applause.]

I have said these few words because I have tired of these unwarranted and gratuitous aspersions upon the membership of this House. In the words of my friend I have intended no personal offense. I want with you to maintain the dignity, decorum, and good name of this House and its membership.

> Good name, in man and woman, dear my lord,
> Is the immediate jewel of their souls,
> Who steals my purse, steals trash,
> 'Tis something, nothing,
> 'Twas mine, 'tis his, and has been slave to thousands,
> But he that filches from me my good name
> Robs me of that which not enriches him,
> And makes me poor indeed.

[Applause.]

Mr. DAVIS. Mr. Chairman, I yield three minutes to the gentleman from Ohio [Mr. SWEENEY].

Mr. SWEENEY. Mr. Chairman, ladies, and gentlemen, I did not hear all my colleague from Ohio told you with reference to the speech I made the other day. I want to say right now that I am making no apology for the statements I made in the House last Friday. I appreciate that it is no reflection on the sincere Members of Congress who are here trying to do their duty. But, if it fits those who are hypocrites, I am making no apology.

I did not base my remarks on observations made the last four or five days. I have been coming to this Capitol since prohibition became a part of the organic law of the Nation. I have heard discussions on both sides of this mighty question. I have been in the offices and I have made observations around the cloakrooms, and, as I said, I am not making any apology.

I saw the lash wielded by Wayne B. Wheeler in the Ohio Legislature. I saw men come into the legislature drunk, who had almost to be literally carried out to the cloakroom after registering their affirmative vote on dry legislation. The gentleman from Ohio [Mr. COOPER], who is honest, perhaps knows of the conditions of which I speak, for I was with him there in 1913 and 1914.

I am charged with being presumptious in getting up here and presenting my views after a service of only five days.

But I am trying to cure the condition brought about by prohibition; a condition that caused by Government agents the murder of a man like Mr. Hansen, secretary of the Elks, who was killed at Niagara Falls, N. Y., three years ago. I am trying to stop the shooting, in bootleg warfare, of United States Senators in the public streets of Washington. I am trying to cure a condition responsible for laws such as "a life for a pint law," which they had in the State of Michigan, and where they sentenced to prison the mother of small children for having in her possession a few ounces of spirits. I am trying to cure conditions existing in Ohio, where, for instance, a jurist gave a dry agent a fine of $5 and costs for shooting an innocent English girl, visiting relatives in our State, who was riding in an auto. The next case on the docket of this jurist, who, by the way, was a leader in the Anti-Saloon League forces, was, so I am informed, a poor foreigner, and he was fined $1,000 and costs for having a barrel of grape juice in his basement, which nature, through her operation, raised in alcoholic content to an excess of one-half of 1 per cent. These are the things I am thinking about.

I want to be fair with all of you Members, and especially with my colleagues from Ohio who disagree with me on this question, but I maintain that the political Anti-Saloon League and its allies have set the cause of temperance back a half century. Temperance, I believe, is a virtue. Prohibition, in my opinion, is a vice. The question of temperance and morals is one for the church and the school and the home, and has no place in the legislative halls of the Nation.

Mr. FREAR. Mr. Chairman, I yield to another gentleman from Ohio [Mr. MURPHY], who has been here longer than five days.

Mr. MURPHY. Mr. Chairman, ladies and gentlemen of the committee, I am from Ohio. I am proud of my State, and this is the first time that I have ever heard anyone who comes from my State accuse the legislators of that State of being drunkards. I resent it. I am ashamed of it, and I am ashamed of a 5-day Member who comes and misrepresents the men who have been elected by the people of my State to represent them in the halls where laws are made. I want him to name them. I do not know this gentleman; I have not met him as yet. I do not know that he will want to meet me, because his views and mine on this question are as far apart as the poles; but I do resent that kind of loose talk about the legislators of my State, regardless of their political faith. If I wanted to be in the same frame of mind that he assumes, I might call the gentleman's attention to the fact that it was on his side of the aisle that he heard the liquor question discussed by those——

Mr. SWEENEY. Mr. Chairman, will the gentleman yield?

Mr. MURPHY. No; I can not yield—discussed by those who complained about the kind of liquor that was being sold in Washington.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield for a question?

Mr. MURPHY. No; I can not yield now; I am sorry. I do not want to be discourteous. This is a time when such questions as the one discussed by the gentleman ought to be relegated to the rear, and we should be occupying our time in taking cognizance of the terrible economic conditions existing not only in our own country but throughout the entire world. We ought to be thankful to-day that we have in the White House the great courageous statesman who is there seeking to do the best he can with what he has, where he is, for the benefit of all of the people, Democrat and Republican alike. [Applause on the Republican side.] This is no time to bring forward the wet and dry issue. I do not want to talk on that question, but when a man from my State insults the legislators of my State, as he insulted this House each time he has spoken, it is time for me to become vocal. I hope that you boys up in the press gallery will send the story back to Ohio that we are not cowards here, that we are not afraid to speak out, that we stand for a clean Government, that we stand for clean legislators, and that we are clean men and clean women here. Nor are we drunkards, seeking a chance to sneak a drink. I resent it. [Applause on the Republican side.]

Mr. DAVIS. Mr. Chairman, I yield one minute to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I am sure that my colleagues will pardon me for taking this extra minute to-day. I rise to call attention to the fact that this body, during the debate on these important bills, is being presided over by our distinguished colleague from South Carolina [Mr. MCMILLAN]. It so happens that 15 years ago to-day our friend brought his bride here to Washington on their honeymoon. [Applause.] They sat in this gallery watching the proceedings, and he became so much impressed with the deliberations of this body, its dignity, and its honor that he wanted to associate with us. A few years later he came here to represent his State. He is peculiarly fitted to preside over this House. For four years he presided as speaker over the legislative body of his own State, with dignity and ability. It so happens now that in passing these bills under his guidance we are passing some of the best legislation that we have had before this House for many years. I congratulate my friends and the State of South Carolina on producing such a worthy presiding officer. [Applause.]

The CHAIRMAN. The Chair hopes the committee will pardon him for expressing his appreciation to Mr. BLANTON for his remarks.

Mr. FREAR. Mr. Chairman, this is one question on which the Republicans join with my friend from Texas. If there are no others who desire to speak, I ask that the bill be read under the 5-minute rule.

The Clerk read as follows:

Be it enacted, etc., That, subject to the exemptions, conditions, and limitations hereinafter prescribed, there is hereby imposed upon transfers of net estates of decedents a tax at the rate prescribed in section 8 of this act.

Mr. FREAR. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MCMILLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 5822 and had come to no resolution thereon.

REGENTS, SMITHSONIAN INSTITUTION

The SPEAKER laid before the House the following, which the Clerk read:

Pursuant to the provisions of title 20, section 43, United States Code, the Chair appoints as Regents of the Smithsonian Institute the following Members of the House of Representatives: Mr. MONTAGUE, Mr. GOLDSBOROUGH, Mr. JOHNSON of Washington.

CONTESTED ELECTION CASE, BALL *v.* VESTAL

The SPEAKER laid before the House the following communication, which was read, and, with the accompanying papers, referred to the Committee on Elections No. 1 and ordered printed:

DECEMBER 7, 1931.

The SPEAKER HOUSE OF REPRESENTATIVES, WASHINGTON, D. C.

SIR: The contest for the seat in the House of Representatives from the eighth district of Indiana was instituted by Claude C. Ball against the returned Member, A. H. Vestal, pursuant to the provisions of the act of March 2, 1887, as evidenced by the filing in the office of the Clerk of the House of Representatives of a notice of contest and of the reply thereto by the contestee.

It does not appear that testimony was adduced during the time prescribed by law, and apparently, therefore, the contest is abated. The papers filed in this office will be transmitted to that Committee on Elections to which the case shall be referred.

Very respectfully,

WM. TYLER PAGE,
Clerk of the House of Representatives.

CONTESTED-ELECTION CASE—O'CONNOR *v.* DISNEY

The SPEAKER laid before the House the following communication, which was read, and, with the accompanying papers, referred to the Committee on Elections No. 2, and ordered printed:

DECEMBER 7, 1931.

The SPEAKER HOUSE OF REPRESENTATIVES, WASHINGTON, D. C.

SIR: I have the honor to lay before the House of Representatives the contest for the seat in the House of Representatives for the Seventy-second Congress of the United States for the first district of the State of Oklahoma, Charles O'Connor *v.* Wesley E. Disney, notice of which has been filed in the office of the Clerk of the House; and also transmit herewith original testimony, papers, and documents relating thereto.

In compliance with the act approved March 2, 1887, entitled "An act relating to contested-election cases," and such portions of the testimony as the parties in interest agreed upon or as seemed proper to the Clerk, after giving the requisite notices, have been printed and indexed, together with the notices of contest, and the answers thereto and original papers and exhibits have been sealed up and are ready to be laid before the Committee on Elections.

Two copies of the printed testimony in the aforesaid case have been mailed to the contestant and the same number to the contestee, which, together with an abstract thereof and copies of the briefs of the parties, will be laid before the Committee on Elections to which the case shall be referred.

Yours respectfully,

WM. TYLER PAGE,
Clerk of the House of Representatives.

CONTESTED ELECTION, EVERETT KENT *v.* WILLIAM R. COYLE

The SPEAKER laid before the House the following further communication, which was read, and, together with the accompanying papers, referred to the Committee on Elections No. 1 and ordered printed.

DECEMBER 7, 1931.

The SPEAKER HOUSE OF REPRESENTATIVES, WASHINGTON, D. C.

SIR: I have the honor to lay before the House of Representatives the contest for a seat in the House of Representatives for the Seventy-second Congress of the United States for the thirtieth district of the State of Pennsylvania, Everett Kent *v.* William R. Coyle, notice of which has been filed in the office of the Clerk of the House; and also transmit herewith original testimony, papers, and documents relating thereto.

In compliance with the act approved March 2, 1887, entitled "An act relating to contested-election cases," the Clerk has opened and printed the testimony in the above case, and such portions of the testimony as the parties in interest agreed upon or as seemed proper to the Clerk, after giving the requisite notices, have been printed and indexed, together with the notices of contest, and the answers thereto and original papers and exhibits have been sealed up and are ready to be laid before the Committee on Elections.

Two copies of the printed testimony in the aforesaid case have been mailed to the contestant and the same number to the contestee, which, together with an abstract thereof and copies of the briefs of the parties, will be laid before the Committee on Elections to which the case shall be referred.

Yours respectfully,

WILLIAM TYLER PAGE,
Clerk of the House of Representatives.

CONTESTED-ELECTION CASE OF STANLEY H. KUNZ *v.* PETER C. GRANATA

The SPEAKER laid before the House the following further communication, which was read, and, together with the accompanying papers, referred to the Committee on Elections No. 3 and ordered printed.

DECEMBER 7, 1931.

The SPEAKER HOUSE OF REPRESENTATIVES, WASHINGTON, D. C.

SIR: I have the honor to lay before the House of Representatives the contest for a seat in the House of Representatives for the Seventy-second Congress of the United States for the eighth district of the State of Illinois, Stanley H. Kunz *v.* Peter C. Granata, notice of which has been filed in the office of the Clerk of the House; and also transmit herewith original testimony, papers, and documents relating thereto.

In compliance with the act approved March 2, 1887, entitled "An act relating to contested-election cases," and such portions of the testimony as the parties in interest agreed upon or as seemed proper to the Clerk, after giving the requisite notices, have been printed and indexed, together with the notices of contest, and the answers thereto and original papers and exhibits have been sealed up and are ready to be laid before the Committee on Elections.

Two copies of the printed testimony in the aforesaid case have been mailed to the contestant and the same number to the contestee, which, together with an abstract thereof and copies of the briefs of the parties, will be laid before the Committee on Elections to which the case shall be referred.

Yours respectfully,

WILLIAM TYLER PAGE,
Clerk of the House of Representatives.

BALANCE OF TRADE BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES

Mr. ALDRICH. Mr. Speaker, I ask unanimous consent to address the House for one minute.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ALDRICH. Mr. Speaker, I ask unanimous consent to revise and correct my remarks by incorporating in my remarks a table which I have prepared.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALDRICH. Ladies and gentlemen of the House, I ask permission to address the House for the purpose of inserting in the RECORD the table which I have compiled from information contained in Foreign Commerce and Navigation, a publication issued by the Department of Commerce, which shows the balance of trade between the United States and those countries which are named in the moratorium agreement, in so far as the balance of trade is indicated by the exports from the United States to those countries, and imports from those countries into the United States.

I call attention to the fact that with Poland I have included Danzig, and with Yugoslavia I have included Albania, because that is the way they are reported by the Department of Commerce.

I also want particularly to call the attention of the Members of the House to the enormous purchases made by those countries from the United States in the year 1930, after the depression started. In that year alone they purchased $1,418,745,000 worth of merchandise from the United States.

The table referred to is as follows:

[All figures in thousands of dollars; 000 omitted]

Country	1926		1927		1928		1929		1930	
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports
Austria	2,891	9,419	4,364	10,611	5,978	12,121	5,331	12,235	4,751	7,780
Belgium	99,299	77,793	116,216	72,234	101,830	75,074	114,855	74,048	86,000	51,536
Czechoslovakia	2,968	28,302	7,442	31,726	5,341	36,783	6,133	46,129	5,061	29,584
Estonia	826	1,235	918	432	960	1,064	830	875	513	544
Finland	12,916	9,108	16,488	8,670	18,742	9,872	14,894	11,255	11,290	10,454
France	264,004	152,020	228,781	167,800	240,692	158,748	265,592	171,485	223,960	113,775
Germany	364,162	198,495	481,681	200,554	467,260	222,130	410,449	254,688	278,269	176,981
United Kingdom	972,606	383,198	840,059	357,931	847,326	348,540	848,000	329,755	678,105	209,994
Greece	10,353	16,908	15,028	29,646	13,853	14,610	16,741	17,757	12,522	11,793
Hungary	987	873	1,753	941	2,734	1,215	2,328	1,839	1,337	936
Italy	157,402	102,526	131,651	108,970	162,125	101,681	153,967	117,067	100,429	79,321
Latvia	727	5,982	1,029	4,469	1,070	3,836	2,320	4,050	805	1,772
Lithuania	88	947	218	520	335	410	184	533	274	226
Poland and Danzig	3,939	4,147	9,261	4,825	15,876	3,604	16,356	4,853	9,002	2,838
Rumania	3,111	1,098	4,925	649	9,431	677	9,795	559	4,920	314
Yugoslavia and Albania	789	1,155	996	985	1,783	1,766	1,303	2,311	1,507	1,592
Total	1,897,068	993,206	1,860,810	1,000,963	1,905,336	992,131	1,869,068	1,049,409	1,418,745	699,440

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, I would like to ask the gentleman from Illinois [Mr. RAINEY] whether we will take up the moratorium resolution to-morrow.

Mr. RAINEY. The hearings on the resolution have not been completed, and I presume we will go ahead with the bills relating to the District of Columbia to-morrow.

Mr. SNELL. Does the gentleman presume we may get the moratorium resolution later in the afternoon, or will it go over until Friday?

Mr. RAINEY. I doubt whether we will be able to get it up to-morrow. I think it will likely go over until Friday.

Mr. SNELL. Then we will go along with the regular work in connection with the bills affecting the District of Columbia?

Mr. RAINEY. That is the intention.

Mr. ABERNETHY. May I ask the gentleman from Illinois a question?

Mr. RAINEY. Certainly.

Mr. ABERNETHY. Does the gentleman think we will vote on the moratorium resolution this week or not?

Mr. RAINEY. We hope to vote on the resolution before Saturday night.

Mr. ABERNETHY. There is no certainty about it, however?

Mr. RAINEY. There is no certainty about it.

LEGISLATION

Mr. LANKFORD of Georgia. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANKFORD of Georgia. Mr. Speaker, I am so anxious for this Congress to pass some real legislation during the next few months. We are passing through a depression such as we have never witnessed before. I am hoping for us to get through with as little real suffering as is humanly possible. I feel though, that if we are to again enjoy real prosperity, we must quit some of the things that we are now doing and bring about a new dawn of real freedom.

We must enact some real farm relief legislation, such as I have from time to time discussed. We must return to the people the right to determine their own affairs and save the independent farmer, laboring man, and individual citizen. Entirely too much of our legislation is for the interest of selfish groups, and not for the best interest of the common people and the Nation as a whole. There has been entirely too much concentration of political and financial power. Too often legislation intended for the best interest of the whole people is finally seized by a few and used to crush the very people whom it was intended to help.

Shrewd politicians and lawyers too often watch the passage of bills and finally succeed in getting the bills in such shape as to be easily captured by them and used by them to create enormous salaries and destroy the very people whom the act was originally intended to help.

I should not make this kind of a statement unless I am willing to name some pieces of legislation which I honestly believe is subject to this criticism. I am prepared to name some of such legislation, and would be very happy if I could be convinced that I am mistaken.

Generally, I may say that all bills which have created large bureaus and granted authority to a small group of men to dominate the rights and very liberties of the people are dangerous in the extreme.

The regional banking system is certainly in this very class. A few years ago we heard it said on every side that with the regional banking system our country was panic proof. Well, we are having the worst depression this country ever saw. All the small banks are disappearing and now chain banking and branch banking is being openly advocated with the purpose of bringing about a complete banking monopoly. There are those who advocate a system which will mean that there will be only one or two large banks in the country operating by branches wherever they may choose, without anyone else having the right to open up a bank in opposition to them. This can only mean a further concentration of political and financial power. With such a system one or two men in Wall Street can name the President of the United States, the Members of Congress and all other officials of the States and Nation.

All kind of gigantic trusts and mergers are now being openly advocated to the destruction of the liberties of the people. Are we soon to have chain farming, and chain banking, and every other kind of a monopoly that means the oppression of the people, the ultimate destruction of our liberties, and the final downfall of the Nation?

Let me mention another illustration of what I am saying. The Federal farm loan act was intended as an agent of mercy for the farmers of the country and has become an agent of torture and destruction. The farmers would have been in infinitely better shape if this act had never been passed. Communities that were intended to manage their own affairs are being ignored in everything except the burdens that have been placed upon them, and the management and salaries of the whole scheme are being enjoyed by those not in sympathy with the local communities, and who in most, if not all, instances have little or none of the burden to carry. I feel that Congress should repeal this act and turn these affairs over to some one to administer for the best interest of the farmers of the Nation.

I find that the officials in charge of this institution are cold-blooded in the extreme and seem to relish the opportunity to foreclose and sell the lands of the farmers of the country. The long-term loan companies and old-line life insurance companies are much more liberal than these people who should be the friends of the farmers. I shall do everything in my power to stop this high-handed oppression by these people holding office under an act passed in behalf of the farmers but used for selfish purposes.

In fairness to all concerned, let me say that much of the vicious practice under the farm loan act is brought about by the wording of the act itself, for which Congress is responsible. This is what I am complaining about. Congress should never pass an act under which a few men can distort the very purposes of the act and use it as an instrument of torture and death rather than a medium of service.

The Farm Board act was criticized by me before it was finally enacted into law and I then pointed out the very dangers which were in its every page and which has made it so unpopular. Many people administering these acts are anxious to be of real service to the people of the Nation, but are handicapped by the failure of Congress to pass proper basic law at the time the board or bureau is brought into existence.

Now, let me name at least one of the proposals that have been suggested to relieve the present financial depression that is filled with the very dangers that I have just been discussing. Take, for instance, the gigantic corporation that some say should be brought into existence in the name of the home owners of the Nation. If this corporation is to bring about as many foreclosures as the rural credit system has, then may God have mercy on the home owners who mortgage their homes to any concern that later transfers the lien to this powerful corporation.

Let us reason about this matter a little. This corporation is to be set up for the purpose of making salaries, commissions, fees, and other profits out of the home owners. It is true it is to be created in the name of the home owners, but the real purpose is to make money out of the home owners. Let us visualize a situation like the present, with this corporation owning thousands upon top of thousands of mortgages on homes where the larger part of the debt has been paid and the owner has a very large equity but yet because of a financial depression can not pay his interest and taxes. His obligation will have passed out of the hands of his neighbors from whom he originally borrowed the money. They can not help him if they want to. His paper is owned by a great corporation, with strangers to his interest, in charge. They see that as a money-grabbing scheme that can buy in a large amount of very valuable property

at about one-fourth of its value. They hold in the hollow of their hands the power to destroy thousands of home owners and grab their property for practically nothing. Does anyone doubt what will be done? Again I am pleading with the Members of Congress to stop passing bills creating the power to destroy thousands of our people by the decision of a few men.

The real cause of the present depression is very evident to my mind. A few money-mad men have the power in their hands to slaughter our people for the sole and only purpose of enriching themselves and are madly and selfishly exercising the power to the destruction of our very Nation.

I shall discuss this matter much more a little later. For the present I shall make a few more observations and conclude. I really want some matters to develop just a little more before I go more into detail.

Let us pass some real legislation for the common people. Let us pass some legislation for the home owners of the country and for the farmers of the Nation. I will tell you how to do it.

Help pass and bring into effect a Federal constitutional amendment which I have been advocating for years, giving the head of each family the constitutional right to own, for home purposes, free of all taxes, $5,000 worth of property. This would force the municipalities, counties, States, and Nation to raise all taxes from sources other than the homes of the small-home owners. This would help get the farmers back on the farms. It would do more to relieve the present distressed condition of the home owner than any other plan yet proposed. Nothing I have ever heard suggested would do so much to bring about a Nation of happy, contented, prosperous citizens.

I fear though that I shall not get very far with this proposal. There is not enough centralization of power and big salaries to make the bill popular. Too many can see that the plan would cost the big rich a little money, and no one would be able under the scheme to exploit the masses of the people.

I shall not only fight for this proposal, but I shall fight to secure for the original owners the return of the lands that are now being taken over by the Federal farm-loan concerns and other long-term loan companies.

I have introduced a bill for this purpose and am determined to pass it if humanly possible.

In conclusion, let me say the problems before this Congress are more serious and more numerous than ever before, and it is our solemn duty to not only relieve the present awful condition but return the liberties of the people to the masses and help this Nation of ours to again become and remain a "Government of the people for the people and by the people."

PHILIPPINE INDEPENDENCE

Mr. OSIAS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on Philippine independence.

The SPEAKER. The Delegate from the Philippine Islands asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. OSIAS. Mr. Speaker, this is a brief presentation of the crux of the American-Philippine problem and there is no need of any preliminary or periphrasis. My thesis is clear. America must grant immediate Philippine independence.

I. GROUNDS FOR THE GRANT OF INDEPENDENCE

There are two fundamental reasons why the people and Government of the United States should grant independence to the Philippine Islands without delay.

In the first place this is the avowed Philippine policy of America. It is the mission she set out for herself at the inception of America's Philippine occupation. It is a sacred pledge made and oft reiterated by Presidents of the United States, by Governors General, by the major political parties, and in Congressional enactment.

In the second place, the early grant of independence is what the Philippine Legislature and the Filipino people most desire. Both political parties in the islands are committed to it. All live elements long for it. There is no people in the history of the world that has ever been as united for national independence as the Filipinos.

II. PROLONGED OCCUPATION DISADVANTAGEOUS

America must grant immediate Philippine independence because the prolonged occupation of the islands is disadvantageous to both the Americans and the Filipinos.

I will enumerate some of the most important disadvantages to the United States first:

First. The indefinite retention of the Philippine Islands is leading peoples, especially in the Orient, to wonder whether the United States, after all, is really different from colonizing countries of imperialistic designs. This is not surprising when anti-imperialism itself was an issue in American politics soon after America took possession of the islands. This is also not an unnatural feeling among peoples inhabiting countries that have been the victims of economic and political imperialism in the history of colonization.

Second. The continued occupation of the Philippines also tends to breed doubt and suspicion and misunderstanding. True, the Filipinos have, throughout the years of cooperation with the Americans, demonstrated faith, hope, and confidence in view of America's announced policy to make her administration of our country only temporary. It would be unfortunate for this country itself to permit a situation to develop which would mar the harmony that has heretofore prevailed.

Third. The failure to grant Philippine independence after repeated and categorical promises made is unjustly submitting America to charges of insincerity in her altruistic protestations, and of violation of certain fundamental principles upon which the American Government rests. Among these are the principle of a government based upon the consent of the governed, that of self-determination, that of the right of nations great and small to liberty and self-government, and that of democratic government founded upon a constitution.

Fourth. It is foreign to American political philosophy to permit the imposition of a civilization of a materialistic type which may prove destructive to Philippine social organization.

Fifth. The withholding of independence to the Philippines is unwholesome to the United States because it is apt to lead people to think that the point of view of the rulers or colonizers is the standard of right, and that the point of view of those living in a dependency must necessarily be wrong.

Sixth. The people of this country should realize also the danger of weakening our people's resistance to corroding influences from without. There is this constant menace arising from the pressure of the influence and the power of every ruling country. If the United States really took possession of the Philippines to help the people, then they should be freed without delay.

Seventh. The long retention of the Philippines may also lead to a situation whereby the good in American culture and American institutions may not be readily welcomed because of the fear that they may eventually prove instruments for our dependence rather than independence.

Eighth. The continued occupation of the Philippines, despite America's traditional devotion to the principle of liberty, is a breeder, real and potential, of misunderstanding. One example will suffice: The rank and file of the people of the Philippines believe sincerely in America's Christian altruism, and yet there is even now serious agitation from certain quarters which, if carried out, would prove adverse to our interests. This is true in the case of the proposal to tax Philippine goods coming to the United States while American goods going to the Philippines are admitted free of duty and without limit. This is further aggravated by the presentation of measures designed to exclude Filipinos from the United States.

Ninth. Another disadvantage is the disillusionment on the part of the Filipinos with respect to the selection of American officials not wholly in sympathy with America's fundamental policy and the aspirations of the Filipino people.

Tenth. Still another disadvantage of retention is found in a disregard of an important political tenet, namely, that

good government from without is never a proper substitute for self-government.

I shall now point out briefly some of the disadvantages of prolonged dependency to the Filipino people themselves:

First. The occupation of a country by a people of another race is always fraught with possibilities of fostering racial prejudice. The attitude of the ruler tends to develop among the people ruled a certain spirit of reserve, if not hostility.

Second. The occupation of a country on the part of another also is invariably accompanied by a constant conflict, real or potential, between the feeling of superiority complex on the one hand and inferiority complex on the other.

Third. Continued dependency tends to weaken a people's individuality.

Fourth. It is also apt to develop undesirable groups, such as hypocrites and others of their ilk, because of the temptation to ingratiate themselves among the rulers.

Fifth. Another evil is that dependency has a tendency to foster contentment at least on the part of some with their dependent lot.

Sixth. Another great disadvantage of a dependent state is the tendency to place a premium upon subserviency on the part of the colonized as a virtue.

Seventh. Prolonged dependency retards the development of originality and self-reliance.

Eighth. It also tends to weaken the national morale of a people.

Ninth. A dependent state prevents the proper development of the youth for a definite type of citizenship. This is true in the case of the Filipinos, since they can not be American citizens and have no free and self-governing country for whose citizenship they ought to be prepared.

Tenth. Prolonged dependency is iniquitous because it forces a people to be without a country.

Eleventh. Finally, prolonged dependency delays the ushering of a people into the stream of internationalism.

III. GRANT OF INDEPENDENCE MUTUALLY ADVANTAGEOUS

America must grant Philippine independence immediately, because it is advantageous to both the United States and the Philippines.

I shall present in summarized form the benefits that will accrue to the Filipino people by the grant of independence.

First. The immediate grant of Philippine independence would free the people of the islands from the benumbing effect of the present state of uncertainty.

Second. Philippine independence will bring about greater economic stability eventually. Now capital is timid because of the present indefinite political status of our country.

Third. An independent status would remove the constant dread in business circles from changes in tariff relations over which the Philippine people have no control.

Fourth. The grant of Philippine freedom will remove the constant danger of having taxes unexpectedly imposed directly or indirectly upon Philippine products. Now, it is possible for Philippine investors to suffer reverses overnight by a slight change in the tariff. Philippine industries, too, may be indirectly taxed, as illustrated by the measure amending the oleomargarine act.

Fifth. Independence will do away with the fear of having the American coastwise shipping laws extended to the Philippines, which may under the existing situation be accomplished by presidential proclamation. The Filipinos, not being eligible to American citizenship, would suffer greatly in their shipping and commerce should the coastwise shipping laws of the United States be made applicable to the Philippines.

Sixth. The establishment of an independent Philippine government will place in the hands of the Filipinos the instruments of their economic salvation. Now the Filipino people have no control over matters affecting our tariff relations, our mines, our forests, and our public domain.

Seventh. The early grant of freedom will hasten the development of greater economic-mindedness among our people. The continuation of the present uncertainty and anomaly will tend to arrest the economic development of the Philippines.

Eighth. The grant of independence will permit the Filipino people to adopt a constitution which will be better suited to their psychological and sociological nature.

Ninth. The establishment of an independent government with a constitution of our own creation will make it possible for our people to develop a more unified and scientific Philippine legal system and jurisprudence.

Tenth. With independence the Filipinos will develop greater responsibility in governmental matters. Full responsibility can be fostered only by our having complete authority.

Eleventh. From the standpoint of culture and education, independence is essential and necessary to enable the people of my country to shape an educational philosophy which is conducive to good, patriotic, and useful citizenship, because, dependent, we can not be citizens of the American Republic and can not train the Filipino youth for true Philippine citizenship, for we do not have a free self-governing country.

Twelfth. With independence we can redefine the aims and purposes of Philippine education, so as to train Filipino boys and girls to become free, efficient, and happy citizens of a country truly free and democratic.

Thirteenth. A free and independent existence will enable the Filipino people to achieve their highest development. It will furnish a new and permanent motive to our individual and social life.

Fourteenth. Independence will usher us into the modern current of internationalism. Nationalism, developed in the atmosphere of freedom, is an essential prerequisite to sound internationalism. We as a people will, when free, be in a better position to cultivate our own talent and genius and contribute in full measure to the common heritage of the world.

Fifteenth. Philippine independence will satisfy our individual desire and our national ambition and will be a powerful incentive to our putting forth our best so as to merit a place in the family of free nations.

Sixteenth. An independent Philippines will be a modern contribution to the new world order based upon the enduring foundations of peace. With freedom the Filipino people will be in a better position to exemplify the wisdom of peace and the criminality of war—peace as an attribute both human and divine and war as a grievous wrong and an enormous crime. We shall also be better qualified to occupy our allotted place in the interknit mosaic of mankind.

These, I think, are more or less self-explanatory.

I now present some of the advantages to America by granting Philippine independence at the earliest possible date.

First. America, by granting Philippine independence, would experience that joy and satisfaction which come from the fulfillment of a sacred promise.

Second. The early grant of Philippine independence will do away with the suspicion of America's high, noble, and humanitarian purposes in the Orient.

Third. It will enhance the faith of the peoples of the world in America's word.

Fourth. It will foster mutual understanding and good will.

Fifth. It will lessen distrust in American capital.

Sixth. Independence of the Philippines is considered by farmers and agricultural interests of the United States as a means of relief.

Seventh. The early grant of Philippine independence is the remedy to the growing labor unrest in the western States resulting from the influx of Filipino laborers, which can not be effectively checked or regulated as long as the Philippine Islands are under the American flag.

Eighth. It is an effective means of regulating immigration from the Philippines, for then we will be in the category of foreign countries and the islands can be placed upon a quota basis.

Ninth. Philippine independence is a means of solving one of America's growing social problems made more difficult by the factor of race differences.

Tenth. Freeing the Philippines is a way of lessening the burdens of the taxpayers of this country.

Eleventh. It will increase the confidence and friendship of the Filipinos and other orientals, and these will constitute a great moral and business asset to America in her dealings with the teeming millions in the Far East.

Twelfth. It will relieve America of the embarrassing position of recognizing ideals and principles of government at home, but which foreigners feel are not observed by the further continuation of her rule in the Philippines.

Thirteenth. Granting Philippine independence will obviate the inconsistency of America fighting in the American-Spanish War for Cuba's liberation and for the Filipinos' subjugation.

Fourteenth. It will be an effective method of enabling America to take the lead not only in the limitation but in actual reduction of armament.

Fifteenth. The early grant of Philippine independence will be a concrete contribution of America to the cause of world understanding and international peace.

Sixteenth. The establishment of a Philippine Republic will be a noble Christian act of a Christian Nation toward the only Christian people of the Orient. That, indeed, would be a most fitting climax to America's colonial experiment.

IV. PHILIPPINES READY FOR INDEPENDENCE

The Philippines are in every essential sense ready for complete independence.

First. The Filipinos are ready culturally: The people who are racially and religiously homogeneous are deeply devoted to education.

Our people had a civilization of their own before Magellan's arrival in 1521. Under Spain we received the influence of European culture. We have schools, colleges, and universities, some of which are older than the oldest in the United States. Under America we have had the benefit of her guidance and cooperation. About 30 per cent of our national budget annually is devoted to educational purposes.

The percentage of literacy in the Philippines is higher and better than that of Albania, Argentina, Bolivia, Brazil, Bulgaria, Ceylon, Chile, China, Colombia, Costa Rica, Cuba, Greece, Guatemala, Guiana, Haiti, Honduras, India, Korea, Lithuania, Malay States, Mexico, Nicaragua, Palestine, Panama, Paraguay, Persia, Peru, Porto Rico, Portugal, Russia, Salvador, Siam, Spain, Syria, Turkey, Uruguay, Venezuela, and various countries of Africa and Malaysia.

Second. The Philippines are economically prepared: Our government has been self-supporting since the establishment of civil government. Our finances are sound. Our resources are ample. Under both the Spanish régime and the American administration we achieved progress.

Whatever economic dislocation may occur upon the severance of political relations will hardly be any worse than the economic disturbance bordering upon paralysis resulting from the present uncertainty of the status of the islands. The agricultural, industrial, and labor organizations of the United States demand Philippine independence for their protection. We want it for the better and eventual stabilization of Philippine industry and commerce.

We are fully conscious of the bearing of independence upon our economic life. We know the consequences and are ready to accept them. Thirteen million Filipinos with an unbroken history of struggle for freedom for centuries prize freedom more than temporary material advantage.

Fourth. The Filipino people are financially prepared for independence: The wealth of the Philippines is practically unlimited. Developed under our direction, the country can comfortably be the home of fifty or sixty million. We have been taxing ourselves to finance our activities. We shall continue to tax ourselves and finance the needs of our national life more cheerfully after the grant of independence.

The per capita indebtedness of the Philippines is one of the lowest in the world, for in 1928 it was only $5.79. This is lower than that of Argentina, Australia, Austria, Belgium, Bolivia, Brazil, Bulgaria, Canada, Chile, Colombia, Costa Rica, Cuba, Czechoslovakia, Denmark, Dominican Republic, Dutch East Indies, Ecuador, Estonia, Finland, France, Germany, Greece, Haiti, Hungary, India, Italy, Japan, Latvia, Mexico, Netherlands, New Zealand, Norway, Panama, Paraguay, Peru, Poland, Rumania, Salvador, Spain, Sweden, Switzerland, United Kingdom, United States, Uruguay, and Yugoslavia.

Fifth. Governmentally and politically we are prepared: We have had ample political experience to insure stability of our government. Before the implantation of the American flag our social organization and our governmental units had already been developed. These served as bases for later political and social organizations.

We had our short-lived Philippine Republic as the result of the Philippine revolution of 1896. It had a constitution for its basis approved by representative Filipinos in convention assembled.

To-day, after 30 years under American administration, we have all the necessary machinery of government, local, provincial, and insular.

In the central government we have six well-coordinated executive departments.

We have a bicameral legislature consisting of the senate and the house of representatives.

There is a well-organized judiciary, impartial and independent. There are justice of the peace courts, courts of first instance, and a supreme court.

We have a civil service insuring the merit system in the government service.

We have the necessary machinery for public health, sanitation, and public welfare.

We have developed roads, bridges, port works, and other public improvements. To-day there is an adequate system of communication and transportation.

We have the municipal police and the constabulary to maintain peace and order among a naturally peaceful and law-abiding people.

The whole political development has been continuous from a government of Americans during the military régime, to a government of Americans assisted by Filipinos during the first part of the civil régime, then to a government of Filipinos assisted by a few Americans during the period after the approval of the Philippine autonomy act.

The next logical step is to inaugurate a government of and by Filipinos for all the inhabitants of the Philippines through the enactment of Philippine independence legislation. This will occasion no abrupt or radical change. It is the next proper step for the people and Government of the United States to take.

6. The early grant of Philippine independence would be internationally opportune: The spirit of the age is essentially one of peace. America best knows this, because at the Washington disarmament conference she became a signatory to the treaty then approved, binding herself to an agreement not to improve the fortifications or increase the defense of the Philippines.

The League of Nations, the World Court, the Kellogg pacts, the treaty resulting from the London conference—all have come into being because the nations of the world participating definitely committed themselves to the abandonment of war as an instrument of national policy.

The Japanese bugaboo used by some imperialists and opponents of independence is unseemly, for if the United States expects her word to be accepted in good faith she must accord equal sincerity of motives to other countries signatory to peace treaties.

At any rate, the question of invulnerability has never been invoked as a prerequisite to independence.

V. INDEPENDENCE THE ONLY HONORABLE COURSE

America must grant immediate Philippine independence because it is honorable.

We the Filipino people are too appreciative of the good that America has done to want to place America in the position of serving as a prop to a people who want to stand alone and can be independent. Likewise, it is not honorable for us as a people to be compelled to lean on another when we should rely on ourselves.

It is disgraceful for an individual upon reaching maturity to continue depending upon parental support. It is to the credit of both the parent and the offspring for the latter to be self-supporting upon attaining the age of maturity. In the case of a nation, it is disgraceful continually to be in a state of dependency, and whoso is a party to forcing the continuation of such a situation has a share in the ignominy. We should be permitted as a nation to stand alone. That is the only way to stand at all.

It will be a happy day for both when Americans and Filipinos jointly shall solve their present relations on the basis of the immediate establishment of a Philippine republic, self-directed and self-supporting, absolutely free, and completely independent.

SUMMARY

America must grant immediate Philippine independence:

First. Because she has pledged it solemnly and the Filipinos desire it honorably;

Second. Because prolonged occupation of the islands is disadvantageous to the Americans and Filipinos alike;

Third. Because the grant of independence is advantageous and beneficial to both the United States and the Philippines;

Fourth. Because the Filipinos are ready for independence with all the obligations and responsibilities that go with it; and

Fifth. Because the grant of Philippine independence is the only honorable course and the only just, permanent, and righteous solution of American-Filipino relations.

CAUSES AND PREVENTION OF CRIME

Mr. THATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD to include a reproduction of an article prepared by me and published recently in a magazine on the subject of crime.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. RAINEY. Reserving the right to object, how much space will that occupy in the RECORD?

Mr. THATCHER. It is not very long.

Mr. SNELL. It is the gentleman's own remarks.

The SPEAKER. Is there objection?

There was no objection.

Mr. THATCHER. Mr. Speaker and Members of the House, under leave granted me therefor, I extend in the RECORD an article on the subject of the causes and prevention of crime, prepared by me and published in editorial form in the July, 1931, issue of the "True Detective Mysteries" magazine of New York City.

PROTECT THE HOME

[NOTE.—Never was a more timely message given to the American people than that which here follows from Hon. MAURICE H. THATCHER, elected five times in succession to the United States Congress from Kentucky. Mr. THATCHER, former member of the Isthmian Canal Commission, served several years as Governor of the Panama Canal Zone under President Taft. With the appalling crime conditions that exist in this country, this ringing appeal to fight the forces of evil and the cancer of moral irresponsibility will be welcomed everywhere by all right-thinking citizens.—Editor.]

Any discussion touching the causes and prevention of crime is more or less trite, and is also unfailingly difficult of treatment. While the tremendous toll which crime everywhere exacts is appalling, formulas for its prevention and cure have been sought ever since human accountability began, and only partial success has resulted.

The evil propensities of the human heart are so manifold, and the opportunities and temptations for wrong-doing are so universal—especially in this modern age of a million contacts—that only men and women of the highest faith, courage, and moral leadership are competent to deal with the basic problems of crime. Evil, of course, is but perverted good. How may we, in wisdom, apply our energies? This is the question of the ages.

In the limited space at my disposal I can only make brief reference to certain phases of the subject. Speaking especially of conditions in our own country, permit me to suggest an underlying cause of crime, as I am able to judge the situation. I refer to the breaking down of the home. Never before in our American history has there been such a widespread wreckage of the home and the home circle as now obtains. The home is the cornerstone of civilization, and if that cornerstone is plucked up and ceases to be, then home life with all of its intrinsically noble and inspirational features shall cease to exist—and civilization will pass away. This fact must be obvious to all, and is amply attested by tragic examples.

Marriage, which is the foundation of the home and of family life and relations, is treated as lightly, as irreverently as the most trivial feature of society. Divorces flourish in an appalling degree. Men and women pass from one matrimonial adventure to another as rapidly and as heedlessly as if life's most sacred relationship were a matter of jest and harmless experiment. As vicious as this destruction of the marriage ideal may be, its chief and most tragic evil is the horrible effect it brings upon the unoffending children of these broken homes.

Those who are unwilling to accept the legitimate responsibilities of mating have no right to assume its condition. Therefore the breaking up of the home, with its inevitable corollary of confused, neglected, and undirected boys and girls, is an outstanding cause of the commission of crime in our country. Especially is this true as regards the perpetration of crime by juvenile offenders. In this respect conditions in our own United States of America are, perhaps, without parallel in the world's history. This is an appalling fact, but it must be met in some adequate way or the Nation can not endure. If the youth of the world shall become corrupted, the progress of the race will fail.

There are many contributing causes to the destruction of the home, to the overthrow of the family altars. Parents treat their sacred obligations to each other and to their offspring lightly because their ideals are wrong.

These statements, of course, are not intended as a universal indictment of the American home and the American father and mother, but unfortunately there are enough of our fathers and mothers at fault in these matters to justify what has been stated.

Among the causes for these conditions may be mentioned the salacious screen and stage; the sensational treatment, in the press, of sex problems and relationships and crime; nonobservance of the law; a degenerate literature; and the like. The screen, the stage, the press, and literature, to the extent of their wise use, are, of course, beneficial beyond computation. Again, there is no desire to frame a universal indictment. But in the operation of all these agencies there is enough of malignancy, enough of evil and indifference to consequences, enough of a base desire, for commercial considerations, to pander to the worst instincts and emotions of the race, to justify the strongest character of presentment.

We are living in an age of material progress unequaled in all the world's history. Numberless are the instrumentalities which man has devised for his comfort, for his convenience, for his entertainment, and for his betterment. In too many cases these instrumentalities are being transformed from blessings into evils. Our ancient enemy and alibi, the Devil, ever seems to walk with us, and we must be forever on our guard against his blandishments and seductions. Our marvelous agencies for good, if not wisely used, will become the Frankenstein monsters of our destruction.

Entertainment the world needs and must have. For the various evil forms which persist beneficient forms must be substituted. The good must crowd out the bad, or the bad will crowd out the good. Wholesome sports, God's out-of-doors, a salutary press, an inspiring body of literature, a clean stage and screen, and a wise policy in dealing with crime and criminals, must play their all-important part in the scheme of betterment. The school and the church are, of course, basic in the moral and spiritual line-up. Every agency which deals with or affects the plastic mind of youth must come to recognize its influence and responsibility.

If the boys and girls of the land can be kept fine and true until their characters are molded in strength and moral purpose, the crime problem, in the largest possible measure, will diminish; for the boys and girls of to-day will become the husbands and wives and the fathers and mothers of to-morrow, the home builders of the future.

Touching the practical aspects involved in dealing with crime and criminals, only a word or two may be uttered here. Treatment of criminals can not, of course, be standardized if beneficial results are to be attained. The immature or casual offender is certainly in a different category from that of the confirmed criminal. The highest types of men and women are needed as judges, as officers of parole and probation, and as keepers and managers of our penal institutions.

Lawyers must come more and more to recognize the fact that they are, indeed, officers of the court and charged with the most solemn responsibility by reason of that fact; and that if they employ their talents, abilities, and experience to turn loose upon society those known and believed by them to be criminals, and thus defeat the cause of justice, they are compounding crime, and merit every pain and penalty which the law would inflict upon those they defend.

The administration of justice needs to be speeded up. Punishment, to be effective, must be swift and sure. Each citizen must recognize his duty to society. He must realize that he can not live apart from society and apart from its responsibilities. Man was born into the world to serve as well as to be served.

In spite of the evils of the age which are so palpable, there is, and must ever be, a preponderance of good; else the race would cease to exist.

To keep the balance true, there should be stated, also, the fact that perhaps never before, in any land, at any time, has there been a larger body of splendid men and women, both adult and youthful, than that which now enriches our Nation and the world with their beneficent achievements. More is the pity, then, that with such examples before them, so many go astray.

In conclusion, let it be said what has so often been said before: There must be a high and noble destiny for man, else his creation would never have occurred.

That destiny is in his own hands. Aided by the fountains of experience, inspiration, and faith, from which he is ever able, at will, to draw, he must make his way forward to the goal of goals; and it is for him to determine whether his progress shall be swift or slow.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 72. Joint resolution to permit the temporary entry into the United States under certain conditions of alien participants and officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad, to be held in the United States in 1932.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 56 minutes p. m.) the House adjourned until to-morrow, Thursday, December 17, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

278. A communication from the President of the United States, transmitting supplemental estimates of appropriations pertaining to the legislative establishment under the Architect of the Capitol, for the fiscal year 1932, in the sum of $1,701,201.94 (H. Doc. No. 179); to the Committee on Appropriations and ordered to be printed.

279. A communication from the President of the United States, transmitting supplemental estimate of appropriation pertaining to the legislative establishment under the Architect of the Capitol, for the fiscal year 1933, in the sum of $137,000 (H. Doc. No. 180); to the Committee on Appropriations and ordered to be printed.

280. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Brazos River, Tex., with a view to the control of its floods (H. Doc. No. 181); to the Committee on Flood Control and ordered to be printed, with illustrations.

281. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Illinois River, covering navigation, flood control, power development, and irrigation (H. Doc. No. 182); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

282. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination and survey of Totuskey Creek, Richmond County, Va. (H. Doc. No. 183); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

283. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Black River, Wis.; to the Committee on Rivers and Harbors.

284. A letter from the Secretary of War, transmitting report from the Chief of Engineers on preliminary examination and survey of the shore near Cold Spring Inlet, N. J., with a view to preventing its erosion; to the Committee on Rivers and Harbors.

285. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of Peace River, Fla.; to the Committee on Rivers and Harbors.

286. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of inland waterway from Miami, Fla., to the Gulf of Mexico at or near Poinciana, by way of the Miami River, thence westerly along the Tamiami Trail, and thence southwesterly along the State highway; to the Committee on Rivers and Harbors.

287. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination of St. Croix River, Wis. and Minn., from Stillwater to its mouth (H. Doc. No. 184); to the Committee on Rivers and Harbors and ordered to be printed.

288. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on preliminary examination and survey of Parish Creek, Anne Arundel County, Md. (H. Doc. No. 185); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

289. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Sangamon River, Ill., covering navigation, flood control, power development, and irrigations (H. Doc. No. 186); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

290. A letter from the Secretary of War, transmitting report from the Chief of Engineers on Tar River, N. C., covering navigation, flood control, power development, and irrigation (H. Doc. No. 187); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

291. A letter from the Secretary of War, transmitting report from the Chief of Engineers on examination and survey of the Mississippi River below Cape Girardeau, Mo., covering existing levees, the construction of new levees, and with a view to determining the effects upon lands lying between the river and adjacent hills by reason of overflow (H. Doc. No. 188); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

292. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on Big and Little Sioux Rivers, Iowa and S. Dak., covering navigation, flood control, power development, and irrigation (H. Doc. No. 189); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

293. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on Cheyenne River, S. Dak. and Wyo., covering navigation, flood control, power development, and irrigation (H. Doc. No. 190); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

294. A letter from the Secretary of War, transmitting a report from the Chief of Engineers on Marias River, Mont., covering navigation, flood control, power development, and irrigation (H. Doc. No. 191); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

295. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Gasconade River, Mo., covering navigation, flood control, power development, and irrigation (H. Doc. No. 192); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

296. A letter from the Secretary of War, transmitting report from the Chief of Engineers on the Jefferson, Madison, and Gallatin Rivers, Mont. (Three Forks Basin), covering navigation, flood control, power development, and irrigation (H. Doc. No. 193); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 1936) for the relief of Sidney Thayer, jr.; Committee on Military Affairs discharged, and referred to the Committee on Naval Affairs.

A bill (H. R. 2181) granting a pension to William W. Holmes; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNS: A bill (H. R. 6005) to authorize the Secretary of the Treasury to accept donations of sites for public buildings; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6006) to punish the sending through the mails of certain threatening communications; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 6007) to provide for cooperation by the Smithsonian Institution with State, educational, and scientific organizations in the United States for continuing ethnological researches on the American Indians; to the Committee on the Library.

By Mr. GREEN: A bill (H. R. 6008) to make provisions for extending the time for making payments under loans from Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. HAINES: A bill (H. R. 6009) to authorize, for the purposes of the internal revenue laws, packing of cigars in boxes containing 60 cigars; to the Committee on Ways and Means.

By Mr. KOPP: A bill (H. R. 6010) granting consent to construct, maintain, and operate a dam across the Des Moines River, in the State of Iowa; to the Committee on Interstate and Foreign Commerce.

By Mr. LEWIS: A bill (H. R. 6011) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes; to the Committee on Labor.

By Mr. MAAS: A bill (H. R. 6012) to provide that first-class postmasters shall not continue in office more than one year after the expiration of their terms of office if not reappointed; to the Committee on the Post Office and Post Roads.

By Mr. OLIVER of New York: A bill (H. R. 6013) to regulate the assignments of letter carriers in the Postal Service; to the Committee on the Post Office and Post Roads.

By Mrs. OWEN: A bill (H. R. 6014) to provide for an investigation and report of losses resulting from the campaign for the eradication of the Mediterranean fruit fly; to the Committee on Agriculture.

By Mr. SUTPHIN: A bill (H. R. 6015) to establish a national park in the State of New Jersey to be known as the Hartshorne or Sandy Hook National Park; to the Committee on the Public Lands.

By Mr. SWING: A bill (H. R. 6016) granting pensions to certain soldiers who served in the wars and campaigns against the Moros and Pulajanes in the Philippine Islands from 1903 to 1913, and for other purposes; to the Committee on Pensions.

By Mr. CELLER: A bill (H. R. 6017) to amend section 24 of the trading with the enemy act, as amended; to the Committee on Ways and Means.

By Mr. HORR: A bill (H. R. 6018) to authorize the Secretary of the Navy to proceed with the construction of a machine-shop building at the United States navy yard, Puget Sound, Wash.; to the Committee on Naval Affairs.

By Mr. LEHLBACH: A bill (H. R. 6019) to regulate leaves of absence of employees of the navy yards, gun factories, naval stations, and arsenals of the United States Government; to the Committee on the Civil Service.

By Mr. FINLEY: A bill (H. R. 6020) to authorize an appropriation for flood control in and about the city of Middlesboro, in the State of Kentucky; to the Committee on Flood Control.

By Mr. HALL of Mississippi: A bill (H. R. 6021) for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law; to the Committee on Irrigation and Reclamation.

By Mr. HOLADAY: A bill (H. R. 6022) relating to the construction, maintenance, and regulation within and by the United States of America, of a nation-wide system of durable hard-surfaced post roads and their appurtenances and the provision of means for the payment of the cost thereof; to the Committee on Ways and Means.

By Mr. McLEOD: A bill (H. R. 6023) to amend sections 1 and 2, title 5, of the United States Code; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6024) to amend title 5 of the United States Code by adding thereto, immediately after chapter 15, a new chapter creating the Department of Aeronautics; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6025) declaring November 11 a legal public holiday, to be known as Armistice Day; to the Committee on the Judiciary.

Also, a bill (H. R. 6026) to amend the national prohibition act so as to prevent padlocking; to the Committee on the Judiciary.

Also, a bill (H. R. 6027) authorizing a national referendum on the repeal of the eighteenth amendment; to the Committee on the Judiciary.

Also, a bill (H. R. 6028) to regulate the interstate shipment of firearms; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6029) to divest certain classes of firearms and ammunition of their character as subjects of interstate or foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. PURNELL: A bill (H. R. 6030) granting pensions to certain soldiers, sailors, and marines who served in organizations and campaigns in the Philippines from July 5, 1902, to August 5, 1913, inclusive, and for other purposes; to the Committee on Pensions.

By Mr. QUIN (by request of the War Department): A bill (H. R. 6031) to provide for the care and maintenance of the Guilford Courthouse National Military Park; to the Committee on Military Affairs.

Also (by request of the War Department), a bill (H. R. 6032) to amend section 47c, national defense act, as amended, relating to military training required to entitle members of the Reserve Officers' Training Corps to receive commutation of subsistence; to the Committee on Military Affairs.

Also (by request of the War Department), a bill (H. R. 6033) to authorize certain funds heretofore appropriated for certain construction at military posts to be made available for certain other construction at the same posts; to the Committee on Military Affairs.

Also (by request of the War Department), a bill (H. R. 6034) to amend section 90 of the national defense act, as amended, relative to the employment of caretakers for National Guard organizations; to the Committee on Military Affairs.

Also (by request of the War Department), a bill (H. R. 6035) to authorize the Secretary of War to exchange obsolete surplus, deteriorated, or unserviceable supplies or equipment for new supplies or equipment of the same general character; to the Committee on Military Affairs.

Also (by request of the War Department), a bill (H. R. 6036) to provide for appropriate military records for persons who, pursuant to orders, reported for military duty but whose induction into the service was, through no fault of their own, not formally completed on or prior to November 30, 1918; to the Committee on Military Affairs.

Also (by request of the War Department), a bill (H. R. 6037) to authorize the construction of a sea wall at Fort Randolph, Panama Canal; to the Committee on Military Affairs.

Also (by request of the War Department), a bill (H. R. 6038) to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes; to the Committee on Military Affairs.

By Mr. SIROVICH: A bill (H. R. 6039) transferring the functions of the Federal Radio Commission to the radio di-

vision of the Department of Commerce; to the Committee on the Merchant Marine and Fisheries.

By Mr. BRUNNER: A bill (H. R. 6040) to provide for the establishment of light buoys at Rockaway Inlet and adjacent waters in the State of New York; to the Committee on Interstate and Foreign Commerce.

By Mr. GASQUE: A bill (H. R. 6041) to amend an act entitled "An act granting pensions to certain soldiers who served in the Indian Wars from 1817 to 1898, and for other purposes," approved March 3, 1927; to the Committee on Pensions.

By Mr. HOUSTON of Hawaii: A bill (H. R. 6042) to establish a branch home of the National Home for Disabled Volunteer Soldiers in the Territory of Hawaii; to the Committee on Military Affairs.

By Mr. MANSFIELD: A bill (H. R. 6043) authorizing the Secretary of War to reduce the penalty of the bond of the Brazos River Harbor navigation district, of Brazoria County, Tex., furnished as surety for its doing certain work on the improvement of Freeport Harbor, Tex.; to the Committee on Rivers and Harbors.

By Mrs. NORTON of New Jersey: A bill (H. R. 6044) to amend an act to regulate the height, area, and use of buildings in the District of Columbia and to create a zoning commission, and for other purposes, approved March 1, 1920; to the Committee on the District of Columbia.

By Mr. SCHAFER: A bill (H. R. 6045) to repeal the national-origins provisions of the immigration act of 1924; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 6046) to amend section 608 of the World War adjusted compensation act, as amended; to the Committee on Ways and Means.

Also, a bill (H. R. 6047) to provide for the establishment of an 8-hour day for yardmasters of carriers; to the Committee on Labor.

Also, a bill (H. R. 6048) to disclose interest of and to regulate lobbyists who attempt to procure the passage or defeat of any measure before the Congress of the United States; to the Committee on the Judiciary.

By Mr. SHALLENBERGER: A bill (H. R. 6049) to provide for extending during the present emergency the time of payment of loans made by Federal land banks, and for other purposes; to the Committee on Banking and Currency.

Also, a bill (H. R. 6050) to reduce salaries, pay, and wages received from the United States during the calendar years 1932 and 1933; to the Committee on Expenditures in the Executive Departments.

By Mr. SWING: A bill (H. R. 6051) amending section 1 of an act entitled "An act granting pensions and increase of pensions to certain soldiers, sailors, and nurses of the war with Spain, the Philippine insurrection, or the China relief expedition, and for other purposes, which became a law June 2, 1930, by including male as well as female nurses within its provisions and benefits; to the Committee on Pensions.

By Mr. LEHLBACH: A bill (H. R. 6052) to amend sections 6, 9, and 12 of the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, approved May 29, 1930; to the Committee on the Civil Service.

By Mr. MITTCHELL: A bill (H. R. 6053) providing for the purchase of a suitable site and the erection of a Federal court building at Winchester, Tenn.; to the Committee on Public Buildings and Grounds.

By Mr. MITCHELL: A bill (H. R. 6054) providing for the purchase of a suitable site and the erection of a public building at Livingston, Tenn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6055) providing for the purchase of a suitable site and the erection of a public building at Lewisburg, Tenn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6056) providing for the purchase of a suitable site and the erection of a public building at Dayton, Tenn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6057) providing for the purchase of a suitable site and the erection of a public building at Manchester, Tenn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6058) providing for the purchase of a suitable site and the erection of a public building at Smithville, Tenn.; to the Committee on Public Buildings and Grounds.

By Mr. LEAVITT: A bill (H. R. 6059) to continue the authorization for the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in, and approach roads to, the national parks and monuments under the jurisdiction of the Department of the Interior, and for other purposes; to the Committee on the Public Lands.

By Mr. McLEOD: Resolution (H. Res. 64) electing a standing committee on aeronautics; to the Committee on Rules.

By Mr. SCHAFER: Resolution (H. Res. 65) to inquire into the activities of lobbying associations and lobbyists; to the Committee on Rules.

By Mr. QUIN (by request of War Department): Joint resolution (H. J. Res. 135) to authorize the acceptance on behalf of the United States of the bequest of the late William F. Edgar, of Los Angeles County, State of California, for the benefit of the museum and library connected with the office of the Surgeon General of the United States Army; to the Committee on Military Affairs.

By Mr. BYRNS: Joint resolution (H. J. Res. 136) providing for a joint committee of the Senate and House of Representatives on reorganization of the administrative services of the Government; to the Committee on Rules.

By Mr. FISH: Joint resolution (H. J. Res. 137) to prohibit the exportation of arms, munitions, or implements of war to belligerent nations; to the Committee on Foreign Affairs.

By Mr. SMITH of Idaho: Joint resolution (H. J. Res. 138) for the relief of the State of Idaho; to the Committee on Military Affairs.

By Mr. McLEOD: Joint resolution (H. J. Res. 139) to call a constitutional convention according to the provisions of Article V of the Constitution; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 140) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BYRNS: Joint resolution (H. J. Res. 141) to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932; to the Committee on Appropriations.

Also, joint resolution (H. J. Res. 142) making an additional appropriation for the employment service, Department of Labor, for the fiscal year ending June 30, 1932; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 6060) for the relief of Jimison Cox; to the Committee on Military Affairs.

Also, a bill (H. R. 6061) granting a pension to Catherine E. Burke; to the Committee on Pensions.

By Mr. AUF DER HEIDE: A bill (H. R. 6062) providing for the examination and survey of Hackensack River, N. J.; to the Committee on Rivers and Harbors.

By Mr. BARTON: A bill (H. R. 6063) granting a pension to Mary E. Jamison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6064) granting an increase of pension to Mary N. Stanley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6065) granting a pension to Eddie Morelock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6066) granting an increase of pension to Hester A. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6067) granting an increase of pension to Elizabeth Dugan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6068) granting an increase of pension to Susan A. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6069) granting a pension to Mary A. Lane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6070) granting a pension to Sarah K. Copeland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6071) granting a pension to George H. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6072) granting an increase of pension to Addie Blunt; to the Committee on Invalid Pensions.

By Mr. BEAM: A bill (H. R. 6073) for the relief of Robert McGee; to the Committee on Military Affairs.

By Mr. BLACK: A bill (H. R. 6074) for the relief of George S. Van Schaick, as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co. in liquidation; to the Committee on Claims.

Also, a bill (H. R. 6075) for the relief of George S. Van Schaick, as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co. in liquidation; to the Committee on Claims.

Also, a bill (H. R. 6076) for the relief of George S. Van Schaick, as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co. in liquidation; to the Committee on Claims.

Also, a bill (H. R. 6077) for the relief of George S. Van Schaick, as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co. in liquidation; to the Committee on Claims.

Also, a bill (H. R. 6078) for the relief of George S. Van Schaick, as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co. in liquidation; to the Committee on Claims.

Also, a bill (H. R. 6079) for the relief of George S. Van Schaick, as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co. in liquidation; to the Committee on Claims.

Also, a bill (H. R. 6080) for the relief of George S. Van Schaick, as superintendent of insurance of the State of New York and as liquidator of Equitable Casualty & Surety Co. in liquidation; to the Committee on Claims.

By Mr. BRAND of Ohio: A bill (H. R. 6081) for the relief of George Raymond McClary; to the Committee on Naval Affairs.

Also, a bill (H. R. 6082) granting an increase of pension to Mary E. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6083) granting a pension to John Ogan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6084) granting an increase of pension to Catherine March; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6085) granting an increase of pension to Murray R. Marshall; to the Committee on Pensions.

By Mr. BRITTEN: A bill (H. R. 6086) granting a pension to John N. Aull; to the Committee on Pensions.

By Mr. BULWINKLE: A bill (H. R. 6087) for the relief of Mrs. H. J. Dickson; to the Committee on Claims.

By Mr. BURDICK: A bill (H. R. 6088) granting an increase of pension to Sarah E. Bullock; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 6089) for the relief of Fred Herrick; to the Committee on Claims.

Also, a bill (H. R. 6090) granting a pension to Willie Murry Thomas; to the Committee on Invalid Pensions.

By Mr. BYRNS: A bill (H. R. 6091) granting a pension to Mariah H. Bowen; to the Committee on Pensions.

Also, a bill (H. R. 6092) for the relief of Myer Morris; to the Committee on Claims.

Also, a bill (H. R. 6093) for the relief of Emma Jenkins; to the Committee on Claims.

Also, a bill (H. R. 6094) granting an increase of pension to Johanna Mulvihill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6095) granting a pension to Minnie G. Oakley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6096) for the relief of U. S. Davis; to the Committee on Claims.

Also, a bill (H. R. 6097) for the relief of Mrs. W. I. Kline and Mrs. W. C. Greer; to the Committee on War Claims.

Also, a bill (H. R. 6098) granting a pension to Julia Wade; to the Committee on Pensions.

Also, a bill (H. R. 6099) granting a pension to James W. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 6100) granting an increase of pension to Thomas H. Rogers; to the Committee on Pensions.

Also, a bill (H. R. 6101) for the relief of Davidson County, Tenn., and the city of Nashville, Tenn.; to the Committee on War Claims.

Also, a bill (H. R. 6102) granting a pension to Fred Allen; to the Committee on Pensions.

Also, a bill (H. R. 6103) to authorize the appointment of Joseph Coleman Timberlake as a second lieutenant of Coast Artillery Corps, Regular Army; to the Committee on Military Affairs.

By Mr. CABLE: A bill (H. R. 6104) granting a pension to Christena Nagle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6105) to grant a pension to Harry R. Meredith; to the Committee on Pensions.

By Mr. CLARK of North Carolina: A bill (H. R. 6106) for the relief of Rufus J. Davis; to the Committee on Claims.

By Mr. CROWE: A bill (H. R. 6107) granting a pension to Samuel M. Hatfield; to the Committee on Invalid Pensions.

By Mr. CULKIN: A bill (H. R. 6108) granting an increase of pension to Ida Bloss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6109) granting a pension to Cora B. Gardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6110) for the relief of Charles E. Adams; to the Committee on Military Affairs.

By Mr. EATON of Colorado: A bill (H. R. 6111) granting a pension to Gertrude E. Ripley; to the Committee on Pensions.

By Mr. ENGLEBRIGHT: A bill (H. R. 6112) granting an increase of pension to Sadie F. Hamaker; to the Committee on Pensions.

Also, a bill (H. R. 6113) granting an increase of pension to Tolbert Smith; to the Committee on Pensions.

By Mr. EVANS of California: A bill (H. R. 6114) authorizing the Secretary of Commerce to lease San Clemente Island, Calif., and for other purposes; to the Committee on the Public Lands.

By Mr. EVANS of Montana: A bill (H. R. 6115) for the relief of Joseph Ford and Henry Ford, half-breed Piegan Indians, of the Blackfeet Indian Reservation, Mont., and for other purposes; to the Committee on Indian Affairs.

By Mr. FINLEY: A bill (H. R. 6116) for the relief of Hobart McKinley Griffin; to the Committee on Naval Affairs.

Also, a bill (H. R. 6117) to authorize a preliminary examination of Cumberland River above, below, and in the vicinity of Barbourville, Ky., with a view to control of its floods, and for other purposes; to the Committee on Flood Control.

By Mr. FREE: A bill (H. R. 6118) granting an increase of pension to Anna DeNio; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6119) granting an increase of pension to Emma F. Young; to the Committee on Invalid Pensions.

By Mr. HART: A bill (H. R. 6120) granting a pension to John Louis Nuendorf; to the Committee on Pensions.

By Mr. HOGG of West Virginia: A bill (H. R. 6121) granting an increase of pension to Matilda Stephens (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 6122) granting an increase of pension to Mary E. Pritchard (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 6123) granting an increase of pension to Eliza Britton (with accompanying papers); to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 6124) granting an increase of pension to Jacob Myers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6125) granting a pension to Sarah Stark Brown; to the Committee on Invalid Pensions.

By Mr. HOUSTON of Hawaii: A bill (H. R. 6126) for the relief of Oscar P. Cox; to the Committee on Claims.

By Mr. HUDDLESTON: A bill (H. R. 6127) granting a pension to Harrison Rolfe Jennings; to the Committee on Pensions.

By Mr. JOHNSON of Illinois: A bill (H. R. 6128) granting a pension to Hillis T. Brown; to the Committee on Pensions.

By Mr. LAMBERTSON: A bill (H. R. 6129) for the relief of Raymond A. Nichols; to the Committee on Naval Affairs.

By Mr. LAMNECK: A bill (H. R. 6130) granting an increase of pension to Caroline Collier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6131) for the relief of William R. White, major, United States Army; to the Committee on Military Affairs.

By Mr. LARSEN: A bill (H. R. 6132) granting a pension to Julian Cecil Stanley; to the Committee on Pensions.

By Mr. LEWIS: A bill (H. R. 6133) granting a pension to Frances M. Saxten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6134) granting a pension to Anna Lichty; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 6135) providing for the examination and survey of the old channel of the River Rouge; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 6136) to provide for a survey and estimate of cost of construction of an all-American ship channel in the Detroit River from its mouth at Lake Erie to the head of Grosse Isle in said river; to the Committee on Rivers and Harbors.

By Mr. MAJOR: A bill (H. R. 6137) for the relief of Floyd Robert Jones; to the Committee on Naval Affairs.

Also, a bill (H. R. 6138) granting an increase of pension to Nancy L. Wandling; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 6139) granting an increase of pension to Mary J. Easley; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 6140) granting a pension to John B. Richards; to the Committee on Invalid Pensions.

By Mr. PARKER of Georgia: A bill (H. R. 6141) granting a pension to Vonnie D. Bright; to the Committee on Pensions.

Also, a bill (H. R. 6142) authorizing the payment of an indemnity to the Spanish Government on account of the death of Juan Neira, a Spanish subject killed at Savannah, Ga., by a United States truck; to the Committee on Foreign Affairs.

By Mr. PURNELL: A bill (H. R. 6143) for the relief of the Lower Vein Coal Co.; to the Committee on Claims.

By Mr. RAGON: A bill (H. R. 6144) for the relief of Henry Lee Billings; to the Committee on Military Affairs.

By Mr. RAMSEYER: A bill (H. R. 6145) granting a pension to Ivah D. Palmer; to the Committee on Invalid Pensions.

By Mr. SCHAFER: A bill (H. R. 6146) for the relief of Stanley Jay Moore; to the Committee on Naval Affairs.

Also, a bill (H. R. 6147) for the relief of Louis J. Guiot; to the Committee on Naval Affairs.

Also, a bill (H. R. 6148) granting a pension to Olaf Moen; to the Committee on Pensions.

Also, a bill (H. R. 6149) for the relief of Louis Piccoli; to the Committee on Naval Affairs.

Also, a bill (H. R. 6150) for the relief of William Wichmann; to the Committee on Claims.

By Mr. SWANK: A bill (H. R. 6151) granting an increase of pension to Joseph A. Branstetter; to the Committee on Pensions.

Also, a bill (H. R. 6152) for the relief of George Tempy; to the Committee on Military Affairs.

By Mr. WELSH of Pennsylvania: A bill (H. R. 6153) for the relief of Mary Ellen Tiefenthaler; to the Committee on War Claims.

By Mr. WILLIAMS of Texas: A bill (H. R. 6154) for the relief of Porter Bros. & Biffle, and certain other citizens; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

160. By Mr. BOYLAN: Report of the committee on taxation and public revenue of the Merchants Association of New York on taxation and public revenue; to the Committee on Ways and Means.

161. By Mr. CELLER: Letter and pamphlet on the subject "Prohibition and Substitution Plan," by Joseph Battaglia, of New York City, containing a treatment of vital subjects requiring earnest attention of citizens for the protection of the Constitution, the rights of the people, and the welfare of the United States, which comprise the fundamental basis of our National Government; to the Committee on the Judiciary.

162. By Mr. DRANE: Petition of some 25,000 citizens of Florida, protesting against reduction in power for radio stations WFLA and WSUN of Clearwater and St. Petersburg, Fla.; to the Committee on the Merchant Marine and Fisheries.

163. By Mr. HALL of North Dakota: Petition of the county commissioners of Williams County, N. Dak., for a law whereby credit will be extended to the farmers in that section of North Dakota to enable them to purchase seed grain and a reasonable amount for feed and fuel to be used in planting the crops; to the Committee on Agriculture.

164. By Mr. JOHNSON of Texas: Resolution passed by National Defense Committee at the Texas State Conference of the Daughters of the American Revolution, opposing abandonment of military posts in Texas and favoring maintenance of adequate military and naval establishments; to the Committee on Military Affairs.

165. By Mr. RUDD: Petition of the Merchants Association of New York, vigorously opposed to any retroactive changes in the Federal tax system, etc.; to the Committee on Ways and Means.

166. By Mr. WOODRUM: Petition of C. K. Howe and Hon. R. J. Noell, in relation to the gold standard; to the Committee on Foreign Affairs.

SENATE

THURSDAY, DECEMBER 17, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou whose all-besetting care doth nourish every tender planting of Thy love; make of us high-minded men, who know our duties and our rights as well, that, knowing both, we may rend the chain of every mocking tyranny that hinders freedom's sway. Increase in us respect for Sovereign Law, the constituted will of states, that She alone may sit enthroned, now crowning good and now repressing wrong, until dissention at her bidding shrinks, and hiding his faint rays steals unperceived away. Give unto us those sweet rewards that decorate the brave who scorn inglorious strife, that looking back at day's departing hour on every conflict past we may meet life's peaceful evening with a smile and hear the Saviour's blessed words, "Well done!" Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 5821) to provide for the taxation of incomes in the District of Columbia, to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 72) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the

Third Olympic Winter Games and of the games of the Tenth Olympiad, to be held in the United States in 1932, and it was signed by the Vice President.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Latta, one of his secretaries.

REPORT OF THE FEDERAL TRADE COMMISSION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, pursuant to law, the annual report of the commission for the fiscal year ended June 30, 1931, which, with the accompanying report, was referred to the Committee on Commerce.

RETURNS OF FEDERAL CONTRACTS

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, transmitting, in compliance with law, his recommendation for the enactment of legislation in the matter of the returns, audit, and filing of Federal contracts, which, with the accompanying papers, was referred to the Committee on Appropriations.

FEES TO AGENTS, ATTORNEYS, ETC.

The VICE PRESIDENT laid before the Senate a communication from the Comptroller General of the United States, transmitting, in compliance with law, his recommendation for the enactment of legislation fixing the minimum and maximum amounts for fees and expenses payable to agents, attorneys, etc., for services rendered in connection with claims against or payable by the United States, which, with the accompanying papers, was referred to the Committee on Claims.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions of the Provincial Board of Iloilo, P. I., favoring the granting to the Philippine Islands of immediate, complete, and absolute independence, which were referred to the Committee on Territories and Insular Affairs.

Mr. WAGNER. I present for printing in the RECORD and appropriate reference an act passed by the Legislature of the State of New York petitioning the Congress of the United States to submit a referendum to the citizens of the various States on the subject of prohibition.

The act of the New York Legislature was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Assembly, No. 1432

An act on the application of the Legislature of the State of New York petitioning the Congress of the United States of America to submit a referendum to the citizens of the various States

The people of the State of New York, represented in senate and assembly, do enact as follows:

SECTION 1. The Legislature of the State of New York petitions the Congress of the United States of America to enact by proper and appropriate legislation measures requesting the legislatures of the various States to submit to the voters of their respective States at the next general election in the form of referenda the following questions:

1. Do you favor a repeal of the eighteenth (prohibition) amendment?

2. Do you favor a modification of the Volstead law to permit light wines and beers?

3. Do you favor a modification of the Volstead law so as to permit each State to define for itself what constitutes an intoxicating beverage?

4. Do you favor the continuance and strict enforcement of the eighteenth amendment and Volstead law?

SEC. 2. On the passage of this act the Governor of the State of New York shall forthwith cause to be transmitted to the President of the Senate of the United States and the Speaker of the House of Representatives of the United States and to each Senator and Member of Congress elected from the State of New York engrossed copies of this act.

SEC. 3. This act shall take effect immediately.

Mr. CAREY presented the following joint memorial of the Legislature of Wyoming, which was referred to the Committee on Irrigation and Reclamation:

THE STATE OF WYOMING,
OFFICE OF THE SECRETARY OF STATE.

UNITED STATES OF AMERICA,
State of Wyoming, ss:

I, A. M. Clark, secretary of state of the State of Wyoming, do hereby certify that the annexed is a full, true, and correct copy of original House Joint Memorial No. 3, as passed by the Twenty-first Legislature of the State of Wyoming, as approved March 7, 1931.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Wyoming.

Done at Cheyenne, the capital, this 10th day of March, A. D. 1931.

[SEAL.]

A. M. CLARK,
Secretary of State.
By H. M. SYMONS,
Deputy.

Enrolled Joint Memorial 1, House of Representatives, Twenty-first Legislature of the State of Wyoming, memorializing the Congress of the United States of America, the Department of the Interior of the United States of America, and the Bureau of Reclamation of the United States of America to apply project power-plant revenues in accord with the act of Congress of December 5, 1924, commonly known as the fact finders' act

Whereas the Shoshone project in Wyoming is one of the established reclamation projects of the United States Bureau of Reclamation; and

Whereas the Garland, Frannie, and Willwood divisions of said project have been heretofore completed and settled, and the Garland and Frannie divisions thereof have been taken over by the unit holders thereon under appropriate contracts with the United States of America; and

Whereas after investigation by a fact-finding commission the Congress of the United States enacted what is commonly known as the fact finders' act, under date of December 5, 1924, which provided, among other things, that all net profits from the operation of project power plants should be applied: First, to the payment of construction costs due the United States of America for the construction of the project; second, to the payment of operation and maintenance assessments thereon; and, third, as the unit holders may direct; and

Whereas at the time of the passage of said fact finders' act there had been constructed in connection with the Shoshone project a project power plant at the Shoshone Dam in Park County, Wyo.; and

Whereas the Shoshone Irrigation District took over the operation and maintenance of the Garland division of said Shoshone project, and the Deaver Irrigation District took over the operation and maintenance of the Frannie division of said Shoshone project by appropriate contracts negotiated and consummated during the year 1926; the Shoshone irrigation district contract providing, among other things, that said district would pay its pro rata share of the cost of the operation and maintenance of said Shoshone power plant; and the Deaver Irrigation District contract providing, among other things, that it would assume and pay its proportionate share of the cost of construction of said Shoshone power plant, and that in the event the Shoshone Irrigation District would agree to assume and pay its proportionate share of such cost that the Deaver Irrigation District should then be entitled to own its proportionate share of said Shoshone power plant and to be entitled to its share of the profits therefrom; and

Whereas at the time the Shoshone Irrigation District contract was negotiated, the commissioners of said district and the officers thereof were advised by various officials and representatives of the Bureau of Reclamation that their contract entitled them to receive all of the benefits of the provisions of said fact finders' act relating to profits from the power plant theretofore constructed at the Shoshone Dam; and

Whereas it has since been held by the Secretary of the Interior of the United States of America that similar contracts executed by the United States of America with various irrigation districts on the North Platte project entitled said irrigation districts to their proportionate share of power-plant revenues from the Guernsey and Lingle power plants; and

Whereas, at a meeting of the commissioners and officers of the Shoshone Irrigation District held in the town of Powell, Wyo., on or about the 8th day of September, A. D. 1928, with the Hon. Roy O. West, Secretary of the Interior, and Dr. Elwood Mead, Commissioner of the Bureau of Reclamation of the United States of America, the assurance was made and given by said Secretary and by said commissioner that if the Shoshone Irrigation District would present through the Bureau of Reclamation an amended or supplemental contract for repayment to the United States Government of the Shoshone Irrigation District's proportionate share of the cost of construction of said Shoshone power plant in accord with the act of May 25, 1926, which requires repayment of said construction cost within a period of 40 years after public notice, that such a contract would receive the approval of the Bureau of Reclamation and the Department of the Interior of the United States Government; and

Whereas such a contract was submitted by the Shoshone Irrigation District in September of 1928 to the United States Government through its Bureau of Reclamation; and

Whereas said proposal was thereafter ignored by the Commissioner of the Bureau of Reclamation and the Secretary of the Interior, and without notice of any kind to the Shoshone Irrigation District, the Commissioner of the Bureau of Reclamation pro-

ceeded to and did recommend to Congress that the act of March 4, 1929, should contain a clause which in effect purports to take from the Shoshone Irrigation District and the Deaver Irrigation District the net profits from the Shoshone power plant and would apply them, first, to the repayment of cost of construction of said Shoshone power plant; second, to the repayment of the cost of construction of the Shoshone dam; and, third, to be paid into and retained by the reclamation fund of the United States of America; and

Whereas the Deaver Irrigation District entered into its contract with the United States Government only after making demand of the Bureau of Reclamation that it be allowed to contract for its proportionate share of the cost of construction of said power plant under then existing law, which provided for repayment of cost of construction on the 5 per cent crop repayment basis, and being refused such contract, they entered into the conditional contract aforementioned; and

Whereas on or about the 8th day of September, 1928, at a meeting at the reclamation office in Deaver, Wyo., demand was again made by the Deaver Irrigation District of Elwood Mead, Commissioner of the Bureau of Reclamation, in the presence of Hon. Roy O. West, Secretary of the Interior, and Hon. JOHN B. KENDRICK, United States Senator from Wyoming, and others, that the Deaver Irrigation District be given a contract for its proportionate share of said power plant under then existing law, which then provided for repayment on the 40-year basis for its proportionate share, and in response thereto assurance was given by said Elwood Mead that the Deaver Irrigation District need have no worry over the matter, because he would see that the said district's rights to its share of the profits from the Shoshone power plant would be protected; and

Whereas the decision of the Secretary of the Interior on the North Platte project, which has confirmed to the unit holders and landowners of said project, their rights given them in said fact finders' act to all the net profits of the North Platte project power plants, in effect takes largely from Wyoming power-plant resources and gives the same to Nebraska citizens; and

Whereas the carrying out of the newly adopted policy of the Bureau of Reclamation and the act of March 4, 1929, with reference to the Shoshone power plant will take said power-plant revenues from unit holders and landowners located entirely within the State of Wyoming and will give to the Bureau of Reclamation profits from a power plant located within the State of Wyoming, and will give to the United States Government for the benefit of the reclamation fund the use of another of the valuable resources of this State; and

Whereas Wyoming has heretofore contributed very largely of its resources to the revenues and income of the reclamation fund and has never received in return 50 per cent of the amount contributed: Therefore be it

Resolved by the House of Representatives of the Twenty-first Legislature of the State of Wyoming (the Senate concurring), That we do hereby memorialize the Congress of the United States of America to repeal the portion of said act of March 4, 1929, or to amend the same so as to carry out the provisions of the contracts between the United States Government and the Shoshone and Deaver irrigation districts which provide for the application of the revenues and profits from the Shoshone power plant in accord with the fact finders' act, to the end that the unit holders and landowners under said Shoshone project shall have all the benefits from the net profits from the operation of said power plant; and be it further

Resolved, That we hereby memorialize and petition the United States Senators from Wyoming and our Member of Congress to do all in their power to obtain the repeal or amendment of said act of March 4, 1929, in accord herewith; and be it further

Resolved, That we do hereby memorialize the Secretary of the Interior and the Commissioner of the Bureau of Reclamation of the United States of America to use their efforts to obtain for the Shoshone project, and the various divisions thereof, all profits from said Shoshone power plant in accord with the provisions of the fact finders' act; and be it further

Resolved, That certified copies of this memorial be forwarded to the Wyoming Senators and its Representative in Congress and to the Secretary of the Interior and the Commissioner of the Bureau of Reclamation of the United States of America.

CLARENCE GARDNER,
President of the Senate.
CHARLES B. MANN,
Speaker of the House.

Approved at 11.20 a. m., March 7, 1931.

A. M. CLARK,
Acting Governor.

Mr. WALSH of Massachusetts presented the following resolutions of the General Court of Massachusetts, which were referred to the Committee on Agriculture and Forestry:

THE COMMONWEALTH OF MASSACHUSETTS, 1931.

Resolutions memorializing Congress with relation to the activities of the Federal Farm Board and its attempt to regulate the price of wool and mohair

Whereas the Federal Farm Board, created under an act of Congress, effective June, 1929, commonly known as the agricultural marketing act, is attempting to fix the price of wool and mohair and is, in that respect, interfering with the normal and lawful conduct of business by persons legitimately engaged therein; and

Whereas there have been and are now in the city of Boston and the Commonwealth of Massachusetts many persons engaged in the purchase and sale of wool and mohair; and

Whereas this business which has always constituted an occupation for many persons and an enterprise in which the Commonwealth has always taken a great pride and from which its citizens have received a large source of revenue: Now, therefore, be it

Resolved, That the General Court of Massachusetts hereby records itself as opposed to so much of the activities of the Federal Farm Board as involve the purchase of wool and mohair in competition with an old and well-established trade conducted by private citizens in this Commonwealth in so far as those purchases by said Federal Farm Board are not needed at the present time to maintain the price of said wool and mohair; and be it further

Resolved, That certified copies of these resolutions be sent by the secretary of the Commonwealth to the President of the United States, to the Secretary of Agriculture, to the Secretary of Commerce, and the members of the Federal Farm Board, to the presiding officers of both branches of Congress, and to the Representatives and Senators in Congress from this Commonwealth.

In house of representatives, adopted, May 21, 1931.

In senate, adopted, in concurrence, May 22, 1931.

A true copy.

Attest:

F. W. COOK,
Secretary of the Commonwealth.

Mr. WALSH of Massachusetts also presented the following resolutions of the General Court of Massachusetts, which were referred to the Committee on the Judiciary:

THE COMMONWEALTH OF MASSACHUSETTS, 1931.

Resolutions making application to Congress in accordance with Article V of the Constitution of the United States to call a constitutional convention to amend or repeal the eighteenth article of amendment or to propose such an amendment for submission to the several States

Whereas a condition of widespread dissatisfaction prevails with the workings and results of Article XVIII of the amendments to the Constitution of the United States; and

Whereas it is desirable to attempt to improve, clarify, or quiet such condition; and

Whereas the only methods for repealing or modifying said Article XVIII are set forth in Article V of the said Constitution: Therefore be it

Resolved, That the General Court of Massachusetts, acting in pursuance of said Article V, hereby requests that Congress call a convention under said article for the purpose of proposing an amendment or amendments to the Constitution amending, modifying, revising, or repealing said Article XVIII; or that Congress, acting in pursuance of said Article V, itself propose such an amendment or amendments; and requests that in either case the same be submitted for ratification by conventions in the several States; and be it further

Resolved, That the secretary of the Commonwealth forward forthwith to the presiding officers of both branches of Congress certified copies of these resolutions, attested by the clerks of both branches of the General Court.

Adopted March 13, 1931.

A true copy.

Attest:

FRANK E. BRIDGMAN,
Clerk of the House of Representatives.
WILLIAM H. SANGER,
Clerk of the Senate.

THE COMMONWEALTH OF MASSACHUSETTS,
OFFICE OF THE SECRETARY.

Witness the great seal of the Commonwealth.

[SEAL.]

F. W. COOK,
Secretary of the Commonwealth.

Mr. SHIPSTEAD presented a petition numerously signed by sundry citizens of the State of Minnesota, praying for the passage of legislation known as "the farmers' farm relief act," which was referred to the Committee on Agriculture and Forestry.

Mr. SHORTRIDGE presented numerous communications from organizations and sundry citizens of the State of California, favoring the reduction of armaments by all nations, which were referred to the Committee on Foreign Relations.

Mr. KEAN presented a resolution adopted at a regular meeting of the Association of Grand Jurors of Essex County, N. J., favoring the passage of legislation prohibiting the manufacture, sale, importation, exportation, and use (except for lawful purposes) of explosives, brass knuckles, stilettos, machine guns, tear gas, tear bombs, and other weapons and instrumentalities used in the perpetration of crimes of violence, which was referred to the Committee on the Judiciary.

Mr. GOLDSBOROUGH presented papers to accompany the bill (S. 567) to authorize the Secretary of War to sell to the Philadelphia, Baltimore & Washington Railroad Co. cer-

tain tracts of land situate in the county of Harford and State of Maryland, introduced by him on the 9th instant, which were referred to the Committee on Military Affairs.

INCOME TAXES

Mr. THOMAS of Oklahoma. Mr. President, I am in receipt of a letter with a resolution accompanying it. I ask unanimous consent to have the letter read and the accompanying resolution printed in the RECORD immediately following the reading of the letter. I do not ask for the reading of the resolution.

There being no objection, the Chief Clerk read the letter, as follows:

DEMOCRATIC CENTRAL COMMITTEE, CANADIAN COUNTY,
El Reno, Okla., December 14, 1931.

Senator ELMER THOMAS,
Washington, D. C.

DEAR SENATOR: Inclosed please find copy of resolution introduced by Judge James A. Rinehart and unanimously adopted at a meeting of the Murray Tax Reform Club at El Reno December 12.

I am Dutch descent, but I have a feeling that the proposed Hoover program is a move on the part of our Hebrew banker friends in New York to shoulder the cost of the war on the American public.

Very truly yours,

SIDNEY CLUTE,
Secretary Murray Club of Canadian County.

The resolution was referred to the Committee on Finance, and is as follows:

Resolution

Whereas Andrew Mellon, Secretary of the Treasury of the United States of America, has forwarded to Congress a demand on that body to pass legislation raising the taxes on small incomes and inheritances and lowering the exemptions that now exist;

Whereas said proposed legislation, as set forth in the plan and demand of Secretary Mellon, raises the tax on small incomes approximately 700 per cent and raises the tax on large incomes of $50,000 or more less than 20 per cent; and

Whereas said plan or demand of Secretary Mellon raises the tax on corporations only one-half of 1 per cent and provides an exemption for corporations equal to that of individuals; and

Whereas said Secretary Mellon has announced that he will soon submit a bill for the approval of Congress establishing a moratorium or cancellation of war loans made to foreign countries;

Whereas it is the opinion of the Murray Club, of Canadian County, Okla., that said proposed tax is inequitable and unfair to the persons earning small incomes; and it is further the opinion of the Murray Club that the cancellation of debts owing by foreign countries is an act in favor of the big international banking interests, the burden and cost of which must be borne by the taxpayers of America; and it being further the opinion of the Murray Club that taxes should now be lowered instead of raised, and that European countries should be called upon to pay their honest debts of war: Therefore be it

Resolved by the Murray Club of Canadian County, Okla., That we condemn and recommend for disapproval the plan, bill, or demand of Secretary Mellon made to the American Congress known as the so-called income tax bill; be it further

Resolved, That we condemn and recommend for disapproval the passage of any bill creating a moratorium or the further cancellation in any amount of war debts owing by European countries; be it further

Resolved, That copies of this resolution be mailed to Hon. Senator THOMAS P. GORE, Hon. Senator ELMER THOMAS, and to the Hon. Congressman JED JOHNSON.

CLYDE MATTHEWS, *President.*

Attest:

SYDNEY CLUTE, *Secretary.*

THE MORATORIUM MEASURE AND PROPOSED CASH BONUS TO VETERANS

Mr. STEIWER. Mr. President, I have a number of telegrams addressed to me by veterans' organizations with reference to the moratorium and proposed veterans' legislation. I shall not ask that they be read, but I ask that they may be referred to the Committee on Finance and printed in the RECORD.

There being no objection, the telegrams were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *December 17, 1931.*

Senator STEIWER,
Washington, D. C.:

You are requested to withhold any action on foreign-debt moratorium until favorable action is assured on payment of adjusted-service certificates.

LILE DAILEY,
State Commander, Disabled War Veterans.

OREGON CITY, OREG., *December 17, 1931.*

Senator STEIWER,
Washington, D. C.:

Withhold any action on foreign-debt moratorium until favorable action assured on payment adjusted certificates. All veterans in our State uniting with Veterans' Foreign Wars and are urging us to secure your assistance. We deeply appreciate your loyal support and fear passage of moratorium would jeopardize veterans' program.

GLENN R. JACK,
Department Commander.

OREGON CITY, OREG., *December 17, 1931.*

Senator STEIWER,
Washington, D. C.:

It is the wish of this post to withhold all action on debt moratorium until favorable legislation on pensions and cash payment of bonus have been assured.

WALDO CAUFIELD POST,
VETERANS OF FOREIGN WARS, No. 1324,
H. L. CRAWFORD, *Adjutant.*

PORTLAND, OREG., *December 17, 1931.*

Senator STEIWER,
Washington, D. C.:

You are requested to withhold any action on foreign-debt moratorium until favorable action is assured on payment of adjusted-service certificates.

T. M. KERGIGAN,
Commander, Portland Chamber, No. 1,
Disabled Veterans of the World War.

OREGON CITY, OREG., *December 17, 1931.*

Senator STEIWER,
Washington, D. C.:

The American Legion, Willamette Post, No. 5, request that you hold up action on moratorium until payment of adjusted compensation. We feel that our own should be considered first.

AMERICAN LEGION, WILLAMETTE POST, No. 5,
H. A. SHAW, *Finance Officer.*

Mr. BROOKHART. Mr. President, I present a number of telegrams. I ask unanimous consent that the first one may be read at the desk, that the others may be printed in the RECORD, and that all may be referred to the Committee on Finance.

There being no objection, the first telegram was read and referred to the Committee on Finance, as follows:

CRESTON, IOWA, *December 17, 1931.*

Senator SMITH W. BROOKHART,
Senate Chamber, Washington, D. C.:

Veterans Foreign Wars, Post No. 1797, request you withhold favorable vote on moratorium until pension and cash bonus are assured.

S. S. STALEY, *Commander.*

The remaining telegrams presented by Mr. BROOKHART were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

EMMETSBURG, IOWA, *December 16, 1931.*

Hon. SMITH W. BROOKHART,
Senate Building, Washington, D. C.:

The undersigned respectfully request that you withhold favorable vote on foreign war debt moratorium until passage of legislation for World War widows and orphans, pensions, and cash payment of bonus is assured.

PALO ALTO POST, No. 2295, VETERANS FOREIGN WARS,
By WILLIAM ROBERT, *Commander.*

NEWTON, IOWA, *December 16, 1931.*

Senator S. W. BROOKHART,
Senate Chamber, Washington, D. C.:

The local Veterans of Foreign Wars post, voicing the sentiments of practically every veteran in Jasper County, urges you to withhold favorable vote on war-debt moratorium until widows and orphans' pensions and cash payment of bonus are assured. Your constituents demand that you prevent the defeat of these just measures.

C. H. BARCUS, *Commander.*

NEWTON, IOWA, *December 16, 1931.*

Senator S. W. BROOKHART,
Senate Chamber, Washington, D. C.:

Newton Chapter, No. 23, Disabled American Veterans of the World War, urges you to withhold favorable vote on war-debt moratorium until cash payment of bonus and other veterans' legislation is assured. Public sentiment in Jasper County demands that you prevent the defeat of these veterans' measures.

V. O. EDWARDS,
Commander Newton Chapter.

NEWTON, IOWA, *December 16, 1931.*

Senator S. W. BROOKHART,
Senate Chamber, Washington, D. C.:

The Newton Post, 111, voicing the sentiments of practically every veteran in Jasper County, urges you to withhold favorable vote on war-debt moratorium until widows and orphans and cash payment of bonus are assured. Your constituents demand that you prevent the defeat of these just measures.

NEWTON POST, 111.

OELWEIN, IOWA, *December 16, 1931.*

Senator SMITH W. BROOKHART,
Washington, D. C.:

Withhold favorable vote on moratorium until pension and cash bonus are assured.

VETERANS OF FOREIGN WARS, POST No. 1725.

DES MOINES, IOWA, *December 16, 1931.*

SMITH W. BROOKHART,
Senate Office Building, Washington, D. C.:

Please oppose debt moratorium until legislation favorable to World War widows and orphans' pension and cash payment of bonus is assured.

MERLE BUCK,
Adjutant, Department of Iowa,
Disabled American Veterans of World War.

DES MOINES, IOWA, *December 16, 1931.*

SMITH W. BROOKHART,
Senate Office Building, Washington, D. C.:

Please oppose debt moratorium until legislation favorable to World War widows and orphans' pension and cash payment of bonus is assured.

LEROY C. FISHER,
Commander Des Moines Chapter, No. 1,
Disabled American Veterans of World War.

MUSCATINE, IOWA, *December 16, 1931.*

Senator BROOKHART,
United States Senate, Washington, D. C.:

Please vote for pension and cash bonus preference to moratorium.

Commander HARRY O. CARPENTER,
John Harold Kemble Post, 1565,
Veterans of Foreign Wars of United States,
City Hall, Muscatine, Iowa.

SIOUX CITY, IOWA, *December 16, 1931.*

Hon. SMITH W. BROOKHART,
Senate Chamber, Washington, D. C.:

We oppose the foreign moratorium program, as we can not neglect our widows and orphans longer.

RALPH A. OSTLING,
Commander Shull Post, No. 580,
Veterans of Foreign Wars of the United States.

FORT MADISON, IOWA, *December 16, 1931.*

Hon. S. W. BROOKHART,
Senate Chamber, Washington, D. C.:

We believe the payment of war debts is a big factor in the program for disarmament and world peace. Believing the foreign war debt moratorium inimical to pension and bonus legislation, we respectfully request you to withhold favorable vote upon the moratorium until favorable veteran legislation is assured.

CHARLES L. HERRICK,
Commander Hartman Dawson Post, 1805,
Veterans of Foreign Wars.

AMES, IOWA, *December 17, 1931.*

Senator SMITH W. BROOKHART,
Washington, D. C.:

Veterans of Foreign Wars Post, 1107, Ames, express opinion majority of service men in this territory backed by bonus petitions signed for Veterans of Foreign Wars legislative committee, Washington; we urge you to withhold favorable vote for war debt moratorium until pensions and cash bonus legislation are assured.

ROBERT CAMPBELL,
Commander Post, 1107.

DAVENPORT, IOWA, *December 17, 1931.*

Senator SMITH W. BROOKHART,
Washington, D. C.:

Post No. 828, Veterans of Foreign Wars, Davenport, representing 400 veterans, urge you withhold favorable vote on war-debt moratorium until World War widows and orphans' pension and cash payment of bonus bills are assured.

CLIFFORD J. DAWSON, *Commander.*

ST. LOUIS, MO., *December 16, 1931.*

Hon. Senator BROOKHART,
Washington, D. C.:

On behalf World War veterans we earnestly request you withhold your vote on foreign-debt moratorium until congressional action can be taken on veteran relief. In the attainment of justice we pray your support of proposed legislation calling for cash payment on adjusted-service certificates and pension rights for widows and orphans of World War veterans.

HOUGHKIRK POST, 1145, VETERANS OF FOREIGN WARS.

PERRY, IOWA, *December 16, 1931.*

Senator BROOKHART,
Washington, D. C.:

We urge you withhold favorable vote on moratorium until pension and cash bonus are assured.

FLOYD FOSTER POST, VETERANS OF FOREIGN WARS.

MARSHALLTOWN, IOWA, *December 16, 1931.*

Senator SMITH W. BROOKHART,
Senate Office:

Withhold favorable vote on moratorium until pension and cash bonus are assured.

RALPH L. ROBINSON,
Commander Veterans of Foreign Wars, Post 839.

LAKE CITY, IOWA, *December 16, 1931.*

Hon. SMITH W. BROOKHART,
Member of Congress:

Please withhold favorable vote on moratorium until pension and cash bonus are assured.

TRI COUNTY POST, No. 1899,
VETERANS OF FOREIGN WARS.

WATERLOO, IOWA, *December 16, 1931.*

United States Senator BROOKHART:

You are urged by members of Eugene Clark Post, 1623, Veterans of Foreign Wars, to withhold favorable vote on moratorium until pension and cash bonus are assured.

B. M. STRAYER,
Post Commander.

DES MOINES, IOWA, *December 16, 1931.*

Senator SMITH W. BROOKHART,
Member Congress:

Please oppose debt moratorium until legislation favorable to World War widows and orphans pension and cash payment of bonus is assured.

MILTON W. STRICKLER,
Legislative Committee,
Department of Iowa, Veterans of Foreign Wars.

CLINTON, IOWA, *December 16, 1931.*

Hon. S. W. BROOKHART,
Senator from Iowa:

The Clinton County Post, 2288, Veterans of Foreign Wars, request that you withhold a favorable vote on the moratorium until pension and cash bonus are assured.

BENJ. P. DVORAK, *Adjutant.*

WAVERLY, IOWA, *December 16, 1931.*

Hon. SMITH W. BROOKHART,
United States Senator, Senate Office Building:

Withhold favorable vote on foreign war debt moratorium until our veterans' welfare program is assured. Please consider home relief before foreign relief.

A. C. KOHLMANN,
Commander Veterans of Foreign Wars, Post 2208.

DES MOINES, IOWA, *December 15, 1931.*

SMITH W. BROOKHART,
United States Senator of Iowa, Washington, D. C.:

Withhold favorable vote on moratorium foreign war debt until widows and orphans' bill and cash payment of bonus is assured.

HARRY W. WARRICK,
Commander Veterans of Foreign Wars, Post 738,
Des Moines, Iowa.

ROCKWELL CITY, IOWA, *December 16, 1931.*

Senator SMITH W. BROOKHART:

Respectfully urge withhold favorable vote on moratorium until pension and cash bonus assured.

CALHOUN POST, 1875, VETERANS OF FOREIGN WARS.

WEST LIBERTY, IOWA, *December 16, 1931.*

Senator S. W. BROOKHART:

Withhold vote on moratorium until pension and cash bonus are assured.

COMMANDER ED H. MACKEY,
Miller Raver Post, 2308.

JEFFERSON, IOWA, *December 16, 1931.*

SMITH W. BROOKHART:

Comrade, the veterans of this county request that the foreign war debt moratorium vote be withheld until the World War widows and orphans' pension and all other veterans' legislation have been taken care of. We feel that veterans' legislation should have priority.

GREENE COUNTY POST, 2203, VETERANS OF FOREIGN WARS.

MONTICELLO, IOWA, *December 16, 1931.*

HON. SMITH W. BROOKHART,
Senate Office Building, Washington, D. C.:

Monticello Post, 4, Foreign Wars, keenly interested in World War widows' pension and immediate cash payment of bonus, and fears that favorable vote on foreign war debt moratorium may prejudice these relief measures. Urge that vote on moratorium be withheld until passage of pensions and cash bonus bills assured. We ask that American soldiers be preferred to foreign debtors.

HENRY OHE,
Commander.
W. H. JARRETT,
Adjutant.
E. E. REED,
Chairman Legislative Committee.

REPORTS OF THE COMMITTEE ON CLAIMS

Mr. HOWELL, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 258. An act authorizing adjustment of the claim of H. E. Hurley (Rept. No. 4);

S. 468. An act for the relief of the estate of Benjamin Braznell (Rept. No. 5); and

S. 551. An act for the relief of Blanch Broomfield (Rept. No. 6).

PRINTING OF REPORT OF DAUGHTERS OF THE AMERICAN REVOLUTION

Mr. SHIPSTEAD, from the Committee on Printing, reported the following resolution (S. Res. 104):

Resolved, That the Thirty-fourth Annual Report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1931, be printed, with illustrations, as a Senate document.

ANNA JARVIS

Mr. TOWNSEND, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported back favorably without amendment concurrent resolution (S. Con. Res. 2) submitted by Mr. HULL on the 9th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be paid out of the contingent funds of the Senate and House of Representatives to Anna Jarvis, widow of Grant Jarvis, late an employee of the Joint Committee on Internal Revenue Taxation, a sum equal to six months of his compensation as such employee, one-half of said sum to be paid by the Senate and one-half by the House, and an additional amount, not exceeding $250, to defray the funeral expenses of said Grant Jarvis, shall be paid by the House.

NOBLE M. CLARK

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 41) submitted by Mr. REED on the 9th instant.

Mr. REED. Mr. President, I ask for the present consideration of the resolution.

There being no objection, the resolution was read, considered, and agreed to, as follows:

Resolved, That the Sergeant at Arms hereby is authorized and directed to continue the employment of Noble M. Clark as a messenger in accordance with the provisions of Senate Resolution No. 72, agreed to July 14, 1911.

HEARINGS BEFORE COMMITTEE ON PRIVILEGES AND ELECTIONS

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 59) submitted by Mr. SHORTRIDGE on the 10th instant, which was read, considered by unanimous consent, and agreed to as follows:

Resolved, That the Committee on Privileges and Elections, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE FOREIGN RELATIONS COMMITTEE

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 74) submitted by Mr. BORAH on the 14th instant, which was read, considered by unanimous consent, and agreed to as follows:

Resolved, That the Committee on Foreign Relations, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

RETAIL PRICES OF WHEAT, MEAT, AND SUGAR PRODUCTS

Mr. TOWNSEND, from the same committee, reported back favorably with an amendment the resolution (S. Res. 76) submitted by Mr. MCNARY on the 14th instant, which was read as follows:

Resolved, That the Senate Resolutions Nos. 374, agreed to January 16, 1931, and 407, agreed to January 19, 1931, authorizing and directing the Committee on Agriculture and Forestry to investigate the failure of retail prices of wheat, meat, and sugar products to reflect the decline in prices paid the producer of such food products, hereby are continued in full force and effect during the Seventy-second Congress.

The Senate by unanimous consent proceeded to consider the resolution.

The amendment was, in line 3, before the figures "1931," to strike out "19" and insert "28."

The amendment was agreed to.

The resolution as amended was agreed to.

LIZZETTE K. BAER

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 78) submitted by Mr. SHORTRIDGE on the 14th instant, which was read, considered by unanimous consent, and agreed to as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Lizzette K. Baer, widow of Nathan Baer, late a messenger of the Senate under direction of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE COMMITTEE ON INDIAN AFFAIRS

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 79) submitted by Mr. FRAZIER on the 14th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Indian Affairs, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON EDUCATION AND LABOR

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 80) submitted by Mr. METCALF on the 14th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Education and Labor, or any subcommittee thereof, is hereby authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 81) submitted by Mr. KEYES on the 14th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Public Buildings and Grounds, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to admin-

ister oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

PAGE FOR THE SENATE LIBRARY

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 83) submitted by Mr. WATSON on the 14th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Sergeant at Arms hereby is authorized and directed to employ a page for the Senate library, to be paid at the rate of $120 per month from the contingent fund of the Senate until otherwise provided by law.

AGNES O'CONNOR MOORE

Mr. TOWNSEND, from the same committee, reported back favorably the resolution (S. Res. 90) submitted by Mr. LA FOLLETTE on the 15th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Agnes O'Connor Moore, widow of Peter H. Moore, late a messenger of the Senate under the supervision of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE COMMITTEE ON TERRITORIES AND INSULAR AFFAIRS

Mr. TOWNSEND, from the same committee, reported back favorably without amendment the resolution (S. Res. 91) submitted by Mr. BINGHAM on the 15th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Territories and Insular Affairs, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

ALABAMA CONTESTED ELECTION—EXPENSES

Mr. TOWNSEND, from the same committee, reported back favorably with an amendment the resolution (S. Res. 69) submitted by Mr. SHORTRIDGE on the 10th instant.

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendment was, on page 1, line 7, to strike out "$50,000" and insert "$30,000," so as to make the resolution read:

Resolved, That the Committee on Privileges and Elections, authorized by resolution of February 28, 1931, to hear and determine the pending contest between John H. Bankhead and J. Thomas Heflin involving the right to membership in the United States Senate as Senator from the State of Alabama, hereby is authorized to expend from the contingent fund of the Senate $30,000 in addition to the amount heretofore authorized for such purpose.

The amendment was agreed to.

The resolution as amended was agreed to.

PAULINE L. WATTS

Mr. TOWNSEND, from the same committee, reported back favorably with an amendment the resolution (S. Res. 57) submitted by Mr. MCNARY on the 9th instant.

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendment was, on page 1, line 6, to strike out "one year's" and insert "six months'," so as to make the resolution read:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay, out of the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1932, to Pauline L. Watts, widow of William Watts, late elevator operator in the Senate Office Building, a sum equal to six months' compensation at the rate at which such William Watts was receiving compensation by law at the time of his death, such sum to be considered inclusive of funeral expenses and all other expenses.

The amendment was agreed to.

The resolution as amended was agreed to.

EXPENSES OF SPECIAL COMMITTEE INVESTIGATING THE CONSERVATION OF WILD-ANIMAL LIFE

Mr. TOWNSEND, from the same committee, reported back favorably with an amendment the resolution (S. Res. 37) submitted by Mr. WALCOTT on the 9th instant.

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendment was, on page 1, line 5, to strike out "$10,000" and insert "$5,000," so as to make the resolution read:

Resolved, That the special committee authorized and directed by Senate Resolution No. 246 on April 17, 1930, to investigate the conservation of wild-animal life hereby is authorized to expend in furtherance of such purposes $5,000 in addition to the amounts heretofore authorized.

The amendment was agreed to.

The resolution as amended was agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH of Montana:

A bill (S. 2142) conferring upon the Court of Claims jurisdiction of claims against the United States in connection with the Bowdoin Canal irrigation project, Montana; to the Committee on Claims.

A bill (S. 2143) for the relief of Blaine County, Mont.; to the Committee on Indian Affairs.

A bill (S. 2144) authorizing the Secretary of the Interior to grant a patent to certain lands to Charles R. Thornton; to the Committee on Public Lands and Surveys.

By Mr. WATSON:

A bill (S. 2145) to extend the time for the refunding of certain taxes erroneously collected under the acts of June 13, 1898, and October 22, 1914; to the Committee on Finance.

By Mr. FRAZIER:

A bill (S. 2146) to prohibit experiments upon living dogs in the District of Columbia and providing a penalty for violation thereof; to the Committee on the District of Columbia.

By Mr. SMOOT:

A bill (S. 2147) granting a pension to James H. Allred; to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 2148) for the relief of Clarence R. Killion; to the Committee on Military Affairs.

By Mr. CAREY:

A bill (S. 2149) granting an increase of pension to Rose L. Bard (with accompanying papers); to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 2150) granting a pension to Hosea F. Dearth; to the Committee on Pensions.

By Mr. DAVIS:

A bill (S. 2151) for the relief of Artemus W. Pentz; to the Committee on Claims.

By Mr. THOMAS of Idaho:

A bill (S. 2152) to authorize the Secretary of the Interior to grant a moratorium on payment of construction charges on reclamation projects and on payments under Warren Act contracts and to defer charges past due and to make the necessary regulations to give effect to this act; to the Committee on Irrigation and Reclamation.

By Mr. MOSES:

A bill (S. 2153) granting a pension to Jennie M. Annis (with accompanying papers); and

A bill (S. 2154) granting an increase of pension to Herbert M. Sanders (with accompanying papers); to the Committee on Pensions.

By Mr. DILL:

A bill (S. 2155) for the relief of Fred M. Smith; and

A bill (S. 2156) for the relief of Thomas E. Upton; to the Committee on Military Affairs.

By Mr. SWANSON:

A bill (S. 2157) making supplemental appropriations to provide for emergency construction on certain public highways during the remainder of the fiscal year ending June 30, 1932, with a view to increasing employment; to the Committee on Post Offices and Post Roads.

A bill (S. 2158) to reimburse certain individuals for damages by reason of loss of oyster rights in Little Bay, Va., due to the taking of the same by the United States for the purpose of operating thereon a naval air training station; to the Committee on Claims.

By Mr. COPELAND:

A bill (S. 2159) for the relief of the Columbia Casualty Co.; and

A bill (S. 2160) for the relief of John L. Hoffman; to the Committee on Claims.

By Mr. THOMAS of Oklahoma:

A bill (S. 2161) to grant increased pensions to certain survivors of the Indian wars; to the Committee on Pensions.

By Messrs. WALCOTT and HAWES:

A bill (S. 2162) to provide for the establishment and maintenance of a game and fish demonstration station situated near the National Capital; to provide a method for its selection; to provide an advisory board; to provide for its administration; to train men to become experts in fish culture, game farming, and game administration; to provide for lending such trained experts to the States to assist in working out State game programs and problems; to promote fish and game extension work by furnishing fish and game experts to agricultural colleges presenting satisfactory programs for fish and game fact finding; to make available to the public, to fish and game commissions of the States, to schools and colleges, and to others the results of the studies relating to fish, birds, and animals; to provide for the acceptance of gifts, bequests, grants, and donations of land, money, and/or equipment for the station; to provide an appropriation for the purchase and maintenance thereof; and for other purposes; to the Select Committee on Conservation of Wild Life Resources.

By Mr. CAREY:

A bill (S. 2163) for the temporary relief of water users on irrigation projects constructed and operated under the reclamation law; to the Committee on Irrigation and Reclamation.

By Mr. KEAN:

A bill (S. 2164) to provide for the disposal of the Muscle Shoals properties by the United States; to the Committee on Agriculture and Forestry.

A bill (S. 2165) to transfer certain functions relating to the retirement of employees in the civil service to the Civil Service Commission; to the Committee on Civil Service.

A bill (S. 2166) to correct the military record of Albert Anderson; and

A bill (S. 2167) for the relief of Robert J. Foster; to the Committee on Military Affairs.

A bill (S. 2168) for the relief of Elizabeth T. Cloud;

A bill (S. 2169) authorizing certain importers of sugar into the United States from the Argentine Republic during the year 1920 to submit claims to the Court of Claims;

A bill (S. 2170) to amend an act entitled "Settlement of war claims act, 1928"; and

A bill (S. 2171) directing the Court of Claims to reopen the case of the city of Cape May, N. J., against the United States, No. E–618, and readjudicate the issues therein upon the pleadings and the evidence heretofore submitted to said court in said cause; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 2172) to provide old-age securities for persons over 60 years of age residing in the District of Columbia, and for other purposes;

A bill (S. 2173) to authorize associations of employees in the District of Columbia to adopt a device to designate the products of the labor of their members, to punish illegal use or imitation of such device, and for other purposes; and

A bill (S. 2174) to amend an act to regulate the height, area, and use of buildings in the District of Columbia and to create a zoning commission, and for other purposes, approved March 1, 1920; to the Committee on the District of Columbia.

A bill (S. 2175) granting an increase of pension to Lee R. Duncan (with accompanying papers);

A bill (S. 2176) granting an increase of pension to Floretta Knopf (with accompanying papers); and

A bill (S. 2177) granting a pension to Sarah E. Tronjo; to to the Committee on Pensions.

By Mr. GOLDSBOROUGH:

A bill (S. 2178) to exempt from taxation certain property of the National Society of the Sons of the American Revolution in Washington, D. C.; to the Committee on the District of Columbia.

A bill (S. 2179) for the relief of Alexander M. Proctor; to the Committee on Military Affairs.

A bill (S. 2180) for the relief of the New Amsterdam Casualty Co. (with accompanying papers); to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 2181) to provide for the establishment of a Coast Guard station at or near Crescent City, Calif.; to the Committee on Commerce.

A bill (S. 2182) granting a pension to J. G. Brickel; to the Committee on Pensions.

A bill (S. 2183) to reimburse the members of Company B, California Engineers, in the aggregate amount personally expended by them for United States Army equipment; and

A bill (S. 2184) for the payment of certain citizens of damages because of loss of their property in the general mess building of the Pacific Branch of the National Home for Disabled Volunteer Soldiers when said building was destroyed by fire on March 24, 1927; to the Committee on Claims.

A bill (S. 2185) to amend section 19 of the World War veterans' act, 1924, as amended;

A bill (S. 2186) to amend section 200 of the World War veterans' act, as amended;

A bill (S. 2187) to authorize the erection of a Veterans' Bureau hospital for women in the State of California, and to authorize the appropriation therefor;

A bill (S. 2188) to authorize appropriations for construction at the Pacific Branch of the National Soldiers' Home, Los Angeles County, Calif., and for other purposes;

A bill (S. 2189) to authorize the erection of an addition to Veterans' Bureau Hospital No. 104 at San Fernando, Calif., and to authorize the appropriation therefor; and

A bill (S. 2190) to amend section 300 of the World War veterans' act, 1924, as amended; to the Committee on Finance.

A bill (S. 2191) authorizing the award of campaign insignia to war correspondents and war artists;

A bill (S. 2192) to readjust the pay of certain warrant officers and retired enlisted men;

A bill (S. 2193) to provide for the appointment as warrant officers of the Regular Army of certain civilian clerks of the Quartermaster Corps;

A bill (S. 2194) to establish an aviation flag of the United States of America;

A bill (S. 2195) to confer upon certain former engineer field clerks the status of honorably discharged Army field clerks;

A bill (S. 2196) granting to certain enlisted men of the Army, honorably discharged for disability, the pay of retired warrant officers; and

A bill (S. 2197) to readjust the allowances of retired enlisted men of the Army, Navy, and Marine Corps; to the Committee on Military Affairs.

By Mr. HASTINGS:

A bill (S. 2198) to amend paragraph (3) of section 1 of the interstate commerce act; to the Committee on Interstate Commerce.

A bill (S. 2199) exempting building and loan associations from being adjudged bankrupts; to the Committee on Banking and Currency.

A bill (S. 2200) to authorize the presentation of a medal of honor, posthumously, to the late Henry Clay Drexler; to the Committee on Naval Affairs.

A bill (S. 2201) for the refund of estate tax erroneously collected; to the Committee on Finance.

A bill (S. 2202) for the relief of Harry C. Saxton; and

A bill (S. 2203) for the relief of John Pearce Cann; to the Committee on Claims.

A bill (S. 2204) granting an increase of pension to Sarah E. Smith (with accompanying papers);

A bill (S. 2205) granting an increase of pension to Mary E. Young (with accompanying papers);

A bill (S. 2206) granting an increase of pension to W. Lillian Steventon (with accompanying papers); and

A bill (S. 2207) granting an increase of pension to Mary J. McIntyre (with accompanying papers); to the Committee on Pensions.

A bill (S. 2208) for the relief of Robert Wolfe;

A bill (S. 2209) for the relief of Charles E. Lynch;

A bill (S. 2210) for the relief of Edward O'Neill; and

A bill (S. 2211) for the relief of Charles Holding (with accompanying papers); to the Committee on Military Affairs.

By Mr. JONES:

A bill (S. 2212) to authorize acquisition of complete title to the Puyallup Indian Tribal School property at Tacoma, Wash., for Indian sanatorium purposes; to the Committee on Indian Affairs.

By Mr. BARKLEY:

A bill (S. 2213) reducing the rates of taxation on tobacco products; and

A bill (S. 2214) to amend section 501 of the revenue act of 1926, as amended; to the Committee on Finance.

A bill (S. 2215) to amend paragraph (4) of section 1 and paragraph (3) of section 3 of the interstate commerce act; to the Committee on Interstate Commerce.

A bill (S. 2216) authorizing persons, firms, corporations, associations, or societies to file bills of interpleader; to the Committee on the Judiciary.

A bill (S. 2217) granting an increase of pension to Nannie Curry; to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 2218) for the relief of Lamar Jamerson; to the Committee on Military Affairs.

A bill (S. 2219) for the relief of Mrs. E. J. McCardle; and

A bill (S. 2220) for the relief of Thomas L. Ross; to the Committee on Claims.

Mr. BRATTON. On behalf of myself and Senators CONNALLY, COSTIGAN, CUTTING, SHEPPARD, and WATERMAN I introduce a bill for reference to the Committee on Irrigation and Reclamation.

By Messrs. BRATTON, CONNALLY, COSTIGAN, CUTTING, SHEPPARD, and WATERMAN:

A bill (S. 2221) authorizing the construction of a drainage channel in the closed basin of the San Luis Valley in Colorado, authorizing investigations of reservoir sites, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. McKELLAR:

A bill (S. 2222) granting a pension to Fannie Lou Cate Harmon (with accompanying papers); and

A bill (S. 2223) granting a pension to Eliza J. Logan (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A joint resolution (S. J. Res. 58) to authorize the printing of the annual reports of the Federal Farm Board without limitation as to number; to the Committee on Printing.

By Mr. SHORTRIDGE:

A joint resolution (S. J. Res. 59) to extend the statute of limitations, and for other purposes; to the Committee on Finance.

By Mr. CAPPER:

A joint resolution (S. J. Res. 60) authorizing the distribution of Government-owned wheat to States or organizations for relief of people in distress; to the Committee on Agriculture and Forestry.

PROPOSED REFERENDUM ON CONSTITUTIONAL AMENDMENTS

Mr. BINGHAM. Mr. President, a good deal of discussion has appeared recently in the public press with reference to the desirability of holding a referendum. It is not known how such a referendum might be held, there being no provision in the Constitution for a referendum as such. Various efforts have been made to present amendments to the Constitution in such a way as to provide for conventions in the States, especially chosen to consider such amendments. With the aid of a distinguished citizen of Connecticut, Mr. Selden Bacon, an attorney at law, I have prepared an amendment to the Constitution providing for the election of conventions in a new manner, which I ask to have read and referred to the Committee on the Judiciary.

The VICE PRESIDENT. Let it be read for the information of the Senate.

The joint resolution (S. J. Res. 57), proposing an amendment to the Constitution of the United States, was read the first time by its title, the second time at length, and referred to the Committee on the Judiciary, as follows:

Resolved by the Senate and House of Representatives of the United States of America assembled (two-thirds of each House concurring therein), That the following is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as a part of the Constitution when ratified by conventions in three-fourths of the several States, which conventions shall be composed in each State of delegates elected by a majority vote of the electors of the State voting at such election:

"Article V of the United States Constitution is hereby amended by adding thereto the following:

"'*Provided, however*, That no amendment conferring on the Government of the United States any added powers over the people of the United States or their individual rights, or any of them, shall hereafter be adopted validly otherwise than by conventions of the people meeting in their several States; and that any adoption of any amendment, whether by legislatures or by conventions, in order to be operative, shall be made within seven years after the proposal of such amendment.

"'The members of any constitutional convention in any State called for the adoption of any proposed amendment shall be elected at a separate public election, to be held not less than 90 days subsequent to the proposal of the amendment, at which election each qualified voter of the State shall be entitled to one vote for all the members of the convention.

"'The number of members to be elected to any such State convention shall in no case be less than the total number of Members of Congress and of the Senate of the United States to which such State shall be by law entitled at the time of the proposal of the amendment. The individual qualifications of members of such State conventions shall be the same as those now prescribed for members of the Electoral College.

"'The control of all other details of selection and meetings of any such conventions in the several States shall lie with the several States, respectively.

"'Any State or its people may by State constitutional provision hereafter enacted regulate the exercise of the power of the legislature of such State to adopt amendments to the Constitution of the United States.'"

Mr. BINGHAM. Mr. President, the International News Service has recently conducted an extremely interesting poll by consulting Members of the Senate and House of Representatives in regard to their desires or wishes relative to a referendum, and, in view of the great public interest in this matter, may I venture to express to the chairman of the Judiciary Committee the hope that the committee may hold hearings on this proposed amendment and similar amendments at an early date, in order, this being the long session of Congress, that we may have an opportunity for debating, under the rules of the Senate, at an appropriate time this question and similar questions closely related to it.

Mr. NORRIS. Mr. President, in the case of the amendment submitted by the Senator from Connecticut, or any

other amendment to the Constitution which may be submitted to the Judiciary Committee, if the Senator who submits it is anxious for a hearing and the appointment of a subcommittee, I have no doubt that the request will be granted without any delay whatever. I will say to the Senator from Connecticut that I shall be very glad to appoint a subcommittee as soon as the Committee on the Judiciary meets, and he will be notified of the membership of that subcommittee.

Mr. BINGHAM. I thank the Senator.

The VICE PRESIDENT. The joint resolution will be referred to the Committee on the Judiciary.

PRINTING OF HEARINGS ON "AGRICULTURAL CONFERENCE AND FARM BOARD INQUIRY"

Mr. McNARY submitted the following concurrent resolution (S. Con. Res. 4), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That, in accordance with paragraph 3 of section 2 of the printing act, approved March 1, 1907, the Committee on Agriculture and Forestry of the Senate be, and is hereby, empowered to have printed 5,000 additional copies of the hearings held before the committee on "Agricultural Conference and Farm Board Inquiry" during the current session.

FLOTATION IN AMERICA OF FOREIGN LOANS

Mr. GORE. I send to the desk a Senate resolution, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 102) was read, as follows:

Resolved, That the Secretary of State be directed to transmit to the Senate at once a list of all the names of banking houses and other institutions, partnerships, and individuals that have, since the conclusion of peace with Germany, notified the State Department of their purpose to float a foreign loan or to sell foreign securities in this country, showing the number and date of each such notification by each of such agencies.

The VICE PRESIDENT. The Senator from Oklahoma asks unanimous consent for the immediate consideration of the resolution. Is there objection?

Mr. SMOOT. I should like to have the resolution lie on the table.

The VICE PRESIDENT. Under objection, the resolution will go over.

COMMUNICATIONS OF FOREIGN DEBTOR GOVERNMENTS

Mr. GORE. I send another Senate resolution to the desk and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Let the resolution be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 103), as follows:

Resolved, That the President be requested, if not incompatible with the public interest, to transmit to the Senate any and all correspondence and communications by and between any representative of the United States and any foreign government debtor of the United States concerning its indebtedness to this Government and concerning reparation payments or concerning the alleged relationship between such debts and such payments.

The VICE PRESIDENT. The Senator from Oklahoma asks unanimous consent for the immediate consideration of the resolution. Is there objection?

Mr. SMOOT. Let the resolution go over, Mr. President.

The VICE PRESIDENT. On objection, the resolution will go over.

Mr. GORE subsequently said: Mr. President, I desire to make a request at the instance of the senior Senator from Utah [Mr. SMOOT], who is also chairman of the Finance Committee. I ask that the Senate resolutions which I introduced this morning may be referred to the Committee on Finance. I have the assurance of the Senator that the resolutions will be given early consideration.

The VICE PRESIDENT. Without objection, Senate Resolution 102 and Senate Resolution 103, submitted by the Senator from Oklahoma [Mr. GORE], will be referred to the Committee on Finance.

HEARINGS BEFORE THE INTERSTATE COMMERCE COMMITTEE

Mr. COUZENS submitted the following resolution (S. Res. 105), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Interstate Commerce, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

SMITHS CREEK, WILMINGTON, N. C. (S. DOC. NO. 23)

Mr. JOHNSON presented a letter from the Chief of Engineers, United States Army, to the chairman of the Senate Committee on Commerce, submitting a review of the report on Smiths Creek in the vicinity of Wilmington, N. C., etc., which, on motion by Mr. JOHNSON, was ordered to be printed, with illustrations.

TAMPA AND HILLSBORO BAYS, FLA. (S. DOC. NO. 22)

Mr. JOHNSON presented a letter from the Chief of Engineers, United States Army, to the chairman of the Senate Committee on Commerce, submitting a review of the report of Tampa and Hillsboro Bays, Fla., submitted to Congress by the Secretary of War on December 12, 1927, published in House Document No. 100, Seventieth Congress, etc., which, on motion by Mr. JOHNSON, was ordered to be printed, with illustrations.

CHANGE OF REFERENCE

Mr. COSTIGAN. Mr. President, the bill (S. 174) to provide for cooperation by the Federal Government with the several States in relieving the hardship and suffering caused by unemployment, and for other purposes, has been referred to the Committee on Commerce. If appropriate at this time, I ask that that committee be discharged from the further consideration of the bill and that it be referred to the Committee on Manufactures.

Mr. JOHNSON. Mr. President, there is no objection on the part of the Commerce Committee. I am agreeable that the order may be made.

The VICE PRESIDENT. Without objection, that order will be made.

CONDITIONS IN MANCHURIA

Mr. ROBINSON of Arkansas. Mr. President, if there be no objection——

Mr. HARRISON. Mr. President, may I suggest the absence of a quorum?

Mr. ROBINSON of Arkansas. I was about to state, and, with the consent of the Senator from Mississippi, will state——

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Mississippi for the purpose of calling a quorum?

Mr. ROBINSON of Arkansas. I shall yield in just a moment.

Mr. JOHNSON. Mr. President, if the Senator from Arkansas is going to make some remarks, will he pardon me if I first make a request?

Mr. ROBINSON of Arkansas. I yield to the Senator from California.

Mr. JOHNSON. May I have a resolution coming over from yesterday now considered? It was objected to on yesterday by the Senator from Connecticut [Mr. BINGHAM], but he has since withdrawn his objection to the consideration of the resolution.

Mr. ROBINSON of Arkansas. I will yield the floor for the present.

Mr. JOHNSON. I thank the Senator from Arkansas. I ask unanimous consent that Senate Resolution 87 may now be considered.

The VICE PRESIDENT. Is there objection? Let the resolution be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 87), which had been reported from the Committee on Foreign Rela-

tions with an amendment, on page 1, line 4, after the article "the" where it occurs the second time, to strike out "Governments of China and Japan or to the Government of" and to insert "Government of China, Japan, and/or," so as to make the resolution read:

Resolved, That the Secretary of State be, and he is hereby, requested to transmit to the Senate the notes, correspondence, and communications from the Government of the United States to the Government of China, Japan, and/or any other nation relating to the present existing conditions in Manchuria, and the controversy between China and Japan, which has resulted in armed encounters in Manchuria; and particularly any messages, notes, or communications from the United States Government to either the Governments of Japan or China referring to the treaty entered into at the city of Washington on the 6th day of February, 1922, by the United States, Belgium, British Empire, China, France, Italy, Japan, the Netherlands, and Portugal, known as the 9-power treaty, and referring to the treaty entered into by Japan and China, the United States and other nations, and commonly known as the Kellogg pact; and also the notes, messages, letters, and communications sent or transmitted by the Government of the United States to the League of Nations or any individual or committee representing the League of Nations relating to the said conditions in Manchuria, and the said Chinese and Japanese controversy; or sent or transmitted to any individual or individuals representing the Government of the United States in said matters acting with or in conjunction with the League of Nations or the Council of the League of Nations, or any individual or committee representing the League of Nations or the Council of the League of Nations.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. KING. Mr. President, may I inquire of my friend from California whether he does not think, in view of the acute situation in Manchuria, that it would be wise and proper to insert in the resolution words to this effect, "providing that the same is not incompatible with the public interest." The controversy between China and Japan has presented many difficult and delicate situations, which have called for diplomatic skill of the highest order, to the end that a great conflagration might be averted. Our Government has had an important and honorable place among the various nations that have been dealing with this critical matter. It may be that the present moment is not the most suitable for giving publicity to all the negotiations that have taken place, and which are still in progress, concerning the question referred to.

Mr. JOHNSON. Mr. President, I respond to the Senator from Utah by saying that it would not be inappropriate, neither would it be appropriate. It is such a resolution as can be responded to in exactly that form by the Secretary of State, if he so desires. That was, I think, the conclusion the committee reached. It may be put in either form. The Secretary of State, under a ruling which the Senate has made, may respond and say that it is incompatible with the public interest that certain communications shall be disclosed, and the Senate has ruled, within my recollection and within a brief period, that that is conclusive. So, it is left to him to determine.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Idaho?

Mr. KING. I yield.

Mr. BORAH. May I say that that question was before the committee, and the committee had in mind the proposition that, whether the phrase referred to by the Senator from Utah was in the resolution or whether it was not in the resolution, the power of the Secretary of State is the same, and, as there were precedents both ways, we did not think it necessary to insert the words suggested.

Mr. KING. Mr. President, it seems to me that when we are dealing with matters within the jurisdiction of the executive department, and particularly where they pertain to our foreign relations, and where an acute and complicated situation exists, such as we find in the Orient, it might be unwise to ask the State Department to make public the communications which have passed between our Government and other governments in respect to such situation.

Mr. JOHNSON. Mr. President, if the Senator will permit me——

Mr. KING. Certainly.

Mr. JOHNSON. We can neither compel nor require it. The Secretary of State will answer as he sees fit. Such things as he believes are not incompatible with the public interest I assume he will furnish the Senate; such things as he believes it is incompatible with the public interest to make public he will not furnish to the Senate. If so, I submit to the Senator from Utah that nothing is really accomplished, and I trust—because I am trenching upon the time of the Senator from Arkansas—that he will permit the resolution to be adopted.

Mr. KING. Mr. President, I shall not object to the consideration of the resolution. I believe, however, that the burden carried by the Secretary of State at this particular juncture is so heavy that he should have the support and sympathy of his countrymen. For myself, I commend him for the excellent work which he has been doing in connection with a most critical situation, and I should be averse to asking him to disclose any information that might embarrass the State Department or those governments with which our Government has been cooperating in the efforts being made to prevent an international conflict, the serious consequences of which must be apparent to all.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. ROBINSON of Arkansas. Mr. President, before——

Mr. HARRISON. Now, I renew my suggestion, Mr. President.

Mr. ROBINSON of Arkansas. Just a moment.

The VICE PRESIDENT. The Senator from Arkansas does not yield for that purpose.

Mr. ROBINSON of Arkansas. I arise now for the purpose of making reference to the question raised by the Senator from Utah [Mr. KING].

The resolution which is now to come before the Senate was considered at length on yesterday by the Committee on Foreign Relations. Various questions as to the proper procedure were raised and determined by the committee. The conclusion was reached that under the precedents of the Senate, under the practice that has prevailed, the Secretary of State will determine whether the submission to the Senate committee of any data in his possession would be incompatible with the public interest, and that it would be a mere formality to amend the resolution in that particular.

Under the practice which has not been criticized recently, there is no doubt that the Secretary will retain as confidential any matter the publication of which, in his opinion, would endanger the public interest. For that reason the resolution was not amended as suggested by the Senator from Utah.

Everyone realizes that a critical situation exists in the Orient. Forces have been set in movement there that threaten the peace of a large portion of the population of the world. Many members of the Committee on Foreign Relations feel that publicity as to what is going on, and as to what steps are being taken to advance or safeguard the cause of peace, will of itself contribute to its preservation.

The old-time practices of withholding information from a people, who must pay the cost and bear the burden of fierce conflicts, have little support in the judgment of those who believe that substantially the same rules which govern conduct between individuals should be applied to transactions between nations. When the time comes, if it ever does come, that full information is made available to the public, there will be far less likelihood of involving this country, its people, and its resources in Old World wars than if the methods of secret diplomacy are given sanction and support.

It is readily conceivable to me that there may be in the record some matters which ought not to be published; but I do not care to invite the withholding of information which throws real light on the situation by incorporating in the resolution the suggestion referred to by the Senator from Utah.

We do not know what causes have set in motion the forces now at work. We do not know to what extent those forces may move. It may be that we are powerless to interrupt or to stay them; but it is right and proper that this body, charged with a measure of responsibility in crises like that

at hand, should have all the information available to guide us in our action.

Mr. SHORTRIDGE. Mr. President, may I inquire of the Senator from Arkansas whether he would have this information submitted to the Senate as in executive session, or as in open session?

Mr. ROBINSON of Arkansas. The resolution calls for the submission of the information to the Senate; and I assume that unless the resolution is changed it would be subject to publication.

Mr. SHORTRIDGE. May I ask the thoughtful Senator whether he would advise or suggest, now or hereafter, that this information, whatever it may be, should be submitted to the Senate as in executive session? If that is his opinion, I will respect it.

Mr. ROBINSON of Arkansas. Of course, it will come to the Senate in executive session; but since we hold open executive sessions unless the Senate otherwise orders, when the information reaches the Senate if it is found desirable to proceed to closed executive session when the character of the information to be divulged becomes known in a general way, the Senate will have control of the matter; and, for my part, I will reserve judgment on that question until it arises. I should like every bit of this information, every word of it that can be published, to be published. I think the people of the country are entitled to information as well as the Members of the Senate.

The VICE PRESIDENT. Is there objection?

Mr. GORE. Mr. President, I desire to address a question to the Senator from Arkansas in regard to the pending resolution; and I do this because his information on the subject is superior to any that I have.

The precedent used to be that when Congress sought information at the hands of a department it directed the Secretary to furnish the information, instead of requesting it. When information was sought at the hands of the President it was put in the form of a request, and the qualifying clause was added, "If not incompatible with the public interest." The point is whether or not we should recognize the right of the head of a department to comply or not to comply with the Senate's order or direction.

The precedent may have been changed. The Senator knows better than I.

Mr. ROBINSON of Arkansas. I think the resolution is in proper form. I do not think the effect of the resolution would be different if it employed the word "direct" instead of the word "request." So far as I am concerned, the word "request" is a polite term, and I prefer to use it.

Mr. NORRIS. Mr. President, I should like to suggest, in the interest of orderly procedure on this resolution, that if no objection be made to its consideration it be laid before the Senate; and then it will be open to debate or any amendment that may be offered, as I understand.

Mr. ROBINSON of Arkansas. I understood that the resolution had been laid before the Senate, and the Chair was just about to declare it disposed of.

Mr. NORRIS. If that is true, then I am in error.

Mr. ROBINSON of Arkansas. I appeal to the Chair on that point.

The VICE PRESIDENT. The resolution has been laid before the Senate and read.

Mr. ROBINSON of Arkansas. The Chair was just about to put the question on its passage.

Mr. NORRIS. I understood the Chair to say, "Is there objection?"

The VICE PRESIDENT. The Chair did that to give the Senator from Oklahoma a chance to be recognized.

Mr. FLETCHER. Mr. President, there is one inquiry I should like to make about this matter. Does the resolution call for this information to be furnished to the Committee on Foreign Relations or to the Senate?

Mr. JOHNSON. To the Senate.

Mr. FLETCHER. I was under the impression that it was to be furnished to the Committee on Foreign Relations.

Mr. JOHNSON. No, sir; to the Senate.

The VICE PRESIDENT. The question is on the amendment reported by the committee.

The amendment was agreed to.

The resolution, as amended, was agreed to.

POLICIES OF THE ADMINISTRATION

Mr. ROBINSON of Arkansas. Mr. President, a member of the President's Cabinet, the Secretary of War, Mr. Hurley, yesterday sought to arouse the slumbering cohorts of partisanship in an effort to glorify the achievements of President Hoover, and to criticize and condemn for their partisan action Democratic Members of Congress.

The occasion was the meeting of the Republican National Committee in the city of Washington; and perhaps, in pursuance of the custom that has long prevailed, some spokesman for the party was entitled to indulge in a measure of exaggeration.

The Secretary declared that the President has sent to Congress an economic program which, if enacted, will go far toward restoring normal conditions in the United States. He also declared that the President had taken on his shoulders the burdens of industry, finance, the railroads, the banks, the unemployed, and the distressed farmer; and that no one save the President is capable or has demonstrated capacity to ameliorate the present very distressing situation.

It must be apparent to one possessing ordinary intelligence that partisan Democratic measures can not prevail while the Republicans retain a majority of the Senate, and the Presidency with the veto power. President Hoover is constantly appealing for nonpartisan action. No sooner is that action obtained, however, than his spokesman, the Secretary of War, seeks to capitalize it into a glorious triumph for Hoover policies.

The only two outstanding partisan measures that have been enacted by the Congress since Mr. Hoover became President are the Smoot-Hawley Tariff Act of 1930 and the Federal farm marketing act. The Senator from Utah [Mr. SMOOT] told us when the tariff measure was about to pass, and the Senator from Indiana [Mr. WATSON] followed in an eloquent and glowing address, that immediately upon the passage of that measure the tides of adversity would be reversed, and that prosperity and happiness would again bless our land with abundance.

The President said that the Federal farm marketing act, framed in accordance with his personal views, would lift or lighten the burdens of agriculture and restore that industry to an equality with other industries. I ask those who hear me whether the eulogy pronounced by the Secretary of War on the Hoover administration is justified. Without attempting to ascribe now to the tariff law referred to its fair share of responsibility for the perpetuation of conditions which everyone knows are disturbing, and applying the same rule to the Federal farm marketing act, the fact is that business in the United States since the passage of those measures—business pertaining both to manufacturing and related industries and to agriculture—is in a worse condition than when those laws were passed.

Let not anyone imagine that it gives me any pleasure to make that declaration; for, after all, patriots or men claiming that title, whether Democrats or Republicans, must recognize as the first consideration the best interests of the country, and only that partisanship can in the end prevail which rests upon some such principle as that just stated.

Will anyone here assert that either the tariff act of 1930 or the Federal farm marketing act has been an emphatic success? From every part of the country we hear complaints and criticisms, and a measure of demand coming from Republicans and Democrats alike for the repeal of the Federal farm marketing act. That fact is stated for the single purpose of establishing my own conclusion, just asserted, that to whatever causes the result may be attributed the Federal farm marketing act has not proven of great benefit to agriculture.

I do not intend to go into the details of the criticisms urged against the manner of the administration of the law. I do not intend to relate the circumstance at length that

the board's best remedy for low-priced cotton was for the farmer to plow up every third row and thus add to his own existing troubles the danger of being put in prison for destroying mortgaged property. Nor do I intend to analyze the processes by which the board has had on hand literally millions and millions of bushels of wheat while millions of people in the United States are suffering from hunger.

It might be said that for whatever cause the foreign commerce of the United States has been shrinking, shrinking, shrinking; and that the tariff act, which we were told would prove a panacea for all the ills with which we were afflicted, has been impotent to stop decline and depression. If the two acts to which I have referred have been successful, why is domestic business paralyzed in ever section, why are conditions pertaining to agriculture and unemployment constantly growing worse?

During the vacation of the Congress the President announced the threatened collapse of the German Government and appealed to so-called leaders, both Democrats and Republicans, in the two Houses of the Congress to indicate their consent to a moratorium respecting war debts which he proposed to suggest.

When the suggestion was made and the indications pointed to its acceptance, there was a slight quickening in business activity, which, however regrettably, continued for only a few days. Do Senators remember how prompt the President's propagandists, like the "Prophet Pat," were to claim credit for the Chief Executive as having saved the world from utter collapse, to glorify his name for an achievement which, while it had no lasting results in so far as our business or commerce was concerned, was given credit for having prevented a collapse in Germany?

Secretary Hurley is known as the Cabinet member closest to the President. In his address yesterday he bitterly assailed the Democrats in Congress, and sought to take advantage of their readiness to forego partisan opposition in so far as that can be done without sacrificing the public interests.

The moratorium was not the sole instance in which the President appealed to Democrats to show their patriotism by foregoing partisanship and to support his policies along with equally patriotic Republicans. When the naval arms limitation conference was about to assemble in London the President appointed a Democratic Senator as one of the delegates, and when the treaty was negotiated, and ratified with relatively more support from Democratic Senators than was accorded by Republican Senators, White House messengers raced to the news reporters and the press bureaus proclaiming the treaty as the outstanding triumph of Republican skill in the conduct of foreign relations.

The first delegate to be selected to the Geneva Disarmament Conference expected to convene next February is a Democratic Senator of international renown. The process of this administration is to ask the opposition to forego every partisan consideration, and, when that is done, to proclaim the results as distinct triumphs for President Hoover and his administration.

Realizing that the President will veto measures colored with Democratic partisanship should the same pass the Congress, it is our purpose and policy, just as far as I am capable of stating and defining it, to make every improvement possible in the measures brought forward during the present Congress, fully recognizing President Hoover's responsibility and duty to recommend and suggest and also his power to veto.

That does not mean that we shall become nonpartisan or that we shall fail to take fair advantage of the mistakes of our adversaries. It does mean that we recognize the perils which threaten our people in their affairs—perils which, if not brought about by Republican measures and policies, have certainly come into existence while the Republican Party has been in complete control of this Government.

When occasion arises we shall not hesitate to advocate reforms, but we do not expect to be able to reflect into legislation our views touching measures recognized as subjects concerning which the two parties emphatically disagree so long as the present occupant is in the White House or his party associates outnumber us in the Senate.

We intend to contribute our best efforts for the promotion of the welfare of the country, to pursue a sane and fair policy, and I do not believe that fair-minded citizens will give their support to a political organization whose head one day asks nonpartisan action and, when that is given, the next day holds aloft a flag of triumph in glorification of his own partisanship.

Mr. HARRISON. Mr. President, the timely remarks of the distinguished leader on this side prompt me to bring to the attention of the Senate another very striking figure, who played a very large part in the recent meeting of the Republican National Committee in Washington.

From the newspaper reports I am led to sympathize with the President and these representatives of the Republican Party who assembled here. Just before the meeting we saw in the papers that the delegates came here very much depressed, that their hopes were at low ebb. They needed consolation and some tonic, which only the distinguished senior Senator from Ohio [Mr. FESS], now presiding in this body, could give to them. He is a smart, shrewd, experienced man in politics. He has spoken to national conventions on many occasions and has fooled many people in his own State in order to get elected to office.

Seeing this picture of dejection and depressed looks and forlorn hopes, he made a speech. He played the part of the pawnbroker. Of course, I take it that it was after conferring with the Secretary of War, Mr. Hurley, and, perhaps, the President and my astute friend there the senior Senator from Utah [Mr. SMOOT], and other leaders. He said that the idea is to sell Hoover to the country. That was the burden of his song, that was the strong point of his speech.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. HARRISON. I yield.

Mr. BARKLEY. Does not the Senator really think that in their hearts they would like to give him away?

Mr. HARRISON. Does the Senator mean the President or the chairman of the Republican National Campaign Committee?

Mr. BARKLEY. Either one or both. [Laughter.]

Mr. HARRISON. So it is said.

Mr. SHORTRIDGE. Mr. President——

Mr. HARRISON. I yield to my distinguished friend.

Mr. SHORTRIDGE. Perhaps the party of which the Senator is such a distinguished member would like to get rid of the chairman of its national committee.

Mr. HARRISON. I do not think the distinguished Senator and his party colleagues would have anything to talk about if we got rid of Mr. Raskob.

Mr. SHORTRIDGE. I ask the Senator if he would not like to get rid of him.

Mr. HARRISON. If the Senator asks me, I say no. Chairman Raskob is a very sincere and conscientious gentleman, intensely interested in the principles of the Democratic Party and the welfare of the country. He has rendered very great service to the Democratic Party. Naturally he is a source of annoyance to my Republican friends.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Oklahoma?

Mr. HARRISON. I yield to the Senator from Oklahoma.

Mr. GORE. Does not the Senator from Mississippi think that the Republicans ought to wait until short selling has been abolished before taking any such step?

Mr. HARRISON. Short selling has become so prevalent under the Hoover administration that my friend the chairman of the Republican National Committee has adopted the plan of selling Hoover short, certainly not long.

Mr. GORE. "Its a bear!" [Laughter.]

Mr. HARRISON. Yes; it is a bear raid.

But this selling idea is only carrying out the plan that was employed two years ago by the Republican organization. Here is the character of advertising that was promoted by the Republican committee in 1928, big full-page advertisements in all the papers of the country. One of them said, in large type:

Ten candidates in one, the Republican Party presents in Herbert Hoover.

How he has shrunk since then! What an exaggeration! Another one read:

On the peaks of prosperity.

[Laughter.]

In this paid advertisement in behalf of the election of the President I notice another paragraph to which I wish to call attention. Of course, the signature of my friend who now presides over this body is not there, but other good Samaritans who contributed liberally to the party signed the statement. It is in big type, and reads:

On the peaks of prosperity. Your directors, the Republican Party, wish to report reduced debts and taxes, factories in full capacity, export trade at full tide, basic agricultural improvements, and the highest dividends of record.

That is the way they sell their candidate to the country; and so my friend the chairman of the Republican National Committee has undertaken the very difficult job of selling again the President to the country.

I noticed an editorial in the New York Times on my friend's speech in which the editor of the Times said Chairman FESS was not very enthusiastic in his speech, that when he undertook the job of selling Hoover it looked like he appreciated the hard task he had on his hands. A part of the whole scheme was that, after the chairman began to sell Hoover short, the Secretary of War as spokesman of the administration should come forward and make this his keynote speech. It is unfortunate that the speech was made. Senators on the other side of the aisle deserve congratulations for the way they have conducted themselves under the circumstances. I do not know of anyone on the other side of the Chamber who approved, except that on one occasion I think my friend the Senator from Utah [Mr. SMOOT] perhaps claimed credit on behalf of Mr. Hoover for the moratorium and said that deed in itself would reelect him. I notice that the Senator from Utah shakes his head, and I accept the Senator's apology. [Laughter.] He says he did not say that. So there are none of the Senators who tried to play politics in this great crisis of the country's history.

It is indeed unfortunate, just as the Congress convenes and we are to begin to legislate to help solve some of these delicate international and domestic questions, that the President should select the Secretary of War as his spokesman, and he should begin this tirade against the Democratic Party and its organized leaders. One can see running through the speech that he is trying to revive the old campaign issue of two or three years ago, which is unworthy of any political organization, of religion in politics. One can hardly find one of the ill-advised leaders of the Republican Party but what he wants to prate upon Raskob—the same character of campaign that put the Republicans into office two years ago.

The Secretary of War says we have no program, that the Democrats are without a plan, that we are waiting to catch Hoover ideas before we adopt our plan. The Democratic Party may make many mistakes, but it will never go so far as to make the mistake of accepting the Hoover ideas in its plan of action and program. His ideas generally are but bubbles—bubbles in the air. His housing scheme is such a bubble, and I dare say not a Senator on the other side of the aisle to-day understands it. I have seen nothing in the papers to indicate that any of them approved of it. It is such ideas in times like these that have weakened the President in public esteem, and destroyed the confidence of the people in the leadership of their Government.

Coming at this particular time when Congress is just meeting, is it a just criticism that as yet the Democrats have offered no plan or program? We did not know until about three or four days before the Congress convened that we were to elect the Speaker of the House of Representatives. It was in doubt up until a very short time before we convened. But I say, in that body, which is now controlled by the Democratic Party, they have been able to harmonize their differences and organize. But here—in this Chamber where you Republicans control—you have not been able to harmonize your differences and get together even upon the election of a President pro tempore.

So here we are traveling along and the spokesman of the administration says that not yet have we offered a plan to the country. Why, up until the President sent his message to the Congress and the Secretary of the Treasury reported his tax plan, we could not get a particle of information from the Treasury as to what its program would be and what it would do. Indeed, up until about two months ago every manifesto from the White House was telling the people that we were not going to have increased taxes in the country, and only when the leader on the Republican side went to the White House a few weeks ago and came back with changed views did the country get the idea that we were to have a bill before us to increase taxes. Yet the Secretary of War, in his fairness, representing the President, criticizes the Democrats for not yet having a tax plan. We will have a tax plan and it will be a tax plan that will not put the heavy burdens upon the great masses of the people, such as the administration is now recommending to Congress.

Mr. GORE. Mr. President——

Mr. HARRISON. I yield to the Senator from Oklahoma.

Mr. GORE. I apologize for interrupting the Senator, but I wish to say at this point that the Secretary of War is a distinguished citizen of my State. Personally he is an intimate friend of mine, and I might add that I love him as a brother. I would forgive a great deal at his hands. But I think it ought to be remembered that Secretary Hurley, while he is a Republican, is also an Irishman. He has a keen sense of humor. He enjoys a joke. [Laughter.]

Mr. HARRISON. I too am very fond of Secretary of War Hurley. I have known him for 20 years. He is a fine man, but with such influences around him he could hardly be expected to escape becoming contaminated. He has become subservient and obedient to the wishes of the President. I know he comes from my distinguished friend's State. He comes from Tulsa. There is another distinguished Republican out in Tulsa, a friend of the Secretary of War. His name is Lorton. He is editor of the Tulsa World, one of the leading newspapers of the Southwest. I notice that his high estimate of Mr. Hoover is not the same as that of Mr. Hurley, because in an editorial published in the Tulsa World Mr. Lorton said:

Mr. Hoover is a most colossal mistake.

So they do not agree very much on that question.

We have not yet had time to present our plan of taxation. We would not be entitled to control the Government if we did not study carefully the details of any tax plan and evolve one that would incorporate the principles of the Democratic Party to lay the least burden upon the American people. But we are working upon a plan and we will have a plan. The one thing that we have agreed upon, so far as the policy committee representing the Democrats of the House and Senate is concerned, is that we have got to cut the expenditures of the Government and we are going to employ all necessary means to do it. We can talk about reducing taxes, we can talk about shifting taxes from this to that, but the finest road to travel, and I think the Democrats appreciate it, is to cut wherever possible the expenditures of the Government departments without impairing efficiency. So we have given out that kind of an expression as the sense of the Democratic policy committee.

If we look at the figures, we will find that the Department of Commerce, when Mr. Hoover presided over it as Secretary of Commerce, increased expenditures more rapidly and to a greater extent than any other department of the Government service. On the matter of employment, I find that in 1929, and this has no relation to the census, the employees in the Commerce Department numbered practically 17,000. That number was increased from 1922, when it was about

11,000. It shows the largest increase in the matter of employment of any department of the Government. If we take the executive department itself, where Mr. Hoover directs expenditures, we find that that department has increased perhaps more than any other particular branch of the Government. Its expenditures for employees now amount to something like $400,000 a year. President Hoover talks about retrenchment. He talks about saving the taxpayers. Yet we have not seen where he has curtailed his army of secretaries and employees around the White House.

My friend the chairman of the Republican National Committee has just been unfortunate in his remarks. As my friend from Arkansas [Mr. ROBINSON] has well stated, the Democratic Party, where the welfare of the country has been at stake, has never played politics, and it is not going to do so now. He cited the instance of the naval limitation of arms conference. He did a great work in that conference, and we supported the measures relating to that matter. I can remember the time, two years ago, and my friend the Senator from Utah [Mr. SMOOT] remembers it, when the collapse came upon the New York Stock Exchange and there was trouble in the air, the Secretary of the Treasury called some of us up there and said, "I think it will restore confidence and might save the situation if we could pass a tax bill giving some measure of relief." We came back here and almost unitedly worked to put that plan through. We did not play politics.

So not long ago, during the past summer, when conditions were going from bad to worse, and the President asked many of us about his moratorium, did we play politics? Did we take advantage of an acute crisis? No. We unhesitatingly told him that we would cooperate with him on the 1-year moratorium plan. I told him that, and I expect to vote that way. Many other Members of Congress were not consulted, and, of course, they are going to vote their own convictions on the subject; but we did not play politics; and yet, almost the very night that it was announced, the publicity king of the Republican National Committee, on the radio, over a nation-wide broadcast, was extolling the moratorium as one of the great achievements of President Hoover, notwithstanding the President himself in a statement announced that there was no politics in it, and that the Democrats were entitled, with him, to some credit for that action.

When following that, a few weeks ago, the President called into conference Republicans and Democrats and laid another plan before them, did we pick flaws in it and try to play politics in that case? No. The President wanted to create a national credit association in order that the banks might get a credit of $500,000,000. It was proposed to relieve the banks of the country that were experiencing troublous times; it stated that it was going to help them to free some of their credits, that it was going to save some banks from ruin. I thought it was wonderful; that the psychology of the proposal was good. People were led to believe that they were going to get something which they have not gotten, because the other day I was informed that the National Credit Association had loaned only four and one-half million dollars. Many alleged achievements with trumpets and brass bands are heralded, but when they are analyzed they really do not exist.

Mr. President, it is unfortunate that this partisan contest started at the other end of the Avenue; but it is not going to swerve us in the discharge of our duties. We appreciate that this country is sick; that we are in a terrible condition; that there are lines of unemployed; that industries are closed down; that our export trade is gone; that banks have failed; that there is sorrow in the hearts of tens of millions of the American people; but we are going to try to give our very best in a nonpartisan way to help lift the American people out of this bog and mire of economic depression.

Mr. GORE. Mr. President, I merely wish to say one word at this point. The Senator from Mississippi has referred to Mr. Gene Lorton as the Republican editor of a Republican newspaper in Oklahoma. Mr. Lorton is my personal and political friend. He is the editor of the World; and I desire to say to the Senator from Mississippi that the World has gone Democratic—and that I use that word in a double sense.

Mr. HARRISON. I was delighted when the influence of that great paper turned to the Democratic cause. It showed the fine sense of a great journalist.

"DEPLETION ALLOWANCES AND FEDERAL TAXES"

Mr. THOMAS of Idaho. Mr. President, I have an address by Donald A. Callahan, president of the Callahan Lead-Zinc Co., of Wallace, Idaho, on the subject of "Depletion Allowances and Federal Taxes." I ask unanimous consent to have the address printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

DEPLETION ALLOWANCES AND FEDERAL TAXES

By Donald A. Callahan, president Callahan Lead-Zinc Co., Wallace, Idaho

SINCE CONGRESS WILL PROBABLY CONSIDER THE AMENDMENT OF THE PRESENT DEPLETION PROVISIONS UNDER THE FEDERAL INCOME TAX LAW, THE MINING INDUSTRY SHOULD BE IN AGREEMENT AS TO THE FUNDAMENTAL PRINCIPLES INVOLVED

That amendment of the depletion provisions under the income tax law with relation to mines will be considered by the next Congress seems reasonably certain. Various changes have been proposed, among them a liberalization of the discovery clause, unit depletion, a percentage of gross income and a fixed percentage of net income. The latter method, providing for depletion at the rate of 33⅓ per cent of the taxpayer's net income, has been embodied in a bill introduced in the House of Representatives by Congressman CHARLES B. TIMBERLAKE, of Colorado. This method was given preference in the preliminary report on depletion by the staff of the Joint Committee on Internal Revenue Taxation, although the staff did not commit itself to the rate.

This being the case, it seems important that the mining industry should be in agreement, at least as to fundamental principles, before the Congress meets in December. In reaching an agreement it may be necessary for individual operators to make what they may consider concessions. It is unlikely that any concessions thus made will have more than a temporary effect, for it should be clear that once a fundamentally sound basis for depletion is arrived at it can not but be beneficial to the entire industry in the long run.

Mining is an uncertain business in its best aspects. It depends upon a great many contingencies for its prosperity. In the first place, of course, there must be metal which can be mined at a profit. Secondly, there must be financial means available to carry through the period of exploration and development. Thirdly, there must be a metal market of sufficient stability to insure a long-term operation of properties once developed. And, lastly, there must be a fundamentally sound basis upon which taxes of local, State and Federal Governments shall be computed.

This latter basis, as far as the entire industry is concerned, should first of all be reasonable, and secondly, it should have a sufficient element of certainty to enable the operator to plan his operations for the future and to determine, when once his ore has been mined and marketed, the amount of tax due his Government without encountering the disturbing factor of reassessment after he has closed his books for the period and made distribution of whatever profits may have been realized.

The provisions of all Federal income tax laws relating to mines have never given the operator a feeling of certainty as to the amount due or of security as to future reassessments. He has been obliged to maintain either whole or part time staffs of experts to make his tax return in conformity with involved bureau regulations and in accordance with the best information he can secure as to his tax liability. He has been obliged, if he is a prudent operator, to pay out large sums of money in engineering and accounting services in setting up the valuation upon which his depletion allowance is to be based. And, even after providing himself with these safeguards and expending large sums of money in an endeavor to correctly report his income, he has found after several years that he is faced with the claim that the basis for the return has been entirely incorrect and that additional sums must be expended in maintaining his position before the Revenue Bureau. It matters not in the end whether the taxpayer or the Government wins in the controversy. Both have been out a considerable sum of money and neither has benefited. This is not a fanciful statement. The industry knows that it is the actual experience of a countless number of mine operators since Federal income tax laws were first enacted.

The greater part of these difficulties has arisen over allowance for depletion. The greatest uncertainty which has existed in the minds of mine operators since income-tax legislation was begun has been that of the rate of depletion allowed and the manner of ascertaining the allowance. Volumes have been written upon the subject, but it was not until the preliminary report on depletion by the staff of the Joint Committee on Internal Revenue Taxation, popularly known as the Parker report, was released that a definite statement of the workings of the various revenue laws,

together with substantiating figures, was placed in the hands of those interested.

That report quite definitely commits the staff to a preference for the allowance of depletion upon a basis of percentage of income. Since that time hearings have been held by the joint committee, and the proponents of the percentage method have laid their case clearly before the committee. The hearings on this subject, which took place in December, 1930, covered the subject from both a theoretical and practical standpoint. Men who had been engaged in the industry for years gave the committee the benefit of their actual experience, and others, who had been in the bureaus of the Government having to do with the administration of the law, set forth clearly the effects of its actual operation. All agreed that under the present method there were complexities, lack of accuracy, and difficulty of determination of depletion allowances; that these resulted in an excessive cost of administration to the Government; a delayed settlement, costly to both the Government and the taxpayer; and a gross inequality among the taxpayers themselves. On the other hand, they agreed that the percentage method was simple, furnished an accurate and easily determined basis resulting in economy of administration, prompt settlements, and an equality among the taxpayers.

Opposed to these conclusions are three very powerful agencies. First, the bureau which has the administering of the law—a typical example of what we unfortunately may expect in dealing with our far-flung bureaucratic organization of government. The Treasury heads perhaps oppose a change, but that opposition does not rest upon a thorough consideration and understanding of the principles involved. It rests upon the confidence which those heads repose in the men most interested in maintaining the present status—the employees of the bureau who are technically informed as to the matter involved and whose security as public officials rests upon the maintenance of administration as at present. One could expect nothing but opposition from the valuation section. One perhaps can expect nothing but acquiescence upon the part of the political heads of bureaus and departments in the opinions furnished by their technical staffs. That opposition should be considered as powerful only in the event that Congress, having created a bureau of government, abdicates entirely its constitutional duty of seeing to it that the agency which it has created does not transcend its original authority. That authority is to administer such laws as Congress may enact and to refrain from attempting to influence legislation in behalf not of the taxpayer nor the Government, but of itself.

Secondly, there is the opposition of certain mine operators, an opposition which is based upon two compelling considerations: First, that of self interest; and, secondly, that of fear. Self-interest dictates to those who enjoy depletion allowances out of line with those which others in the industry possess; and fear influences those who do not understand and would rather endure the evils they know of than to risk the loss of all depletion allowances.

An examination of the appendix to the published hearings before the joint committee discloses some startling facts. Among these is the following: That the weighted average of the ratio of depletion allowed to net income from property for the seven years from 1922 to 1928 shows that gold and silver had a ratio of 37, copper 60.5, lead and zinc 32.5, iron 41.2, coal 31.6, and sulphur 45.8. It is quite apparent from these averages that certain branches of the industry have been enjoying greater advantages than others. It is easy therefore to understand why certain operators do not give whole-hearted support to a method which will equalize conditions, not by raising the ratio to the point of the highest allowance but by fixing the ratio at a point which will insure justice to the operator and a proper return of taxes to the Government. The question arises, Shall the entire industry allow this question to drift as at present to the point where an indignant Congress, in an endeavor to effect a fair return from those who have enjoyed past benefits, wipes out the depletion provision completely and compels all metal producers to pay a tax upon capital which they have consumed in carrying on their business?

The third agency which is strongly and rather influentially opposed to a change in the present methods is that body of specialists which has become necessary under the present complicated systems of ascertaining tax liability. These people are known as tax consultants or counselors. They either practice independently as other professional men or they are attached permanently to the staffs of large operating companies. In either event their prosperity depends upon two factors—first, a continued necessity for their employment under a system which places the ordinary operator or manager at a disadvantage; and, secondly, their ability to secure depletion allowances. This profession, like every other, has its outstanding representatives and they get the business. They get the business because they achieve results, and every time they achieve a result one of two things must have occurred. Either the Government has been defeated in an attempt to unjustly tax one of its citizens or an undue advantage has been secured by one taxpayer over all others in that particular line of business, and the Government has suffered in its revenues accordingly. We will presume that in the majority of cases the former element has prevailed and the tax has been finally adjusted to a fair basis as far as the individual taxpayer is concerned. It is plain to be seen that without the intervention of the expert tax man the taxpayer would have suffered a distinct loss. This leads us to inquire: What of the hundreds and perhaps thousands of smaller taxpayers who have not had the means to secure such expert assistance? If the principle applied in the larger case were not sound and capable of being maintained in the courts, if the facts upon which the assessment was based have not been as represented by the Government where larger amounts are involved, is it not reasonable to assume that the Government erred in applying similar principles in all cases? There is no question but that the present system of taxation of incomes from mining operations, particularly as it relates to allowances for depletion, has placed a premium upon the skill possessed by expert tax adjusters and resulted in injustice to those who are not in a position to secure the services of such men.

This body of tax experts opposes the principle of percentage depletion almost to a man. Privately they may admit that the principle is sound, but their business depends upon a continuance of the present complicated methods, and it is not a part of the ethics of this or any other highly paid profesison to join in agitation for correction of a system which incidentally has resulted in tremendous profit to the members of that profession.

Against the opposition of these three strong and more or less organized influences the mining fraternity generally should unite and it should have the support of those who are interested in simple and equitable procedure in tax matters. Experts have agreed that the application of the percentage method in arriving at depletion will not decrease the Government's revenue and many are of the opinion that it will materially increase it. They are agreed likewise that its simplicity of administration will result in a reduction of the costs of collection. In this period of depression our wisest counselors are advising that we start at that end to balance our budgets. It is the reduction of governmental costs and not the levying of additional tribute upon business which will bring our Governments—State and National—back to a sound financial basis. Then, again, it is universally agreed that the application of the percentage method for depletion will mean a steadier income, which will not be affected to so great a degree by recurring periods of prosperity and depression in the mining industry. This argument should carry great weight, for it is the inherent weakness of income taxes generally that they furnish only fair-weather revenue. When business is good there is plenty of money coming into the Treasury, and the tendency, unfortunately, of our legislative bodies is to incur new governmental liabilities. When business is poor, the source of our revenue is dried up and we find the Government, as at present, facing a deficit. Percentage depletion, applied to the mining industry, would have a stabilizing influence as far as the revenue from that industry is concerned.

In this connection I quote from an editorial of A. B. Parsons in the January, 1931, issue of Mining and Metallurgy. He was referring to the hearings before the joint committee and says:

"On one point in connection with the proposed percentage system for the calculation of mine depletion allowance on income-tax valuation there is general agreement; the method is definite, understandable, and straightforward. The present so-called "analytical" method, in actual practice, is indefinite, abstruse, and circuitous. Its administration necessarily is based on official opinion or judgment on matters which are utterly insusceptible of accurate estimation. As to whether the proposed allowance of 33⅓ per cent on net profits would, in the long run, prove to be a more equitable basis as between the mining industry and other groups of taxpayers is difficult to say. As between individual mining companies it might be more equitable, for the reason that the companies that employ the most adroit, influential, and highly paid tax experts now have a big advantage. Little wonder that the only dissenting voice at the recent congressional hearing on the proposed new system is raised by a group of income-tax counselors. Not that we would do differently were we in their shoes."

It may be that there are some operators who feel that the demand for the application of the percentage principles can not be substantiated and that perhaps the entire allowance of depletion may in a sense be questionable. Perhaps this sentiment has been created by agitation against certain allowances for depletion which have been made in the past. To all these I say that the mine operator owes no apology to anyone for demanding a proper basis for depletion of his ore reserves. That demand rests upon absolute justice, for we are dealing now with an income tax law and not a tax upon capital. The Government does not in theory tax capital, and yet, if a proper allowance is not made for depletion, that is in effect what it accomplishes as regards the mining industry. The only question with which we as an industry should be concerned is that the application of the principle of depletion shall be so just and equitable that the smallest operator, without intervention of expert assistance, shall receive as just an allowance for his depleted capital as does the mammoth corporation which is able to engage the best-trained assistance in the market to establish its claims.

It is not the question of depletion itself which is being questioned. It is the application of that principle to individual cases and separate classes of the mining industry which has aroused suspicion and antagonism in certain quarters. As I said before, this is one of the grave dangers which confronts the industry as a whole and one which the industry should be guarding itself against by agreeing upon the application of a principle which can not possibly result in inequitable application.

There is another grave danger to which I would like to call the attention of the industry, particularly of that portion of the industry which feels that it is doing very well under present condi-

tions and is fearful of a change. That is the danger of the general application of the principle of dilution. This principle has been applied in the past, according to the appendix to the report of Hearings Before the Joint Committee on Internal Revenue Taxation, as follows:

Silver and gold	1
Copper	None
Lead and zinc	125
Iron	None
Coal	None
Sulphur	None

These figures show that in the past dilution has been confined practically to the lead and zinc properties in the tri-State field. What will become of the depletion allowances of those companies which have underestimated their units and secured a high unit rate for depletion if the principle of dilution be generally applied? Not only will the existing depletion allowance melt away under the decreased unit rate but grave complications involving great expense will arise in connection with the allowances which have been made in the immediate past and the allowances to be made in the future. It is generally conceded that dilution is mandatory and not optional. For a just application of the law it should be mandatory. There should be no options in the administration of tax laws.

Let us assume that a property has been estimated as of March 1, 1913, to contain 100,000,000 units of ore. This 100,000,000 units has been held by the bureau to constitute the owner's capital and the whole of his capital. A valuation is assigned to these units under the present arbitrary, scientific, guesswork system which depends on so many unknown and unknowable elements that it is ridiculous. Let us assume, however, that the valuation works out to be $2,000,000, or 2 cents per unit. The producer proceeds to take depletion at this rate. After some years he has exhausted one-half the original units and has 50,000,000 remaining, or a value for depletion of $1,000,000.

Now assume that in the course of development of the deposit an additional quantity of ore amounting to another 50,000,000 units is disclosed. He can not be allowed discovery value on the additional ore because we will say it is a continuation of the original ore body. What to do? Either the taxpayer will be denied depletion entirely upon the additional 50,000,000 units disclosed or the $1,000,000 balance of the original valuation must be spread or "diluted" to cover the 100,000,000 units now remaining at a new depletion rate of 1 cent per unit.

I am not going to discuss the complications which unquestionably will arise from the general application of the principle of dilution. I am merely calling attention to the fact that those who feel that they rest secure with either original or discovery allowances for depletion may well consider the danger of the universal application of the principle of dilution and its consequent loss of unit allowance and expense of final adjustment. It is alarming, to say the least, to consider what may occur should the principle of dilution be recognized finally as mandatory, and settlements which have been considered final reopened for a revaluation of the units which serve as the base for depletion.

Should this question of depletion allowance be considered by the next Congress, the industry as a whole can look forward to several elements which should be taken into consideration and which should result in a final determination which for the long pull will be to its advantage. They are—first, a necessity for simplification of governmental machinery in order to reduce costs; second, the establishment of a basis which will insure a more equitable method of taxation; and, third, the desire on the part of the Congress, after the recent unhappy experience of the Government, to bring about a more stable revenue from the mining industry. These elements should all be resolved in favor of application of the percentage system. They were recognized in the preliminary report on depletion by the staff of the joint committee. They seem to be thoroughly understood by the members of the committee itself in hearings held last December. As a matter of fact, several members of the committee expressed themselves as favorable to the change, the only question in their minds being the rate to be used.

I have sought to lay stress upon the dangers which confront the industry in this connection. These are troubled times and the question of revenue is one with which the Congress must be primarily concerned for there is a Budget to be balanced in the face of unprecedented demands for Government aid. We have in our favor the precedents which the Congress itself has established—first, its recognition of the right to depletion based upon the theory that depletion is a return of capital to the owner; second, the recognition of the fact that the difficulties of valuation have made it necessary to grant depletion because of new discoveries; and, third, the application of the principle of percentage depletion to the petroleum industry. In addition to this, the application of the principle in Canada and its successful working out furnishes a most convincing argument. With these factors in favor of a scientific and equitable solution of this involved question, it is unthinkable that individual members of the mining fraternity will consider what they look upon as an immediate advantage in withholding their support. They must realize that congressional approval of a system which has been inequitable as among operators and at the same time has resulted in loss to the Government in revenue can not be expected. Far better to join in a unanimous demand for the working out of a system which will insure stable revenue, do away with involved administrative procedure, and result in the object which is of primary concern—a return to the industry generally of its capital tax free.

THE WORLD COURT

Mr. WALCOTT. Mr. President, I ask unanimous consent to have printed in the RECORD certain remarks of Hon. John W. Davis on the question of our entrance into the World Court, and a statement of various bar associations on the same subject.

The VICE PRESIDENT. Without objection, it is so ordered.

The address and statement are as follows:

LEGAL ASSOCIATIONS IN EVERY PART OF THE COUNTRY URGE SENATE RATIFICATION OF WORLD COURT PROTOCOLS, ACCORDING TO SURVEY MADE PUBLIC TO-DAY BY JOHN W. DAVIS

Since the Senate Foreign Relations Committee has agreed to take up the question of reporting these protocols to the Senate at its meeting on December 16 next, the recommendations which groups of lawyers all over the country have recently made become significant. Very recently a New York newspaper, whose consistent opposition to the court is well known, implied that the action of the American Bar Association of a few weeks ago, vigorously urging Senate ratification of the pending protocols, was hasty and stimulated. The fact is that the recent action of the American Bar Association constitutes the fifth formal expression made by the association upon the subject of the court in as many different years. Under such circumstances it could hardly be, as the aforesaid newspaper implied, the expression of a small bloc within the organization, determined to commit the group as a whole to a court policy not held by a majority of the membership. My own study of the situation leads me to believe that the recent action of the American Bar Association is substantially a reflection of a country-wide legal sentiment that has been separately expressed by many local legal bodies. Even a brief reference to these will indicate the depth and the comprehensiveness of the consideration which bar associations have given to this question through many years, as evidenced by the result of the significant present survey covering many State and local legal groups.

REFERENDA AND RESOLUTIONS BY LARGE CITY BAR ASSOCIATIONS

Many of the legal groups which have recently acted have merely brought up to date action taken by them in previous years. The New York City Bar Association has discussed the question at several meetings. The San Francisco Bar Association has taken two referenda on the question. A number of the associations that have acted have done much more than simply pass a resolution. The Cleveland Bar Association, after thoroughgoing discussion of the question itself, organized a speakers' bureau to furnish speakers without charge to local organizations interested in informing their members upon the merits of the court question and the present status of the negotiations leading to the adherence of the United States.

I personally know of no State, city, county, or local bar association anywhere in the United States whose formal action has resulted in the expression of opposition to the adherence of the United States to the World Court. In addition to the New York City, the Cleveland, and the San Francisco Bar Associations, city bar associations in New Orleans, Denver, Chattanooga, and Little Rock have expressed their belief that the Senate should complete our entrance into the court this winter.

STATE BAR ASSOCIATIONS THROUGHOUT COUNTRY URGE RATIFICATION

Since the spring of this year alone the Virginia, Texas, Louisiana, Arkansas, Oregon, Vermont, and Missouri Bar Association have called upon the Senate to ratify the protocols. The Vermont Bar Association, with only two sessions, devoted the whole of one of them to a discussion of the World Court situation, opening the meeting to the public because of its realization that this question ought to be widely discussed and more generally understood. The Arkansas Bar Association has not failed, at its last four annual meetings, to urge Senate action. The Connecticut, Minnesota, New York, Tennessee, Ohio, Mississippi, Nebraska, and New Jersey Bar Associations are others that have called upon the Senate to ratify the protocols.

MANY COUNTY BAR ASSOCIATIONS ACT

It would take too long to enumerate all the county bar associations that have already dealt with the World Court question or those which, because of their expectation that the question will be settled this winter, have scheduled meetings this winter for discussion of the World Court treaties. Six county bar associations in New Jersey alone have already dealt with the question or intend to; in the State of Washington three have meetings on the court scheduled; the Findlay Bar Association in Ohio, the Starke County Association in Indiana, the Throckmorton County Association in Texas, the Twin Falls Bar Association in Idaho, and the Cascade County Association in Montana intended to discuss the question at coming meetings. And so the list goes on. Many of these county bar associations have appointed special committees to report on the World Court protocols to their members; others have scheduled debates; still others have, through their directing boards, submitted resolutions to the full organization.

The development of judicial procedure by a permanent court for the adjudication of international disputes will inevitably interest all lawyers who are genuinely concerned in the vast problem of the development of international law. I believe it can be demonstrated that the legal groups of the country have shown a fairly continuous and vigorous interest in this whole question from the time of the First Hague Conference 32 years ago, when our delegates urged the other nations of the world to establish just such a World Court as has now been working successfully for nine years. It seems to me the Members of the Senate can not fail to take account of the fact that a body of competent legal opinion, representing all sections of the country, now, after formal consideration of the merits of the question, is urging the Senate to complete our entry into the court by ratification of the pending protocols. The emphatic recommendation of these legal groups proceeds from a conviction that to refuse ratification of the protocols and thus to defeat the adherence of the United States to the court is to deny a traditionally American ideal, to disregard the recommendations of both national parties, and to invalidate the Senate's own action of 1926 providing for our entrance into the World Court on the conditions that are now satisfied by the pending treaties.

THE BAR ASSOCIATIONS AND THE WORLD COURT

Because the completion of the adherence of the United States to the World Court hinges upon legal questions (somewhat too technical to be understood in detail by a wide public), the attitude of the many bar associations that have carefully considered the issues is of more than ordinary significance.

Do the three treaties awaiting ratification satisfy the Senate's 1926 reservations?

Does the Root formula outlining a procedure for the fifth reservation impair or modify the absolute power of veto over advisory opinions reserved by the Senate in its fifth reservation?

To these critical questions, bar associations, local, State, and national, have, after thoroughgoing discussion, furnished an interesting and conclusive body of reply. Many of the bar associations have considered the court question not once but progressively from year to year, following the various stages in the negotiations relating to the adherence of the United States. The American Bar Association, for instance, which in September last specifically urged the Senate's consent to the ratification of the three pending treaties, has formally dealt with the court five times since 1923—when it first passed a resolution urging the adherence of the United States to the court. That fact should sufficiently reply to the New York newspaper, more zealous than informed in its anti-court campaign, that assailed the American Bar Association's most recent action as a stimulated expression not representative of the association's opinion as a whole, and as the triumph of a small bloc within the organization determined to commit the group as a whole to a court policy not held by a majority of the membership. A more detailed statement below shows the deliberation that accompanied the association's most recent action.

The American Foundation has been at some pains to establish how far the question of the court has received consideration by leading legal groups in all parts of the country. The summary, below, of action taken by outstanding State, city, and county bar associations is by no means complete. We may not, in all cases, have been notified of action taken. And since the question at issue has been, since the passage of the Senate's 1926 resolution, different from the general question of adherence which was the issue in the years preceding 1926, we have not included here resolutions in favor of adherence passed in 1923, 1924, and 1925 by bar associations (those of Massachusetts, Boston, Delaware, and others) but have confined ourselves to recent resolutions referring to the present status of the court question and recommending ratification of the three pending protocols.

Mr. Guy Thompson, elected president of the American Bar Association, at its September, 1931, meeting pointed out that the report adopted by the association on September 17, urging Senate ratification of the protocols, had been prepared by a competent group which had the report under consideration for several months preceding its presentation to the association. Copies of this report were sent to the 27,914 members of the American Bar Association approximately 30 days before the association's virtually unanimous indorsement of it on September 17, 1931. A brief summary of the extent to which the American Bar Association has dealt with the World Court situation testifies that the September indorsement was not lightly given:

In 1923 the American Bar Association passed a resolution urging the adherence of the United States to the World Court.

In 1926 the association expressed satisfaction at the passage of the Senate's 1926 resolution providing for the entrance of this country into the court.

In 1927 the association urged the resumption of the negotiations between the United States and the signatory nations of the court in the belief that the "differences * * * between them * * * would seem to be easily capable of reconciliation."

In 1929, very shortly after the publication of the protocol of accession, with Mr. Root's formula, the association expressed its belief that the "provisions of the protocol would seem to provide full protection to the interests of the United States with respect to advisory opinions, and to carry out fully the purport of the Senate reservation * * * ."

In 1931 the association, at its annual meeting on September 17 last, adopted the report of its committee on international law, quoted in part, below. The whole report consisted of a detailed analysis, in 16 closely printed pages, of the situation past and present with regard to the entry of the United States into the World Court and of a summary of the traditional atttitude of the American Bar Association toward adherence to the World Court:

"Believing that the Permanent Court of International Justice is the greatest of international instrumentalities for the preservation of peace and of justice between nations, this committee recurs to the approval given to the participation of the Government of the United States in the World Court, upon the terms and conditions set forth in the protocol of accession of the United States. It requests the American Bar Association to reaffirm at its forthcoming session in Atlantic City the action taken at the meeting of the association in Memphis in 1929: That the Government of the United States shall adhere to the permanent court upon the terms and conditions as stated in the protocol of adherence, to which it is a signatory; and the association respectfully requests and earnestly urges the Senate of the United States to advise and consent" to the ratification of the three pending protocols.

STATE BAR ASSOCIATIONS

In 1931, during the spring and summer months alone, resolutions urging the Senate to ratify the World Court protocols were passed by the State Bar Associations of Virginia, Texas, Tennessee, Louisiana, and Arkansas; early this fall the Bar Associations of Vermont, Oregon, and Missouri added a clear demand for ratification of the protocols. Other State bar associations, the views of which were already recorded—the New Jersey and Mississippi Bar Associations—reminded the members of the importance of the question by discussion of it at their annual meetings.

Typical illustrations of the manner in which State bar associations have dealt with the court are furnished by the following:

THE ARKANSAS BAR ASSOCIATION

In 1929 this association urged the adherence of the United States to the World Court; in 1930 (in the spring) the association urged President Hoover to send the World Court protocols to the Senate; and in 1931, expressing its belief: "That the protocol of accession, including Mr. Root's formula for the operation of the fifth reservation concerning advisory opinions, accepts the Senate's 1926 reservations subject only to certain procedural agreements and without modification or change of the reservations themselves," and recalling that "The Arkansas Bar Association has, at its last three meetings, urged the adherence of the United States to the World Court," urged "the Senate to give its consent to the ratification of the three protocols at the earliest practicable time in order that the Senate's own resolution of 1926, providing for the adherence of the United States to the permanent court, may become effective."

The Arkansas Bar Association also urged the American Bar Association to bring the subject before the full association at its meeting, as it did, this September.

THE CONNECTICUT BAR ASSOCIATION

On December 9, 1929, the date set by President Hoover for the signature by the United States of the three World Court protocols, the Connecticut Bar Association appointed a committee of five members to report to the association on the status of our adherence to the World Court. The report submitted at the annual meeting of the full association six months later carried with it a resolution, which was adopted by the association, stating its "belief that the future economic and commercial growth of the United States would be stimulated and stabilized by the development of a comprehensive system of international law * * *" and its further belief that "ratification by the Senate of the protocols signed by the direction of the President is required both by the self-interest of the United States and by its natural obligations as a member of the community of nations."

THE ILLINOIS BAR ASSOCIATION

The chairman of the committee on local organization considered the World Court protocols so important that he asked for their inclusion among the topics recommended in the October bulletin for consideration by every local bar association in the State.

THE MINNESOTA BAR ASSOCIATION

Very shortly after the draft of the protocol of accession was made public, this State bar association passed the following resolution:

"The association has examined the draft protocol for the adherence of the United States to the Permanent Court of International Justice and is of the opinion—

"1. That the adherence of the United States is an essential step to the organization of peace and a step desirable in itself;

"2. That the draft protocol protects in all respects the interests of the United States; and

"3. That therefore the protocol should be promptly signed and ratified by the United States without further amendment."

THE NEW YORK STATE BAR ASSOCIATION

This is another bar association that has dealt with the World Court question at several of its meetings—in 1927, in 1928, and in January, 1931, when it urged the Senate to ratify the World Court protocols because of its belief "that all interests of the United States are properly safeguarded, and the fifth reservation of the Senate, regarding advisory opinions, has been complied with."

In one of its earlier reports the New York State Bar Association, in urging the Senate to complete the adherence of the United States to the World Court, said:

"The attitude of the New York association in this respect could scarce be better phrased than in the language of President Coolidge in his inaugural address:

"'Where great principles are involved, where great movements are under way which promise much for the welfare of humanity by reason of the very fact that many other nations have given such movements their actual support, we ought not to withhold our own sanction because of any small and inessential difference, but only upon the ground of the most important and compelling fundamental reasons.'"

THE TENNESSEE BAR ASSOCIATION

The resolution unanimously passed at the June, 1931, meeting of the Tennesseee Bar Association reflects the discussion and resolutions that have come from a number of important city bar associations in Tennessee, notably those in Chattanooga, Knoxville, and Johnson City. In "respectfully petitioning the Senate to consent to the ratification of the protocols at the earliest practicable time, so that the Senate's resolution of 1926, providing for the entrance of this country into the World Court, may be made effective and the adherence of the United States to the court achieved," the Tennessee Bar Association recorded its agreement with the Department of State's declaration that by the present protocols the difficulties which caused the 1926 reservations have been met.

THE VIRGINIA BAR ASSOCIATION

A former president of the Virginia Bar Association, Mr. Eppa Hunton, jr., president of the Richmond, Fredericksburg & Potomac Railroad, drafted and submitted to the association the resolution which it unanimously indorsed at its meeting on August 1, 1931. The association points out that:

"The three protocols are approved by the administration and by many leaders of both political parties."

The three State bar associations that have acted most recently are:

THE OREGON BAR ASSOCIATION

On September 25, 1931, this bar association, recalling its indorsement of ratification of the World Court protocols made in 1929, just after the protocols had been made public, confined itself this time to an "earnest recommendation for the adherence by the United States to the protocols submitted by the President to the Senate."

THE VERMONT BAR ASSOCIATION

The whole of one of the October, 1931, sessions of the Vermont Bar Association was devoted to an address on the World Court and to an open forum following the address. After a thorough discussion, a resolution was passed, recalling the fact that the Vermont Bar Association had (so early as 1924) urged the entrance of the United States into the World Court, reviewing the changes in the situation that had taken place since 1924, and urging ratification, without amendment, of the protocols now awaiting the Senate's action.

THE MISSOURI BAR ASSOCIATION

This is the State association that has most recently passed a resolution. In urging the Senate to "advise and consent" to the ratification of the three protocols "now pending before the Senate," the association expressed its belief that the World Court is the "greatest of international instrumentalities for the preservation of peace and of justice between nations," expressed its pleasure "in the fact that there is a profound and fixed conviction abroad throughout the world that settlement of disputes or conflicts among nations shall never be sought except by pacific means, which conviction has been crystallized into treaty form by the Kellogg-Briand peace pact, into which nearly all the nations of the world, including the United States of America, have entered," and further expressed its agreement with "the view of Secretary Stimson that our country can safely adhere to the said court."

Other State bar associations that have passed resolutions urging ratification of the World Court protocols include: The Ohio Bar Association, the Louisiana Bar Association, the Mississippi Bar Association, the Nebraska Bar Association, the New Jersey Bar Association, and the Texas Bar Association.

CITY BAR ASSOCIATIONS

THE NEW YORK CITY BAR ASSOCIATION

Charles Evans Hughes, George W. Wickersham, and John W. Davis are among those who have addressed the several meetings that this association has devoted to consideration of the merits of the World Court question. Its first action was taken on February 28, 1923:

"The Association of the Bar of the City of New York joins in what it believes to be the wise judgment of the American people that the United States ought to become one of the supporters of the Permanent Court for International Justice at The Hague, and that our Government should therefore adhere to the protocol establishing the court in the manner set forth by the President in his message to the Senate of February 24, 1923."

In October, 1929, the association again took definite action urging the completion of the adherence of the United States to the World Court in a resolution that referred to its earlier position, recalled the Senate's 1926 resolution providing for the adherence of the United States to the World Court and, expressing the conviction that the present protocols fully meet the position taken by the Senate, urged their prompt signature (and they were signed a few weeks after the New York City Bar Association's action was taken) and ratification "without further amendment" by the Senate.

THE CLEVELAND BAR ASSOCIATION

In addition to passing (in April, 1930) the resolution, quoted in part below, recommending ratification of the protocols, the Cleveland Bar Association has announced two meetings to be held on the World Court alone, has appointed a special "World Court committee" composed of members of the bar and has, through an especially organized "public relations committee" of younger members of the bar, volunteered to supply speakers on the World Court to Cleveland and neighboring organizations. Members of the Cleveland Bar Association long associated with the effort to secure impartial consideration for the World Court question throughout this country are Newton D. Baker, former Justice John H. Clarke, and Walter Flory, who is now president of the Cleveland Bar Association. The Cleveland Bar Association's 1930 resolution expresses "its warm indorsement of the action of the President of the United States in signing the protocols, and its recommendation to the Senate of the United States that the action of the President be ratified to the end that the United States become, upon the terms proposed, a member of the World Court and lend its countenance and assistance to this great attempt to remove from the field of international controversy justiciable disputes by subjecting them to determination in accordance with legal principles and procedures by an eminent, learned, and impartial court of justice," and recalls the fact that "the American Bar Association, the Ohio State Bar Association, and the Cleveland Association have consistently approved the adherence by the United States to the World Court and have repeatedly declared their approval."

THE SAN FRANCISCO BAR ASSOCIATION

In addition to a resolution passed several years ago, calling for adherence to the World Court, this association has taken two referenda of its members. In 1928 the result of the vote taken was a request that negotiations in the World Court matter be resumed with a view to adjusting the difficulties delaying entrance into the court. In the spring of 1930 the association reported as the result of its second referendum a vote of 154 to 60 in favor of its resolution "that the Bar Association of San Francisco advocates the ratification by the Senate of the protocols providing for the adherence by the United States to the World Court."

THE NEW ORLEANS BAR ASSOCIATION

Pointing out that the conditions which the Senate attached to its 1926 resolution "have been accepted by the member nations of the court in the protocol embodying Mr. Root's formula for the operation of the fifth reservation, as well as the acceptance of all five reservations," the New Orleans Bar Association urged the "unqualified approval by the Senate without unnecessary delay" of the three World Court protocols.

Other city bar associations that have passed resolutions urging ratification of the World Court protocols include the Little Rock Bar Association, Arkansas; the Shreveport Bar Association, Louisiana; the Denver Bar Association, Colorado; the Pawtucket Bar Association, Rhode Island; the Chattanooga Bar Association, Tennessee; the Knoxville Bar Association, Tennessee.

The board of governors of the Philadelphia Lawyers Club has taken similar action.

COUNTY AND OTHER LOCAL BAR ASSOCIATIONS

Since there are over a thousand local bar associations, space does not permit full mention of the replies that have come from county and other local bar associations all over the country indicating the ways in which the World Court question has been brought to the attention of members. In a number of cases the executive committee or the board of governors has discussed the question and has presented its conclusions for the consideration of the full membership; a great many county bar associations now write that the action of the American Bar Association at its annual meeting in September stimulated their own interest and that meetings which they are holding in October, November, and December will be devoted to consideration of the World Court question. Some bar associations—for instance, the Lackawanna Bar Association in Pennsylvania, covering Scranton and its vicinity—have a ruling requiring two meetings on any question upon which formal action is taken and these meetings are being arranged. A number of associations have appointed special committees of three or five to report on the World Court question to the full membership and to present appropriate resolutions. Mention is here made of a few of the more significant ways in which the interest of lawyers in county bar associations has been demonstrated.

COUNTY BAR ASSOCIATIONS IN NEW JERSEY

The fact that the New Jersey Bar Association has passed a resolution strongly urging Senate ratification of the World Court protocols and that it reaffirmed this position at its latest meeting and gave the chief place at its midyear meeting to John W. Davis for a speech on the court, may explain the unusual interest shown by local bar associations in New Jersey in the World Court question.

Resolutions urging ratification of the World Court protocols have been passed by the following New Jersey county associations:

THE HUDSON COUNTY BAR ASSOCIATION

Expressing its agreement with the report which Secretary Stimson made to the President, that "by the present protocols the dangers which seemed to inhere in the rendering of advisory opinions by the court at the time the question was last presented to this Government in 1926 have been entirely removed," the Hudson County Bar Association "urges the Senate to give its consent to the ratification of these three protocols at the earliest

practicable time in order that the Senate's resolution of 1926, providing for the adherence of the United States to the permanent court, may become effective."

THE MONMOUTH COUNTY BAR ASSOCIATION

Recalling the long-standing support of the American Bar Association and the resolution passed by the New Jersey Bar Association in support of ratification of the World Court protocols, the members of the Monmouth County Bar Association expressed their agreement with the two larger bodies in urging ratification of the World Court protocols.

Two county bar associations in New Jersey have appointed special committees to report on the World Court situation to their members and to submit appropriate resolutions to them—the Cumberland County Bar Association and the Bergen County Bar Association.

Two New Jersey County Bar Associations report that the question will be discussed at their next meetings—the Essex County Bar Association and the Somerset County Bar Association.

OTHER COUNTY BAR ASSOCIATIONS

Resolutions urging Senate ratification of the pending World Court protocols are reported by the following local bar associations as the result of recent meetings:

The Pope County Bar Association, Arkansas; the Owensboro Bar Association, Kentucky; the Madison Parish Bar Association, Louisiana; the Penobscot County Bar Association, Maine; the Middlesex County Bar Association, Massachusetts; the Faribault Bar Association, Minnesota; and the Buffalo County Bar Association, Nebraska.

Stimulated by an article in the Nebraska Law Bulletin, setting forth clearly and accurately the importance of the World Court and the work it has done, the Buffalo County Bar Association devoted one of its meetings this spring to the World Court and thereafter stated its conviction that "one of these protocols, the protocol of accession, including Mr. Root's formula for the operation of the fifth reservation concerning advisory opinions, accepts the Senate's 1926 reservations subject only to certain procedural agreements and without modification or change of the reservations themselves," and urged the Senate to give its consent to the ratification of the three court protocols.

THE JOHNSON COUNTY BAR ASSOCIATION, INDIANA

This association "urges the Indiana Senators to give their individual and combined influence and votes to completing the adherence of the United States to the Permanent Court of International Justice," and names among other reasons for its action "its conviction that the time is ripe to take some decisive step looking to the elimination of resort to war by nations in an effort to settle international disputes; and in the full belief that it is the duty and also within the power of nations as well as of men to adjust such differences as may exist between them, of whatever nature, by peaceful means."

THE WARD COUNTY BAR ASSOCIATION, NORTH DAKOTA

A special meeting (luncheon) of this association was called on September 24 for the sole purpose of ascertaining the views of the members who "were unanimously agreed that entrance into the court was desirable."

The following bar associations report the appointment of special committees to report upon the protocols to their members or describe other ways of bringing the question before the membership:

THE NEW BEDFORD BAR ASSOCIATION, MASSACHUSETTS

The president of this bar association has appointed a committee of three to report on the World Court protocols to the membership; the president is himself the member of a similar committee of three appointed by the New Bedford Chamber of Commerce to report on the World Court situation to that organization.

THE FIFTEENTH JUDICIAL DISTRICT BAR ASSOCIATION, LOUISIANA

The president of this bar association addressed its members on September 19. No provision was made for taking the views of the members. The president, feeling the issue to be of first importance, has personally written to each of the association's members.

THE TWIN FALLS BAR ASSOCIATION, IDAHO—THE CASCADE COUNTY BAR ASSOCIATION, MONTANA

Resolutions have been prepared by a special committee for presentation at the next meeting of the association's membership.

The following bar associations report coming meetings at which the World Court protocols will be discussed: The Niagara Falls Lawyers' Club will have a debate on the subject; the Brooklyn Bar Association, New York City; the Bronx County Bar Association, New York City; the Adams County Bar Association, Pennsylvania; the San Gabriel Bar Association, California; the Lebanon County Bar Association, Pennsylvania; the Trenton Bar Association, Nebraska; the Southern Oregon Bar Association; the Hampden County Bar Association, Massachusetts; the Lackawanna Bar Association, Pennsylvania (the board of governors has discussed the protocols at the October meeting; action, by resolution, will be taken in November at a second meeting); the Volusia County Bar Association, Florida; the Throckmorton County Bar Association, Texas; the Morgan County Bar Association, Illinois; the Cleveland County Bar Association, North Carolina; the Lake County Bar Association, Ohio; the Harlingen County Bar Association, Texas; the Waycross Bar Association, Georgia; the Marion County Bar Association, West Virginia; the Fayetteville Bar Association, West Virginia; the Southern Circuit Bar Association, Georgia; the Washington County Bar Association, Oklahoma; the Hunt County Bar Association, Texas; the Coos County Bar Association, Oregon; the Starke County Bar Association, Indiana; the Findlay Bar Association, Ohio; the Snohomish County Bar Association, Washington.

ECONOMIC CONDITIONS

Mr. BARKLEY. Mr. President, in this morning's Philadelphia Record on the first page is an editorial entitled "A Sick World Waits on the Congress of the United States." I do not necessarily indorse all the statements of that editorial, but it is a very forward-looking editorial and I ask unanimous consent that it may be printed in the RECORD.

The VICE PRESIDENT. Without objection it is so ordered.

The editorial is as follows:

[From the Philadelphia Record, Thursday, December 17, 1931]

A SICK WORLD WAITS ON THE CONGRESS OF THE UNITED STATES

Congress should take the United States off the present gold standard immediately.

If the Government fails to take the initiative now, its hand will be forced eventually, when it will do little or no good.

If Congress acts now, it will save much human suffering and speed the return of the world, as well as this country, to normalcy.

We need inflation to cure our own depression. But even more important we must forget gold to relieve the despair of the rest of the world which is in debt to us.

The smartest thing smart Uncle Sam can do at this moment is to let his debtors get the best of him. Sometimes it's smart to be dumb.

The Record knows that it will be bitterly denounced for these statements. We speak bluntly and sincerely because that is the only course set by patriotism and courage in a national crisis. The Record is not edited tactfully, or it would not recently have urged "sure lower wages" as better than "high uncertain wages," in the face of the President's demagogic plea to maintain high wages.

That false propoganda about maintaining wages is one of the reasons we must go off the gold standard. The President has made a fetish of a certain dollar figure on the pay envelope. He has made it difficult to change that number of dollars. The surest and quickest way to meet the situation which he has created is to leave the same number of dollars in the envelope, but to make more dollars and to change the value of the dollar.

Value of money is a complicated concept to discuss, rendered doubly difficult by the emotional element that enters into it.

Such is human nature that the man who is used to a wage of $10 a day feels poor if he is reduced to $8 a day, even if the $8 buys as much as the $10 he formerly received. He would be better content if he continued to receive $10 with the purchasing power of $8 than $8 with the purchasing power of $10.

Cutting a man's pay hurts his pride and self-respect. If men were absolutely reasonable and logical, they would be satisfied to have the number of dollars they receive adjusted from month to month, according to the purchasing power of the dollar.

But men aren't that way. It is a very human fault that many of us measure our self-respect by the number of dollars in the pay envelope. The middle-aged man hates to receive fewer dollars per week than he earned when he started in his trade as a lad, and all the economists in the world can't reason him out of that notion.

That element of human emotion, or human "unreason," is the cause of the confusion of our professors of economics. They formulate laws for a logical world, peopled by reasoning beings. To them man is a logical entity, while, in fact, he is an emotional unit, with many of his emotions inherited from the Stone Age.

He begets his respect for gold from antediluvian days when gold was the most useful, and, therefore, the most precious metal. The metallurgists have found a score of metals and alloys which supply every need of man more efficiently than gold. All gold could disappear from the world without humanity being discomfited, and yet we worship gold as the most desirable element in the world.

GOLD IS VALUABLE TO-DAY FOR THE EMOTION IT PRODUCES

People tend to have confidence in a government which possesses much gold. But if, for other economic causes, that confidence in the government is lost, despite this possession of gold, gold becomes absolutely valueless; nay more, it intensifies distrust of government, because, added to other emotions of depression, is the fear that the government will lose the gold which it possesses.

Thus you have the otherwise incomprehensible phenomenon of a nation like Great Britain terrified by loss of gold, fearing to go off the gold standard, and becoming more prosperous and content immediately after it takes the plunge.

A country about to go off the gold standard is like a man about to have a tooth pulled. He suffers and dreads the operation. But once the aching molar is out he is relieved and goes about his business.

Of course, it would be better not to lose the tooth, and he might not have lost it if he had had it properly treated when it first began to ache.

Of course, it would have been better if the United States did not have to go off the present gold standard, and it would not have been necessary if we had had leadership in Washington which

would have acted last year, or even last spring, to remedy the world depression.

But now it's too late for half measures. The President's nostrums of liquidating and financing corporations are piddling attempts at temporary inflation. Probably no President has tried harder and performed more badly than Mr. Hoover. He has made economic mistake after mistake.

His advocacy of artificial maintenance of wages, his 1-year moratorium a year late, Farm Board, high tariff, are but a few of the major mistakes which have destroyed world confidence in our Government in spite of our possession of the greatest amount of gold in the history of our country.

From this loss of confidence has developed a national fear, a fear that has gripped and paralyzed the minds of our leaders. The common people are punch-drunk and dazed. Our "best minds" are impotent. Many plans and solutions of the present situation are offered, but all are complicated and would take years to put into effect.

The Gerard Swope plan is a notable instance. Swope, president of the General Electric Co., one of the greatest manufacturing companies in the world, suggests that each industry be allowed to combine and take care of its own unemployment situation. It's a great plan, but it would take a couple of years to sell it to the voters and another couple of years to put it into effect.

Congress can act to-morrow on the gold standard and end the depression within the week.

We wonder how many of our readers noted the word "present" in our first sentence. We advocate going off the present gold standard. Congress could reduce the gold content of our dollar 25 per cent and relieve the tension, or it could go off the gold standard entirely, as we did during the war and at several other periods in our history. Which course is better is an open question.

If Congress acts immediately, reducing the gold content of the dollar would probably be sufficient. If no action is taken now, it will undoubtedly be necessary to go completely off the gold standard.

Either course means inflation, and God knows the United States needs inflation and would welcome it!

What of the more than $4,000,000,000 gold in the United States Treasury, our critics will say.

Of course, this gold will be depreciated. Suppose it drops 75 per cent in value—a loss of $3,000,000,000.

But that is a drop in the bucket compared with the $70,000,000,000 deflation of New York Stock Exchange securities since October, 1929; as much more in curb and unlisted securities throughout the Nation, in real estate and bonds, private businesses and inventories, so that $300,000,000,000 is a conservative estimate of the deflation of values as measured against an inadequate money standard.

Abandoning that money standard might wipe out three billion of gold value but restore a major part of the three hundred billion in property and security values.

A sick world waits on the Congress of the United States.

RELIEF BY GUESS

Mr. COSTIGAN. Mr. President, I ask unanimous consent to have printed in the RECORD an article appearing in the New Republic of October 7, 1931, by Mr. R. L. Duffus, entitled "Relief by Guess."

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the New Republic, October 7, 1931]

RELIEF BY GUESS

The second winter of the worst depression of modern times finds the United States in the position of an army with only a vague idea of the number and resources of the enemy it has to fight, and with an almost equally vague idea of the extent of its own ammunition and the adequacy of its service of supplies. The list of things we do not accurately know about unemployment and the probable needs of the unemployed during the coming winter would, if filled out, constitute a statistical description of the depression. We do not know the exact number of the unemployed, though Mr. W. P. Mangold, in the New Republic of September 9, using all available data, arrives at an estimate of between 9,310,000 and 10,560,000. We do not know how many of the unemployed still have access to resources which will tide them over without resort to public or private charity. We do not know how much it will cost to give public or private relief to those who will suffer without it. We do not know whether the existing and proposed means of obtaining this problematical sum will actually suffice to produce it. Yet without this knowledge relief work is guesswork. If we guess wrong we may find ourselves facing a major crisis before spring.

Efforts to collect and analyze information as to the actual need and the amount and sources of probable relief have indeed been made by various agencies, notably the Association of Community Chests and Councils and the Chamber of Commerce of the United States. But no comprehensive figures for the entire country have been arrived at, or at least have been made public, and it is by no means certain that any will be. One reason for this, no doubt, is the difficulty of the task and another is the belief of the national administration and of organizations which share its policy that relief should be locally provided for and locally administered.

But accepting it as inevitable that there is to be no authoritative national canvass of the situation, we may legitimately ask how the system of local relief is working out and is likely to work out in representative American cities. The New Republic put this question, in somewhat more elaborate form than it is stated here, in a questionnaire recently sent out to heads of charitable organizations in a number of the leading communities. The results are not comprehensive, but they are significant.

As might be taken for granted, practically every city expects to have to spend more on relief this winter than it did last winter. In New York City, according to a letter from Mr. William Hodson, executive director of the welfare council, the total for the 12 months from October, 1930, to October, 1931, was about $23,605,000. This estimate, like other similar ones, is exclusive of unreported items which can not be traced and of expenditures for veterans' relief, relief to the blind, assistance given the aged, and aid to mothers. These latter categories represent money paid out according to law in good years and bad, though Mr. Hodson points out that relief work of this kind has had to be greatly expanded because of the depression. Leaving these items out, Mr. Hodson believes that public and private charity in New York City will have to provide between $30,000,000 and $35,000,000 during the coming winter.

In Chicago the principal charity organizations are joining to raise $8,800,000, or $3,800,000 more than was raised last year. In Cleveland $930,000 was spent for material relief in 1930, and Kenneth Sturges, general manager of the community fund, puts the corresponding total for 1931 at $2,640,000. It is expected that expenditures in 1932 will be as great or greater. To help meet them the voters of Cuyahoga County, 75 per cent of whose population lives within the Cleveland city limits, are being asked to approve a special 1-mill tax, which will provide $2,100,000 or more. St. Louis has spent about $750,000 on relief of the unemployed since October, 1929; between now and April 1, 1932, it is thought that another $1,000,000 will be required. In Cincinnati more than $1,000,000 has been spent to date, and it is unofficially estimated that at least as much will be needed this winter.

Substantially the same situation is reported in other cities. Seattle has spent $1,910,000; it will need $1,500,000 or more this winter. Baltimore will have spent about $1,000,000 during the calendar year of 1931; it will need at least $1,750,000 for 1932. Dayton spent $636,000 between October 1, 1929, and August 31, 1931; for the six months ending April 1, 1932, it will require $400,000. St. Paul spent $426,674 in 1930, will probably have spent $605,654 for the year 1931, and is expected to need $760,000 for 1932. Pittsburgh expended $2,000,000 from the beginning of the depression to August 31 last, and require $3,750,000 for the coming winter. Dallas spent $183,000 during a corresponding period and will spend $750,000 for the coming winter.

These estimates are, of course, important as ratios rather than as totals. It is the percentage of increase that reflects the real seriousness of the situation, as it is seen by those whose profession brings them closest to it. The next question is where the money needed is coming from—and, perhaps, whether it is coming at all. As the New Republic recently pointed out, more than 70 per cent of the relief funds are coming from public sources. In certain cities the percentage runs as high as 95. A few examples of big cities as well as little ones will show how much diversity there is. In Spokane private charity furnished $60,000 of the $300,000 spent up to October 1, 1931. It will be asked to give $50,000 for the coming winter—25 per cent instead of 20 per cent of the whole. Little Rock has raised $48,000 since October, 1929, with private charity furnishing $29,000 and the city government $19,000. It plans to raise $50,000 this winter, of which the city is expected to furnish only $3,000.

Five-eighths of Providence's total of $800,000 has come from private charity, but it is expected that private givers can furnish only $225,000 of the $600,000 required for the winter's needs. Dallas expects to get only $200,000 of the $850,000 needed from public funds. In Pittsburgh private charity furnished $1,371,200 out of $2,000,000 spent, and private sources are relied upon to furnish $3,500,000 out of the $3,750,000 needed this winter. St. Paul has steadily increased its use of tax money for relief, and the tentative estimate for 1932 calls for only $160,000 out of $760,000 to be furnished by private donations. Hartford is raising about $200,000 from private contributions and $550,000 from public funds. In Dayton private charity raised nearly half the relief fund expended to date, but the estimates for this winter give it a quota of only $150,000 out of a total of $400,000. Cincinnati has raised $700,000 by private gift and $400,000 by city and county appropriations. This winter it is expected that private charity will yield $250,000 and public funds $750,000. If the mill tax already mentioned is accepted by the voters of Cuyahoga County in November, 80 or 90 per cent of the relief funds needed in and around Cleveland may come from this one source.

One of the questions asked in the New Republic's questionnaire was, "Do you find any evidence that the sources of private charity are drying up?" The answers are pertinent at this stage of the discussion. On the whole, they are encouragingly negative. "All classes are giving more than ever," replies Director Harry M. Carey, of the Community Welfare Federation of Wyoming Valley. Others who replied gave such answers as: "Apparently not; our fall chest campaign will tell the story"; "Not at this moment"; "Not for

relief, but much less willingness to support educational and preventive programs"; "Not yet"; "No; but years like this one make it difficult to raise money"; "No—on the contrary, some are eager to respond"; "Yes; even to the extent that collections on last year's pledges are extremely hard to make at this time."

One can not make statistics out of human emotions, and it is too early to make a guess as to whether the public will provide, through gift or taxation, enough to meet this winter's crisis. That actual starvation will be permitted is unthinkable, though it is depressingly not unthinkable that thousands will suffer from malnutrition, inadequate shelter, and insufficient clothing. But the question is how near private charity can come to carrying out the job it has undertaken, and, if private charity fails, how soon public charity can step in. Individualism is apparently scheduled to have full opportunity in the work of relief, just as it had full opportunity in producing the conditions which now make relief necessary. Will the experiment succeed? And, if not, how far will it be carried? On these points we can get very little light. We must suppose that the social workers who make estimates of coming needs are acquainted better than most of us with the usual forewarnings of those needs. But a social worker can not know to what extent, if any, business will revive during the next six months. Consequently the best estimates of the proportion of the national income which must be diverted to keep alive those who will have no incomes this winter are only guesses.

It is on those guesses that plans for relief have to rest. And these plans rest also, in so far as they are not governmental, on what part of their surplus individuals can and will give. "We are hopeful, but it will be hard work." "It will be hard to obtain." "We hope to raise approximately the amount. We have no assurance." "We feel optimistic." Prospects for raising the sums needed are "fair" or "good." Such are some of the comments made in answer to the New Republic's query, "What reasonable expectation is there that the balance necessary will be obtained?" The charitable organizations can not allow themselves to be pessimistic. Yet until the money is not only promised but actually in their bank accounts, they can not be sure that they are to have all they need.

The uncertainty of the situation might have been expected to raise doubts in the minds of social workers as to the adequacy of the present means of dealing with it. But there is a good deal of testimony to the contrary.

"I believe," writes Mr. David Armstrong, secretary of the Worcester Welfare Federation, "that there will be many people receiving aid for the first time in their lives now who will very readily develop an expectancy to be relieved the next time they have any difficulties. I believe that this expectancy would grow tremendously if there were a huge Federal appropriation that everybody knew about. I believe that the longer we can continue with the principle that each community should take care of its own, the better off the country will be as a whole."

"I am personally opposed to Federal aid for unemployment," declares Secretary Burt, of the Providence community fund. "I believe that this opinion is shared very largely throughout the State of Rhode Island." John F. Hall, of Seattle, would accept Federal aid "as a last resort," but adds:

"In our present unemployment crisis there has been evidence of a deepened sense of responsibility for all its people on the part of the local community. This social sense, or whatever you choose to call it, is the most promising foundation we have on which to build preventive and constructive measures to lessen unemployment. A Federal dole is likely to help establish relief as the answer to unemployment, whereas it should be considered only a makeshift."

One hardly needs to point out that the replies to the New Republic's questionnaire cover only the situation in the larger cities. They leave untouched the condition in the small towns and in rural areas. There are whole regions in the United States where, for one reason or another, distress is acute and relief agencies are either lacking or are inadequately financed and equipped. In the coal-mining areas in Pennsylvania, West Virginia, and Kentucky many thousands of miners and their families are destitute partly because of strikes, partly because of low wages and irregular employment even among those who have continued at work. The same situation prevails among the textile workers, North and South. In the South, those dependent upon cotton for their livelihood are all but bankrupt. In the wheat-growing areas in the Northwest, one hears of farmers so hard up that in some counties in North Dakota, for instance, they have come together in mass meetings and agreed to pay no more interest on mortgages and other loans until times get better. In many other districts the droughts of 1930 and 1931, and this year's grasshopper plague, have caused tremendous suffering which will not be reached by the community chests or any other form of organized urban relief.

Another group which is beyond the reach of professional charity work is the thousands of unemployed men—and sometimes women—who take to the road, either in hope of finding a job somewhere else, or just drifting. Railroad men know what their problem is like, and a writer in a recent issue of Labor, the official organ of the brotherhoods, tells something of present conditions. He describes "veritable armies of migratory workers wandering from place to place, swarming over railroad trains, congregating in camps—'jungles' they are called—and trying desperately to maintain a miserable existence." This writer tells of a freight train in Utah recently which carried 92 persons, including 3 women and a baby. In view of the emergency, the old rules against carrying these "deadheads" have been relaxed, and from 60 to 200 on a train are not at all uncommon. The Denver & Rio Grande Railroad carried 11,000 such persons in July. The president of one road estimates that his line is killing two or more vagrant riders every day when these men, often weak from hunger or fatigue, slip off the brake beams or fall between the cars. Near Vancouver, a thousand or more "drifters" have congregated in a camp near the city, where lack of sanitation has caused an outbreak of typhoid and endangered the health of the whole community.

Returning to the statements of social workers on the general question of urban relief, let us quote for a final and striking analysis of the problem, Director Hodson, of the Welfare Council of New York City. Mr. Hodson believes in "Federal aid for unemployment relief under certain conditions and with certain safeguards." He continues:

"The primary responsibility for relief properly rests upon the local community. As to the ability of the local communities to meet this crisis, no one is in possession of the facts. There ought to be a survey of the financial condition of the cities and counties of the country to determine the present status of their tax-levying and debt-incurring powers. In those areas where these powers are exhausted the Federal Government will undoubtedly have to help; and if there are a substantial number of communities thus situated, it may be necessary to pass a general appropriation act. * * *"

The last question in the New Republic's list was, "Does the experience of this depression suggest any better way of dealing with the needs of the unemployed than that now practiced?" This brought out a number of constructive suggestions, with considerable emphasis upon unemployment insurance, or the creation of an unemployment reserve fund. The creation of a reserve by private charities was also proposed, and the establishment of permanent unemployment committees on the pattern which seems to have worked well in Rochester, N. Y. "Some protection should be devised for the workers," thinks Secretary Atwater, of St. Paul, "so that when you have an able-bodied person, willing to work, who can not find work, he does not have to suffer the indignity of relief subsistence." Director Hodson "is fully convinced that some kind of unemployment insurance is necessary if we are to mitigate for the future the hardships of unemployment," but points out that "such insurance is only palliative in the absence of national planning for industry and some improvement in our economic order." From but one city in the entire list of those from which answers were received did there come any note of entire satisfaction with the existing scheme of things. This was Charleston, S. C. "I believe," states Miss Georgia L. Jatho, of the Charleston community chest, "we have the problem fairly well solved. Should a dire emergency arise this winter, we will look to those in the higher scale of giving to come forward, which they have never failed to do if convinced."

What impression does one derive from the sum of these answers? Unmistakably those who have sent them are taking their jobs seriously. Yet, beyond the perception of the immediate task and the impending necessity, almost all are groping in the dark. Unemployment has to be treated as though it were what the insurance companies call an "act of God," not to be foreseen, not to be prevented, but to be dealt with as humanely and wisely as possible when it occurs. The social worker can not do otherwise. His position is analogous to that of a fireman in a community which has no fire-prevention laws.

But back of the social worker are communities, and back of the communities a Nation, not yet organized either to prevent unemployment or to deal with it adequately when it becomes a desperate problem. No one now doubts that the causes of economic depression are more than local and more than national. Yet, putting aside entirely the question of Federal aid, there exists no national body of information and no national pattern of action that can be brought to bear in this crisis. Perhaps we shall have both information and pattern before the next depression. For the present and for the coming winter we shall apparently rely on rule of thumb, preserving our individualism and our local independence, but allowing countless human lives to be broken because we did not, on a nation-wide scale, foresee and prepare.

R. L. DUFFUS.

FEDERAL RELIEF APPROPRIATIONS

Mr. COSTIGAN. Mr. President, I ask permission to have printed in the RECORD an open letter addressed to the President of the United States on Federal relief appropriations, by Mr. William Hodson, executive director of the Welfare Council of New York City. The letter appears in the Survey Graphic, published in New York City, for November, 1931.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

OCTOBER 13, 1931.

Hon. HERBERT C. HOOVER,
President of the United States, Washington, D. C.

MY DEAR MR. PRESIDENT: You have given the country assurance that suffering among the unemployed will be prevented, so far as possible, and alleviated where prevention has failed. By bringing Mr. Gifford and his associates to Washington to assist in the ful-

fillment of that pledge you have afforded the country inspiring leadership to which people everywhere are responding with confidence and enthusiasm. Nevertheless there is a growing feeling that the Federal Government may have to do more than stimulate and coordinate local effort. Many persons close to the actual problem foresee the possibility that local funds may not be adequate to meet the great distress which is anticipated this winter and that Federal appropriations will be imperative. The thoughtful citizen whose mind is not yet made up on this question finds himself in doubt on two points:

1. Is it true that many localities are unable to provide the money needed for unemployment relief? Is there any substantial body of fact, other than the horseback opinions of officials and social-service administrators, upon which to base a judgment?

2. If outside aid must be provided, can a Federal appropriation be so administered as to avoid the dangers of "pork-barrel" legislation with its paralyzing effects upon local initiative and its uncertain benefits to the millions of needy persons who are the intended beneficiaries?

The purpose of this letter is to suggest that reliable data can be secured on the financial competence of the local communities which would help to inform and guide public opinion. Further, should supplementation prove to be necessary, a Federal appropriation can be wisely administered on the well-established principles of grants-in-aid such as have been successfully provided for education, roads, infant hygiene, and so forth. In this connection may I commend to your consideration the report of the Subcommittee on the Federal Government and Child Welfare of the White House conference of which I had the privilege of being chairman. This report, in discussing grants-in-aid, refers to them in part as follows: "It is the clear opinion of the subcommittee that grants-in-aid constitute a governmental technique peculiarly fashioned to the needs of the American people and nicely adjusted to the American governmental structure under the Constitution."

While this report was directed to Federal aid for child welfare its reasoning is pertinent to the not unrelated subject of unemployment relief. May I now deal more at length with the two points raised above and begin with the means of determining the adequacy of local funds.

The historic policy of America has been to regard the relief of suffering as a local responsibility. Each community ought to care for its own so long as it has the resources to do so, and under normal circumstances no other course of action would be suggested. However, it seems clear that in an emergency, history and tradition will not be permitted to stand in the way of meeting widespread human need, once the need has been demonstrated. It is a fact that, with few exceptions, communities have been slow to recognize the full effect of existing unemployment on their people and have delayed too long the planning of all-inclusive, community-wide programs of relief. Reliable information on the numbers of unemployed has not been available until recently, and it has been difficult to determine how many of those unemployed were without reserves and in need of outside assistance. Bread lines constitute a visible and dramatic sign of want, but they give the public a wholly false idea as to the character and extent of real destitution. It is not the homeless man in the bread line, but the family in the tenement and on the farm which is our chief concern. However, we are getting below the surface, more adequate community plans are now being made, and each locality is beginning to make more satisfactory estimates of its total relief needs.

When the estimated cost is arrived at, it will be met in two ways: From the public treasury and by private philanthropy. How far can these sources of funds be expanded to meet the emergency demands? Since approximately 70 per cent of relief expenditures throughout the country is provided out of the public treasury, it is reasonable to suppose that taxation rather than free gift must be our main reliance. Can the local governments increase their taxes or enlarge their bonded indebtedness in the required amount?

The answer to this question will be determined for each community by the margin between its present total annual cost of government and the total amount which it is permitted to raise annually by taxation and the issuance of bonds. In some communities there will be no margin, because tax rates and bonded debt are already up to the constitutional limits. In others there will be a small margin and in still others a substantial margin which can be made available for unemployment relief. What is greatly needed at the present time is a rapid but objective study of the financial status of local governments throughout the country. Reliable information can be secured only by independent inquiry—telegrams to mayors, governors, and governing boards will not answer the purpose. It is recognized that such an inquiry is a tremendous undertaking, but it is by no means impossible nor impracticable in view of the great human issues involved.

If after such investigation it appears that relatively few local governments are without power to provide their own relief funds, special means might be devised to help them without resorting to a general Federal appropriation. On the other hand, if it turns out that a very substantial number of localities in various parts of the country are unable to bear the load, we shall know that Federal aid on a broad scale is inevitable. In the long run private philanthropy can only supplement taxation—it can not be substituted for public funds as a source of revenue for unemployment relief.

If the resources of local governments prove to be inadequate, in a substantial sense, the problem then becomes one of establishing a satisfactory partnership between the Federal Government and the localities in providing unemployment relief. It is clear that the substitution of Federal funds and effort for local revenues and initiative would be a tragic mistake. The power of the Federal Treasury must be used to help the destitute communities outright, to aid the more prosperous localities according to the particular measure of their need, and to stimulate all the local governments to the utmost of which they are capable. We must establish a productive partnership which calls forth the best which the national and the local partners have to offer, thus swelling the total relief by the full contributions of each partner. If instead of this, millions of dollars are appropriated to be distributed on some rough measure of equity, like population, and without the most careful and discriminating type of administration, local effort will be paralyzed and the Federal Treasury will be substituted for the treasuries of the local governments, thus in the end decreasing the total available resources.

The distinction here is sharply illustrated by the difference between the way millions of dollars are ladled out to communities under the rivers and harbors appropriations and the wise expenditure of Federal money under grants in aid to stimulate local effort. In the former case the primary consideration seems to be that each locality shall get its share of the money available—a mere arbitrary division of a common equity. In the latter the gift is conditioned upon the locality providing sound education in agriculture, or building good roads, or rehabilitating disabled persons, or giving better care to mothers and babies. The more the locality does, the larger its share in Federal funds. The part of the Federal Government is to make its gifts of money a means of inspiring high standards of performance in the local communities.

As the report of the committee on the Federal Government and child welfare points out, the demonstrated advantages of Federal partnerships with the States through grants in aid are many, and the first one is that the principle of local administration of local affairs is preserved—there is no real danger of Federal bureaucracy. The initiative of the States is insured and their active acceptance of local responsibility encouraged by requiring them to match Federal appropriations with their own. Moreover, without jeopardizing local autonomy the Federal Government through its visitation and inspection can focus upon local administration the broad experience and expert knowledge of a central authority.

Grants-in-aid can be appropriately extended to unemployment relief and the difficulties of "pork-barrel" legislation avoided, provided broad authority coupled with wide discretion is vested in the administering Federal agency with only such general limitations and restrictions as experience with this type of aid has proved to be necessary and beneficial. Obviously, however, the usual requirement that the locality match Federal appropriations dollar for dollar must be modified by leaving the manner and amount of matching to the discretion of the administering authority.

Moreover, Federal money should be available for use in the localities for administrative purposes as well as for relief. There is a current notion that large relief funds will somehow administer themselves. Emergency committees are eager to announce that all their funds are for relief and that no part is used for administration. Yet every intelligent person knows that the history of relief throughout the world has been, until fairly recent times, a story of tragic waste where more harm than good frequently befell the beneficiaries. One reason for this result was the assumption that the distributing of funds to the needy did not require intelligence, experience, and wisdom coupled with human sympathy. Let us make no mistake in this emergency about the absolute necessity for competent administration with adequate personnel trained to its task. This applies both to the localities where relief is actually being dispensed and to the administering staff in Washington. The grants-in-aid provided in other fields have properly laid great stress on efficient execution of the law with as much safeguard against political interference in the choice of policies and personnel as is possible in this mundane world.

Mr. President, I offer all of the foregoing expressions of my personal opinion with some hesitation. Your high place of responsibility at the seat of government gives you knowledge and insight regarding the total situation which no citizen can possibly have. Moreover, it may seem gratuitous to offer suggestions to one of your distinguished service in relieving human distress in many parts of the world. However, it is given to you, out of your own unique experience, to provide the leadership which millions of suffering human beings await with a hope that holds despair in abeyance. Four fellow citizens appreciate the enormous responsibility which is yours, they understand your profound concern that suffering shall be reduced to a minimum, and they await your call to join in bold and constructive action for the public welfare.

Very respectfully yours,

WILLIAM HODSON,
Executive Director the Welfare Council of New York City.

INTERGOVERNMENTAL-INDEBTEDNESS ARTICLES BY SENATOR HOWELL

Mr. SHIPSTEAD. Mr. President, I ask unanimous consent to have printed in the RECORD certain articles prepared by the junior Senator from Nebraska [Mr. HOWELL] dealing with the question of the foreign debts and the present deficit.

The VICE PRESIDENT. Without objection it is so ordered.

The articles are as follows:

HUGE DEFICIT IN TREASURY LAID TO UNPAID WAR DEBTS—SENATOR HOWELL SAYS EUROPE'S FAILURE TO CARRY BURDEN SHIFTS IT ON UNITED STATES

(By ROBERT B. HOWELL, United States Senator from Nebraska, chairman of the Claims Committee. Written exclusively for Universal Service)

WASHINGTON, November 30.—A huge deficit—$1,800,000,000 plus. More taxes. This situation confronts the American people with the advent of this 1931 holiday season.

You will be told that it is all due to the business depression. That is an excuse. True, if there had been no business depression our Treasury might have been equal to the strain.

BLAME IS PLACED

But the fact is that this deficit and the resulting increase in taxes, now pending, are chargeable to the failure of European nations to shoulder the $12,000,000,000 plus of war debts they owed us.

As a consequence, we have had to shoulder these debts—because we borrowed and still owe every dollar we lent Europe.

Our interest charges on this account alone have been averaging $500,000,000 a year—and there is no such thing as a moratorium for us.

NATURAL QUESTION

"But," you may ask, "could these European nations pay?"

Last year these debtor nations spent some $1,600,000,000 on armaments, or about $430,000,000 more than was expended annually prior to the war.

We are indeed easy. When European negotiators came to Washington to settle their war debts, we did not insist on their agreeing to pay those debts in full, together with the interest we were paying because of them.

We did not even insist they should agree to pay such interest for a reasonable period of time, even though the principal sums of the debts were to be canceled. We complacently settled with them on this basis:

Their debts, exceeding $12,000,000,000—or, to be exact, $12,090,667,000—were canceled, the debtor nations agreeing merely to help us out in paying interest on the money we had borrowed to loan them. Yes; and all they are to pay, taken together, is 2⅝ per cent interest annually for 62 years on this $12,000,000,000. Then they are through. We must pay the $12,000,000,000 without help and also the difference between this 2⅝ per cent interest and the interest we are paying on the money we borrowed to loan them.

HOW FIGURES STAND

All they paid us last year was $235,000,000.

This year they were to pay us $247,000,000, about half the interest we must pay, but the proposed moratorium will shift this $247,000,000 to our shoulders, temporarily at least.

The net cost to us of carrying these debts from their dates of settlement up to the end of this proposed moratorium—less than eight years as an average—will exceed, in interest alone, the total payments of every kind and nature made by our European debtors by more than $2,369,000,000. Do you wonder a deficit has overtaken us?

YEARS OF SCHEMING

For years—beginning at most three weeks after the armistice—the chancelleries of Europe have schemed incessantly to bring about the total cancellation of these debts. The success achieved thus far has greatly heartened them.

Of course, this possibility has appealed tremendously to Premier MacDonald, of Great Britain; Premier Laval, of France; and Foreign Minister Grandi, of Italy, who, in turn, have recently visited President Hoover.

And now there are those—among them Premier MacDonald, according to press reports—who are confident that the President's moratorium will prove the hoped-for death knell of all future debt payments to the United States.

UP TO TAXPAYERS

In dollars and cents these $12,000,000,000 of debts plus interest deficits are equivalent to an empire, their total approximating the assessed value of Minnesota, North Dakota, South Dakota, Nebraska, Kansas, Montana, Wyoming, Colorado, Idaho, Utah, Nevada, Washington, and Oregon. And so important to you, your children, and your children's children is even the partial interest, which the debtors have promised to pay, that you should ponder well and weigh each settlement that you may determine for yourself whether or not we shall insist upon Europe's continuing to help us pay interest on our huge borrowings because of these debts, or whether we shall further relieve these debtor nations by more reductions in the partial interest they have agreed to pay, or shoulder the whole burden ourselves.

ITALIAN DEBT

WASHINGTON, December 1.—Italy's war debt to the United States was $1,349,000,000. However, that is not all.

After the last gun was fired in the Great War our Secretary of the Treasury, like the good Santa Claus he was, kept right on loaning Italy as though the war were still on.

AUTHORITY QUESTIONED

He did stop long enough to ask the Finance Committee of the Senate to report out a bill approving such loans. This was refused. However, he continued making advances, though, so far as Italy was concerned, the Treasury did threaten to stop because of the attitude of an Italian representative at the peace conference who was insisting on a discussion of an all-around cancellation of intergovernmental debts.

This postwar debt amounts to $801,000,000, making Italy's total debt on June 15, 1925, $2,150,000,000 plus.

REMAINS UNPAID

Every dollar we loaned Italy was borrowed from our people and remains unpaid. As a consequence it will have cost the United States in interest to carry this Italian debt to the end of the present fiscal year—a period of seven years—some $624,000,000.

Now, mark you, should the proposed moratorium be ratified all Italy will have helped us out during that time—and she has paid all she agreed to pay—is a total of $39,821,000. The difference of the two sums will be our net cost of carrying this Italian debt for but seven years, or about $585,000,000.

Italy was to have paid us $14,706,000 more this year except for the proposed moratorium.

Could Italy have paid more? The following facts will answer that question:

In all, 14.3 per cent of her population is under arms. Last year she expended in armaments (military, naval, and air) $245,000,000, as against $142,000,000 in 1913—$103,000,000 more.

HER SETTLEMENT

Italy's debt settlement is equivalent to the cancellation of the principal sum of her debt of $2,150,000,000 and the ultimate payment in lieu thereof of 1⅛ per cent interest on the face of that debt for 62 years. Then Italy stops paying, the principal sum of her debt having been canceled.

Moratorium or no moratorium, should we do more for Italy? Is it not about time we should think of the people of the United States?

Why such a settlement? It was based on the high-sounding theory of ability to pay. There had to be some excuse for such indefensible generosity. The same theory was presumably invoked in the case of the Hungarian debt, and, though the amount involved was small, it will be discussed next, as the settlement indicates that the Debt Commission followed theory and a form of settlement to the point of absurdity.

HUNGARIAN DEBT

WASHINGTON, December 2.—Naturally there was nothing due from Hungary on account of advances made during the war, as she was aligned with our enemies. After the war supplies were afforded Hungary by the United States Government to the amount of $1,985,000.

Notwithstanding this was a postwar debt and the small amount thereof, a settlement was made with Hungary in the identical form of that with Italy.

THE AGREEMENT

It provided for the cancellation of the principal sum of $1,985,000 and in lieu thereof the payment of 3.7 per cent interest on the face of this debt for a period of 62 years, after which all payments are to cease as the principal sum of the debt is canceled.

For the period ending with this fiscal year it will have cost the United States Treasury to carry this debt $883,000 in interest alone, whereas the payments of Hungary for the period will total only $468,000. Therefore, should the proposed moratorium be ratified, the net cost of carrying this debt to the end of the present year will be about $415,000.

NO JUST REASON

There is no just reason why Hungary should not have paid this debt in full with 4¼ per cent interest within 25 years, as authorized and directed by Congress.

However, the Debt Commission seems to have been doing a routine job, so they applied the usual form of debt settlement, providing for cancellation, and charged it up to the ability-to-pay theory.

Had the Debt Commission insisted upon an additional annual payment by Hungary of only a quarter of a cent a year for each of Hungary's inhabitants for the 62 years, Hungary's debt would have been paid in full with 4¼ per cent interest and no cancellation whatever.

NO JUSTIFICATION

Is it to be wondered that deficits will develop with such treatment of our governmental credits and resources?

There is no justification for a moratorium in this case, and certainly after such generous treatment of a debtor suggestions of further reductions or of a total release should not be entertained.

BELGIUM'S DEBT

WASHINGTON, December 3.—Belgium's war debt, due the United States, totaled about $225,000,000. Belgium's postwar debt contracted after the termination of hostilities was about $258,000,000. The grand total of these two debts was $483,000,000.

Every dollar loaned Belgium was borrowed by us, our bonds still are outstanding, and they, together with interest, must be paid—the interest semiannually and the $483,000,000 some time in the future.

GOAT FOR EUROPE

The proposed moratorium is for all the war-worn nations except the United States. This is because every moratorium requires a goat, and so far as Europe is concerned, Uncle Sam has proven the champion goat of all time.

We borrowed money to lend these debtor nations. We must pay whether the debtor nations pay us or not. They are not to pay anything this year, if the proposed moratorium is ratified, and hope to pay nothing next year or thereafter.

THE END IS—WHERE?

There were those who realized we were the goat when the cancellation propaganda began shortly after the armistice. We took the second degree in this order at the time of the debt settlements, and a third degree is due with the moratorium. The question now is: How high will we consent to go in this "order of the goat"?

As a matter of fact, the Government has gone so far in its generosity to Belgium as to be guilty of a rank injustice to our people. That you may understand this, consider what the settlement with Belgium means to us in dollars and cents.

WHAT IT HAS COST SO FAR

Since 1925 up to the close of this fiscal year it will have cost the American people to carry Belgium's debt, in interest alone, about $140,000,000, and all Belgium will have paid us during these seven years, in case of a moratorium, will be less than $32,000,000.

In short, it will have cost us by next July, interest alone, since this debt settlement was concluded—over and above all Belgium's payments—$108,000,000. But that is not all. This settlement provides for the total cancellation of the debt's principal sum of $483,000,000.

ONLY A PROMISE

We are never to get a cent for that. It is gone. In lieu thereof, however, Belgium has promised to pay us the equivalent of 2⅛ per cent interest annually on the face of this debt for 62 years. Then Belgium is through, because, as stated, the principal sum of the debt—$483,000,000—has been canceled.

By the end of this fiscal year, then, we will have had to foot an interest-deficit loss of $108,000,000 plus $483,000,000 canceled, or a total loss of $591,000,000. Next year we will be out still more, and so on until the end.

However, last year Belgium had under arms more than 7 per cent of her population and was able to find in excess of $33,000,000 to expend on armaments.

AT THIS RATE

At this rate, during the seven years in question, Belgium will have spent on armaments alone $230,000,000.

Does it not seem as though she might have paid us more than $32,000,000 on her debt during this period, inasmuch as we will have had to pay out $140,000,000 in interest alone to carry it? Yet European chancelleries are hoping for further reductions, even complete forgiveness of their debts, because in the offing is the proposed moratorium.

RUMANIA'S DEBT

WASHINGTON, December 4.—Rumania won the war, if that could be said of any nation.

She entered it the size of Iowa, with three times its population. She emerged with added territory equal to Missouri, containing twice the population of that State.

FINE RESOURCES

A wonderful agricultural region, Rumania is in about the same latitude as Wisconsin, traversed by the Danube, touching on the Black Sea, supplemented with forests, fisheries, and great mineral resources—oil, coal, salt, copper, zinc, antimony, and lead.

Because of its resources and the relatively small size of its general war indebtedness—$267,000,000—Prince Bibesco, Rumania's minister at Washington, is reported to have urged his Government not to seek such cancellations as other debtors were demanding but to settle in full on a commercial basis.

Of course, this attitude was keenly resented by our other European debtors. It was, indeed, a bad example at a time when Uncle Sam had been reduced to a mellow, sentimental, and amenable state of mind, such that scarcely a holiday passed without his using the cancellation stamp for some one.

BIBESCO SHIFTED

Especially was this true of France, and, because of the close relations and military understandings between France and Rumania, Bibesco was promptly transferred to another post.

Rumania's debt to us was a relatively small amount, approximately $47,000,000. It will be remembered that Rumania was first aligned with the Allies and subsequently with Germany. As a consequence we made no loans to her during the war. All her debt to us was due to borrowings after 1918, and on account of surplus war supplies for the succor of Rumania's people during the reconstruction period.

Notwithstanding these facts, the Debt Commission canceled this debt upon Rumania's agreement to pay 3.4 per cent interest thereon for 62 years. Then Rumania is to be through. We never get a dollar of the principal sum of $47,000,000. It is gone.

Since 1925 this debt settlement has cost the people of the United States in interest alone some $13,000,000, inasmuch as every dollar loaned was borrowed by us and is still unpaid. However, should the proposed moratorium eventuate, during this same 7-year period, Rumania will have paid but $2,700,000—all she agreed to pay—leaving a net deficit for our people to shoulder of some $11,000,000, and the end is not yet.

ABSURD GENEROSITY

The absurdity of such generosity under the circumstances may be appreciated when we remember that at the time of this settlement West Virginia's share of our great war debt, based on population, was $266,000,000, or almost identical with Rumania's general war debt—$267,000,000. Yet Rumania has more than five times the area of West Virginia and nearly twelve times its population.

We are credited with being an opulent nation. Certainly such a debt settlement apparently stamps us a parvenu nation. Ostentatiously, forgetting the change, wasting our substance in dealing with our compeers, a compeer in this case with over 10 per cent of its population under arms, at an annual expense of some $64,000,000. Certainly this is not a case for further generosity or a moratorium.

GREAT BRITAIN'S DEBT

WASHINGTON, December 5.—The echo of the last gun fired in the Great War had scarcely died away when there was initiated in Europe a project for the cancellation of every one of the war debts due the United States.

It penetrated the chancelleries of that continent, it stalked to the peace table, it reached across the Atlantic and clasped hands with our international bankers, it intrigued our trade associations and chambers of commerce, it instituted an all-enveloping propaganda that worked while many of us slept.

PROJECT TRIUMPHS

Following such a barrage, the British Debt Commission finally arrived in Washington, and the cancellation project, remarkable as it may seem, largely triumphed.

The British settlement provides for cancellation, except that for 62 years Britain is to help us pay interest on the money we borrowed to lend her—and then Britain is through. This was justified on that new, high-sounding theory of "ability to pay."

Then followed the debacle—provisions for a similar cancellation of every other foreign debt due us, the ability-to-pay theory working in favor of certain nations, but when its application would have been favorable to the United States it was forgotten, evidently upon the ground that having canceled Britain's debt, that of our strongest debtor, we could hardly ask any other nation to accept less favorable terms.

KEPT ON LOANING

Britain's debt due to war-time loans was $3,110,000,000. After hostilities ceased we continued right on loaning her, so that her postwar debt was $1,605,000,000. The total of these war and postwar debts was $4,715,000,000—more than four thousand seven hundred millions of dollars—so huge a sum that the mind can hardly sense it.

In our settlement with Great Britain we agreed to forgive our debtor—to shoulder this huge debt in her place, provided she would pay us annually 3.7 per cent interest on its face for a period of 62 years. Then Britain is to be through.

So we have kissed good-by to $4,715,000,000. It's dead horse for us. But that is not all. Every dollar loaned Britain we borrowed, we still owe, and are paying interest thereon.

As a consequence, should the proposed moratorium be approved by Congress, we will have paid by next July, in interest alone, to carry Britain's debt some $513,000,000 more than Britain will have paid us altogether since the British debt settlement in 1923.

Under any circumstances, however, our loss in principal and interest, on account of this debt alone, will exceed five thousand millions by the end of this year—more than 90 per cent of which we are yet to pay out of future taxation. Moreover, there are further interest losses to come.

MORE SCALING

Notwithstanding these facts, there is propaganda abroad urging further scaling of Britain's promised interest payments and still other propaganda for a total release; to say nothing of applause for the proposed moratorium.

EIGHT POSTWAR DEBTS

WASHINGTON, December 6.—There are eight nations among Uncle Sam's debtors, no one of which except Poland is a beneficiary of German reparations—and Poland for only $120,000 a year. Nevertheless, under the proposed moratorium, each and all are to be relieved of any debt payments to the United States during the present fiscal year.

These nations are Austria, Czechoslovakia, Estonia, Finland, Hungary, Lithuania, Latvia, and Poland. No one of them is indebted for any war-time advances. Their loans were made after the termination of hostilities, for other than war purposes.

TOTAL THREE HUNDRED AND SEVENTY-EIGHT MILLIONS

Their respective debts at the time of settlement ranged from something less than $2,000,000 in the case of Hungary to Poland's debt of $182,000,000, totaling altogether some $378,000,000.

There was much discussion at the time as to whether the Treasury was legally empowered to make these loans because of the limitations contained in the Liberty Loan Act. Then, too, an appeal to the Finance Committee of the Senate for the broadening of the Treasury's authority fell on deaf ears.

POLITICAL MOTIVE

These advances were urged to mitigate suffering and unemployment. However, there was suggested another purpose in the official correspondence of that period. In a communication to the Treasury Department, of December, 1918, from the special United States commissioner of finance in Europe, Mr. Norman H. Davis, afterwards financial adviser to President Wilson and the American commission to negotiate peace, it was stated:

"From the Treasury's standpoint it is advisable, of course, to cut off as soon as possible our advances to the allied governments. But, on the other hand, from a political standpoint, it may be advisable not to cause too much anxiety just before the peace conference."

Notwithstanding the questioned authority for making these loans and our generosity in extending aid, every one of them has been canceled, the debtor nations agreeing to pay in lieu of the $378,000,000 the equivalent of a mere 3½ per cent annually on this sum for a period of 62 years.

DEBT CANCELED

That is all. The debts are canceled.

Not only must the American people pay this $378,000,000, but in addition an interest deficit every year, the difference between 3.5 per cent and the interest we must pay, and are now paying, on the money we borrowed to loan them.

From the time of these debt settlements up to the close of the present fiscal year it will have cost the people of the United States to carry this $378,000,000 the sum of $129,000,000 in interest alone.

However, should the proposed moratorium become a fact, the total that will have been paid by the seven nations during the same period will be less than $46,000,000.

Thus, our loss to July of next year would total this $378,000,000 plus an interest deficit of $83,000,000, or $461,000,000. Moreover, this loss will keep on increasing from year to year.

NEED NO MORATORIUM

The agreements settling these debts provide for the postponement upon request of interest and principal-sum payments. This right is effective now in the case of six of these debtors. However, none has formally applied for such relief to date.

In view of these facts and the generosity of which they are already the beneficiaries, should we volunteer that they pay us nothing this year, though we are confronted with a $1,800,000,000 deficit, which may be increased to $2,500,000,000 by the end of this fiscal year?

No private creditor would think of such a suggestion.

FRENCH DEBT

WASHINGTON, December 7.—Our entry into the great war was preceded by desperate appeals for aid from those who subsequently became our allies.

To save France from the invader we landed 2,000,000 young men upon her shores. However, their equipment and supplies were refused entry without the payment of French tariffs.

PAID RENT IN TRENCHES

War or no war, sentiment did not interfere with the French Government's business. The matter was adjusted by our agreeing to sell nothing during our stay in France.

Of course encampments for our boys were necessary, and trenches where they fought and died. However, for these we paid rent and damages. Such is the back stage and irony of war.

When the conflict was over our boys returned save their fallen comrades, but there remained behind our railroad equipment and the improvements we had made, besides mountains of food and other supplies.

Unfortunately for us, however, because of our agreement respecting tariff duties, there was but one customer for these "left overs"—the French Government.

PROMISES REPUDIATED

Therefore this $2,000,000,000 worth of property was turned over to France for promises to pay $400,000,000, since canceled.

Prior to the armistice, while the enemy was driving on Paris, we loaned, upon the solemn promise of France to repay, tremendous sums, aggregating at the time of her debt settlement $2,662,000,000.

But that is not all. After the war was over, upon her pleadings for further assistance, her debt was increased by further loans, including property purchased and interest, to a total of $4,231,000,000.

France with great reluctance finally ratified a debt settlement which provided:

1. For wiping off the slate this debt of $4,231,000,000; that is, its cancellation.

2. For the payment in lieu thereof of 2⅛ per cent of the face of this canceled debt annually for 62 years; France then to be free and clear of all obligations to the United States. (See interperative resolution respecting French debt settlement adopted by United States Senate June 19, 1929.)

SHIFTED TO TAXPAYERS

This means the shifting of the payment of this $4,231,000,000 from France to the shoulders of our people.

Moreover, from the date of this settlement to the end of the present fiscal year—should the proposed moratorium be ratified—it will have cost the American people to carry this debt, in interest alone, $1,228,000,000.

In the meantime, however, the payments made by France—and she has paid all she agreed to pay—will total but $200,000,000, resulting in a net interest deficit or loss of $1,028,000,000 for the seven years.

Thus will the American people be out of pocket, so far as this French debt is concerned, approximately $5,260,000,000. Moreover, in years to come this huge loss will increase, bending the backs of American children yet unborn.

PHILIPPINE-INDEPENDENCE STATEMENT BY SENATOR HAWES

Mr. HAWES. Mr. President, the population of the Philippine Islands consists of 13,000,000 Malays and less than 7,000 Americans. The Malay population is rapidly increasing, while the American population is decreasing. These remaining Americans considering their personal interest, are naturally opposed to the independence of the islands. It is asserted by them, and the assertion is transmitted to American newspapers and the American public, that the Filipino people do not understand the responsibilities of independence or the consequences of the withdrawal of the sovereignty of the United States from the islands.

This statement is without foundation. Very intelligent discussions showing a full realization of economic readjustments which may become necessary in case independence is granted, have been carried on by some highly intelligent men and women of the Philippines. They have weighed the cost and are willing to pay the price, if there is any.

The assertion that the costs and responsibilities of independence have not been considered is just another attempt to divert the attention of the American people from the real facts as they exist in the Philippines. All classes of Filipinos are united for independence—the business, intellectual, labor, and agricultural elements.

A remarkable convention called "The First Independence Congress" was held at Manila from February 22 to February 26, 1930. It was composed of 3,000 delegates representing every section of the Philippine people, geographically, economically, politically, and in a religious way, for Catholics, Protestants, Mohammedans, and pagans attended it. These 3,000 delegates divided their subjects of independence into subtopics and assigned men and women to discuss a particular subject and to report back to the convention.

I have read very carefully the volume of 365 pages containing a report of this convention. As the chronicle of an effort of thousands to acquire an intelligent understanding of independence, it is a remarkably human document, notable for moderation of statement, for the friendly words with which the delegates spoke of the United States, and its people, for the clear understanding of the responsibilities of nationhood, and for insight into the problems the future holds for them. This document will demonstrate that the matter has been discussed and the effect of independence carefully considered. Despite the responsibilities the unanimity of opinion for freedom remains.

The text of the resolution adopted by the delegates, and some paragraphs from addresses at the gathering I think well worth a place in the RECORD. I ask that the following extracts from the proceedings of this convention be inserted in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The resolutions and extracts are as follows:

The resolution adopted by the convention reads:

"We, members of the First Independence Congress, convened at the city of Manila, Philippine Islands, from February 22 to 26, 1930, on the initiative of private citizens, and composed of representatives of business and agriculture, directors of civic organizations, leaders in the various professions, publicists, educators, labor, religious and student leaders, municipal presidents, Moro chiefs, coworkers of Rizal and Del Pilar in Spain, veterans of the revolution, elective officials of the provincial governments, high officials of the former Philippine Republic, past and present members of the Philippine Legislature and Filipino members of the council of state, after deliberating upon the problems of independence including national defense, finance, and economics, as well as political, social, and educational questions which would be faced by an independent Philippines, hereby make the following declaration:

"'While fully conscious of the debt of gratitude we owe to America for her benevolent policy in the Philippines, we are convinced that immediate independence is the only solution in consonance with the unalterable desires of the Filipino peo-

ple. No matter how lightly an alien control may rest on a people, it can not, it will not, make that people happy. The genius and potentialities of the Filipino people can only be developed in an atmosphere of freedom unrestrained by foreign rule. Differences in race, history, and civilization render difficult, if not impossible, a common life under one flag between the American and Filipino peoples.

"'The uncertainty of our future political status hampers the economic development of the country. Our present trade relations with the United States are not conducive to the economic independence of the Philippines, and whatever may be the temporary advantages of such relations, we are willing to forego them for the sake of freedom. The longer we remain under America, the harder will it be for us to be freed from our political and economic dependence on her. We are now better prepared for nationhood than many independent states of to-day, and we are ready to assume the risks and responsibilities of independence. We are not unmindful of the fact that in the final solution and settlement of the Philippine problem, American and foreign interest must be adequately safeguarded. The establishment of a Philippine Republic to-day will but be the logical and just outcome of our long struggles for freedom and will be in keeping with America's history and traditions. Independence will make for closer friendship and better understanding between America and the Philippines, while retention fosters distrust and ill feeling. In our solemn constitutional covenant with America she has promised to grant us independence as soon as a stable government can be established. This condition has long been fulfilled.

"'Therefore, in the name and in behalf of the Filipino people, we solemnly affirm, with full realization of the consequences and responsibilities of political independence, that our people should be allowed to live an independent life and to establish a government of their own without any further delay and without any condition which makes its advent uncertain; hence we respectfully reiterate our petition to the people and Government of the United States to grant the Philippines immediate, complete, and absolute independence.'"

Dean Maximo M. Kalaw, executive secretary, in opening the convention, said: "The idea was started by private citizens; but when we urged our legislative leaders to carry it out because they are the legal representatives of the people, we were told that, in order to give freshness to the movement and to attract other men and parties, citizens outside of active politics had better take the initiative. In that way, they further argued, the people of the United States would know that the independence agitation here is not limited to the political leaders. This is the explanation for the calling of this congress merely by a group of citizens."

The president of the congress, the Hon. Felipe Agoncillo, reminded us—and the world—of our pledge: "We avail ourselves of the birthday of the immortal Washington, the founder of the great North American Republic, and on this day request the Government of the United States to give us the immediate fulfillment of the solemn promise made in the preamble of the Jones law. It is a word of honor which America has given before the world, and because it is jealous of its national honor should in no way elude its fulfillment."

Hon. Antonio de las Alas, speaker pro tempore of the house of representatives, said: "In the Philippines we are fortunate that we can always invoke the history and traditions of America to keep alive our sentiments of nationalism and accelerate its onward march. The facts still linger in our minds that the Pilgrims emigrated to America to enjoy freedom; that the Boston Tea Party was a protest against acts done by the British Government without the consent of the American colonists; that though few, ill-fed, barely clothed, poorly armed, and untrained for military duties, the Revolutionary Army under Washington continued fighting with might and main to attain the independence of America; that the Declaration of Independence lays down the ideal of government with the consent of the governed; that the Monroe doctrine was promulgated to close the American Continent from colonization by European nations; that the Civil War was fought to give life and blood to the tenet that all are born free and equal; that the Spanish-American War was fought to save Cuba from further atrocities; and that America participated in the last Great War to make the world safe for democracy and to compel each nation, including the small ones, to respect the rights of others."

Mrs. Rosa L. Sevilla de Alvaro, on behalf of the Filipino women, fairly characterized the methods the Filipinos have employed in pursuit of their ideal: "We, the women, are the first to condemn all violent measures, because no longer are we in the age of the cave man, when right by might was necessary to enforce the law of righteousness, and because we have more powerful and persuasive weapons. And all those who prove themselves hostile to our legitimate aspirations, let them be ostracized to indifference and isolation. We are happily in a period in which reason predominates, in which in the struggles for principles and ideals he who has faith in himself and in his own convictions triumphs; wherein the man who knows how best to present the facts succeeds, the man who knows how to find the most opportune means, who knows how to employ the weapon of persuasion attracts toward him the favorable opinion of other altruistic peoples; in short, the man who knows how to enhance virtue and paint even the defects of his people is the man who will finally attain victory.

The Hon. Juan Sumulong, at that time minority floor leader in the Philippine Senate, impressed on the delegates: "We do not aspire to be free on mere sentimentalism. We are convinced that in the degree of development reached by our country, the uncertainty of its definite political status is a positive obstacle to all real and durable progress. While the indefiniteness subsists, while it is made and planned, our country will suffer from the evils of provisionality; timidity and vacillation will be the characteristic decisions of the nation and foreign enterprises; our commerce with the exterior will be restrained and limited; and the whole country, oppressed by the darkness of the future, will continue to be like a man waiting for an unknown sentence which may give him back his liberty or deprive him of it forever."

The Hon. Sergio Osmena, president pro tempore of the Philippine Senate: "* * *; let each Filipino look for the job which fits his aptitude and let him do what he can for the benefit of the ideal. Our exact comprehension of the responsibilities, problems, and sacrifices which will bring independence will educate our intelligence and our character and will prepare us to be worthy of receiving it, and, above all, it will teach us to uphold and support it for us and for our children; for the natives and for the strangers; for all men of good will who want to live with us and who consider it an honor and a security to be under our flag. Determination, disinterestedness, the spirit of discipline, are qualities which, when united together in our case, will firmly conquer all obstacles."

An educator of distinction—Prof. Conrado Benitez, director of the school of business administration of the University of the Philippines—gave a glimpse of Filipino aptness: "First, in the early days of that contact, the appeal to able and ambitious Filipinos was to prepare themselves for participation in the government. That appeal met with a ready response, and soon there were not enough offices in the government for all those prepared for the public service. In recent years the appeal has been for the able Filipino to enter the field of business."

The Hon. Miguel Unson, secretary of the department of finance, said: "In June, 1909, when the United States Congress was considering the Payne-Aldrich bill, several agents of the government were traveling through the Provinces securing signatures to a petition which was to be solemnly adopted on the Luneta on July 4 of that year. The petition was for free trade between the United States and the Philippine Islands and the purpose of the petition was to offset the attitude of the Philippine Assembly, which was opposed to the bill. I know of many persons who refused to sign the petition because they considered that free trade would in time become a powerful tie binding the Philippines to the United States. They feared that economically the Philippines would become very dependent upon the American market, and that this dependence might in time grow to such an extent that the Filipino people might forget their duties toward their country in order to continue enjoying the material comforts and prosperity offered to their efforts by a market of almost unlimited possibilities."

The Hon. Rafael Alunan, Secretary of the Department of Agriculture and National Resources, called attention to problems and difficulties which some opponents of independence declare the Filipino either doesn't perceive or wish to mention: "The sensible people of the Philippine Islands can congratulate themselves that the leaders of public thought have realized the necessity of giving due attention to the economic aspect of the independence problem. One must admit that a free and independent existence necessarily brings with it many and serious economic problems. These are practical facts that have to be faced resolutely, because, like individuals, nations can not live on illusions. A person who, like the ostrich, hides his head when any difficulty or danger is encountered, does not exhibit constructive statesmanship. There are two dangers involved in the solution of the Philippine problem; the first consists in our closing our eyes to the economic difficulties which are a necessary consequence of independence, attempting to ignore their existence. The second is to insist upon seeing things as we would like them to be or think they ought to be, but are not in reality because they have bad sides as well as good."

Don Leopoldo R. Aguinaldo, a business man, and president of the Philippine Chamber of Commerce, said: "Independence can not and should not obstruct the increase of our productive wealth. But as our production depends for its consumption greatly on the outside markets, especially that of the United States, the cessation of political relations would provoke a disturbance in the commercial relations bordering on economic chaos which may last five years or more until necessary adjustments are made to supply the absorbing demands of the market in the States and other foreign markets which we may favor with our products. We should not form the illusion that our economic structure will not be affected with the transition of the actual state of dependence to a life without a check."

The Hon. Guillermo Gomez, Under Secretary of the Department of Finance, also foresaw and foretold some of the offsets to independence: "But there is no doubt that we can survive and even progress, if we know how to bear sacrifices and find the means of lowering the cost of production; contenting ourselves with smaller salaries and profits; introducing more scientific and economical methods in cultivation and harvesting, and uniting our efforts and cooperating with each other in looking for a more remunerative outlet for our crops; in a word, working harder than ever with our brains and brawn, so that we may successfully pass through the period of test, resulting from our emancipation, a test which will aggravate the unfortunate coincidence of the restrictions to be placed on our market in America with the superabundance of tropical products throughout the world."

The Hon. Cornelio Balmaceda, of the Bureau of Commerce and Industry, spoke in the tenor of Under Secretary Gomez: "The present free trade is a serious obstacle to Philippine independence. It has tightened and is tightening the commercial ties that bind us with the United States, and the longer we keep on with it the more economically dependent upon the ruling nation we shall become, and the more difficult it will be to sever our political relations with her. We must, therefore, work at once for the abolition of the free trade. But in order to make this necessary change in our tariff system less disturbing to our economic situation, and to mitigate to some extent the economic shock that it would cause to our people, we should see to it that its abolition is effected gradually, if such an arrangement can be secured. A period of 10 years may be fixed within which the present tariff arrangement may be abolished. After the first two years we can shift to a preferential tariff arrangement with the United States instead of free trade."

The Hon. Jose P. Laurel, member of the Philippine Senate: "Upon the workings of the government of these local units depends in a great measure the success or failure of the central government. This is especially true in a democracy. Paralyzation of the parts will result in the paralyzation of the whole. Sound municipal administration is the main prop of a state. It was M. de Toqueville who said: 'Local assemblies of citizens constitute the strength of free nations. Town meetings are to liberty what primary schools are to science; they bring it within the people's reach, they teach men how to use and to enjoy it. A nation may establish a system of free government, but without the spirit of municipal institutions it can not have the spirit of liberty.' Here in the Philippines, if we mean to preserve for future generations the stable government which we have built up, we must maintain a high standard of local government and administration. * * * I do not believe there will be serious opposition to the idea of increasing taxation here if that is necessary for the maintenance of an independent government. We should be willing to pay the price of liberty. Of course, in working out our financial program for the provinces and municipalities we should at the same time study the ways and means by which the expenses of the governments of these political subdivisions could be reduced to the minimum without, however, hampering public business. It is possible that we could bring down administrative expenses of our provincial and municipal governments by the reduction of their personnel."

The Hon. Honorio Ventura, secretary of the department of the interior: "It will be sufficient for me to state once more that our country has until now responded to all calls of duty as regards public order, obedience to law, and respect for the rights of nations and foreigners, and has at all times furnished the cooperation and services necessary for the maintenance of the constituted government and required by the public welfare not only as an element subordinate to a foreign authority or supreme power but as a factor indispensable to national existence with moral and material powers and responsibilities of its own."

Dean Maximo M. Kalaw spoke thus for the political section of the First Independence Congress: "Finally the independence question itself is the greatest deterrent to the political development of the Philippines. So long as that question remains unsolved real political progress is practically impossible. Every other political issue is overshadowed by independence and no real party system is developed. Independence has been the one major issue of Philippine politics ever since our first election. * * * Under the circumstances, therefore, no real party system can exist and no other issues can become prominent enough aside from the issue of independence. * * * It is conceded that there are many other Philippine problems of political nature which must be studied and solved for the proper political development of the country. There is the problem of the system of government to be established. There is the problem of the relation between the central and the local governments. There is the problem of corruption in the government. There is the problem of elections. * * * In order, therefore, that the people may cultivate proper respect and loyalty for the State, in order that they may develop self-reliance and self-sacrifice, in order that they may follow their own ideas and establish the forms of government adapted to their needs, in order that they may discuss freely their own political problems unmixed with the independence question, and in order that they might develop a proper attitude of vigilance and self-criticism toward their political leaders and social institutions, it becomes necessary that the independence question be solved and be solved immediately. * * * A real love for American institutions will blossom in a Republic born out of the generosity of the American people. The Philippine Republic will be the greatest monument to America in this part of the globe. It will be a veritable lamp which will be seen and admired from all corners of Asia."

The Hon. Lope K. Santos: "The teaching of English began about a month after the military occupation of Manila in 1899. Then the first teachers, who were Army men, taught the language through Tagalog or Spanish, which at the time they learned from their already adult pupils. During those first years the educational authorities were more inclined to the method of teaching English with the help of the dialects and even of Spanish; a practice which lasted only a couple of years. Men are not wanting who attribute the substitution of this method by the exclusive teaching of English to the suggestion of the Filipinos themselves, who were then taught to be 'leaders' of peace to the Filipino people and advocated the annexation to the United States. The new system, even if it was notoriously antipedagogical, prevailed and was instituted as a general policy of education in the whole country up to the present, consequently proscribing from the public schools any Filipino language or dialect, including Spanish. All the attempts on the part of our national 'leaders' and of our legislature, as well, to alter such a policy, have always come into conflict with a previous opposition or with the posterior disapproval of the executive. * * * The same Filipinos, in order to cooperate faithfully and sincerely with the American teachers, have gone on qualifying themselves with marvelous rapidity with the object of assuming the mission of teaching English; in such a way that actually they already have in their charge all the primary and intermediate schools, and the same is true with 95 per cent of the high schools and even universities."

The Hon. Rafael Palma, president of the University of the Philippines: "We have to prepare our youth not only for professions but also for the civil service, the national defense, and the diplomatic relations. Materials which are of little importance now in our course of study because of our dependent status would increase in weight with the change of situation. For instance, all courses pertaining to tariffs, immigration, monetary systems, disposal of public lands and mines, which by the nature of our relations with the United States are of secondary interest at present would come to the front of our educational problems. * * * The present era is eminently scientific, and we can not reasonably live and survive by isolating ourselves in our own islet formed during the theological era. We need to absorb and assimilate whatever else is of benefit to us. That is the law, the task of all education and progress. From the moment that the individual ceases to absorb new ideas or try new experiences, he stops growing intellectually."

Dean Francisco Benitez, of the College of Education, University of the Philippines: "For the last 50 years at least, the fundamental concern of our people has been and is the struggle for the achievement of independent nationhood. After these years of efforts, our people to-day, an impartial observer will see, are as well prepared for it as any other people in the world that at present aspire for their independence. Ours is, in the first place, a homogeneous people, possessed of the same culture that has been the result of Malayan, Hindu, Chinese, Spanish, and American influences, able to communicate with one another in English and Spanish, the overwhelming majority of us being Christians united by a long history of sacrifices for liberty and, thanks to the liberal policy of America, enlightened in the principles of good government and democracy. An impartial observer will further notice that the mind of our people is irrevocably made up on this question, not because we are ungrateful to the United States, but because we realize that on account of fundamental differences in race and history and of our geographical situation our people must work out their own destiny as a nation and in that way contribute their share to human progress and welfare. * * * With independence we will be more conscious of our responsibilities and obligations as well as of our rights as an independent and self-respecting unit in the family of nations, and, with independence, there will be in our country a renaissance, a new determination to do and achieve all those things which will enable us not only to maintain and to foster progress and welfare among us but to discharge all those duties that a civilized people owe to mankind. And as our civilization is the product of the influences of both the East and the West, we hope, as an independent nation, to contribute to a better understanding between the eastern and western nations."

The Hon. Angel Arguelles, director of the bureau of science: "A tropical country like the Philippines requires a highly developed organization to take care of the hygiene and sanitation of the people. Up to about 30 years ago, life in the Tropics was considered extremely hazardous in view of the fact that epidemic diseases like cholera, bubonic plague, smallpox and others may break out at irregular intervals. In those days when medical science was not fully harnessed to cope with the situation, a considerable proportion of the population became decimated because of the ravages of disease in one form or another. Fortunately, the great advances of science along this direction have made tropical life much more enjoyable and safe than in previous years. However, science must struggle on in combating the different types of epidemic diseases which confront people living in the Tropics. It will be the part of wisdom to closely keep abreast with the progress of sanitation and hygiene in order that our population can grow normally and with vigor and strength. The importance of this work is so self-evident that its necessity need not be emphasized."

Prof. Fabian de la Rosa, director of the School of Fine Arts, University of the Philippines: "Only a Philippines completely free and independent can reflect in art a pure and polished image of its native soul, thus providing its artists moments of intense and sane happiness, which will serve as a stimulant to their souls to create work of superior quality, where will be seen reproduced the effects that an atmosphere of liberty can generate in the will and sensibility of the artist; because, say what you will and think what you will, a controlled country is found constantly exposed to suffer great moral and material changes to the detriment oftentimes of its good native qualities, which means little or nothing to the ruler that always feels more interested in what concerns itself than in things belonging to the controlled country."

The Hon. Mariano H. de Joya, formerly judge of the Court of First Instance: "The diversity of races, religions, idioms, laws, institutions, and customs, however, is not an obstacle to the formation of a great, free, and prosperous state so long as its basis be liberty. The ties that bind actually the 120,000,000 inhabitants of the vast territories of the United States of America can not be more artificial—men belonging to all races, professing an infinity of religious and political creeds, subject to diverse systems of legislation, with customs and traditions of all the circuits of the earth; but, in spite of all that, they constitute the greatest and most powerful nation of the world, where all the hatred and injurious rivalries are drowned, because they are firmly united by the same cause of liberty by the heat of which all nationalities are melted. On the other side of the Atlantic exists also the prototype of the great American Republic—the Swiss Confederacy—whose inhabitants, notwithstanding their diversity of races, religions, and languages, have succeeded in establishing a free, happy, and prosperous state, the union of which was made possible by their community of interests and by the same ideals, sacrifices, and tribulations, from the most ominous days of its past bloody history to the attainment of liberty."

Mr. Pedro Aunario: "The great surprise which we had in the hecatomb of ninety-eight, which brought the United States to these islands, was that we Filipinos knew little of the Americans, of their history, and their character. That even caught us entirely unaware. Neither the country nor the then directors were prepared to face the new situation. * * * I shall tell you frankly that the clearer idea of relations of neighborhood I have condensed in the magnificent advice that an old man with good common sense and experience gave to his son, 21 years old. 'Try,' said the father, 'to have good relations with those around you and those near your home. If you can not gain the friendship of even your neighbors, you are unfit to live in the world. Do not allow others to interpret their purposes and then communicate them to you. Make an effort to understand them talking to them directly. If they are your possible enemies, you will know how to defend yourself better. Under any circumstances, if their house burns, yours too will; and when you are afflicted by a common misfortune, you would need mutual help.'"

Gen. Jose Alejandrino, ex-general of the revolution and ex-senator: "Finally, I believe that the best guaranty of our existence as an independent nation should be a stable government, honorable, efficient, and just but worthy, whose acts inspire confidence with other nations, and which proceeds in such a way that in all questions that might arise between our government and that of another nation, we can always prove before the world that reason and justice are on our side."

The Hon. Filemon Perez, secretary of the department of commerce and communications: "If the realization of our political ambitions is really approaching, if it is true that there gleam in the horizon rays of hope and that finally the Filipino people will be given the opportunity to live under their own determination, this is the moment of shaking and strengthening the civic conscience among our citizens. We should separate when we treat of public questions from party or regional considerations, in order to give preference to the common good. Let us go up so that from there we can have a more complete and comprehensive perspective of our national necessities and conveniences."

The Hon. Jose P. Melencio, representative of the Province of Cotabato, and son-in-law of General Aguinaldo: "That Mindinao is my subject to-day. Out of the uncertainties of yesterday, the ramparts of a better order are there being constructed. On all sides evidence of a quickened existence are discernible. The cross and the crescent are not inconsistent there. Good-naturedly, they smile on each other, marching hand in hand as friends and comrades. Some day, perhaps one of them will be discarded altogether; the more fit will survive. But there will be no actual clashes due to religious convictions and impulses. More noteworthy yet, Christians and Mohammedans, every now and then, go to the marriage altar together, to be there united by the compelling dictates of their hearts. In no case yet has one of those marriages hit the rocks of disaster. There are other encouraging signs of the times. Our Mohammedan kinsmen are steadily embracing the ways of modernity. Age-old prejudices and antiquated traditions are gradually being dumped into the scrap heap, and a new outlook toward life is manifest everywhere. More and more, faster and faster, they are adopting the trappings of modern civilization. Their wants are increasing; they are beginning to produce more. They are fond of riding in motor cars. They enjoy the movies. They get the same thrill out of athletics and of boxing bouts as we do. Many of them are fitting their picturesque vintas with motors so they can travel about faster. * * * American and foreign capital, on the other hand, hesitates to make large investments in Mindanao because of the uncertain political status of our country. With the coming of independence we shall have to rely on Filipino capital and initiative for the development of Mindanao. But the government would have to extend the necessary encouragement in order to achieve something tangible. It will have to provide roads, shipping and docking facilities, and various means of communication from one place to another. Once these things are provided for, the rest will take care of itself."

Director Ludovico Hidrosollo, of the bureau of non-Christian tribes, laid one of the ghosts with which foes of Filipino freedom are wont to frighten timid Americans: "Mindanao is populated with Christian, Mohammedan, and pagan peoples. Only two of the eight Provinces which compose the island are predominantly Mohammedan. These are Lanao and Cotabato. The Sulu Archipelago, which has a total area of 1,030 square miles, is almost entirely Moroland. According to the latest estimates, there are only about 6,000 Christian Filipinos in this Province. * * * Christianity and Mohammedanism do not harmoniously mix in any part of the world. In religion most men take things for granted rather than exercise reason. Fortunately, the Christian and Mohammedan elements of the population in Mindanao and Sulu have managed to live together peacefully as a whole. In the annual report of the governor of Lanao for 1928, I find these remarks: 'The least that is said about the differences between Christians and Mohammedans and the more effort that is put forth to establish and maintain friendly relations the more speedy will these differences, to a considerable extent, imaginary, be removed, and the relationship of man to man, give and take, live and let live, be established.' In my opinion, the majority of the Mohammedan Filipinos do not feel, or do not realize, that they are a part of the Filipino people. Yet, whether we wish it or not, whether they wish it or not, they and we are racially the same, have to live together in these sea-girt islands and share one common destiny."

Sofia R. de Veyra, president Federation of Women's Clubs, a woman of capacity and culture: "We will not be called upon to lead an army, as was St. Joan of Arc, nor will we have to take a gunner's place, as did Molly Pitcher, but we are called upon to stand side by side with our men to face our country's needs and do our best to remedy them. It may be true that woman's place is in the home, but the home does not have to absorb all her attention. All over the world the woman is coming into her own. We must recognize this fact. We can and we must stand by our men and face the problems with them, and we can do this without neglecting the home and without losing one particle of our own womanliness. Our work must not consist in mere idle talk. We are attending this congress in order to discuss the best means by which we may cooperate with our men in their struggle for independence. Those of us who can offer some suggestions should do so without hesitancy. We must take advantage of this opportunity, and we must have something definite, something concrete, as a result of to-day's discussion. We must realize that once independence is granted, conditions are bound to be different. There will be a time when we shall be called upon to face far greater problems than we discuss to-day. If independence is granted during our lifetime, we shall have the responsibility of setting up on its feet a new nation among nations."

In her address, Miss Paz Gloria-Canave, representing the Filipino women, said: "The women are the best teachers and the most powerful teachers. The true mother takes charge of the education of her children during the most precious and formative stage of their lives. The home is the best place to inculcate patriotism. Pictures and stories of great men could be shown and taught respectively to the children as clearly as we possibly can. Even pictures of beautiful scenes in the locality—now that this is possible through the works of some of our artists—can well adorn the home in order to make the children appreciate the beauty of their own country. * * * We are told of the immense expense, national and individual, of an independent country. The best way to prepare for this responsibility is to practice economy right away. Now and then we hear remarks that we are extravagant. In my observation I find some truth in these remarks. We women who control the purse and the budget of the family should practice economy in our daily life."

Miss Ramona Tirona, associate professor of the University of the Philippines, urged willingness to accept economic hardships, if such must be the concomitants of independent status: "Now let us briefly analyze a certain phenomenon that affects the expression of our national aspiration. I suppose that we all agree that independence is cherished by all of us. There is no mentally sound Filipino who has not thought likewise. But in spite of the general valuation of freedom there has been entertained a fear on the part of many of our people about the fate of the country in case independence is granted. What will become of our trade, of our agricultural and industrial interests, of our private and governmental institutions, of the maintenance of our government, of our safety from external attack? * * * If sacrifices are to be made for our independence, let us have them take place sooner. The torture of any expected pain that is slow in coming is greater, indeed, than that of an intensive one that is immediately experienced. * * * It behooves, therefore, the Filipino women to exercise their influence upon those fellow countrymen and women who are afraid of the future of the Philippines in the event of independence, in the cultivation and diffusion of a courageous sharing in the burdens that must be borne."

Japanese menace to a Philippine Republic was one of the subjects considered by Prof. Serafin E. Macaraig, of the University of the Philippines. He met the objection thus: "The threat of a Japanese menace and the fears that have been entertained by the Filipinos themselves against a possible Japanese invasion in the Philippines are the products of a systematic propaganda, both in Congress and in the press, which the imperialists have been pounding into us and have become a part of our thoughts and ideas. Japanese invasion, if such there be, is a political rather than a population menace. Admitting, for the sake of argument, that with the declaration of independence in the Philippines Japan would extend her imperialistic designs to the islands, it still can be maintained that the population menace can not become a reality. Conquest in the history of all colonization has brought into the conquered country not mass migration but administrators and colonizers."

Union labor had for its spokesmen at the convention Don Joaquin Balmori: "Philippine independence by virtue of economic readjustment which will come later on will give as one of its results the lessening of its public rent. Such, instead of terrifying us, should strengthen us and comfort us, and thus convinced that we should depend solely on ourselves in what pertains to our production, we should force ourselves in recovering the goal lost in the exterior market, we shall feel compelled not to rest, if we do not wish to perish absorbed by the stronger and the wealthier in the economic contest. And the element which will have the heaviest of this responsibility on its back is, without any doubt, the labor element. But the laborer, conscious of his duties, acquainted with all that he strives for, will not in any way neglect the important rôle which the Philippines has assigned him, if the working conditions be dignified and elevated, placing them, if not on the same basis, at least on one similar to those that exist in the more progressive countries of the world."

Mr. Felipe E. Jose, first vice president of the labor congress and former president of the Workers' and Peasants' Association of the Philippines, was eloquent in his interpretation of the feelings of the workers: "So with heads up and hearts open we are making it known to the four winds that the rich and powerful who desire to become leaders of national movements can be assured of our help so long as they are fighting for a common cause. Just as the common masses of yesterday proved their loyalty to their country, so are the laboring classes of to-day. The least doubt should never be entertained, for we are also prepared to die for our country's sake. We are saying plainly that if the rich and educated people think that the success of Philippine mission depends on us right now we offer our lives to fight for liberty until the last. If it is the life of the laborers that America needs to recognize our right for freedom, we are here with hearts open to offer her what is in our power."

Assurances to American investors were proclaimed in the address of the Hon. Emiliano Tria Tirona, formerly minority floor leader in the senate: "We should tell those augurers of disaster and bankruptcy that their fears are not well founded; that if we come to be independent due to the recognition of our own worth by the Congress of the United States, the Filipinos as a people and as individuals, would give to the capitalists, merchants, and American products greater protection than we now in our state of dependence receive for ourselves; and that instead of considering them as our bosses, dominators, and invaders we would look upon them as our benefactors, and their investments would be guaranteed, not only with the might of the Philippine Government but also by the might of the affection and gratitude of the whole people. The material power may be destroyed by a superior power. It is ephemeral, but the power that creates affection and gratitude is perennial. * * * It is possible and probable that the country in the first years of its independence would feel an economic depression, but such a phenomenon is registered in all countries that began to live free from foreign tutelage. Even America after its separation from England had several years of economic depression. But such an abnormal state is transitory. Sooner or later would come the normal situation."

Dean Jorge Bocobo, of the college of law, University of the Philippines, directed attention and paid tribute to the solidarity of the Filipinos as to the "great issue": "From the very nature of things, there should be only one party here, the party of the Filipino people as against the imperialist interests. The theory that for the sake of democracy we should fight our domestic issues while uniting ourselves on the independence movement has proved to be impossible. Because of the resentment caused by internal questions we find it difficult to rally the national character for united action in the independence movement. But, my countrymen, it is not too late. There is still left in the depths of our beings enough strength of will to strive together under the banner of the sun and three stars, while the radiance of our beloved flag shines on our faces that look toward the future years—the years of national dignity and national glory."

The Hon. Manuel L. Quezon, president of the Philippine Senate, was absent because of illness. A letter which he wrote to the convention I give in part: "The attitude of any American or group of Americans who has been inspired with egoistic sentiments in his relations with the Filipinos, or the behavior of any ruler who has been interpreted by us as inspired by the proposition of ignoring our rights, has never represented either the attitude or the policy in general of the people and the Government of the United States in their relations with the Filipino people. * * * To be independent is to be admitted in the family of nations; hence our acts now and our acts to-morrow as individuals and as a people should be such that would inspire the confidence and security, that we shall know how to live with other people, and that we shall know how to manage our government, not only for the benefit of the natives but also for the protection and safeguard of those residing in our own territory."

President Rafael Palma, in an address which was the valedictory of the convention, drew attention to a fact that impressed me more than any other during my visit to the Philippines. That was the tremendous interest and enthusiasm for independence among the younger generation of Filipinos: "What pleases me most on this occasion," President Palma told the several thousand delegates, "is the fact that the young generation, whom we expect to continue our labors, are so identified with our ideals and are so ready to fight more vigorously for the same principles for which we have struggled as to leave no further doubts regarding the definite destiny of the Filipino people. We who have reached the afternoon of life and can only watch as the shadows throng and lengthen with the setting of the sun on the course of life and its events, can not but feel optimistic at knowing that our efforts have not been in vain and that after us a new generation is coming so full of aspiration and vigor, a new generation to lead to its happy consummation the task that the Father has intrusted to us all."

WATER-POWER DEVELOPMENT

Mr. JONES. Mr. President, I have an address by Hon. Ralph B. Williamson, vice chairman of the Federal Power Commission, delivered before the convention of Associated Western States Engineers at Sacramento, California, on October 28, 1931. It discusses the question of Federal and State policies with respect to water-power development. It gives especially the Federal viewpoint. I ask unanimous consent that it may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

Let me say in the beginning that the purpose of my attending this conference is not primarily to deliver this speech. I have no particular message to bring to you. While I am personally gratified by the honor of appearing upon your program, yet I want to convey to you now that my visit is merely an expression of interest of the Federal Power Commission as a whole in the problems of the West dealing with power development. I am sure that every other member of the power commission envies me this opportunity to make the personal contact with the State officers charged immediately with the control of the water resources of their respective States.

The commission believes in the closest cooperation between these public agencies, and, of course, personal contact, personal acquaintance, and first-hand knowledge of existing conditions are the first essentials in that cooperation. Commissioner Garsaud's visit of two months this summer inspecting the projects of our western licensees and familiarizing himself with western conditions was in keeping with this program.

We feel that the objectives of the Federal Power Commission and the objectives of this group of engineers, the administrative officers of our respective branches of Government, are identical in so far as our efforts are directed toward the conserving of the water resources of the country, and the causing of them to be put to work in the interests of the people who are or will be the inhabitants of the respective sections.

The subject assigned to me is the Federal Viewpoint and Policies with Respect to the Control of Water and the Development of Power. The arrangement of the program indicates, however, that it is desired that the subject be discussed in its relation to the State's interest in that resource, and such discussion is timely.

The possibility of conflict between the States and the Federal Government is necessarily inherent in the very form of the Government prescribed in our Constitution. The more or less elaborate machinery provided for the dual system in our Constitution is probably the reason why Anatole France referred to it as the greatest invention of governmental machinery in the history of the world. It is what makes this Republic different from others which have gone before, and in so far as it serves the purpose of protecting the interests of the people it must, of course, be preserved.

The question of the extent of the power of the units making up this dual form of government is purely a political or governmental question. While it has been the subject of some of the most fundamental controversies in history, the merits of the arguments for State rights or for greater centralization of power in the Federal Government is not the subject for discussion here. We, as administrative officers, are not so much concerned with the theory of this question as we are with the practical and effective administration of laws which may in themselves furnish the basis for legalistic conflict.

I was much impressed with the way in which Mr. Harding handled the subject this morning, referring in his discussion to the overlapping of jurisdiction or authority and defining the situation as one in which conflict does not necessarily exist but might easily arise.

In the argument which wages over the question of States' rights and Federal centralization the statesmen of each group base their position upon the belief that the interests of the people can best be served through the agency respectively advocated. Therefore, the problem before the administrative officers of the States and the Federal Government is to so administer overlapping laws or overlapping jurisdiction as to avoid any conflict which would defeat this purpose.

In a very few branches of governmental activity is the legal or economic line of demarcation between the State and Federal control less clearly drawn than that dealing with the subject of the use of water for hydroelectric development. For that reason, in this field is the greatest opportunity for the cooperative development of a satisfactory legislative and administrative machinery for the protection of the rights of the whole people, not alone in preserving for them the natural resources still under the control of the States or of the Federal Government but in encouraging development of such resources in their common interest.

The Federal Government approaches the matter of control of water for hydroelectric purposes from two avenues: First, by

reason of the ownership of lands containing power possibilities; and, second, by such control as it may have over the navigable waters of the United States by virtue of the commerce clause of the Constitution.

Naturally, most of the applications for power development coming before the Federal Power Commission from the Western States are based upon the Government's ownership of the land, whereas, a large percentage of the applications coming from the Eastern States involve navigable waters, and it is the Federal policy with respect to power development in the first division which is of most interest to those assembled here.

In discussing a Federal policy with regard to such matters, it must be recognized that there may be a distinction between the policy as reflected in the legislation covering the matter and the policy of the administrative body authorized to carry out the purposes of such legislation. The former policy is a more or less fixed one, whereas, the latter policy may change with a change in personnel. While, theoretically, this should not be true, as a practical matter we know that the personal views of the individuals composing the administrative body often produce wide variance in legal interpretation of legislative policies.

For the purposes of this discussion, however, we may say that there are certain fundamental principles relative to the subject rather definitely expressed in the Federal water power act itself, and it is this policy, thus clearly disclosed, that can properly be said to represent the Federal viewpoint. The legislative body is the proper and only authoritative agency to define the policy of any of its legislation as regards the State and Federal fields of action.

The reading of the Federal water power act suggests to me that Congress in this legislation, perhaps more than in any piece of legislation upon its records upon similar subjects, has sought to protect and preserve to the States not only the rights, privileges, and benefits of the State in the resource itself, but its power through local governmental action to regulate and control the resources thus developed to the advantage of its citizens.

Let us examine the act for specific support of these assertions.

First, in section 9 (b) of the act, satisfactory evidence of compliance by the applicant with all of the requirements of the laws of the State or States within which the proposed project is to be located, with respect to beds and banks, appropriation, diversion, and use of water for power purposes, as well as with respect to the right of the applicant to engage in the business within that State is made a condition precedent to the granting of any license by the commission.

In most instances, of course, a licensed power project in any of the Western States requires coordinate use of the State's water and the Federal Governments land, and Congress has apparently recognized the necessity of cooperation between the States and the Federal Government in development of plans for the utilization of such combined resources in the production of hydroelectric energy. While it has been suggested that this may produce, under certain circumstances, or possibly already has produced, a situation where a deadlock exists so far as the development of hydroelectric power is concerned, at least, it can be said that in this particular respect the Federal water power act has recognized and protected the interests of the State in this particular field.

With regard to the second phase of the State's authority in this matter, i. e., the regulatory phase, section 19 of the Federal water power act, is interesting. In this section the act confers upon any State which has provided a commission or other authority, the exclusive jurisdiction to regulate rates, services, and securities of any Federal licensee developing such hydroelectric power project and distributing its product for sale within the State. True, section 20 vests in the United States the power of regulation of rates, services, and securities of the licensee's product, which either through the licensee, a subsidiary corporation, or a customer, finds its way into interstate commerce, but this is not a limitation upon the State's jurisdiction, but a power, which, in any event, is outside of the scope of State jurisdiction. It is a phase of regulation exclusively within the jurisdiction of the United States, the exercise of which in the common interest is undoubtedly advisable.

Viewing the act from the more immediate material interest of the State, it is apparent that Congress pursued the same policy of recognition in other sections of the act. For example, section 10 (e) reserves to the Government the right of expropriation to the Government of any excessive profits of operation only until such time as the States shall make provision for the preventing of excessive profits or the expropriation thereof to themselves.

Again, in section 14, the State is given the power to acquire, through condemnation, upon payment of just compensation, any power project licensed within that State by the Federal Power Commission.

By section 13, of all the proceeds received by the United States from charges levied by the Federal Power Commission under the authority of this section, including the rentals of public lands involved, 37½ per cent is distributed to the State within which such power development is located. It is interesting to note that up to and including June 30, 1931, there has been paid to the States under this section the sum of $274,100.51. This sum has been annually increasing, from about $6,000 in 1922 to $70,567.21 for the year ending June 30, 1931. Not only that, but by the same section it is provided that 50 per cent of the charges made for the use and occupancy of public lands and reservations, other than Indian reservations, is to be paid into the reclamation fund for further development of the agricultural lands within the States where such projects are situated, and inasmuch as to date the activities of the reclamation division have been within the States represented here a continuation of this policy can only be beneficial to general development of your respective States.

While the foregoing are the principal recognitions of the States' rights as set out in the Federal water power act, there are many other provisions which take into consideration the rights of the States and preserve to the States the exercise of those rights. For instance, section 4 (d) of the act requires full publicity of the proposed project before the resource is tied up by license. Section 7 gives a preference right of license to States and municipalities whose plans provide for the development of the public interest of water resources of the region, and where such State or municipality avails itself of this preference, and shows itself able and willing to carry out the development to the best public interest in such resource, it is provided by section 10 (e) that no charge against such State or municipality for the use of such public resources of the United States shall be made unless power is sold at a profit.

There is another provision of the act which is of immense importance to the Western States. It is paragraph (a) of section 10, which requires the Federal Power Commission to consider only such projects as worthy of receiving a license as can be best adapted to a comprehensive scheme of improvement and utilization of the stream, not only for the purposes of navigation and power development, but for other beneficial public uses.

In the West we know that of the basic industries, agriculture is the most important in point of future development if not at present in point of profit. Agriculture here means irrigation, and in many States irrigation and power development are antagonistic. While the present Power Commission has not had occasion to announce a policy in this respect, I know I am safe in assuring you that it will recognize the principle that in these Western States every opportunity should be embraced to permit the fullest irrigation expansion. It will recognize that in many cases a joint development if irrigation and power makes for the largest use for both purposes, and I am sure such a policy will be fully encouraged on any stream when such situation presents itself.

While it is not of such immediate interest to this body, the States and the people within the States will receive great benefits from the activities of the Federal Power Commission in carrying out the authority specified in section 4 of the act. Briefly, it is to carry on investigations, collect and record data concerning the water-power industry and its relation to other industries, the fixing of valuation and net investment of projects constructed under Federal license, the establishment of accounting systems which may lead, of course, to uniform practices, and in all of this work the Federal Power Commission is specifically authorized in the act to cooperate with executive departments and other agencies of the various States.

The present commission is now conducting a rather extensive study under this section, and feels that a real contribution can be made to the present general knowledge of the subject in many of its phases now but guessed at. This feature of our work will be of great importance to the States in their regulatory activities.

While it is apparent, as before stated, and as appears from this recital of a few of the provisions of the act, that Congress was generous in its recognition of States' interest and welfare, both material and as far as the principles of self-government were concerned, yet at the same time, the Federal Government has laid down in the act very clearly a policy of protecting also the Federal interest in those resources, as well as establishing a definite policy for the protection and development of navigation in those streams where interstate commerce is, or may be, a matter of public benefit.

In the use of the terms "State's interest" and "Federal interest" and in the use of the word "conflict" in referring to these interests, we have been using terms common to former discussions of the subject, and assume that in this field the same old historic antagonism exists between these two agencies.

As a matter of fact, when we speak of the Federal interest we can only properly refer to the interest of the people of the United States as a whole as distinguished from the different groups of that whole segregated within the geographical boundaries known as State lines.

While there are many forceful reasons why the principle of State rights, as far as they pertain to the governmental machinery, must be preserved, much less can be said for the application of this doctrine when it is advanced for the purpose of preserving to one group of people some particular material advantage which it may have by reason of the chance location of public resources within certain arbitrary boundaries originally fixed for purely governmental reasons.

The doctrine of State rights as a political doctrine was intended by the framers of our Constitution to assist in bringing about a proper machinery of government for the benefit of the whole people. The dual form of government as a vehicle for allocating wealth was not in the minds of our first statesmen, I am sure. I am inclined to think, therefore, that when we discuss the question of development and control of the hydroelectric industry we are liable to take the political doctrines of the division of rights between the State and Federal Government into a field where it was never intended to carry much weight, and where its stressing may seriously interfere with the best interests of the people, both of the States and of the United States as a whole.

Considering the question from this angle, perhaps a different light can be cast upon the one clause of the Federal water power

act, which has caused the greatest opposition from the States. This is the recapture clause, set forth in sections 14 and 15, enabling the United States to recover possession of power sites and of the project works on the basis of actual legitimate investment in such project.

The advantage to the State as a result of this procedure might, however, prove to more than offset any feared adverse results at the end of the license period of 50 years, if such recapture clause should then be enforced. The basis of such recapture, if at all, would be the net investment in the project, the method of determining which is fully outlined in the act, and based upon the actual legitimate cost of the project plus betterments and additions and less depreciation and other reserves.

While there is nothing in the act to force a policy of public ownership upon the Federal Government, or upon the States or municipalities, there is, nevertheless, under this clause preserved to them an opportunity which may grow more valuable as time goes on, to acquire such projects upon a more advantageous basis than in the absence of such provision from the act.

So much for the policy as disclosed in the Federal water power act.

I think I am safe in assuring you that the present Federal Power Commission, collectively and individually, will be free from the criticism made of many Federal bodies, that it will desire to expand and assume more and more jurisdiction at the expense of State jurisdiction. Such accusation presupposes a sort of thirst for personal authority at the expense of some other organization, the evidence of which is not apparent in this commission as at present constituted.

On the other hand, it is the desire of this commission to fully enforce and administer the terms of the Federal water power act, and by the fairness of such administration gain the confidence of the States, the people and the water-power industry itself, which will enable it to effectively assist in the protection of the public interest, especially in that field where no control or supervision has been heretofore legally possible, as well as to cooperate with the States in developing some principles of procedure which may result in a different mechanism than has as yet been employed to accomplish this purpose.

From the beginning most of the arguments advanced for State rights as against Federal centralization, and vice versa, have contemplated either exclusive State jurisdiction or exclusive Federal jurisdiction. In a general way, the advocates are either highly aggressive or firmly defensive. The intermediate field of cooperative endeavor is very little explored, either from a legislative or an administrative standpoint. Congressional encouragement of activities along this line is probably more clearly expressed in the Federal water power act than in any former national legislation.

Probably in the field which we are discussing—controlled water-power development, and the incidental field of regulated distribution of hydroelectric energy—an opportunity offers for developing and carrying out some plan of Federal and State cooperation different from that heretofore devised.

It is true that much thought has been given to the creation of some machinery which will accomplish the successful carrying out of such purpose. Interstate compacts have been suggested, Federal control with regional centralization, joint boards as Federal agencies, Federal and State cooperation with State commissions as Federal agencies, all of which suggestions are directly made in the spirit of reaching some better machinery of cooperation between the regulatory bodies. Underlying all of such suggestions is the prejudice, conscious or unconscious, in favor of the protection of the original political rights vested in such agencies.

The proponents of such measures have apparently failed to see a reason for distinguishing between the importance of the doctrine of State rights in government and its application to the problem of control and regulation of large economic developments.

The political aspects are still an obstruction to the clear view of a solution of this problem, which is an economic one.

The traditions of water power, which a half century or more ago were more or less confined to the "picturesque mill" or to the water-driven enterprise, used mainly for grinding grist or sawing lumber, still are felt when we approach the solution of the problem of control and development of electricity on a large scale and perfecting the methods of transferring this "liquid dynamic force" hundreds of miles for use in our domestic and industrial life. To-day this industry is neither exclusively local nor exclusively national, but if complete supervision is to be had it must be had through cooperation of both local and national control.

In conclusion, let me say that in my opinion the question must be approached with the closest cooperation between the State commissions and the Federal agencies, acting entirely free from the prejudices which have grown up around the subject of States' rights as a political issue, and especially in the mutual confidence that there is to be no undue overreaching or selfish attempt for either to take unto itself power for the pure sake of power. This cooperation must recognize as its basic principle the real economic nature of the business with which it is dealing, that it is local in certain phases of its operation and national in other phases, and that the whole must be brought under some form of complete public governmental control and regulation which will bring about not only better service at lower rates, but establish the industry itself in such financial position that investment therein is safe and not speculative. There is here, I believe, a field which must engage our interest and which promises ample reward for all concerned.

PHILIPPINE INDEPENDENCE

Mr. BINGHAM. Mr. President, I notice in to-day's RECORD a number of letters relating to Philippine independence. I notice the implication that the Filipinos are of one mind regarding this matter. I have received during the summer adjournment a number of letters that take a different position from that reported by the commissioners whose letters appear in the RECORD, and in order to present the other side of the question I ask unanimous consent that there may be printed in the RECORD an article appearing in the Los Angeles Times of December 2 by a Filipino lawyer, Mr. Vicente Villamin.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the Los Angeles Times, December 2, 1931]

ECONOMY OF PHILIPPINE INDEPENDENCE

By Vicente Villamin

(The author is a Filipino lawyer and economist, holding no official position, whose presentation of the Philippine question has received wide-favorable editorial comment in the American press.)

The Philippine-independence question, thanks to the American farmer, is now on the sounding boards of the country as an economic proposition. Its discussion has shifted from the theoretical to the practical, from the sentimental to the realistic.

Since the passage of the Hawley-Smoot Tariff Act over a year ago certain farm groups in America, insisting that the free entry of Philippine sugar and cocoanut oil is detrimental to their interests, have been urging the concession of immediate unconditional independence to the Philippines to place Philippine products on a taxable basis and keep them out of the United States.

This proposal produced a revision of political views in the Philippines. Instead of enlisting the cooperation of the Filipino nationalists, who have been demanding independence, it made them cautious and conservative.

Thus Senator Quezon, the head and front of the Filipino separatist movement, announced to the Philippine Legislature a fortnight ago the adoption of the formula of deferred or postponed as distinguished from immediate, automatic independence. General Aguinaldo, the revolutionary leader of yesteryear, calls the former a traitor for modifying his immediatist position on independence. There must be personal animus on the part of General Aguinaldo rather than political dissent, for he himself had announced his belief in the new formula long before Senator Quezon embraced it publicly.

The change in the Filipino nationalist front is the result of economic considerations. Independence will automatically remove the Philippines from inside the tariff wall of the United States, robbing Philippine industries of the American tariff protection. Deprived of that protection, those industries will collapse, bringing down the country's economic structure, shaking the foundation of society and government, and plunging the people into a state of acute poverty and distress, chaos and unrest.

The present Philippine economico-political set-up is the result of the operation and inspiration of the Jones law, an act of Congress in 1916, constituting the organic law of the Philippines. The purpose of that law is to grant eventual absolute independence. In consonance with that purpose the Filipinos were given local self-government so nearly complete that it was feared that America had been placed in the unenviable position of responsibility without commensurate authority in the premises.

At the same time the Philippines were included more completely within the tariff wall of the United States through the elimination of all trade restrictions between the mainland and the islands. This naturally gave the implication of permanency of Philippine-American relations and encouraged the development of the tariff-protected industries to the neglect of the unprotected ones.

Restated succinctly, the Jones law released two forces running against each other—the political force acting centrifugally away from American control and the economic force operating centripetally toward an economic union with America. Thus to-day, while the Philippines are almost independent of American control politically, they are dependent on the American tariff system economically. This is ideal for the Philippines if they are to remain with America permanently, which is not in the cards.

New avenues of approach to the goal of ultimate independence, all lighted with the lamp of economics, have been pointed out. There is a suggestion to grant the Philippines early political independence, but continuing the Philippine-American free trade for a specified period of years. Unfortunately this is not feasible under the most-favored-nation clause of the treaties of the United States with some 50 nations, prohibiting the giving of preferential tariff concessions.

The way to render this clause inoperative is to permit America, by treaty, to occupy, if she will, a special political position in the Philippine republic in partial derogation of Philippine sovereignty after the example of Cuba under the Platt amendment. This move would make Philippine independence a grand and solemn fiction after all the efforts to get it.

Another plan is provided in the Hawes-Cutting bill. The Filipino political leaders themselves call this plan unwise. It purports to prepare the Philippines for the heavy burdens of nationhood by weakening their economic sinews through a 5-year process of disintegrating the economic structure that has taken many patient years to build. It calls for the imposition of increasing tariff rates on Philippine imports to America until the full duty under the law is reached in five years, at which time the Filipinos, after realizing what it means to lose the American markets, are to express themselves in a plebiscite whether they want to be independent or not.

The principal proposal of Senator Quezon is the maintenance of the political status quo with greater local self-government and a plebiscite in 10 years to register the considered judgment of the Filipino people on independence. In the first place, this is a direct negation of all proindependence protestations, admitting, as it does, the possibility that the Filipinos might not want to be an independent nation after all. This principle is loaded with dynamite. In the second place, such plebiscitary determination can have only persuasive and not binding effect on Congress, and as such can serve no higher purpose than give rise in the future to bitter controversies and disillusionments.

It is politically smart in the islands to stand on a metaphorical wailing wall and bemoan the supposed uncertainty in the future political status of the country. Thus the most popular suggestion is that Congress, by an act, name a definite date in the future when independence shall be granted. Unhappily this proposal is not practicable under American constitutional law, which holds that no Congress can bind succeeding Congresses in matters involving, as does the Philippine question, the exercise of legislative discretion and national and international policies.

The solution of the Philippine-independence question is the Jones law itself plus Filipino work, patience, consistency, and planning. This law is comprehensive and flexible enough so that under it the Filipinos themselves can work out an economic and other programs of preparation for eventual independence, doing away with mere oratorical and rhetorical preparations. To make their efforts more effective the law should be amended to empower the Philippines to negotiate, subject to the approval of the United States, treaties with foreign nations to afford the Filipinos full opportunity of exploring the possibilities of new markets. This would be a tremendous acquisition of autonomous power by the Filipinos.

The economic plan upon which the Philippines should embark under the Jones law must rest on two major propositions. First, the stoppage of the acreage expansion of the tariff-protected products, like sugar and coconut oil, a policy that is easy of execution because the Government controls over 70 per cent of the lands and the greater part of the area of the country is idle. Second, the development, instead, of unprotected products, such as rubber, camphor, quinine, spices, and other tropical raw materials. This is the natural development of the Philippines. It is both sound economics and good politics.

This plan will solve a row of problems. It will meet the complaint of the American farmer against the potential expansion of those Philippine products which he considers competitive, place in the meantime Philippine-American commercial relations on a more complementary basis, build up the islands through intensive development and diversification, give time to the present tariff-protected industries for the inevitable readjustments and, above all, create in the islands a new, self-sustaining economic structure that can stand by itself without being supported by the American tariff system.

Thus the Filipinos would be placed in a condition eventually to separate from America as an independent nation not only painlessly but with the essential economic equipment for nationhood. The logic of the plan is to achieve economic independence from America gradually and not bluntly. With economic independence political independence should follow as a matter of course. The other way around, considering the prevailing economico-political set-up, would be like moving from effect to cause, a procedure that invariably ends in failure.

The Philippine Legislature is fully empowered to adopt the means to carry out the plan. For instance, a simple act placing fair and prudential tonnage restrictions on the export of tariff-protected commodities to America, while holding out concrete inducements for the development of the dormant products which are on the free list, will be effective in deflecting the course of exports, expanding the market for Philippine products, and rendering the Philippines less and less dependent on the American tariff system until their complete independence therefrom is attained and Philippine products are placed on a world-wide market basis.

It is time that the Filipinos should think how they can develop their natural resources themselves. The Filipinos to-day hold the megaphone, but not the purse strings, and as such their power is chimerical. As Americans in the past employed European capital to develop their country, so the Filipinos to-day should go out of their borders for financial and technical assistance to build up their country. Who alone but themselves can deter them from so beneficial and so patriotic an undertaking?

When, at last, the condition of preparedness becomes an accomplished fact and the Congress moves to grant independence, the enabling congressional act should be accompanied, under a specific provision to that effect, with the overt act by the President of actually granting independence during the legal life of the Congress that shall have passed the independence legislation. That will bring to the family of nations the newly born Philippine republic.

CONSERVATION OF WILD LIFE

The VICE PRESIDENT. The calendar, under Rule VIII, is in order. The Secretary will state the first bill on the calendar.

The LEGISLATIVE CLERK. A bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply; and for other purposes.

PROPOSED HOLIDAY RECESS

Mr. BORAH. Mr. President, I want to ask the Senate to consider briefly the question of the proposed Christmas holiday recess. The suggestion has been made that we recess from next Saturday until January 4. I want to suggest for the consideration of the Senate that on next Tuesday night we take a recess until the following Monday. That would give us a recess of five days.

We are proposing to take a recess, Mr. President, under circumstances and conditions which do not usually attend preparations for a holiday recess. If conditions were such as they usually are when we are contemplating a holiday recess, I should not offer a word of objection to any agreement which those who have charge of the matter might make in regard to the duration of the recess. But the Congress has been absent from Washington now for nine months. During that time many questions of very great moment have arisen with which Congress alone can deal.

The President, for some reason satisfactory to himself, has refused during those nine months the cooperation of the legislative branch of the Government. The result is that measures have accumulated, problems are pressing for solution, and Congress is now in session facing the most tremendous task that, with possibly two exceptions, ever confronted a Congress in the history of the United States.

But while the President has refused to call us in session, fortunately the Constitution of the United States has called us together. I have had occasion many times since I have been in public life to be thankful for the wisdom and the foresight of the men who framed the Constitution of the United States, and I am again thankful, in view of the fact that they provided a day definite for the meeting of Congress, a day which the President or no one else can postpone, and also provided that the Congress of the United States can not be adjourned until Congress determines for itself the day of adjournment. We are here now, here under the command of the Constitution, and the responsibility which rests upon us, as I have said, is a very grave one.

Mr. President, in view of the situation which confronts us and of the work that is before us, which we can not possibly complete by the meeting time of the national conventions—and that will mean, in all probability, the adjourning time for Congress—I suggest in all seriousness to my colleagues that they consider the advisability of taking merely a 5-day recess. It seems to me that we will gain much by doing so.

Mr. President, I repeat that, in view of the situation, I do not think it is a proper thing for Congress to take a two weeks' recess, and I trust therefore that those who have the matter in charge will consider the suggestion I have made.

Mr. FLETCHER. Mr. President, I feel very much in sympathy with the views expressed by the Senator from Idaho [Mr. BORAH]. I do not know how others may feel about it—I have not conferred with Senators on the subject at all—but speaking for myself, I do feel that we owe it to the country to stay here and render what service we can in order to be helpful in this time of real distress.

We may not be able to accomplish a great deal. I know the committees are busy. They have referred bills to the various departments and are awaiting the reports of departments, but we will be able to make some progress should we remain here. In that event, we may take a recess for two

days at a time, or what not, if the occasion justifies; but we ought not to quit our work for two weeks when it is possible that we will be needed here, and during that time could attend to the public business, which we were elected to transact.

I myself feel that the suggestion of a 5-day recess is wise, and that such a recess will afford ample time for the holiday. We are, in fact, not now in position to take any holiday. So far as I am concerned, I am willing to go right on without any recess at all; but five days will enable the committees to report on bills, and we will probably lose no time, as far as legislation is concerned, if we take that much recess. However, I do not feel, under the circumstances, that we would be doing our full duty to the public if we took a holiday recess of two weeks.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Utah?

Mr. FLETCHER. I yield.

Mr. KING. May I ask the Senator whether or not during the recess the committees will be in session? I know that a number of committees of which I am a member intend to have some meetings during the holidays. I had supposed that a good many of the committees would be holding meetings during the proposed recess and that many Senators at least would be examining the numerous bills which have been offered and would be obtaining information preparatory to engaging in intensive work when the recess shall be over and the Senate shall again convene. I have no objection to the suggestion made by the Senator from Idaho [Mr. BORAH] but I am merely making the inquiry of the Senator from Florida [Mr. FLETCHER].

Mr. FLETCHER. I think some of the committees undoubtedly will be in session during the recess. There is, however, no way of compelling them to do so; it will be in the hands of each committee to determine about holding sessions and whether or not they can get a quorum. But let the responsibility fall on those who want to go home and not on the whole Senate. I think the committees ought to be in session and attend to their work during the recess.

Mr. KEAN. Mr. President, we have been here now since the 7th day of December and we have yet to pass a single bill. We have not done anything to relieve the terrible distress of the people all over the country. Financial institutions everywhere are waiting anxiously to know what the Senate and the Congress of the United States are going to do, and I would favor sitting here until we accomplish something for the people of the United States.

Mr. WALCOTT. Mr. President, may we consider now the amendment to Senate bill 263?

Mr. BROOKHART. Mr. President, before we leave the question of a holiday recess, I want to say a word or two on my own account. Before the last session adjourned the Congress was discredited in the public press by the administration and everybody else. They said that if they could get rid of Congress, prosperity was just around the corner. I demanded an extra session on the floor of the Senate before the adjournment of the last session, because the big questions now pressing were also in view then. However, it was said that if we could get rid of Congress then everything would be all right. They got rid of it, and then one plan after another was started to reach the prosperity. The first one that came along was the proposal for the consolidation of the big eastern railroads. That was to bring back prosperity by starting another gigantic stock boom. Well, the Senator from Michigan [Mr. COUZENS] had something to say about that, and that scheme blew up.

Then along came the 15 per cent rate advance for the railroads. That was to be another basis of starting a stock boom and bringing prosperity back in this country. Even Members of Congress demanded that this advance be allowed without a hearing, and, if the commission refused to grant it, that the commission itself be abolished. They even went as far as that. The commission did not do it, however, and that boom blew up.

Then along came the moratorium; and that did start a stock boom for a few days, but in a few days that blew up, and prosperity was not here yet.

Then the last gigantic effort was made to organize a great Wall Street corporation of some kind to finance the frozen assets of the banks of the country, and that went awry. Through all of this, instead of reaching prosperity by the absence of Congress we have gone deeper and deeper into this depression.

Mr. President, I have put a picture of that stock situation on the wall over here. It covers about 60 years of American history, beginning with 1872. If you follow that chart you will find that up to 1904 there was a gradual rise, and then from 1904 to 1914 there was a considerable advance in stock prices, creating a new level some 33 per cent higher than the previous level. Then after 1914 the wise men of Wall Street got control of the economic situation in this country, the credit and everything else; and just look on that chart and see what happened! There never was such an economic monstrosity in the history of the world as appears since the 1914 level.

Then in 1929 that bubble burst. All the credit of the United States, all the earnings of the people of the United States, were not able to sustain those gigantic stock waterings and frauds and deceptions and false pretenses that were put out to deceive the people of this country. Big banks of New York, which were loaded up with the worthless securities of foreign countries and with the still more worthless securities behind these watered stocks, had been working at their scheme of unloading those securities upon the little banks of the country. As a result, seven or eight thousand of the little banks of the country have gone down; and the big banks themselves, still loaded up with that sort of thing, still looking for a chance to save themselves, come in at this session with a two-billion-dollar proposition to take money out of the Treasury of the United States to save themselves from the wreck and ruin that they have put upon all the rest of the country.

Those stock prices have dropped back according to that chart, but they are still 50 per cent higher than the 1914 stock levels; and they are still enormously inflated, because the 1914 level itself was too high. So this stock inflation hangs there yet as a menace over this country.

The general level of commodity prices has dropped. In the index on yesterday it was slightly below the 1914 level; but these stock prices which they are attempting to maintain, and even to start another boom to boost them higher, are still 50 per cent up in the air above that high level.

Mr. President, the principal cause of this situation was the striking down of agriculture in 1920. Agriculture, representing one-third of the American people, was deflated by special action of the Federal Reserve Board and the Federal reserve banks, by special control of the credit of the United States, and was stricken down into depression deeply in the latter part of 1920 and the beginning of 1921. Agriculture has stayed down ever since. We had the revival of other business in 1922. Even the great inflation and speculation of 1929 followed, but agriculture stayed down through it all. The buying power of agriculture was enormously reduced, and at the present time its credit is entirely destroyed. That situation has affected every other legitimate business in the country, and legitimate business has now gone down, too—not yet so low as agriculture, but very much below these watered-stock values as they still continue to exist, as shown by this chart; and perhaps 7,000,000 men are unemployed.

Mr. President, I wanted Congress to stay in session last spring. I wanted an extra session in September. I wired the President, when he wired me about the moratorium, admitting that it was an important thing and demanding that he then call an extra session, so that we might have a legal vote of the Congress upon it instead of the straw vote which he was taking. All of this was unheeded.

Now, we come into this session. What is it that the Wall Street crowd want now? They seem to be entirely in con-

trol of the situation. What movement is being made by the leadership of either side to relieve agriculture of this condition or relieve unemployment that have caused the greatest depths of this depression? I do not hear a word about the relief of men. It is about the banks, and about the railroads, and the financial institutions, that we hear the words spoken on this floor and in the committees.

I should like well enough to continue in session Christmas Day and every day, if we could do anything about this depression. I have just listened to a part of the brilliant speech of the Senator from Mississippi [Mr. HARRISON]. I agree that the facts he stated are substantially true; but I listened in vain for any plan coming from him or from the Democratic side or anywhere else for the relief of this situation.

What are we going to do if we stay here? About the same thing that we shall do if we go away. Already the Republican National Committee has met and held its mournful session. By the middle of January the Democratic committee will meet and attempt to hold a session to avoid blunders enough to stave off defeat. The whole situation is political. No questions are being considered here upon their merits. The whole thing is, What can we do to avoid defeat in the one case or to win a victory in the other case in the political contest that is in view?

Mr. President, so far as I am concerned, if I could see a plan coming from either side of this Chamber for the definite relief of this situation, I would be for it, and I would be willing to stay in session all the time; but, as I size it up, it seems to me it is going to make little difference. The same forces that refused to call an extra session of Congress to give us ample time to consider these questions upon their merits, as the Congress of the United States ought to consider them, are now without a plan to do anything in this Congress, and they are on both sides of the aisle and in control.

Mr. BORAH. Mr. President, if the Senator is correct in his conclusion, the thing for Congress to do is not to take a recess, but to take a final adjournment.

Mr. BROOKHART. I think that is correct, as far as accomplishing anything in this session is concerned.

LOSSES IN PRICE OF STOCKS

Mr. DILL. Mr. President, in connection with what the Senator from Iowa is saying about the fear that is expressed by so many newspapers and economists of having Congress in session on the ground that it would hurt business, let me say that I received in the mail a few days ago a compilation of the prices of the stocks of the leading corporations of the United States, listing the prices under date of March 4, when Congress adjourned, and listing them again on November 28, a week before Congress met. During that period the administration had full opportunity to bring business back on its feet without any interference by Congress.

I shall not take the time to read the striking declines of prices, although I do want to call attention to the stocks of just a few of the most outstanding organizations of the country.

For instance, the stock of the Illinois Central Railroad on March 4 was 78. On November 28 it was 13.

The stock of the New York Central Railroad was 116¼ on March 4, and it was 28⅛ on November 28.

The stock of the Baltimore & Ohio Railroad was 76⅛ when Congress adjourned. It was 23⅛ on November 28.

The stock of the Electric Bond & Share Co.—the greatest electrical company in the world—was 53½ when Congress adjourned. It was 15⅜ on November 28.

The stock of the Chase National Bank was 102 when Congress adjourned. It was 39¾ on November 28.

The stock of the Guaranty Trust Co. of New York was 539 when Congress adjourned. It was 296 on the 28th of November.

There are other stocks listed here, together with the percentages of loss; and I ask to have them inserted in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

1931

Name of stock	Mar. 4 low	Nov. 28 close	Points lost	Approximate percentage of loss
Illinois Central	78	13	65	83
New York Central	116¼	28⅛	88⅛	75
Baltimore & Ohio	76⅛	23⅛	53	68
American Telephone & Telegraph	193⅜	125½	68⅛	36
International Telephone & Telegraph	31½	10¾	20¾	66
United Corporation	25	11⅛	13⅞	55
Electric Bond & Share	53½	15⅜	38⅛	71
Niagara-Hudson	13¼	7½	5¾	43
Tristate Utilities	29⅛	¼	28⅞	99
United States Steel	143½	53⅛	89⅞	62
Bethlehem Steel	62¼	24¼	38	61
Anaconda Copper	39⅝	13⅝	26	65
Standard Oil of New Jersey	47½	31¾	15¾	33
Gulf Oil Co	66½	45	21½	32
Texas Corporation	32¾	16¾	16	49
General Motors	42⅞	24½	18⅜	42
Chrysler Motor	21¼	14	7¼	34
Studebaker Co	23	12	11	47
General Foods	52⅜	34¾	17⅝	33
Standard Brands	18⅞	14	4⅞	25
Commercial Solvents	18½	9¾	8¾	47
United States Industrial Alcohol	68⅛	27¼	40⅞	60
Paramount Publix	44⅜	11⅞	32½	73
Radio-Keith-Orpheum	19⅜	2	17⅜	89
Warner Brothers Pictures	13⅜	3⅞	9¾	71
Chase National Bank	102	39¾	62¼	61
Guaranty Trust Co	539	296	243	45
Irving Trust Co	39	20	19	48
Niagara Shares	8⅞	3¾	5⅛	57
United Founders	9	2⅜	6⅝	73
Goldman-Sachs	8⅛	2½	5⅝	69

MANTON M. WYVELL,
Union Trust Co., Washington, D. C.

CONSERVATION OF WILD LIFE

The Senate resumed the consideration of the bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish, and game for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply; and for other purposes.

Mr. WALCOTT. Mr. President, will the Senator from Wisconsin [Mr. BLAINE] speak as to his amendment at this time?

I desire to say, Mr. President, that the suggestion of the amendment has been adopted and the committee has reprinted the bill (S. 263) as the result of a meeting held yesterday afternoon at which all of the objectors to certain portions of this bill were present. They made certain suggestions which improved the bill materially; and I believe there is only one amendment that has been reported that interferes with the consideration of the amended bill as reprinted, a copy of which is on every Senator's desk this morning.

Therefore may I ask the Senator from Wisconsin to make a statement with reference to his amendment, as the amendment has been entirely dealt with in the new print of the bill?

The VICE PRESIDENT. The Chair would like to state first that under the rules if a substitute measure is offered the pending bill must be amended before action is taken upon the substitute bill. The Senator, of course, may withdraw his amendment if he desires.

Mr. McNARY. Mr. President I think the ruling is accurate. The Senator from Wisconsin [Mr. BLAINE] has an amendment which has been met in the amendment in the nature of a substitute offered by the Senator from Connecticut.

The VICE PRESIDENT. The original amendment can be withdrawn then.

Mr. McNARY. By unanimous consent, of course, we could operate and have the substitution made at this time; and, in

my opinion, if that were done it would hasten the consideration of the bill.

Mr. BLAINE. Mr. President, I was about to state that the amendment which has been proposed by the Senator from Connecticut is in the nature of a substitute amendment. I understand that it is the result of the action of the committee, and that the amendment about to be proposed by the Senator in effect strikes out section 8 and accomplishes identically the same object that my amendment to the original bill would accomplish if it were adopted. I therefore ask unanimous consent to withdraw the amendment I offered.

The VICE PRESIDENT. Without objection, that may be done.

Mr. WALCOTT. Mr. President, I ask now that the Senate proceed to the consideration of the committee amendment to Senate bill 263.

The VICE PRESIDENT. The Senator from Connecticut offers a substitute bill, which will be reported to the Senate.

The LEGISLATIVE CLERK. The Senator from Connecticut proposes to strike out all after the enacting clause and to insert in lieu thereof the following:

That the Secretary of Agriculture and the Secretary of Commerce are authorized to provide expert assistance to and to cooperate with Federal, State, and other agencies in the rearing, stocking, and increasing the supply of game and fur-bearing animals and fish, in combating diseases, and in developing a nation-wide program of wild-life conservation and rehabilitation.

SEC. 2. The Secretary of Agriculture and the Secretary of Commerce are authorized to make such investigations as they may deem necessary to determine the effects of domestic sewage, trade wastes, and other polluting substances on wild life, with special reference to birds, mammals, fish, and shellfish, and to make reports to the Congress of their investigations with recommendations for remedial measures. Such investigations shall include studies of methods for the recovery of wastes and the collation of data on the progress being made in these fields for the use of Federal, State, municipal, and private agencies.

SEC. 3. (a) Whenever the Federal Government, through the Bureau of Reclamation or otherwise, impounds water for any use, opportunity shall be given to the Bureau of Fisheries and/or the Bureau of Biological Survey to make such uses of the impounded waters for fish-culture stations and migratory-bird resting and nesting areas as are not inconsistent with the primary use of the waters and/or the constitutional rights of the States. In the case of any waters heretofore impounded by the United States through the Bureau of Reclamation or otherwise, the Bureau of Fisheries and/or the Bureau of Biological Survey may consult with the Bureau of Reclamation or other governmental agency controlling the impounded waters, with a view to securing a greater biological use of the waters not inconsistent with their primary use and/or the constitutional rights of the States and make such proper uses thereof as are not inconsistent with the primary use of the waters and/or the constitutional rights of the States.

(b) Hereafter whenever any dam is authorized to be constructed, either by the Federal Government itself or by any private agency under Government permit, the Bureau of Fisheries shall be consulted, and before such construction is begun or permit granted, when deemed necessary, due and adequate provision, if economically practicable, shall be made for the migration of fish life from the upper to the lower and from the lower to the upper waters of said dam by means of fish lifts, ladders, or other devices.

SEC. 4. The Office of Indian Affairs, the Bureau of Fisheries, and the Bureau of Biological Survey are authorized, jointly, to prepare plans for the better protection of the wild-life resources, including fish, migratory waterfowl and upland game birds, game animals and fur-bearing animals, upon all the Indian reservations and unallotted Indian lands coming under the supervision of the Federal Government. When such plans have been prepared they shall be promulgated by the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture, who are authorized to make the necessary regulations for enforcement thereof and from time to time to change, alter, or amend such regulations.

SEC. 5. The Bureau of Biological Survey and the Bureau of Fisheries are hereby authorized to make surveys of the wild-life resources of the public domain, or of any lands owned or leased by the Government, to conduct such investigations as may be necessary for the development of a program for the maintenance of an adequate supply of wild life in these areas, to establish thereon game farms and fish-cultural stations commensurate with the need for replenishing the supply of game and fur-bearing animals and fish, and, in cooperation with the National Park Service, the Forest Service, or other Federal agencies, the State agencies, to coordinate and establish adequate measures for wild-life control on such game farms and fish-cultural stations: *Provided, however,* That no such game farm hereafter established shall exceed 2,000 acres in size: *And provided further,* That not more than one such game farm shall hereafter be established in any State without the consent of the legislature of that State.

SEC. 6. In carrying out the provisions of this act the Federal agencies charged with its enforcement may cooperate with other Federal agencies and with States, counties, municipalities, individuals, and public and private agencies, organizations, and institutions, and may accept donations of lands, funds, and other aids to the development of the program authorized in this act: *Provided, however,* That no such donations of land shall be accepted without consent of the legislature of the State in which such land may be situated.

Mr. KING. Mr. President, I desire to offer an amendment.

The VICE PRESIDENT. The Chair will state that the first amendment should be proposed to the original bill. If there are no amendments to that, then the question is on amending the proposed substitute.

Mr. KING. I am addressing myself to the substitute.

The VICE PRESIDENT. That is now open to amendment.

Mr. KING. I offer an amendment, on line 22, page 4, after the word "farm," to insert the words "except one in the State of Wyoming"; and also, on line 21, to strike out the words "not more than one" and to insert in lieu thereof the word "no," so that it will read as amended, "That no such game farm, except one in the State of Wyoming, shall hereafter be established in any State without the consent of the legislature of the State."

May I say to the Senator from Connecticut that under the proposed substitute one farm could be established in a State without the consent of the legislature of the State. My amendment would inhibit the establishment of any of these preserves, except one in the State of Wyoming, without the consent of the legislature. If it is appropriate to prohibit the establishment of two of these preserves without the consent of the legislature, then it seems to me it is proper to prohibit the establishment of one preserve without the consent of the legislature.

I may say that while there is an apparent discrimination in the amendment because it excepts one in the State of Wyoming, I understand that there has been a large preserve of importance and benefit already established but not recognized by the Federal Government, and which it is agreed should come in under the operation of this bill. There is no necessity for the legislature to agree to that, because it is almost a fait accompli. So I have excepted that from the amendment.

Mr. ASHURST. Mr. President, will the Senator from Utah yield to me a moment?

Mr. KING. I yield.

Mr. ASHURST. If I heard the Senator aright, he is proposing an amendment to this substitute which will provide that no preserve, sanctuary, or reservation shall be created without the consent of the particular State in which it is proposed to create it.

Mr. KING. Yes. The bill itself provides that not more than one shall be established without the consent of the legislature of the State.

Mr. ASHURST. If the Senator will yield to me, I wish to occupy the time of the Senate a moment.

Mr. KING. Certainly.

The VICE PRESIDENT. The Senator from Arizona is recognized.

Mr. ASHURST. Mr. President, the general purposes and the scope of this bill are so noble that they almost intuitively, instinctively, commend themselves to the citizen, and I congratulate the Senator from Connecticut [Mr. WALCOTT] and the Senator from Missouri [Mr. HAWES] for the able and painstaking work they have performed in this behalf. There is, however, another important question raised by the Senator from Utah [Mr. KING]; that is to say, the time has arrived when the executive branch of the Government must not create any more reservations of any sort without the consent of the State in which it is proposed any such reservation should lie. To illustrate:

Arizona contains 113,956 square miles, or 73,931,840 acres. Yet that vast area for all practical purposes is withheld from the people.

Mr. President, enormous tracts of land have been taken for Indian reservations, and of that we did not complain. Still larger areas of the State have been taken for national forests; and in many instances the forest reservations were created, not wholly for forestry purposes but to permit cer-

tain persons and corporations holding lands within the forests, to exchange the same and receive in lieu thereof timberlands elsewhere. That was done respecting the creation of some national forests in Arizona.

We must subsist and must maintain a State by land and people on the land. Square mile by square mile, and township by township, sedulously and constantly the Federal Government has reached out until almost all of the land in Arizona upon which we expect to subsist in the future and maintain a State, has been withdrawn from settlement and therefore is not taxable by the State or the counties.

I now enlist the friends of this measure to our support on this vital question. I appeal to all Senators to refuse any further to permit any department to make further withdrawals of lands except upon consent of the State involved. The time has arrived when this principle must be vigorously applied.

The VICE PRESIDENT rose.

Mr. ASHURST. I presume I have occupied all the time to which I am entitled.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is the election of a President pro tempore.

Mr. McNARY. Mr. President, I ask unanimous consent that the unfinished business may be temporarily laid aside.

Mr. NORRIS. Mr. President, if the Senator will limit that to a certain time, I shall have no objection. If it is temporarily laid aside, can it be called up at any time?

Mr. McNARY. Yes. I have in mind only a desire for the final termination of the consideration of the bill which has been before us.

Mr. NORRIS. Very well.

Mr. ASHURST. Mr. President, some Senators have suggested that but one preserve or sanctuary in a State should be created without the consent of the legislature of the State.

Mr. TRAMMELL. Not more than one preserve.

Mr. KING. My amendment proposes to strike that out.

Mr. WALSH of Montana. It is provided that one may be created under the terms of the bill not to exceed 2,000 acres.

Mr. WALCOTT. Mr. President——

The VICE PRESIDENT. Does the Senator from Arizona yield to the Senator from Connecticut?

Mr. ASHURST. With pleasure.

Mr. WALCOTT. May I explain that in line 19 it is provided that no such game farm hereafter established shall exceed 2,000 acres. With that limitation it is further provided that not more than one such game farm shall hereafter be established. Does that meet the Senator's suggestion, or does he object, although it be not more than one and not more than 2,000 acres in extent?

Mr. ASHURST. The very language providing that we must not do it more than once is a conclusive presumption that to go beyond that would be wrong. If a game sanctuary or a reservation is necessary, the legislatures of the various States will respond with avidity and with eagerness.

Mr. HAWES. Mr. President, will the Senator yield?

Mr. ASHURST. I yield the floor.

Mr. HAWES. Mr. President, for the last two days this subject has been before the Senate. There were numerous amendments suggested and presented. The committee withdrew the bill and on yesterday afternoon a conference was held which was attended by the Senator from Pennsylvania [Mr. REED], the Senator from Maine [Mr. WHITE], the Senator from Montana [Mr. WALSH], and the Senators from Wyoming [Mr. KENDRICK and Mr. CAREY]. So far as the committee was able to ascertain, all of the Senators who had proposed amendments to the bill, with the exception of the Senator from Tennessee [Mr. McKELLAR], were present at that conference. All of section 4 was stricken out and the entire section 8 was stricken out. Four or five subsections were stricken out and the representatives of the Mountain States were entirely satisfied. We have found no one who objects to the objects of the bill, and we thought that with all those Senators who had objected before having appeared at this conference our substitute would satisfy the Senate. Each of the Senators was there with the exception of the Senator from Tennessee [Mr. McKELLAR], whose amendment did not go to the heart of the bill but only to a qualification upon appropriations.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Tennessee?

Mr. HAWES. I yield.

Mr. McKELLAR. As I understood the Senator from Missouri yesterday, or the day before, when I offered my amendment, he agreed that no appropriations were to be made under the bill, and the Senator from Connecticut [Mr. WALCOTT], in charge of the bill, made the same statement. I happen to know from long experience that appropriations may be called for. That experience is shown to be correct by the fact that there have been 13 such bills and that whenever there is a bill of this kind a recommendation comes later to the Appropriations Committee for money to establish another division in a bureau. Thirteen of them have already been established.

The Senators in charge of the bill, the Senator from Missouri [Mr. HAWES] and the Senator from Connecticut [Mr. WALCOTT], have both assured the Senate that it is not the purpose to establish an additional bureau nor to ask for any appropriation. The amendment I have offered is perfectly simple. It carries out the statement those two Senators have made. It will save the Treasury a very large sum of money. I ask the Senator from Missouri and the Senator from Connecticut if they will not accept the amendment, which reads as follows, and is to be inserted at the end of section 6:

Provided further, That no authority is given in this bill for setting up any additional bureau or division in any department or commission, and shall not authorize any additional appropriations for carrying out its purposes.

It seems to me that ought to be done in view of the statements the two Senators have made to the Senate.

The VICE PRESIDENT. The Chair might suggest that there is an amendment pending.

Mr. McKELLAR. I know there is, but if the Senator is willing for that amendment to be accepted, I shall ask unanimous consent that it may be inserted in the bill now.

Mr. HAWES. I can not agree to that.

Mr. McKELLAR. Very well; we shall have to vote on it.

Mr. HAWES. Mr. President, while I have the floor, in referring just for a moment to the amendment which the Senator from Tennessee has introduced, I would like, with the permission of the Senate, to insert in the RECORD as a part of my remarks a statement of the economic phase of the problem, the amount of money invested, the amount of land involved, and so forth.

The VICE PRESIDENT. Without objection, that order will be made.

The statement is as follows:

The committee has been impressed with the fact that the wildlife problem of America has its economic value; we have a national resource in many respects answerable to the ordinary rules of investment. Disregarding, for the time, the vital but incalculable benefits to health, of wholesome amusement and recreation to Americans, the committee desires at this point to present evidence dealing with cash values and the great financial importance of the investment under consideration.

The recent census figures show that the value of sporting firearms sold to the public during the year 1929 amounted to $21,970,367; the value of ammunition was $43,779,020; the value of fishing tackle, as estimated by the Institute of Fishing Tackle Manufacturers, was $25,000,000.

It has been estimated that sportsmen spent in 1929 an average of $50 apiece in equipment for shooting and fishing, including their purchases of ammunition, firearms, and fishing tackle, as well as clothing, tents, canoes, and motor boats. When we take into consideration the large number of articles which enter into a day's sport, the estimate of $50 per annum seems reasonable as an average annual figure. Even at this low figure the amount sportsmen invest each year in this way at $50 apiece for 13,000,000 people equals $650,000,000. If we include the cost of transportation, wear and tear on automobiles going to and from shooting grounds, the total expenditure of the citizens of the United States

in their quest for outdoor recreation in shooting and fishing alone during 1929 would doubtless amount to fully three-quarters of a billion dollars.

These estimates concern only those values realized in the pursuit of wild birds, animals, and fishes for food and sport. By far the greater proportion of Americans who annually go afield to enjoy our wild-life resources and the associations of out-of-doors, do not either shoot game or catch fish for sport. But all of them, nevertheless, are interested in wild life. Their numbers are annually increasing. For example, in 1929, 2,680,597 persons visited the national park areas alone and in 1930, 2,774,561 visited the same areas. The National Association of State Parks indicates that one park area in the State of New York was visited by 13,000,000 people in 1930. Park areas in Michigan were visited during the same period by 8,900,000; in Connecticut by 1,428,514; and in Indiana by 950,000. The same authority estimates that State park areas exclusively throughout the country were visited in 1930 by between forty and forty-five million people seeking outdoor recreation in forest, field, and stream. There are, of course, additional millions of Americans who go afield each year who do not visit established parks, therefore are not registered, and their numbers can not be accurately computed. It is impossible to estimate, even approximately, the tremendous sums annually invested and spent by this vast group of recreationists who are attracted by the ennobling and inspirational qualities associated with all varieties of wild creatures and their environment; but when figures are compiled, they will dwarf any totals so far presented in connection with the activities of fishermen and hunters.

It is estimated that the Federal Government has in national parks an investment of $54,634,935; in fish hatcheries, $3,500,000; in game sanctuaries, between $2,000,000 and $4,000,000. The States own approximately forty-four and a half million acres of various types of land and water which have been set aside as bird and game sanctuaries or reserves. It is believed that the value of these lands would average about $7 per acre. An estimated value of at least $300,000,000 in the aggregate for all State reservations and sanctuaries would not be excessive.

The value, therefore, of investments which the Federal and various State Governments have made for the purpose of preserving or increasing wild life comes to a total of $507,134,935. If to this figure we add the value of private sanctuaries and shooting preserves, the grand total would undoubtedly be at least a billion dollars.

In the direct production of food and clothing items consumed or used by Americans, estimates of the Biological Survey credit the country's wild life with supplying meat and fur each year to the value of $150,000,000. The extent of protection by insect-destroying birds to food and other farm crops is estimated by the Department of Agriculture to be annually $350,000,000.

In considering the place of fish in the national food supply, it is surprising to discover that it ranks third in total quantity amongst meat products in the United States, as shown by the following table of the Bureau of Fisheries:

	Pounds
Pork	8,181,000,000
Beef	7,458,000,000
Fish	2,500,000,000
Veal	960,000,000
Mutton and lamb	643,000,000

This table does not include what might be termed "game fishes."

The annual yield of our commercial fisheries exceeds 3,000,000,000 pounds, valued at $116,000,000 to the fishermen.

There are many other products of the fisheries put to varied uses in the arts and industries. The total value of these by-products of the fisheries is not less than $25,000,000.

The investigation of the wild-life resources of America, therefore, becomes not only a problem of health and recreation, but a problem of large and growing economic importance.

Your committee finds that the total annual subscription in cash by Federal and State Governments specifically to administer this resource, to insure its maintenance, and to secure a continuation of profits from their resources probably does not exceed $12,000,000. The value of the annual dividend to Americans, considering only the tangible assets, is many times this amount. Your committee, therefore, is compelled to report that it believes the primary cause for the gradual and serious decrease in our supply of wild life to be due to the failure of Federal and State legislative bodies to be guided by the ordinary rules of sound business practice which require that the sums used for research, protection, administration, development, and upkeep must be in due proportion to the income derived from its resources.

The enterprise of wild-life conservation and increase viewed solely as a business matter has been grievously underfinanced and small acknowledgment or recognition has been had of its value in dollars to the people of our Commonwealths.

If there is no game for the hunter, no fish for the fisherman, no wild life in the recreational playgrounds for tourists, these occupations and recreations will perish.

While the private individual may assist in (and, when organized into clubs and associations, very largely supplement) the work of the State and Nation, the very character of game and fish preservation depends upon State and National legislation and administration.

The matter of hunting and fishing and outdoor recreation is naturally related to that of the preservation of insectivorous birds and birds of song and plumage, and for reforestation and all other natural resources similar in character.

Mr. HAWES. Mr. President, I am very fond of the Senator from Tennessee [Mr. McKELLAR]. I see the point he is trying to make, but it is not necessary. The Senator from Connecticut [Mr. WALCOTT] and I have both stated to the Senate that the bill does not carry an appropriation; that it does not increase the personnel of the Government. The point was made the other day by the Senator from Montana [Mr. WALSH] that the machinery which is set up in section 4 might require additional personnel and might require an expenditure of money. It is the only section of the bill as to which any suggestion has been made that there would be any additional expense. Section 4 has been stricken from the bill, so I would object to the amendment of the Senator from Tennessee.

Mr. SMITH. Mr. President, I am rather inclined to think the amendment offered by the Senator from Utah [Mr. KING] would be perhaps of more benefit for the purposes which the proponents of the bill have in view than in the form in which the bill now presents it. The substitute reads:

Provided, however, That no such game farm hereafter established shall exceed 2,000 acres in size.

That puts a limitation on the one game farm that is proposed to be arbitrarily provided for and upon all subsequent ones. Anyone familiar with conditions of wild life throughout the country and especially in our section knows that there may arise and will arise conditions under which 2,000 acres will be totally inadequate for the preservation and propagation of particular forms of wild life, the more essential forms of wild life. I think the States are all sufficiently aware of the necessity for taking action for the preservation of our Nation's game to readily and willingly cooperate in any form of action the Federal Government may take.

Mr. HAWES. Mr. President, will the Senator permit me to explain that section?

Mr. SMITH. Yes; I shall be very glad to have an explanation.

Mr. HAWES. The Mountain States, with vast areas like Arizona, have problems that are different entirely from the South and the West and the Mississippi Valley. They are afraid that some department of the Government in administering the game farms may use that as an excuse to extend the Federal jurisdiction over this acreage. A game farm requires approximately only 1,000 acres, so that in order to satisfy the Mountain States, which was not done in the original bill, and for their protection we put the limitation of 2,000 acres; that is to say, it might be in a tract of 100,000 acres, but for the purpose of a fish hatchery or a game farm only 1,000 acres would be required, so we put in that language for the protection of the Mountain States.

Mr. SMITH. Does the Senator mean that the game preserve might be in the public domain or located on private property?

Mr. HAWES. Oh, just on public property.

Mr. SMITH. Then the danger that the Mountain States people foresaw was that they might extend it indefinitely, as it was public land.

Mr. HAWES. That is true.

Mr. SMITH. Down in our section of the country we have a peculiar situation. All the lands in the old original States are owned by the States, but down on our coastal plain, among the coastal lands, there are indications that for the breeding and propagation of certain forms of wild life, like wild turkeys, deer, and some of the fur-bearing animals, 2,000 acres would be totally inadequate to preserve and propagate the wild life in those sections. I am not familiar with the conditions existing in the State of my friend from Arizona and similar States where the game is preserved and propagated in vast areas over which it could roam and feed. With us it is not so. The land is more or less all taken up, except some of our swamp lands and some of our very arid sand-hill lands.

In order to preserve wild life adequate areas would have to be provided because good roads, the automobile, and the modern sporting gun are resulting in the rapid extermination of game throughout the old States. The Senator from Connecticut has visited my State, and he knows the hazard to which game life is subjected. In our rivers it is almost impossible to keep a supply of native fish, though the Government has added greatly to the fish wealth of our section by the propagation of fish.

It seems to me that if we are going to legislate for the preservation of game or fish, we should do it in a manner that would be adequate. I do not think—and I believe the Senator from Connecticut, with his knowledge of conditions found in our section, will agree with me—that 2,000 acres would be sufficient for roaming animals and birds. There would not be obtainable in such a restricted territory as that a sufficient food supply to support animal life.

Mr. HAWES. Mr. President, will the Senator from South Carolina yield to me for just a moment?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from Missouri?

Mr. SMITH. Yes.

Mr. HAWES. I am entirely in sympathy with the Senator's thought; the more acreage we can get into a conservation area the better I should like it; but the language in the bill to which the Senator refers does not apply to game sanctuaries or game preserves; it applies to what are called "game farms," and fish cultural stations, which require only a small acreage.

Mr. SMITH. I was not advised as to that distinction and the differentiation between the terms "game sanctuaries" and "game farms."

Mr. HAWES. It was that distinction which I desired to point out.

Mr. SMITH. If this language applies entirely to farms for the propagation of game, it presents a different aspect.

Mr. HAWES. That is my understanding.

Mr. SMITH. If I had been advised of that distinction, I should have been satisfied, but I wish to make a further observation.

Much has been said here about an appropriation being involved in this proposed legislation. I for one would not balk at any appropriation for this purpose, which, judiciously spent, could preserve and take care of the game and fish life of our country, which throughout our entire section is rapidly vanishing. In my State during the present year an unprecedented drought for three months dried up our swamps and hill lands; forest fires started, and practically two-thirds of all the wood and swamp land in my State was burned bare.

We have no organized fire protection, because such conditions rarely occur, and certainly we have no town in that region of sufficient size and importance to have an organized force to protect game preserves. The consequence is that the wild life, the quail—partridges, as we call them—and the ordinary fur-bearing animals, the deer, and also the wild turkey have been almost decimated. As a consequence of the forest fires there was no food; there was nothing left on which wild life could subsist.

I think it is a matter of both State and National importance to provide that the game life and fish life of the country shall be adequately preserved and protected. For one, I should rather see some of the expenditures which are proposed for other departments eliminated and the food supply for the game life of the country increased. No matter how poor a man may be, there is for him no recreation under the sun comparable to that in the open with rod or gun where he can find an adequate area over which he may roam and find outlet for a natural instinct, which I think is common to rightly constructed man. I have my doubts about any man who does not love to fish and hunt; there is something radically wrong with him somewhere, either mentally, morally, or physically, or all three. I have never in my life seen a man but there was some kind of a repulsive idiosyncracy about him who did not love to hunt and fish. The very highest type of manhood is always expressed in one who loves the out-of-door sports of hunting and fishing. I stand here as a splendid example of that myself. [Laughter.]

Mr. SHORTRIDGE. Mr. President, may I make an inquiry of the Senator from South Carolina?

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from California?

Mr. SMITH. I yield.

Mr. SHORTRIDGE. Does the Senator from South Carolina proceed upon the theory that the States individually are unable to protect game and wild life?

Mr. SMITH. No; I have not discussed that question at all. My contention is that if the Federal Government is going to offer its good offices—and it has offered them almost everywhere—it will be with the consent of my State. That is all right; that is not objectionable to me, though I should object to the Federal Government going into my State, under whatever power it might assert the right to do so, without the consent of the State.

However, as I said in the opening sentence of my remarks, I think, from every standpoint, every State government in America is thoroughly alive to the necessity of preserving our wild life. It is for that reason I wanted to call attention, so far as I am concerned, to the fact that the adequate protection and propagation of the wild life of the country will pay for itself a thousand times over. Any reasonable provision which may be made to protect wild life will do that; and I, for one, am going to support both National and State appropriations for the purpose of providing for the preservation of wild life.

Mr. ASHURST. Mr. President, I do not desire to be misunderstood. I wish it distinctly to be known that I join with the Senator from South Carolina in the sentiments he has just expressed, and I wish I were capable of delivering such a brilliant—I will say dazzling—eulogy of piscatorial delights and pleasures of the sportsman as has my learned friend from South Carolina.

No man could appreciate more than I the treasures of nature, her wonderful works and her gay creatures, and I would much regret that anything should go into the RECORD that might seem to indicate that I had a cynical view of such legislation as that which protects wild life. Indeed, Mr. President, with perfect respect to Senators who have proposed this bill, the amendment of the Senator from Utah will do as much to protect wild life as will any amendment that has been proposed in the Senate.

Mr. President, in order that the Senate may not get the impression that we have singled out this bill, let me say that some time ago it became necessary to provide by law that the President should not establish any Indian reservation without the consent of Congress. It is also necessary to obtain the consent of Congress for the creation of national parks. We have not singled out this bill. It is really an application of the principle that should be applied to all such bills.

Mr. WALCOTT. Mr. President, I want to express to the Senator from South Carolina my appreciation of his explanation of the purposes of the bill and for his enthusiasm for what it may, and I hope will, accomplish. I also want to add from personal knowledge that the Senator from South Carolina is one of the finest sportsmen of whom I know and is also a true conservationist.

With reference to the amendment proposed by the Senator from Utah [Mr. KING], I see no objection to it; but I want to offer this word of explanation. Yesterday afternoon there met, as I have before stated, a number of Senators who had objected to certain portions of this bill. The chief objection voiced yesterday afternoon during the discussion of the bill on the floor of the Senate was in reference to the particular point the Senator from Utah makes; in other words, it involved the desire absolutely to protect State rights against Federal encroachment.

I do not yield to anybody in the desire to protect State rights, whether East, West, North, or South, and I am in entire sympathy with everything the Senator from Utah has said. The same sentiments expressed here this afternoon were expressed yesterday very forcefully by the senior Senator from Wyoming [Mr. KENDRICK]. It was because of

his contentions that we reduced the grant of Federal authority to this particular point, namely, to the creation of game farms, which are merely small experimental stations designed to increase the supply of game and to fish cultural stations designed to increase the supply of fish, and also provided the small numerical limit of only one in each State, in order to avoid possibly a lot of red tape and the delays which might be incurred in passing this bill through the Federal Congress. It was for that reason that we offered this amendment which yesterday satisfied the representatives of the Western States. Utah, however, was not represented at the meeting, as I did not know that the Senator from Utah objected to anything in the bill. I wish he had been there. I accept, and I am sure all the other members of the committee will accept the amendment of the Senator from Utah. We are entirely satisfied with it. It was only intended to save a little time and some red tape in establishing what possibly might be necessary game farms, not for the preservation but for the propagation of game.

Mr. KING. Mr. President, I thank the Senator in charge of the bill for accepting the amendment. My only reason for offering it was to guard against what I have discovered, namely, the increasing appetite of Federal officials and Federal bureaus to invade the rights of the States. The Mountain States, my own State, and others, to my knowledge, have been the victims of the avarice of Federal officials who take charge of some of the public lands and who impinge upon the rights of individuals as well as upon the rights of the States.

As stated by my friend from Montana [Mr. WALSH] yesterday, Congress has been constrained to pass a law to prohibit the Executive from carving out of the public domain any area and establishing it as a reserve or carving it out for any purpose. The President has to come to Congress now and obtain legislation to accomplish that result. I know in my State efforts have been made to detach from the public domain considerable areas and to attach them to Indian reservations and to forest reserves and to make them subject to the control of some particular bureau. I trust, in view of the prejudice—the legitimate prejudice—which exists in my State against such invasions of the Federal Government, that the amendment which I have suggested may be accepted.

Mr. WALSH of Montana. Mr. President, I should like to have the attention of the Senator from Connecticut [Mr. WALCOTT], the Senator from Missouri [Mr. HAWES], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Utah [Mr. KING] as well.

Two provisos were added to section 5 to meet the views, and perhaps the objections, of some of the Senators from the West. One of them provided that no game farm hereafter established shall exceed 2,000 acres in size. The other provided that not more than one such game farm shall hereafter be established in any State without the consent of the legislature of that State. The last proviso has now been amended so as to provide that no such game farm shall hereafter be established in any State without the consent of the legislature of that State.

Seeing that no game farm can be established in any State without the consent of the legislature of that State, there would seem to be no longer any occasion for limiting the size of the farm, because whenever it is proposed that a farm shall be created it must have the approval of the legislature. So I respectfully suggest that the purpose of the first proviso has been entirely met, and that it ought to be eliminated from the bill.

Mr. KENDRICK. Mr. President, I was absent from the Chamber when this amendment was offered by the Senator from Utah [Mr. KING]. I am interested in the question that has just been asked by the Senator from Montana.

If the amendment as proposed would authorize the establishment of more than one game farm in Wyoming, I am opposed to such amendment.

When the bill was under consideration by the committee, it was not the intention of the Senators from Wyoming to express the wish that one game farm might be established in the State, but to limit the provision to one farm and to limit the area of that farm to 2,000 acres.

Mr. HAWES. Mr. President——

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Missouri?

Mr. KENDRICK. I yield.

Mr. HAWES. The Senator is entirely correct. The limitation of 2,000 acres was to prevent an abuse through the taking over of tremendous bodies of land when only 2,000 acres were required for this purpose.

Mr. KENDRICK. At the time I understood the change to mean that only one game farm might be established in a State without the consent of the legislature of that State.

Mr. WALSH of Montana. Mr. President, let me say to the Senator that there were two provisos contemplating the creation of game farms by the action of the Federal authorities. It was provided first that no game farm thus created should be of a greater extent than 2,000 acres.

Mr. KENDRICK. That is correct.

Mr. WALSH of Montana. We then went further, and provided that no more than one such game farm should be established in any State without the consent of the legislature of the State. That has now been amended so that it is provided that no game farm shall be established in any State without the consent of the legislature.

Mr. KING. Will the Senator pardon me? Except that one may be established in Wyoming without the consent of that State, as a part of my amendment.

Mr. WALSH of Montana. Oh! I did not know that.

Mr. KING. May I read it?

The VICE PRESIDENT. Does the Senator from Wyoming further yield to the Senator from Utah?

Mr. KENDRICK. I do.

Mr. KING (reading:)

Provided further, That no such game farm, except one in the State of Wyoming, shall hereafter be established in any State without the consent of the legislature.

So the one which has been agreed upon in Wyoming may be established without the consent of the legislature.

Mr. WALSH of Montana. That is an entirely new idea to me. Let me understand why the Senator chose to select out the State of Wyoming for specific provision?

Mr. KING. Because I understood, in talking with the junior Senator from Wyoming [Mr. CAREY], that it had been agreed yesterday that the people of Wyoming had assented to the establishment of one without the consent of the legislature; that they were satisfied that one should be established now.

Mr. CAREY. Mr. President——

Mr. WALSH of Montana. Oh, no! In the consideration of this matter yesterday, on consultation with the Senator from Missouri, the Senator from Connecticut, and some of the Western Senators, including the junior Senator from Wyoming, we had agreed upon these provisos, namely, that no more than one game farm could be established in any State without the consent of the legislature, and that that game farm should not be greater than 2,000 acres.

Mr. KING. I understand.

Mr. WALSH of Montana. That is the only assent that the people of Wyoming have ever given, as I understand the matter, to the creation of any reserve in their State without the consent of the legislature. I take it that the junior Senator from Wyoming was merely expressing to the Senator from Utah what the agreement was in this conference of yesterday; but if every other State is exempted from the creation within its borders of a game farm except upon the consent of the legislature of the State, why should we give the Federal authorities the right to create this game farm in Wyoming without the consent of the Legislature of Wyoming?

Mr. KENDRICK. I agree fully with the statement made by the Senator from Montana. I believe that I express the viewpoint of my colleague, as well as myself, when I say that personally we are willing to have this game farm that was discussed in the committee yesterday established in Wyoming; and there is no doubt whatsoever in my mind

but that the legislature of the State will approve such establishment, provided the acreage is limited. I therefore prefer to have the exception of Wyoming stricken from the bill.

Mr. WALSH of Montana. If the Senator will pardon me, I was entirely unaware of the amendment of the Senator from Utah. He advised me this morning that it was his purpose to propose an amendment so that it should read:

That no such game farm shall hereafter be established in any State without the consent of the legislature.

But as presented, apparently, it reads:

That no such game farm, except one in the State of Wyoming, shall hereafter be established in any State without the consent of the legislature of that State.

I wonder if the Senator from Utah will not consent that the exception be stricken from the bill.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Utah?

Mr. KENDRICK. I yield.

Mr. KING. I should be very glad to have that done, as I drew the amendment, and it was suggested by the Senator from Montana; but, as I understood the junior Senator from Wyoming [Mr. CAREY], he indicated that that might not be satisfactory only for the reason that they had already established one, not perhaps officially; and, as I understood, he did not want the prohibition to extend to the one which had been established at least de facto, if not de jure. I should very much prefer, of course, the amendment as I originally conceived it, so that none could be established in Wyoming or anywhere else without the consent of the legislature.

Mr. CAREY. Mr. President——

The VICE PRESIDENT. Does the senior Senator from Wyoming yield to his colleague?

Mr. KENDRICK. I yield.

Mr. CAREY. I spoke to the Senator from Utah this morning when he suggested his amendment to the bill and told him that there were certain lands in Wyoming which were adapted for a game refuge and which I thought possibly would be given for that purpose. In so far as the amendment is concerned, however, I think it would be much better with the words "except one in the State of Wyoming" left out of it, because I know that our legislature would agree to the establishment of this farm.

Mr. KING. Mr. President, I shall be very happy to have that modification made. I inserted that merely, as I supposed, to meet the desire of the Senator from Wyoming.

The VICE PRESIDENT. Will the Senator please modify his amendment as he wishes to have it read?

Mr. KING. Yes, Mr. President. I offer the following amendment:

That no such game farm shall hereafter be established in any State without the consent of the legislature of that State.

The VICE PRESIDENT. The question is on the amendment of the Senator from Utah.

Mr. BRATTON. Mr. President, it is gratifying to me that the amendment proposed by the Senator from Utah has been accepted by those in charge of the bill.

This measure relates largely to the so-called public-land States of the West. With the steady, constant, and progressive encroachment of the Federal Government in those States resting heavily upon us, the principle involved in the amendment is important.

The mere establishment of one so-called game farm in each State to embrace a limited area is not so important, but the policy of the Government in expanding its authority and encroaching more and more upon the Western States has become so onerous that those of us from that area are always anxious to minimize and reduce it.

I make no criticism of the authors of the measure in this particular respect, because they have done a commendable work in conducting an exhaustive survey throughout the country, and have brought to us a bill commendable in principle; but, Mr. President, the policy of the Government exercising exclusive jurisdiction over more and more of the territory of the Western States is a thing about which we are extremely anxious. That policy was conducted for years under the guise of extending Indian reservations by Executive authority. That became so pernicious to the welfare of those States that a few years ago Congress saw fit to provide that no more reservations should be created or enlarged through that method, so that that particular phase of the injury has been corrected.

But, Mr. President, this is a step in the same dangerous direction, or was a step in that direction before the authors of the measure accepted the amendment of the Senator from Utah. I take occasion to protest, on behalf of one of the Western States, against the ever-increasing encroachment of Federal authority in that area.

In my own State 43 per cent of the land is under Federal jurisdiction, over which the State authorities exercise limited or no jurisdiction whatever. Upon Indian reservations the State authorities have no jurisdiction in the matter of enforcing the criminal laws except respecting violations committed by whites. Upon other areas its jurisdiction is circumscribed. That enormous area is nontaxable, nonrevenue bearing, and nonincome producing in character, so far as the State is concerned. With that situation the State government and local county governments have struggled for years with only 57 per cent of their territory subject to domestic authority so far as levying taxes and requiring tribute to the expenses of government are concerned.

I commend the authors of the bill for accepting the amendment of the Senator from Utah, because it harmonizes with good administration of government as between State and Federal authorities.

I hope, too, Mr. President, that the amendment which the Senator from Tennessee has announced his purpose to introduce will be adopted, to the effect that no appropriations will be made to carry the provisions of this act into effect.

It has been said by the authors of the bill sincerely, and with perfect good faith, that the administration of this measure does not contemplate appropriations. I do not question their good faith in that respect, but I confidently believe that in only a few short years at most the executive department will come to Congress with an estimate asking for an appropriation to administer the act. It will be said then that the Congress cast this burden upon these departments and bureaus; that is to say, charged them with the duty of doing the things directed in the act, and that in order to do them, in order to carry forward the program already established and started, money is necessary. Then the urge will be made upon the committees of the House and the Senate to make appropriations with which to carry forward the work already initiated and already under way. The argument will be persuasive at that time and we will pay heed to it.

Mr. BORAH and Mr. BARKLEY rose.

The VICE PRESIDENT. Does the Senator from New Mexico yield?

Mr. BRATTON. I yield to the Senator from Idaho.

Mr. BORAH. I was simply going to suggest that in case conditions arise, which the Senator thinks likely will arise, the amendment of the Senator from Tennessee will go down. That will not protect at all.

Mr. BRATTON. Except that it will declare the intention of the Congress not to appropriate money to carry this act into effect; and if the departments initiate a program looking to that end, their argument for an appropriation will not be persuasive in the face of a congressional declaration made at the very outset.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from Kentucky?

Mr. BRATTON. I yield.

Mr. BARKLEY. The question I had intended to ask was similar to that propounded by the Senator from Idaho. While it may be a very good gesture to forewarn the departments that this is not intended to lead to an appropriation, it will have no binding effect on future Congresses, and if the situation is changed in the future it might have no effect

upon the determination as to whether we ought not to make an appropriation in the attempt to further this activity.

Mr. BRATTON. Mr. President, I realize that a provision of this kind would be no more than a declaration, but without some kind of a pronouncement on the subject the departments will inaugurate a system of administration under the act, and in a few years they will come to Congress with the statement that in order to carry that program forward, to do the things enjoined upon them under the act, money is necessary, and that they have had no warning that Congress did not intend to provide the money with which to carry that program forward. At least a declaration of this kind would obviate that sort of a situation.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BRATTON. I yield.

Mr. McKELLAR. I want to call the attention of the Senator from Kentucky and of others who are interested to the fact that according to the recent message of the President known as the Budget message there are demands for separate appropriations under 13 different wild game laws just like this proposed law. This would make the fourteenth. Under each one of those laws there has grown up what they call a division. They do not call it a bureau, but it is in fact a bureau. They call it a division in the Biological Survey. I have just called the Senator's attention to the fact that out of the appropriations of $1,700,000, $436,227 are for salaries in the 13 bureaus, which already exist here in the city of Washington.

Mr. BARKLEY. Mr. President, will the Senator from New Mexico yield?

Mr. BRATTON. I yield.

Mr. BARKLEY. I realize the force of what the Senator from Tennessee says. I have not looked into the details of those 13 different divisions or bureaus under the Budget message, but I am wondering whether they overlap, or whether they are all devoted to separate types of wild life we are attempting to conserve.

Mr. McKELLAR. Although the proponents of this bill say that there is not to be any appropriation under it, although they have assured the Senate of that fact, yet they are not willing to put that statement in the bill, and I want to say that I have looked into the matter of these 13 different recommendations under these 13 different laws, and when the Senator from New Mexico gets through, and I get the floor, I shall have something to say about that.

Mr. BARKLEY. The mere fact that there are 13 bureaus dealing with wild life would not frighten me in any respect with reference to this particular bill. If this bill is needed, if it is the kind of legislation we ought to enact, and it shall develop in the future that there would have to be some small appropriation to carry it out, I would not be against it because of that.

Mr. McKELLAR. The Senator is entirely right in that; I would not, either. But this is to be a coordination of the present 13, as the proponents of this bill say.

Mr. HAWES. Oh, no.

Mr. McKELLAR. Then I misunderstood the Senator.

Mr. BRATTON. Mr. President, I shall detain the Senate only a moment longer.

Mr. HAWES. Will the Senator yield to me for a moment at this time?

Mr. BRATTON. I yield.

Mr. HAWES. The figures which the Senator from Tennessee has been giving to the Senate involve 25 years of department growth in the Biological Survey and the Department of Agriculture. The appropriations for all those departments are less this year than they were last year. There is no coordination proposed in this bill between those departments. The coordination is between the heads of all the departments in the interest of economy, so that there may not be a duplication of effort, so that there may be an understanding, not of the Biological Survey and the Bureau of Fisheries but each department in the President's Cabinet. There is no appropriation asked for under this bill. None is necessary. An attempt to bind some succeeding Congress in what Congress might determine at that time is not a part of this bill, which we believe is a measure in economy not only of wild life but in the expenditure of money.

Mr. BRATTON. Mr. President, of course it is not the desire of anyone to bind a subsequent Congress, but the effect of the amendment of the Senator from Tennessee would be to declare that in passing this measure of coordination it is not the purpose of the Congress to create additional machinery which will necessitate further expenditures from the Treasury.

The Senator from Missouri says that the appropriations sought this year for this work are less than those of last year. That is encouraging, because instead of talking about additional sources of income we should talk seriously and earnestly about ways of reducing expenditures from the Treasury. Much is being said now about additional sources of revenue, means of providing more money for the Treasury. We should talk about less expenditures from the Treasury. Economy should be the watchword.

If it is the purpose of the proponents of the measure to coordinate the activities of this department, without additional expense, and to reduce expenditures, I see no reason for objecting to a declaration to that effect in the measure.

I hope very much that the amendment sponsored by the Senator from Tennessee will be adopted, so that our understanding in passing the measure respecting its operation without additional expenditure may stand as a part of the legislation itself.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the junior Senator from Utah [Mr. KING].

Mr. NORRIS. Mr. President, I was about to suggest that I would ask for the regular order.

Mr. HAWES. Only one amendment has been offered.

Mr. NORRIS. That one amendment has been pending all day.

Mr. McKELLAR. When the pending amendment shall be acted on, I will offer another amendment. I think it will take some time to dispose of my amendment.

Mr. NORRIS. I suggest also that I am informed that it is desired that we have an executive session. A large number of appointments are on the Executive Calendar to be passed on, and we want to have an executive session before we adjourn to-day.

Mr. McNARY. Mr. President, when I asked unanimous consent that the unfinished business be temporarily laid aside I thought there was more or less of an understanding that it would be brought up within a very short time and that we would have a vote on the unfinished business immediately after we disposed of the pending bill.

Mr. NORRIS. That is what I thought, but apparently this bill is not going to be disposed of to-day.

Mr. McNARY. Would the Senator from Nebraska be content to allow another hour to be taken in consideration of the pending bill and then have the unfinished business taken up?

Mr. NORRIS. As far as I personally am concerned, I have no objection to that, but suppose we say half an hour. Will that be time enough?

Mr. McKELLAR. Mr. President, frankly, if my amendment is to be contested, I do not think the argument on it can be concluded in half an hour.

Mr. NORRIS. As far as I am concerned, I will not make any demand for the regular order for half an hour, at least, and if at the end of that time there is any probability that we can get through with the pending bill in a few minutes, we can run right along.

Mr. McKELLAR. I have no objection to whatever course may be desired.

Mr. NORRIS. Is that satisfactory to the Senator from Oregon?

Mr. McNARY. That is all right.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the junior Senator from Utah [Mr. KING] to the proposed substitute.

The amendment to the amendment was agreed to.

Mr. WALSH of Montana. Mr. President, while we are on this matter, let me ask the Senator from Tennessee

whether it would not be agreeable to have the subject completed before his amendment is offered?

Mr. McKELLAR. That is entirely agreeable.

Mr. WALSH of Montana. Agreeably to what I said a while ago, I move that the first proviso on page 4 of the bill be stricken from the bill.

The VICE PRESIDENT. Let the amendment be reported.

The LEGISLATIVE CLERK. On page 4, line 19, the Senator from Montana proposes to strike out the words "*Provided, however,* That no such game farm hereafter established shall exceed 2,000 acres in size."

Mr. WALSH of Montana. My view is that that is entirely unnecessary, by reason of the amendment made on the motion of the junior Senator from Utah [Mr. KING], providing that no game farm, whatever may be its size, may be established in any State without the consent of the legislature. Accordingly, there is no occasion for this language.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. McKELLAR. Mr. President, on page 5 of the amended bill now before us I offer the following amendment. Insert at the end of the last paragraph the following proviso:

Provided further, That no authority is given in this bill for setting up any additional bureau or division in any department or commission and shall not authorize any additional appropriations for carrying out its purposes.

In offering that amendment I have simply undertaken to incorporate in the bill what the proponents of the bill say in reference to its provisions in regard to appropriations. Of course, I understand perfectly well that there is no appropriation carried in the bill. The only thing that could be done along that line would be to authorize specifically an appropriation. I think it does authorize an appropriation, and I want to call the attention of the Senate to what has already been done in the way of appropriations for this purpose.

I might say in the beginning that so far as the general purposes of the bill are concerned I think everyone is in favor of them. We have been legislating on exactly the same subject, however, for the last 20 years, ever since I have been in Congress and possibly before, and each of those acts has provided for substantially the same thing. Of course, the provisions of the bill have been read but I want to read from the original law providing for the Biological Survey. This is an excerpt quoted from it by the President of the United States in his message on the Budget.

For salaries and employment of labor in the city of Washington and elsewhere, furniture, supplies, including the purchase of bags, tags, and labels printed in the course of manufacture, traveling, and all other expenses necessary in conducting investigations and the carrying out of the work of the bureau—

Listen, Senators—

including cooperation with Federal, State, county, or other agencies or with farm bureaus, organizations, or individuals, as follows:

Everything that is contemplated in the bill now pending is covered there. The purposes are the same except expressed in a little different way:

For necessary expenses for general administrative purposes, including the salary of chief of bureau and other personal services in the District of Columbia, $83,135.

Under that bureau there are 37.3 employees. I do not know how they divide their employees in the city of Washington into tenths but apparently the President has so divided them in the Budget message. There are 37.3 employees in the city of Washington to carry out that particular part of the wild game law.

Then apparently there is a chief of bureau at $8,000 and other salaries ranging on down, in all, $78,543, practically all of the appropriation, for employees here in Washington. There is fifteen-sixteenths of the appropriation for the preservation of wild game that is for personal services of people here in the District of Columbia. That is the first division that I have just read.

The second division is as follows:

Maintenance of mammal and bird reservations: For the maintenance of the Montana National Bison Range and other reservations and for the maintenance of game introduced into suitable localities on public lands, under supervision of the Biological Survey, including construction of fencing, wardens' quarters, shelters for animals, landings, roads, trails, bridges, ditches, telephone lines, rockwork, bulkheads, and other improvements necessary for the economical administration and protection of the reservations, and for the enforcement of section 84 of the act approved March 4, 1909 (U. S. C., title 18, sec. 145), entitled "An act to codify, revise, and amend the penal laws of the United States," and acts amendatory thereto, and section 10 of the migratory bird conservation act of February 18, 1929 (U. S. C., Supp. IV, title 16, sec. 715i): *Provided,* That $2,500 may be used for the purchase, capture, and transportation of game for national reservations, $83,913.

That is the second bureau that is established for the preservation of wild life. Let us see how many people are in that bureau. There are 4.1 in the city of Washington and 10.6 outside of the city of Washington. Here is another act passed just like the bill we have before us. It seems to be fashionable to pass one about every year. This one provides:

Food habits of birds and animals: For investigating the food habits and economic value of North American birds and animals in relation to agriculture, horticulture, and forestry, including methods of conserving beneficial and controlling injurious birds and animals, $105,810.

A separate bureau here in Washington is to investigate and report. Who receives the report from this particular bureau about these animals I do not know. Here we have a deficit in the Treasury of $1,700,000,000 to-day, and yet we are asked to appropriate $105,810 for carrying out a suggestion of the President for this bureau relating to wild life that probably has never affected the situation in the slightest. I invite the attention of Senators to the fact that when once we establish a bureau in any one of the departments there is a constant increase in the personnel of that bureau and in the cost and expense of the bureau. They go up like magic.

Ten years ago, in 1920, the Congress appropriated for the protection of wild life in America $742,170.

Mr. KING. That was just for the one bureau.

Mr. McKELLAR. Yes; just for the Biological Survey. In 1921 we increased that to $785,885. That was a very modest increase. I can not imagine how that happened. In 1922 it was increased a little more, to $823,325. In 1923 it was increased to $870,560; in 1924 it was increased to $872,265 and in 1925 to $957,320. It was growing apace. This was an increase of 40 per cent in five years. Where did it go? It went to the increase in bureau personnel largely here in the city of Washington.

In 1926 it went up to $1,372,768. In 1927 somebody evidently got a little economical and it dropped back to $987,365, but the next year, 1928, it went up again to $1,235,020. In 1929 it went back a little, to $1,170,500, but in 1930 it jumped to $1,509,166, in 1931 to $2,218,320, and in 1932 to $2,229,170.

While it is true that a little less than $1,800,000 is recommended, yet if the bill now before us passes it will go away beyond the $2,218,000 appropriated for last year. In my humble judgment, we have no moral right thus to dispose of the money of the people of the United States when there is a deficit in the National Treasury of $1,700,000,000. We have no right to provide for another bureau in the Biological Survey doing precisely the same kind of work that is now being done. It is indefensible if not illegal.

I come now to the fourth bureau. Somebody stated that this work was not paralleled. It is just an expansion, it is said. However, I believe it is all the same work. If we are going to establish another bureau to do the very work that is now being done there, it is a useless expenditure of money. The fourth provides as follows:

Control of predatory animals and injurious rodents.

I suppose that is for lions and tigers. "Rodents" means rats. Lions and tigers and rats! Of course we would have to get some lions and tigers from another country before we could use much of the appropriation for them, but the rats are with us, and, of course, everybody recognizes that there can not be a higher duty for the American Government than to go out and kill rats and mice!

But just consider for a moment the amount that is appropriated for this purpose—$573,780. Here we have a Treasury "in the red" to the extent of $1,700,000,000, and we have been urged to appropriate for a bureau in this very department $573,780. It is not good business. It is not just to the American people. It is not fair to the American taxpayer, and we ought not to set up another such bureau. There are already 13 bureaus all doing virtually the same work now.

I come to the next one, entitled "Production of fur-bearing animals." Here is the language of the act, almost identical with that which we are now considering in the bill before us:

For investigations, experiments, demonstrations, and cooperation in connection with the production and utilization of fur-bearing animals raised for meat and fur in the United States and Alaska.

It goes right along with the provisions of the bill we are now about to pass.

I come now to the next one:

For biological investigations, including the relations, habits, geographic distribution, and migration of animals and plants.

I suppose plants do migrate. At any rate we have a bureau to tell us whether and how and where they migrate. I have never seen a report from any one of these bureaus as to the migration of plants, but I have no doubt they are busily working on the subject. They have 16 employees in the bureau here in Washington determining how animals and plants migrate.

For investigations of the relations of wild-animal life to forests, under section 5 of the act approved May 22, 1928, and for investigations, experiments, and demonstrations in the establishment, improvement, and increase of the reindeer industry and of musk oxen and mountain sheep in Alaska, including the erection of necessary buildings and other structures, $125,480.

Then comes the next bureau that is established in the Biological Survey. It is almost identical with what is now proposed to establish:

Protection of migratory birds: For all necessary expenses for enforcing the provisions of the migratory bird treaty act of July 3, 1918 (U. S. C., title 16, secs. 703–711), and for cooperation with local authorities in the protection of migratory birds, and for necessary investigations connected therewith, $217,340.

Here comes the next bureau, which is confined to Alaska and for which there is only proposed an appropriation of $155,650.

Then there is another little bureau for the enforcement of the Alaskan game laws.

Then comes still another appropriation and another bureau.

For the acquisition—

Lands are being authorized to be acquired under the act from which I am about to read. We have already legislation of that character. Listen to it:

For the acquisition of areas of land or land and water pursuant to the act entitled "An act to establish the Upper Mississippi River Wild Life and Fish Refuge," approved June 7, 1924 (U. S. C., title 16, secs. 721–731), as amended, and for all necessary expenses incident thereto, including the employment of persons and means in the city of Washington and elsewhere, $34,400, which shall be available until expended, being part of the sum of $1,500,000 authorized to be appropriated for such purpose by section 10 of said act; and for all necessary expenses of the Secretary of Agriculture authorized by section 9 of said act, $46,178: *Provided*, That the Secretary of Agriculture may incur obligations and enter into contracts for the acquisition of additional areas to an amount which, inclusive of the amounts heretofore and herein appropriated, shall not exceed a total of $1,500,000.

This appropriation is for $80,578. One would think that it would be nearly enough to look after the wild life of America; but I come to another law which was enacted by a recent Congress.

For the establishment of a suitable refuge and feeding and breeding ground for migratory wild fowl, including the acquisition of water rights and privately-owned lands pursuant to the act entitled—

And so forth.

And for all expenses incident thereto, including the employment of persons and means in the District of Columbia and elsewhere, the unexpended balance of the appropriation of $75,000 for this purpose.

And then in addition, $32,100.

But even that was not all, Mr. President. Here is an item for another bureau of the same department of the Government:

For carrying into effect the provisions of the act entitled "An act to more effectively meet the obligations of the United States under the migratory-bird treaty—

I do not know what it is proposed to call this proposed act, but I suppose it would be "The migratory bird conservation act." It is all the same; there is just a little difference in language; and it would give the department an excuse to set up an additional bureau with a lot of clerks and a lot of expense.

For carrying into effect the provisions of the act entitled "An act to more effectively meet the obligations of the United States under the migratory-bird treaty with Great Britain by lessening the dangers threatening migratory game birds from drainage and other causes by the acquisition of areas of land—

This is the third act already for the acquisition of lands—

and of water to furnish in perpetuity reservation for the adequate protection of such birds; and authorizing appropriations for the establishment of such areas, their maintenance and improvement, and for other purposes," approved February 18, 1929 (U. S. C., Supp. IV, title 16, secs. 715–715r), $320,000, authorized by section 12 of the act, which sum is composed of $200,000, a part of the sum of $600,000 authorized to be appropriated for the fiscal year ending June 30, 1932, and $120,000 authorized to be appropriated for the fiscal year ending June 30, 1933, and in addition thereto $3,453 authorized by section 18 of the act; in all, $323,453, together with the unexpended balance of the appropriation of $400,000 for the purposes of section 12 of said act as contained in the Agricultural appropriation act for the fiscal year 1932: *Provided*, That the Secretary of Agriculture may incur obligations and enter into contracts for the acquisition of additional areas approved for purchase or rental by the Migratory Bird Conservation Commission provided for in section 2 of said act to an amount which, inclusive of the amounts heretofore and herein appropriated, shall not exceed a total of $875,000, and such contracts shall be deemed contractual obligations of the Federal Government.

Mr. President, I digress here long enough to say that if the President's recommendation is carried out, and this appropriation be approved by the Congress, instead of there being appropriated $2,229,170 as last year, there will be appropriated nearly $3,000,000 for this purpose at this session.

Mr. President, those are not all the bureaus. Here is another one: Cheyenne Bottoms migratory-bird refuge. That seems to be a refuge in Wyoming. There was appropriated last year only $200,000; but the appropriation of $200,000 was not used, and the unexpended balances of $50,000 and $200,000 are reappropriated. The amount we are appropriating this year for the preservation of migratory game will run well over $3,000,000.

Here is another bureau for the same purpose.

Mr. President, under these circumstances it seems to me that by all means this limitation upon this proposed act should be adopted. This limitation proposes to fix in exact language what the proponents of the bill desire, and I can not understand why they are not willing to put it in the proposed law.

I want again, Mr. President, to call attention to the fact that there are 162 employees in these various bureaus here in the city of Washington, drawing large salaries, for the purpose of enforcing this law. The Government is paying them $436,227 a year right here in Washington. They are making investigations in one bureau which no one will ever read; they are making investigations probably without ever making a report. Under various acts, 13 of such bureaus have been established in the departments, primarily or ostensibly for the protection of wild game in America, but really and actually we are building up bureau after bureau every year in the Department of Agriculture. It ought to be stopped, and there is but one way by which it can be stopped, and that is to provide in the bill itself that no appropriation is authorized.

Mr. President, as I understood the Senator from Missouri and the Senator from Connecticut, it is agreed that no

additional appropriation shall be provided because of this measure. Let us see what there will be added.

Mr. FESS. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. Yes.

Mr. FESS. If the Senator's amendment were put in the bill, would it bind any succeeding Congress?

Mr. McKELLAR. No. If we shall pass this bill, no succeeding Congress will be bound by it; any succeeding Congress may disregard it or repeal it. We can not bind anybody except the present Congress, and that is what I want to bind. I am sorry the Senator from Washington [Mr. JONES], the chairman of the Appropriations Committee, is not present, for I should like to say to him that what I am seeking to do by this amendment is to prevent the department sending in additional requests for appropriations to carry out the provisions of this bill. Here is what will be done. Listen to this provision in the bill:

That the Secretary of Agriculture and the Secretary of Commerce are authorized to provide expert assistance to and to cooperate with Federal, State, and other agencies in the rearing, stocking, and increasing the supply of game and fur-bearing animals and fish—

That is an unlimited authorization. They could send to Congress an estimate for a million dollars if the bill should be passed and the Congress should be willing to give it. We ought not to make any such blind authorization as that.

Mr. KING. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. KING. A moment ago the Senator read some of the appropriations for the Biological Survey since 1920. Will it interrupt the Senator if I call his attention to some other appropriations for that bureau?

Mr. McKELLAR. Not at all.

Mr. KING. Merely for the purpose of illustrating how when one cell is created two or three other cells will soon be developed, and still others, let me show how since 1886 the appropriations for the Biological Survey have grown. In that year the Biological Survey received an appropriation of only $5,000; in 1887, $10,000; in 1888, $12,000; in 1889, $13,085.90; in 1890, $15,060; in 1891, $23,864; in 1892, $24,860; in 1893, $24,860, the same as in the previous year; in 1894, $27,360; in 1895, $27,360; in 1896, $27,560; in 1897, $27,560; in 1898, $27,560; in 1889, $27,560; in 1900, $27,560—there seemed to be uniformity in administration and in expenditures under the law during those years; in 1901, $30,300; in 1902, $32,800; in 1903, $45,850; in 1904, $51,850; in 1905, $51,850; in 1906, $52,000; in 1907, $52,000; in 1908, $52,000; in 1909, $62,000. Then there was a special appropriation in the same year of $50,700. In 1910 the appropriation for this bureau was $87,420; in 1911, $86,920; in 1912, $139,700; in 1913, $191,400; in 1914, $170,990; in 1915, $281,290; in 1916, $521,290—nearly double the appropriation for the preceding year; in 1917, $578,230; in 1918, $669,736; and in 1919, $820,472.

The Senator from Tennessee has already stated that the appropriations for last year were more than $2,000,000 and that for this year they will exceed that amount.

Mr. McKELLAR. I think they will exceed $3,000,000 this year, including the unappropriated balances which are reappropriated.

Mr. KING. So, from the modest beginning of $5,000 in 1886, we have this gigantic figure now, which demands more than $2,000,000 for this one bureau.

Mr. McKELLAR. It will probably require more than $3,000,000 for the ensuing year.

Mr. KING. This is merely an illustration of the growth of bureaus and Federal organizations which are set up.

Mr. WALCOTT. Mr. President, will the Senator from Tennessee yield to me?

Mr. McKELLAR. I yield.

Mr. WALCOTT. I am anxious to have a vote on this bill this afternoon. I can not see that the amendment which has been offered by the Senator from Tennessee will do more than estop appropriations during this session of Congress. I do not see why the amendment should not be accepted.

Mr. McKELLAR. That will be entirely satisfactory to me.

Mr. WALCOTT. I am willing to accept the amendment and then I trust we may have a vote on the bill.

The PRESIDING OFFICER (Mr. DICKINSON in the chair). The question is on the amendment offered by the Senator from Tennessee, as amended.

Mr. JONES. Mr. President, I wish to express my gratification at the adoption of an amendment like that. Without going into the matter at this time, I think hereafter the Senate ought to scan very carefully the bills which come before it with reference to authorizations.

Mr. HARRIS. Mr. President, I should like to say that I join with the Senator from Washington [Mr. JONES] in the view he has expressed. I think that every bill which comes before the Senate ought to be scrutinized in order to see if the appropriations carried can not be reduced. We are obliged to stop appropriating so much money.

Mr. McKELLAR. Mr. President, I call for a vote.

Mr. McNARY. Mr. President, as I understand, the question is on agreeing to the amendment of the Senator from Tennessee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Tennessee as amended. [Putting the question.]

The amendment as amended was agreed to.

Mr. KING. Mr. President, before a vote is taken on the bill I wish the Senator from Connecticut would examine the very long title of the bill. It seems to me it is too long and too comprehensive; and I suggest to him the following as an amendment:

An act to promote the conservation of wild life, fish, and game, and for other purposes.

The purposes expressed here would permit the establishment of forests and would authorize engaging in all sorts of activities. The declaration that this is a bill to insure adequate supplies of wild plant and animal life, including forests, seems to me to be a declaration far beyond the power of the Federal Government. The Federal Government does not have power to insure supplies to individuals or States; and it seems to me the title is entirely too long.

I beg the Senator to accept the title which I have suggested:

An act to promote the conservation of wild life, fish, and game, and for other purposes.

I am sure the Senator will accept that amendment.

The VICE PRESIDENT. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

Mr. KING. Mr. President, may I offer an amendment to the title after the bill is passed?

The VICE PRESIDENT. Yes.

The bill was ordered to a third reading and was read the third time.

Mr. KING. Mr. President, a parliamentary inquiry: I do not jeopardize the right to offer an amendment to the title after the bill is passed, do I?

The VICE PRESIDENT. No; the time to amend the title is after the passage of the bill.

Mr. KING. That is my understanding.

The VICE PRESIDENT. The question is on the passage of the bill.

The bill was passed.

Mr. KING. I offer an amendment to the title, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment to the title will be stated.

The CHIEF CLERK. It is proposed to amend the title so as to read:

An act to promote the conservation of wild life, fish, and game, and for other purposes.

The VICE PRESIDENT. Without objection, the title will be amended as proposed by the Senator from Utah.

OPERATIONS OF FEDERAL LAND AND JOINT STOCK BANKS

Mr. McKELLAR. Mr. President, I ask unanimous consent for the reading of the resolution I send to the desk, and for

its immediate consideration. It merely asks for information, and I am sure there will be no objection to it.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read Senate Resolution 86, submitted by Mr. McKELLAR on the 14th instant, as follows:

Resolved, That the Federal Farm Loan Board be, and it is hereby, requested and directed to report to the Senate at the earliest possible moment the number of farm loans held by the Federal land banks and joint-stock banks now in arrears, giving the same by States up to December 1, 1931; also how many foreclosures have been made or ordered during the years 1929 and 1930 and 1931 up to December 1. The Farm Loan Board is further requested and directed to furnish the Senate with the number of farms bought in by the various land banks at their foreclosure sales, and the number of farms still owned by the banks.

Mr. STEIWER. Mr. President, a parliamentary inquiry: Does the Senator from Tennessee ask unanimous consent for the immediate consideration of the resolution?

Mr. McKELLAR. Yes.

Mr. STEIWER. I am wondering if the Senator would permit me to ask a question about the resolution before that question is presented.

Mr. McKELLAR. Certainly.

Mr. STEIWER. Does this reference to the years refer to each year severally?

Mr. McKELLAR. Yes.

Mr. STEIWER. Or to foreclosures for the 3-year period?

Mr. McKELLAR. No; it asks for information as to foreclosures up to December 1.

Mr. STEIWER. As I understand the reading of the resolution, it referred to a 3-year period.

Mr. McKELLAR. No.

Mr. STEIWER. I assume the Senator would prefer to have the information by years.

Mr. McKELLAR. We do. We get that under the resolution.

Mr. STEIWER. I thank the Senator.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered by the Senate and agreed to.

FINANCE COMMITTEE INVESTIGATIONS

Mr. TOWNSEND. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report back favorably, with an amendment, Senate Resolution 89, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the resolution.

The amendment was, in line 5, after the word "customs," to strike out "currency, and coinage matters," so as to make the resolution read:

Resolved, That the Committee on Finance, or any subcommittee thereof, hereby is authorized to sit during the sessions or recesses of the Seventy-second Congress at such times and places as they may deem advisable; to make investigations into internal revenue, customs, and other matters within its jurisdiction, and to compile and prepare statistics and documents relating thereto as directed from time to time by the Senate and as may be necessary; and to report from time to time to the Senate the result thereof; to send for persons, books, and papers, to administer oaths, and to employ such expert, stenographic, clerical, and other assistance as may be necessary; and all of the expenses of such committee shall be paid from the contingent fund of the Senate; and the committee is authorized to order such printing and binding as may be necessary for its use.

VALUE OF FARM CROPS

Mr. FRAZIER. Mr. President, I desire to call attention to an article in this morning's United States Daily on the value to farmers of all crops, stating that that value is $4,000,000,000. The article is based on a statement of the Agriculture Department as to December 1 of this year. The value of farm crops throughout the United States in 1929 was estimated by the Agriculture Department to be a little over $8,000,000,000; and, as I have stated, on December 1 of this year it was estimated at a little over $4,000,000,000.

In the last two years, therefore, the value of farm crops has gone down 49 per cent, according to the Agriculture Department. That represents the condition of the farmers to-day.

I ask unanimous consent to have this article printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the United States Daily of Thursday, December 17, 1931]

VALUE TO FARMERS OF ALL CROPS SET AT FOUR BILLIONS—DECLINE OF 49 PER CENT IN TWO YEARS IS SHOWN IN DECEMBER ESTIMATES OF AGRICULTURE DEPARTMENT—CORN YIELD LEADS IN VALUATION DROP—COTTON SECOND IN DECREASE, WITH WHEAT THIRD; ACREAGE CURTAILED BY DROUGHT AND HARVEST FAILURES

The value to farmers of all crops produced in the 1931 season is estimated at $4,122,850,000, on the basis of December 1 prices, in the December crop report of the Department of Agriculture, made public December 16.

The valuation compares with $5,818,820,000 for 1930 and $8,088,494,000 for 1929, the department said, the reduction of 49 per cent in two years being due primarily to reduced prices and affecting practically all crops. The greatest drop in value is in the corn crop, which shows a decline of $1,043,000,000 from the level of 1929, with cotton and cottonseed showing the next largest drop of $854,000,000, and wheat third with $446,000,000, according to the report. The crop report and comment accompanying it follow in full text:

UNIFORM DECLINE SHOWN

On the basis of December 1 prices, the total value of the crops produced in the United States in 1931 is estimated by the Department of Agriculture at $4,122,850,000, compared with $5,818,820,000 last year and $8,088,494,000 in 1929. The decline in crop values compared with two years ago is nearly $4,000,000,000, or 49 per cent. The percentage of decline is rather uniform in all parts of the country except for the very heavy reduction in the Dakotas, due to drought this year.

The decrease is also shared by practically all crops. About $1,043,000,000 of the decrease is in corn, $854,000,000 in cotton and cottonseed, $446,000,000 in wheat, $386,000,000 in hay, $263,000,000 in potatoes, $220,000,000 in oats, and $130,000,000 in tobacco, with correspondingly large decreases for less important crops.

These reductions in value are due primarily to the decline in prices. In comparison with 1930, prices in 1931 are about 36 per cent lower and production of principal crops was 10.1 per cent greater. Exclusive of fruits, the acreage harvested in 1931 was 350,672,000 acres, a reduction of 9,225,000 acres, or 2.6 per cent, from the acreage harvested in 1930.

CROP FAILURES CITED

With acreages higher in most parts of the country, this reduction was due to the tremendous decrease of more than 13,000,000 acres from drought and crop failure in California and five States in the Northern Great Plains, an area equal to approximately 21 per cent of the total crop acreage in those States in 1930. Crop yields per acre harvested in 1931 averaged 11.7 per cent higher than the very low yields of 1930 and 4.1 per cent above the yields of 1929, which were 97.8 per cent of the average yields of the preceding 10 years.

These valuations are based on estimates which have been materially revised toward the production shown by the census for 1929. Except where other enumerations, records of commercial deliveries, or differences in classification justify other figures, the estimates of acreage, yield, and production in 1929 are substantially the same as those determined by the census taken in April, 1930, for the crop season of 1929.

The estimates for 1930 and 1931 have been revised proportionately. This complete revision has not materially changed the estimates of total production of wheat, rice, tobacco, peanuts, beans, sugar beets, broomcorn, or hops, and in general estimates for other crops have been little changed in areas where they are extensively raised for sale. The crops chiefly affected are those which are largely fed or consumed on the farms where grown and for which it is difficult to determine the true level of production.

REVISION DUE TO LOSS

For these crops the revision represents in part a shift from reports based on field-run weight at harvest to production as determined some months later after there has been some shrinkage and loss in curing, cleaning, and culling and some incidental use. This does not affect to any extent comparisons between the revised United States estimates for the last three seasons, but it may affect some comparisons between crops and between States. Pending complete revision of the earlier records, the present estimates for feed crops, potatoes, sweetpotatoes, and some minor crops, are not comparable with the unrevised estimates for years prior to 1929.

A revision from 1919 to 1928, inclusive, is being prepared for the field crops for publication before the beginning of the 1932 crop season.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages from the President of the United

States, submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Farrell, its enrolling clerk, announced that the House had passed the following joint resolutions, in which it requested the concurrence of the Senate:

H. J. Res. 141. Joint resolution to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932; and

H. J. Res. 142. Joint resolution making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

HOUSE BILL AND JOINT RESOLUTIONS REFERRED

The following bill and joint resolutions were severally read twice by their titles and referred as indicated below:

H. R. 5821. An act to provide for the taxation of incomes in the District of Columbia, to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes; to the Committee on Finance.

H. J. Res. 141. Joint resolution to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932; and

H. J. Res. 142. Joint resolution making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932; to the Committee on Appropriations.

MUSCLE SHOALS COMMISSION (S. DOC. NO. 21)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Agriculture and Forestry and ordered to be printed with the exception of the brochure:

To the Congress of the United States:

In my message to the Senate on March 3 last, returning without my approval Senate Joint Resolution No. 49, I suggested that as the solution of the Muscle Shoals problem was a matter of major interest to the States of Tennessee and Alabama, these States should set up a commission of their own representatives to cooperate with a like commission appointed by me to consider the disposition of the Muscle Shoals project.

On March 20, 1931, the Legislature of the State of Tennessee passed the accompanying resolution, which was approved by the governor on March 23, 1931. Under this resolution Mr. Mercer Reynolds, Mr. Vance J. Alexander, and Mr. W. A. Caldwell were appointed members of the commission. As Mr. Alexander and Mr. Caldwell were unable to serve, the governor subsequently appointed Mr. J. F. Porter and Mr. R. L. Moore to fill the vacancies. On June 30, 1931, the Assembly of Alabama passed the accompanying resolution, which was approved by the governor on June 30, 1931, and under it Mr. S. F. Hobbs, Mr. Will Howard Smith, and Mr. W. F. McFarland were appointed members of the commission. On July 14, 1931, I appointed Col. Harley B. Ferguson, Corps of Engineers, United States Army; Col. Joseph I. McMullen, Office of the Judge Advocate General, United States Army; and Mr. Edward A. O'Neal, president of the American Farm Bureau Federation as members of the commission.

Hearings were held, and after long consideration of the subject the commission rendered to me a unanimous report which I now transmit for the consideration of the Congress. In addition, the commission has prepared a brochure showing the evidence on which its recommendations are based. This I also transmit for the information of the Congress.

HERBERT HOOVER.

THE WHITE HOUSE, *December 17, 1931.*

CALL OF THE ROLL

The VICE PRESIDENT. Under the agreement, the unfinished business is now before the Senate. The question is on the election of a President pro tempore.

Mr. ROBINSON of Arkansas. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Couzens	Johnson	Robinson, Ark.
Bailey	Cutting	Jones	Robinson, Ind.
Bankhead	Dale	Kean	Schall
Barbour	Dickinson	Kendrick	Sheppard
Barkley	Dill	Keyes	Shipstead
Bingham	Fess	King	Shortridge
Black	Fletcher	La Follette	Smith
Blaine	Frazier	Lewis	Smoot
Borah	George	Logan	Steiwer
Bratton	Glass	McGill	Thomas, Idaho
Brookhart	Goldsborough	McKellar	Thomas, Okla.
Broussard	Gore	McNary	Townsend
Bulkley	Hale	Morrison	Trammell
Bulow	Harris	Moses	Vandenberg
Byrnes	Hastings	Neely	Walcott
Capper	Hatfield	Norris	Walsh, Mass.
Caraway	Hawes	Nye	Walsh, Mont.
Carey	Hayden	Oddie	Watson
Coolidge	Hebert	Patterson	White
Copeland	Howell	Pittman	
Costigan	Hull	Reed	

The VICE PRESIDENT. Eighty-two Senators have answered to their names. A quorum is present.

PROPOSED HOLIDAY RECESS

Mr. ROBINSON of Arkansas. Mr. President, with the permission of the Senate, I would like to make a brief statement with respect to the subject which was under discussion in the Senate a few moments ago on the initiative of the Senator from Idaho [Mr. BORAH]. It relates to the adjournment for a holiday season.

Some days ago I read in the newspapers that the senior Senator from Indiana [Mr. WATSON] and the Speaker of the House of Representatives, Mr. GARNER, had agreed upon an adjournment from next Tuesday until the 4th day of January. At the time that announcement was made in the press, so far as I know, no one on this side of the Chamber had been consulted.

On a later day, while I was in conference with the Speaker of the House of Representatives about other and more important matters, the Senator from Indiana came to the Speaker's room and inquired about an arrangement for adjournment for the holidays. The Speaker said, as I recall it, that the committees of the House would be in session, that some of them would remain in session, and that he would like to have the House meet next Monday and next Tuesday.

Both the Senator from Indiana and I called the Speaker's attention to the fact that there was no business before the Senate, and I now call attention to the fact that there is not a single bill on the Senate Calendar. The only bill which has been reported at this session has just recently been disposed of, and the only resolution on the calendar, that of the senior Senator from California [Mr. JOHNSON], was likewise disposed of to-day.

The Senator from Indiana then asked whether I would consent to an adjournment on Friday until Tuesday, with the understanding that on Tuesday the Congress would take an adjournment until the 4th of January, and I did so. My reason for doing that was that I did not believe then that it would be possible for the Senate to transact any business of very great importance within the period arranged at the suggestion of the Senator from Indiana for a holiday. I still think that is true.

I say now to the Senator from Idaho that I do not believe the Senate is justified in remaining in session merely to continue voting on the election of a President pro tempore. If there were important bills before the Senate or if the circumstances indicated that in all probability such measures would be brought here I would recognize the force of the argument that the Senate should adopt a new and unusual custom, deprive itself of a vacation, and continue in actual session. I would even go further than the proposal that there be a vacation for five days. If there were important

business to be considered here and disposed of, I would be willing to eliminate the 5-day adjournment. I see no more reason for a 5-day adjournment than for the adjournment which has been tentatively arranged in the manner already stated.

So far as I am concerned, I do not propose to play the game in any other than a frank and open way. I do not see the necessity or the occasion for the Senate staying in session to vote on the election of a President pro tempore unless there is some indication that a conclusion may be reached. I believe that the committees of the Congress, including the committees of the Senate as well as those of the House of Representatives, can transact much important business during the holiday which has been arranged for, and, so far as I am concerned, I propose to abide by the agreement which has been entered into. I do not seek to impose my views upon any Member on this side of the Chamber. If the majority has changed its views, I think I am entitled to notice of that fact. I have received no such notice.

Mr. JONES. Mr. President, will the Senator yield?

Mr. ROBINSON of Arkansas. I yield to the Senator from Washington.

Mr. JONES. The Senator suggested that he understood that we would adjourn from to-morrow until Tuesday. I wanted to call the Senator's attention to the fact that two measures have come over from the House to-day, and the Committee on Appropriations will meet to-morrow afternoon and pass on them. Of course, if we can act on them to-morrow afternoon that will be satisfactory.

Mr. ROBINSON of Arkansas. There would not be the slightest objection to continuing in session. But here we are in the situation of having no business to transact, not a measure on the calendar, nobody bringing anything forward. If the Senator from Washington will bring forward his measures, of course we will dispose of them.

Mr. JONES. I was going to suggest that we should not adjourn over Monday; that we could meet Monday and pass those emergency measures.

Mr. ROBINSON of Arkansas. Certainly. So far as I am concerned, the Senate may stay in continuous session throughout the holidays. I expect to take an adjournment myself, pursuant to the arrangement entered into, but I have not the slightest objection to other Senators pursuing the course which has been proposed by the Senator from Idaho.

I want to say in all frankness that I do not appreciate the course this matter is taking and has been taking. I recognize the right of every Senator here to have just as much control of when the Senate shall adjourn as I have. I acquiesced in a suggestion made by the leader of the majority. I thought I was doing the right, fair, and proper thing; and, so far as I am concerned, I intend to abide by the agreement we entered into.

Mr. BARKLEY. Mr. President, will the Senator from Arkansas yield to me?

Mr. ROBINSON of Arkansas. I yield.

Mr. BARKLEY. I wish merely to emphasize what the Senator has said, by stating that the major committees of the Senate have been able to meet only this week after their organization a few days ago. Most of them have held preliminary meetings, have discussed important legislation, and appointed subcommittees to consider that legislation, but have recognized the impossibility of reporting important measures back here for the consideration of the Senate prior to the Christmas holidays. Some of them have arranged to meet during the holidays to consider these measures so that they might be brought out as early as possible after we reassemble.

I make this statement in confirmation of the attitude of the Senator from Arkansas that we would have no legislation on the calendar to dispose of if we stayed here until Christmas Day.

Mr. ROBINSON of Arkansas. Mr. President, I thank the Senator from Kentucky for his statement. I understand that the committees in the House of Representatives are considering important measures that, with the exception of what is known as the moratorium bill, it is not expected that any important measure will be reported prior to the holiday season. I have understood that it was not expected that the moratorium would be taken up in this body, and that understanding was reached from a discussion of the subject on the floor of the Senate in which it was indicated that some consideration of the matter would be required by the Committee on Finance.

I do not think we ought to act in a childish manner about this question. I do not think any partisan advantage is to be gained by entering into an agreement and then receding from it.

The matter is not of great importance. So far as I am concerned, as I said before, if the Senate wishes, it can stay here and vote continuously on the election of a President pro tempore, and if the vote results in the selection of the Senator from Nevada [Mr. PITTMAN] I will feel that its labors and its time have been profitably expended.

Mr. JONES. Mr. President, I wish to say to the Senator that I did not intend to reflect upon his attitude at all. I merely wanted to call attention to the fact that two joint resolutions came over from the House to-day; and I was satisfied the Senator did not know about them, because they came over just a few moments ago, and we wanted to be sure to pass those before we took a recess.

Mr. WATSON. Mr. President, I am very glad indeed to hear the Senator from Arkansas. His recollection and mine agree entirely. We are in very happy accord as to all the facts.

It is true that I consulted with the Speaker of the House of Representatives. It is true that at that time we agreed that, so far as we were concerned, there should be an adjournment from the 22d of December until the 4th of January. It is true that I came back here and consulted with a number of Senators and, as I stated on the floor of the Senate the other day, no fewer than two dozen Senators—and I kept a list of them—came to me to say that they intended to go home and did not want to remain in Washington over the holidays. They wanted to be with their families, or they had other reasons which justified them in absenting themselves from Washington at this particular time. It is true that I saw the Senator from Arkansas and the Speaker together, and, as far as we were able, we entered into a fast agreement to that effect.

It is true that I stood on the floor here and asserted that I had been informed that the moratorium measure would pass the House probably on Saturday, would get to the Senate probably on Monday and be referred to the Finance Committee, and, in view of the agreement to adjourn, nothing could be done with it by the committee before the time for adjournment.

It is true that at that time I served notice that, so far as I had any influence in the Senate, we would take the recess in accordance with the agreement which was made. The Senator from Idaho made a speech on the subject. Various others were of the same opinion he entertained.

Mr. BORAH. Mr. President, the Senator from Indiana will do me the justice to say that the first time the subject was mentioned to me, before I had made any speech in regard to it, I objected to the suggestion of a holiday recess.

Mr. WATSON. The Senator did; the Senator is right about that. I talked to him about it, as I talked to a great many Senators on this side. The Senator from Idaho was one of the very few who objected to it. He stated that he did not believe we should have so long a recess. There was so much talk about the matter that I had a poll made on this side to-day. The poll showed a majority in favor of a shorter recess. I then made the statement that if the other side of the Senate took the same view of it, as a matter of course, we would be bound by the vote and take the shorter recess.

I know that nothing will be done in the Senate if we remain here during the days when those in favor of the longer recess propose that we shall be in recess. That is absolutely certain. We have no bills before us on which we can act. Committees are now at work. The Committee on Banking and Currency, which has before it some of the most impor-

tant measures that will come before the Senate at this session, is now at work. The Committee on Finance will continue to work; and, as far as I am concerned, speaking from a long experience on this side, I am just as well satisfied, as I am, that I am addressing the Senate, that nothing of consequence will be accomplished if we stay here.

Therefore, like the Senator from Arkansas, I intend, so far as I have any influence here, to stand by the original agreement, and I know of no reason why we should not take the longer recess.

TAXPAYER PERIL IN MORATORIUM—ARTICLE BY SENATOR SHIPSTEAD

Mr. McKELLAR. Mr. President, on the 8th of last October there appeared in the Minneapolis Star an article written by the senior Senator from Minnesota [Mr. SHIPSTEAD] in regard to the moratorium. I ask that the article be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHIPSTEAD SEES TAXPAYER PERIL IN MORATORIUM—AMERICAN PEOPLE WILL HAVE TO CARRY BURDEN OF EUROPE'S FROZEN BANK CREDITS IF DEBT RECESS IS EXTENDED BEYOND ONE YEAR, MINNESOTA SENATOR DECLARES

Extension of the moratorium beyond one year, which according to the press is being considered by the President, means that the American taxpayer will have to carry the burden of frozen bank credits in Europe.

This means guaranty by the American Government of bank deposits of Europe.

If the American taxpayer is to be taxed to save frozen bank credits in Europe, why should he not be taxed to compensate depositors of busted banks in the United States?

COULDN'T PAY INTEREST

When Germany could not pay reparations nor interest on its bonds sold under the Dawes and Young plans, the moratorium was invoked. It is quite generally understood in Europe that Germany could not have paid reparations even had there been no moratorium declared. Under the moratorium the American taxpayer is practically the only taxpayer who makes a sacrifice. The British taxpayer loses a few millions, but one year's moratorium will cost the American taxpayer something like $250,000,000.

In figuring the cost of the moratorium to the taxpayer, it means that sum must be paid out of taxes this year in interest on Liberty bonds. The moratorium's postponement, if cancellation is agreed to, means that the American taxpayers pay the entire debt of about ten billion.

The moratorium means that the American Government, the only Government that could collect anything, will not collect from France and England what they owe us on money borrowed after the war. France and England get the benefit because they could pay. In my opinion, it does not change the status of Germany, because Germany couldn't pay anyhow. It is hoped that by placing the burden of payment of interest of the war debt on the American taxpayer European credits will be released to such an extent that frozen American bank credits that can not now be collected in Europe can at least be collected in part.

AT TAXPAYER'S EXPENSE

When the Dawes and Young plans were sold to the United States, the bankers of Europe knew that it was only a question of time when the Government of the United States would have to make a decision as to whom it would protect, the American taxpayer or the American banker and investor in foreign securities. That time is now here. It was here when we decided on the moratorium. A prominent European banker told me that he had no doubt that the Government of the United States would decide to protect the investor in foreign securities at the expense of the taxpayer. He further stated that he made the statement four years ago. Coming events will show us whether or not European bankers know more about our future governmental decisions than we do ourselves.

When American bankers could sell no more European bonds here, they loaned the depositors money in the form of short-term credits to European banks.

REVELATION TO WORLD

Lord Beaverbrook, the great British publisher and authority on finance, was quoted on August 19 as saying:

"We find, referring to American and British short-term credits, no man would conceive that such huge figures could have been reached. They were a revelation to the world. It is fortunate for Great Britain that New York is more heavily involved than we.

"The great question in Great Britain is whether or not the Government will pledge the national credit to restore the German situation. The same situation applies to the United States."

The suggested extension of the moratorium means merely progressive cancellation of debts of France, England, and Italy. That means money borrowed by those Governments after the war was over.

SHIPSTEAD IN 1924 SAW DAWES-PLAN KICK BACK AND SOUNDED WARNING

Senator HENRIK SHIPSTEAD, a recognized authority on finance, writing in the Minneapolis Star seven years ago to-day, predicted with almost uncanny accuracy the kick back which might be expected from the Dawes plan, which he termed "a gold brick loaded with dynamite." His prophecy, which is a tribute to his foresight and a ringing answer to critics who have asked why he was not telling us years ago that our international bankers were involving us more and more deeply in the chaos of Europe. He did that very thing.

When he was inveighing against the Dawes plan back in 1924, the Wall Street Journal took him to task severely for his attitude and charged that he had never read the plan or he would not make such statements.

ELECTION OF A PRESIDENT PRO TEMPORE

The VICE PRESIDENT. The question is on the election of a President pro tempore. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BULOW (when his name was called). I have a pair with the senior Senator from South Dakota [Mr. NORBECK], who is necessarily absent. I therefore withhold my vote. If I were permitted to vote, I would vote for Senator PITTMAN. If the Senator from South Dakota were present, he would vote for Senator MOSES.

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. If he were present, he would vote for Senator PITTMAN. If I were permitted to vote, I would vote for Senator MOSES.

Mr. MOSES (when his name was called). Announcing as heretofore my pair with the senior Senator from Nevada [Mr. PITTMAN], I withhold my vote.

Mr. FESS (when Mr. PATTERSON's name was called). On this vote the Senator from Missouri [Mr. PATTERSON] is paired with the Senator from New York [Mr. WAGNER].

Mr. PITTMAN (when his name was called). Reannouncing my pair with the Senator from New Hampshire [Mr. MOSES], I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is detained at home on account of illness. I transfer that pair to the senior Senator from Colorado [Mr. WATERMAN] and vote for Senator MOSES.

Mr. THOMAS of Oklahoma (when his name was called). I have a pair with the senior Senator from Illinois [Mr. GLENN]. I transfer that pair to the senior Senator from Arizona [Mr. ASHURST] and vote for Senator PITTMAN.

Mr. WATSON (when his name was called). I have a pair on this vote with the senior Senator from South Carolina [Mr. SMITH]. If he were present, he would vote for Senator PITTMAN, and if I were at liberty to vote I would vote for Senator MOSES. I withhold my vote.

The roll call was concluded.

Mr. FESS. On this vote the Senator from Rhode Island [Mr. METCALF] is paired with the Senator from Maryland [Mr. TYDINGS]. If those Senators were present, the Senator from Rhode Island [Mr. METCALF] would vote for Senator MOSES and the Senator from Maryland [Mr. TYDINGS] would vote for Senator PITTMAN.

Mr. JONES (after having voted for Senator HEBERT). I note that the senior Senator from Virginia [Mr. SWANSON] has not voted. I promised to take care of him with a pair if he were not here. Therefore I will have to withdraw my vote. If present, the Senator from Virginia [Mr. SWANSON] would vote for Senator PITTMAN, and if I were permitted to vote, I would let my vote stand for Senator HERBERT.

Mr. LOGAN (after having voted for Senator PITTMAN). I have a pair with the junior Senator from Pennsylvania [Mr. DAVIS]. I was not aware that he was not present when I voted, and therefore withdraw my vote.

The result was announced as follows:

FOR SENATOR PITTMAN—36

Bailey	Broussard	Coolidge	George
Bankhead	Bulkley	Copeland	Glass
Barkley	Byrnes	Costigan	Gore
Black	Caraway	Dill	Harris
Bratton	Connally	Fletcher	Hawes

Hayden	Lewis	Neely	Trammell
Hull	McGill	Robinson, Ark.	Walsh, Mass.
Kendrick	McKellar	Sheppard	Walsh, Mont.
King	Morrison	Thomas, Okla.	Wheeler

FOR SENATOR MOSES—26

Austin	Goldsborough	Keyes	Steiwer
Barbour	Hale	Oddie	Townsend
Bingham	Hastings	Reed	Vandenberg
Carey	Hatfield	Robinson, Ind.	Walcott
Dale	Hebert	Schall	White
Dickinson	Johnson	Shortridge	
Fess	Kean	Smoot	

FOR SENATOR HEBERT—9

Blaine	Capper	Frazier	Norris
Borah	Cutting	Howell	Nye
Brookhart			

FOR SENATOR VANDENBERG—3

Couzens	La Follette	Thomas, Idaho

FOR SENATOR KEYES—1

Shipstead

The VICE PRESIDENT. On this ballot 36 votes were cast for Senator PITTMAN, 26 for Senator MOSES, 9 for Senator HEBERT, 3 for Senator VANDENBERG, and 1 for Senator KEYES. The total number of votes cast was 75; necessary for a choice, 38. No Senator having received a majority of the votes cast, there is no election. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BULOW (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. JONES (when his name was called). Repeating the announcement of my pair with the senior Senator from Virginia [Mr. SWANSON], I withhold my vote. If that Senator were present, he would vote for Senator PITTMAN, and if at liberty to vote, I would vote for Senator VANDENBERG.

Mr. LOGAN (when his name was called). I again announce my pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is absent. If I were permitted to vote, I would vote for Senator PITTMAN. I withhold my vote.

Mr. MCNARY (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. MOSES (when his name was called). With the same announcement as on the previous vote, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as on the preceding ballot, I vote for Senator MOSES.

Mr. THOMAS of Oklahoma (when his name was called). Making the same statement as on the previous vote, I am at liberty to vote, and vote for Senator PITTMAN.

Mr. WATSON (when his name was called). Making the same announcement as on the previous ballot, I withhold my vote.

The roll call was concluded.

Mr. WALSH of Montana. My colleague the junior Senator from Montana [Mr. WHEELER] is necessarily absent. He has a pair with the Senator from Nebraska [Mr. HOWELL]. If my colleague [Mr. WHEELER] were present, he would vote for Senator PITTMAN. If the Senator from Nebraska [Mr. HOWELL] were present, he would vote for Senator VANDENBERG.

Mr. HAYDEN. My colleague the senior Senator from Arizona [Mr. ASHURST] is necessarily absent on official business. He is paired with the senior Senator from Illinois [Mr. GLENN]. If present, my colleague would vote for Senator PITTMAN. If present, the Senator from Illinois [Mr. GLENN] would vote for Senator MOSES.

Mr. FESS. I wish to announce the following pairs:

The Senator from Rhode Island [Mr. METCALF] with the Senator from Maryland [Mr. TYDINGS];

The Senator from Missouri [Mr. PATTERSON] with the Senator from New York [Mr. WAGNER]; and

The Senator from Nebraska [Mr. HOWELL] with the Senator from Montana [Mr. WHEELER].

The result was as follows:

FOR SENATOR PITTMAN—35

Bailey	Bulkley	Costigan	Harris
Bankhead	Byrnes	Dill	Hawes
Barkley	Caraway	Fletcher	Hayden
Black	Connally	George	Hull
Bratton	Coolidge	Glass	Kendrick
Broussard	Copeland	Gore	King
Lewis	Morrison	Sheppard	Walsh, Mass.
McGill	Neely	Thomas, Okla.	Walsh, Mont.
McKellar	Robinson, Ark.	Trammell	

FOR SENATOR MOSES—26

Austin	Goldsborough	Keyes	Steiwer
Barbour	Hale	Oddie	Townsend
Bingham	Hastings	Reed	Vandenberg
Carey	Hatfield	Robinson, Ind.	Walcott
Dale	Hebert	Schall	White
Dickinson	Johnson	Shortridge	
Fess	Kean	Smoot	

FOR SENATOR VANDENBERG—12

Blaine	Capper	Frazier	Nye
Borah	Couzens	La Follette	Shipstead
Brookhart	Cutting	Norris	Thomas, Idaho

The VICE PRESIDENT. On this ballot 35 votes were cast for Senator PITTMAN, 26 for Senator MOSES, and 12 for Senator VANDENBERG. The total number of votes cast was 73; necessary for a choice, 37. No Senator having received a majority of the votes cast, there is no election.

EXECUTIVE SESSION

Mr. MCNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. All messages transmitting nominations have been laid down. Are there any reports of committees?

EXECUTIVE REPORTS OF COMMITTEES

Mr. JOHNSON, from the Committee on Commerce, reported favorably the nomination of Rear Admiral Frederick C. Billard, of the District of Columbia, to be Commandant in the Coast Guard of the United States, with the rank of rear admiral, for a period of four years, to rank as such from January 11, 1932 (reappointment), and also the nominations of sundry officers in the Coast Guard and Coast and Geodetic Survey, which were placed on the Executive Calendar.

Mr. COPELAND, from the Committee on Commerce, reported favorably the nomination of Frederick M. Feiker, of New York, now holding recess appointment, to the position of Director Bureau of Foreign and Domestic Commerce, which was placed on the Executive Calendar.

Mr. MCNARY, from the Committee on Commerce, reported favorably the nomination of Jefferson Myers, of Oregon, to be a member of the United States Shipping Board for a term of six years from June 9, 1931, to which office he was appointed during the last recess of the Senate (reappointment), which was placed on the Executive Calendar.

Mr. HALE, from the Committee on Naval Affairs, reported favorably the nominations of several general officers in the Marine Corps, which were placed on the Executive Calendar.

Mr. HULL, from the Committee on Banking and Currency, reported favorably the nomination of George R. James, of Tennessee, to be a member of the Federal Reserve Board for a term of 10 years from April 28, 1931, to which office he was appointed during the last recess of the Senate (reappointment), which was placed on the Executive Calendar.

Mr. GLASS, from the Committee on Banking and Currency, reported favorably the following nominations, which were placed on the Executive Calendar:

Wayland W. Magee, of Nebraska, to be a member of the Federal Reserve Board for the unexpired term of 10 years from January 25, 1923, to which office he was appointed during the last recess of the Senate, vice Edward H. Cunningham;

Horace Paul Bestor, of Missouri, to be a member of the Federal Farm Loan Board, for a term of eight years expiring August 6, 1939 (reappointment); and

James B. Madison, of Charleston, W. Va., to be a member of the Federal Farm Loan Board for the unexpired term of eight years expiring August 6, 1938, in place of Floyd R. Harrison, resigned.

The VICE PRESIDENT. If there be no further reports of committees the calendar is in order.

STATE DEPARTMENT

The Chief Clerk read the nomination of William R. Castle, jr., of the District of Columbia, to be Under Secretary of State.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Harvey H. Bundy, of Massachusetts, to be Assistant Secretary of State.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Green H. Hackworth, of Kentucky, to be Legal Adviser, State Department.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Frederick W. B. Coleman, of Minnesota, to be envoy extraordinary and minister plenipotentiary to Denmark.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of H. F. Arthur Schoenfeld, of the District of Columbia, to be envoy extraordinary and minister plenipotentiary to the Dominican Republic.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Robert P. Skinner, of Ohio, to be envoy extraordinary and minister plenipotentiary to Estonia, Latvia, and Lithuania.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Charles B. Curtis, of New York, to be envoy extraordinary and minister plenipotentiary to El Salvador.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Alexander K. Sloan, of Pennsylvania, to be charge d'affaires to Iraq.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

GENERAL ACCOUNTING OFFICE

The Chief Clerk read the nomination of Richard N. Elliott, of Indiana, to be Assistant Comptroller General.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

INTERNAL REVENUE BUREAU

The Chief Clerk read the nomination of Ralph E. Smith, of Wisconsin, to be Assistant to the Commissioner of Internal Revenue.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations of Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service.

Mr. BORAH. Mr. President, I suggest that the nominations under this heading may be confirmed en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the nominations are confirmed en bloc.

BUREAU OF INTERNAL REVENUE

The Chief Clerk read the nomination of Gregory T. Van Meter to be collector of internal revenue, district of Illinois.

Mr. LEWIS. Mr. President, I am requested by my colleague [Mr. GLENN], who has been called away, to move the confirmation of Mr. Van Meter. I join in the motion.

The VICE PRESIDENT. The question is on the motion of the Senator from Illinois that the nomination be confirmed.

The motion was agreed to.

The Chief Clerk read the nomination of Gilbert T. Sugden to be collector of internal revenue, twenty-eighth district of New York.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Hal H. Clements, of Tennessee, to be collector of internal revenue, district of Tennessee.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Vernon E. Johnson to be collector of internal revenue, district of West Virginia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

CUSTOMS SERVICE COLLECTORS AND PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations of Customs Service collectors and officers of the Public Health Service.

Mr. REED. I ask unanimous consent that the nominations of Customs Service collectors and of Public Health Service officers may be considered en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and, without objection, the nominations are confirmed en bloc. That completes the calendar.

ADJOURNMENT

Mr. McNARY. As in legislative session, I move that the Senate adjourn, the adjournment being until to-morrow at 12 o'clock noon.

The motion was agreed to; and, as in legislative session (at 4 o'clock and 25 minutes p. m.), the Senate adjourned until to-morrow, Friday, December 18, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 17, 1931

MEMBERS OF THE INTERSTATE COMMERCE COMMISSION

The following-named persons to be Interstate Commerce Commissioners for the terms expiring December 31, 1938 (reappointments):

Balthasar H. Meyer, of Wisconsin.

William E. Lee, of Idaho.

CONSUL GENERAL

W. Roderick Dorsey, of Maryland, now a Foreign Service officer of class 3 and a consul, to be a consul general of the United States of America.

APPOINTMENT IN THE REGULAR ARMY

First Lieut. Peter Christian Schroder, Chaplain Reserve, to be chaplain with rank of first lieutenant, Regular Army, from July 21, 1931.

PROMOTIONS IN THE REGULAR ARMY

To be lieutenant colonel

Maj. Rodney Hamilton Smith, Coast Artillery Corps, from December 12, 1931.

To be majors

Capt. Ivan Sanders Curtis, Infantry, from December 10, 1931.

Capt. Aln Dudley Warnock, Infantry, from December 12, 1931.

To be captains

First Lieut. Harvey James Golightly, Infantry, from December 10, 1931.

First Lieut. Charles Hale Dowman, Air Corps, from December 12, 1931.

To be first lieutenants

Second Lieut. Edward Lowe Rhodes, Cavalry, from December 10, 1931.

Second Lieut. Richard Keith McMaster, Field Artillery, from December 12, 1931.

Second Lieut. Charles Dutton McNerney, Infantry, from December 13, 1931.

MEDICAL CORPS

To be captain

First Lieut. Robert Eugene Bitner, Medical Corps, from December 12, 1931.

REAPPOINTMENT IN THE OFFICERS' RESERVE CORPS OF THE ARMY

GENERAL OFFICER

To be brigadier general, reserve

Brig. Gen. Henry Joseph Reilly, reserve, from December 23, 1931.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 17, 1931

UNDER SECRETARY OF STATE

William R. Castle, jr., to be Under Secretary of State.

ASSISTANT SECRETARY OF STATE

Harvey H. Bundy to be Assistant Secretary of State.

LEGAL ADVISER OF STATE DEPARTMENT

Green H. Hackworth to be legal adviser of State Department.

ENVOYS EXTRAORDINARY AND MINISTERS PLENIPOTENTIARY

Frederick W. B. Coleman to be envoy extraordinary and minister plenipotentiary to Denmark.

H. F. Arthur Schoenfeld to be envoy extraordinary and minister plenipotentiary to the Dominican Republic.

Robert P. Skinner to be envoy extraordinary and minister plenipotentiary to Estonia, Latvia, and Lithuania.

Charles B. Curtis to be envoy extraordinary and minister plenipotentiary to El Salvador.

CHARGÉ D'AFFAIRES

Alexander K. Sloan to be chargé d'affaires to Iraq.

FOREIGN SERVICE OFFICERS, UNCLASSIFIED, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE

Theodore C. Achilles.
William C. Affeld, jr.
John M. Allison.
Daniel V. Anderson.
Walworth Barbour.
Frank W. Barnes.
Jacob D. Beam.
Reginald Bragonier, jr.
Carl Breuer.
Reginald S. Carey.
Mulford A. Colebrook.
Bernard C. Connelly.
Charles A. Cooper.
Merritt N. Cootes.
Earl T. Crain.
William M. Cramp.
John Davies, jr.
Andrew E. Donovan, 2d.
Walter C. Dowling.
Donald C. Dunham.
Howard Elting, jr.
Frederick E. Farnsworth.
Douglas Flood.
T. Muldrup Forsyth.
R. Allen Haden.
James E. Henderson.
L. Randolph Higgs.
Walter W. Hoffmann.
Theodore J. Hohenthal.
Douglas James.
Fred W. Jandrey.
Douglas Jenkins, jr.
Stephen E. C. Kendrick.
Foy D. Kohler.
Kent Leavitt.
Henry P. Leverich.
E. Allan Lightner, jr.
Walter J. Linthicum.
Aubrey E. Lippincott.
Brockholst Livingston.
Raymond P. Ludden.
Robert Mills McClintock.
Robert C. McCloud.
Edward P. Maffitt.
Patrick Mallon.
Ernest de W. Mayer.
Gregor C. Merrill.
Reginald P. Mitchell.
Harold E. Montamat.
Walter W. Orebaugh.
Robert M. Ott.
John P. Palmer.
W. Leonard Parker.
Troy L. Perkins.
Norris Rediker.
Paul J. Reveley.
Wales W. Signor.
Francis L. Spalding.
Francis Bowden Stevens.
John F. Stone.
Orray Taft, jr.
Robert M. Taylor.
Tyler Thompson.
William Du B. Thorne.
William C. Trimble.
H. Bartlett Wells.
Milton K. Wells.
Eric C. Wendelin.
Robert F. Woodward.

SECRETARIES IN THE DIPLOMATIC SERVICE

Homer M. Byington.
Paul C. Daniels.
Thomas H. Bevan.
Vinton Chapin.
Hiram Bingham, jr.
Carlos J. Warner.
Raymond A. Hare.
William M. Gwynn.
Alvin T. Rowe, jr.
Glenn A. Abbey.
Donald F. Bigelow.
James E. Brown, jr.
Randolph Harrison, jr.
Ralph Miller.
Miss Frances E. Willis.

CONSUL GENERALS

Maxwell K. Moorhead.
James B. Stewart.
Monnett B. Davis.
Lowell C. Pinkerton.
Walter A. Adams.
Samuel W. Honaker.

CONSUL GENERAL AND A SECRETARY IN THE DIPLOMATIC SERVICE

William H. Beck.

FOREIGN SERVICE OFFICERS

CLASS 1

Wesley Frost.
George A. Gordon.
Alexander C. Kirk.

CLASS 2

Charles L. Hoover.
Williamson S. Howell.
Irving N. Linnell.
Frank P. Lockhart.
Jay Pierrepont Moffat.
Robert M. Scotten.

CLASS 3

Monnett B. Davis.
John Farr Simmons.
George Wadsworth.

CLASS 4

Maynard B. Barnes.
Reed Paige Clark.
Nathaniel P. Davis.
John G. Erhardt.
Charles Bridgham Hosmer.
H. Earle Russell.

CLASS 5

Willard L. Beaulac.
Richard P. Butrick.
James Hugh Keeley, jr.
Renwick S. McNiece.
Harold Shantz.
George P. Shaw.
Alexander K. Sloan.
Samuel R. Thompson.
Damon C. Woods.

CLASS 6

J. Rives Childs.
Charles H. Derry.
Peter H. A. Flood.
Richard Ford.
C. Porter Kuykendall.
Charles W. Lewis, jr.
Erik W. Magnuson.
James E. McKenna.
Alfred T. Nester.
William W. Schott.
Robert Lacy Smyth.
Harry L. Troutman.
Rollin R. Winslow.
Leslie E. Woods.

CLASS 7

George Alexander Armstrong.
John W. Bailey, jr.
Ellis O. Briggs.
Culver B. Chamberlain.
Allan Dawson.
Samuel G. Ebling.
Harry L. Franklin.
Franklin C. Gowen.
George J. Haering.
Eugene M. Hinkle.
Benjamin M. Hulley.
David McK. Key.
William F. Nason.
J. Hall Paxton.
John S. Richardson, jr.
Arthur F. Tower.
John Carter Vincent.
Richard R. Willey.
David Williamson.
Stanley Woodward.

ASSISTANT COMPTROLLER GENERAL

Richard N. Elliott to be Assistant Comptroller General.

ASSISTANT TO THE COMMISSIONER OF INTERNAL REVENUE

Ralph E. Smith to be assistant to the Commissioner of Internal Revenue.

COLLECTORS OF INTERNAL REVENUE

Gregory T. Van Meter to be collector first district of Illinois.

Gilbert T. Sugden to be collector twenty-eighth district of New York.

Hal H. Clements to be collector district of Tennessee.

Vernon E. Johnson to be collector district of West Virginia.

CUSTOM SERVICE COLLECTORS

James W. McDonald to be collector, customs collection district No. 26, Nogales, Ariz.

Howard W. Seager to be collector, customs collection district No. 27, Los Angeles, Calif.

Fred B. Thomas to be collector, customs collection district No. 2, St. Albans, Vt.

Lawrence B. Towers to be comptroller, customs collection district No. 13, Baltimore, Md.

PUBLIC HEALTH SERVICE

Ralph Gregg to be passed assistant surgeon.

To be assistant surgeons

Benton Oliver Lewis.	Russell Thomas.
Charles T. Meacham, jr.	Victor H. Vogel.
Henry L. Wollenweber.	Edwin W. Blatter.
David C. Elliott.	Thurman H. Rose.

Louis Schwartz to be senior surgeon.

To be passed assistant dental surgeons

Pendleton Jett Slaughter.
Hubert Hays Martin.
George Parcher to be senior surgeon.

To be assistant sanitary engineers

Vincent B. Lamoureux.
James H. Le Van.
Robert W. Kehr.

To be assistant surgeons

Llewellyn L. Ashburn.	Robert K. Maddock.
R. C. Arnold.	Jack G. Mearns.
Frederick P. Burow.	Robert H. Onstott.
Roy E. Butler.	Donald W. Patrick.
Austin Vance Deibert.	Joseph G. Pasternack.
Robert H. Flinn.	Leslie McC. Smith.
Alfred B. Geyer.	George G. Van Dyke.
Leland J. Hanchett.	Waldemar J. A. Wickman.
Marion K. King.	John L. Wilson.
Thomas B. McKneely.	William G. Workman.

To be passed assistant surgeons

Walter L. Barnes.	Kenneth R. Nelson.
Joseph O. Dean.	William F. Ossenfort.
Gilbert L. Dunnahoo.	William C. Plumlee.
Oswald F. Hedley.	Maurice A. Roe.
Vane M. Hoge.	Ivan W. Steele.
Walter P. Griffey.	Frank F. Thweatt, jr.
Paul A. Neal.	Lee C. Watkins.

To be assistant dental surgeons

John M. Francis.	Robert A. Scroggie.
James S. Miller.	Kenneth J. White.
Thomas L. Hagan.	Donald H. Soper.
William P. Roberts, jr.	Clinton L. Stalker.
Charles B. Galt.	Leland E. Weyer.
John A. Hammer.	Leonard R. Etzenhouser.

To be medical directors

Marshall C. Guthrie.
Hugh de Valin.
Robert H. Heterick to be senior surgeon.
David Cooper to be passed assistant dental surgeon.
Eddie M. Gordon, jr., to be passed assistant surgeon.

WITHDRAWAL

Executive nomination withdrawn from the Senate December 17, 1931

First Lieut. Peter Christian Schroeder, Chaplain Reserve, to be chaplain with the rank of first lieutenant, Regular Army, from July 21, 1931.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 17, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our God and our Father, source of all our longings and aspirations, kindle on the altars of our hearts a sacred flame which shall burn brighter and brighter until the dawn of eternal day. Look backward, conceal our faults, and point the way. Make us like men who are on their way to work with their bright and morning faces. Enable us to make Thy law the rule of our lives, for every commandment is a benediction and a beatitude. Bless us with that peace which keeps the heart and lifts the soul. While this outward life is checkered with light and shadow, with mingled wrong and struggling right, keep us wise in that which is good and innocent in that which is evil. O God, despite it all, lead the way, lead the way. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries.

VETERANS' ADMINISTRATION

Mr. BYRNS. Mr. Speaker, by direction of the Committee on Appropriations I offer House Joint Resolution 141, to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932, and ask unanimous consent for its immediate consideration.

The SPEAKER. The gentleman from Tennessee offers a resolution, which the Clerk will report.

The Clerk read as follows:

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Veterans' Administration for the fiscal year ending June 30, 1932, namely:

Adjusted-service certificate fund: For an additional amount necessary under the World War adjusted compensation act (U. S. C., title 38, secs. 591–683; Supp. V, title 38, secs. 612–682), to provide for the payment of the face value of each adjusted-service certificate in 20 years from its date or on the prior death of the veteran, and to make loans to veterans and repayments to banks, in accordance with section 507 of the act, as amended, $200,000,000, to remain available until expended.

Adjusted-service and dependent pay: For an additional amount for "Adjusted-service and dependent pay, Veterans' Bureau," and for reimbursing the adjusted-service certificate fund the amount of disbursements heretofore made therefrom and properly chargeable to the appropriation "Adjusted-service and dependent pay," $3,925,000, to remain available until expended.

Hospital and domiciliary facilities and services: For carrying out the provisions of the acts entitled "An act to authorize an appropriation to provide additional hospital, domiciliary, and outpatient dispensary facilities for persons entitled to hospitalization under the World War veterans' act, 1924, as amended, and for other purposes," approved March 4, 1931 (46 Stat. 1550); "An act to establish a branch home of the National Home for Disabled Volunteer Soldiers in one of the Northwest Pacific States," approved July 3, 1930 (46 Stat. 852); and "An act to provide for the establishment of a branch home of the National Home for Disabled Volunteer Soldiers in one of the Southern States," approved June 21, 1930 (46 Stat. 792), the Administrator of Veterans' Affairs is hereby authorized, subject to the limitations imposed by such acts, to enter into contracts and incur obligations in the full amount of the authorizations provided therein.

Mr. BLANTON. Mr. Speaker, I make the point of order that unanimous consent is not necessary. This being a deficiency, it is privileged under the rule.

The SPEAKER. The gentleman from Texas makes the point of order that this resolution is privileged. The Chair will call the attention of the gentleman from Texas to clause 45 of Rule XI, which provides:

The following-named committee shall have leave to report at any time on the matters herein stated, namely: * * *

The Committee on Appropriations, the general appropriation bills.

The Chair does not think this is a general appropriation bill. It is merely a bill making a special appropriation for a specific proposition. Therefore the Chair overrules the point of order.

Mr. SNELL. Will the gentleman yield for a question?

Mr. BYRNS. Yes.

Mr. SNELL. Do I understand that this is a unanimous report from the committee?

Mr. BYRNS. I think it was practically unanimous. I know of no serious objection. The members of the committee are here and they can speak for themselves.

Mr. SNELL. I do not see the gentleman from Indiana [Mr. WOOD] present.

Mr. BYRNS. There is no objection to this resolution, and it had the unanimous approval of the committee.

The SPEAKER. The gentleman from Tennessee asks unanimous consent for the present consideration of the resolution. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

Mr. STAFFORD. Will the gentleman from Tennessee, in a brief way, make some explanation of the principal item carried in the resolution?

Mr. BYRNS. Mr. Speaker, $200,000,000 of this amount is necessary to complete the sum needed to continue the 50 per cent loans to veterans between now and June 30, 1932. Up to this time these loans have been made from what is known as the reserve fund. You will recall that under the adjusted compensation act a certain sum was set apart each year for a reserve fund, to be invested by the Secretary of the Treasury in proper securities. Up to this time there has been loaned to veterans $1,228,000,000, if my memory serves me correctly. This was paid from the reserve fund and the insurance fund. Seventy-two and seven-tenths per cent of the veterans have applied for this loan. The Director of Veterans' Affairs, General Hines, states that this estimate is based upon the anticipated application of 29 per cent of the remainder who have not up to this time applied. There is now in this fund, which is the only fund available for these loans, about $23,000,000. He states that by January 1 the payments on account of loans will amount to twenty-six million and some odd thousand dollars, and, therefore, unless this resolution is passed before the adjournment of Congress it will be necessary to delay the favorable consideration of applications for loans to be made to these veterans.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BYRNS. Yes.

Mr. LAGUARDIA. I understand the gentleman to say that of all the outstanding certificates 70 per cent have applied for loans.

Mr. BYRNS. Seventy-two and seven-tenths per cent is my recollection.

Mr. LAGUARDIA. That consumed all of the reserve fund that we were building up from year to year, did it not?

Mr. BYRNS. With the exception of the $23,000,000.

Mr. LAGUARDIA. Two hundred million dollars is provided in anticipation of further loans.

Mr. BYRNS. To take care of applications already on file and applications that will be made between now and June 30 next.

Mr. LAGUARDIA. And that is on the estimated number of new applications that are anticipated; is that correct?

Mr. BYRNS. Yes.

Mr. LAGUARDIA. The $200,000,000 will come out of direct appropriations. That is true, is it not?

Mr. BYRNS. That is true.

Mr. LAGUARDIA. So that if additional payments are to be made on certificates there is no reserve fund to take care of them and the payments must be made out of direct appropriations?

Mr. BYRNS. Yes.

Mr. STAFFORD. Will the gentleman inform the House as to what the estimate of the Director of the Veterans' Bureau is as to the total amount that will be required for payments under the 50 per cent law?

Mr. BYRNS. One billion seven hundred and ten million dollars.

Mr. STAFFORD. Will the gentleman also advise the House as to how much we have appropriated in addition to the $700,000,000 that was in the sinking fund?

Mr. BYRNS. I just stated to the House that up to date there has been loaned $1,228,000,000. This sum will be added to that, and then there will be carried, if the estimate of the director is concurred in, an additional sum of $150,000,000 in the regular bill for the next fiscal year. How much more will be needed, of course, no one can say.

Mr. COOPER of Tennessee. Will the gentleman yield a moment there?

Mr. BYRNS. Yes.

Mr. COOPER of Tennessee. There has doubtless come to the attention of other Members, as it has to me, that certain dependency claims have been allowed, but the Veterans' Bureau advises that there is no fund from which to pay such claims. Is it contemplated that this measure shall also provide ample funds for the payment of those claims?

Mr. BYRNS. Yes; that is represented by the item of $3,925,000 for adjusted-service and dependent pay.

Mr. LAGUARDIA. That is a different account.

Mr. BYRNS. Yes.

Mr. LAGUARDIA. Can the gentleman tell us the total amount that has been paid up to date under the cash bonus law?

Mr. BYRNS. I am sorry I have not that at hand.

Mr. PATMAN. $1,260,000,000. That is in the President's message.

Mr. BYRNS. There has been the impression throughout the country that the passage of this 50 per cent loan law, if I may call it that, has either created or contributed to the deficit. There is nothing to that statement because up to this time the payments have been made out of the reserve fund.

Mr. LAGUARDIA. Except the $200,000,000 now to be appropriated.

Mr. BYRNS. Yes; as the gentleman from New York suggests, this $200,000,000 is the first direct appropriation that has been made for that purpose.

Mr. PATTERSON. If the gentleman will yield, that is the question I intended to ask. Irrespective of all this talk about the deficit on account of the soldiers' adjusted-service certificate, this $200,000,000 is the first deficit appropriation really passed on that account. And this amount of $1,260,000,000 also includes death claims paid to dependents of soldiers as well as the loans themselves.

Mr. BYRNS. Yes.

The appropriation of $3,925,000, which is carried in this joint resolution, represents the amount that will be necessary to take care of the adjusted-service and dependent-pay item, as has been stated by my colleague from Tennessee [Mr. COOPER].

There is another provision in this resolution which authorizes the director to enter into contracts for hospitals under an authorization which now amounts to a balance of about $17,000,000. This is under the authorization law which carried $25,000,000 and which was passed at the last session. No money is required at this time, but the director states that unless this authority is given to enter into these contracts there will be, of course, quite a delay in beginning the construction of these hospitals which are needed in various sections of the country.

Mr. LAGUARDIA. Does that carry with it a commitment of appropriations for the contracts which he will enter into?

Mr. BYRNS. Yes; within the limitations of the authorization.

Mr. LAGUARDIA. Which is $25,000,000.

Mr. BYRNS. $25,000,000.

Mr. LAGUARDIA. And the estimated amount is $17,000,000?

Mr. BYRNS. Yes.

[Here the gavel fell.]

Mr. KETCHAM. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KETCHAM. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. KETCHAM. Will the gentleman be kind enough to repeat, for emphasis, and utterly apart from any other question so that it may be seen clearly by everyone, the statement he made a moment ago with reference to the fact that the amount of money that has thus far been paid on the adjusted-service certificates can in no sense be considered a part of the deficit about which we see so much in the papers throughout the country?

Mr. BYRNS. The gentleman has already emphasized it more strongly than I could.

Mr. BANKHEAD. Will the gentleman yield for a brief question?

Mr. BYRNS. Yes.

Mr. BANKHEAD. I have two or three cases in my files, and I understand some of my colleagues have similar cases covering this proposition. A number of ex-service men, for one reason or another, waited a number of years before filing their claim for the $60 bonus to which they were entitled upon their discharge, and the sum that was formerly appropriated for that purpose has been used up. Does this particular bill contain any provision for the payment of claims of that nature?

Mr. BYRNS. It does. The item of $3,925,000 includes such claims.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

EMPLOYMENT SERVICE, DEPARTMENT OF LABOR

Mr. BYRNS. Mr. Speaker, by direction of the Committee on Appropriations, I offer the following joint resolution, making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932, and ask for its immediate consideration.

The SPEAKER. The gentleman from Tennessee offers a resolution, which the Clerk will report.

The Clerk read as follows:

Resolved, etc., That the sum of $120,000 is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1932, for the Employment Service, Department of Labor, including the same objects and purposes specified under this head in the act making appropriations for the Department of Labor for the fiscal year 1932: *Provided*, That no part of this appropriation shall be expended for the establishment or maintenance of any employment office for which suitable space is not furnished free of rent by State, county, or local authority, or by individuals or organizations.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. OLIVER of Alabama. Mr. Speaker, reserving the right to object, will the gentleman give me time to offer an amendment?

Mr. BYRNS. Certainly; if we get consent for consideration of the resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

Mr. BYRNS. Mr. Speaker, if I may make a brief statement, the estimate submitted for this particular purpose was $168,000. The Secretary of Labor stated that it was proposed under this appropriation to establish 54 additional employment offices in various parts of the country. He also stated that he was unable at the time the hearing was held to say just where these offices would be located.

This estimate contemplated the employment of three persons in each of the 54 offices. He stated their salaries would be $2,000 for the manager, $1,800 for the assistant manager, and $1,440 for a clerk-stenographer. Twelve thousand dollars was for rent.

He said that the applications from cities over the country for the establishment of these offices were sufficient to almost overwhelm him. Your committee felt that if these cities and towns are so desirous of this additional aid in looking after the unemployed in their section, they could certainly afford to furnish quarters for the necessary employees.

So the committee has cut out the $12,000 estimated for rent and has put in a provision requiring that offices shall not be established under this appropriation in any part of the country unless quarters are provided.

The estimate was based on six months. Your committee felt that it would be impossible for this resolution to be passed at this time and for the Secretary of Labor to establish these offices by January 1. It was felt an appropriation based on five and a half months would be adequate.

The committee further felt that there was really no necessity for three employees in each office. In 60 of the 96 that have been established, for which $883,000 was appropriated, they have only two employees.

The appropriation recommended will enable the Labor Department to establish the 54 offices as planned with two persons in one-half of the offices. The Secretary can use his judgment as to whether the remaining offices shall have three persons. The committee doubts the necessity but did not wish to take away from him all discretion in a matter of this great importance.

Mr. SNELL. Will the gentleman yield?

Mr. BYRNS. I yield.

Mr. SNELL. What was the information that came to the committee on the effect of the offices already set up?

Mr. BYRNS. The Secretary stated that nearly 800,000 persons had been employed as a result of the work of the department under the appropriation made by Congress. He further stated that 600,000 had been placed in cooperation with the States that have similar offices, making in all some 1,400,000.

Mr. SNELL. In the mind of the committee these have produced good results?

Mr. BYRNS. I think it has been of considerable benefit. I question whether it is possible to say exactly to what extent it has relieved unemployment or that any of this number would not have been employed if the appropriation had not been made. I can see that if the managers are active, if they get out on the street and do not sit in their offices in swivel chairs, but get in direct contact with the employers, it will do a great deal of good.

Mr. SNELL. This is another step to do something toward helping unemployment?

Mr. BYRNS. That is the idea, to be helpful, if we can.

Mr. OLIVER of Alabama. Now, will the gentleman yield to me to offer an amendment?

Mr. BYRNS. I yield to the gentleman.

Mr. OLIVER of Alabama. Mr. Speaker, I offer the following amendment:

The Clerk read as follows:

Insert at the end of the resolution the following:
"*Provided further*, That after January 1, 1932, no salary shall be paid in any field employment office under the Employment Service at a rate in excess of $2,000 per annum.'"

Mr. LAGUARDIA. Mr. Speaker, I would like to speak in opposition to the amendment.

Mr. BYRNS. I yield to the gentleman three minutes.

Mr. LAGUARDIA. Mr. Speaker, I desire to call the attention of the House to something parallel and in point. In the State of New York we have an employment agency law which requires that the employment agent shall return the fee if employment is not found. That law has been on the statute books for some time, and only a few days ago the United States Court for the Southern District of New York, again interfering in matters in which it has no business, said that the State law was unconstitutional. I refer to the case of National Employment Exchange against Commissioner of Licenses of the City of New York, in the District Court of the Southern District of New York.

You are all familiar with the employment agency, and the only way you can protect the helpless who go to these agencies is to provide for a return of the fee if employment is not found.

A so-called philanthropic employment agency, with a long list of directors and sponsors, most distinguished citizens, if you please, unintentionally on the part of these gentlemen, I am sure, but viciously on the part of some one, simply did the dirty work for a lot of mean, contemptible, and unscrupulous private employment agencies which thrive on the exploitation of needy and poor unemployed people. Without the protection of our State law the applicants are at the mercy of these private agencies. If the United States court is going to interfere in such necessary protective State laws, it is a good thing that we can at least provide something here—where the unemployed may appeal to a free employment service. We have a city employment service in New York City, as I suppose other cities have, but I protest now against the decision of the United States court defeating beneficial State law where no real constitutional question was involved. What is wrong, morally or legally, with a State law which requires the return of a fee if the employment agency renders no service?

We must have Federal and State employment agencies to drive these unfair, exploiting, private agencies out of business.

Mr. CLARKE of New York. I do not understand that there is any fee in connection with this service.

Mr. LAGUARDIA. No. I am pointing out what happened in the State of New York.

Mr. BYRNS. As the gentleman from New York [Mr. LAGUARDIA] says, the chief advantage of this particular appropriation is the fact that it will cut out these employment offices which in many instances have been robbing applicants for employment.

I yield three minutes to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Speaker, ladies and gentlemen of the House, I favor this appropriation. I am in favor of anything that will help relieve the great wave of unemployment that has swept over our country, but at this time I would like to direct the attention of the House to the fact that at the last session of Congress we passed a series of bills introduced by the junior Senator from New York, Senator WAGNER. One of those bills provided for setting up employment offices throughout the country. After deliberation and consideration it was vetoed by the President. A great storm of public criticism swept upon him for this action. To counteract this criticism the Secretary of Labor established offices throughout the country to endeavor to accomplish what was purposed to be accomplished by the passage of the bills introduced by the junior Senator from the State of New York. If I recall correctly, the Secretary stated that there was no need for such legislation, and perhaps he was instrumental in advising the President to veto the Wagner bill. On the other hand, he started out himself to set up offices to accomplish the very purpose sought to be accomplished by the bill passed in the last Congress. This has cost to date about $1,000,000. I am in favor of this appropriation, however, but I want the RECORD to show the action taken by the Secretary of Labor after he advised the President to veto the Wagner bill.

Mr. BYRNS. May I say this in connection with the amendment offered by the gentleman from Alabama [Mr. OLIVER]. The committee considered the question of the limitation of salaries. I would be perfectly willing to agree to an amendment of that kind offered with reference to this appropriation. There are 96 offices which have been already created. There are State directors in every State, I assume, and their salaries are more than $2,000, certainly in some States. I feel that possibly it would not be wise, without further consideration, to undertake to limit the salaries in the amount named in the appropriation, with reference to the 96 offices already established.

Mr. ARENTZ. I think the gentleman is correct in that, and I agree with him.

Mr. BYRNS. I hope the gentleman will limit it to the present appropriation.

Mr. OLIVER of Alabama. Would the gentleman be willing to except from the amendment, then, the State directors?

Mr. BYRNS. I would not object so much to that, unless it should interfere with the services in some of these larger cities, like New York.

Mr. OLIVER of Alabama. Then I move to amend by adding the words "*Provided further*, That this limitation shall not apply to the salary of any State director."

The SPEAKER. The Clerk will report the amendment to the amendment.

The Clerk read as follows:

Add at the end of the amendment the words "*Provided further*, That this limitation shall not apply to the salary of any State director."

Mr. LEAVITT. Mr. Speaker, I rise in opposition to the amendment, in order to ask the gentleman from Alabama the reason for fixing the figure at $2,000.

Mr. OLIVER of Alabama. For the reason that the Secretary stated to the committee that in the employment of men to manage the 54 offices which he contemplates establishing with this additional appropriation he would not fix any salary in excess of $2,000. There are some offices now being maintained where the duties are exactly the same, yet the salaries are in excess of $2,000, and it was my thought that the compensation should at least be uniform.

Mr. LEAVITT. My reason for opposing this amendment is this: During the war I organized and directed 13 such employment offices in the State of Montana. A number of them were full-time offices. Some of them were cooperative offices. During the period of the war the employment service which I had the honor to direct in that State did a work in its value beyond the mere placing of men. It was the Government of the United States operating upon the ground for the benefit of a man out of a job to help him get the one thing he needed to make a living. Before that he saw the Government of the United States operating for the protection of the business men, for the protection of all sorts of other classes of people, but so far as he was concerned he was at the mercy of the private employment agency, that, as has well been stated here to-day, often exploited him. The United States Employment Service was built up during the war, and let me say here that one of the greatest mistakes the Government of the United States has ever made was when it contracted that service and made it less in extent. It should have been maintained and carried on so that we would not be now in the position of trying to reestablish its efficiency in time of emergency. In addition to merely placing these men it showed them their Government operating to help them solve their problems, and it had a direct and beneficial effect upon them. You are now asking men to take charge of offices with such a service to perform at a salary which, in my judgment, is going to be too low in many of the larger cities, or in cities of any reasonable size, to enable us to carry out the full purpose of the establishment of employment offices.

While on my feet let me say this with regard to the veto of the Wagner bill. I voted for the Wagner bill and was very much in favor of it. The reasons for the veto, however, should be put into the RECORD along with the criticism of the gentleman from New York [Mr. BOYLAN]. It was vetoed because it was shown, according to the statement of the President, that it would abolish the existing service, but that certain cooperation was required under that bill from the States before the new law could operate, and that the State legislatures of many States would not be in session in time to meet the requirement and take care of this emergency. The present employment service was already in effect and had authorization of law behind it for immediate expansion.

That was the only reason, as I recall, that was given. I think that should go in the RECORD, along with the criticism.

Mr. OLIVER of Alabama. I do not think the statement made by the gentleman from Montana [Mr. LEAVITT] is very relevant to the pending amendment. This amendment was prepared by me because I was familiar with the appropriation for such purposes carried for years for the Department of Labor, and which I think has been very wisely administered. That appropriation was for $385,000, and the Labor Department reported to our committee that with the appropriation of $385,000 in the gentleman's State and other States they had been able to find seasonal employment for approximately 1,600,000 men. The field agents under that appropriation were paid reasonable salaries; few, if any, salaries exceeded $2,000. The agent in Doctor SUMMERS'S home city of Yakima, Wash., was paid only $1,500.

Mr. LEAVITT. He is worth a great deal more.

Mr. OLIVER of Alabama. Grant that he is a very fine man, he is satisfied. So when the Secretary of Labor came before the committee and asked for an additional $168,000, so that he might establish more offices, he was asked, "How much will you fix as the salary for the man in charge of the office?" He said, "Under no circumstances will I fix it in excess of $2,000."

This amendment simply limits it to what the Secretary himself said would be required at offices he plans to establish under the appropriation you are now considering. Why should a different pay schedule apply to those employed

under the appropriation carried in the regular appropriation bill for the present fiscal year?

Mr. LEAVITT. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. LEAVITT. Is it not true, however, that in connection with this bill, unless I misunderstand it, we are undertaking to establish a number of new employment offices, and that necessarily to meet their purposes they must be established in cities of considerable size, so that they will not only be State directors who are required but often local directors of great importance?

Mr. OLIVER of Alabama. If the gentleman had been listening to the chairman of the committee, he would have heard him say in reply to the question, "What is the limit of salaries the Secretary stated he would fix under this appropriation of $168,000"——

Mr. LEAVITT. I heard that statement.

Mr. OLIVER of Alabama. The Secretary stated the highest salary would be $2,000, the next $1,800, and the next $1,400.

Mr. LEAVITT. That is only for this emergency?

Mr. OLIVER of Alabama. Yes. This amendment seeks to limit the amount to $2,000.

Mr. LEAVITT. When we carry the Wagner bill into effect we are going to require a quality of men that can not always be secured for $2,000 a year. Why establish a dangerous precedent by law, fixing the figure now so low that it will then be insufficient and will be used in the future as a precedent? We have the statement of the Secretary that he will not now employ anybody at more than $2,000, so we need no such law. I do not like to see any such precedent established.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. OLIVER of Alabama. I yield.

Mr. TAYLOR of Colorado. Is it not true that the 96 offices which we now have are all in the main places of the country? These 54 new offices are to be in the smaller points, and it was brought to our attention that it was not necessary to pay high salaries for these additional offices that would go in the more unimportant places. The 96 offices now are in the main cities.

The SPEAKER. The question is on agreeing to the amendment to the amendment offered by the gentleman from Alabama [Mr. OLIVER].

The amendment to the amendment was agreed to.

The amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

THE AMERICAN TAXPAYERS' LEAGUE

Mr. LAGUARDIA. Mr. Speaker, I ask unanimous consent to be permitted to address the House for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. LAGUARDIA. Mr. Speaker, the country has been advised that there will be a revision of the tax law during the present session of Congress. In all likelihood the Committee on Ways and Means will proceed, within a very few days, to consider a new tax bill. I believe it is necessary that the word should go out that any citizen or group of citizens who have any suggestions to make will be heard, but at the same time I believe the country should be warned against certain exploiters who are attempting to collect money under the promise that they can influence tax legislation. [Applause.]

I want to refer particularly, and without any reservation, to one J. A. Arnold, who styled himself "The American Taxpayers' League."

The activities of this gentleman were looked into and the Members of this House can find all details in the hearings of the Senate lobby investigation—Senate Resolution 20, Seventy-first Congress, first session—in parts 2 and 3 of the printed hearings. For the moment it will suffice to read just a part of the report of the Senate committee:

> Among the organizations into whose activities your committee inquired were the Southern Tariff Association, the American Taxpayers' League, the National Council of State Legislators, and kindred reputed organizations, all aliases, under which one J. A. Arnold operates, ostensibly to influence congressional legislation, but, in fact, for the purpose of making a living for himself and a small group associated with him.
>
> The American Taxpayers' League has neither constitution, by-laws, nor membership except contributors. Under its name Arnold collected for the years ended August 31, 1927, 1928, and 1929, the sums of $217,000, $246,000, $240,000, and $156,000, making a total for the four years of $860,000.

Now, it is well that the American people should know, and business men particularly, that if they are solicited for funds by this group or by Mr. Arnold it is simply a waste of money. Only recently Mr. Arnold has established connections with the National Broadcasting Co., and they have invited very distinguished gentlemen to appear under their auspices. There is no criticism of the distinguished citizens who have made speeches on the subjects in which they are interested, but I want to warn those distinguished gentlemen that their names may be exploited by these collectors of contributions, and their good and respected names used to give respectability to this discredited group and this discredited gentleman, Mr. Arnold.

Let me point out to the broadcasting companies that they, in all likelihood, will be taxed, and properly so, and it is hardly fair to use the public domain to engender propaganda against an inevitable tax on radio, which must sooner or later be imposed by Congress.

Mr. CLARKE of New York. May I ask the gentleman a question?

Mr. LAGUARDIA. Certainly.

Mr. CLARKE of New York. Does not the gentleman think that every one of these organized groups, which are now parading and advertising their influence and seeking to impose their narrowness and constricted views upon the people of the United States, should be legislated out of the Capital?

Mr. LAGUARDIA. Absolutely; but in the meantime let the word go out that this American Taxpayers' League and Mr. Arnold are discredited, and let everybody be on their guard when they are asked for contributions.

Mr. BURTNESS. Will the gentleman yield.

Mr. LAGUARDIA. Yes.

Mr. BURTNESS. Can the gentleman tell us what representations he now makes with reference to the type of taxes he is going to save to the contributors?

Mr. LAGUARDIA. I suppose he is guaranteeing prospective contributors against the inheritance tax, against the gift tax, and against a tax on radio. Taxes are always unpleasant, and it is the easiest thing in the world to make an appeal for contributions and say, "We have certain connections and we are going to fix you up. So contribute to us." I am sure the House will agree with me that there is no need of any citizen or business to pay money to these discredited lobbyists. [Applause.]

[Here the gavel fell.]

MESSAGE FROM THE PRESIDENT—MUSCLE SHOALS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Military Affairs:

To the Congress of the United States:

In my message to the Senate on March 3 last, returning without my approval Senate Joint Resolution No. 49, I suggested that as the solution of the Muscle Shoals problem was a matter of major interest to the States of Tennessee and Alabama, these States should set up a commission of their own representatives to cooperate with a like commission appointed by me to consider the disposition of the Muscle Shoals project.

On March 20, 1931, the Legislature of the State of Tennessee passed the accompanying resolution, which was approved by the governor on March 23, 1931. Under this resolution Mr. Mercer Reynolds, Mr. Vance J. Alexander, and Mr. W. A. Caldwell were appointed members of the commission. As Mr. Alexander and Mr. Caldwell were un-

able to serve, the governor subsequently appointed Mr. J. F. Porter and Mr. R. L. Moore to fill the vacancies. On June 30, 1931, the Assembly of Alabama passed the accompanying resolution, which was approved by the governor on June 30, 1931, and under it Mr. S. F. Hobbs, Mr. Will Howard Smith, and Mr. W. F. McFarland were appointed members of the commission. On July 14, 1931, I appointed Col. Harley B. Ferguson, Corps of Engineers, United States Army; Col. Joseph I. McMullen, office of the Judge Advocate General, United States Army; and Mr. Edward A. O'Neal, president of the American Farm Bureau Federation, as members of the commission.

Hearings were held, and after long consideration of the subject the commission rendered to me a unanimous report, which I now transmit for the consideration of the Congress. In addition, the commission has prepared a brochure showing the evidence on which its recommendations are based. This I also transmit for the information of the Congress.

HERBERT HOOVER.

THE WHITE HOUSE, *December 17, 1931.*

QUOTATION FROM LINCOLN QUESTIONED

Mr. MORTON D. HULL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD. By way of explanation of the request I refer to a paragraph in a speech made by the gentleman from Pennsylvania [Mr. McFADDEN] two days ago, in which he quoted from Abraham Lincoln. The quotation in question was so remote from any subject matter of interest at that time that I questioned the authenticity of it. I asked the reference bureau to look up the speeches of Mr. Lincoln and see whether they could find that quotation in any speech. I have a letter from the director of the Legislative Reference Service of the Library of Congress saying in effect that there is no record of any such speech, and also inclosing a photostat copy of a paragraph from the New York Tribune of October 3, 1896, in which Mr. Nicolay, the biographer of Lincoln, declared the quotation in question was an unblushing forgery. For the sake of the RECORD, I ask unanimous consent that this letter from the director of the Legislative Reference Service and the photostat copy of the Tribune clipping in question may be extended in the RECORD in connection with my remarks.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to follows:

LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, December 17, 1931.

Hon. MORTON D. HULL,
House of Representatives, Washington, D. C.

DEAR SIR: The quotation from Lincoln printed on page 573, CONGRESSIONAL RECORD, December 15, 1931, has been referred to us several times but no one has ever been able to find it in any edition of Lincoln's works. I inclose a photostat of a brief article which appeared in the New York Tribune for Saturday, October 3, 1896, page 1, column 4. It seems to settle the question.

William E. Barton, in his Life of Lincoln, volume 2, page 367, has the following to say about this quotation:

"A consideration of the attitude of Abraham Lincoln toward labor requires us to remember, first of all, that he lived and died before the present-day industrial system had come into existence. Several people who have wanted to quote him on labor have forgotten this, and have attributed to Lincoln statements which can not be found in his published works and which are the outgrowth of conditions which came into being after he was dead. For instance, a widely quoted statement concerning the threatened rise of great corporations is known to have originated with another man in 1873; but it is quoted as from the pen of Lincoln."

Very respectfully,

H. H. B. MEYER,
Director Legislative Reference Service.

NEW YORK, SATURDAY, OCTOBER 3, 1896—LINCOLN NEVER SAID IT—A POPOCRATIC CAMPAIGN QUOTATION DENOUNCED AS A BALD FORGERY

CHICAGO, October 2.—Perry S. Heath of the Republican National Committee to-day received from John G. Nicolay, who was one of President Lincoln's private secretaries, a letter in which he declares "spurious" an alleged quotation from Lincoln now in general circulation as a Democratic campaign document. The quotation thus condemned is as follows:

"Mr. Lincoln said: 'As a result of the war, corporations have been enthroned and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people, until all wealth is aggregated in a few hands, and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before; even in the midst of war. God grant that my suspicions may prove groundless.'"

Mr. Nicolay continues:

"This alleged quotation from Mr. Lincoln is a bald, unblushing forgery. The great President never said it or wrote it, and never said or wrote anything that by the utmost license could be distorted to resemble it."

PHILIPPINE INDEPENDENCE

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a radio speech by my colleague, Congressman KNUTSON, delivered night before last over WJSV.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PITTENGER. Mr. Speaker, under leave granted me by the House to extend my remarks in the RECORD, I desire to insert a radio address delivered last evening by my colleague, Hon. HAROLD KNUTSON, of Minnesota, over station WJSV, on the question of Philippine independence.

The address is as follows:

It is no exaggeration to say that rarely, if ever before, has the world witnessed in any age or race or people a parallel for the sudden and apparently complete collapse that seems to have overtaken the movement for absolute independence in the Philippines. For more than 30 years their native press in flaming headlines, and their accredited leaders in raucous tones, have been denouncing American occupation. They have made the welkin ring with pleas for freedom and independence, while we as a nation have been held up to the scorn and contumely of mankind.

We have been painted as the fine flower of an imperialism which professes the blessings of a democracy at home but does not hesitate to clamp the iron heel of despotism upon the necks of a distant, prostrate, and helpless people. The hatreds and jealousies of the Old World have been subtly and steadily fanned, not only by the Filipino leaders but by their drawing-room adherents in this country, who taunt us for a seeming inconsistency in enforcing the Monroe doctrine in the New World while pursuing a rôle of conquest and exploitation in the Orient.

And now when we announce our readiness to withdraw from a place where we have been proclaimed unwelcome, to stand aside and allow the Filipino people to step full panoplied and without the cost of either blood or treasure into a place among the nations of the earth, these self-same critics who have been denouncing us as despoilers reject that offer and begin to haggle, not on the lofty points of patriotism but in sordid terms of trade. Let those critics who are so prone to criticize America for her policy toward the islands contrast this picture with that of the Mahatma Gandhi, now traveling back from London to India in disappointment and sorrow because he has been unable to wheedle from the British the very gift we are now asking the Philippine people to accept.

Ever since we have held these islands it has been our practice to look upon our presence there more or less in the light of a temporary arrangement; the status of their people and the trade relations we should maintain with them are abstract questions in political science to be studied at leisure, shifted from time to time as exigencies might require, but ultimately to be settled by granting them full and complete independence. But, while this dilettant idea has prevailed with respect to administrative problems, economic forces have been intensely active in the Philippines. Especially has this been true of corporations. Manned by staffs of highly skilled experts and adequately supplied with funds, American and foreign corporations have been exploiting alike the cheap labor and almost inexhaustible supplies of free raw materials to be found in those islands. These products are then admitted on terms of equality to our home markets to compete with our own farmers and laborers.

This situation has been growing steadily worse with each succeeding year. The strides with which Philippine products have been displacing the output of our own farms and factories is told in terms that are exact and are at the same time shown increasingly alarming by the official records at our ports of entry. Two years ago, on the eve of the last Congress, when the Philippine question gave every promise of again entering upon a long period of academic discussion, I decided to cut the Gordian knot by introducing a bill providing for their early independence, not alone because of an altruistic interest in the Philippines but rather in the interest of the American farmer.

In explanation of that measure I acknowledged America's duty toward the Philippines and our solemn pledge to the Filipino people, but at the same time I placed the best interests of America first. I pointed out that:

We have been playing the good Samaritan to the less fortunate of other lands since the Republic was founded. American blood has been shed in the Philippines, Cuba, Haiti, Santo Domingo, Nicaragua, not to mention France and Belgium; and for what? To establish peace and security for peoples in no way related to us. We have relieved distress where there was hunger and established orderly government where there was anarchy. Surely, if

we were to retire from the Philippines at this time, we could not be justly accused of selfishness with that fine record of unselfish disinterestedness behind us.

Personally, I believe the Filipinos to be ready for the independence promised them by the martyred McKinley and reiterated in nearly every political platform adopted by the two major parties since 1900. They now have a stable government, elected by the suffrages of the Filipino people and supported by them; they have demonstrated their ability to maintain that government, and we have no reason to doubt their capacity for fulfilling any international obligations which they may assume. What more can we reasonably expect of any people who may aspire to political freedom and complete self-rule?

I have seen no reason to alter the opinion then expressed, although many Filipino leaders since that time have themselves shifted their position.

While various American interests, notably among them the domestic sugar producers, are opposed to admitting unlimited quantities of Philippine products to our home markets on terms of equality with our own, I am primarily concerned with protecting the American dairy interests from this unequal and unfair competition. The deplorable condition of the American dairy farmer has not changed for the better since I discussed this question on the floor of the House on December 14, 1929. At that time I pointed out that we were within 2 per cent of the saturation point in the production of dairy products in the United States. There was then 140,000,000 pounds of butter in cold storage, an increase of 33,000,000 pounds over the preceding year. In addition there was in storage 300,000,000 pounds of condensed and evaported milk, 23,000,000 pounds of dried milk, and 78,000,000 pounds of cheese, making a total of 540,000,000 pounds of surplus dairy products in storage at that time. Conditions are relatively worse to-day than they were then, as was disclosed by the recent hearings on the Farm Board before the Senate Committee on Agriculture. In its second annual report just published the Farm Board points out that during the past year the butter producers have been compelled to reduce their marketing margins and only through reduced retail prices and the elimination of every possible distributing cost has consumption been maintained.

The board frankly adds, however, that, and I quote—

"Reduced consumer-purchasing power, reduced fluid-milk consumption * * * complicated the problems of the dairy cooperatives during the past year."

While our own farmers were unable to pay taxes, reduce mortgages and even to purchase for their families the necessaries, much less the comforts of life, let us see how fared their competitors in the Philippines who are rapidly crowding the American dairy farmer out of the home market. As against the American dairy cow that has to be housed, fed, and cared for every day at great expense, we have introduced as a competitor the coconut cow. In his last report, upon which the ink is scarcely dry, the Chief of the Bureau of Insular Affairs announces that on one plantation in the Philippines during the past year 50,000 coconut trees were planted and that during the past 15 years Filipino farmers have planted more than 50,000,000 coconut trees. There are now under agricultural development over 9,284,856 acres, an area more than 65 per cent greater than was in cultivation 20 years ago. Nor are these figures surprising when it is recalled that we furnish a free market for 72 per cent of their exports, valued at $183,525,090 while in return they absorb but 1.6 per cent of our own exports. If anyone entertains any doubt as to the outcome of the contest between the Philippine coconut forests on the one hand and the American farms that produce butterfats, lard, and cottonseed oil on the other, all that is necessary to resolve that doubt is to see how the imports of copra from the Philippines have been growing since our manufacturers of soaps, paints, condiments, and food preparations settled upon the Philippine product as a cheaper and equally satisfactory substitute for the products of our own farms.

As I pointed out when I introduced my bill to give independence to these islands, we are importing from them "over 700,000,000 pounds of vegetable oil annually. These huge importations go into the manufacture of butter substitutes, and they enter into direct competition with the various interests of the country, with the swine raisers, because they compete with animal fats, also with the cotton grower and his cottonseed oil, so that the South is equally interested with us of the North in seeing that this unfair competition from the Orient is stopped."

Perhaps no higher authority could be quoted on this question than the head of that nationally known institution, the Land O'Lakes Creameries (Inc.). At the time I introduced the Philippine independence bill two years ago, Mr. John Brandt, the president of that institution, wrote me a letter, in the course of which he said:

"I am very much interested in the bill you recently introduced. * * * One of the greatest causes of dairy overproduction in the United States is the import of foreign oils that are taking the place of products we might well raise on our own farms.

"You will have the united support from the dairy industry and the cooperative organizations for the bill you have introduced. If independence of the Philippines can not be accomplished, we are in hopes that all of our Representatives will support a higher duty on vegetable oils as the exclusion of these products will be of greater assistance to the agricultural industry."

Mr. Brandt states the position of the dairy interests fully and completely.

Inasmuch as the plight of the cotton farmer is the same as that of the dairyman of my own State, I have felt that it was entirely proper to point out that the Southern States have a common interest with those of the North and West in seeing that proper steps are taken to protect our farmers against this rising flood of copra and vegetable oils that are coming in duty free from the Philippines and other far-eastern islands.

I do not have the time to enter into the details of the legislation, but I do want to go on record as saying emphatically that I am opposed to any injustice or to any discrimination that will unfairly operate against the Filipino people. I do insist, however, that as a matter of protection to the American farmer the imports from the Philippines entering into competition with American agriculture should be placed on exactly the same footing as the imports from Argentina, Canada, Cuba, or any other country seeking to invade the American market and to displace the products of the American farm.

As to their sugar and other products which enter our markets in competition with produce made from rival American investments in other outlying countries I have not the time to speak on this occasion. What I am mainly interested in is to save our small American farmers who live in our own country and are attempting to bring up their families according to the standards of American living from the unequal and deadening competition of the Orient.

The Philippine independence movement in this country is predicated largely upon economic grounds. Should it be found inexpedient to grant immediate independence, then we should gradually put into effect the tariff rates on importations from the islands that are in effect on importations from all foreign countries. If that be done, we can not very well refuse the pleas of the Filipino people that they be given 5 or 10 years in which to set up such machinery as may be necessary to the conduct of a free and independent government. Such a program would not, I believe, prove objectionable to the best interests of agricultural America, for the primary purpose of our aims would then be realized. In closing, let me venture the conviction that when we withdraw from the Philippines we should do so lock, stock, and barrel, and without entering into any commitments as to their future.

ORDER OF BUSINESS

Mr. RAINEY. Mr. Speaker, for the information of the Members, I desire to say that the hearings on the moratorium were closed at 12 o'clock to-day, and the committee is now considering the resolution. They expect to bring it up to-morrow, and they are going to try to get a vote on it by Saturday night. It is doubtful whether they can do that, and if they do not get a vote by Saturday night it will be considered Monday and Tuesday. I make that statement because I have heretofore stated that nothing controversial will be taken up Monday or Tuesday, unless it is that. If we do not get a vote by Saturday night, the consideration of the moratorium will be continued during Monday and Tuesday. After we do get a vote on the moratorium there will be nothing controversial before the holidays.

Mr. SNELL. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. SNELL. Does not the gentleman think it would be a good idea to hold the House in late session to-morrow night and Saturday night for the purpose of having a vote on the moratorium this week?

Mr. RAINEY. I think that would be all right, and I would be very glad to see that done.

Mr. SNELL. We have had two weeks of discussion in connection with this proposition, and it seems to me we ought to be able to finish it at least by Saturday night.

Mr. RAINEY. I would be glad to accomplish that if it is possible to do so.

Mr. HASTINGS. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. HASTINGS. Has there been any discussion in the committee as to how much time will be given to the consideration of the moratorium bill or resolution?

Mr. RAINEY. No; there has been no discussion, except the committee desires to limit it as much as they possibly can, yet giving an opportunity to Members who ought to be heard and desire to be heard on the proposition.

Mr. HASTINGS. I know there has been a good deal of discussion in the House for the last few days about this subject, but I would like to have 10 or 15 minutes myself when the bill comes up for consideration.

Mr. RAINEY. In order to obtain that time the gentleman will have to see the gentleman from Mississippi [Mr. COLLIER], the chairman of the committee.

Mr. HASTINGS. I wanted to be assured that there would be some time given for consideration. Of course, I intended to apply to the chairman of the committee.

Mr. RAINEY. There will be time given.

LEAVE OF ABSENCE

Mr. CHIPERFIELD. Mr. Speaker, I desire to ask leave of absence for my colleague [Mr. HALL of Illinois] on account of illness. He will probably be detained two or three days on account of his condition.

The SPEAKER. Without objection, the leave of absence will be granted.

There was no objection.

The SPEAKER. The Chair would like to make this suggestion to gentlemen who in the future desire to provide leaves of absence for their colleagues. There is provided at the Sergeant at Arms desk, on the Speaker's right, blanks for just such purposes. The Chair would suggest that Members avail themselves of that means of securing leaves of absence. These blanks, when filled out and given to the Clerk, will be laid before the House prior to adjournment for the approval of the House. The Chair thinks that by this means much of the time of the House will be saved.

Mr. CHIPERFIELD. Mr. Speaker, I will conform to that practice in the future.

ESTATE TAX FOR THE DISTRICT OF COLUMBIA

Mr. MAPES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5822) to provide a tax on the transfers of estates of decedents.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 5822), with Mr. MCMILLAN in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

SEC. 7. The value of the net estate subject to the tax herein provided shall be determined by deducting from the value of the gross estate the following exemptions:

(1) The value of all property transferred to or for the use of the United States, to any State or Territory or to any political subdivision thereof, to the District of Columbia, to any public institution to be used strictly for public purposes, or to any corporation organized under the laws of the District of Columbia solely for religious, charitable, or educational purposes: *Provided*, That the property transferred is to be used exclusively for one or more of such purposes and all property transferred to banks or trust companies as trustees and trusts used exclusively for public, religious, charitable, or educational purposes: *Provided, further*, That no deduction shall be allowed on account of property transferred to any such corporation or trust, if any officer, member, shareholder, or employee thereof shall receive or may be lawfully entitled to receive any pecuniary profit from the operation thereof, except reasonable compensation for services in effecting one or more of such purposes or as proper beneficiaries of a strictly charitable purpose, or if the organization of any such association, or trust, for any of the foregoing or above purposes be a guise or a pretense for indirectly making for it, or for any of its officers, members, shareholders, or employees, any other pecuniary profit, or if it be not in good faith organized and conducted for one or more of such purposes.

(2) Debts of the decedent which constitute lawful claims against his estate.

(3) Taxes on real property within the District of Columbia which were a lien at the date of death, also taxes on personal property of the decedent which constituted a personal obligation during his lifetime or were a lien at the time of death.

(4) Death taxes paid or payable to other jurisdictions on intangible personal property and United States estate taxes, also special assessment taxes which at the time of the decedent's death were a lien on real property located within the District of Columbia.

(5) Funeral expenses and an amount not in excess of $500 actually expended or to be expended for a memorial, also commissions of executors, administrators, or trustees actually allowed or paid, but where a bequest or devise is made in lieu of commission, deductions shall be allowed for only so much as would have been allowed and paid in the absence of the devise or bequest. There shall also be deducted the expenses of the administration, including reasonable attorney's fees.

(6) In the case of the estate of a nonresident only such portion of the aforesaid deductions shall be allowed as is properly chargeable against the property included in the gross estate, and the exemptions shall be apportioned in the ratio that the value of the property included in the gross estate bears to the value of all of the property that would have been included in the gross estate if the decedent had been a resident of the District of Columbia.

(7) No deduction from the value of the property included in the gross estate shall be allowed on account of any claim against the estate arising from a contract made by the decedent and payable by its terms at or after death, unless such claim is supported, in whole or in part, by a valuable consideration, in which event so much thereof as is the equivalent in money value of the money value of the consideration received by the decedent shall be allowed as a deduction, but the remaining portion shall not be: *Provided, however*, That any claim created by an antenuptial agreement and made payable by will shall be allowed as a deduction.

(8) There shall also be deducted from the gross estate property having a clear market value of $20,000 transferred to the widow of the decedent, property having a clear market value of $10,000 transferred to the husband of the decedent, property having a clear market value of $5,000 transferred to a brother or sister of the decedent, property having a clear market value of $2,000 transferred to any lineal ancestor of the decedent, legally adopted child, stepchild, any child to whom the decedent for not less than 10 years prior to death stood in the mutually acknowledged relationship of parent: *Provided*, That such relationship began at or before the child's fifteenth birthday and was continuous for at least 10 years thereafter, and the lineal descendant of an adopted child, stepchild, or mutually acknowledged child. In case no property passes to any beneficiaries enumerated in this section, or, if the aggregate of the value of the property passing to such beneficiaries is less than $1,000 there shall be exempted property having a value of $1,000.

Mr. STAFFORD. Mr. Chairman, I offer the following amendment: Line 11, page 7, insert after the word "decedent" the following: "Any child born in lawful wedlock."

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. STAFFORD: Line 11, page 7, after the word "decedent," insert "any child born in lawful wedlock."

Mr. STAFFORD. Mr. Chairman, a close reading of the provision shows that no provision has been made for any child born in lawful wedlock. Provision is made for deductions to any legally adopted child or any child of a morganatic marriage; provision is also made for deductions to the widow, the husband, brother, sister, or parents. Certainly there should be some provision made for a child born in lawful wedlock.

As I read this provision, I take it that it applies to those instances where the decedent has bequeathed or devised property to these respective classes, and where they have then they shall be entitled to a deduction of the various amounts as here stated. So the purpose of my amendment is to include children as well as other designated relatives.

Mr. FREAR. Mr. Chairman, after talking with the chairman of the special committee, the gentleman from Michigan [Mr. MAPES], we will accept the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 8. The tax hereby imposed upon the value of the net estate shall be at the following rates:

(1) Not in excess of $50,000, 1 per cent.
(2) Over $50,000 and not exceeding $100,000, 2 per cent.
(3) Over $100,000 and not exceeding $200,000, 3 per cent.
(4) Over $200,000 and not exceeding $300,000, 4 per cent.
(5) Over $300,000 and not exceeding $500,000, 5 per cent.
(6) Over $500,000 and not exceeding $750,000, 6 per cent.
(7) Over $750,000 and not exceeding $1,250,000, 7 per cent.
(8) Over $1,250,000 and not exceeding $2,000,000, 8 per cent.
(9) Over $2,000,000 and not exceeding $5,000,000, 10 per cent.
(10) On all net estates having a value in excess of $5,000,000 the tax imposed shall be at the rate of 15 per cent.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word, and I do so for the purpose of having inserted in the RECORD at this point the amounts it is estimated the District will receive from these various classes of estates.

Mr. FREAR. The gentleman desires to have that appear in the RECORD? Of course, we have the total amount that is estimated of $750,000 in addition to what would be received on intangibles now, but we have not before us now the figures with respect to the various items.

Mr. STAFFORD. So no one can claim that Congress is attempting by these rates to levy any undue burden upon the denizens of the District who happen to own property and die here?

Mr. FREAR. This is lower than the average rates, and, of course, lower than the Federal rates.

Mr. STAFFORD. Does the basis of the gentleman's estimate of $750,000 cover merely the average of years? As the gentleman knows, in Wisconsin the total returns vary by reason of occasions of haphazard deaths of persons of large wealth. What is the basis of the estimate that only $750,000 will be received by this inheritance tax bill?

Mr. FREAR. Of course, I can not go into the details as to what brought that out, but the average of the average city can be determined fairly well, and that is about all you have to go by, particularly in the case of the District. Of course, we know what the intangibles have been taxed in the past, but we do not know definitely, and I do not suppose such figures could be given with respect to receipts from decedents during a certain period, but they can consider the average in other cities of comparable size.

Mr. STAFFORD. No serious charge can be militated against the committee or the Congress that these rates are outlandishly high in comparison with inheritance tax rates in force in other States.

Mr. FREAR. They are below the average.

Mr. STAFFORD. Much below?

Mr. FREAR. I believe much below the average.

The pro forma amendment was withdrawn.

The Clerk concluded the reading of the bill.

Mr. MAPES. Mr. Chairman, I ask unanimous consent to return to page 8 of the bill to enable the gentleman from Wisconsin [Mr. FREAR] to offer an amendment to clarify the language.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FREAR. Mr. Chairman, my attention has been called by my colleague the gentleman from Wisconsin [Mr. BOILEAU] to the last provision, No. 10, where the bill states that on all net estates having a value in excess of $5,000,000 the tax imposed shall be at the rate of 15 per cent. This might be construed to be a tax upon the entire property at the rate of 15 per cent. So that will be changed to comply with the purpose of the committee through the amendment that I shall now offer.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. FREAR: On page 8, beginning with line 17, after the figure "(10)," strike out the remainder of the paragraph and insert in lieu thereof "over $5,000,000, 15 per cent."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. MAPES. Mr. Chairman, I move that the committee rise and report the bill back to the House with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MCMILLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 5822) to provide a tax on the transfers of estates of decedents, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MAPES, a motion to reconsider the vote whereby the bill was passed was laid on the table.

GASOLINE TAX FOR THE DISTRICT OF COLUMBIA

Mr. MAPES. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5823) to increase the motor-vehicle fuel tax in the District of Columbia, and to provide for the better administration thereof.

And pending that, I ask unanimous consent that general debate on the bill be limited to 30 minutes, 15 minutes to be controlled by the gentleman from Tennessee, Judge DAVIS, and 15 minutes by myself.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The motion of Mr. MAPES was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. MCMILLAN in the chair.

The Clerk read the title to the bill.

Mr. MAPES. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to dispense with the first reading of the bill. Is there objection?

There was no objection.

Mr. MAPES. Mr. Chairman, this bill was reported by the gentleman from Tennessee [Mr. DAVIS], and I yield to him to make an explanation of the bill.

Mr. DAVIS. Mr. Chairman, I yield 10 minutes to myself. The bill under consideration increases the tax on gasoline in the District of Columbia from 2 to 4 cents per gallon.

The tax on gasoline is one of the fairest taxes we have, and just about as popular as any form of taxation can be.

It is a comparatively new tax. In 1919 the State of Oregon developed this new form of State tax and imposed a tax of 1 cent a gallon on gasoline. It proved to be popular from the beginning. Other States rapidly adopted this form of taxation, and now all the States of the Union impose a tax on gasoline, ranging from 2 cents to 7 cents per gallon.

The present average of this tax in all the States is somewhat over 4 cents a gallon. For eight years the District of Columbia has imposed a tax of 2 cents a gallon on gasoline.

To give you some idea of the tax in adjoining States, I will explain that the tax in Maryland is 4 cents, in North and South Carolina each, 6 cents; in Pennsylvania, 3 cents; in Virginia, 5 cents; and in West Virginia, 4 cents. So it will be seen that the motorists of the District of Columbia have been greatly favored in this respect. This tax is simple, inexpensive of administration, and easy of collection.

Mr. LARSEN. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. LARSEN. How much will this raise in the District of Columbia?

Mr. DAVIS. The additional tax will probably amount to $1,500,000 per annum. The motorists generally and the automobile interests have accepted this as being a fair and proper tax for the purpose of raising funds to construct and maintain our highways. This and the automobile license taxes have increased to such an extent that to-day the major portion of all of the highway and street expenses are paid in this manner. In that connection the auditor of the District of Columbia stated at the hearings of this select committee, that—

The amount of the gas-tax fund is not sufficient to take care of the entire street expense in the District of Columbia. About $2,000,000 will be paid in 1932 from the gasoline-tax fund, but in addition to that about $1,200,000 more will have to be provided out of the general revenues of the District of Columbia for maintenance and repairs to streets.

Consequently it will be seen that this additional tax is needed in the District of Columbia in order to properly maintain the highways of the District. The heavy motor vehicles do great damage to the streets and highways, requiring a constant repair bill, and, of course, that is particularly true in the cities. There is no reason why this expense should

not be met here in large measure, as it is elsewhere, by a tax on gasoline.

Another feature which evidences the fairness of this tax is that the motorist pays the tax to the extent that he uses the highways. It is fairly proportioned. There is no reason, as this committee sees, why the District of Columbia and the citizens thereof and the motorists who visit the District of Columbia should not pay a tax somewhat comparable to the tax paid by the citizens of other sections of the country.

The city of Washington has a very large number of visitors constantly. Many of them come in their own automobiles, and as a matter of course the motorists who visit the National Capital generally purchase gasoline while in the city, and will in that manner contribute to the gasoline fund for the maintenance of the streets of the District, as they should. I do not see how there can be any objection to the passage of the bill. In that connection, I call attention to a statement by Mr. William P. Richards, who is the District tax assessor. In an article which appeared in yesterday's Evening Star, Mr. Richards is quoted as saying that the proposal to increase the gasoline tax to 4 cents per gallon has his approval, since it would raise more revenue for expenditure on streets, and in his opinion more revenue is needed. He also expressed approval of the substitution of the weight tax for the automobile license, to replace the present personal property tax, because the tax on vehicles should be proportioned to the damage they do to the streets; that refers to the bill which will follow this one. In this connection, with respect to a bill which the committee has already reported and which has passed the House, Mr. Richards makes a further statement that the income tax is better than one on intangible personal property, because it is easier on the poor and harder on the rich.

The bill under consideration is one of four bills which have the recommendation and unanimous support of the members of the select committee. We think it is an important bill, that it is eminently fair, and that it will result in raising a considerable amount of additional revenue in the District of Columbia. [Applause.]

Mr. MAPES. Mr. Chairman, I yield one minute to the gentleman from New York [Mr. MILLARD].

Mr. MILLARD. Mr. Chairman and ladies and gentlemen of the House, I thank the gentleman from Michigan for yielding me this minute. I want to read for your information a telegram I just received from the editor of the North American Review:

NEW YORK, *December 16, 1931, 1 p. m.*

CHARLES D. MILLARD,
House Office Building:

As your Westchester neighbor I desire to repeat following wire to MCFADDEN: "Your absurd performance yesterday is only making yourself ridiculous. If your intention is to hurt the President you are taking the wrong course. You will find the country strongly backing the administration against such tactics as you are apparently following."

WALTER B. MAHONEY,
Editor North American Review.

Mr. MAPES. Mr. Chairman, I yield 10 minutes to the gentleman from Indiana [Mr. HOGG].

VOLUME OF TAXES

Mr. HOGG of Indiana. Mr. Chairman and members of the committee, I am for the enactment of the bill. In 1890 the total expenditures by all Government authorities, local, State, and national, in the United States was $855,000,000. In 1903 it had increased to $1,570,000,000. In 1913 it was $2,919,000,000. In 1919 it had increased to $7,465,000,000. In 1923 the total was $10,265,000,000. There has been a steady increase since 1921 to more than $12,000,000,000 in 1930.

In 1913 the total per capita tax, local, State, and national, was $22.73. In 1923 it was $91.90, and in 1930 it was approximately $100 per person—man, woman, and child.

Except during war-time periods State and local taxes have overshadowed Federal collections. But Federal collections are amounting to far too great a total.

FEDERAL TAX TREND

Our Federal Budget is more than fourteen times what it was in 1890 and seven times what it was in 1913. During the war the Federal Government collected more than 60 per cent of the total tax bill. Now, the United States Government collects only one-third of the total bill.

The program of Federal tax reduction beginning in 1921 reduced the 1922 collections to $3,487,000,000. In 1924 another Federal tax revision bill was passed, further reducing rates and narrowing the subject of taxation, which brought the total down to $2,966,000,000. In 1926 was still further downward revision. The result was an increase in the amount of taxes collected.

DOLLAR'S VALUE VARIES

The taxes collected by governmental agencies are paid in dollars which have a varying purchasing power from year to year according to value fluctuation.

To show the real trend of tax collection over a period of years it is necessary to convert the annual value of taxation to the common standard of dollars of constant purchasing power. For comparison the value of the dollar in 1913 is used as a basis. Prices reached their highest level in 1919 and were twice the prices of 1913. Half of the increase in the volume of taxes to 1919 was due to the decrease in the value of the dollar.

Within the past year taxes have in reality been greatly increased for the reason that they were levied to be paid in dollars of less value than 1913 dollar value. A taxpayer to-day pays his tax with a dollar worth vastly more than it was two years ago.

To illustrate, although the per capita tax is approximately $100 per person—that is, local, State, and national—in this country it is in effect greatly in excess of that amount, for the dollar to-day will buy vastly more than it would buy two years ago.

DIRECT PROPERTY TAX

Two-thirds of local and State taxes throughout the Nation are raised by a direct property tax. In too many instances a citizen does not list all of his property and justifies his action on the theory that other citizens do not list their property. When a taxpayer fails to list his property he merely passes the burden on to others. If all taxables were listed the pro rata burden would be less. It has been proposed as a remedy for this unjust condition that a State might refuse to recognize the owner's title to property not listed for taxation. Titles to notes, debts, and property not listed would then lose the validity in any court of the State where the law required their listing for taxation.

TAX-EXEMPT SECURITIES

Tax-exempt securities place a hard and unnecessary burden on other taxpayers. There are to-day more than $30,000,000,000 of totally and partially tax-exempt securities in the United States. In other words, one-twelfth of the estimated valuation of the Nation is in tax-exempt securities. That is one-third more than the value of all railroads and railroad equipment in the United States. The claim is often made that tax exemption aids in sale of public securities. Such argument is wrong. The soundness and the certainty are sufficient to guarantee their sales.

Tax-free securities made a tax-exempt class of citizens which is repugnant to the American sense of justice.

STATES' INDEBTEDNESS INCREASE

From 1923 to 1926 this bonded indebtedness of the States and their subdivisions increased from one billion to five and a quarter billion dollars. There has, of course, been a constant reduction of our national debt.

Since the war the tax bill of the Nation has been 10 per cent of the national income. In 1913 it was 6.4 per cent of the national income.

The total expenditures of local, State, and National Governments are classified in this fashion. Twenty-five and one-tenth per cent is spent for education, 24.1 per cent for

national defense and the protection of person and property, 18.1 per cent for highways, 11.8 per cent for social welfare, and 10 per cent for general government.

FEDERAL EXPENDITURES

Of the $4,112,909,950 estimated Budget expenditures for 1933, $2,814,769,200 will be for national defense, including payment to veterans, Army and Navy expenditures, and payment of principal and interest on national debt. The sum of $983,000,000 is allocated alone to the relief of veterans. More than two-thirds of a billion dollars is allocated to the War and Navy Departments.

TAX EVADERS

It is a sad comment on the history of civilization that at all times in every country there has been a class of people who is willing to appropriate unto itself advantages denied to other classes in the state. The civil governor of ancient times was not only the law in too many instances but above it as well. The feudal lord, the nobility of many nations, took for themselves rights which they denied others. And so to-day there are two classes of people who are willing to enjoy the advantages of local, State, and National Government, but who escape all responsibility which they can in its expense.

A privileged class has no place in a free government. Our privileged class in taxation consists of those who, by tax laws and constitutional exemption, are protected legally from paying a just contribution to the expenses of government. Second, those who avoid listing their property for taxation.

American sense of fair play has yet failed to reach a too large per cent of tax dodgers. If all citizens made their just contribution by listing their assets, then the burden would not fall so heavily on tax-honest citizens.

Tax-exempt securities often lead a subdivision of government into reckless spending. It is bad, not only for the taxpayers but for the State itself.

COURSE TO PURSUE

States and their subdivisions should follow the course set by President Hoover in a substantial decrease in their respective budgets. The only road to lower taxes is decreased expenditures. In this the Federal Government should set the example by consolidation of Federal bureaus and commissions and a decrease in the number of Government employees in normal times.

NO SALES TAX

In times like these a great body of American citizens are taxed beyond their capacity to pay. How can a man with a family of four contribute $500, directly and indirectly, to the public purse? To put an additional general sales tax on him is unjust. It is merely shifting the burden from those able to pay to those who are not able to pay. Taxes should be levied on those able to bear the burden.

The ever-increasing tax burden is one of the potential dangers to the future stability of our Government. As the total tax bill approaches the total income of America, we can clearly see how acute the problem is.

In conclusion, Mr. Chairman, I believe the best thought in taxation requires that a man pay for the specialized service which he receives from the Government. In other words, those who use the roads should pay for the roads. Therefore, I believe one of the most just taxes that can be levied at this or any other time is the tax called for in the bill under discussion. [Applause.]

Mr. DAVIS. I yield the remainder of my time to the gentleman from Ohio [Mr. UNDERWOOD].

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. UNDERWOOD. Mr. Chairman, ladies and gentlemen of the committee, we were advised a few minutes ago by the majority leader [Mr. RAINEY] that in all probability the joint resolution to authorize the postponement of amounts payable to the United States from foreign governments would come before the House for action to-morrow. Since I found it would be impossible for me to discuss the matter at that time, I have asked this time for that purpose. I did not intend to express myself on the moratorium except by my vote. I had hoped to support the President, if possible. I feel that this is a question of great importance to our Nation and to the entire world. The question before us is whether or not this Nation should postpone the payment of the debts that are due and owing to us from European countries. It is a controversial subject, and the matter should have been placed before Congress before the President attempted to pledge our Government to a postponement.

As a representative of the American people, I consider my first duty to them. I would not utter an unfriendly word toward, or intentionally do an injustice to, a friendly nation. I have tried not to be swept from my feet by sentimental arguments, but have endeavored to solve this question with a cool and deliberate judgment, free from prejudice and sentiment. I spoke against and voted against the cancellation of our foreign debts in a former Congress. My views remain unchanged. Why should we grant a postponement to our foreign debtors and place the extra burden on the shoulders of our already too heavily taxed people? I will not ask debt favors for foreign countries that I would not ask for our own people also. Let us be fair. Give our own down-trodden people a debt holiday; grant them a postponement of taxes for a year's period, to catch up, so to speak. Millions of our citizens are unemployed. Multitudes of men, women, and little children are facing actual want, hunger, and starvation, willing to work and exchange their labor for a livelihood, but unable to secure employment. They are appealing to us for relief. Their problem is our problem. Charity should begin at home.

As one of our distinguished Members from Pennsylvania [Mr. BECK] recently quoted, "the quality of mercy is not strained." Let it fall, then, on the millions of the good people within the confines of our own borders.

These great problems concern not only the people of the debtor nations but all the people of the United States. After carefully listening to the debate and studying the questions involved, I honestly believe that President Hoover's proposal for a moratorium on war debts and reparations is unjust and unfair to the American taxpayer. This moratorium is closely interwoven with complete cancellation of our foreign debts. It is the entering wedge for complete cancellation.

Hoover's proposal for an international debt holiday means that no reparations are to be collected from Germany by her debtors; no payments to be made by Europe on war debts to the United States for a period of one year. The effect of this was a loan of approximately $400,000,000 to Germany, as she would have to pay that amount on reparations. According to the Treasury Department, this generosity on the part of Congress will cost us approximately $252,000,000; that is, what is due us this year on our foreign debts. This is another donation to Europe. As a result of this, all Europe feels that we have committed ourselves to the ultimate cancellation of the war debts and the postwar loans which were lumped at the time of settlement. Our Government borrowed from our people the money which we loaned these European nations, and we must repay this money, principal and interest. We must redeem our Liberty bonds, which were issued for the money we borrowed to make these loans. The people of the United States will be taxed to make up the amounts lost by these gigantic gifts to our foreign debtors. In making these loans, a contract of payment was made, and I believe that contract should be kept with the same faith that the law of this country demands of individuals. Contracts between nations ought to be as strictly kept as between individuals. I am sure that the many patriotic business, professional, laboring men, and farmers in my district, who subscribed to the various Liberty loans until it hurt, will not be given a chance to settle their debts in accordance with their capacity to pay. Our farmers borrowed from our Federal Government under the farm loan act; they are expected to pay; many of them are now unable to pay. Their mortgages are being foreclosed and their homes sold, yet I do not hear one word about settling with the tax-burdened American people in accordance with their capacity to pay. Banks are closing back in Ohio. Economic conditions are very bad. We must restore confi-

dence, or no one can predict what will happen to our institutions and our Government.

You tell us the terrible consequences that will arise if we do not support the moratorium. I do not desire to be hard-hearted, cold, or indifferent to the troubles of other nations, nor do I think that we should be sentimental about them on the one hand and indifferent to our own troubles on the other. There are too many in this country pulling for foreign debtors, with our own country and its interests neglected and left in the rear. We find the European nations for themselves—first, last, and all the time—and properly so. May I ask again, Is this a fair proposition to the American taxpayer? Our people will think more about these things than this Congress has done.

I am going to vote against this moratorium, because I am not going to do the taxpayers of America an injustice, if I know it. With the dire distress of my country and district, especially in the farming, industrial, and mining communities, I do not believe that my people are any more able to pay their taxes than are the people of Europe to pay their taxes. The American people would welcome a moratorium. If we do not pay our debts in America, they grab all our property and sell it without asking any questions. Millions of people in this country now facing actual want, hunger, and starvation would be thankful to have payment of their debts postponed. We are reducing the burdens of the people of other nations but transferring it to the backs of our own people. I know this is the wrong policy.

Our debt to Europe has been paid. We sent 2,000,000 of our boys over there. We raised 4,500,000 men for the Army and Navy for the purpose of prosecuting the war. We furnished and financed virtually $9,500,000,000 worth of supplies, not only for the Allied Governments, but we helped feed their civilian population also. We entered the great World War to vindicate America's honor; we saved the Allies from defeat; we went to their rescue in the hour of need. After the war ended and peace came we did not ask or claim any of the spoils of war. The war had cost us $9,500,000,000. France took her $5,000,000,000 of war reparations. Many of the European nations extended their domains and made rich territorial gains and wealth. At the close of the war those who were victorious took their share of the spoils. America did not ask for anything. America did not receive anything.

This moratorium is just another step in the scheme by international bankers for the ultimate cancellation of our foreign debts. Those who favored cancellation will attempt to reopen these settlements and make additional reductions in the future. This agitation for complete cancellation will be continued. If we are going to cancel these interallied debts in whole or in part, by moratorium or otherwise, why not say so openly and candidly. Why should we put over proposals like these without telling the American people what we are doing and their ultimate effect; why camouflage and conceal the real truth from the American taxpayer?

I do not believe that the taxpayers of my congressional district, if they fully understand this moratorium, are in any frame of mind to make additional donations to our foreign debtors. Our previous loans—short-term loans and war debts—now amount to approximately $28,000,000,000. We have provided European nations with credit and money until they have become dependent upon us. They have used part of these loans to enrich themselves by internal improvements and industrial expansion. They have borrowed in some cases more than they needed. They are building and maintaining extravagant armies, navies, and war equipment. They have been using our money and credit in making preparations for another war. Europe is not going to sink in despair. European nations are not going to starve. The are not going bolshevik if we refuse to extend further financial help and credit at this time. They must learn to live within their means. They should stop building large armies, navies, and armaments, endangering the peace of the world.

We have the unemployment menace in our country. We have serious economic troubles. We have difficult problems confronting us in our domestic affairs. Is it not time that we stopped extending credit to other nations until we set our own house in order? I am fed up and tired of listening to the arguments of the international bankers for further reduction and cancellation of our foreign debts. The problem confronting Congress is a solution of our own ills. To these problems Congress should devote itself. I oppose re-creating the World War Debt Commission. I oppose cancellation. I oppose this movement of the international bankers to postpone payment. I shall cast my vote against the moratorium. I protest with my voice and vote against this additional tax burden on the American people. I believe that every fair-minded voter and taxpayer of my country and district will approve my action. [Applause.]

The Clerk concluded the reading of the bill.

Mr. MAPES. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McMILLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 5823) to increase the motor-vehicle fuel tax in the District of Columbia and to provide for the better administration thereof, had directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MAPES, a motion to reconsider the vote by which the bill was passed was laid on the table.

REGISTRATION OF MOTOR VEHICLES IN THE DISTRICT OF COLUMBIA

Mr. MAPES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5824) to require the registration of motor vehicles in the District of Columbia, to prescribe registration fees based upon the weight of such motor vehicles, and for other purposes. Pending that motion, I ask unanimous consent that general debate on the bill be limited to 1 hour and 30 minutes, 45 minutes to be controlled by the gentleman from Tennessee [Mr. DAVIS] and 45 minutes by myself.

The SPEAKER. The gentleman from Michigan moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5824; and pending that motion, he asks unanimous consent that general debate be limited to one hour and a half, 45 minutes to be controlled by himself and 45 minutes by the gentleman from Tennessee [Mr. DAVIS]. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Michigan.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5824) to require the registration of motor vehicles in the District of Columbia, to prescribe registration fees based upon the weight of such motor vehicles, and for other purposes, with Mr. McMILLAN in the chair.

The Clerk read the title of the bill.

Mr. MAPES. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. DAVIS. Mr. Chairman, I yield myself such time as I may desire to use.

Mr. Chairman and members of the committee, this is the fourth bill reported and recommended by the Select Committee on Fiscal Relations between the District of Columbia and the United States. It provides for the registration of motor vehicles in the District of Columbia and fixes the rates upon a weight basis. Perhaps some of the new Members will be surprised when they are told that until now the license fee for a motor vehicle in the District of Columbia has been $1, whether that motor vehicle be a Ford roadster or the largest bus or largest truck. Of course, no situation is comparable anywhere else in the country. It has been fully determined and is generally recognized that the fair basis for taxing automobiles is in accordance with their weight. The reason for that, of course, is that the heavier the vehicles the greater damage they do to the highways and streets and the more room they take up on the highways. This tax, imposed by way of license fees upon automobiles, is in vogue in every jurisdiction in the United States. The average license fee in all of the States amounts to about $14 per car. In the District of Columbia, as stated, the license fee is $1 per vehicle. It is true that in the District of Columbia they tax, or are presumed to tax, automobiles as personal property. However, the same thing is done in 34 of the States of the Union. Even counting the tax as personal property on automobiles and counting the $1 license fee the average for the District of Columbia last year was only $3.79 per motor vehicle.

We have thoroughly examined the laws in force in the various States of the Union, and have undertaken to draft a bill according to the modern trend, so as to create a license fee of certainly not more than the average in the country, and I think it will prove to be somewhat under the average so far as this law will produce revenue in the District of Columbia.

We have just passed a gasoline tax bill; and, as I stated then, it is one of the recognized legitimate forms of taxation for the purpose of constructing and maintaining our highways and streets. A motor vehicle license law with a graded scale, and in accordance with weight and size, is likewise generally recognized as an entirely proper and legitimate form of taxation for the same purpose.

These two methods of taxing automobiles are generally accepted by the public, by the automobile industry, and by the motorists themselves as being the fairest method of raising taxes in order, as I say, to construct and maintain the highways upon which the automobiles operate. They are all more than willing to pay their proportion of these taxes in order to be able to operate their vehicles over good highways. The present Chief of the Bureau of Public Roads well says that we pay for good roads whether we have them or not, and we pay more if we do not have them than if we have them. In other words, the expense of operating automobiles over bad roads is a great deal more, as compared to operating them over good roads, than the automobile expense in the form of a gasoline tax and a license fee. So it is economy, from their standpoint, as well as a legitimate method of relieving property of taxation with respect to the maintenance of our highways.

Mr. THATCHER. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. THATCHER. What is the estimate of the revenue to be raised under this bill with the present number of automobiles in the District?

Mr. DAVIS. Well, it is estimated it will raise, as I recall—and, of course, it is only an estimate——

Mr. THATCHER. I know; but just approximately.

Mr. DAVIS. It will increase the present collections on automobiles about $1,200,000 a year; and in this connection I wish to state that this bill repeals the tax upon automobiles as personal property and substitutes this weight tax for the present license fee and the property tax.

Mr. THATCHER. No ad valorem tax will obtain if this bill becomes law.

Mr. DAVIS. No. This bill, together with the preceding bill, will doubtless raise sufficient additional revenue to properly maintain the streets of the District of Columbia and to provide reasonable extensions and improvements. This is what should be done, just as is done almost everywhere else.

I wish to state also that Mr. William P. Richards, the District tax assessor, in an interview which is published in the press, expresses his approval of the substitution of the weight tax for automobile licenses and to replace the personal-property tax, because the tax on vehicles should be proportionate to the damage they do the streets.

Mr. BURTNESS. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. BURTNESS. I have a number of questions I would like to ask the gentleman, but I do not want to interfere with his argument. I will ask him now if that is satisfactory. Fundamentally, is this bill a bill for taxing the automobiles or for regulating the automobiles?

Mr. DAVIS. Both. In that connection I wish to state that what I mean by that is that it fixes rates for license fees predicated upon weight, and so forth, and it also has some provisions regulating the size of motor vehicles in accordance with provisions that are in vogue in Pennsylvania, in Virginia, and in most of the States, and which are embraced in the model automobile act which has been published by the Department of Commerce pursuant to an international conference on the subject.

Mr. BURTNESS. I realize, of course, there are many regulatory features in the bill. I was wondering if it was to be regarded primarily as a taxation bill, a revenue measure, and, if so, whether there may not be serious question as to its constitutionality—that is, unless it is to be regarded largely as a regulatory measure—because you are going to tax property without any regard whatsoever to its value and only with reference to its weight. For instance, you are going to tax an old automobile——

Mr. DAVIS. Even the rates themselves are regulatory in character, because the rate is increased in proportion to the size, on the theory that the heavier the car the more damage it will work.

In addition to this we make a distinction in the tax between pneumatic tires and solid tires and metal tires, as they do in practically all jurisdictions, and for the same reason, and that is because of the relative damage they do, and I think to discourage, particularly, the use of metal tires.

Mr. BURTNESS. I think there are very many splendid features in the bill in that regard, but the thing I can not quite get through my head is this: If this bill is to be more than a regulatory bill and is to be actually a tax measure, why you should tax an automobile that is 10 or more years old with as large a tax as you impose upon a brand new car. Most of these old cars are heavy, and some of them may not be used more than 1,000 miles during a season.

Mr. DAVIS. In that respect I want to say that only two States of the Union impose a license fee in accordance with the value. The larger car will pay a larger license fee under this bill, because even upon passenger cars the rate is fixed by weight; in other words, a Packard car will pay as much more than a Chevrolet as there is difference in weight, and we think that in a degree reaches the value question, and in a more logical way and in accordance with the trend of legislation in all the States on this subject.

Mr. BURTNESS. Of course, there are many States that take other factors than weight into consideration. They take power into consideration, some take value into consideration, and they take age into consideration or a combination of such factors. There are various types of legislation in the various States.

Mr. DAVIS. I know that is true, but the vast majority of States fix the rate upon weight.

Mr. BURTNESS. Upon weight alone, does the gentleman mean?

Mr. DAVIS. Some of them use weight and horsepower. I have some figures here on that subject.

Mr. BURTNESS. I do not want to take up too much of the gentleman's time.

Mr. DAVIS. As the gentleman knows, there is not very much difference between weight and capacity.

Twenty States of the Union fix their license fees based upon weight, 2 upon weight and capacity, 22 upon capacity, 1 on horsepower, 1 on value, and 1 on capacity and horsepower. So in drafting this bill we certainly are in line with an overwhelming percentage of the States of the Union, and certainly with the trend of the legislation. We have undertaken to draft a bill which is modern and one which has been proved by experience in the different States to be the best way of meeting the situation.

Mr. FREAR. Will the gentleman yield?

Mr. DAVIS. I yield.

Mr. FREAR. The question has been raised whether or not a car that is worth, say, $10,000 ought to pay a fee based entirely on weight. If the gentleman sees fit to offer an amendment to strike out section 7, of course, that would bring up the question for a test, because then the bill would permit the personal-property tax to be levied.

Mr. BURTNESS. Of course, if the personal property tax is to remain, I think it must be agreed that it would be unreasonable to provide as high a regulatory fee as is provided in this bill. I am frank to say, just as an offhand proposition, it would seem fairer to me to let the personal tax remain rather than to assess every car purely upon its weight, without any regard whatsoever to its age or its value; particularly so now, after you have passed a bill in the House, which I hope will become a law, increasing the gasoline tax 2 cents, which will be paid, of course, by the people who use the streets of Washington the most. I think this is entirely in harmony with what is fair treatment; but I doubt whether it is fair treatment in the case, for instance, of retired Government clerks, with small incomes, who 10 years ago may have been able to buy an automobile and who are able to keep that old car and use it for their pleasure a few hundred or a few thousand miles a year. We all know that cars made many years ago were heavier than comparable cars are now, and under this bill the owners of old cars may have to pay more for a license than they could sell cars for to-day.

Mr. DAVIS. I want to say that I am in strong sympathy with the gentleman's idea. My State has both taxes—a license tax of 6 cents a gallon and a horsepower tax—and a weight tax on carriers for hire. This is simply an effort to be fair with the District of Columbia, together with the further fact that it is more certain and definite and easy of enforcement, and further, because not a great deal has been raised heretofore by the personal-property tax.

As a matter of fact, it was stated by one of the officials that there were 30,000 cars operating here that paid no personal-property tax on the ground that they did not consider them of any value.

Mr. ADKINS. You have here a gasoline tax, a license tax, and a property tax; and is not that pretty generally the average in the various States? Is not this in line with what they have in other States?

Mr. DAVIS. The method of taxing automobiles varies considerably in detail, and we have undertaken to establish a happy medium in this bill. Some have one provision and not others, and some will have provisions very much higher than they are in other States. I think the bill we have reported will raise the tax fairly comparable with the surrounding jurisdictions.

Mr. STAFFORD. I suppose the committee did not intend to drive off the streets of Washington these old, discarded heavy-weight cars of the vintage of years ago. This bill will drive them out of existence.

Mr. DAVIS. Oh, I do not think so. I do not think any man who owns one of these cars will be badly hurt when he can get a license at such a small expense.

Mr. STAFFORD. The gentleman knows that these cars of 5 and 10 years back are heavier than comparable cars are to-day.

Mr. DAVIS. In Virginia they have a minimum of $12.25. Many States have a minimum charge in excess of what it would be under this bill.

Mr. BURTNESS. What will the smallest tax be under this bill?

Mr. DAVIS. Well, at 50 cents a hundred pounds, the gentleman can figure that.

Mr. BURTNESS. I have not been getting the information which the committee has. Of course, I know at 50 cents a hundred pounds a car weighing 3,000 pounds would pay $15 for a license.

Mr. DAVIS. Some of them would be as low as seven or eight dollars.

Mr. BURTNESS. Yes; for cars like the Austin—but we do not see many of them on the streets. What does a Ford weigh, for instance—does not that weigh upwards of 3,000 pounds?

Mr. DAVIS. I do not think so; a Ford sedan under this bill would pay about $8. However, I decline to yield any further.

Mr. Chairman, I yield back the balance of my time. I will ask the Chair how much time I have consumed?

The CHAIRMAN (Mr. OLIVER of New York). The gentleman has consumed 25 minutes.

Mr. MAPES. Mr. Chairman and gentlemen of the committee, this is the last of the four bills reported by the committee to be taken up in the House. The committee expresses its appreciation for the reception the House has given to the three bills which have already been considered.

This bill under consideration now is, the committee thinks, a model motor vehicle weight tax bill, based on the best thought and legislation of States in regard to taxing automobiles or motor vehicles.

However, I did not rise to discuss this particular bill, but before its disposition I want to make an additional statement in regard to the general subject matter under consideration by this committee.

At the outset let me say that, for one, I do not intend now, nor in the future, to attempt to run down or to answer all of the statements and criticisms which may be made of the work and the report of this committee. The report speaks for itself and, in my judgment, answers every criticism which has been made of it in so far as the merits are concerned.

It is easy to understand the attitude of the District. It is perfectly natural and human. At the same time it is well to keep in mind that in exercising legislative jurisdiction over the District of Columbia, Congress is not usurping any power. It is only carrying out the mandate of the Constitution. Reference is sometimes made to the Boston Tea Party and "Voteless Washington." The fathers who sat in the Constitutional Convention in 1787 and framed the Constitution were quite as familiar with the Boston Tea Party as we in this day are. It was a matter of recent history with them. In spite of that fact they deliberately wrote into the Constitution the provision which requires Congress to exercise exclusive legislative jurisdiction over the District of Columbia. Congress is obliged to exercise this power, whether or no, whether it chooses to do so or not. It is an obligation enjoined upon Congress which, in the performance of its duty, it can not escape, however unpleasant it may be.

As set forth in the report of the committee, in the performance of this obligation it has a dual responsibility. It must represent the people of the District and the people who live outside the District. It, of course, wants to be fair to both.

I do not want any Member of the House of Representatives to get the idea from anything that he may have heard or read that this committee did not hold hearings. It did. It invited before the committee and heard representatives of the District government and of different civic organizations within the District, as well as private individuals who desired to be heard. It heard everyone who expressed a desire to be heard up to the time the hearings of the committee closed, and it gave every witness who appeared before the committee full opportunity to express himself as he saw fit.

I have here a copy of the hearings. It is a volume of over 500 pages.

A distinguished member of another body was quoted in the Evening Star of yesterday and the morning Post of to-day as saying:

> I haven't seen the full report, but the details that have been reported are what was to be expected from a committee organized in pursuance of a resolution that was introduced in a spirit of controversy with the position of the Senate.

He continued:

> It is really a defi.

I hope that no one will read the report with that attitude of mind. It is in no sense a "defi" or a challenge to anyone.

The members of the committee were charged with the duty of recommending to the House what amount, in the language of the resolution creating it, "in their judgment," not the judgment of some one else, "the United States should contribute annually toward the development and maintenance of the municipality" of the District of Columbia. They have performed that duty, and they have given the facts upon which their judgment is based, and the reasons for it in the report which has been submitted to the House.

As stated in the report, the committee has endeavored—

> to give the House sufficient statistical information and data to enable every Member, not only now but in the future, to reach his own conclusion, from the information given, as to what the contribution of the Federal Government toward the expenses of the District government should be. The committee considers this feature of its report of prime importance.

Of course, the committee takes no responsibility for the conclusions of others, either before or after a study of the information and data given.

Lest we forget! I desire to quote, and I do so, with approval of the sentiment expressed, from the testimony of a witness before the joint committee of 1915, Mr. Herbert J. Browne:

> * * * the government of no city in America has been quicker to respond to an intelligent and fairly expressed public need and sentiment than Congress to the requirements of the District of Columbia. Unselfish opinion can prevail here, and if a thought may be expressed, it is that Congress has been so unwisely lavish in its attempted beneficence that a powerful landholding element has been created which demands as a right what has been granted as a subsidy.

I thank you.

Mr. THATCHER. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. THATCHER. As a matter of information, did your committee have before it the report of the Bureau of Efficiency?

Mr. MAPES. It did.

Mr. THATCHER. Is that included in the hearings?

Mr. MAPES. It is in a separate document.

Mr. THATCHER. And that was considered by the gentleman's committee?

Mr. MAPES. Very carefully and very fully and rejected in toto.

I yield 15 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, I rise to follow along the same line of thought just expressed by the chairman of the committee. I call attention to the fact that I have disclosed to the House that the unanimous report of the committee would have brought in $14,000,000 from the District of Columbia in addition to what they now collect if we had invoked a personal-property tax and a real-estate tax equal to the comparable 22 cities we have had under consideration. As the chairman well says, the tea party up in Massachusetts is being discussed in the District of Columbia. There are various organizations in the District of Columbia, from Swampoodle, as they used to call it back in the days when I lived here, and Anacostia and other places which are being organized to tell the American Congress what the organization will do and what it will not do. Of course, that protest is quite imposing in a way. It is a voteless District, as they well say; but that is written into the Constitution, as Chairman MAPES has said. We can not change it. Washington wrote it there particularly so that District residents could not control all of the Federal property here. These organizations say they want the right to vote. It is a demand in the papers of yesterday and to-day. Do you know what would occur if that attempt is made and we offered to them an amendment to the Constitution? It would go back to the 48 States, and what would they say? Would three-fourths of the States give the right to the District when they knew that $14,000,000 should be raised in the District of Columbia in taxes to bring it on a par with all of the cities outside? Do you think that? Try it. Not a single State would agree to the vote amendment.

It is offered, I fear, just to befuddle the issue. Anyone who lives in the District of Columbia by traveling 5 or 6 miles can get over into the State of Maryland where he will pay an increased tax, as people do outside the District, or he can go into Virginia, where also they pay a higher tax than here; but I do not hear of any exodus from the District of Columbia by these organizations that are complaining about a voteless District.

Mr. SIMMONS. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes. Certainly.

Mr. SIMMONS. I suggest that there is a movement as the gentleman knows to restore that part of the District which is now in Virginia to the District of Columbia.

Mr. FREAR. Then they might move out a little farther and retain the advantage of the lighter tax.

Mr. SIMMONS. That movement had its inception in a desire to get the low tax rates and the privileges of the District.

Mr. FREAR. No man of any intelligence or honesty of purpose will say that a member of this committee purposely acted unfairly or was prejudiced in the hearings or in the decision. We have endeavored as best we could to accept positions that we did not want. We were placed on this committee by the Speaker of the House, and we have undertaken our task fairly and honestly and without fear. That is one of the troubles with the American Congress to-day. Why do we not impose a tax on these people that they ought to pay? No argument has been made here in favor of levying $9,000,000 additional taxes on real and personal property. Of course the Legislative Committee on the District of Columbia can impose a $9,000,000 additional real and personal tax if it chooses, and it ought to impose this tax to equalize taxes generally. There is no just reason for not doing so.

We are confronted with a statement of which the chairman speaks and which I noted last evening in the press. It is my desire to keep within parliamentary rules, and if I do not I hope some one will call me to order. A gentleman was quoted wherein he said he felt that the organization of the Mapes committee was a defy—I do not know whether to him or to the Senate or to whom, or to the District. We never knew of his feeling in the matter then nor at anytime before. I do not think a member of our committee had any thought of a defy, and I do not know what the gentleman means by it. I do know this, that the gentleman in question was given the most liberal condemnation that ever came to any man in Congress on either side, so far as I remember, because of his attitude when he first came to Congress to influence the tariff bill, all under particular circumstances. The record is well known. I have this in mind and it is a very tender thought.

This gentleman, who stands constantly in the spotlight, who gets his reward in the columns of the local press, tells us the Mapes committee is a defy. The other day he went down to the Philippines, and the little brown men were to be pitched out into the sea because he was not satisfied with their position or demand for independence. He had all the experience of a few hours down there to determine the merits of the great question by this newcomer who constantly is in the press. He says this committee is a defy to him, I take it, possibly because he occupies a position where

he feels that it is trespassing upon his exclusive rights to determine all legislative matters. If the House of Representatives does its duty, it may say to him and to anyone at the other end of the Capitol or elsewhere, and to the people who are going to move out of the District or threatened to, "You pay your fair amount of taxes before you come here and ask for a District dole." Why not, I ask you. We are all taxpayers. What right has anyone to make this a place where there can be tax evasion and tax dodging, which has been its reputation for all of these years. The press and residents say, "We ought to have all of the advantages of a capital city" and a far less tax to pay. No city in the entire world, with one exception, gives a dole to the people of that city because the Capital happens to be located there. The proper thing for the House of Representatives, which is equal in its legislative power to the Senate, I submit, is to say to anybody who complains about a defy, "Let the District of Columbia pay what it should pay in taxes and what is right; then we will determine the amount of the dole, whether it is to be one million or six million." Suppose they say, "We will not pay it; we will continue to belabor Congress"? What will you do? What will the average city do? Why not say if you do not tax yourselves, you get no dole. Every city must tax itself to meet expenses. That is the only way every other city in the world except Washington has to do. Why not put that proposition right up to these people who are complaining about a "defy"? There is no other person that I know of who has ever been a "defy" more than the gentleman who fears at this time that he is confronted with a defy from the House of Representatives. Of course, we never had him in mind. Not a member of the committee ever spoke of him or ever thought of him. That might be unfortunate to his pride and he might regret it. He may think he occupies the same position there that he thought he occupied in another body. I do not know of anyone here who pays any attention to him or cares about him. When he says, "It is a defy," I say he was never thought of, and he magnifies his own importance.

The suggestion is made by a Member sitting before me that he wants to get in the newspapers. How can I deny it? It is an easy way to get into the newspapers, by "defending" the District. You can always do it here. You can always get into the papers if you are a "defender" of the District. There was not a "defender" here yesterday who would have risen in his place and attempted to speak against one of the bills which we were considering. They are the same bills that are put in force in other places. Why should not the District of Columbia pay the same? Why should its people be a specially favored class? I say that because I have lived in the District of Columbia. I thought it was the most fortunate place in the world to live. It is the most beautiful city—and I have been in nearly every capital city, I believe, in Europe. There is no city the world over that compares with the city of Washington, and yet these people, with all these privileges, with $200,000,000, approximately, being paid out every year for employment and other purposes by the Federal Government do not want to pay their just taxes. As my friend from Texas yesterday said, it gives them new bills, yet we know they complain and they are going to organize a tea party headed by the gentleman who fears there is a defy. With all of his epaulets and shoulder straps and the bonnet with feather he is going to wear at that time, he is going to tell the people of the District of Columbia how they have been burdened and how unfortunate they are. He will lead his army against just taxes. Just think of the absurdity of a situation like that in this undertaxed District.

Mr. BLANTON. Will the gentleman yield?

Mr. FREAR. I yield. I am glad to yield to a man who knows more about the District than I do.

Mr. BLANTON. I want to call attention to the fact that all of that apparent animosity which led that distinguished gentleman from Connecticut to imagine and voice the defy came from the newspapers. They get mad at the House, and they run over somewhere else and find somebody to voice their sentiments, and it came from a Republican from the State of Connecticut, if you please. He is not willing to admit that $6,500,000 is enough of the people's money to contribute to the civic expenses of this District. But some day his people back home will become posted on the subject.

Mr. FREAR. In addition to the four million that we are just providing for here through income, estate, gas, and auto taxes.

Mr. BLANTON. Yes; and I want the gentleman to call attention to the statement that I put into the hearings of his committee on these bills from your former distinguished member of the District Committee, Mr. Johnson, of Kentucky, wherein he said that even in his day if you figured up the balance, the District of Columbia would owe the Federal Government $50,000,000 for extra handouts that had been given to them up to that time. That is in the hearings from your former distinguished chairman of the Committee on the District of Columbia.

Mr. FREAR. I thank the gentleman for his contribution. And let me say that I was here when Chairman Johnson was chairman of that committee. That was many years ago. When a District bill was pending he was pilloried nearly every day by the local press. My good friend Mr. SIMMONS, of Nebraska, has been abused and Cramton has been abused. No man can satisfy the people of the District of Columbia in the matter of taxes. The press is not that way in the ordinary cities. They give you fair treatment. They give people who are trying to do their duty credit for that purpose, but the Federal Treasury is here and the disposition is to get their fingers in with the expectation of lessening taxes. I would not put an undue tax on the District. I want to make this city the most beautiful city in the world, which it is to-day. There is no city that compares with it, and I accept the criticism of the city by my good friend, Mr. LAGUARDIA, of New York, when he says there are portions of this city that ought to be improved, cleaned up. With that I agree. They should be cleaned up, but as a whole the city is a wonderful city, second to none, and I would keep it so. If it pays $14,000,000 increased taxes the committee has found to be just and right, it will save the Federal Treasury to that extent.

Mr. BLANTON. Our friends, the newspapers here, get mad when we mention them, but they mention us whenever they get ready. They give us "h" whenever they get ready, and my policy is to give them "h" in return when they deserve it.

Mr. FREAR. Which "h" does the gentleman mean?

Mr. BLANTON. They know what "h" I am talking about.

Mr. FREAR. Well, I want to say this in justice to the newspapers. I have never felt but that I had a square deal from any paper outside of this city. I have taken the floor here when the Wall Street Journal published a long editorial criticizing me and what I had said. When I corrected the paper it published my full explanation in the same editorial column, which was eminently fair.

The same is true of the New York Times, and there is no stronger or better paper in the country than that. Those papers, and practically all others outside the District, do treat us fairly. But, as was pictured here yesterday, we ourselves sometimes belittle our Congress. Untrue statements are made and they are not resented. I will say that there is not a man in this body—and I do not care who he is or where he is—whom I would not place higher in comparison with a publisher I have in mind. I am not going to mention his name, but his record and character speak for themselves. You must have some reputation, my friends, to be here. You have to be respectable and responsible. You go to your constituents and say, "This is my record." If it is right, they will quickly discover it. Sent here by constituencies of between 200,000 and 300,000, we are treated like a lot of lackeys by men who want the spot light—such as this man who is looking for a defy. Will he get it? All the rest of us are put in the attitude of injuring the District, which I am certain not a man on this floor would do.

Now, my friends, I was placed here to close this discussion.

Mr. GLOVER. Will the gentleman yield?

Mr. FREAR. Certainly.

Mr. GLOVER. I think the gentleman from North Dakota asked a very pertinent question a moment ago with reference to this, as to whether it was to regulate or was a tax to raise revenue. Does the gentleman know whether or not this question has been passed on, that you can put a tax on personal property to produce revenue without having any regard whatever for its value?

Mr. FREAR. It has been done right in the District of Columbia for years with the automobiles. They have taxed them $1.

Mr. BURTNESS. Oh, no. If the gentleman will permit, under the law up to this time in the District of Columbia, automobiles have presumably been taxed for their full value.

Mr. FREAR. Oh, no.

Mr. BURTNESS. Wait a minute. Presumably, I said. They have provided a registration tax of $1, which is an entirely different matter.

Mr. FREAR. It has nothing to do with the registration tax, and that, I knew, was the gentleman's mistake. Many of their cars are paying a personal-property tax of $1, if I recollect the hearings correctly.

Mr. GLOVER. What I started to say was that the report says it is for the purpose of raising revenue. That is stated in the report. If there is any controversy over that, it ought to be settled now. I believe there ought to be a weight tax in it, but I think a property tax should also be carried, so there can be no question about this being a legitimate tax.

Mr. FREAR. Then the gentleman's proposal would mean the striking out of section 7, which the gentleman will have the opportunity of doing. The committee has in every instance attempted to be fair and just and hold things down below the average, and it was for that reason we did not put the property value in. We get little credit for anything we have done. We will get criticisms, but we do not care about them, because we are not here to satisfy any people except our own consciences. I am speaking now generally. If the gentleman feels that personal-property tax is right, he can offer an amendment and, of course, he may have some following on it. We did not.

Mr. GLOVER. My idea is that a car ought to be taxed according to its value. There might be a car weighing 5,000 pounds that would not be worth very much at all.

Mr. FREAR. I can understand that, and we all understand that. Of course, there is no question about that. If the gentleman wants to undertake it he can offer an amendment.

Mr. GLOVER. I think I shall.

Mr. FREAR. That is the way to reach it.

Mr. BLANTON. There is a property tax here now, but the exemption is such that it practically takes all Fords, Chevrolets, and cars of that value out of the taxable class.

Mr. FREAR. I have understood that there were a whole lot of Fords and old machines that were taxed at $1 apiece. That is what I have in mind. It is not a registration fee, and I think it so appears in the hearings. The cars I have referred to were taxed at $1 each, an absurdity, of course, on the face of it. We have tried to give you orderly and businesslike bills drawn on the latest plans. I do not know whether they will get through the Senate or not, and, as far as that is concerned, it will not affect us at all. We have done our duty, and that is all we tried to do. We have recommended these bills for passage by the American Congress, but if in another body or any other place they say they will not yield, have your own recourse.

The House of Representatives is just as great a body and represents the American people just as much as any other legislative body in the world.

Mr. BLANTON. Will the gentleman yield for a further question?

Mr. FREAR. Yes; certainly.

Mr. BLANTON. Their greatest argument and their stock-in-trade argument is that it is taxation without representation.

Mr. FREAR. Yes; I know.

Mr. BLANTON. The gentleman knows that we have a special District legislative committee of 21 members who work constantly for Washington and represent the people here, and there are thousands of people living in the District of Columbia who vote on all national affairs in their various States. They go home to vote, and most of them are Republicans. I can understand why they are not very well represented now.

Mr. FREAR. Maybe they did not go home last year?

Mr. BLANTON. They are not taxed without representation; they are well represented here.

Mr. FREAR. Let me say to the gentleman in answer to that argument, which is made repeatedly, there are certain gentlemen who are afraid of a "defi," who represent them to-day. They represent them way beyond what you gentlemen would represent your districts or anyone else, because they are constantly here asking for things for the District because of the reward that is sure to come of additional publicity and criticism for failure.

We have worked hard to present these bills to you. We have no personal interest in them at all. You have passed them on to the Senate, and you have it in your hands through the legislative committee of the District later on to enact a law that will provide that these District people shall pay on real estate and on personal property the same taxes that are paid back in our States, and this is all that we have asked.

I thank you very much for your attention. [Applause.]

Mr. DAVIS. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. LAMNECK].

Mr. LAMNECK. Mr. Chairman, ladies and gentlemen of the committee, I appear before you as a new Member. This is a great event for me, if not for you. I come here with the greatest determination to vote for all constructive legislation that is presented at this session of Congress. [Applause.]

I believe the people of my district, of Ohio, and of the Nation expect me to do this. My district has a population of about 400,000 people; farmers, business men, large and small. We have Democrats and Republicans, about equally divided. They have asked me to come to this session of Congress and tell the Congress what we think of various things and what sort of legislation we think should be enacted at this session, and through the generosity of the gentleman from Tennessee [Mr. DAVIS] I have this opportunity, which I appreciate very much.

To represent 400,000 people in the greatest legislative body in the world is a great privilege. I want to measure up to this responsibility. After telling you what we think, we do not care whether the legislation comes from the Republican side or from the Democratic side or from the Progressive element. They expect me to vote for legislation that is going to take us out of this terrible depression.

I wish I had the power to reflect to you the feeling of the people of my district—Republicans, Democrats, rich, poor, big business men, and little business men. They know we are in a terrible situation, and they do not expect us to play politics at this session of Congress, until, at least, the necessary things are out of the road.

One of the things they believe we should give first attention to is financial legislation. They do not think we ought to do anything with the Federal reserve act, or at least not very much, because its worth has been demonstrated a thousand times before this.

They expect me to vote for President Hoover's moratorium, and I am going to do it. [Applause.]

They expect me to vote for the home discount bank bill. In my city alone, ladies and gentlemen, we have in the building and loan associations $130,000,000—think of it—"deader than a doornail"; that we can not do a thing with unless some legislation of this kind is passed at this session.

The statement is made that if this bank bill is passed $60,000,000 will be immediately available for use in legitimate business.

People are in a terrible situation there because the public has lost confidence in the banks, and if there is anyone here who thinks we can run a business without banks and financial institutions, I would like to see him. I can not. In my manufacturing business I must use the banks.

Therefore I claim we have got to do something for the bankers, whether we like it or whether we do not like it. The public's confidence must be restored so that they will leave their money in the banks, and the banks' confidence must be restored so they will lend the money to legitimate business. In my judgment you will never have any prosperity in this country until this situation is solved.

Restoring public confidence is the first thing to do, and any legislation that will restore confidence is what we ought to vote for regardless of our political affiliations.

My people believe we ought to do something about the tariff. They believe we ought to revise the tariff. They believe the tariff has resulted in a large loss of world commerce. They point to the fact that in Canada alone 107 American manufacturers have built plants since the last tariff was passed. I do not claim to know anything about the tariff, but if that condition is true, there must be some reason for it.

I do know, however, of a situation that occurred with a customer of mine in New Zealand. He used to buy furnaces in this country and when the tariff bill was passed he quit buying furnaces here. When asked why he quit, he said:

> We can not buy furnaces in the United States any more because we have set up a retaliatory tariff, and we charge $75.60 for every $100 order that you ship to us.

With the retaliatory tariffs passed by 47 foreign countries, which have resulted in our losing world commerce, is it not about time that Democrats and Republicans should act together and revise the tariff, no matter what our record has been in the past on that important subject? [Applause.]

Another thing they believe we ought to do something about is prohibition. They believe—and I think I reflect the sentiment of my district—that prohibition has interfered with the consideration of subjects of greater importance. Just think of it! The President of the United States can not appoint a member of his Cabinet unless the question is asked whether he is wet or dry. A man can not be nominated for Congress unless he is asked the question whether he is wet or dry. A Senator or a governor of my State, or any State, can not be elected unless he is asked whether he is wet or dry. I hope the bill which will refer the question of prohibition to the States for ratification by constitutional convention will be enacted at this session.

Another thing you have heard about is the concentration of wealth in the hands of a few. I have heard it stated that 3 per cent of the people of this country own 93 per cent of the wealth. They want me to tell you to do something for the small men and women, the small business people, who have been forced back by this movement during the last 10 or 15 years, and they point to the fact that if that trend continues it will be only a short time before we will be a Nation of two classes, the rich and the poor, instead of a Nation of the rich and a great middle class. [Applause.]

Mr. HORR. Mr. Chairman, will the gentleman yield?

Mr. LAMNECK. Yes.

Mr. HORR. Mr. Chairman, I am very much interested in the remarks of the gentleman that prohibition is not, and should not be, an issue or be used as a yardstick. Is it not a fact that the only reason why the gentleman and myself are here is because of that issue?

Mr. LAMNECK. No; I would not say that.

Mr. FREAR. Mr. Chairman, I yield nine minutes to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, ladies and gentlemen of the House, you will recall that a short time ago this House passed a resolution unanimously to create a commission to celebrate the two hundredth anniversary of the birth of George Washington. I rise to bring to the attention of the House to-day a little ancient history that may cause men in high places to reflect upon their solemn responsibilities as representatives of the people.

When, in 1793 it was sought by resolution in the House of Representatives to pay respect to President Washington on the occasion of his birthday the motion was vigorously opposed.

When the Jay-Grenville treaty of 1794 was placed in the hands of President Washington on March 7, 1795, the partisan press poured forth a perfect torrent of abuse. The Aurora, a newspaper of that period, had this to say:

> The President has violated the Constitution. He has made a treaty with a nation that is the abhorrence of our people. Louis XVI in the meridian of his splendor and his power never dared to heap such insults upon his subjects. The answers to the respectful remonstrances of Boston and Philadelphia and New York sound like the omnipotent director of a seraglio. * * * As he has been disrespectful to his people, let him no longer expect them to view him as a saint.

It was about this time a man who wrote under the name of "A Calm Observer" charged Washington with being a thief, alleging in support of the accusation that the Chief Executive had drawn from the Public Treasury for his private use more than the salary allowed by law, and inquired:

> What will posterity say of the man who has done this thing? Will it not say that the mask of political hypocrisy has been worn by Cæsar, by Cromwell, and by Washington alike?

How these poisoned shafts of calumny and gross ingratitude must have pierced the pure and stainless heart of Washington. How much he suffered from these assaults upon his character is a matter of recorded history.

One who styled himself "Pittachus" wrote:

> Happily the public mind is rapidly changing. Hitherto the name of Washington has been fatal to the popularity of every man against whom it was directed. Now it is as harmless as John O'Nooke or Tam O'Stiles. To be an opposer of the President will soon be a passport to popular favor.

At the very time when the life of the infant Republic hung by a thread and President Washington was quietly and courageously consecrating his very life to preserve and promote its welfare, he was subjected to an ever-increasing broadside of abuse. A writer of that time, referring to those who were then engaged in an effort to destroy public confidence in the Chief Executive, said that they—

> Threw aside all reserve * * * and under the abused name of the liberty of the press assaulted his fame with a virulence not inferior to that with which they could have attacked the meanest defaulter. His military, his civil, his political, his private domestic character were all arraigned, and he was asserted to be destitute of merit, either as a man or as a soldier. * * * Having once made the charge of peculation against Washington, the imposters stood their ground and undertook to support it by extracts said to be taken from the Treasury accounts. The Secretary of the Treasury testified that the appropriations made by the Legislature had never been exceeded, still the charge was repeated with an effrontery which passed with some for the firmness of conscious rectitude.

An extract published in the Aurora under the date of March 23, 1796, which is only one of many vicious assaults published at the time, will suffice to show the depths of degradation to which partisan prejudice can go in an attempt to blast the character of a political opponent:

> If ever a nation was debauched by a man, the American Nation has been debauched by Washington. If ever a nation has been deceived by a man, the American Nation has been deceived by Washington. Let his conduct, then, be an example to future ages; let it serve to be a warning that no man may be an idol; let the history of the Federal Government instruct mankind that the mask of patriotism may be worn to conceal the foulest designs against the liberty of the people.

Stung to the quick by these foul and merciless charges, Washington wrote to his friend, Governor Lee of Virginia, as follows:

> That there are in this, as in all other countries, discontented characters I well know, as also that these characters are actuated by very different views. Some good, from the opinion that the measures of the General Government are impure; some bad and (if I might be allowed to use so harsh an expression) diabolical, inasmuch as they are not only meant to impede the measures of

government generally, but more especially to destroy the confidence which it is necessary the people should place (until they have unequivocal proof of demerit) in their servants; for in this light I consider myself whilst I am an occupant of office, and if they were to go further and call me their slave during this period, I will not dispute the point with them. But in what will this abuse terminate?

For the result, as it respects myself, I care not. I have a consolation within me of which no earthly efforts can deprive me, and that is, that neither ambition nor interested motives have influenced my conduct. The arrow of malevolence, however barbed and pointed, can never reach my most valuable part; though, whilst I am up as a mark, they will be continually aimed at me. The publications in Freneau's and Bache's papers are outrages on common decency, and they progress in that style, in proportion as their pieces are treated with contempt, and passed over in silence by those against whom they are directed. Their tendency, however, is too obvious to be mistaken by men of cool and dispassionate minds, and in my opinion ought to alarm them, because it is difficult to prescribe bounds to their effect.

That these outrageous and foul slanders injured and embittered President Washington is disclosed in a letter written by him to Thomas Jefferson:

To this I may add, and very truly, that until the last year or two I had no conception that parties would, or even could, go to the lengths I have been witness to; nor did I believe until lately it was within the bounds of probability—hardly within those of possibility—that while I was using my utmost exertions to establish a national character of our own, independent, as far as our obligations and justice would permit, of every nation of the earth, and wished by steering a steady course, to preserve this country from the horrors of a desolating war, I should be accused of being the enemy of our Nation and subject to the influence of another, and to prove it that every act of my administration would be tortured and the grossest and most insidious misrepresentations of them be made by giving one side only of a subject, and that, too, in such exaggerated and indecent terms as could scarcely be applied to a Nero, to a notorious defaulter, or even to a common pickpocket.

One of the most accomplished scoundrels of that period, a degenerate wretch named Callender, kept up an incessant assault upon Washington. Referring to the Farewell Address of Washington, in a pamphlet entitled "The Prospect Before Us," he said:

By his own account Mr. Washington was twice a traitor—he first renounced the King of England and thereafter the old confederation. His farewell paper contains a variety of mischievous sentiments.

Later this unconscionable knave turned his battery of abuse upon President Adams. He referred to him as a "hoary traitor."

It was alleged by the propagandists in the campaign of 1800 that Thomas Jefferson—

Had obtained his property by frauds and robbery; that in one instance he had defrauded and robbed a widow and fatherless children of an estate to which he was executor of £10,000 by keeping the property and paying them money at the nominal rate when it was worth more than 40 to 1.

This charge was promptly disproved.

Jefferson, in a letter to Washington, referring to the muck-raking newspapers of the time, said:

No government ought to be without censors, and where the press is free no one else ever will be.

Meeting a friend one day he remarked:

There is nothing true in the newspapers except the advertisements.

Not content to limit his attack to the public life of Jefferson, this arch renegade, Callender, charged him—

With having a family of negro children by a slave woman named Sally; with having been turned out of the house of a certain Major Walker for writing a secret love letter to his wife; and with having swindled his creditors by paying debts in worthless currency. * * *

As early as the year 1800 such charges were considered news, even when made against the author of the Declaration of Independence.

Andrew Jackson was called a murderer, an adulterer, and a traitor. The New York Evening Post, referring to him in its columns, said:

He has broken the known law of nations and promulgated a new code of his own, conceived in madness or folly, and written in blood. He has, in fine, violated all laws, human and divine.

Each day thousands of American citizens reverently stand before one of the most beautiful memorials in all the world to pay respect to the martyred Lincoln. Yet within the lives of men and women now living this great and good man was the target of the most vicious abuse and the grossest slander. A delegate at Chicago asserted that—

Ever since that usurper, traitor, and tyrant has occupied the presidential chair the party has shouted "War to the knife, and the knife to the hilt!" Blood has flowed in torrents, and yet the thirst of the old monster is not quenched. His cry is for more blood.

The assassin's bullet was the logical result of campaigns of falsehood and hate.

It would seem that the tragedies of Lincoln, Garfield, and McKinley might cause men in public life and the press to pause and reflect upon the possible consequences of inflammatory and false charges against the Chief Executive. There will always be some persons reckless enough to use their talents to manufacture and disseminate false and vicious charges against a President of the United States.

If any citizen of this country or any official of this Government has facts with which to prove corruption, let him use constitutional and legal machinery to correct the alleged abuse. Our Government is too precious to the individual and too essential to the preservation of civilization to be endangered by careless and reckless appeals to the prejudice and passions of suffering humanity. With radicals and reds appealing to the hungry and the unemployed urging disloyalty to the Government, this is no time for men in high places to start false rumors to achieve either personal or political advantage.

Mr. DAVIS. I yield 15 minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, I do not rise for the purpose of engaging in partisan debate or destructive criticism. Neither shall I consume the time of this House with glittering generalities and meaningless platitudes. We are in the midst of a great economic depression that is vitally affecting the happiness and well-being of countless millions of our fellow countrymen. It is not necessary to describe the deplorable conditions that obtain in every section of the Nation, and with which the majority of us on both sides are painfully familiar. The question that is paramount in every heart and upon every lip is the cause and the remedy. It is imperative that we discover the cause or causes in order that we may successfully and effectively apply the remedy or remedies.

I am not so presumptuous as to indulge the vain belief that I can point out the cause of our present situation and propose the necessary remedy. I have no panacea or political nostrum to offer. What I shall say is, like most statements, neither new nor original. But the repetition of great truths and the constant reminder of fundamental principles often serve to keep us on the true course, or, "when we wander from them in moments of error and alarm, to hasten us to retrace our steps and regain the road which alone leads to peace, liberty, and safety." Indeed, Mr. Chairman, there is nothing new underneath the sun. History repeats itself constantly, and in its accurate mirror we may often see familiar scenes and faces. Of the countless panaceas that flood the mail, few are either new or original.

Many decades before Karl Marx and Lenin were born the empty dream of communism was shattered in the ancient Republic of Sparta. The artificial fixation of prices by government and the vain attempt to suspend the operation of natural economic laws were unsuccessfully tried by the last Emperors of Rome. In spite of the lessons that history teaches and the light which she so generously offers to guide our erring steps, many of us prefer to grope in darkness or to try once again the futile experiments of the past.

Mr. Chairman, in my humble judgment the cause of the present economic crisis is our foolish attempt by artificial means to suspend or interfere with, in so far as certain favored groups and industries are concerned, the natural and orderly operation of those great and fundamental laws that underlie and govern the economic world. This attempt has

been made by private monopoly, collusion on the part of competing industries, and by unsound legislation. We have sought to interfere with the laws of competition and the law of supply and demand by various and sundry artificial expedients. The adoption of an artificial expedient by one industry, or in favor of certain classes of industry and commerce, necessitates a similar course in reference to other industries until finally the barriers of artificial restraint impede the natural flow of commerce and business. The impounded rivers of industry and commerce will stagnate or eventually sweep away the artificial barriers and leave in their wake ruin and desolation. For a time these artificial barriers may be sufficient to suspend the operation of economic laws. During such time the favored and privileged classes that are protected by the artificial barriers enrich themselves at the expense of a helpless consuming public that is compelled to sell and work on a competitive basis and to buy in an artificially controlled market. This results in concentration of wealth and power in the hands of a few and the impoverishment of the many. It creates two extreme classes—the ultrarich and the ultrapoor.

In the last decade a new school of economic and political philosophy has risen from the tomb of the past. This school denounces competition in industry and commerce as wasteful, and advocates artificial control of supply and demand by private monopoly or collusive agreements. But, by a strange inconsistency, this school of thought does not apply its creed in the cases of independent business, agriculture, and labor. These latter groups are required to engage in the competitive struggle, and any attempt by legislation or otherwise to put them upon the same plane of economic equality with protected industries is met with vigorous opposition.

Spokesmen of large banks who are intimately associated with manufacturing and mining interests quickly perceive the mistake of impoverished agricultural producers in following, with the aid of the Government, the example of the big industries in artificial control of prices. The farmers are told that it is futile to undertake to solve the problem of farm surpluses by keeping prices up and stimulating greater surpluses. These same spokesmen admonish the farmers that all attempts to suspend the operation of the law of supply and demand will result in failure. But there is no difference in theory and policy between industrial and agricultural price control " in defiance of the law of supply and demand," as the phrase goes. The real difference in practice is that large private business is usually able to do it for a time more successfully and to the greater profit of the little group of insiders, than can any governmental board for the benefit of a multitude of individual and competitive citizens. By a well-directed and organized propaganda the faults and failures of the Sherman antitrust law have been pounded in our ears. Some captains of industry are urging us to make radical revision of its terms—if not to bring about its complete repeal. During the past decade this economic school which holds as its chief tenet the proposition that competition in industry and commerce should be eliminated has largely shaped and directed the policies of our Government. By a prohibitive tariff policy we have practically freed privileged and favored industries from every character of foreign competition.

The object of our tariff legislation has been not to regulate competition or protect American industry from dumping, retaliation, or unfair competition. In our zeal to protect the favored industries we have gone so far as to free them from every character of foreign competition, fair and unfair alike. The Government has not sought by its tariff policy to raise revenue, protect infant industries, or to protect efficient and important industries from destructive competition based on lower standards of living and labor costs abroad. There was a time when our country was largely dependent on mining and agriculture and we had the very natural desire for industrial development. We recognized that the unrestricted competition of well-established industrial countries would seriously retard our industrial progress. In order to " promote the stability of our economic life by broadening the base of our prosperity it was felt that it was justifiable for the Nation to incur the temporary economic loss on account of the higher prices paid for protected commodities." Our industries are no longer infants, but have reached the state of maturity.

It is said that because many industries in foreign nations pay lower wages than are paid in the United States we are justified and even compelled to protect our own producers so that they can in turn protect their employees from the unfair competition of such foreign producers. Of course, no intelligent citizen wants the standards of American living to be lowered or the American laborer to be reduced to a state of semislavery, but there is a vast distinction between wages and labor costs. Many industries in the United States pay considerably higher wages than are paid by their competitors in foreign countries and yet the actual labor cost of the home producer is considerably less than that of his foreign rival. The American laborer, with his intelligence, efficiency, and superior equipment, is able to create considerably more wealth than the laborers of other countries; and it is a truth demonstrated so often that it is now generally accepted that our workmen, receiving higher wages in comparison with those of other countries, have such a high rate of production that the cost per unit of output is much lower than that of low-paid labor in foreign countries, which is inefficient and wastefully used.

But in spite of the greater productive capacity of the American laborer, the more fertile resources of our country and the more highly improved machinery and technique, many of our industries demand and receive prohibitive tariff protection to avoid every character of competition, fair and unfair alike.

But not content with the elimination of foreign competition the high priests of this school of economic philosophy, that seems to direct the policy of our administration, advocate the elimination or restriction of competition between industries in the United States. This is sought to be accomplished by the artificial means of collusion and agreements between competitors; or by consolidation of several concerns either by merger or acquisition. But a change has taken place in the methods by which great combines seek to artificially suspend the operation of the law of competition and supply and demand. They no longer resort to price cutting to eliminate competition. Prices are maintained at a level which allows the larger and more efficient units in the industry to earn large surpluses, " concealed by the secrecy with which many of the price arrangements are conducted and by the continued existence in some instances of a number of small independent businesses which follow the trust prices and furnish protective coloring." The great combines say they desire to stabilize the market and not to spoil it. The smaller competing concerns fear the potential ability of the more powerful combines to undersell drastically the less powerful. Therefore, by informal gentlemen's agreements and understandings, or by tacit understanding, or by the dominant leadership of the great combines, prices are in a number of industries maintained at an artificial level. The other method by which artificial control of prices and interference with natural economic laws are maintained is by consolidation of several concerns either by merger or acquisition.

Mergers have been rapidly multiplying.

Between 1918 and 1928, 1,268 resulting consolidations involving billions of dollars of capital were formed, an average of 127 a year. In this process of consolidation many thousands of originally independent establishments disappeared, " narrowing in all directions the field of competition, and enlarging the domain of private monopoly."

Some of these combinations are formed for the purpose of securing the economies of large-scale operation. The economies which large-scale operation may offer are well known.

In the purchase in bulk of raw material and power there is opportunity for comparison and selection which is denied to small rivals. In production there is an opportunity to profit by division of labor; each person employed can be given his own job to do; there need be no waste of time or skill in standing idle or transferring from one kind of work to another; the manufacturing

plant can be worked to capacity and every machine, like every worker, can be given a particular task to perform so that the product can be turned out with accuracy and precision; by-products can be utilized and wastes may be disposed of profitably in bulk; products can be standardized. In marketing, the large-scale producer has the opportunity to profit by the cheapness of transporting in bulk and may often maintain his own services by road, rail, or water. In advertising, the large-scale producer has the opportunity to maintain his selling force considerably less costly per unit of products sold than the smaller firms and in distributing he may maintain his own wholesale and retail selling agencies and thereby earn for himself the profits which formerly went to the middleman.

Although the economies of large-scale production are the objects sometimes sought by consolidation, in many instances this is used as a mere pretext. In some instances great consolidations are not as efficient as independent units; the smaller unit can often achieve economies which are denied to the large-scale producer.

A study in 1921 of the most notable mergers formed before 1903 showed that in 23 of the 35 cases the earnings in the next 10 years were less than before the merger, and in half of these less than one-third to nine-tenths, and in the aggregate earnings of all 35 were nearly one-fifth less than those of the separate competing establishments prior to consolidation. Even the United States Steel Corporation earned only about 85 per cent as much in its first 10 years as the previous earnings of its constituent companies. The great consolidations often become unwieldy organizations, and the effective supervision and the higher direction of the enterprise become impossible. But when the consolidation is once formed it is usually impossible to unscramble it. The efficiency of the resulting merger may be less than that of the units which make it up, when the latter were separate and independent; but its ability to artificially control the market, the hesitancy of new capital to enter an already overcrowded industry, the tremendous influence of the financial interests closely linked with the combine may serve to keep it alive long after industrial justification for its existence has ceased.

Many mergers are formed because promoters see the opportunity to make a fortune through overcapitalization and the issuance and sale of watered stock. The syndicate that formed the United States Steel Corporation made a profit of $62,500,000; of this the firm of J. Pierpont Morgan received $12,500,000, in addition to the share of which they were entitled as syndicate members. The formation of the Asphalt Co. of America left in the hands of promoting interests about one-third of the total bonds issued in acquisition of the various constituent properties.

Professor Dewing, who examined in detail the promotion and financial history of 14 of the largest American combines, concluded that in their promotion the total tangible assets averaged 40 per cent of the total issued securities; the remaining 60 per cent represented watered stock. Some one must pay for these watered stocks—either the owners, in the eventual deflation of the market value of the stocks or in lower dividends, or the consumer who must pay artificially maintained prices for the commodities, or the workmen and employees who must accept lower wages than they would otherwise be entitled to.

But even where the merger succeeds for a time in maintaining par value of its watered stock by artificially controlling the prices of its products, or by paying lower wages, eventually the economic law will reassert itself, the water will be squeezed out of the stock, and millions of dollars will be wiped out. The stock-market crash in 1929 illustrates the force of this statement. The unfortunate situation is that those who were responsible for the inflation will not have to bear the losses of the deflation. The bill must be paid by a helpless, investing, and consuming public. Some consolidations are formed to eliminate cutthroat competition and potential competition. In industries where overhead costs are high and where business is carried on under conditions of rapidly diminishing returns, unfair prices may force the cost of competition below the cost of production. Mergers are also formed to prevent a potential competition which is not yet developed.

The Eastman Kodak Co. and the United Shoe Machinery Co. owe their dominant position mainly to the purchase of patents which they did not intend to use, but which they feared might be used against them. The General Motors Co. of New Jersey bought control of 10 companies making motors and accessories to prevent the development of competition.

Many combinations of business units on the same plane of production under a central control are often formed to obtain a monopoly position. They desire to be able to dictate to both supplier of raw materials and consumer of finished products; such combines are wasteful because they usually buy up inefficient and badly located plants, which are either closed down or maintained at a loss which must be made up by higher prices or lower wages or dividends.

Consolidation has resulted in the concentration of wealth and power in the hands of a few. Eight automobile companies account for 90.9 per cent of the value of that output. Ownership is in many instances divorced from management. The control of a business is often in the hands of a minority holding. If 90 per cent of the securities owned by 30,000 individual investors, none of whom has a holding of more than, say, 1 per cent, an individual owning 10 per cent of the securities can obtain effective control.

The diffusion of joint-stock ownership gives the opportunity for concentration of financial control. This accounts for the fact that a few great financial barons are able, through ownership of a minority holding in various consolidations, to control a large per cent of the wealth and industrial concerns in the United States. These great barons of finance have formed certain industrial blocs where interests are so grouped that they come within the control of one or a few single personalities. These groups or concerns often form an international network.

Therefore, privileged and favored industries and classes have freed themselves from the competitive struggle. The majority of our citizenship, the small firm or corporation, the single manufacturer, the millions of farmers and laboring people, the small merchants, the multitude of individual citizens are still subject to the laws and conditions of competition in the sale of their goods and services. Lincoln said, "A nation half slave and half free can not endure." Neither can a democracy endure whose economic organization is monopolistic for the few and competitive for the masses. The farmer must not only compete with millions of other farmers in the production and sale of his products but, in many instances, he is compelled to compete with the cheap pauper labor of India and Egypt. The laborer is not only compelled to compete with millions of other laborers in the sale of his services but he is also compelled to compete with the thousands of foreigners that are illegally in this country and the ones that come during normal times in a constant stream from Mexico and Canada.

The independent merchant is compelled to compete with thousands of other independent merchants in the sale of his wares. All of these groups are subject to the laws of competition and supply and demand in the sale of their products or services, but when they come to buy the necessities which they require they are compelled to buy in an artificially controlled market and to pay artificially maintained and fixed prices.

Those from whom they buy are protected from foreign competition by a prohibitive tariff and from domestic competition by collusions, agreements, and consolidations. Not only can the privileged classes that are protected by these artificial barriers eliminate with competition but they can also interfere with the law of supply and demand by short selling on the stock market. These favored groups can sell stocks, securities, and products which they do not possess, and in this manner reduce the demand and lower prices to the detriment of the producer. On the other hand, they can purchase stocks, securities, and products from those who do not own them for the purpose of creating an abnormal demand which will artificially raise prices, to the injury of the ultimate consumer.

The next question which presents itself for solution is what remedies must be prescribed to cure these evils. It is apparent that we must either destroy the artificial barriers

that have protected a few at the expense of the many or we must undertake to so widen them as to include those now excluded. If it is right for favored groups to eliminate with competition, then it is right for all groups to do likewise. If we must have a protective tariff, then the farmers, laborers, and independent business men must be given the benefit of it, and it must be made to function for them. If favored groups are to be permitted to eliminate with or control domestic competition in the United States, then the farmers and the laboring people must be permitted, through governmental aid, to control the prices of their products and services. When the benefit of artificial restraint and control of prices, production, and output is extended to all classes we will all sink or swim together. The real remedy lies in the destruction of the artificial barriers that have been created by special interests. If certain groups must be subjected to the laws of competition and supply and demand, then all groups must be subjected to these laws, and all classes must be placed on the same plane of economic equality so that none can profit at the expense of the others.

The evil effects of the artificial elimination or restriction of foreign and domestic competition in industry and commerce and the suspension of the law of supply and demand in so far as certain favored industries are concerned can now be readily seen. The ruthless exclusion of all foreign competition, fair and unfair alike, has provoked retaliatory measures on the part of foreign countries. We suddenly find ourselves boycotted commercially, the markets of the world closed to us, our export trade, so essential to large-scale operations where mass production necessitates mass consumption, vanished overnight. Our factories and industries begin to desert us and to locate within the tariff walls of other nations. This has transferred billions of dollars of working capital from our Nation to build up the trade and industry of foreign countries. The elimination of foreign and domestic competition by artificial means has produced large surpluses. "Wasteful surplus productive capacity has appeared most strikingly in the industries where either private conspiracy or mischievous governmental favoritism has offended against economic laws." It has been the contention of economists since the days of Adam Smith that true competition is the only workable method by which equality of opportunity can be preserved, prices maintained at a fair level, and the economic balance of all groups in the Nation maintained. No one has ever attempted to defend cutthroat competition, which is an evil that often lowers wages and the standards of living and was commonly employed in the early days of the trusts as a method of crushing independent competitors. The new school of economic philosophy seeks to discredit the value of true competition by asserting that competition is no longer suitable for our advanced industrial civilization and the machine age. There are only three alternatives for true competition, and they are either private monopoly, government regulation, or government ownership. Private monopoly is contrary to the genius of our free institutions and can never flourish in an atmosphere of liberty and equal opportunities. Government ownership is undesirable, because it will result in the destruction of private initiative, individual ambition, and personal incentive.

Government regulation of all industries and businesses affected with a public interest is imperative to protect the consumer and the laborer. Under the decisions of the Supreme Court of the United States many large-scale businesses can not be regulated because the courts have declined to construe them as being affected with a public interest. In the large-scale operations, the only method by which the purchasing power of the Nation can be maintained so that mass consumption can make possible mass production is to pass the economies of large-scale production on to the majority of the consuming public either by lower prices, higher wages, greater dividends, or shorter hours of work. In order that the economic balance may be maintained, these economies must be distributed in fair and just proportions to the principal groups (of commerce), the stockholders, the laborers, and the consuming public involved.

Consolidations that have no economic justification for their existence or that were formed for the purpose of artificially controlling prices should be vigorously prosecuted under the terms of the Sherman antitrust law and the Clayton Act. But we must bear in mind that, under Supreme Court decisions, size and large-scale operations do not mean monopoly. If the laws now in existence are unable to deal effectively with unsound consolidations we should strengthen the law by explicitly, and item by item, forbidding the actual processes and methods of monopolies. Not only should we do that but we should also pass adequate legislation to prevent cutthroat competition which often produces monopolies. We should undertake to maintain a system of fair competition in markets where the law of supply and demand is permitted to operate, with restrictions against the waste of natural resources which are essential to the welfare of the Nation and the future happiness of posterity. Fair competition tends to decrease overproduction and surplus because in a true market, not dominated by private monopoly or governmental fixation of prices, when the supply becomes too great for the demand, the demand slackens, prices decrease, and these, in turn, furnish a safe check to slow up production.

On the other hand, when the supply is not sufficient for the market, the demand increases, prices go up, and this in turn stimulates production to the point needed. But in markets where prices of commodities are artificially maintained by agreements between competitors or by combinations in restraint of trade, there is no means by which the producer can determine when his production is excessive in time to avoid the creation of a great surplus. Consequently, where there is no competition, there are times when the productive capacity of industry is increased beyond all proportion to the purchasing power of the consumer.

Another evil effect of the artificial elimination or restriction of true competition is that for a decade a fictitious and unreal value of the watered stock of consolidations was maintained by artificial control of prices above a reasonable level. The public was induced to invest savings in these watered stocks and securities. In order to stimulate the market quotations of these stocks, various artificial expedients were resorted to, such as short selling, control of prices either by collusion, tacit agreements, leadership of a dominant industry, or constant injection of new water into the stocks through issuance of bonus stocks without due regard to the real value of the physical assets of the consolidation. Finally, the natural economic laws reasserted themselves, and in the twinkle of an eye the bubble was pricked. This inflation of stock values was largely stimulated by the exaggerted prosperity talk of the Harding, Coolidge, and Hoover administrations and by the encouragement of the Federal Reserve Board. The deflation was precipitated by the sudden change of policy on the part of the reserve board in suddenly throwing on the financial brakes and thereby accelerating and aggravating the contraction of credit and the return to true values. This extreme action not only served to squeeze the water out of stocks but depreciated the value of good securities beyond all reason or economic justification. The unfortunate result of this was that the masses of the people sustained the losses and a small group of insiders were enabled to increase their swollen fortunes. An analysis of the income-tax returns for 1928 and 1929 indicates that the speculative turnover, or sales of real estate, stocks, and bonds held less than two years, was comparatively small, while the sales of assets held more than two years set a high record.

Individuals in the higher income brackets evidently anticipated the crash and took advantage of the good market during 1928 and 1929, and disposed of a good proportion of their assets held more than two years, according to the statement of the Wall Street Journal issued on April 16, 1931. This unloading of watered stocks at a tremendous

figure by insiders evidently accounts for the fact that during 1929, 511 persons filed income-tax returns showing an income of more than $1,000,000 each.

The elimination or restriction of competition in favor of certain favored industries and the artificial control of the law of supply and demand by consolidations, agreements, and the manipulation of the stock exchange by speculators have greatly increased the concentration of wealth and power in the hands of a few. The incomes of super-rich have been multiplied by 15 in the last 10 years, while the incomes of skilled workers, small business men, and young professional men have been almost cut in two. This is creating two extreme classes in the United States—the ultra-rich and ultrapoor—and is destroying the middle class that has always formed the backbone of our civilization and society. In times of prosperity, the great combines and the financial magnates are able to reap a bountiful harvest through their artificial control of prices, and in times of inevitable reaction produced by defiance of economic truths this privileged class is able to throw the losses of instability back upon the producers from whom they buy or forward upon the consumer to whom they sell. In some industries, if the power to make the market is exercised through combinations, price fluctuations which are ruinous to producers may be, with a fair degree of regularity, turned into profits for those in control.

The problems that now confront us are as follows:

First. Preserve true competition in real markets and prevent unfair practices and cutthroat competition.

Second. In industries where competition is nonexistent or ineffective, such as exists in public utilities, to bring about effective governmental regulation that will protect labor from unfair wages and the consuming public from discrimination and unreasonable rates, and the investing public from watered stock, and at the same time allow sufficient room for the fair play of private initiative and individual ambition.

Third. Prevent mergers and consolidation where same are economically unsound and unjustified industrially or where the consolidation results in a monopoly.

Fourth. We must be careful not to discourage or penalize legitimate business and industry; an unwise policy toward business and industry will tend to increase unemployment and aggravate the depression. We must not penalize men who, instead of hoarding their wealth or investing it in nontaxable securities and bonds, put their money to work in business and industry which give employment to millions of citizens and increases the general wealth and prosperity of the Nation. There are many business men in this country and many industrial leaders that exhibit the highest form of patriotism and social responsibility by conducting necessary enterprises that furnish employment to millions of citizens at good wages, reasonable hours, and with conditions of work that are unparalleled in the history of industry. They have made possible the production and distribution of a maximum of luxuries and necessities at a minimum price. They represent a natural evolution in the world of industry and business and neither laws nor unwise policies can retard this industrial progress. When we penalize working capital by unreasonable taxation, we discourage legitimate business and cause it to enter the avenues of speculation, or we encourage it to seek nontaxable investments. We must apply the Jeffersonian principles of equal and exact justice to all classes and groups in our economic life. To capital, business, labor, and agriculture we must preserve the opportunity for a fair return upon labor, capital, investment, brains, energy, and thrift. But we must at all times bear in mind that mass production necessitates mass consumption, that mass consumption is only possible where the purchasing power of the consuming public is maintained and where our export trade is not destroyed by prohibitive tariff legislation. The purchasing power of the consuming public can only be maintained where the economies of large-scale operation are distributed in fair proportions to capital, labor, and agriculture.

Fifth. The regulation of our stock exchange and banking system to prevent gambling and wild speculation and the sale of watered stock and worthless foreign securities and bonds to the investing public. It is impossible to estimate the millions of dollars of watered stock of some American corporations and combines that have been unloaded on the investing public. The international bankers have unloaded on the private investors of America billions of dollars of worthless securities and bonds. Between 1914 and 1930 the American public invested about fifteen billions in foreign loans. In many instances those foreign securities and bonds have depreciated 90 per cent. In many instances banks have invested the funds of depositors in these worthless securities. It is difficult to estimate the loss that will be sustained by the American people, but it will probably run into millions of dollars. It is not right for speculators to depress prices of stocks, bonds, securities, and agricultural products by short selling, and by dishonest manipulation. This can and must be prevented in the interest of all the people and the future stability of our economic life.

Sixth. The prohibition of immigration from every country for a period of five years and the deportation of aliens that are illegally in the United States. Those that are here should be given a limited time in which to become naturalized. Even President Hoover, in his message to Congress, urges that the administrative restriction of immigration, which has resulted during the past year in the decrease of quota immigrants, should be put upon some permanent basis. There is no justification for immigration to the United States, and the only way to avoid discrimination as to nationalities and races and the resulting misunderstandings and ill feelings is to prevent all immigration for a period of five years.

Seventh. The appropriation of sufficient money to inaugurate immediately needed public improvements and construction. We are in need of many Federal buildings and, in fact, are paying excessive rents in a number of large cities. Many of our towns, such as, for example, Lufkin and Rusk, Tex., are in great need of Federal buildings. Many waterways, such as the Sabine-Neches waterways, urgently need deepening and widening, and other improvements. Many Federal highways, such as the Hug-the-Coast Highway and the highway from Beaumont and Orange, Tex., to New Boston through Kirbyville, Jasper, San Augustine, and Center, urgently need improvements, and at the present rate of public improvements it will take us a century to complete the projects already outlined and adopted. There never was a more favorable time to carry forward and stimulate public improvements than now. A well-directed, efficient, and well-organized program, vigorously carried out, will give employment to millions of our citizens, put millions of dollars in circulation, and assist materially in the restoration of public confidence. The money will not be wasted, but will be invested in projects that will repay the Nation many times.

Eighth. The revision of the tariff so as to restore our world trade without permitting foreign nations to dump the products of convict or cheap, pauper labor upon our markets to the destruction of American labor and industry. The tariff must be made to function for agriculture the same as it does for big business. This can be accomplished by lifting the tariff in favor of farmers who have an exportable surplus, such as the cotton, wheat, and corn farmers, or by giving to such farmers export debentures so as to give them the same benefits as are derived by privileged classes.

Ninth. The reorganization of our Federal bureaus and departments in order to eliminate duplication and overlapping and extravagant operations. The burdens of taxation must be lifted from the shoulders of farmers and small home owners and transferred to the groups and classes that make large incomes and profits. Government must be operated on a more economical basis. Unjust taxation is destroying agriculture and legitimate business.

Now, Mr. Chairman, permit me to say that there are other measures that can be adopted that will bring relief to the millions of our fellow countrymen that are in great distress. I suggest these as the most important, and I trust that this Congress will subordinate every other consideration to the

paramount question of relieving the distress and suffering that exist in every section of our Nation.

The Republican Party has sowed the wind and now it is reaping the whirlwind. [Applause.] It has taken from the farmers and wage earners of this country the fruits of their toil in tariff and taxes to increase the already swollen fortunes of favored and privileged classes. It has allowed great combinations of wealth, through foreign chain enterprises, to destroy independent business and fill their own pockets at the expense of a helpless consuming public. You gentlemen on the Republican side may laugh now at what I am saying, but it will not be so funny to you after the next election. [Applause.]

In conclusion, Mr. Chairman, permit me to say that as I stand here this afternoon in this historic Chamber and before the greatest legislative body in the world, I am reminded of one now gone, whose voice is still, whose lips are mute, and whose soul has long since flown to the great beyond. The presence of many of his loyal and devoted friends in this hall evokes the memory of his life, and though I know his body is moldering in the silent dust, yet it seems to me that his spirit pervades this Capitol, where he labored for many years for the interests of his people and during one of the greatest crises that ever confronted this Nation. My father was a true son of east Texas. Brave and courageous, he "never bent the pregnant hinges of his knee that thrift might follow fawning."

Kind and gentle, he was always tolerant of the faults and frailties of mankind. By his brave and courageous public service, by his fearless expressions of convictions, by his unfailing loyalty and devotion to his friends, and by the profound love that he had for his country he left the world better than he found it. Because he thought that he was right, he took issues with a Democratic President at a time when public feelings were worked to the highest pitch, and when it meant political suicide. But the people had an abiding faith in the rugged honesty of his character and convictions, and he was returned to Congress by a substantial majority. He had a profound respect and love for this great legislative body, and he believed that it was the bulwark of the people's liberty and the safeguard of their rights. He would never tolerate unjust and careless criticism of the Congress of the United States; and whenever it was attacked, he was always ready to break a lance in its behalf.

Mr. Chairman, I do not know how long I shall be permitted to serve in this great body, but whether my service be long or short, distinguished or obscure, it is my fervent hope and sincere wish that I, like my father, may earn the esteem, friendship, and love of the membership of this House. A great opportunity lies before the democracy of this Nation. A great patriot and a brilliant Democrat occupies the Speaker's chair. Our chairmanships and floor leadership are filled by men of outstanding ability and unquestioned integrity. Under their leaderships we will yet achieve a long-needed victory for the masses of the American citizenship. [Applause.]

[Here the gavel fell.]

Mr. DAVIS. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. CELLER].

The CHAIRMAN. The gentleman from New York is recognized for two minutes.

Mr. CELLER. Mr. Chairman, ladies and gentlemen of the committee, in the diatribe delivered by the gentleman from Pennsylvania the day before yesterday, certain statements appear which can not go unchallenged. The gentleman in question attacked Mr. Paul M. Warburg, distinguished publicist and banker of New York, one of the so-called "fathers" of the present Federal reserve system. The gentleman from Pennsylvania sought to besmear and besmirch his reputation by making the absurd charge that he was responsible for the present depression and that he is the recipient of the greatest profits as a result of the losses of the farmers and wage earners of the country.

Warburg needs no defense. His record is unassailable. It is a record of fine patriotic service. It was he who sounded the warning tocsin, and long before, of the coming of the stock-market debacle, admonished the banks and the Federal Reserve Board at Washington that unless credit were restrained and speculation stopped the worst would befall. His warning was like a cry in the wilderness. His prophecy, which was unerring in its accuracy amidst all the fake predictions of prosperity "just around the corner," fell upon deaf ears.

Walter Lippman, whose incisive and penetrating articles have often enlightened me and many other Members of this House, writing in this morning's Herald Tribune, makes some cogent and pertinent remarks concerning the gentleman from Pennsylvania and Mr. Paul M. Warburg, which I herewith insert in the RECORD:

With such an attack as that delivered by Congressman MCFADDEN, of Pennsylvania, the President has no need to concern himself. Mr. MCFADDEN has long since earned the contempt of honest men, and his speech on Tuesday, charging Mr. Hoover with having plotted with Germany's bankers to betray the country, is such obvious indecency that it requires no answer. All that needs to be done with the speech is to expunge it from the RECORD, which it would otherwise defile. It is not possible, I believe, under the Constitution to expunge Mr. MCFADDEN.

* * * * *

There was, however, a passage in the speech which does call for brief comment, for it is an attack on a private individual who, unlike the President, can not count upon the instant revulsion of the country against Mr. MCFADDEN's libels. I refer to Mr. Paul M. Warburg, who is described in the speech as "the man who engineered the great depression, the man who is the chief beneficiary of the losses sustained by the farmers and the wage earners of this country."

This is a demonstrable falsehood. Far from being the man who "engineered" the great depression, Mr. Warburg has the conspicuous distinction of having warned the country publicly, specifically, and accurately about the impending disaster. He did so on March 7, 1929, seven months before the panic, at the time when the Federal Reserve Bank of New York was vainly endeavoring to pursuade Washington to let it put the brakes upon the speculative mania. There is not space here to quote the whole of Mr. Warburg's remarks, but in justice to a man who was a true, a timely, and courageous prophet, these few sentences are worth remembering:

"If a stock-exchange debauch is quickly arrested by prompt and determined action, it is not too much to hope that a shrinkage of inflated stock prices may be brought about without seriously affecting the wider circle of general business. If orgies of unrestrained speculation are permitted to spread too far, however, the ultimate collapse is certain not only to affect the speculators themselves but also to bring about a general depression involving the entire country . . . hesitation in taking effectual means to reassert the Federal reserve system's leadership places a grave responsibility on those in charge of its administration."

Mr. Warburg can stand on his record. It does him honor.

[Here the gavel fell.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

DEFINITIONS

SECTION 1. As used in this act—

(a) The term "motor vehicle" means any vehicle propelled on the highways by mechanical power, and includes a trailer or semitrailer, but such term shall not include road rollers, road machinery, farm tractors, and vehicles used exclusively upon stationary rails or tracks.

(b) The term "person" means an individual, partnership, corporation, or association.

(c) The term "owner" means the person holding legal title to a motor vehicle, except that in case any motor vehicle is the subject of a conditional sale or mortgage, the conditional vendee or mortgagor of such motor vehicle, having in such case the right to immediate possession of such motor vehicle, shall be deemed the owner.

(d) The term "director" means the director of vehicles and traffic of the District of Columbia.

(e) The term "dealer" means any person engaged in the business of manufacturing, distributing, or dealing in motor vehicles.

(f) The term "public highway" means any road, street, alley, or way, open to use of the public, as a matter of right, for purposes of vehicular traffic.

(g) The term "trailer" means a vehicle without motive power designed (1) for carrying property or persons wholly on its own structure and (2) for being drawn by a motor vehicle.

(h) The term "semitrailer" means a vehicle of the trailer type so designed and used in conjunction with a motor vehicle that some part of its own weight and that of its own load rests upon or is carried by a motor vehicle.

(i) The term "farm tractor" means a motor vehicle designed and used primarily for drawing implements of agricultural husbandry.

(j) The term "motor cycle" means a motor vehicle of bicycle or tricycle type, except a trailer or semitrailer.
(k) The term "motor bicycle" means a bicycle propelled by a motor attachment.
(l) The term "pneumatic tire" means a tire inflated with compressed air.
(m) The term "solid-rubber tire" means a tire made of rubber, other than a pneumatic tire.
(n) The term "metal tire" means a tire the surface of which, in contact with the highway, is wholly or partly of metal or other hard, nonresilient material.
(o) The term "interstate commerce" means commerce between any place in a State or the District of Columbia and any place outside thereof; or between points within the same State or the District of Columbia, but through any place outside thereof.

Mr. BURTNESS. Mr. Chairman, I move to strike out the last word. In view of the questions that I asked the gentleman from Tennessee [Mr. DAVIS] I want to make some observations indicating my notions about this matter.

First, however, I want to commend the select committee on fiscal relations for the work they have accomplished. Certainly it is disappointing, I am sure, not only to them but to Members of the House generally to realize that after diligent study and work accomplished much abuse is heaped upon them by the press of the District of Columbia. I think the job they have done is a mighty fine job. They have collected much information. They have devoted a great deal of time and attention to their study, and they are entitled to the thanks of all their colleagues as well as of the country.

I have felt that three of the bills they have suggested and reported are along the right lines, including the gasoline-tax legislation.

As I understand it, the purpose of this committee has not been so much to impose more general taxes on the District of Columbia or anything of that nature but rather to distribute the taxes in a more equitable and fair manner. So two of the bills that have already been passed are based purely upon the fundamental principle of ability to pay. I refer, of course, to the income-tax bill and the inheritance-tax bill, the enactment of which will do away with the very unsatisfactory method in vogue heretofore of assessing intangibles. I think that plan has the general approval of everyone.

The gasoline-tax bill provides a method by which the user of an automobile pays a tax in proportion to the use he makes of the streets. That appeals, I think, fundamentally to the fairness of every individual; but I regret that when it comes to this last bill I at least can not find the same element of fairness and justice. I do not find in it the same degree of trying to base the tax upon the ability to pay or upon people who are not already assessed sufficiently as is the case with the other three measures. That is why I am not entirely satisfied with it. I concede this bill also has some very good provisions.

Now, what does this bill do? It wipes out the present taxation laws of the District against automobiles. I do not know how badly that law has been abused. I presume it has been abused to some extent, as is the case with every tax law. I note from the report, however, that some 126,000 cars have been assessed, and on the average the tax amounted to something like $4.75 per car. I think there are some 30,000 cars that have paid only a tax of $1 plus a $1 regulation fee, due to a very low value. At any rate, it is true, under the law as it now exists, the theory is that all automobiles are taxed upon their value, the same theory under which general taxation is applied; and the theory has been that this $1 regulatory fee would simply regulate the use of the automobiles. It is a license fee, and not a tax.

Now, what is proposed here. The proposal is to do away with both, and the bill that is offered is one where the report admits, and the debate here to-day admits, that it is tax based upon one element and one element alone, namely, weight of the car.

As the gentleman from Arkansas [Mr. GLOVER] suggested in the colloquy a little while ago, following what I suggested in a question I asked the gentleman from Tennessee [Mr. DAVIS], there may be serious question as to the constitutionality of that sort of provision. I had not seen the bill when the debate started. Copies were not available until after the debate started. So, of course, I have had no opportunity to examine the decisions; but in applying what seems to be fundamental principles of law with reference to taxation, when you come out boldly but fairly and say that this is a tax, and then take into consideration only weight in determining the amount of such tax, then at least you have a question that is likely to get into the courts.

[Here the gavel fell.]

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. BURTNESS. But I am not so much concerned about that. Let us consider the fairness of it, or lack thereof, to the owners of cars.

As was suggested in the colloquy here a little while ago by the gentleman from Wisconsin [Mr. STAFFORD], some of these automobiles of more or less ancient vintage, cars seven or eight years old, are heavier than the automobiles purchased generally now. There are many clerks and employees of the Government here who have been able to buy an automobile. Some of them bought them years ago, and some of these employees have now retired and have only their retirement pay, but they are happy to brush up that old car and take it out on the streets and run it. They may run them only 1,000 or 2,000 miles during a season. They are scarcely fit for long trips. The car is not worth a nickel more in actual value than they could get for it as junk, and yet it gives them a good deal of pleasure to have it and to use it. Under this bill that you are proposing now that kind of a car, practically worthless for sale, will pay some $15 or $20 of tax, and will pay practically the same amount of tax as an individual who goes down and buys a new Lincoln, for the weight of some of these cars is pretty nearly the same as the weight of a Lincoln. I am not speaking with exact nicety, but at least I am trying to point out the unfair discrepancy in the situation.

It is all right as a regulatory matter to base a fee solely upon weight. It is a proper consideration for regulation; but it is not, I submit, a proper consideration for an assessment or for a tax on something that is supposed to represent, or at least have some sort of connection with, the individual's ability to pay or the individual's use of income-producing property, or something of that sort.

I hear they say, "Oh, this is a modern tendency." That may be. Neither have I had time during the last few minutes to look up the statutes of the various States. I do know, however, that this sort of bill could not be enacted in the legislature of my own State. It would not appeal to our people.

In North Dakota we have tried to treat the owners fairly. We have taken a combination of three factors—the factory price, horsepower, and weight. Those are all given consideration; a combination of three determines the total tax, including regulation. After the first year it is reduced 10 per cent, the following year there is a further reduction of 10 per cent, and so on each year until the reduction amounts to 50 per cent, as I recall it; and then no matter how long the car is used that remains as the tax. In this way value is given due consideration. There is another factor which we must take into account when we compare this bill with the laws of States. The reason why an automobile tax is so large in the various States, generally, both with reference to the gasoline tax and the regulatory fees, is because of the desire to establish a system of rural routes throughout the States. That is why the owners of the property have stood for comparatively high rates. They have wanted to build up a system of public roads. But that does not apply in the District of Columbia. I think that is a factor to be taken into consideration.

I approve of the gasoline tax, because the owners of cars pay in proportion to the use they make of the roads and streets. We use that to build up and maintain the streets and highways.

Mr. PERKINS. Will the gentleman yield?

Mr. BURTNESS. Yes.

Mr. PERKINS. You admit that the use is a factor in determining the facts?

Mr. BURTNESS. Yes.

Mr. PERKINS. Does not the man who drives a car weighing 10,000 pounds make more use of the road than one who drives one weighing 2,000 pounds?

Mr. BURTNESS. As a regulatory factor I say that weight is a proper factor to take into consideration. This is especially true with trucks. I also contend that a man who drives a car that weighs 8,000 or 9,000 pounds a thousand miles does not use the road any more than one who drives a car of 5,000 pounds 10,000 miles. All factors should be given the consideration which each fairly deserves.

[Here the gavel fell.]

Mr. FREAR. Mr. Chairman, I rise in opposition to the pro forma amendment. There are only two States, so far as appears in the statement of the National Automobile Chamber of Commerce, where the question of value occurs directly. In Iowa, it is the value and net weight. In Minnesota, the value; and in North Dakota, the factory price, net weight, horsepower, and age graduated. I presume that is what the gentleman from North Dakota referred to as the decrease in valuation.

Mr. BURTNESS. Yes; largely.

Mr. FREAR. All the rest of the States have the same method of taxation which we have endeavored to put in this bill before us. You would have to change over the whole structure of the bill, so far as the weight would be concerned, unless the gentleman has another plan, and should move to strike out section 7, which has to do with the express personal-property tax, which has not been successful here. It is difficult to see how we could pursue the course he suggests.

Mr. BURTNESS. The gentleman does not mean to imply that there are many States that place the entire assessment on a weight basis alone?

Mr. FREAR. Oh, there may be personal property taxation, but the National Chamber of Commerce has issued this statement as to the fees in the different States. If anyone shall offer an amendment, we will consider it, but we would find it difficult to reach the situation that is expressed here by the gentleman from South Dakota.

Mr. BURTNESS. I hope the gentleman does not understand me to say that weight is not a proper factor for regulation, but there ought to be some proper consideration when it comes to determine the amount of tax assessed to the value of the car.

Mr. FREAR. I understand that. But you would have to change all this, or otherwise the tax would be too high.

Mr. BURTNESS. That is true. May I suggest an amendment? What does the gentleman think of retaining the personal-property tax—striking out section 7, so there would be a tax on the value, and then cut down the regulation fee based on weight very substantially—say, make it 10 or 20 cents on each hundred pounds of weight instead of 50 cents on passenger cars?

Mr. FREAR. We have not given consideration to that. The committee has endeavored to draft a bill which will be an example to the various States. We are all in sympathy with the man who has a small and poor car, but there is no legislation but that will have some injustice. Even the man who makes the assessment may not assess it properly. All those questions come in; but it would seem to me that unless something better be offered to the House, this is the best sort of tax that can be levied. I am in sympathy with the purpose the gentleman has in mind, but I do not see how he will accomplish it without an entire change in the policy of weight taxation to meet wear of pavements—a usual consideration.

Mr. DAVIS. Mr. Chairman, I move to strike out the last two words. The gentleman from North Dakota [Mr. BURTNESS] has certain ideas that perhaps are based somewhat on the law in his own State, but the law in his own State with respect to this subject is different from the law in all the other 47 States. North Dakota is the only State in the Union which bases the automobile license fees upon value, weight, and horsepower. With respect to his particular criticism, 10 of the States of the Union, including Delaware, Georgia, Michigan, Nevada, New Hampshire, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, and Wisconsin, have an automobile-license tax predicated alone upon weight and do not have any personal-property tax on automobiles. There are several other States which have an automobile-license tax based solely upon capacity and do not impose any personal-property tax upon automobiles. As suggested by the gentleman from Wisconsin, there is a wide variation in the way that the different States handle the subject, but a vast majority of them recognize either weight or capacity as a criterion upon which license charges should be fixed, because it is a license tax to operate motor vehicles upon the highways and the streets of the cities. The larger and heavier motor vehicles do more harm to the highway, they take up more room, and the jurisdictions generally have reached the conclusion that they should be made to pay in accordance with the damage they do to the highways as far as that can be arrived at. All the modern trend, all of the recent legislative acts on this subject, are in accord with that view. This committee has undertaken to present a modern, up-to-date bill, predicated upon the modern trend and the best thought and in the light of the tests and experiments in this respect. This principle has the full approval of the tax assessor of the District of Columbia.

Mr. FREAR. The reason for this weight and capacity is apparent to everyone because of the wear and tear upon the highways?

Mr. DAVIS. Yes. There is but little difference between weight and capacity, because the larger the bus or the truck the more weight and the more capacity. We have undertaken to impose license fees that would approach but not exceed the average that is imposed in the States of the Union. We believe we have done that in a fair and proper way, fair to the citizens of the District and fair to the Government of the United States.

The Clerk read as follows:

EFFECTIVE DATE

SEC. 8. This act shall take effect on January 1 of the first calendar year following the enactment thereof, except that the Commissioners of the District of Columbia are authorized to provide for the registration of motor vehicles under this act, for such calendar year, beginning with the first day of the month preceding such effective date.

Mr. DAVIS. Mr. Chairman, I offer an amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. DAVIS: Page 13, line 2, strike out the word "January" and insert in lieu thereof the word "July."

Mr. DAVIS. Mr. Chairman, at the time this was originally drafted, several months ago, we had in mind that perhaps the bill would become a law before January 1 next. Of course, we now know that it is impossible, and in order to not set too far in the future the effective date of the act, and also in order to conform with the taxable year in the District of Columbia on personal property, which is from July 1 to July 1, I offer this amendment, with the approval of the other members of the committee.

Mr. STAFFORD. The bill was predicated upon the idea that the rates to be paid, based on the various provisions, shall be for the calendar year. Should there not be, in connection with the gentleman's amendment, a provision that if it is to go into effect on July 1 the rate herein provided shall be proportionate?

Mr. DAVIS. I think there is a general provision in the bill to that effect.

Mr. STAFFORD. The bill as I read it provides that the rates shall be for the calendar year.

Mr. DAVIS. Mr. Chairman, perhaps it is better to leave this to be handled in the Senate or in conference. We do not know when the bill may finally pass. I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. MAPES. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. McMILLAN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 5824) to require the registration of motor vehicles in the District of Columbia, to prescribe registration fees based upon the weight of such motor vehicles, and for other purposes, and had directed him to report the same back to the House with the recommendation that it do pass.

Mr. MAPES. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MAPES, a motion to reconsider the vote by which the bill was passed was laid on the table.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker I would like to ask the gentleman from Illinois if he can tell us whether we will consider the moratorium resolution on to-morrow?

Mr. RAINEY. We expect to take up the moratorium resolution to-morrow. When I left the committee room about an hour ago they thought they would be able to finish it to-night.

Mr. SNELL. Would it be possible for the House to meet at 11 o'clock to-morrow, so that we could be sure to finish on Saturday?

Mr. RAINEY. I think we had better wait until we find out whether we can report the resolution out or not.

Mr. SNELL. It is expected to commence the consideration of that resolution the first thing to-morrow?

Mr. RAINEY. Yes.

Mr. STEAGALL. Mr. Speaker, may I ask the gentleman from Illinois if we might not take up before the holiday recess a bill which has been reported to-day from the Committee on Banking and Currency dealing with the matter of relief of the Federal land banks? This bill has been ordered favorably reported to-day by a unanimous report from the Committee on Banking and Currency. It is one of the most important measures that will come before the Congress at this session, and it deals with one of the problems that lies more immediately at the door of a large portion of the membership of the House than probably any other problem that confronts us. It would not take more than one day, in my judgment, for all the necessary debate and consideration of this measure in the House. If it is agreeable, we would like to take it up before the recess.

Mr. SNELL. If it is a unanimous report from the committee, I do not see any reason why we could not take it up on Monday, although it was understood that nothing very controversial would be taken up at that time. I know this is an important link in the chain of recommendations made by the President, and if it comes with the unanimous approval of the Committee on Banking and Currency, I should expect it could pass the House without much trouble.

Mr. STEAGALL. I was intending to suggest that if developments happen to be such that the House should not be able to go along to-morrow with the consideration of the moratorium resolution, we might take up the Federal land bank bill on Saturday.

Mr. SNELL. I hope nothing will interfere with taking up the moratorium resolution to-morrow. It has gone out to the country that it will be taken up then, and I feel it is important to do that, but I should think we might take up the gentleman's bill on Monday.

Mr. STEAGALL. It was not in my mind, even remotely, to suggest deferring action on the moratorium resolution; but in the event the committee is not ready with that bill to-morrow, of course, we would like very much to go along with the other, meantime having in mind that we want to finish by Tuesday night, if we can.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. LaGUARDIA. Is this land bank bill far-reaching, or is it simply correcting some small administrative matters?

Mr. STEAGALL. It is both.

Mr. LaGUARDIA. In the past we have considered banking bills too hastily, and a few years later have lived to regret it. It would seem to me that in these times we ought to take a great deal of care and caution, and the Members, I am sure, want to study a bill of that kind very carefully.

Mr. STEAGALL. It is both an important measure and it is also a measure which deals with some minor features of the Federal farm loan act along administrative lines.

Mr. LaGUARDIA. Are there any appropriations connected with it?

Mr. STEAGALL. I was about to say that the bill appropriates out of the Treasury a sum of $100,000,000, which is to constitute a revolving fund to be drawn on by any of the banks, with the approval of the Federal Farm Loan Board. Let me say to the gentleman from New York that this measure has been under consideration by the Committee on Banking and Currency of the House for quite a while. I introduced a bill substantially the same as the present measure during the last session of Congress, and extended hearings were had on that bill.

At that time the Federal Farm Loan Board and the Treasury Department were not willing to go along in favor of the legislation, and on that account I was unable to secure favorable action. Since then the President has seen fit to include substantially that legislation in the program he promulgated to the country some weeks ago. So the measure has been very fully considered.

Mr. LaGUARDIA. If I may be permitted to say to the gentleman, the fact that there is a unanimous report is not always an argument why the legislation should be considered hurriedly, because we get more information when there is a division and a minority report.

Mr. STEAGALL. I will say that for quite a while there was a division about this legislation, and it was discussed at length in that way.

Mr. BRIGGS. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. BRIGGS. As I understand, this legislation also deals with a moratorium to the great agricultural and farming interests of the United States—that is, the Federal land banks will be able to relieve them or grant extensions to them in needy cases.

Mr. STEAGALL. I will say to the gentleman, not assenting to the first suggestion, that the bill does not provide for a moratorium; that could not be properly said; but it does set up the necessary machinery or mechanics in the Federal Farm Loan act to enable the banks to grant extensions where, in the judgment of the officials of the banks, it should be done. We also embody in the bill a provision for the appropriation of $100,000,000, which we think will equip the banks with sufficient funds to enable officials of the banks to conduct their business in a common-sense way and to avoid working undue and unnecessary hardships upon borrowers.

Mr. BRIGGS. What I meant was that this bill would enable the banks to exercise a discretion which they have no power to do now, namely, to deal with extensions in cases of emergency and need.

Mr. STEAGALL. That is substantially true.

Mr. GOLDER. Will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. GOLDER. Did I understand the gentleman to say the bill was reported to-day?

Mr. STEAGALL. Yes; it was ordered reported.

Mr. GOLDER. Was there a meeting of the committee to-day?

Mr. STEAGALL. Yes.

Mr. GOLDER. I want to say to the gentleman that as a member of that committee I had no notice of the meeting. While I would not find fault with what was done, I had no notice of that meeting.

Mr. STEAGALL. I am very sorry indeed. It may have been due to an oversight on the part of the new and inexperienced force that now has charge of the affairs of the committee, but I undertook to see that every member had formal notice and was called over the telephone.

Mr. GOLDER. I call this to the gentleman's attention because at least one other member of the committee on this side also had no notice.

Mr. STEAGALL. I am very sorry, indeed. I certainly made every effort to make sure that every member was notified. We met the first day after the committees were made up and possibly we were in a little undue haste.

Mr. RAINEY. May I ask the gentleman whether this bill takes care of both systems of banks, the joint-stock land banks and the Federal land banks?

Mr. STEAGALL. No. This bill does not in any sense deal with or have any bearing upon the joint-stock land banks.

Mr. RAINEY. Did the association of joint-stock land bankers have any notice of these hearings?

Mr. STEAGALL. No; not at this session.

Mr. RAINEY. I notice that Everett Sanders, who represents them, issued a statement not long ago to the effect that remedial relief should also include the joint-stock land banks, and I was wondering whether he had been given any opportunity of appearing before the committee to present the claims of the joint-stock land banks. They have half as much money loaned to the farmers as the Federal land banks, as I remember it, and if you take care of one system that might mean the immediate bankruptcy of banks in the other system.

Mr. STEAGALL. I will say to the gentleman, speaking for myself, that I shall be glad to join with those who view the matter of legislation for the joint-stock land banks as important in working out any solution of that problem we can, and I will gladly devote my time to it as soon as opportunity may be had. However, it involves a very different matter from that which is involved in legislation touching the Federal land banks, the joint-stock land banks being private-investment institutions, entirely different from the Federal land banks. In that connection I will say also to the gentleman—which he knows, of course, better than I do—that all legislative accomplishments have to be worked out along practical lines, and we are trying to deal with the situation in a practical way to get as large a measure of relief for distressed farmers as we can——

Mr. SNELL. Will the gentleman yield for a question along another line?

Mr. STEAGALL. Yes; certainly.

Mr. SNELL. Does the gentleman expect to consider the bill reestablishing the War Finance Board very soon? I feel that is one of the most important proposals before the Congress and that it should receive early consideration.

Mr. STEAGALL. I will say to the gentleman that there is no such proposal before our committee. There is a bill before the committee which has been designated in language somewhat similar to the title of the War Finance Corporation act, but it is not very closely akin to the War Finance Corporation; it goes much further and takes a much wider range than the War Finance Corporation sought to do. But I will say to the gentleman that the Banking and Currency Committee has taken steps already to start investigation in connection with that legislation, and there is no purpose on the part of the committee to delay consideration of that or any other important legislation before it. We simply have to take up one thing at a time in dealing with matters of such far-reaching effect.

Mr. SNELL. I agree with the gentleman about that, but a great many people think this is one of the most important of any of the pending propositions.

Mr. STEAGALL. I fully agree with that suggestion, and therefore we are going to have to proceed carefully and after thorough investigation of the facts and full understanding of the provisions and purposes of the bill.

Mr. SNELL. I hope the investigation will be thorough, but that action will be taken as quickly as possible.

Mr. SABATH. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. SABATH. I do not know whether the gentleman's attention has been called to a bill introduced by me which the President recommends—H. R. 5116—to create a national relief finance corporation and to provide credits for industries and enterprises in the United States, and for other purposes. It is formed on the plan of the War Finance Corporation, but it is a much broader bill and a much better bill, and is a bill that I have been advocating for nearly two years. I have been seeking the gentleman and trying to secure a hearing on the measure.

Mr. STEAGALL. I will say to the gentleman that I shall be pleased to cooperate with him at any time in securing a hearing before the committee, and I am quite sure they will take up the question of considering the gentleman's measure as soon as practicable to do so.

Mr. SABATH. I have presumed that this is the measure the gentleman has had reference to because it is the only one on the subject that is pending before the gentleman's committee.

Mr. STEAGALL. I had in mind bill No. 5060, known as the Strong bill.

Mr. ABERNETHY. Will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. ABERNETHY. I am just wondering if the gentleman can give us any assurance that the Banking and Currency Committee is doing something of a constructive nature, as I am sure it is, to take care of the farmers and other people who are being distressed and pressed by these governmental agencies in the way of being foreclosed and other measures of that kind.

Mr. STEAGALL. I will say to the gentleman that the farmers of Alabama are about in the same fix as in his State, and I fully appreciate his desire to secure relief for them. I am just as anxious to secure relief as anyone can be.

Mr. JONES. Will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. JONES. I would like to suggest in this connection that I think action on the measure which the gentleman has suggested is important in view of the fact that payments on these loans are semiannual and a great many of them come due the first of the year.

Mr. STEAGALL. That is quite true, and that is the thought in the minds of the members of the committee, who are anxious to expedite action on this particular legislation.

Mr. RAINEY. Mr. Speaker, I do not think anything ought to have the right of way over the moratorium bill, and we could not make any agreement now that might interfere with the quick passage of that bill. That is a most important measure. If the Committee on Banking and Currency is unanimous as to this particular measure, and if we can consider it after the moratorium measure, I would be very pleased to see it brought up in the House.

Mr. BANKHEAD. Will the gentleman yield for a brief question?

Mr. RAINEY. Yes.

Mr. BANKHEAD. As I understand, the gentleman from New York [Mr. SNELL] is anxious to cooperate with the Committee on Ways and Means in having consideration of the moratorium bill to-morrow, if possible.

Mr. SNELL. That is our idea about it.

Mr. BANKHEAD. Of course, the gentleman realizes that if the bill were not reported to-night and on the calendar to-morrow, if the technical objection were raised it could not be considered except by unanimous consent.

Mr. SNELL. I doubt if anyone would raise that technical objection.

Mr. BANKHEAD. But the gentleman realizes that it is an objection that could be raised?

Mr. SNELL. I appreciate that we would have to proceed, in that case, by unanimous consent.

Mr. BANKHEAD. Does not the gentleman think that possibly that phase of the parliamentary situation ought to be taken cognizance of this afternoon?

Mr. LaGUARDIA. You could get a rule.

Mr. BANKHEAD. A rule could not be brought up until day after to-morrow.

Mr. SNELL. I think if the gentleman from Illinois [Mr. RAINEY] asked unanimous consent at the present time, the gentleman could get it.

Mr. RAINEY. I will say now that if the moratorium measure is not ready to-morrow to be taken up, I will ask unanimous consent to take up this bill.

Mr. SNELL. I did not know but what the gentleman could get unanimous consent this evening with respect to the moratorium bill.

Mr. RAINEY. Mr. Speaker, I ask unanimous consent now that the chairman of the Ways and Means Committee may have until 12 o'clock to-night to file a report on the moratorium bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the chairman of the Ways and Means Committee may have until 12 o'clock to-night to file report on the moratorium bill. Is there objection?

There was no objection.

CONGRESS AND PUBLIC OPINION

Mr. MOUSER. Mr. Speaker, I ask unanimous consent to extend my remarks by printing in the RECORD a short radio address delivered by David Lawrence, editor of the United States Daily, on last Saturday evening on the subject "Congress and Public Opinion."

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MOUSER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I insert a radio address by David Lawrence, editor of the United States Daily, December 13, 1931.

The address is as follows:

Just the other day some one said to me: "Government is unpopular; people don't like it." I realized how often I had heard something of the same kind for years. I recognized, as no doubt you will, the rising criticism of government as if it were a strange, abstract power, as if it were something that didn't belong to each and every one of us, as if it were a separate and distinct part of our national life.

Also many of you have heard, no doubt, the other point of view, especially when trouble or distress or disaster faces us: "But can't the Government do something about it? Why shouldn't the Government help?" These and similar questions reveal the currents and trends of our thinking about government, and you might well ask the meaning of such apparently conflicting concepts.

Well, let us consider for a moment the past week. Congress has assembled under circumstances strangely unlike anything else we have witnessed in our lifetime. Business is depressed. The world is full of unrest and uneasiness, and economic trouble washes every shore and touches every land. Mingled feelings express our attitude toward the meeting of Congress. Some people say: "Ah, here is cause for more uncertainty, more disturbance, more psychological uneasiness at a time when there should be steadiness." Others say: "At last something can be done; we have been drifting too long."

In these reactions again I have indicated the lines of cleavage, the two schools of thought toward government itself.

I have been in Washington 21 years. I have been studying government nearly 30 years. I have been groping, as many of you have, for the answer to such questions as I have just propounded. I have not grown cynical and brushed it aside as just so much politics, so much self-seeking or self-glorifying individualism. I have not been disappointed because I have seen Congress from time to time adopt legislation I have thought unwise or taken steps that I believed were impractical. I have instead come to some definite beliefs about government, which, it occurred to me, were especially characteristic of the situation in which we find ourselves this week.

Anybody who sees Congress year in and year out can, if he likes, think of it as an impersonal institution. But I can not. I can think only of the men I know, of their background at home, of the cities and towns they leave and the people they serve. If business is bad, is there a single Member of Congress who doesn't know it or feel it? Is there a single constituency in the United States which is not affected by our economic problems?

These Members of Congress, collectively or individually, can not be accused of being less interested in the public good than you or I. It is their business to represent the wishes of the people.

Yet, I can hear the critics say: "That's all right in theory, but what do these Congressmen really represent? Aren't they thinking of their own political fortunes—aren't they individualists after all?"

I will readily admit that there are men back home who could do a better job than some who are sent here. But we can not forget that, speaking by and large, every Member of Congress is the choice of some district or State, elected after a nominating contest, as a rule, and finally in an election in which one or more candidates appear. To be elected to Congress a man must have been at least a personality or have had something in his make-up which appeals to thousands and thousands of people.

For we are dealing here with elected representatives of the people. Every two years we can change every single Member of the House of Representatives—the whole 435 of them if we like. And every two years we have a chance to vote on whether 32 Members of the Senate shall stay in office or be retired in favor of 32 others. If we don't like our Congressmen we can elect others.

I recall these fundamental facts to you because they are so readily forgotten. Too many people are quick nowadays to condemn representative government, when, in fact, they do not care to utilize its remarkable processes.

For when you hear the comment: "Take the Government out of business," or "We must not let the Government do this or that," or "There's too much government and too many laws," we are merely indicting ourselves.

It is difficult to imagine why anybody should talk disparagingly of government without accusing himself or all of us of the very same thing. For, indeed, to me there is no such thing as a separate government, a separate entity, visualized by the word "government." There is no more reason to attack one's government than there is to condemn the trade association to which our business belongs or the fraternal order we have joined.

For the Government is not an alien thing—just a lot of buildings with an army of clerks or officeholders in them. Our governmental establishment is not foreign owned. It belongs to us. It is what we have made it. And if we don't like it we can unmake it and change its personnel and even rearrange its functions.

We may not like a man we have elected to office. We may not like a political party. We may not like a particular part of the Constitution, but does this justify us in making the sweeping assertion that all Government officials are corrupt, are wasteful, are bureaucrats, that all political parties are unpatriotic, and that the whole Constitution is obsolete or unworkable?

We show tendency to generalize, unfortunately, at a time when we should be specific. For the man who lambasts all government because he doesn't like a particular act is using the same phrases as the individual who attacks government because he wants anarchy. Both use the same approach. Both tend to undermine confidence in government; both are inclined to weaken the faith so essential to the success of a democracy.

What, then, are the causes of this abuse of Government, this constant show of contempt whenever it is suggested that the Government might help or the Government might tax or the Government might enact laws that we dislike? It is, to my mind, due to our unfamiliarity with the processes of representative government and our unwillingness to participate in them or be tolerant of the rights of others in a national community.

I said Congress met this week. How many people are predicting that Congress will do the wrong thing rather than the right thing; how many people are mistaking the wholesome exposure of views that comes out of controversial debate for the chaos or confusion that they seemingly attribute to all legislative bodies?

I have no such fears about Congress. I have watched its deliberations and have often disagreed with its conclusions. But I believe Congress is more often right than wrong. Five hundred and thirty-one men do not set about to ruin business or impose hardships on the rest of us. They do about what they think the people want them to do, and if the people do not manifest their wishes or desires, Members of Congress use their own judgment in expressing the public will.

Now, that's exactly where the difficulty arises. How does Congress know the public will? What do the people really want their Government to do? It is just that phase of the question which is the most perplexing of all and from which most of the misunderstanding about popular government really arises.

How about the letters and telegrams from constituents? How about the editorials in the press? How does public opinion form itself anyway? Here we come to something almost indefinable. For we may perceive the operations of public opinion, its indications of approval or disapproval, without always clearly seeing the forces that motivate its currents.

I presume at this point I ought to define that much-used term "propaganda." For there are many people who think propaganda decisively influences legislation. I think it plays a part, but a minor one. Propaganda is a word that has a good as well as a sinister significance. But because we associate it with improper influence it is more often regarded, as is the word "lobby," as if it were spurious. I believe that comes from the fact that too often letters and telegrams and communications ostensibly ask for one thing when concealed behind the words is some other motive or selfish purpose. A member of Congress is more impressed by a frank statement than a camouflaged argument. He can detect hypocrisy and insincerity more rapidly than the average man. The hard school of politics gives him that training.

I could not define if I tried the numerous ways in which public opinion manifests itself and actually affects the course of Congress. But I contend that it does. I am convinced we have a Government by public opinion. I have never lost my faith in that underlying principle. But I can see why it is vague, why it is often difficult to trace. It is because the people for the most part do not take the trouble to express their wishes. It is because we do not assert our individual rights as citizens of a representa-

tive Government. We do it in business in the sense that as stockholders we let the management alone if it is efficient and turn it out when things go wrong. But in government we don't exercise ourselves very much about the personnel of management. And I am afraid it's because we have not yet come to regard government as our own creature, as our own mouthpiece and spokesman. We prefer, unfortunately, to think of government as belonging to a group of politicians or so-called leaders, as if they constituted a kind of ruling class.

I assure you that, with a few exceptions, the politicians do not regard themselves as the sole owners of government. No group of men is more sensitive to the currents of opinion or more anxious to detect changes in popular thought than the men in public office. Politics, like the word "propaganda," has a good as well as a sinister meaning. In its worst sense it is the playing of individual forces for personal gain and advancement. In its finest sense it is an attempt to understand what the people want or what they should want if they were as familiar with the facts and circumstances as are their chosen representatives.

The element of judgment plays a vital part. Given all the facts, what course should be taken? Members of Congress are only human—they are neither infallible nor gifted with supernatural powers of insight. They can be misled by demagogues and propaganda at times; they can be diverted by powerful groups that menacingly assert themselves. So, it may be asked, Would they not profit by an aggressive, alert public opinion?

I believe they would. I do not think we can ever expect the American people to give minute attention to every detail of administrative or fiscal affairs. But we can expect the people to know the simple facts about government which surround the major problems. We can expect them to insist on knowing not one side of a case presented in one partisan newspaper or periodical but the other side as presented in another publication that perhaps takes an opposite point of view.

"I have no time to read," says one business man. "I am not interested in government; it's rather a bore," says a woman of education.

If we were to paraphrase these statements, they would read: "I have no time to be a citizen of the United States"; "I have no interest in the way our trustees in Federal, State, and city government spend $12,000,000,000 a year"; "Oh, yes; I pay taxes, but let some one else look after that."

And who is that "some one else"? How many people in a district take the time to write their Member of Congress; how many people in a State write their Senators? And of those who do write, how many are influenced by the effect on their own particular interest? How few indeed are conscious of a broad, national interest? The truth is, too few of our people really think about governmental problems and too few care enough to read much about them or get fact information about them. As a consequence, organizations, individuals, demagogues, persons with an ax to grind, adroit in invoking prejudice and passion fill us with slogans that catch the popular fancy and these waves of prejudice come dashing back to plague the Member of Congress. Sometimes he perceives them as the mere prejudices of an uninformed electorate. He wonders whether he should be guided by such influences or stand on convictions he has formed in his study at first-hand of all the facts.

Here we come to the inevitable conflict of personal advancement, the petty side of politics, and true statesmanship and public service. Here is where you suggest that a man should rather risk defeat than change his convictions. But human nature does not always make the solution so simple. It is humiliating to taste defeat.

What we need in public life is more men of moral fiber and courage, men who dare to be wrong, who are willing to sacrifice political careers for a conviction, men who can smile at the threats of groups and well-organized machines and associations that wield political power and propaganda, men who will make a painstaking effort to understand the facts of our national life and vote as their conscience dictates.

I am not even by inference seeking to disparage the Congress we have. I am trying to point out that government belongs to nobody but ourselves, that we can make it what we wish, that we can guide it, help it, serve it, but we can not do so by indifference. True citizenship is an obligation as deep and essential as true religion. It can not be delegated. It is individual and personal. The divine right of kings has given way to the divine right of sovereign thought in this the largest experiment in representative government the world has ever seen.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President for his approval a joint resolution of the House of the following title:

H. J. Res. 72. Joint resolution to permit the temporary entry into the United States under certain conditions of alien participants and officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad to be held in the United States in 1932.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p. m.) the House adjourned until to-morrow, Friday, December 18, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

297. A letter from the Secretary of Navy, transmitting a draft of a bill to permit certain warrant officers to count all active service rendered under temporary appointment as warrant or commissioned officers in the regular Navy or Marine Corps, or as warrant or commissioned officers in the United States Naval Reserve Force or Marine Corps Reserves, or in the National Naval Volunteers, for purpose of promotion to chief warrant rank; to the Committee on Naval Affairs.

298. A letter from the chairman of the Federal Trade Commission, transmitting annual report of the Federal Trade Commission for the fiscal year ending June 30, 1931; to the Committee on Interstate and Foreign Commerce.

299. A letter from the Secretary of War, transmitting a draft of a bill to authorize stoppage of pay of officers, warrant officers, and nurses of the Army, Navy, or Marine Corps under certain conditions, and for other purposes; to the Committee on Military Affairs.

300. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill for the relief of Capt. Chester G. Mayo, Supply Corps, United States Navy; to the Committee on Claims.

301. A letter from the Secretary of the Navy, transmitting a draft of a bill for the relief of LeRoy Moyer, Supply Corps, United States Navy; to the Committee on Claims.

302. A letter from the Secretary of the Navy, transmitting a draft of a bill for the relief of George W. Steele, jr., captain, United States Navy; to the Committee on Claims.

303. A letter from the Secretary of the Navy, transmitting a draft of a bill for the relief of Lieut. M. A. Sprengel, Supply Corps, United States Navy; to the Committee on Claims.

304. A letter from the Secretary of the Navy, transmitting a proposed draft of a bill to provide for the reimbursement of Guiilermo Medina, hydrographic surveyor, for the value of personal effects lost in the capsizing of a Navy whaleboat off Galera Island, Gulf of Panama; to the Committee on Claims.

305. A letter from the Secretary of the Navy, transmitting a proposed draft of a bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the naval radio station, Eureka, Calif., on January 17, 1930; to the Committee on Claims.

306. A letter from the Secretary of the Navy, transmitting a proposed draft of a bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Navy for the value of personal effects lost, damaged, or destroyed by fire at the Naval Training Station, Hampton Roads, Va., on February 21, 1927; to the Committee on Claims.

307. A letter from the Secretary of the Navy, transmitting a draft of a bill to provide for the payment of allowances and gratuities to naval prisoners; to the Committee on Naval Affairs.

308. A communication from the President of the United States, transmitting supplemental estimates of appropriations pertaining to the Legislative Establishment, United States Senate, for the fiscal year 1932, in the sum of $220,000 (H. Doc. No. 194); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 4577. A bill to extend hospital and home facilities to veterans of the Confederate Army and Navy; without amend-

ment (Rept. No. 8). Referred to the Committee on Military Affairs.

Mr. BYRNS: Committee on Appropriations. H. J. Res. 141. Joint resolution to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932; without amendment (Rept. No. 6). Referred to the Committee of the Whole House on the state of the Union.

Mr. BYRNS: Committee on Appropriations. H. J. Res. 142. Joint resolution making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932; without amendment (Rept. No. 7). Referred to the Committee of the Whole House on the state of the Union.

Mr. COLLIER: Committee on Ways and Means. H. J. Res. 147. Joint resolution to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933; without amendment (Rept. No. 9). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Military Affairs was discharged from the consideration of the bill (H. R. 1905) for the relief of Mary E. Dawley, and the same was referred to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FULLER: A bill (H. R. 6155) to provide for the commemoration of the Battle of Pea Ridge; to the Committee on Military Affairs.

By Mr. DOUGLASS of Massachusetts: A bill (H. R. 6156) providing for the investigation and survey in Boston Harbor, Mass., of the navigable waters adjacent to the shore lines of Winthrop and East Boston and the reestablishment of Belle Isle Inlet as a navigable waterway, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 6157) to conserve the run-off or flood waters of the Nation in the interest of agriculture and for other economic uses; to the Committee on Agriculture.

By Mr. FULMER: A bill (H. R. 6158) to reduce the rate of interest on loans upon adjusted-service certificates, to provide that such loans may be made immediately after issuance of such certificates, and to provide for the payment of the face value of such certificates to permanently disabled veterans; to the Committee on Ways and Means.

Also, a bill (H. R. 6159) to provide for the conducting of livestock breeding, growing, and feeding experiments in connection with the Sand Hill Station at or near Columbia, Richland County, S. C.; to the Committee on Agriculture.

Also, a bill (H. R. 6160) for the hospitalization of World War veterans in private hospitals; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 6161) to prohibit the sending of unsolicited merchandise through the mails; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 6162) to provide for extending during the present emergency the time of payment of loans made by Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. GREGORY: A bill (H. R. 6163) to confer additional jurisdiction on the United States Board of Tax Appeals, and for other purposes; to the Committee on Ways and Means.

By Mr. JOHNSON of Washington: A bill (H. R. 6164) to authorize acquisition of complete title to the Puyallup Indian tribal school property at Tacoma, Wash., for Indian sanatorium purposes; to the Committee on Indian Affairs.

By Mr. KENDALL: A bill (H. R. 6165) to provide for the commemoration of the action at Jumonville Camp, in the State of Pennsylvania; to the Committee on Military Affairs.

By Mr. LAMBERTSON: A bill (H. R. 6166) to equalize promotions of retired officers of the Army; to the Committee on Military Affairs.

By Mr. LEAVITT: A bill (H. R. 6167) for the enrollment of children born after November 30, 1921, whose parents, or either of them, are enrolled as Indians of the Fort Belknap Indian Reservation, Mont., and for other purposes; to the Committee on Indian Affairs.

By Mr. LOVETTE: A bill (H. R. 6168) to provide for flood control on the Tennessee River, to aid navigation, and develop the resources of the Tennessee Valley; to the Committee on Military Affairs.

By Mrs. NORTON of New Jersey: A bill (H. R. 6169) to authorize the widening of Thirteenth Street NW., in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. REID of Illinois: A bill (H. R. 6170) to improve the Fox River in Illinois and Wisconsin for the purpose of aiding navigation and commerce on the Illinois River and the Mississippi River; to the Committee on Rivers and Harbors.

By Mr. STALKER: A bill (H. R. 6171) proposing to amend the Constitution of the United States to exclude aliens in counting the whole number of persons in each State for apportionment of Representatives among the several States; to the Committee on the Judiciary.

By Mr. STEAGALL: A bill (H. R. 6172) to amend the Federal farm loan act as amended to provide for additional capital for Federal land banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. STEWART: A bill (H. R. 6173) to refund the duty on a carillon of bells imported for Grace Church, Plainfield, N. J.; to the Committee on Ways and Means.

By Mr. TAYLOR of Colorado: A bill (H. R. 6174) to add certain lands to the Gunnison National Forest, Colo.; to the Committee on the Public Lands.

Also, a bill (H. R. 6175) to add certain lands to the Pike National Forest, Colo.; to the Committee on the Public Lands.

Also, a bill (H. R. 6176) to add certain lands to the Cochetopa National Forest in the State of Colorado; to the Committee on the Public Lands.

By Mr. EVANS of California: A bill (H. R. 6177) to increase the pensions of persons who have lost the sight of both eyes in line of duty while in the military or naval service of the United States; to the Committee on Pensions.

By Mr. BRUNNER: A bill (H. R. 6178) to increase the compensation of letter carriers in the village-delivery service; to the Committee on the Post Office and Post Roads.

By Mr. BURCH: A bill (H. R. 6179) making supplemental appropriations to provide for emergency construction on certain public highways during the remainder of the fiscal year ending June 30, 1932, with a view to increasing employment; to the Committee on Appropriations.

By Mr. KELLY of Illinois: A bill (H. R. 6180) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. LAMNECK: A bill (H. R. 6181) to amend the Federal reserve act, as amended, to provide for protecting depositors in member banks of the Federal reserve system against loss; to the Committee on Banking and Currency.

By Mr. McLEOD: A bill (H. R. 6182) to confer additional jurisdiction on the United States Board of Tax Appeals, and for other purposes; to the Committee on Ways and Means.

By Mr. SWEENEY: A bill (H. R. 6183) to promote substitute clerks and carriers; to the Committee on the Post Office and Post Roads.

By Mr. WARREN: A bill (H. R. 6184) for the improvement of the inland waterway from Norfolk, Va., to Beaufort Inlet, N. C.; to the Committee on Rivers and Harbors.

By Mr. WHITLEY: A bill (H. R. 6185) to amend the act relating to the filing of judgments of Federal courts; to the Committee on the Judiciary.

By Mr. TARVER: A bill (H. R. 6186) to authorize an appropriation for the maintenance of the monument grounds belonging to the Government at New Echota; to the Committee on the Library.

By Mr. GREEN: A bill (H. R. 6187) to direct the Secretary of the Treasury to contract for architectural and engineering services in the designing and planning of public buildings; to the Committee on public Buildings and Grounds.

By Mr. EVANS of Montana: A bill (H. R. 6188) to provide for the establishment of a meteorological station at Missoula, Mont.; to the Committee on Agriculture.

By Mr. SIROVICH: Resolution (H. Res. 66) to investigate bankruptcy; to the Committee on Rules.

By Mr. TINKHAM: Resolution (H. Res. 67) for appointment of a select committee to investigate the operation and effect of all laws relating to monopolies in, restraint upon, and unfair practices in interstate or foreign commerce; to the Committee on Rules.

By Mr. McFADDEN: Resolution (H. Res. 68) to provide for an investigation with respect to certain activities of the Federal Reserve Board, Federal reserve banks, and member banks of the Federal reserve system; to the Committee on Rules.

By Mr. REID of Illinois: Resolution (H. Res. 69) for the appointment of a select committee of inquiry to investigate the national defense of the United States; to the Committee on Rules.

By Mr. CONDON: Resolution (H. Res. 70) to restore petition of certain bondholders, stockholders, and creditors of the Alabama & New Orleans Transportation Co., requesting a hearing and other relief in the case of Harriet H. Gallagher, petitioner, *v.* Alabama & New Orleans Transportation Co., a corporation, defendant; petition filed December 13, 1926, now in the custody of the Clerk of the House of Representatives; to the Committee on Rules.

By Mr. SCHAFER: Joint resolution (H. J. Res. 143) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H. J. Res. 144) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. LARSEN: Joint resolution (H. J. Res. 145) for the relief of farmers in the drought and/or storm stricken areas of the United States, and for other purposes; to the Committee on Agriculture.

By Mr. LUDLOW: Joint resolution (H. J. Res. 146) to create a commission on the reorganization of the administrative branch of the Government and the centralization of government; to the Committee on Rules.

By Mr. COLLIER: Joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACHARACH: A bill (H. R. 6189) granting a pension to Martha C. Jackson; to the Committee on Pensions.

By Mr. BACON: A bill (H. R. 6190) for the relief of Barnett Klass; to the Committee on Military Affairs.

By Mr. BLOOM: A bill (H. R. 6191) to extend the benefits of the employees' compensation act of September 7, 1916, to Mary Elizabeth O'Brien, a former employee of the United States Veterans' Bureau; to the Committee on Claims.

By Mr. BOHN: A bill (H. R. 6192) for the relief of Capt. Joseph H. Hickey, Quartermaster Corps, United States Army; to the Committee on Military Affairs.

Also, a bill (H. R. 6193) for the relief of Cadreau Bros.; to the Committee on Claims.

Also, a bill (H. R. 6194) granting an increase of pension to Sophia M. Guard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6195) for the relief of Harbor Springs, Mich.; to the Committee on Claims.

Also, a bill (H. R. 6196) for the relief of Anna King; to the Committee on Claims.

Also, a bill (H. R. 6197) for the relief of Bridget Patton; to the Committee on Claims.

Also, a bill (H. R. 6198) granting a pension to Ross C. Ramsay; to the Committee on Pensions.

By Mr. BOYLAN: A bill (H. R. 6199) granting an increase of pension to Agnes L. MacIntyre; to the Committee on Pensions.

By Mr. CANNON: A bill (H. R. 6200) granting an increase of pension to Mary E. Gilliland; to the Committee on Invalid Pensions.

By Mr. CHIPERFIELD: A bill (H. R. 6201) granting a retirement annuity to Clyde R. Reiger; to the Committee on the Civil Service.

By Mr. COCHRAN of Missouri: A bill (H. R. 6202) for the relief of William Thomas Martin; to the Committee on Naval Affairs.

By Mr. CONDON: A bill (H. R. 6203) for the relief of George D. McFarland; to the Committee on Military Affairs.

By Mr. CONNOLLY: A bill (H. R. 6204) awarding the distinguished-service cross to Harry Coventry; to the Committee on Military Affairs.

By Mr. COOPER of Ohio: A bill (H. R. 6205) granting an increase of pension to Jermima Conner; to the Committee on Invalid Pensions.

By Mr. CRAIL: A bill (H. R. 6206) for the relief of Isaac Leon Morris; to the Committee on Naval Affairs.

By Mr. CRISP: A bill (H. R. 6207) granting an increase of pension to Thomas Woods; to the Committee on Pensions.

By Mr. CROSSER: A bill (H. R. 6208) for the relief of Barney Rieke; to the Committee on Claims.

By Mr. DAVIS: A bill (H. R. 6209) granting an increase of pension to Edmond D. Judkins; to the Committee on Invalid Pensions.

By Mr. FIESINGER: A bill (H. R. 6210) granting an increase of pension to Emma B. Call; to the Committee on Pensions.

By Mr. FULLER: A bill (H. R. 6211) granting a pension to Edie Sparks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6212) granting a pension to Margaret Officer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6213) granting an increase of pension to Fronia L. B. Norwood; to the Committee on Invalid Pensions.

By Mr. FULMER: A bill (H. R. 6214) for the relief of Earl Graddick; to the Committee on Military Affairs.

By Mr. GOSS: A bill (H. R. 6215) for the relief of Morris Spirt; to the Committee on Claims.

Also, a bill (H. R. 6216) for the relief of Peter Criscuolo; to the Committee on Military Affairs.

By Mr. GREGORY: A bill (H. R. 6217) granting a pension to Emma Vallandingham; to the Committee on Invalid Pensions.

By Mr. GREEN: A bill (H. R. 6218) granting a pension to Julia Reynolds; to the Committee on Pensions.

By Mr. GUYER: A bill (H. R. 6219) for the relief of Charles P. Shipley Saddlery & Mercantile Co.; to the Committee on War Claims.

Also, a bill (H. R. 6220) granting an increase of pension to Catherine J. Paul; to the Committee on Invalid Pensions.

By Mr. HOGG of Indiana: A bill (H. R. 6221) granting a pension to Amanda Bastian; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 6222) for the relief of J. H. McLaughlin; to the Committee on Claims.

By Mr. HOPKINS: A bill (H. R. 6223) for the relief of Joseph Alden Smith; to the Committee on Claims.

By Mr. HOUSTON of Delaware: A bill (H. R. 6224) granting an increase of pension to Emma M. Carrow; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6225) granting an increase of pension to Mary A. Quillen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6226) to authorize the presentation of a medal of honor posthumously to the late Henry Clay Drexler; to the Committee on Naval Affairs.

By Mr. JOHNSON of Missouri: A bill (H. R. 6227) granting a pension to Peter Thornton Wolford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6228) granting a pension to Sarah J. Coffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6229) granting a pension to Belle Hockensmith; to the Committee on Pensions.

By Mr. JOHNSON of South Dakota: A bill (H. R. 6230) granting a pension to Rebecca J. Gaddie; to the Committee on Invalid Pensions.

By Mr. KENNEDY: A bill (H. R. 6231) for the relief of Edmund J. Clark; to the Committee on Military Affairs.

By Mr. KLEBERG: A bill (H. R. 6232) granting an increase of pension to Mary V. Kellam; to the Committee on Pensions.

Also, a bill (H. R. 6233) for the relief of Albert T. DeBaun, jr.; to the Committee on World War Veterans Legislation.

Also, a bill (H. R. 6234) for the relief of William T. Sansom; to the Committee on Military Affairs.

By Mr. LANKFORD of Virginia: A bill (H. R. 6235) for the relief of Dr. Samuel A. Riddick; to the Committee on Claims.

Also, a bill (H. R. 6236) to reimburse certain individuals for damages by reason of loss of oyster rights in Little Bay, Va., due to the taking of the same by the United States for the purpose of operating thereon a naval air training station; to the Committee on Claims.

By Mr. LEA: A bill (H. R. 6237) granting an increase of pension to Eva J. Tucker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6238) granting an increase of pension to Margaret A. Walk; to the Committee on Invalid Pensions.

By Mr. LONERGAN: A bill (H. R. 6239) granting an increase of pension to Julia S. Greene; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6240) granting an increase of pension to Maria S. Edgerton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6241) granting a pension to Rose D. Carleton; to the Committee on Pensions.

Also, a bill (H. R. 6242) granting an increase of pension to George F. Smith; to the Committee on Pensions.

Also, a bill (H. R. 6243) granting an increase of pension to Mary E. Bunnell; to the Committee on Invalid Pensions.

By Mr. LOVETTE: A bill (H. R. 6244) granting a pension to Ellen Martin Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6245) granting an increase of pension to Sim J. Hyder; to the Committee on Pensions.

Also, a bill (H. R. 6246) granting an increase of pension to Sexton Pierce; to the Committee on Pensions.

Also, a bill (H. R. 6247) granting a pension to James Haley; to the Committee on Pensions.

Also, a bill (H. R. 6248) granting a pension to John K. McIntyre; to the Committee on Pensions.

Also, a bill (H. R. 6249) granting a pension to Candis Christopher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6250) granting a pension to James A. G. Livingston; to the Committee on Pensions.

By Mr. LUCE: A bill (H. R. 6251) for the relief of Napoleon Moran; to the Committee on Naval Affairs.

By Mr. LUDLOW: A bill (H. R. 6252) granting a pension to Mary S. Carter; to the Committee on Pensions.

By Mr. McSWAIN: A bill (H. R. 6253) granting a pension to Lottie G. Allen; to the Committee on Pensions.

Also, a bill (H. R. 6254) granting a pension to Cornelius J. Phillips; to the Committee on Pensions.

Also, a bill (H. R. 6255) for the relief of Samuel Mayes O'Shields; to the Committee on Naval Affairs.

Also, a bill (H. R. 6256) for the relief of Charley Stafford Holland; to the Committee on Naval Affairs.

Also, a bill (H. R. 6257) for the relief of Jesse T. Greene; to the Committee on Military Affairs.

By Mr. MONTET: A bill (H. R. 6258) to provide for a preliminary examination and survey for the enlargement of the navigation canal leading from White Lake to Pecan Island, all in Vermilion Parish, La.; to the Committee on Rivers and Harbors.

By Mr. MOORE of Kentucky: A bill (H. R. 6259) for the relief of Richard C. Jones; to the Committee on Military Affairs.

By Mr. MOUSER: A bill (H. R. 6260) granting a pension to Susan Winnifred Slick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6261) granting an increase of pension to Elizabeth Detwiler; to the Committee on Invalid Pensions.

By Mr. NELSON of Maine: A bill (H. R. 6262) authorizing a preliminary examination and survey of Eastport Harbor, Me.; to the Committee on Rivers and Harbors.

By Mr. PARKER of Georgia: A bill (H. R. 6263) granting a pension to Georgia Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6264) to convey by quitclaim deed from the United States of America to the county of McIntosh in the first congressional district of the State of Georgia a certain island known as Black Beard; to the Committee on the Public Lands.

By Mr. RAMSPECK: A bill (H. R. 6265) granting a pension to William Clark; to the Committee on Pensions.

By Mr. REID of Illinois: A bill (H. R. 6266) granting an increase of pension to Marie C. Thornell; to the Committee on Pensions.

By Mr. SANDERS of Texas: A bill (H. R. 6267) granting a pension to William E. Gilreath; to the Committee on Pensions.

By Mr. SPARKS: A bill (H. R. 6268) granting a pension to Lulu E. Evarts; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 6269) granting an increase of pension to Mary J. Jacobus; to the Committee on Invalid Pensions.

By Mr. SULLIVAN of Pennsylvania: A bill (H. R. 6270) for the relief of Alexander F. Sawhill; to the Committee on Military Affairs.

By Mr. SWING: A bill (H. R. 6271) granting a pension to Clara H. Miller; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Colorado: A bill (H. R. 6272) for the relief of Harry Brawner; to the Committee on Military Affairs.

Also, a bill (H. R. 6273) granting a pension to Nettie Quackenbush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6274) for the relief of J. Q. Winnett; to the Committee on Claims.

Also, a bill (H. R. 6275) for the relief of Howard McKee; to the Committee on Claims.

Also, a bill (H. R. 6276) for the relief of George Doughty; to the Committee on Claims.

Also, a bill (H. R. 6277) granting an increase of pension to Nelly Sharp Bennet; to the Committee on Pensions.

By Mr. TUCKER: A bill (H. R. 6278) granting an increase of pension to Evan D. Lewis; to the Committee on Pensions.

By Mr. THURSTON: A bill (H. R. 6279) granting an increase of pension to Sarah J. Pitman; to the Committee on Invalid Pensions.

By Mr. TURPIN: A bill (H. R. 6280) granting a pension to William Thomas; to the Committee on Pensions.

Also, a bill (H. R. 6281) for the relief of L. Ton Evans, general missionary, and family, Haiti mission, and proposed American Christian Industrial Tuskegee; to the Committee on Claims.

By Mr. WEAVER: A bill (H. R. 6282) granting Harry P. Cooper the privilege of filing application for benefits under the emergency officers' retirement act; to the Committee on Military Affairs.

Also, a bill (H. R. 6283) for the relief of William J. Cocke; to the Committee on War Claims.

By Mr. WELSH of Pennsylvania: A bill (H. R. 6284) for the relief of Oliver Ellison; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

167. By Mr. HOGG of Indiana: Petition of citizens of Whitley and Huntington Counties, in Indiana, members of the Church of the Brethren for Middle Indiana, urging reduction of armaments and the participation of the United States in the Geneva disarmament conference; to the Committee on Naval Affairs.

168. Also, petition of substitute clerks and carriers of the Detroit post office, urging enactment of H. R. 5110 to guarantee 30 hours of employment each week to substitute employees of the Postal Service; to the Committee on the Post Office and Post Roads.

169. By Mr. KVALE: Petition of 15 residents of Marietta and Madison, Minn., urging immediate cash payment at full face value of adjusted-compensation certificates; to the Committee on Ways and Means.

170. Also, petition of 219 residents of Lac qui Parle County, Minn., urging immediate cash payment at full face value of adjusted-compensation certificates; to the Committee on Ways and Means.

171. By Mr. SMITH of West Virginia: Resolution of the Business Men's Club, of Rainelle and Meadow Bluff district, Rainelle, W. Va., favoring the plan for forming a system of mortgage-discount banks, etc.; to the Committee on Banking and Currency.

172. By Mr. WELCH of California: Petition of sundry citizens of San Francisco, Calif., proposing an increase in duty on antimony oxide, section 336, tariff act, 1930; to the Committee on Ways and Means.

SENATE

FRIDAY, DECEMBER 18, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, our Heavenly Father, who knoweth our frame, who remembereth that we are but dust, pardon all that we have done amiss. Strengthen our weakness and make us true instruments in the fulfillment of Thy holy purpose. Help us this day humbly and wisely to devote our talents to the larger claims of life in the service of our fellow men. Teach us to give and not to count the cost; to toil and not to seek for rest; to labor and not to seek reward save only consciousness of having done Thy will. Give us the sense of inner happiness that comes from living close to Thee, in fellowship with Him who by Thine own annointing was made fairer than the children of men, whose lips were full of grace, who loved righteousness and hated iniquity, and who lived His life in Thy sunshine's blaze that our day might brighter, fairer be, Jesus Christ, Thy Son, our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 5822. An act to provide a tax on the transfers of estates of decedents;

H. R. 5823. An act to increase the motor-vehicle fuel tax in the District of Columbia, and to provide for the better administration thereof; and

H. R. 5824. An act to require the registration of motor vehicles in the District of Columbia, to prescribe registration fees based upon the weight of such motor vehicles, and for other purposes.

"PUBLIC OR PRIVATE OWNERSHIP"

Mr. NORRIS. Mr. President, I ask unanimous consent to print in the RECORD an address delivered by Hon. Joseph B. Eastman before the American Academy of Political and Social Science at Philadelphia, Pa., on November 7, 1931, on the subject of public or private ownership.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

Because of my official position, it may be well to say that I am here speaking for myself alone. For the same reason, it may also be well to say that I am not urging either immediate or early public ownership and operation of the railroads. Because of its magnitude, that would be an undertaking which ought not to be contemplated without most careful preparation and planning, and there has been nothing of the kind. Nor is the time ripe. Paradoxically, it is not so near to being ripe as it was some years ago. Transportation is now in an era of change. Competition is a bigger factor than it has been for many years. It is difficult to visualize even in the near future. Until we can see ahead a little more clearly, at least, I am not ready to advise that steps be taken toward public ownership and operation of the railroads.

Nor am I crusading for such ownership and operation of other utilities. I have certain convictions which I am quite willing to express. But the subject is an intensely practical one, and ought to be dealt with accordingly. Without much doubt progress will be made slowly, and I am not disposed to complain of that fact. Thought and public opinion on the subject are still in the development stage.

My views are the product of 25 years' observation of and experience with public utilities, and some 17 years' participation in their public regulation. These views may not be any the more valuable on that account, for experience does not always beget wisdom. But certainly they have been changing and developing in that time. At the beginning they were quite different from what they are to-day.

It is still a custom to brand the idea of public ownership and operation as socialistic, and dismiss it with that brand as opposed to what has been called rugged American individualism. But this is use of words to paralyze rather than promote thought. As a matter of fact, our individualism has always been tempered to a considerable degree with socialism, and the tendency has been to increase that degree. We have found that certain activities can best be carried on by the Government for the collective common good, instead of being left to private enterprise. Illustrations, which could be multiplied, are parks, highways and bridges, schools, fire protection, Postal Service, water supply. All these could be, have been, or to some extent still are carried on by private enterprise. We have found that these activities and numerous others can with advantage be socialized, and in that form they now have their place among accepted American institutions. In such instances Government has superseded, or at least invaded, the domain of business. There may be those who shudder at the thought, but certainly they are not conspicuous. Granting, therefore, that the public ownership and operation of public utilities is socialistic, the question presented is not one to be settled by the bandying of epithets or phrases, but the intensely practical question of whether these particular activities are of such a kind that they can with general advantage be socialized, in whole or in part, like many others which have already undergone that change.

We start, in the case of the public utilities, with the fact that they perform public functions. That fact has not only been conceded but proclaimed by our courts. They are, to use the language of the courts, "affected with a public interest." That is why we call them public utilities. Another fact which is no longer the subject of dispute is that they can not wisely be left solely to private enterprise. It is a fact established by sore and entirely convincing experience. Consequently, we subject them to public regulation, which means, to speak baldly but yet accurately, that within certain limits, which are capable of more or less indefinite expansion, the Government undertakes to control and direct their management. To that extent, therefore, these public services have already been socialized.

At this point I digress to mention a rather singular thing about public regulation. Its original purpose was to protect the public against extortion and unsafe, inadequate, or poor service. It is now regarded, also, as a means of protecting the regulated companies against each other, against their competitors, and even against the public. The transportation act, 1920 was motived to a very considerable extent by that thought, and in still greater degree it motives the present demand for the extension of public regulation in the case of motor busses and trucks, water carriers, airplanes, and pipe lines. As a further illustration, I venture the assertion with some confidence that if the railroads had been subject to no public regulation whatsoever, a general increase in freight rates during times like these would never have been proposed. It required a solidarity which I believe could not have been achieved under conditions of open, unregulated competition, and which in fact was not in the past achieved when such conditions prevailed.

Now, I am the last man to deny that public regulation serves very useful purposes in the general interest. I would not be a part of it if I thought otherwise. Nevertheless, it is open to certain obvious criticisms. Inevitably it means a responsibility which is divided and overlapping. When things go wrong, the companies can and do blame the commissions, the commissions can and do blame the companies, and the public can and does blame either or both. Such a system runs counter to what are ordinarily re-

garded as sound principles of administration. The clash in authority becomes more acute the more active public regulation is. Nor is responsibility divided only between the companies and the commissions. The authority of the latter is circumscribed by statutory and constitutional law. Only the courts can finally determine what the limits are, with the result that our judges become a third and very important factor in the situation, and hence indirectly in management.

The part which the commissions play in management under court surveillance is necessarily performed in a way which in itself is inconsistent with sound principles of administration, as generally understood. The commissions must obtain the information upon which they act, not as executives inform themselves, but through the long drawn-out processes of judicial procedures, with opposing witnesses supported by batteries of counsel and with the hazard, always, that the hostilities will be prolonged by appeal to the courts. Such procedure consumes time with the utmost prodigality, and labor and money as well as time. The burden falls alike upon the companies, the Government, and the general public. Many such proceedings, especially when questions of valuation were involved, have dragged their long way through months and even years of time.

Furthermore, management in part through public regulators has other singularities. To be done efficiently it requires, like any other difficult undertaking, much accumulated knowledge, experience, and acquired skill. Yet there is seldom an opportunity for the prior training of commissioners. As a rule, they must acquire much of their special knowledge and skill after they assume office. They are also subjected to the hazard of reappointment at stated intervals. And if they exhibit marked capacity, a demand for their services elsewhere, where standards of remuneration are higher, is likely to develop, and particularly from the very companies which they regulate. It is no easy thing to find men who are fitted for the job and willing to undertake it, and when they are willing it may be chiefly with the hope that the job will prove a mere stepping-stone to more profitable occupation. The result is that there are many inefficient men in public regulation, and the turnover among those who are efficient is very great.

This very condensed summary of the situation must at least suggest the thought that some better way can be found of directing the performance of the public functions which are the reason for the existence of the public utilities. And having sound principles of administration in mind, the thought must also suggest itself that a better and also simple way would be for the Government to take over these public functions itself and assume complete and undivided responsibility for their management in place of the partial responsibility which it has already assumed. At one stroke this would eliminate the troublesome question of valuation, greatly simplify financing, largely eliminate the courts as a time-consuming factor in the situation, and reduce cumbersome judicial procedure in connection with questions of management to a minimum. Such matters as service, issue of securities, accounting, new construction, and the general level of rates could ordinarily be handled in normal, administrative routine. A commission or some other tribunal might be necessary to pass upon certain questions where the clash of individual rights is involved, such as discriminations in rates, but the field of such procedure would be vastly narrowed.

Throughout this paper in speaking of "government" I use the word generically. Dependent upon circumstances it might be the Federal, a State, or a municipal government or some other governmental unit created for the purpose. It is unnecessary for present purposes to consider such distinctions.

Other things being equal, such a system of complete and undivided responsibility for management and operation has manifest advantages over the present system. The important question, of course, is whether other things are actually equal. Would the plan entail disadvantages which would offset or more than offset its apparent advantages?

The answer to this question most frequently voiced is in the affirmative. It is urged that the Government is bureaucratic and inefficient, lacks initiative, is often corrupt, would be controlled by political expediency rather than sound business principles, and would convert these utility services into mere parts of political machines. It is asserted that in all these respects government falls, and would continue to fall, far below the high level of private enterprise. If this indictment be true, this country must indeed be in a sorry pass, considering the great and vital functions which are already entrusted to the Government. The thought occurs that even so it might not be unwise to have direct public responsibility for these public-utility services which enter so intimately into the lives of the people. The result might be to create an irresistible demand for better government all along the line.

But my experience with government and with the private companies does not convince me that the indictment is true, or in any event that it must needs continue to be true. Bear in mind that the indictment has two aspects. One is the deficiency of government in certain respects, and the other is the superiority in the same respects of private enterprise.

Considering the latter aspect first, I have known many public utility companies that were operated with enterprise and economy. I have known some whose finances were conducted soundly and conservatively. I have also known some that kept out of "politics" in the baser sense of the word. On the other hand, I have known, and so have you, many that were ruined by financial exploitation of varying degrees of atrocity.

I have known many that were operated without enterprise or wastefully. And I have known many that were in "politics," of varying degrees of malodor, up to at least their necks. Perhaps the greatest danger in the case of private management of public utilities is the danger of financial exploitation. That is how most of the great private fortunes in this field have been made. It may be urged that this threat has been minimized by public regulation. Unfortunately, there are many ways of slipping out of that noose, and the chief of these is the holding company. When the full effects are realized of financial exploitation quite recently carried on through such companies in an era of general public regulation, I venture to predict that most of us will agree that this danger is still with us. Moreover, I assert with complete confidence that when such exploitation occurs, whether in the utility companies themselves or in corporate structures superimposed upon them, the effect is ultimately felt all down the line to and including both rates and service.

Bear in mind, also, that private enterprise is not the same thing as it once was. There is much less genuine individualism. As corporations grow larger and the stock is widely distributed in the hands of many small holders, the voice of the actual owners of the property grows faint and indistinct, and management falls into the hands of directors who are either selected by bankers or select themselves, and often have a most insignificant financial stake in the property. The thought occurs that possibly a President or a governor could select these directors as well as they are now selected. Also, the situation presents manifest possibilities of common, ordinary graft, and what has been done by certain large private corporations in the way of salaries and bonuses suggests that these possibilities have not been wholly overlooked.

So far as government is concerned, its deficiencies are many. Certainly there is vast opportunity for improvement. On the other hand, the experience which I have had in government has been far from discouraging in this respect. I have served in two—the government of Massachusetts and the Government of the United States. From what I have observed, I am persuaded that if all the instances of enterprise, initiative, and efficiency, to say nothing of mere honesty, in these two governments were collected and brought to light, the public would be astonished and heartened by the sum total. In saying this I am leaving out of consideration the departments in which I have personally served.

Comparing the relative merits and demerits of government, on the one hand, and of the public-utility companies, on the other, I am not sure how the balance tips. But that is really not the important thing. Assuming the present superiority of private enterprise and conceding the defects in the public service, are these defects inevitable? If government were given direct responsibility for the public functions which the utility companies now perform, is there nothing which can be done to safeguard the situation with a view to eliminating or reducing the defects, and if there is, what direction should it take? It is in the consideration of this question that the great opportunity for creative thought and effort lies. It opens up a field which has hardly been touched, at least in this country, and I believe the possibilities are very great.

Public ownership need not be combined with public operation. It is quite possible to contract for private management and to provide in the contract such definite safeguards against exploitation and abuse as may be desired. Personally, I incline toward public operation as well as ownership. But such operation need not be through an ordinary Government department or bureau. Instead, it can, and I believe should be, carried on just as private operation is carried on, through the medium of a separate corporation, with the Government as the stockholder.

Not long ago I sketched out such a plan in an article in the St. Louis Post-Dispatch, not in any way as a final solution of the problem but largely to provoke thought. Time does not permit going into details here, but I can indicate some of the essentials.

The use of such a corporation would make it possible to conduct the industry separate and distinct from other governmental activities, on a self-sustaining basis, and in a form permitting ready examination into its affairs, to manage it in accordance with honest business practice, and to remove it from ordinary political influences. A board of public trustees appointed by the executive branch of the Government would function as directors and be solely responsible for the management of the corporation in accordance with its charter powers and purposes. The legislative branch of the Government would be responsible for the latter but would be without other authority to interfere with management except through powers of investigation. In itself the proper drafting of the charter would be a very important duty. The trustees would be under oath to manage the property with regard solely to economy and efficiency and the provision of the best possible service at the lowest rates consistent with the full costs of the undertaking, including proper upkeep and the maintenance of adequate depreciation and other necessary reserves. They would be strictly prohibited from appointing or removing employees at the behest of any public officeholder. Plans could easily be shaped and adopted for recognizing and rewarding especial merit in officers and employees and for toning up the morale of the entire force.

If it were thought desirable, as a further safeguard, provision could be made for the selection of a minority of the trustees by nonpolitical elements having a natural interest in sound oper-

ation and management. The business and labor interests of the community might, for example, be so represented. In the case of a very large undertaking more than one corporation, possibly several, might be desirable.

Details I am omitting. The plan is capable of a great variety of modifications and development along different lines. There is nothing original about it, for it is largely made up of ideas which have severally, and to some extent jointly, already been put into practice either in this country or abroad. An excellent board of public trustees appointed by the Governor of Massachusetts is now directing the affairs of the Boston Elevated Railway Co., and after 12 years of trial the people of the district served voted last year to continue the plan in operation. Less than a third voted in favor of return to private management. It is conceded that the company has been kept out of politics. The Canadian National Railway is operated by a corporation with directors appointed by the government, and has a most efficient management. Those who point to the deficits which that railroad system is now incurring forget the fact that it is an aggregation of lines, many of them built in advance of the development of the country, which experience had proven could not be successfully operated by private enterprise. They forget the extraordinary improvements in service and earnings under a public management headed by a man, Sir Henry Thornton, conceded to be in the front rank of railroad operators, and who, by the way, is a graduate of the University of Pennsylvania and got his early railroad training on the Pennsylvania Railroad system. They forget, also, the general depression in railroad earnings at the present time. An outstanding example in England is the Central Electricity Board, established not by a Labor but by a Conservative Government. The German railroads, as now operated, furnish a further illustration, and there are many others.

As an illustration of the progress of thought along these lines in England, I quote the following from a leading English weekly:

"The idea of public administration has hitherto connoted in men's minds the idea of control by Parliament or by an elected local authority. It will, we hope and believe, continue to involve this idea in matters of high policy plainly concerning the public interest. But we have to learn, as we are learning already in the case of the British Broadcasting Co., to distinguish between ultimate control over policy and supervision of the affairs of day-to-day administration. We have to learn that if we are to manage public services efficiently, we shall have to leave their administrators to get on with the job, reserving the right to criticize and to replace them if they bungle, but leaving them free over a wide field to settle current questions on their own responsibility."

For the financial overlords of our railroads and public utility companies I have no particular admiration. For many of the men who are in direct charge of operation, however, I have the utmost respect. Given a plan for the public operation of these industries which will give the managers a degree of autonomy somewhat comparable to that existing in private industry and which will protect them against continual petty and political influence, I am confident that no difficulty would be experienced in obtaining the services as executives of men of the highest ability and character. The great business executives of the present day neither own nor control the properties which they manage. They must all serve somebody, and given a fair chance, I have little doubt that many of them would prefer serving their country or their State or their city to serving purely private interests and profit.

That such conditions of public ownership and operation can be established I thoroughly believe. The plan which I have outlined in a very general way may not be the right one, but an adequate plan can be developed if sufficient brain power is concentrated upon it. It is to that end that thought should be directed. Needless to say, however, the wisdom of such a plan in the case of any particular government—and I have municipalities particularly in mind—might be affected by the existing character and stage of development of that government.

This paper must perforce be brief. The subject is such that it would be expanded almost indefinitely. There are some points that I would like to have expanded. Some day I hope to say something about the development of efficiency in the public service generally, regardless of whether it is broadened to include these utility services. The astonishing thing is that so much efficiency may be found when so little thought has been given to ways and means of developing it. If time permitted, I should also be glad to correct certain misapprehensions concerning the United States Railroad Administration during the war period, who ran it, what it accomplished, and what lessons it taught. I had opportunities for close observation of all these matters.

Let me in closing say—what it is hardly necessary to suggest—that no system of operating utilities can be made perfect, whether it be private or public. There always will be defects and room for improvement. The important thing is to find the system which is potentially the best. It will be found, I believe, somewhere in the general direction of public ownership and operation. But even if the immediate defects of such a system of ownership and operation should prove greater than I anticipate, that alone would not completely condemn it. There are impressive reasons for believing that it is desirable for government to assume direct responsibility for all functions which are conceded to be of a public character. Not only is such a course the only one consistent with a due regard for the dignity of government, but the moment that important public functions are delegated to private enterprise powerful bodies of men are created with a direct personal and financial stake in government and hence having an incentive to meddle with it and shape its policies, if they can, to fit their own selfish ends. Such influences operating upon government in one way or another are one of the important reasons, I believe, for its present defects.

One final word: It is a tenet held by many that the desire for financial gain is the only motive which will impel men to their best endeavors. I challenge that tenet whole-heartedly. I was brought up in a minister's family; I have enjoyed the friendship of doctors, school teachers, and professors; and I have had some opportunity to observe men in public life, as well as many engaged in business. My very profound belief is that the best things which have been done in the world have been impelled by higher motives than the desire for financial gain; that these higher motives have an influence much more widespread than is commonly supposed; and that the desire for gain, while it may impel to certain valuable endeavors, never impels the best and often impels the worst.

PROGRESS IN PUBLIC-BUILDINGS PROGRAM

Mr. JONES. Mr. President, I have here a statement from the architect's office with reference to the condition of public buildings under way under our public-building program. I do not think this has been heretofore put in the RECORD. I think it ought to be in the RECORD, as it will give information to Members in which they are probably interested and for which they will doubtless call upon the department unless it is available otherwise. Therefore I ask that it may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The statement is as follows:

Status of $700,000,000 program as of November 30, 1931

(Total specific authorization to date, $496,424,692.26)

Completed 134 buildings, total limit	$42,411,569.04
Under contract, either in whole or in part, 286 projects, total limit	232,406,200.00
Sites purchased in the District of Columbia	27,052,227.00
Bids in on market or in the specification stage, 63 projects	21,685,000.00
Drawing stage:	
Supervising Architect, 97 projects, total limit	14,281,400.00
Private architects, 150 projects, total limit	131,032,023.22
Land owned, ready for drawings, 4 projects, total limit	647,000.00
Sites selected, title not yet vested, 53 projects, total limit	16,136,500.00
Sites advertised for, examined, and awaiting selection, 14 projects, total limit	4,625,000.00
Held for amended legislation or for other reasons, 15 projects, total limit	4,520,000.00
Available for purchase of sites in the District of Columbia	1,627,773.00
Total specific authorization	496,424,692.26

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931

State and project	Limit of cost	Status
ALABAMA		
Albertville	$70,000.00	Under contract
Athens	90,000.00	Drawing stage.
Attalla	70,000.00	Under contract.
Auburn	90,000.00	Drawing stage.
Birmingham	425,000.00	Completed.
Greenville	75,000.00	Under contract.
Mobile, M. H.[1]	450,000.00	Specification stage.
Mobile, P. O.	40,000.00	Additional land acquired.
Montgomery[1]	1,045,000.00	On the market.
Sheffield	95,000.00	Completed.
Sylacauga	75,000.00	Under contract.
Union Springs	50,000.00	Do.
ARIZONA		
Douglas, B. S.	$65,000.00	Drawing stage.
Globe	165,000.00	Completed.
Phoenix[1]	1,080,000.00	Drawing stage.
Prescott	235,000.00	Under contract.
San Luis, B. S.	58,500.00	Do.
Tucson	540,000.00	Completed.
Yuma[1]	190,000.00	Drawing stage.
ARKANSAS		
Blytheville	95,000.00	Drawing Stage
Brinkley	65,000.00	Under contract.
Conway	90,000.00	Completed.
El Dorado	425,000.00	Under contract.
Forrest City	85,000.00	Do.
Jonesboro	110,000.00	Drawing stage.
Little Rock	1,435,000.00	Under contract
North Little Rock	110,000.00	Do.
Pine Bluff	55,000.00	Drawing stage.

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

State and project	Limit of cost	Status
ARKANSAS—continued		
Prescott	$60,000.00	Completed.
Stuttgart	95,000.00	Under contract.
Texarkana [1]	790,000.00	Specifications.
CALIFORNIA		
Alameda	75,000.00	On the market.
Berkeley	190,000.00	Under contract.
Beverly Hills [1]	300,000.00	Drawing stage.
Calexico, B. S	73,000.00	Do.
El Centro	140,000.00	Do.
Glendale [1]	455,000.00	Do.
Long Beach	725,000.00	On the market.
Los Angeles, P. O., Ct. H. [1]	950,000.00	Additional land accepted.
Los Angeles, Q. S	70,000.00	Site accepted.
Marysville [1]	150,000.00	Drawing stage.
Merced [1]	180,000.00	Do.
Modesto	195,000.00	Do.
Monterey [1]	180,000.00	Do.
Napa [1]	140,000.00	Do.
Oakland	1,510,000.00	Foundation completed; superstructure under contract.
Oroville [1]	145,000.00	Specification stage.
Palo Alto [1]	210,000.00	Drawing stage.
Petaluma	165,000.00	Do.
Pomona	175,000.00	Under contract.
Porterville	150,000.00	Site accepted.
Red Bluff	95,200.00	Completed.
Redlands	170,000.00	Site report in.
Sacramento [1]	1,300,000.00	Specification stage.
San Bernardino	325,000.00	Under contract.
San Diego	775,000.00	Held (amended legislation).
San Francisco, F. O. B. [1]	3,050,000.00	Drawing stage.
San Francisco, M. H	1,640,000.00	Under contract.
San Franciso, P. O., Ct. H. [1]	750,000.00	Drawing stage.
San Jose	455,000.00	Site accepted.
San Pedro	575,000.00	Condemnation, land.
Santa Ana	245,000.00	Under contract.
San Ysidro, B. S	105,000.00	Drawing stage.
Stockton [1]	695,000.00	On the market.
Tecate, B. S	59,500.00	Drawing stage.
Vallejo	185,000.00	Site acquired.
Ventura	200,000.00	Site accepted.
Visalia	150,000.00	Do.
Watsonville	20,000.00	Site and building acquired.
COLORADO		
Alamosa	90,000.00	Held (amended legislation).
Boulder	140,000.00	Specification stage.
Canon City	120,000.00	Under contract.
Denver, Cu. H	1,235,000.00	Do.
Durango	150,000.00	Completed.
Greeley	50,000.00	Drawing stage.
Monte Vista	120,750.00	Under contract.
Montrose	141,750.00	Do.
Pueblo	25,000.00	Condemnation, land.
Sterling	225,000.00	Under contract.
CONNECTICUT		
Branford	65,400.00	Completed.
Bridgeport [1]	1,200,000.00	Drawing stage.
Derby	125,000.00	Under contract.
Hartford [1]	2,000,000.00	Do.
Manchester	135,000.00	Drawing stage.
Milford	140,000.00	Under contract.
New Britain	250,000.00	Do.
New London [1]	420,000.00	Drawing stage.
Norwalk	375,000.00	Site report in.
Putnam	115,000.00	Drawing stage.
Stamford, land only	20,000.00	Completed.
Waterbury	570,000.00	Under contract.
DELAWARE		
Dover [1]	100,000.00	Drawing stage.
Georgetown	75,000.00	Under contract.
Newark	60,000.00	Completed.
Reedy Island, Q. S	14,500.00	Drawing stage.
FLORIDA		
Bradenton	155,000.00	Site accepted.
Clearwater [1]	150,000.00	Drawing stage.
Daytona Beach [1]	285,000.00	Do.
Fort Lauderdale [1]	175,000.00	Do.
Fort Myers [1]	210,000.00	Do.
Jacksonville, Ct. H. [1]	2,000,000.00	Do.
Jacksonville, P. P. B. [1]	575,000.00	Under contract.
Key West, M. H	25,000.00	Do.
Key West, P. O	525,000.00	Do.
Kissimmee	80,000.00	Do.
Lake City	125,000.00	Do.
Lakeland	90,000.00	Completed.
Marianna	116,000.00	Do.
Miami [1]	2,080,000.00	Under contract.
Miami, Q. S	65,000.00	On the market.
Palm Beach [1]	200,000.00	Drawing stage.
Sarasota [1]	175,000.00	Do.
Tampa	550,000.00	Under contract.

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

State and project	Limit of cost	Status
GEORGIA		
Americus	$100,000.00	Specification stage.
Atlanta	2,975,000.00	Foundation under contract; superstructure on the market.
Canton	55,000.00	Completed.
Columbus [1]	410,000.00	Drawing stage.
Eatonton	50,000.00	Under contract.
Fort Valley	85,000.00	Do.
Macon	395,000.00	Specification stage.
Madison	55,000.00	Under contract.
Monroe	60,000.00	Do.
Rossville	70,000.00	Do.
Sandersville	70,000.00	Do.
Savannah, M. H	18,000.00	Held.
Savannah	900,000.00	Under contract.
Thomaston	95,000.00	Site accepted.
Thomson	70,000.00	Under contract.
Toccoa	65,000.00	Do.
Waynesboro	60,000.00	Do.
West Point	65,000.00	Do.
IDAHO		
Boise	440,000.00	Completed.
Caldwell	110,000.00	Under contract.
Coeur d'Alene	250,000.00	Completed.
Nampa	110,000.00	Do.
Pocatello [1]	220,000.00	Specification stage.
Sandpoint	80,000.00	Completed.
Weiser [1]	110,000.00	Drawing stage.
ILLINOIS		
Aurora	395,000.00	Under contract.
Batavia	80,000.00	Completed.
Bloomington	325,000.00	Under contract.
Carbondale	125,000.00	Do.
Carlinville	75,000.00	Specification stage.
Carrollton	65,000.00	Under contract.
Chicago, appraiser's stores [1]	1,150,000.00	Drawing stage.
Chicago, M. H	233,000.00	Completed.
Do	200,000.00	Do.
Do. [1]	510,000.00	Drawing stage.
Chicago, P. O. [1]	24,725,000.00	Under contract.
Cicero	165,000.00	Do.
East Moline [1]	105,000.00	Drawing stage.
Freeport	275,000.00	Under contract.
Harvey	160,000.00	Drawing stage.
Havana	70,000.00	Under contract.
Highland	70,000.00	Do.
Hillsboro	75,000.00	Drawing stage.
Joliet [1]	185,000.00	Do.
Lake Forest [1]	160,000.00	Do.
Lawrenceville	100,000.00	Do.
Maywood	160,000.00	On the market.
Mendota	75,000.00	Under contract.
Metropolis	90,000.00	Completed.
Morris	115,000.00	Site accepted.
Mount Carmel	100,000.00	Completed.
Oak Park [1]	600,000.00	Drawing stage.
Ottawa	75,000.00	Completed.
Paxton	95,000.00	Do.
Pekin	60,000.00	Under contract.
Peoria	320,000.00	Held (amended legislation).
Peru	100,000.00	Drawing stage.
Rockford [1]	735,000.00	Do.
Springfield	850,000.00	Completed.
Spring Valley	60,000.00	Under contract.
Waukegan	335,000.00	Drawing stage.
Wheaton [1]	140,000.00	Do.
Woodstock	90,000.00	Under contract.
INDIANA		
Anderson	165,000.00	Completed.
Auburn	115,000.00	Under contract.
Connersville	70,000.00	Specification stage.
Decatur	85,000.00	Under contract.
East Chicago	185,000.00	Completed.
Evansville, M. H	100,000.00	Specification stage.
Fort Wayne [1]	1,150,000.00	Under contract.
French Lick	85,000.00	Drawing stage.
Greenfield	100,000.00	Under contract.
Greensburg	85,000.00	On the market.
Hagerstown	80,000.00	Drawing stage.
Hammond	155,000.00	Completed.
Kokomo	175,000.00	Under contract.
LaFayette [1]	375,000.00	Do.
Lebanon	90,000.00	Do.
Linton	60,000.00	Do.
Mount Vernon	75,000.00	Do.
Muncie	180,000.00	Do.
Noblesville	80,000.00	Do.
Plymouth [1]	80,000.00	Drawing stage.
Rushville	100,000.00	Completed.
Salem	80,000.00	Drawing stage.
South Bend [1]	1,100,000.00	Under contract.
Terre Haute [1]	600,000.00	Drawing stage.
Vincennes [1]	145,000.00	Do.
Warsaw	95,000.00	Under contract.
Whiting	130,000.00	Drawing stage.
Winchester	95,000.00	Do.

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

State and project	Limit of cost	Status
IOWA		
Albia	$75,000.00	Under contract.
Cedar Rapids	725,000.00	Do.
Council Bluffs	160,000.00	Drawing stage.
Davenport [1]	665,000.00	Specification stage.
Des Moines, Ct. H	665,000.00	Completed.
Des Moines, P. O	775,000.00	Condemnation—land.
Dubuque [1]	675,000.00	Drawing stage.
Fairfield	110,000.00	Completed.
Iowa City	190,000.00	Under contract.
Marengo	65,000.00	Do.
Mason City	385,000.00	Do.
Newton	125,000.00	Completed.
Oelwein	85,000.00	Under contract.
Sioux City [1]	1,025,000.00	Drawing stage.
Spencer	105,000.00	Do.
KANSAS		
Dodge City	140,000.00	Under contract.
Holton	85,000.00	Drawing stage.
Junction City	100,000.00	Completed.
Lawrence	120,000.00	Do.
Manhattan	77,000.00	Site acquired.
Pittsburg	85,000.00	Under contract.
Topeka	1,065,000.00	Foundation under contract, superstructure on the market.
Wichita	1,200,000.00	Under contract.
KENTUCKY		
Ashland	200,000.00	Drawing stage.
Barbourville	65,000.00	Under contract.
Central City	70,000.00	Do.
Elizabethtown	70,000.00	Do.
Falmouth	60,000.00	Do.
Harlan	110,000.00	Do.
Harrodsburg	95,000.00	Do.
Lexington [1]	760,000.00	Drawing stage.
Louisville, M. H. [1]	460,000.00	Specification stage.
Louisville	2,985,000.00	Foundation completed, superstructure under contract.
Madisonville	90,000.00	Under contract.
Murray	90,000.00	Do.
Paintsville	70,000.00	Do.
Pikeville	93,000.00	Do.
Prestonsburg	70,000.00	Do.
Shelbyville	70,000.00	Completed.
LOUISIANA		
Alexandria [1]	350,000.00	Drawing stage.
Baton Rouge [1]	465,000.00	Do.
Bogalusa	130,000.00	Completed.
Mansfield	75,000.00	Under contract.
Monroe [1]	390,000.00	Drawing stage.
Morgan City	75,000.00	Bids in.
New Orleans, M. H	2,000,000.00	Under contract.
New Orleans, Q. S	455,000.00	Do.
Opelousas	85,000.00	Do.
Shreveport	350,000.00	Do.
MAINE		
Brunswick	90,000.00	Under contract.
Caribou	70,000.00	Completed.
Eustis, B. S	59,100.00	Under contract.
Fort Fairfield, B. S	63,000.00	Drawing stage.
Fort Fairfield, P. O	90,000.00	Completed.
Hallowell	75,000.00	Under contract.
Houlton, B. S	65,000.00	Site accepted.
Limestone, B. S	31,500.00	Do.
Orono	80,000.00	Drawing stage.
Portland, Ct. H	400,000.00	Foundation completed; superstructure under contract.
Portland, P. O. [1]	850,000.00	Drawing stage.
Presque Isle	105,000.00	Site accepted.
Sanford [1]	100,000.00	Drawing stage.
MARYLAND		
Baltimore, appraiser's stores [1]	1,000,000.00	Drawing stage.
Baltimore, M. H	1,620,000.00	Do.
Baltimore, P. O	3,300,000.00	Under contract.
Crisfield	105,000.00	Site selected.
Cumberland [1]	540,000.00	Specification stage.
Easton	125,000.00	Site report in.
Westminster	120,000.00	Drawing stage.
MASSACHUSETTS		
Andover	115,000.00	Under contract.
Boston, P. O	6,000,000.00	Foundation completed; superstructure under contract.
Boston, I. S	90,000.00	Completed.
Brockton	345,000.00	Drawing stage.
Cambridge	755,000.00	Site report in.
Easthampton	100,000.00	Drawing stage.
Fall River	995,000.00	Under contract.
Fitchburg	150,000.00	Completed.
Framingham	170,000.00	Under contract.
Gloucester [1]	350,000.00	Specification stage.

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

State and project	Limit of cost	Status
MASSACHUSETTS—continued		
Haverhill	$250,000.00	Completed.
Lawrence	210,000.00	Under contract.
Leominster	125,000.00	Completed.
Lowell	500,000.00	Under contract.
Lynn [1]	700,000.00	Drawing stage.
Malden	140,000.00	Completed.
Middleboro	105,000.00	Drawing stage.
Newburyport	102,000.00	Completed.
Norwood	130,000.00	Site accepted.
Palmer	115,000.00	Under contract.
Pittsfield	195,000.00	Do.
Provincetown	105,000.00	Drawing stage.
Quincy [1]	240,000.00	Do.
Rockland [1]	115,000.00	Do.
Salem [1]	360,000.00	Do.
Southbridge	110,000.00	Completed.
Springfield	1,450,000.00	Under contract.
Taunton	215,000.00	Do.
Waltham [1]	220,000.00	Drawing stage.
Williamstown	95,000.00	Do.
Winchester	75,000.00	Completed.
Winthrop	63,000.00	Under contract.
Worcester	800,000.00	Do.
MICHIGAN		
Alma [1]	115,000.00	Drawing stage
Ann Arbor	75,000.00	Do.
Battle Creek	230,000.00	Completed.
Bay City	475,000.00	Under contract.
Benton Harbor	120,000.00	Do.
Boyne City	65,000.00	Do.
Calumet	100,000.00	Held (amended legislation).
Detroit, I. S	115,000.00	Drawing stage.
Detroit, M. H. [1]	1,200,000.00	First half completed; second half drawing stage.
Detroit, P. O. [1]	5,650,000.00	Foundation under contract; superstructure specification stage.
Flint	650,000.00	Completed.
Grand Rapids [1]	300,000.00	Held (amended legislation).
Iron Mountain [1]	170,000.00	Drawing stage.
Ironwood	185,000.00	Under contract.
Jackson [1]	515,000.00	Drawing stage.
Lansing [1]	850,000.00	Do.
Lapeer	100,000.00	Do.
Ludington	135,000.00	Do.
Marshall [1]	130,000.00	Do.
Pontiac	200,000.00	Completed.
Port Huron	115,000.00	Drawing stage.
South Haven	115,000.00	Site accepted.
Sturgis	125,000.00	Bids in.
Wyandotte	140,000.00	Completed.
MINNESOTA		
Austin	75,000.00	Drawing stage.
Duluth	1,200,000.00	Completed.
Fergus Falls	150,000.00	Drawing stage.
Hibbing	135,000.00	Held (amended legislation).
Hopkins	85,000.00	Drawing stage.
Mankato	300,000.00	Do.
Minneapolis [1]	4,150,000.00	Foundation bids in; superstructure drawing stage.
Montevideo	75,000.00	Completed.
Northfield [1]	125,000.00	Drawing stage.
Noyes, B. S	78,000.00	Under contract.
Pipestone [1]	90,000.00	Drawing stage.
Rochester [1]	360,000.00	Do.
St. Paul [1]	2,700,000.00	Do.
South St. Paul	160,000.00	Under contract.
MISSISSIPPI		
Aberdeen	122,000.00	Under contract.
Cleveland	70,000.00	Site report in.
Columbia [1]	70,000.00	Drawing stage.
Corinth	75,876.04	Completed.
Greenwood	90,000.00	Under contract.
Hattiesburg [1]	245,000.00	Drawing stage.
Jackson [1]	825,000.00	Do.
Kosciusko	60,000.00	Completed.
Lumberton	60,000.00	Under contract.
Meridian [1]	555,000.00	Drawing stage.
Winona	75,000.00	Do.
MISSOURI		
Aurora	70,000.00	Under contract.
Caruthersville	80,000.00	Do.
Centralia	70,000.00	Do.
Farmington	90,000.00	Do.
Jefferson City [1]	450,000.00	Drawing stage.
Kansas City	4,500,000.00	Under contract.
Lamar	70,000.00	Do.
Lebanon	70,000.00	Do.
Mountain Grove	70,000.00	Do.
St. Louis, Ct. H	3,825,000.00	Foundation specification stage; superstructure drawing stage.
St. Louis, P. O	1,500,000.00	Condemnation, land.
Sedalia	170,000.00	Under contract.
Sikeston	70,000.00	Do.
Trenton	100,000.00	Drawing stage.
Unionville	65,000.00	Under contract.
Westplains	70,000.00	Do.

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

State and project	Limit of cost	Status
MONTANA		
Anaconda	$140,000.00	Specification stage.
Babb-Piegan, B. S.	59,000.00	Under contract.
Billings [1]	240,000.00	Drawing stage.
Butte	295,000.00	On the market.
Havre	250,000.00	Under contract.
Helena	357,000.00	Do.
Lewistown	165,000.00	Do.
Missoula	400,000.00	Completed.
Rossville, B. S.	59,000.00	Specification stage.
Sweetgrass, B. S.	61,000.00	Drawing stage.
NEBRASKA		
Beatrice	50,000.00	On the market.
Broken Bow	85,000.00	Under contract.
Central City	65,000.00	Completed.
Crete	65,000.00	Under contract.
David City	75,000.00	Drawing stage.
Grand Island [1]	95,000.00	Do.
Norfolk	145,000.00	Uunder contract.
Omaha, F. O. B. [1]	740,000.00	Drawing stage.
Scottsbluff	125,000.00	Under contract.
Sidney	80,000.00	Drawing stage.
NEVADA		
Elko	140,000.00	Drawing stage.
Ely	95,000.00	Do.
Fallon	90,000.00	Completed.
Goldfield	75,000.00	Held.
Las Vegas	320,000.00	Under contract.
Reno [1]	565,000.00	Drawing stage.
NEW HAMPSHIRE		
Claremont	95,000.00	Under contract.
Exeter	90,000.00	On the market.
Hanover	100,000.00	Completed.
Littleton	265,000.00	Site report in.
Manchester	450,000.00	Bids in.
Somersworth	75,000.00	Under contract.
NEW JERSEY		
Bayonne	230,000.00	Completed.
Bloomfield	325,000.00	Site report in.
Camden	1,100,000.00	Under contract.
Dover	150,000.00	Site accepted.
East Orange	285,000.00	Completed.
Elizabeth	175,000.00	Do.
Englewood	280,000.00	Site report in.
Freehold	135,000.00	Condemnation, land.
Hoboken	250,000.00	Under contract.
Jersey City [1]	455,000.00	Drawing stage.
Millville	90,300.00	Completed.
Montclair	295,000.00	Do.
Newark [1]	6,150,000.00	Drawing stage.
Orange	320,000.00	Site report in.
Passaic	350,000.00	Under contract.
Paterson [1]	800,000.00	Drawing stage.
Phillipsburg [1]	155,000.00	Do.
Princeton [1]	95,000.00	Do.
Red Bank	140,000.00	Under contract.
Salem	80,000.00	Do.
Somerville	135,000.00	Site accepted.
Trenton	1,650,000.00	Foundation completed; superstructure under contract.
Union City	375,000.00	Condemnation, land.
West New York	375,000.00	Site accepted.
NEW MEXICO		
Albuquerque	900,000.00	Under contract.
Clovis	130,000.00	Do.
East Las Vegas	151,000.00	Completed.
Gallup	125,000.00	Drawing stage.
Santa Fe, Ct. H.	270,000.00	Completed.
Silver City	115,000.00	Drawing stage.
NEW YORK		
Albany [1]	3,325,000.00	Drawing stage.
Amsterdam	175,000.00	Held (amended legislation).
Bath	105,000.00	Under contract.
Binghamton [1]	625,000.00	Drawing stage.
Brooklyn	2,700,000.00	Under contract.
Catskill [1]	110,000.00	Drawing stage.
Champlain, B. S.	56,000.00	Specification stage.
Chateaugay, B. S.	59,100.00	Drawing stage.
Dansville [1]	145,000.00	Do.
Dunkirk	100,000.00	Completed.
Elmira	265,000.00	Do.
Endicott [1]	190,000.00	Drawing stage.
Fort Covington, B. S.	56,000.00	Site accepted.
Fort Plain	87,800.00	Under contract.
Freeport [1]	215,000.00	Drawing stage.
Glen Cove [1]	160,000.00	Site acquired.
Hempstead [1]	315,000.00	Drawing stage.
Flushing	700,000.00	Site accepted.
Herkimer [1]	120,000.00	Drawing stage.
Jamaica [1]	875,000.00	Do.
Le Roy	95,000.00	Site selected.
Lockport	80,000.00	Drawing stage.
Long Island City	$475,000.00	Completed.
Lyons	75,000.00	Under contract.
Malone	175,000.00	Condemnation, land.
Medina	115,000.00	Under contract.
Mooers, B. S.	59,300.00	Drawing stage.
Newburgh	340,000.00	Under contract.
New York City, old appraiser's stores.	600,000.00	First half completed; second half under contract.
New York City, assay office. [1]	3,765,000.00	Under contract.
New York City, Ct. H. [1]	10,700,000.00	Drawing stage.
New York City, F. O. B.	5,000,000.00	Site accepted.
New York City, M. H. [1]	2,500,000.00	Drawing stage.
New York City, P. P. B.	11,000,000.00	Under contract.
New York City, P. O. Annex.	9,500,000.00	Drawing stage.
Niagara Falls, Cu. H.	75,000.00	Completed.
Niagara Falls, P. O. [1]	200,000.00	Drawing stage.
Norwich [1]	130,000.00	Do.
Nyack	150,000.00	Do.
Oneida	145,000.00	Under contract.
Patchogue [1]	200,000.00	Drawing stage.
Peekskill	165,000.00	Under contract.
Plattsburg	120,000.00	Completed.
Port Chester [1]	320,000.00	Drawing stage.
Potsdam	135,000.00	Specification stage.
Rochester [1]	1,700,000.00	Drawing stage.
Rouses Point, B. S.	153,000.00	Do.
Schenectady [1]	370,000.00	Do.
Seneca Falls	115,000.00	Site accepted.
Staten Island	345,000.00	Under contract.
Syracuse	1,500,000.00	Completed.
Trout River, B. S.	60,000.00	Under contract.
Utica	800,000.00	Completed.
Watertown	275,000.00	Do.
Wellsville	145,000.00	Bids in.
White Plains	350,000.00	Under contract.
Yonkers	520,000.00	Completed.
NORTH CAROLINA		
Asheville	650,000.00	Completed.
Charlotte	525,000.00	Drawing stage.
Durham [1]	550,000.00	Do.
Edenton	70,000.00	Under contract.
Greensboro	900,000.00	Do.
High Point [1]	400,000.00	Drawing stage.
Lenoir	75,000.00	Completed.
Lumberton	105,000.00	Under contract.
Mount Airy [1]	145,000.00	Drawing stage.
Mount Olive	75,000.00	Under contract.
New Bern	325,000.00	Site report in.
Rockingham	120,000.00	Site accepted.
Rutherfordton	70,000.00	Under contract.
Salisbury	182,500.00	Do.
Wadesboro	90,000.00	Specification stage.
Wilson	205,000.00	Completed.
NORTH DAKOTA		
Ambrose, B. S.	59,000.00	Under contract.
Carrington	90,000.00	Drawing stage.
Fargo	600,000.00	Completed.
Grafton	85,000.00	Specification stage.
Jamestown	200,000.00	Completed.
Pembina	115,000.00	Under contract.
Portal, B. S.	74,200.00	Do.
St. Johns, B. S.	59,000.00	Do.
OHIO		
Akron	565,000.00	Completed.
Barberton	175,000.00	Drawing stage.
Bucyrus	140,000.00	Do.
Canton [1]	725,000.00	Do.
Cincinnati, P. P. [1]	3,000,000.00	Do.
Cincinnati, P. O., Ct. H.	1,000,000.00	Held (amended legislation).
Cleveland [1]	5,275,000.00	Drawing stage.
Columbus [1]	2,275,000.00	Do.
Conneaut	105,000.00	Under contract.
Delphos	98,000.00	Site accepted.
Dover	110,000.00	Drawing stage.
Findlay [1]	230,000.00	Do.
Fostoria	160,000.00	Do.
Fremont	240,000.00	Under contract.
Galion	140,000.00	Site selected.
Hamilton	410,000.00	Under contract.
Jackson	100,000.00	Do.
Lima	475,000.00	Completed.
Millersburg	70,000.00	Under contract.
Mount Vernon	135,000.00	Drawing stage.
Napoleon	90,000.00	Under contract.
New Philadelphia	100,000.00	Completed.
Niles	130,000.00	Under contract.
Norwalk	150,000.00	On the market.
Oberlin	105,000.00	Site accepted.
Painesville [1]	180,000.00	Drawing stage.
Portsmouth	400,000.00	Site report in.
Ravenna [1]	145,000.00	Drawing stage.
Sandusky	40,000.00	Completed.
Shelby	105,000.00	Drawing stage.
Springfield [1]	740,000.00	Foundation specification stage; superstructure drawing stage.

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

State and project	Limit of cost	Status
OHIO—continued		
Toledo [1]	$960,000.00	Under contract.
Troy	150,000.00	Drawing stage.
Urbana	130,000.00	Do.
Wilmington	130,000.00	Completed.
Wooster	80,000.00	Do.
Youngstown [1]	585,000.00	On the market.
Zanesville	150,000.00	Specification stage.
OKLAHOMA		
Ada [1]	250,000.00	Drawing stage.
Bartlesville	310,000.00	Under contract.
Duncan	125,000.00	Condemnation, land.
Frederick	95,000.00	Under contract.
Hobart	90,000.00	Do.
Miami	235,000.00	Drawing stage.
Norman	160,000.00	Specification stage.
Oklahoma City	1,100,000.00	Under contract.
Okmulgee	330,000.00	On the market.
Ponca City [1]	250,000.00	Drawing stage.
Sapulpa	150,000.00	Under contract
Stillwater	135,000.00	Site accepted.
Tulsa	1,160,000.00	Under contract.
OREGON		
Astoria	250,000.00	Under contract.
Bend	155,000.00	Specification stage.
Corvallis	190,000.00	Under contract.
Klamath Falls	255,000.00	Do.
Marshfield [1]	140,000.00	Drawing stage.
Oregon City	115,000.00	Do.
Portland, Ct. H. [1]	1,950,000.00	Bids in.
St. Johns [1]	60,000.00	Drawing stage.
PENNSYLVANIA		
Allentown [1]	820,000.00	Specification stage.
Altoona [1]	775,000.00	Under contract.
Ambridge [1]	145,000.00	Drawing stage.
Bellefonte	125,000.00	Condemnation, land.
Bloomsburg	140,000.00	Site accepted.
Bryn Mawr [1]	175,000.00	Drawing stage.
Chester [1]	515,000.00	Do.
Clearfield	145,000.00	On the market.
Coatesville	165,000.00	Drawing stage.
Donora	95,000.00	Completed.
Duquesne	100,000.00	Held (amended legislation).
Ebensburg	15,000.00	Site acquired.
Ellwood City [1]	135,000.00	Drawing stage.
Erie	555,000.00	Under contract.
Greenville [1]	175,000.00	Drawing stage.
Grove City [1]	120,000.00	Do.
Jeannette [1]	155,000.00	Do.
Kittanning	145,000.00	Under contract.
Lancaster	500,000.00	Completed.
Lansdale	120,000.00	Site report in.
Lewisburg	255,000.00	Drawing stage.
Lewistown	108,500.00	Completed.
McKeesport	90,000.00	Specification stage.
McKees Rocks	85,000.00	Completed.
Milton	110,000.00	Drawing stage.
Nanticoke	70,000.00	Do.
New Castle [1]	525,000.00	Do.
New Kensington [1]	285,000.00	Specification stage.
Norristown [1]	490,000.00	Drawing stage.
Olyphant	70,000.00	Completed.
Philadelphia, Cu. H. [1]	4,200,000.00	Drawing stage.
Philadelphia, M. H.	75,000.00	Completed.
Philadelphia, P. O. [1]	9,750,000.00	Foundation under contract; superstructure drawing stage.
Pittsburgh [1]	7,902,000.00	Foundation under contract; superstructure on the market.
Pottsville	325,000.00	Held (amended legislation).
Rochester	105,000.00	Under contract.
Sayre	100,000.00	Completed.
Scranton	1,475,000.00	Under contract.
Stroudsburg [1]	130,000.00	Drawing stage.
Tamaqua	125,000.00	Do.
Tarentum	70,000.00	Completed.
Tyrone	125,000.00	Do.
Uniontown	265,000.00	On the market.
Warren	290,000.00	Foundation completed; superstructure under contract.
Waynesboro	145,000.00	Site accepted.
Waynesburg	100,000.00	Completed.
Wellsboro	80,000.00	Under contract.
Wilkes-Barre	395,000.00	Held (amended legislation).
Williamsport [1]	240,000.00	Drawing stage.
RHODE ISLAND		
East Greenwich [1]	95,000.00	Drawing stage.
Pawtucket	460,000.00	Under contract
Warren	75,000.00	Do.
West Warwick	140,000.00	Do.
Woonsocket	173,250.00	Do.
SOUTH CAROLINA		
Sheraw [1]	75,000.00	Drawing stage.
Dillon	60,000.00	Under contract.
Hartsville	75,000.00	Do.

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

State and project	Limit of cost	Status
SOUTH CAROLINA—contd.		
Lancaster	$75,000.00	Completed.
Rock Hill	300,000.00	Under contract.
Spartanburg	420,000.00	Completed.
SOUTH DAKOTA		
Chamberlain	54,000.00	Completed.
Hot Springs	90,000.00	Drawing stage.
Milbank	65,000.00	Under contract.
Mitchell	70,000.00	Completed.
Sioux Falls	300,000.00	Under contract.
Vermilion	75,000.00	Do.
Watertown	120,000.00	Drawing stage.
Winner	100,000.00	Under contract.
TENNESSEE		
Athens [1]	90,000.00	Completed.
Chattanooga	1,435,000.00	Drawing stage.
Cleveland	90,000.00	Do.
Elizabethton	122,500.00	On the market.
Huntingdon	70,000.00	Under contract.
Jackson	350,000.00	Drawing stage.
Kingsport	215,000.00	Under contract.
Knoxville [1]	1,575,000.00	Drawing stage.
McMinnville	85,000.00	Completed.
Memphis, M. H [1]	175,000.00	Drawing stage.
Memphis	900,000.00	Under contract.
Memphis, sub. P. O	325,000.00	Completed.
Nashville [1]	1,565,000.00	Drawing stage.
Paris	50,000.00	Completed.
Rogersville	70,000.00	On the market.
TEXAS		
Atlanta	65,000.00	Under contract.
Beaumont [1]	680,000.00	Drawing stage.
Big Spring	165,000.00	Site accepted.
Breckenridge	140,000.00	Drawing stage.
Brownsville	430,000.00	Under contract.
Cisco	130,000.00	Drawing stage.
Coleman	100,000.00	Under contract.
Corsicana	90,000.00	Completed.
Crockett	85,000.00	Under contract.
Dallas	1,305,000.00	Do.
El Paso, I. S	535,000.00	Held.
Fort Worth, Ct. H. [1]	1,215,000.00	Drawing stage.
Fort Worth, P. O. [1]	1,445,000.00	Under contract.
Galveston, I. S. [1]	375,000.00	Specification stage.
Galveston, M. H	740,000.00	Under contract.
Georgetown	80,000.00	Do.
Greenville	80,000.00	Completed.
Harlingen	170,000.00	Site accepted.
Houston	615,000.00	Under contract.
Huntsville	75,000.00	Do.
Jacksonville	135,000.00	Site accepted.
Lubbock	335,000.00	Under contract.
McAllen	135,000.00	Condemnation, land.
Memphis	80,000.00	Under contract.
Mexia	100,000.00	Do.
Pampa	180,000.00	Site accepted.
Paris	84,000.00	Completed.
Plainview	152,000.00	Drawing stage.
Sabine Pass, Q. S	375,000.00	Site acquired.
San Angelo	200,000.00	Drawing stage.
San Antonio	325,000.00	Condemnation, site.
San Benito	125,000.00	Under contract.
Seguin	85,000.00	Site report in.
Stephenville	90,000.00	Site accepted.
Sweetwater	130,000.00	Under contract.
Taylor	115,000.00	Completed.
Texas City	80,000.00	Specification stage.
Tylor [1]	360,000.00	Drawing stage.
Waco	150,000.00	Held (amended legislation).
Wichita [1]	725,000.00	Under contract.
UTAH		
Bingham Canyon [1]	75,000.00	Drawing stage.
Cedar City [1]	150,000.00	Do.
Nephi	57,750.00	Under contract.
Ogden, F. S. B	300,000.00	Drawing stage.
Ogden	365,000.00	Under contract.
Price	96,000.00	Completed.
Provo	45,000.00	Held (amended legislation).
Salt Lake City	1,340,000.00	Foundation completed; superstructure under contract.
UTAH		
Tooele [1]	75,000.00	Drawing stage.
VERMONT		
Alburg, B. S	56,000.00	Condemnation, land.
Beecher Falls, B. S	56,000.00	Drawing stage.
Bellows Falls	90,000.00	Under contract.
Canaan, B. S	56,000.00	Site selected.
Derby Line, B. S	93,000.00	Under contract.
East Richford, B. S	59,100.00	Do.
Highgate Springs, B. S	60,000.00	Site selected.
Middlebury	90,000.00	Condemnation, land.
Norton Mills, B. S	56,900.00	Drawing stage.
Richford, B. S	59,000.00	Site selected.

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

State and project	Limit of cost	Status
VERMGNT—continued		
Rutland	$330,000.00	Under contract.
Springfield [1]	135,000.00	Drawing stage.
West Berkshire, B. S	59,500.00	Do.
White River Junction	125,000.00	Site accepted.
VIRGINIA		
Alexandria	380,000.00	Under contract.
Bristol	210,000.00	On the market.
Buena Vista	70,000.00	Completed.
Cape Charles	77,500.00	Drawing stage.
Charlottesville	22,000.00	Site acquired.
Culpeper	80,000.00	Drawing stage.
Danville [1]	500,000.00	Do.
Lynchburg	848,000.00	On the market.
Manassas	60,000.00	Under contract.
Newport News	20,000.00	Site acquired.
Norfolk, M. H	800,000.00	Drawing stage.
Norfolk [1]	1,925,000.00	Do.
Portsmouth	140,000.00	Under contract.
Richmond, P. P. B	1,000,000.00	Site report in.
Richmond, P. O	900,000.00	Under contract.
Roanoke	560,000.00	Do.
West Point	65,000.00	Do.
Woodstock	55,000.00	Do.
WASHINGTON		
Blaine, B. S	158,000.00	Under contract.
Chehalis	150,000.00	Drawing stage.
Colfax	80,000.00	Under contract.
Hoquiam	141,750.00	Do.
Longview [1]	210,000.00	Drawing stage.
Metaline Falls, B. S	58,500.00	Under contract.
Oroville, B. S	59,500.00	On the market.
Pasco	65,000.00	Under contract.
Port Angeles	190,000.00	Bids in.
Pullman	107,000.00	Completed.
Seattle, F. O. B	2,375,000.00	Foundation completed; superstructure under contract.
Seattle, I. S	585,000.00	Under contract.
Seattle, M. H. [1]	1,725,000.00	Do.
Sumas, B. S	65,000.00	Do.
WEST VIRGINIA		
Beckley [1]	145,000.00	Drawing stage.
Clarksburg	475,000.00	Under contract.
Elkins	120,000.00	Do.
Huntington [1]	390,000.00	Drawing stage.
Morgantown	125,000.00	Under contract.
New Martinsville	75,000.00	Do.
Parkersburg	315,000.00	Do.
Princeton [1]	130,000.00	Drawing stage.
Weston [1]	150,000.00	Do.
Williamson	195,000.00	Completed.
WISCONSIN		
Appleton	260,000.00	Under contract.
Beloit	270,000.00	On the market.
Kenosha	300,000.00	Drawing stage.
La Crosse	225,000.00	Under contract.
Madison	635,552.00	Completed
Marshfield	120,000.00	Under contract.
Menasha	120,000.00	Specification stage.
Milwaukee	1,850,000.00	Under contract.
Monroe	85,000.00	Specification stage.
Oshkosh	420,000.00	Under contract.
Racine	320,000.00	Do.
Sheboygan [1]	295,000.00	Drawing stage.
South Milwaukee	120,000.00	Under contract.
Tomah	72,000.00	Completed.
Two Rivers [1]	130,000.00	Drawing stage.
Waupun	85,000.00	Do.
Wausau	280,000.00	Condemnation, land.
Wisconsin Rapids	125,000.00	Specification stage.
WYOMING		
Buffalo	85,000.00	Completed.
Casper	400,000.00	Under contract.
Cheyenne [1]	200,000.00	Drawing stage.
Cody	90,000.00	Completed.
Green River	75,000.00	Under contract.
Newcastle	60,000.00	On the market.
Thermopolis	90,000.00	Bids in.
Torrington	90,000.00	Drawing stage.
ALASKA		
Fairbanks, P. O.-Ct. H	450,000.00	Specification stage.
Juneau, Fed. and Ter. Bld	795,000.00	Completed.
Ketchikan	10,000.00	Ready for drawings.
HAWAII		
Honolulu, Cu. H	400,000.00	Completed.
Honolulu, I. S [1]	415,000.00	Drawing stage.
PORTO RICO		
Ponce	300,000.00	Under contract.
	366,975,678.04	

[1] Assigned to private architects.

Status of projects under $700,000,000 public building program (specifically authorized, $496,424,692.26), as of November 30, 1931—Continued

DISTRICT OF COLUMBIA

State and project	Limit of cost	Status
Administration Building, Department of Agriculture.	$2,000,000.00	Completed.
Extensible Building, Department of Agriculture.	12,800,000.00	First part under contract; second part specification stage.
Archives Building [1]	8,750,000.00	Excavation contract completed; superstructure drawing stage.
Central heating plant	4,857,023.22	Drawing stage.
Coast Guard Building [1]	3,000,000.00	Do.
Commerce Department Building.	17,500,000.00	Under contract.
Connecting wing, Labor-Interstate Commerce Commission. [1]	2,000,000.00	Foundation under contract; superstructure drawing stage.
Economics Building, Department of Agriculture.	350,000.00	Building purchased.
Government Printing Office	1,250,000.00	Completed.
Internal Revenue Building.	10,000,000.00	Do.
Interstate Commerce Building. [1]	4,500,000.00	Foundation under contract; superstructure drawing stage.
Justice Building [1]	12,000,000.00	Do.
Landscape work, triangle at Fifteenth and Pennsylvania Avenue. [1]	50,000.00	Drawing stage.
Labor Building [1]	4,750,000.00	Foundation under contract; superstructure drawing stage.
Liberty Loan Building	375,000.00	Completed.
Post Office Department Building. [1]	10,300,000.00	Foundation under contract; superstructure drawing stage.
Power plant, Department of Agriculture.	85,000.00	Under contract.
Public Health Service Building. [1]	908,250.00	Do.
Department of State Building. [1]	3,000,000.00	Specification stage.
Supreme Court site	1,768,741.00	Land acquired.
Water mains, etc	525,000.00	First part completed; second part under contract.
Total	100,769,014.22	

[1] Assigned to private architects.

Acquisition of land, District of Columbia, total authorization	$40,000,000
Obligated to date	27,052,227
Available for purchase of sites	1,627,773
Total specific authorization, to date	28,680,000

THE WORLD COURT

Mr. JONES. Mr. President, I have here an article by a gentleman whose legal ability is recognized by everyone, who is a patriot, and whose patriotic devotion to the country can not be questioned. He is discussing a proposition submitted to the World Court some time ago and decided by it. It is the matter of the proposed customs union between Austria and Germany. I think the statement should be made available to everyone, whether for the court or against it. This article is by the Hon. John W. Davis, and I ask that it may be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

Mr. WALSH of Montana. Mr. President, is this the article contributed by Mr. Davis to the Atlantic Monthly?

Mr. JONES. It is.

Mr. WALSH of Montana. My recollection is it has already been placed in the RECORD.

Mr. ROBINSON of Arkansas. Yes; I think that has been done.

Mr. JONES. If it has already been published, I shall withdraw the request; but I am informed that it has not been done.

The VICE PRESIDENT. The clerks will examine the RECORD, and if it has been done it will not be again printed; otherwise, without objection, the article will be printed in the RECORD, as requested.

(The article, not having heretofore been published in the RECORD, is here published as follows:)

THE WORLD COURT SETTLES THE QUESTION

By John W. Davis

I

The instinctive American reaction to the news that the World Court had been asked for an advisory opinion in the matter of the proposed customs union between Austria and Germany was that the court would do well to put the stamp of its approval on the customs union. The average American editor expressed the char-

acteristic impression of the man in the street that the customs union was probably an excellent step, a first move toward breaking down the artificial tariff barriers from which Europe and the world are suffering. France, it was felt, as leading advocate of the idea of a United States of Europe, could not properly object to this concrete step toward economic recovery. Besides the feeling that Austria must certainly get help from some quarter, and that Germany should be permitted by the rest of the world to take any and all steps that would place her in a position to pay her debts, there also came into play the characteristically American philosophy that two sovereign states should be allowed to limit their own sovereignty in any way they chose without the prior consent of third parties or the sanction of any court.

These entirely natural feelings were freely expressed last May in complete disregard of the fact that the court would have no opportunity whatever to pass upon the very interesting question of the desirability or undesirability of the customs union proposed by the Vienna protocol of March, 1931, or its advantages or disadvantages to the future of Austria, of Germany, of Europe, or the world at large. As a matter of fact, the court was asked to pass merely upon the compatibility of three treaties, and to decide whether Austria's undertakings in the customs pact of 1931 were or were not compatible with the international obligations assumed by Austria in article 88 of the treaty of Saint-Germain and in the first Geneva protocol of 1922, the latter made at the time of the reconstruction loans to Austria. Germany is not, of course, a signatory to either of these earlier treaties, and therefore the legal propriety of Germany's action was not included in the question put to the court. The neat question upon which the court was asked to give its advisory opinion was as follows:

"Would a régime established between Austria and Germany on the basis and within the limits of the principles laid down by the protocol of March 19, 1931, be compatible with article 88 of the treaty of Saint-Germain and with protocol No. 1 signed at Geneva on October 4, 1922?"

In short the court was faced with the necessity of interpreting and comparing certain explicit agreements, not of announcing its opinion upon the policies they pressed.

It was natural enough, however, that this point should be entirely missed by the public consciousness of this country, and apparently of Europe as well, if one may judge from editorial comment there. The public had not before it the text of the question or the text of the treaties. It knew only that what seemed a desirable measure hung in the balance. And when, on September 5, the court gave its opinion, the public felt some disappointment that this apparently desirable measure had been disapproved. The court was assumed to have "declared against the customs union," and the protest against its opinion was immediate and voluminous. To the popular mind a blow had been struck at the cause of economic recovery, if not at the principle of the sovereignty of states, and, by the same token, at the prestige of the court.

I shall not be so rash as to assert that the public reaction would have been different if it had, between May and September, been made clear from every rostrum in the country that the court was passing merely upon the compatibility of certain treaties and not upon the desirability per se of the proposed customs union. In this country, perhaps in most countries, the general public is characteristically impatient of an adverse judicial determination of any problem that ramifies widely into social and economic life. The public consciousness is, often very healthfully, on the alert to detect a partial or narrowly legalistic attitude toward a question. The average citizen, moreover, jealously maintains his inalienable right to see the issue in a wider sense than that in which it could possibly come before any court. And by the practical event he is inclined to weigh not merely the court's wisdom, but not infrequently its judicial integrity.

In the case of the present opinion, some of those who have abstained from ascribing the court's finding to political motives have, nevertheless, deplored the court's narrow conception of its function. Say they, in effect: "The court had an opportunity to do good and did not avail itself of the opportunity." Even some of the commentators whose training and experience would seem to imply capacity to understand the sharp limitations of the question before the court and the nature of the judicial function itself have apparently felt this to be one of those cases in which, looking to the equities, the court, in order to achieve a great right, might have ventured to do a little juridical wrong. Those who make a virtue of decrying "legalistic" tendencies find it easy to believe that most documents can be construed one way as easily as another, and that therefore not to "choose" the way that leads to the happiest result is at best a great pity, and at worst evidence of lack of judicial integrity.

In the Austro-German case the division of the judges, with the judge from France on the majority side and the judges of England, Germany, the United States, and Japan upon the other, has offered dramatic opportunity for voicing hasty conclusions and prejudices. Any presumption that the judges acted as judges and not as national representatives has been entirely left out of the reckoning by certain critics. That portion of the public which never had directed its gaze to the nature of the question upon which the court was passing, or to the legal basis of the court's finding, or to the closeness and difficulty of the question presented, has focused its attention entirely on two lists of judges assumed to be "representing" their countries in the position they took rather than working out for themselves a legal conclusion based on rational grounds. This assumption that political desires rather than judicial deliberation motivated the court leads naturally enough to such loose speculations and comment as that the decision is in the spirit of the Versailles and Saint-Germain treaties rather than in the spirit of postwar sanity; that the majority opinion was dominated by the French policy of restraining the restoration of German influence, and the minority opinion was dominated by the governments disposed to assist German restoration; that the opinion represents a triumph of French financial prestige; that it dramatizes the imperialistic attitude of France toward the great modern movement to lower customs barriers; that it subtly attacks the whole conception of a united states of Europe advanced by France herself; that the division illustrates the Latin versus Nordic cleavage, as to outlook on law and on life, and so on and so on. All of which speculations and inferences are sufficiently natural if we allow the original premise that the judges, having regard to national prejudices, voted like ordinary politicians for the folks back home.

The confusion caused by criticism of the above type is worse confounded by certain attempts at "defense." The defenders accept the probability that political motives largely affected the decision, but they become worldly and philosophical about it. They point out that no impossible standards of perfection should be set up for this international court; that judges are not, after all, archangels; that the donning of the ermine does not automatically release its wearer from the natural tug of political influences; that in no court in the world are judges able to dissociate themselves 100 per cent from their inherited prejudices; that this court is in its early years; and that if we followed the policy of doing away with a court because it had been accused of responding to sectional or political influence we should have abolished our own Supreme Court years ago. The more "philosophical" of the defenders enunciate as doctrine that most courts in the end respond to the pressure of opinion and events, and should arouse no wonder by so doing; and the less philosophical hold that the real error probably lay in expecting any court to be able to rule on a question in which politics and law are inextricably mingled.

All of this "defense" of whatever nature seems to me quite beside the point for exactly the reason that impairs the criticisms cited above. Both rest not upon a study of the case, upon analysis of the reasoning, but upon an a posteriori assumption that the court failed. It would be a sheer waste of effort to attempt to answer a mass of speculative criticism that entirely ignores the question the court was passing on, the history of the case, the content of the pleadings, and the complex nature of the opinions finally arrived at by groups within the court. The comments touched upon above, if cited fully, would soon answer themselves by their contradictions. I have read comments "proving" that the majority met the legal question and the minority did not; and, from apparently as competent sources, comments proving that the minority was guided by law and the majority by politics. The fantastic attempt to demonstrate a Latin-Nordic line up shows the need to beware of the extremists on both sides. I submit that the only fair and rational ground on which to explain the line-up of the judges is the assumption that the judges acted first of all as judges and split, as judges will and must and do, upon questions clearly susceptible of different conclusions.

I am prepared to maintain that in the present instance the court worked out a difficult case juridically, and moreover that the majority arrived at what, in my humble judgment, is the sounder result. If the minority opinion had prevailed, I should, while not wholly agreeing with it, still be able to understand the reasoning by which it was reached The test of soundness is certainly not unanimity. If we have come to the point where we challenge the existence of courts because the judges differ materially we shall have to rewrite history. It is high time that the public attention vouchsafed to this case should be led back to the essential considerations: (1) What was the question with which the court was called to deal? (2) Was that question sufficiently difficult and close to make possible and natural a cleavage upon purely juridical lines? Those students who incline, as do I, to the conclusion that the court's decision is correct will not find it less sound because the French judge voted for it, however much they may approve or disapprove the French political outlook and what they may choose to consider the present French tendency to sit on the lid that covers a reviving or at least a struggling Germany and Austria.

It may be that a genuine study of this case is exactly what some of the most articulate critics of it hope to avoid, for themselves and for others. For so soon as it is understood it ceases to be available as ammunition, and the opponents of the adherence of the United States to the court have made it clear that to their minds this decision has rolled a marvelous train of ammunition into their camp. Indeed, if one may judge by certain expressions in the public prints, the friends of the court have lost by this opinion a great deal that they never had. The gifted enemies of the court have persistently shown a flexible capacity for seizing upon attractive new reasons for old positions. But what the situation with these amounts to, to paraphrase the words of Mr. Dooley, is that those who have been against the court in all circumstances are now opposed to it in any circumstances. That is all.

Those of more open mind, however, and those honest students and observers who have been puzzled or chagrined by the court's opinion in this case may properly be invited to consider the case as the court had it and not the fancied case that some would seek to depict.

II

The majority opinion finds that the terms of the Vienna protocol of 1931 are incompatible with the first Geneva protocol of 1922. Six of the majority conclude that the Vienna protocol is

incompatible as well with article 88 of the treaty of St. Germain of 1919. Anzilotti arrives at this same conclusion, though by an independent line of reasoning developed in a separate opinion. The minority opinion contends that the customs pact is not incompatible with either the treaty of Saint-Germain or the first Geneva protocol. After a study of all of these opinions and of the texts on which they are based I not only find enough fully to justify the decision but I find nothing whatever to warrant the conclusion that the eight judges in the majority were guided by political motives from which the seven in the minority were miraculously delivered.

It is in point to review briefly the earlier engagements of Austria, which it was claimed the customs pact would contravene, and the conditions under which they were exacted and made. Let us take as first in order the treaty of Saint-Germain. When, at the end of the war, various nations or national elements that had been incorporated in the Austro-Hungarian Empire, like Hungary, Poland, and Czechoslovakia, were set up as independent nations, the economic situation of the remnant of Austria became very difficult, and a movement began, which, as we all know, is still continuing, for the Anschluss, or the incorporation of Austria with Germany. The Allies, then determining the conditions of peace at the Paris conference, felt, whether rightly or wrongly is immaterial here, that it was essential to the future peace of Europe that Austria should continue as a wholly independent state. A provision to that effect was incorporated in the treaty of Versailles (art. 80, treaty of Versailles: "Germany acknowledges and will respect strictly the independence of Austria within the frontiers which may be fixed in a treaty between that state and the principal allied and associated powers; she agrees that this independence shall be inalienable except with the consent of the council of the League of Nations."), in which Germany acknowledged and agreed to respect the independence of Austria within the frontiers to be fixed for it in a treaty between Austria and the Allies, and agreed that this independence should be inalienable, except with the consent of the council. Nevertheless the Anschluss movement continued to grow. Soon after the Versailles treaty had been signed, but before it had gone into effect by the deposit of ratifications, a new constitution for Germany was adopted at Weimar which contained a provision for the representation of "German Austria" in the Reichsrat "after its reunion with the German Empire." The Allies at once sent a letter of protest to the German delegation, calling this provision a violation of article 80; and Germany thereupon signed a formal declaration admitting that this provision was null and void. A few days later the treaty of Saint-Germain, making peace with Austria, was signed; in article 88 it provides that "the independence of Austria is inalienable otherwise than with the consent of the council of the League of Nations. Consequently Austria undertakes in the absence of the consent of said council to abstain from every act which might directly or indirectly or by any means whatever compromise her independence, particularly, and until her admission to membership of the League of Nations, by participation in the affairs of another power."

A few weeks thereafter, in response to an appeal from the Austrian Chancellor in connection with separatist movements, the supreme council of the Allies adopted a resolution showing the official interpretation they put on this article, which declared that they would oppose any step that would be calculated to violate the integrity of Austrian territory, "or which, contrary to the provisions of article 88, would have the effect of compromising in any way, directly or indirectly, the political and economic independence of Austria." This was after the treaty had been signed but before it had been ratified.

Note, if you please, the sweeping language employed in this article 88. It declares not merely that the independence of Austria shall be inalienable without the consent of the council, but that Austria shall abstain from "every act" which might "directly or indirectly," or "by any means whatever," either alienate or even "compromise" her independence. No terms more all-embracing could possibly have been found.

And here we may pause to ask, as the court did, what is meant by this word "independence," this thing so jealously guarded under the terms of the treaty, for it is precisely in the definition of this term that the divergence between the majority and minority of the court most clearly appears. The minority, while conceding that the word has received diversified definitions, approaches the matter from the negative angle. They define what it is by declaring what it is not. They conclude that a state would not be independent in the legal sense if it was placed in a condition of dependence on another power—if it ceased itself to exercise within its own territory the summa potestas or sovereignty, i. e., if it lost the right to exercise its own judgment in coming to the decisions which the government of its territory entails. Restrictions on its liberty of action which a state may agree to do not affect its independence, provided that the state does not thereby deprive itself of its organic powers.

And so, while fully accepting the view of their colleagues that when the treaty used the word "compromise" it meant "involve danger to" or "endanger" or "imperil," they hold that before any act can come within the condemnation of the treaty it must imperil the continued existence of Austria as a state capable of exercising within its territory all the powers of an independent state as above defined.

Now, this definition seems to me, with all due respect, not only to be too narrow in point of international law but, when applied to the case under consideration, to beg the whole question with which the court was called to deal. It is too narrow in point of law, for independence surely means something more than dominion over a given territory or the inhabitants it contains. States act abroad as well as at home, and their policies are both foreign and domestic. Independence means also something more than the naked possession of those organic powers necessary to constitute a state. States may retain their powers as political organisms and yet have so "compromised" or bargained away their freedom of action that, although they have kept the outward shell of independence, they have lost in fact its substance. Sir Frederick Smith (afterwards Lord Birkenhead), one of the most brilliant Englishmen of our day, puts the true conception in his work on international law.

"An independent State is entitled to live its own life in its own way, the sole judge within the law of its domestic government and its foreign policy."

Or, if I may add without becoming tiresome a quotation from a standard American authority, Hall on International Law:

"Independence is the power of giving effect to the decisions of a will that is free in so far as absence of restraint by other persons is concerned. The right of independence, therefore, in its largest extent, is a right possessed by a state to exercise its will without interference on the part of foreign states in all matters and upon all occasions with reference to which it acts as an independent community."

I can find no fault, therefore, with the majority of the court in their holding that the independence of Austria, within the terms of the treaty of Saint-Germain as well as of the Geneva protocol, means "the continued existence of Austria within her present frontiers as a separate state, with sole right of decision in all matters economic, political, financial, or other." And having in view the circumstances attending the making of the treaty as well as the sweeping language employed, I find it hard to believe that the contracting parties understood the word in any more limited sense.

It does not advance the argument, but merely begs the question at issue, to say, as do the minority of the court in the quotation I have given, that "restrictions on its liberty of action which a state may agree to do not affect its independence." Yet this sentence, with the idea it conveys, is the hinge on which the whole dissenting opinion turns. Of course, an independent state can enter into such contracts or treaties as it chooses. It can limit its freedom of action in many ways without actually depriving itself of its "organic" powers. It can make offensive and defensive alliances, both military and commercial; it can submit to the will of a stronger power in order to secure that power's protection; it can grant to other states monopolies over its commerce; it can alienate parts of its territory; in many other ways short of absolute surrender it can compromise or endanger or imperil its independence—all in pursuit of its own free will. None of these things, however, can it lawfully do if it has previously agreed to the contrary. For, as Vattel puts it: "A sovereign who is already bound by one treaty can not enter into others in conflict with the first." So, if Austria definitely agreed, as surely she did in the treaty of Saint-Germain, that she would not surrender in any way her liberty of action without the consent of the council of the league, it is quite beside the point to consider what she or any other state might have done if no such promise had been made. To say that Austria freely consented to the customs union does not aid at all in determining whether she could remain entirely free after the union had been formed.

Coming back from this quite necessary digression to the second of the treaties under consideration, it appears that the obligations of the treaty of Saint-Germain were repeated, and more extensively defined in the first Geneva protocol of 1922 when France, Italy, Czechoslovakia, and Great Britain made the so-called reconstruction loans to Austria, then in great financial difficulties. By this protocol, the four powers—with Spain and Belgium, who afterward acceded to the protocol—on their part undertake "for the protection of the interests of the creditors and of the guarantor states" to "respect the political independence, the territorial integrity, and the sovereignty of Austria"; and not to "seek to obtain any special or exclusive economic or financial advantage calculated directly or indirectly to compromise that independence." They further agree, "should occasion arise," to appeal "either individually or collectively to the council of the league," and to conform to the decisions of the council.

Austria, on the other hand, engages "in accordance with article 88 of the treaty of Saint-Germain not to alienate its independence; it will abstain from any negotiations or from any economic or financial engagement calculated directly or indirectly to compromise this independence.

"This undertaking shall not prevent Austria from maintaining, subject to the provisions of the treaty of Saint-Germain, her freedom in the matter of customs tariffs and commercial or financial agreements, and, in general, in all matters relating to her economic régime or her commercial relations, providing always that she shall not violate her economic independence by granting to any state a special régime or exclusive advantage calculated to threaten this independence."

This, then, was the situation. Germany had agreed in the Versailles treaty that Austria's independence was inalienable otherwise than with the consent of the council; Austria had agreed to the same thing in the treaty of Saint-Germain, with the further promise that, in the absence of the council's consent, she would abstain from any act which might directly or indirectly compromise this independence, and still later, in the Geneva protocol,

that she would abstain even from any negotiations or economic or financial engagements calculated directly or indirectly to compromise it, and, moreover, that she would not violate her economic independence by granting to any state a special régime or exclusive advantages calculated to threaten this independence. It was in the face of these covenants that the two nations announced last March their agreement to form a customs union on the basis of the principles contained in the Vienna protocol of March 19, 1931. The consent of the council was not asked. The action was protested as in violation of the treaties. On the motion of Great Britain, an advisory opinion was requested from the court.

The customs union contemplated by this protocol is, as the mere reading of it will show, of the most thoroughgoing and finished character. In so far as it abolished all import and export duties between the parties while maintaining them against those not covered by a similar arrangement, it is confessedly a special régime of a reciprocally exclusive character. The mere fact that the parties express a willingness to negotiate in similar terms with other powers does not destroy the exclusive advantages of the arrangement in the meantime. Although it is true that each state must necessarily put the agreed tariff into force in its own territory by its own legislative and executive agencies, it is covenanted that the states shall act concurrently in doing so and that no amendments can be made to the tariff law or customs tariff without mutual consent. Internal customs duties, their rates, duration, and categories, the turn-over tax, and the exchange of goods covered by monopolies or excise duties in either country, are to be the subject not of independent action but of joint agreement. The duties received in the joint area are not to belong to the state collecting them but are to be apportioned according to an agreed quota.

When it comes to arrangements to be made with other states article 9 of the protocol—somewhat blandly, it would seem—reserves to each of the two governments "in principle" the right to conclude commercial treaties with third states on its own behalf. Yet immediately all the vitality is sucked out of this ostensible right by the spirit, if not the exact letter, of the two succeeding paragraphs. One of these obligates each state to see that the interests of the other are not violated in any negotiations with third states. The other provides that "so far as it seems opportune and possible" (and one can hardly imagine when or how it would be otherwise), "with a view to effecting a simple, speedy, and uniform settlement of the commercial arrangements with third states," they will jointly negotiate and simultaneously ratify their commercial treaties with other nations. The language of treaties often stops by design somewhat short of expressing the real intent; but it requires no deep insight to penetrate the meaning here or to foresee the inevitable result that waits upon these words. They can mean nothing else but that the parties henceforth are to make commercial war and commercial peace by concerted action, together and not alone.

Finally, for those cases in which the customs treaty requires an agreement between the parties or the consent of the one or the other, a joint arbitral committee is to be set up which shall have power by majority vote—with a casting vote by its president in case of a tie—to effect, when consent has failed, a compromise through its own binding decision, which shall stand in place of the agreement or consent of the unwilling party; leaving, it is true, to either government the right to terminate the treaty upon six months' notice if a decision of the committee infringes "its vital economic interests." The minority opinion as to this point merely observes that any arrangement that provdes for the friendly settlement of differences, whether justifiable or not, can hardly in these days be said to be calculated to threaten the independence of the states concerned. This may all be true, and yet this plausible general observation seems to me to take no account of the especial powers vested in this arbitral committee.

Such, in bare outline, is the régime which the protocol proposes to establish. The minority judges, in an attempt to point out the divergence between themselves and their colleagues of the majority, say:

"If this (the majority opinion) means that the conclusion of a customs union between two states, irrespective of the details of the arrangement, involves danger to the independence of the states concerned, it is an opinion which the undersigned are unable to accept."

This would seem to be perfectly obvious, but it is precisely the details of this proposed arrangement which come on to be judged, since by these details the régime itself is defined.

For my part, I should have no difficulty whatever in concluding that both by its express terms and by its probable consequences the régime would compromise, endanger, imperil, threaten—to use the words on which the majority and the minority of the court were agreed—that economic independence, that unfettered freedom of will and of decision, which, lacking the consent of the council, Austria had solemny covenanted to preserve inviolate. The minority opinion takes the view that the protocol does not contemplate a "customs fusion," but merely an "assimilation" of the tariff and economic policies of the two countries—"that is, each of the two countries will have its own policy, but the two will coincide." With the greatest respect to the distinguished jurists who employed these phrases, they seem, when we view the terms of the agreement and the surrounding circumstances, to be a mere play upon words. It is far more accurate to say that neither country is to have its own policy, but both are to have the joint policy and the joint policy alone.

All the judges of whatever shade of opinion were agreed that the court must consider the proposed customs treaty from a practical standpoint, weighing those consequences which might reasonably be foreseen. They were not dealing with mere legal subtleties and abstractions. All of them likewise agreed that they were concerned solely with the law and not with political considerations or questions of policy. Judge Anzilotti concurred with the conclusion of the majority, but struck out on a line of reasoning of his own, occupying in some respects a middle ground between the two major groups into which the court was divided. But in the light of those facts of general and universal knowledge which courts no more than laymen are permitted to ignore, it takes no use of the imagination to conclude with him that, "in view of the great disproportion in the economic strengths of Germany and Austria, it must be regarded as reasonably probable that Austria's economic life would sooner or later become dependent upon Germany's." The protocol is scrupulous in using terms of equality between the parties; but in a partnership like this Austria, with her pronounced inferiority in area, in population, in wealth, in trade, would seem to be foredoomed forever to play a minor and an increasingly subordinate rôle.

Let us put an analogy. Suppose, instead of being related to commerce and customs, this Vienna protocol had undertaken to deal with matters of armament and defense. I choose this illustration because there is something about military contracts that makes their results easier to foretell than those that deal with commerce and finance, although the operation of the latter may be just as inexorable. An agreement is proposed between these same parties, let us say, for a common military policy; a common armament, to be distributed on a quota basis; a joint negotiation of treaties of offense and defense with other powers; a covenant to protect each the other's interest in any treaty made; and finally a joint general staff to determine without appeal the common action when the governments themselves were unable to agree. Who would be prepared to say that such a plan would not compromise or threaten the independence and free will of Austria and thus violate the pledges she had given?

III

It is regrettable, but certainly not discouraging, that the court was unable to reach a unanimous decision and that the division was so close as 8 to 7. A counsel of perfection would suggest that judges should always be able to reach a concordant opinion. It does not turn out that way, however, in real life, not even in America. If you doubt it, ask any American lawyer or read for yourself the long list of 5-to-4 decisions by which so august and respected a body as the Supreme Court of the United States has disposed of matters of the most vital consequence. Such happenings are due in part to the inescapable fact that men's minds are not cast in a common mold. If they were, one judge on a court of last resort would do as well as a dozen. Commonly these things occur because the questions under consideration are close and difficult, and the arguments for and against one or the other conclusion are so nicely poised that honest minds can honestly disagree. There is ample explanation in this for the situation we are discussing.

The eight judges who gave the majority opinion in this Austro-German case, with the country of their nationality, were: Fromageot (France), Anzilotti (Italy), Rostworowski (Poland), Guerrero (Salvador), Altamira (Spain), Urrutia (Colombia), Negulesco (Rumania), De Bustamante (Cuba). Those of the minority were: Adatci (Japan), Kellogg (United States), Rolin-Jaequemyns (Belgium), Hurst (Great Britain), Schücking (Germany), Van Eysinga (Netherlands), Wang (China). It would wreck the creative fancy of the most jaundiced critic to frame a theory that would explain that grouping on political or national grounds.

Is it the friends of France against the friends of Germany? Well, granted that Poland and Rumania are bound to France by military ties, how did she lose and Germany gain the vote of Belgium, who not only speaks the French language but since the war, of which she was so great a victim, has thrown off her neutrality and made with France a military alliance offensive and defensive? Italy and Spain are not popularly supposed at the moment to be especially Francophile, while I fancy the American judge would be the first to protest that he was not moved to his conclusion by dislike of France or sympathy for Germany.

Is it national interest? Admit, if you choose, that there are countries in Europe who for commercial as well as military reasons of their own would prefer to have Germany and Austria kept apart. Yet what earthly interest has Colombia or Salvador or Cuba in their continued separation? Or, for that matter, what interest have China and Japan in putting them together? And how does it come that, although Spain and Belgium both adhered to the Geneva protocol of 1922 and may both be supposed to desire its absolute observance, a Spanish judge voted with the majority and a Belgian judge on the other side?

Is it racial tendencies—the Latins against the Nordics? If so, whence do the Poles derive their Latin blood or China and Japan their Nordic strain? Is it a clash of legal systems—those schooled under the Roman or civil law on the one side and those under the codes of Germany or Japan or under the common law of England on the other? Hardly, for without stopping to show how impossible it is to apply this classification to the diverse systems of the various countries in question, it is enough to say that the most microscopic analysis of these various opinions would not enable one ignorant of the personality of the author to say under which, if under either, system he was trained.

Finally, does the court speak by sheer weight of numbers or political power? If so, it is curious to observe that the countries

supposedly "represented" by the dissenting judges have ten times the political and economic power of those who composed the majority.

I repeat and repeat again that there is but one tenable theory upon which the division of the court can be explained, and that is that these men, conscious of their responsibility and the dignity of their high office, met like judges, listened like judges, deliberated and decided like judges, and—differed like judges. The only explanation that does not involve absurd contradictions and discrepancies is the simple explanation that a hard case was worked out with entire juridical integrity.

An interesting sidelight is thrown upon the close character of the question at issue by the results of a recent inquiry addressed to a group of American judges, professors, deans, and presidents in schools of international law, jurisprudence, and history, requesting their comment on the opinion after a study of it and the pertinent documents. Out of 63 answers returned by these select and competent correspondents, 29 announced their sympathy with the minority in its opinion and 34 with the majority. It is fair to add, by way of emphasis, that of those who thought that the majority had reasoned correctly a number declared themselves in principle none the less in favor of the Anschluss. The proportionate division within this group is singularly like the division in the court itself.

IV

The practical effect of the court's opinion, of course, was merely to return to the council the right to decide the ultimate fate of the proposed customs union. That body had under the treaties the unquestioned power to validate the agreement by giving its consent. As a matter of fact, its consent was never invoked, for two days before the court's opinion appeared Austria and Germany publicly renounced the proposed customs union. What moved them to this step we do not know. Whether their dependence upon amicable financial relations with all their neighbors had become increasingly apparent in the intervening months; whether they no longer wished to challenge the hostile opinion which the publication of the protocol had invoked; whether the difficulties of the arrangement had come to seem more apparent and the advantages less obvious; or whether they sensed the adverse trend of the court itself—all this is matter of pure conjecture.

But although the occasion for the opinion had passed before it came, the outstanding fact remains that a judicial determination of a vexed and dangerous question was achieved in a judicial way. It was a question not only attended by difficulty, but surcharged with deep national feeling. The treaty of Saint-Germain and the first Geneva protocol arose out of the compulsory adjustments and the cruel needs that follow war. The Vienna protocol of last March reflected the not unnatural impulse and desire of Austria and Germany to surmount the disabilities those treaties had imposed. Much of the argument made to the court on Austria's behalf was directed to depicting her difficult situation since the war. Her plight is truly tragic, and it may well be that it calls for some alteration of the treaty of peace. It may also be that, with the knowledge which the years have brought, the treaty would be written differently were it to be written to-day. But these are matters for statesmen, not for courts. The function of the latter, as the judges in the present case clearly perceived, is to declare the scope and effect of the agreements made, leaving to other agencies their alteration or repeal.

Even if the correctness of the court's deliverance through its majority were more doubtful than I suppose it to be, I should still think it a great advance that a question so embroiled had been referred to the court instead of being left to the arbitrament of force as the rival alternative. It is a welcome sign of progress that great nations were willing to submit to the court matters of such vital consequence and reason out their case before it in open argument and debate. The decision of the World Court in the Austro-German case will stand in history for what it is—a decision sound in itself and a milestone on the path to the final reign of law. Whatever criticism or protest it may have evoked to-day will soon be of purely antiquarian interest.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Caraway	Goldsborough	King
Austin	Carey	Gore	La Follette
Bailey	Connally	Hale	Lewis
Bankhead	Coolidge	Harris	Logan
Barbour	Copeland	Harrison	McGill
Barkley	Costigan	Hastings	McKellar
Bingham	Couzens	Hatfield	McNary
Black	Cutting	Hawes	Metcalf
Blaine	Dale	Hayden	Morrison
Borah	Davis	Hebert	Moses
Bratton	Dickinson	Howell	Neely
Brookhart	Dill	Hull	Norbeck
Broussard	Fess	Johnson	Norris
Bulkley	Fletcher	Jones	Nye
Bulow	Frazier	Kean	Patterson
Byrnes	George	Kendrick	Pittman
Capper	Glass	Keyes	Reed
Robinson, Ark.	Smith	Townsend	Waterman
Robinson, Ind.	Smoot	Trammell	Watson
Schall	Steiwer	Vandenberg	Wheeler
Sheppard	Swanson	Walcott	White
Shipstead	Thomas, Idaho	Walsh, Mass.	
Shortridge	Thomas, Okla.	Walsh, Mont.	

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present.

THE FARM PROBLEM—RADIO ADDRESS BY SENATOR WHEELER

Mr. WALSH of Montana. Mr. President, my colleague the junior Senator from Montana [Mr. WHEELER] a few evenings ago delivered an interesting address over the radio with relation to the farm problem. I ask permission to print it in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

Ladies and gentlemen of the radio audience, I have been requested by Hon. John A. Simpson, president of the Farmers' Educational and Cooperative Union of America, to speak to you at this hour in his stead upon the farm problem.

It is an intricate subject to handle in the brief time allotted to me as, in it, is involved practically every phase of our whole economic fabric, and I am sure I will not be able to do it as well as the distinguished gentleman whose place I am trying to fill to-day, but Mr. Simpson will speak to you at this hour on the 20th day of January, 1932, and I am sure you will then enjoy a real treat.

There is no one, I am sure, that does not realize that deplorable conditions prevail throughout the length and breadth of our country and that prosperity is not just around the corner or that we are about to do away with our poorhouses in the immediate future.

No one will deny that there must be something radically wrong when millions of our people are hungry because they can get no food, while other millions are bankrupt because they have raised too much food.

For the past 10 years I have been preaching the doctrine that there could be no prolonged prosperity in this country so long as there were 30,000,000 men, women, and children out on the farms of the United States selling their products below the cost of production. To-day the two great money crops of the American farmer, wheat and cotton, are being sold at less than one-third the cost of production. But to talk of the farmers' problem in the manufacturing and financial centers of the East up to quite recently, was to make yourself the butt of the jokester and to be ridiculed as a demagogue.

To-day, however, partially as a result of a continuous lack of the buying power of the 30,000,000 men, women, and children upon the farm, there are 30,000,000 men, women, and children of the laboring classes in our cities that are without purchasing power even equal to the bare necessities of life.

A financial crash took place in Wall Street in 1929—banks have failed and are continually failing—the middle classes of the country have lost their life's savings and notwithstanding the promises made by the industrial leaders of the country, men are thrown out of employment and wages are being reduced all along the line; great industries are going into receiverships or being taken over by their creditors and still there seems to be no end to this so-called slight depression.

Such is the situation that confronted the Congress of the United States when it convened on the 7th of December, 1931.

The industrial and financial depression of the past two years has brought home to us more sharply than anything else that the farm problem is not a local problem of the West or the Middle West or the South but that it is a national question and that we can not have prosperity in this country unless the people living upon the farms are in a position to buy greater and greater amounts of the goods which were formally called luxuries—automobiles radios, as well as the necessities of life manufactured by our mass-producing industries in the East.

However, make no mistake, that is not all that this panic has brought home to the American people. It has awakened them into asking more pertinent questions about our political and economic problems which our so-called leaders in all groups find it difficult to answer.

They are asking questions and asking them with more earnestness than ever before.

What has become of the prophecies of a few months ago that prosperity was just around the corner? Why has not the highest tariff that has ever been passed in our history brought prosperity to our farmers and our factory workers as predicted by our leading statesmen and manufacturers? Nothing was said then about world conditions affecting our markets. The tariff could and would by some magic protect us, as if we were God's chosen people, from the destiny that had befallen the peoples of Europe with their peasant farmer and their unemployed, regardless of world conditions.

What has become of the Federal reserve bank that was to save us from all major depressions in the future? Why should men, women, and children go without clothing, without shelter, and be on the verge of starvation when we have a surplus of wheat, a surplus of clothes, and a surplus of building material? What has become of the promises made by the reactionary politicians and the prophecies made by our leading financiers and industrialists that if business were given a free hand it would and could cure all of our economic ills? And why, after two years of suffering by

the masses of the people, has no constructive program been offered to solve the present situation or prevent similar catastrophes in the future?

Why a moratorium on debt payments to European countries when our farmers need one most?

Make no mistake, these and many other perplexing questions must not only be given serious consideration by statesmen but by our business leaders as well.

Thus far the only suggestion that has been made by our national leaders has been to put on a few shingles to patch the roof of our economic structure. Whether the surgeon's knife will be applied to the cancerous growth remains to be seen.

When we reflect that the average net farm income in 1929 was only $887 for a farm family, that in 1930 it had fallen to $598, and that for the year 1931 it will be about $376, we can readily understand why so many factories are idle and millions of wage workers unemployed.

We have heard much about mass production and the benefits of it. I believe in mass production. I do not want to turn the hands of the clock backward—but there is one thing that the great industrial leaders of this country must understand, and that is if mass production is to be successful, the farmer must have money with which to buy the products of mass production and the laborer must get high wages, and both the farmer and the laborer must have some leisure in which to use the products of mass production.

Heretofore in this country our great industrialists, our great financiers, have devoted their time and their attention to production and more production, but seemed to have little heed as to how the farmer was going to buy the products.

Let us now consider some of the problems which confront our agricultural industry.

The mortgaged indebtedness on the farmers of this country increased from $4,000,000,000 in 1910 to more than $8,000,000,000 at the present time. Add to this the farmers' private debts, that are not a matter of public record, and the total indebtedness on which the farmers are paying interest would be not less than $9,000,000,000. If we figure his interest at 5 per cent we find that it amounts to $450,000,000 a year. As the average wheat crop of the United States is only 800,000,000 bushels, and the farmers' price this fall was less than 50 cents a bushel, it will be seen that the total wheat crop for 1931 would pay less than the farmers' interest on his borrowed capital. At 25 cents a bushel, which was all some of the western farmers could get for their wheat this fall, it would take more than two times the entire wheat crop of the United States to pay the farmers' interest on borrowed capital for one year.

But this does not include the farmers' taxes, which amount to many millions of dollars.

In the light of these figures it should be evident to all that the solution of the farm problem can not be brought about by loaning the farmer more money at high rates of interest. The great banking interests of this country may be able to make more money temporarily by loaning money to Europe at high rates of interest instead of helping to finance farmers in this country at low rates of interest but sooner or later they will learn that it probably makes for greater security to help the American farmer than the foreign governments.

I think it is unfair to the farmers to blame them for this mortgage indebtedness.

During the World War the farmers were urged to borrow money for better equipment with which to raise more wheat. The appeal was made to their patriotism and I know personally of stockmen who were coerced and literally forced to borrow money for purchasing tractors and binders in order that they might raise wheat with which to win the war. Many a rancher in the West was accused of being pro-German for hesitating to borrow this easy money with which to enlarge his farm operations. The same accusation was directed against those farmers who were reluctant to mortgage their farms for the purpose of raising money with which to purchase Liberty bonds. Many banks were lending money to the farmers on commission and were selfishly anxious that the farmers should borrow as much as possible. And after loading up the farmers with mortgages or encouraging or even permitting them to become loaded up with mortgages when money was cheap and it was cheap by comparison with the commodities they raised, they were deflated by the actions of the Federal Reserve Board in 1920, were deflated many times more since 1929 until to-day they are expected to pay back money borrowed when it was cheap by money four or five times as dear, measured in commodities. This deflation has destroyed farm values and destroyed the earning power of the farmer but left his indebtedness and taxes as high as before.

Between 1920 and 1925 farm values decreased more than $20,000,000,000. According to census figures, in 1920 the agricultural wealth of the American people was $78,000,000,000. In 1925, according to the farm census, the agricultural wealth of the American people had shrunk to $57,000,000,000, or a loss of $21,000,000,000 in five years.

In 1920 the total invested capital of all mines and quarries in the United States was about $8,000,000,000; the total value of railroads was listed at about $20,000,000,000; the total invested capital in manufacturing was about $44,000,000,000, or a grand total of $72,000,000,000 for the capitalization of all our mines, our railroads, and manufacturing establishments. Our agricultural valuation for 1920 was $78,000,000,000, or $6,000,000,000 more than the combined valuation of the mines, factories, and railroads of the United States.

During this 5-year period from 1920 to 1925, when farm values shrunk $20,000,000,000, the value of mines, railroads, and factories increased in value $25,000,000,000. Is it any wonder that the farmers to-day are crushed with debt and unable to operate successfully?

They are not to blame for the condition in which they find themselves, and it is the duty of the Federal Government to provide a way whereby they can operate with some prospect of economic success.

Unless the Government provides a method of refinancing agriculture, at a low rate of interest, making the dollar cheaper or his products higher so that the farmer can get cost of production, plus a reasonable profit, I can see little hope for a return of prosperity. What the farmer needs, and must have, is a profit on that which he produces rather than new loans, on which he must pay additional interest to the banks.

The amount of taxes paid on farm property increased from about $334,000,000 in 1914 to about $870,000,000 in 1925. This amount has not decreased along with the farmers' income and is now as high or higher than it was in 1925. This is out of all proportion as compared with other forms of taxation and should be reduced by the State legislatures and the local and county authorities.

The tariff is also responsible, in part, for our agricultural distress. For every dollar of benefit the farmers have received from the tariff it has cost them $10. The tariff on steel increases the cost of farm machinery, although farm machinery is on the free list. This tariff on steel is also reflected in the railroad valuations on which the farmers' freight rates are based.

We have built up large industries by manipulations of our economic laws. By erecting high tariff barriers, we have shut out foreign goods and thereby fostered and encouraged monopoly. We have given our financial and industrial leaders a free hand, and they have not been slow in using this advantage to advance their own interests at the expense of the consumers. They approve of political interference with economic laws in the interest and for the benefit of industry, but they deplore such interference in behalf of agriculture and declare it to be economically unsound.

I am one of those who believe that it is not right to bolster up industry through the medium of legislation in violation of the law of supply and demand, but if we are going to bolster up our manufacturing industries in this way, then it follows as night follows day that artificial means must be found to bolster up agriculture. Only in this way can we place agriculture on a parity with industry.

Congress passed several measures the purpose of which was to make the tariff effective on farm products, but they were vetoed by the President. Later, in harmony with the wishes of President Hoover, Congress gave the President authority to appoint a Federal Farm Board and made available for their use the sum of $500,000,000.

I voted against the bill, believing then as I know now that it would be dragged into the political mire and that the politicians and their henchmen rather than the farmers would be the chief beneficiaries of the $500,000,000 appropriated by the Congress of the United States.

No one to-day will gainsay but that the Federal Farm Board was organized along purely political lines with politically minded farm leaders to dominate and control it.

Testimony was recently adduced before the Agricultural Committee of the Senate showing how the heads of the National Grain Corporation, supposedly a cooperative organization for the handling of wheat, were drawing down salaries of $25,000 to as high as $50,000 a year, and that the head of the so-called cooperative organized to handle cotton was drawing down $75,000 a year, while the brokerage firm to whom he gave practically all the business of trading in the cotton of his members drew down the neat sum of $450,000 in one year, while the farmer who raised the cotton drew on an average of $300 per year.

Time does not permit me to go into a discussion of all of the activities of the Farm Board, much as I would like to, but they have suggested that the only way of solving the farm problem was by reducing acreage to a point where there would be no surplus but they, so far as I know, have not indicated just how this very visionary theory can be put into actual practice or how to determine the necessary acreage in advance without first knowing whether it will be a bountiful harvest or a drought.

Personally I am not greatly disturbed about surplus food supplies. What this country needs more than a reduction of the acreage sown in farm crops is an increase in the purchasing power of the consumers of this country.

The program of crop reduction as proposed by the Farm Board places the Government in the rather ludicrous position of spending millions of dollars a year on a Department of Agriculture to teach the farmers how to grow larger and better crops and at the same time spending other millions of dollars through the Federal Farm Board trying to persuade the farmers to raise smaller crops.

If it is the best judgment of the farm leaders that it is necessary to curtail production, some system must be worked out to prorate among the farmers of the country the amount of wheat or cotton which they can sell. This plan, if not too expensive and cumbersome, might work out.

Other legislation has been proposed, such as the so-called equalization-fee plan, for which I voted but with some misgiving as to its workability. Probably the best plan offered has been the so-called debenture plan, but with European countries placing what amounts to embargoes on our wheat I am doubtful of the efficacy of this plan.

Another of the several principal causes of our present economic crisis has been the overcapitalization of our banks, our railroads, our power companies, and many of our manufacturing interests.

It has meant great accumulation of wealth by promoters and bankers, but it has also meant that every time a million or ten million or a hundred million dollars of watered stock—whether paid as dividends or bonuses or sales directly to the suckers who bought it—some one had to help pay dividends upon that watered stock; either it came out of the worker in longer hours and lower pay or out of the farmer or other consumer in the shape of higher prices for commodities, high freight rates, or higher charges for power, or higher interest rates. The promoter got richer at the expense of the consumer and worker. Every time you had a consolidation you had more water. Drastic legislation should be passed to stop this kind of racketeering. We glorify a judge who sentences Al Capone for racketeering, but there are other kinds of racketeering just as destructive of our civilization as that of the Chicago gangster.

It is the judgment of some of our best economists that this unregulated selling of watered and inflated stock to the public, and the collapse which necessarily had to follow in its wake, thereby wiping out the life savings of millions of people, causing banks to close their doors from one end of the country to the other, and thereby cutting off the purchasing power of millions of our people, was one of the major and basic reasons for the economic slump in which we find ourselves to-day.

Bank failures in this country have been caused in a large part first by the plight of agriculture and secondly by the loaning of money on watered or inflated stocks.

In 1923, shortly after the deflation of the farmer started, 491 bank failures occurred in the United States, affecting, I am told, $138,000,000 in deposits; in 1929 there were 643 bank failures with $234,000,000 deposits; and in the first nine months of 1931 there were 1,246 bank failures, affecting $929,000,000 of deposits. These figures should help to explain why the farmers have a so-called surplus while others are going hungry.

The banking system has also failed to stabilize credit and money values. An old farmer in Montana once said to me, "They inflate us in and deflate us out." I think that farmer knew what he was talking about. The only time anyone can borrow money is during times of inflation. If you don't believe that, just try and borrow some money now. And the time when the banker is most anxious to collect his loans is during periods of depression, when it is almost impossible to do so.

Take the farmers as an example. They borrowed money during prosperous times when farm products sold for three and four times what they will bring to-day. In other words, this deflation makes it necessary for the farmer to give at least 300 per cent more bushels of wheat or corn or bales of cotton than would be necessary during a period of inflation. If a woman borrowed from her neighbor in the spring of the year one dozen eggs when their market value was only 25 cents per dozen. I imagine she would object to returning the eggs in the winter when the market value was $1 per dozen.

In like manner the farmer who borrows money in times of inflation to the value of 5,000 bushels of wheat is likely to object to paying back that loan with 15,000 bushels of wheat during a period of deflation. The deflation has the effect of increasing his loan three or four times its former commodity value.

If loans were made as freely in times of depression as in times of inflation, then they would equalize each other and no injustice would be done, but, inasmuch as loans are made only in times of inflation it is only just to the debtor that he should be allowed to pay his debt with money of inflated value.

Only through inflating or making the dollar as cheap as when he borrowed it will the farmer ever be able to get out of debt.

Wageworkers who object to inflation because it increases the cost of living should not forget that inflation will at least put men to work, while a prolonged deflation will in time deprive them of their jobs.

Another evil which directly affects the farmers is the growing tendency toward banker control of industry.

It is impossible to legislate, or obtain in any other manner, permanent prosperity while the wageworkers and farmers lack purchasing power.

When bankers condition their loans to industry upon wage cuts and a directing voice in that industry, they undermine and jeopardize their own interests as well as that of the farmers and wageworkers.

The American people, I hope, will some time demand that our finance and business be conducted in the interest of the people rather than in the interest of the privileged few.

The blame for this depression, and all depressions, rests upon the people who were lulled to sleep while a selfish few were reaping rich rewards—but destroying the goose that laid the golden egg.

There has been nothing to indicate that our great promoters and financial leaders feel any sense of moral obligation to the public. Their viewpoint has rather been this, if the public are boobs enough to buy gold bricks, that's their own lookout. We are not their guardians, nor in any way to blame for their mistakes. That is to some extent true; but perhaps they realize to-day that if we are going to prosper and grow as a great nation and a great people we should, from the standpoint of enlightened selfishness if from no other, realize that prosperity can not be permanently with us unless all classes are provided with money to keep the wheels of commerce going continually.

In conclusion, the remedy for this depression must come along the following lines:

First. An inflation sufficient to enable the farmers and other debtors to return their loans on the commodity value basis on which these debts were contracted. This may be brought about by the remonetization of silver, or by increasing the paper money or possibly by inflation of credit.

Second. Changes in our banking laws that will give protection to bank deposits and stabilize the purchasing value of money.

Third. By lowering our tariffs so that the farmer and other unorganized producers may be upon an equal footing with the manufacturer and promote commerce, good will, and peace throughout the world.

PETITIONS

Mr. KEAN. Mr. President, I present resolutions of the Legislature of New Jersey asking that the Volstead Act may be modified by amendment.

The VICE PRESIDENT. The resolutions will appear in the RECORD and be appropriately referred.

The resolutions were referred to the Committee on the Judiciary, as follows:

HOUSE OF ASSEMBLY,
CLERK'S OFFICE,
Trenton, N. J.

Second special session committee substitute for Assembly Concurrent Resolution 1

Whereas there is widespread sentiment throughout the Nation toward a change in the Volstead Act so as to legalize the manufacture and sale of light wines and beer; and

Whereas a change in the Volstead Act legalizing the manufacture and sale of light wines and beer will have the effect of saving millions of dollars to the Government and States in enforcing the prohibition laws, and add millions of dollars in revenue to the Government which have been lost since the passage of the prohibition amendment, and would prevent racketeering and general disregard of law: Now, therefore, be it

Resolved by the House of Assembly of the State of New Jersey (the Senate concurring), That the Congress of the United States of America be, and it is hereby, memorialized to effect such changes in the national prohibition act, commonly known as the Volstead Act, in order to accomplish the foregoing objects and permit those States which desire so to do to have the benefits derived from the legal manufacture and sale of light wines and beer; and be it further

Resolved, That the clerk of the house of assembly be, and he is hereby, authorized and directed to transmit a copy of this concurrent resolution to the Members of Congress representing the State of New Jersey.

I certify that the above is a true and official copy of second special session committee substitute for assembly Concurrent Resolution No. 1, adopted by both houses on October 9, 1931.

FRED'K A. BRODESSER,
Clerk of the House of Assembly.

Indorsed: Filed October 10, 1931.

THOMAS A. MATHIS,
Secretary of State.

STATE OF NEW JERSEY,
DEPARTMENT OF STATE.

I, Thomas A. Mathis, secretary of state of the State of New Jersey, do hereby certify that the foregoing is a true copy of second special session committee substitute for assembly Concurrent Resolution No. 1, adopted October 9, 1931, as the same is taken from and compared with the original filed October 10, 1931, and now remaining on file and of record in my office.

In testimony whereof I have hereunto set my hand and affixed my official seal, at Trenton, this 21st day of October, A. D. 1931.

[SEAL.] THOMAS A. MATHIS,
Secretary of State.

Mr. COPELAND. Mr. President, I have received a communication or resolution from the board of supervisors of Columbia County, Hudson, N. Y., in the nature of a petition urging that the post-office building at Hudson, N. Y., be completed at once. I ask consent to have it referred to the Committee on Appropriations and printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Appropriations and ordered to be printed in the RECORD, as follows:

BOARD OF SUPERVISORS,
Columbia County, N. Y.

At the annual session of the Board of Supervisors of the County of Columbia, held at their rooms in the city of Hudson on the 15th day of December, 1931.

Present: Burke Diefendorf, chairman; Emory C. Van Loan, clerk; and a quorum.

On motion of Mr. Wheeler, fifth ward, the following resolution was adopted; 21 supervisors voting in favor of such resolution and no supervisors voting against the same, 2 absent:

"Whereas the Federal Government, having made provisions for a large amount of money to be expended on Government-building projects to aid the unemployed throughout the country; and

"Whereas provision has been made for an appropriation of $70,000 by the Congress of the United States at Washington, D. C., for the purpose of enlarging the post office at Hudson, N. Y.; and

"Whereas there is considerable unemployment in the city of Hudson at this time: Therefore be it

"*Resolved*, That the actual appropriations be made by Congress as soon as possible in order to alleviate the suffering from unemployment; that the Columbia County Board of Supervisors, in annual session, recommend this appropriation and that the clerk of the board send a certified copy of this resolution to Congressman HARCOURT J. PRATT, Senator ROYAL S. COPELAND, and Senator ROBERT F. WAGNER."

STATE OF NEW YORK,
County of Columbia, ss:

I, Emory C. Van Loan, clerk of the Board of Supervisors of the County of Columbia, do hereby certify that I have compared the foregoing copy of resolution with the original and original minutes thereof, now remaining on file of record in my office, and that the same is a true and correct transcript therefrom and of the whole of such original.

In testimony whereof I have hereunto set my hand and affixed the seal of said board of supervisors this 16th day of December, 1931.

[SEAL.] E. C. VAN LOAN, *Clerk*.

IMPORTATION OF PULP FROM SWEDEN

Mr. DILL. Mr. President, I send to the desk a letter in the form of a petition which I ask to have read, and I should like to say a few words about it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the letter will be read, and the Senator from Washington will be permitted to speak upon it.

The Chief Clerk read the letter, as follows:

SHAFFER BOX CO.,
Tacoma, Wash., December 9, 1931.

Senator C. C. DILL,
United States Senate Building, Washington, D. C.

DEAR SENATOR DILL: The pulp mills of the Pacific Northwest are in a position where they must shut down within the next few months entirely on account of the difference in Swedish currency against the United States currency. These pulp mills in Washington and Oregon employ 2,500 men. At the present time the Swedish exchange is nearly 31 per cent under United States currency. This makes it possible for Swedish pulp (as well as other Scandinavian and German pulp) to come into the eastern and central parts of the United States at a price 31 per cent less than the pulp made in the Pacific Northwest. For instance, in July the price of Swedish unbleached sulphite pulp, delivered in Atlantic coast ports, was $44 per ton. To-day, less than three months, Sweden went off the gold standard, the price is $32 per ton; transposing this $32 United States currency back into the Swedish krona at the present rate of exchange will give them the same net return in Sweden to-day as when they sold their pulp at $44 per ton delivered in the United States at the time their currency was on a par with ours. At the same time, this $32 a ton nets the Pacific coast mills only $25 a ton at their mills, which is a loss of $4 to $7 a ton even on the present day low-wage scale and lowered cost of raw material.

These pulp mills can not exist unless they are at least kept on a parity with the product of foreign pulp mills in this country, and we do not ask that duty be put on, only that a fine be levied by the Customs Department sufficient to take up the difference in the exchange at the time of shipment of foreign pulp.

We are at a loss to know whether President Hoover, in his message to Congress bearing on the tariff, making pointed reference to the temporary abandonment of the gold standard and the power of the Tariff Commission to remedy, believes that this remedy would be legally possible on goods that have no duty under the present tariff.

Will you be so kind as to assist the pulp industry of the Pacific Northwest by attempting to force a ruling from the Tariff Commission on this, and failing in this, could you get an immediate relief in an amendment to the tariff act through the present Congress.

Sincerely,

RALPH SHAFFER.

The VICE PRESIDENT. The letter will be referred to the Committee on Finance.

Mr. DILL. Mr. President, I have had this letter read into the RECORD because it illustrates a development that is becoming more and more serious in connection with our domestic as well as our foreign trade. The 31 per cent inflation of currency in Europe has lowered the cost of production of those products that come to this country from Europe. Thus the cheaper currency of Europe and of the Asiatic countries operates not only against our foreign trade but begins to operate against our domestic trade.

There is no tariff on pulp, and to place a tariff on pulp would afford but a temporary protection, because as soon as the money of other countries was inflated to a point greater than it now is our tariff would again be ineffective.

This condition is just another illustration of the absolute necessity of our Government's getting on such a money basis that the money of the world will be standardized on a common valuation scale. I introduced a bill a few days ago providing for a monetary committee that would meet with the representatives of other nations, with a view to establishing a basis of world exchange, and using silver as one of the bases of exchange. I call attention to this pulp industry as an illustration of the beginning of what will happen in this country to our domestic trade unless we do something to get the money of the world on a basis that will be common to all nations.

Anybody who knows anything at all about foreign exchange knows that the depreciation of the value of European currencies is acting as a more effective tariff wall against our shipments to European countries than any tariff that was ever conceived. Our Republican friends, in defending the present tariff, tell us that two-thirds of the imports into this country have no tariff levied against them. The President in referring to the new English tariff stated that it only applied to a few of our products; but a decrease in the value of the Englich currency, the Scandinavian currency, or the Japanese currency, and the corresponding deflation of values act as a complete tariff wall against everything that we attempt to ship to those countries, and as their currencies become less and less valuable their tariff walls become higher and higher against our shipments of products into their countries.

Mr. FLETCHER. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Florida?

Mr. DILL. I yield to the Senator.

Mr. FLETCHER. Does the same thing not apply as to Canada as well?

Mr. DILL. The same thing applies to Canada as well, although Canada has not yet deflated her currency so badly as have the European countries. I think that yesterday Canadian exchange was about 18 per cent off. Whether Canada has yet actually left the gold standard is rather hard to determine, although the newspapers on Sunday stated that within 10 days she would leave the gold standard.

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Utah?

Mr. DILL. I yield.

Mr. KING. The statement has been made within the past few days by responsible authorities in Canada that, notwithstanding the depreciation referred to, Canada does not intend to leave the gold standard; but it is obvious that with so many European countries having left the gold standard and England having left the gold standard, Canada will be compelled, sooner or later, to follow that course.

Mr. DILL. Regardless of whether she leaves the gold standard or not, the fact is that her money is at 18 per cent depreciation right now.

Mr. KING. Measured in gold?

Mr. DILL. Measured by gold.

Mr. KEAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senate from New Jersey?

Mr. DILL. I yield.

Mr. KEAN. Is not the point the Senator makes equivalent to saying that the fall in the franc, the fall in the pound, and the fall in the mark mean a cut in the wages of the people of Great Britain and the people of the other European countries, and also mean a lowering of the tariff of the United States?

Mr. DILL. Absolutely, that is the result, and it is the result not only as to the products covered by tariff rates, but it is the result as to the commodities that did not need a tariff previous to the cut in the value of wages and the cost of production abroad.

Mr. KEAN. Is my distinguished friend speaking for a higher tariff?

Mr. DILL. No; I am not, because a higher tariff would be but a temporary remedy. We have too many high-tariff walls now. The high-tariff walls which we erected by the Smoot-Hawley law resulted in retaliatory tariffs all over the world, and what little foreign trade there was is fast being destroyed by our high tariff law. While an increased tariff might temporarily help the situation, just as soon as the currency of foreign countries is deflated to a greater extent we shall have to have another raise in tariff, until after a while nobody will be able to trade at all with anybody else. The real remedy is not to be found in tariff walls, but is to be found in placing the money of the various nations of the world on an equal-value basis, and then having more currency for the use of the world by enlarging the basis of currency by including silver on a monetary basis along with gold.

MORTGAGE FORECLOSURES BY FEDERAL LAND BANKS

Mr. McKELLAR. Mr. President, I have here a letter in the nature of a petition from Mr. N. L. Flournoy, of Millington, Tenn., in reference to the foreclosure of mortgages by Federal land banks. I ask that it may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the letter in the nature of a petition was referred to the Committee on Finance and ordered to be printed in the RECORD, without all the signatures, as follows:

MILLINGTON, TENN., *December 12, 1931.*

Hon. KENNETH D. MCKELLAR,
United States Senate, Washington, D. C.

DEAR SENATOR: Realizing that you have always shown a disposition to help the common people, I am taking the liberty to address you in behalf of those unfortunate people (farmers) who were compelled to mortgage their homes and farms to the Federal land bank to get some financial relief, and now that they have fallen upon evil days (floods, drought, and price of farm products below cost of production) their farms are being sold for the lack of their ability to pay the interest on the said mortgage loans.

Every county paper you take up has therein ads for the foreclosure on some poor man's farm, and, of course, it will go to some one at a bargain, thereby breaking up for good this man's lifetime efforts and accumulations.

Something should be done, and done quickly, to stay the hand of our otherwise good Government. A halt should be called on such steps being taken when there is no avenue of help open to the farmer during these desperate and trying times.

A person of your broad vision can very readily see that if this course is not adjusted to the financial exigencies of the present times, a very serious and irreparable condition will prevail with the unfortunate landowners.

With sincere regards and appreciation, I beg to remain,
Respectfully,

N. L. FLOURNOY.

All of our citizens approve this, and a few seen, gladly signed across the back of this letter.

We approve of this appeal.

C. A. JAMISON, *Assistant Postmaster.*
AND OTHERS.

PROPOSED CASH BONUS TO VETERANS

Mr. McKELLAR. I present a letter from Marion J. Gray, of Fayetteville, Tenn., together with a petition inclosed by him, praying that Congress may take action regarding the payment of the balance of the soldiers' bonus. I ask that the letter and petition may be printed in the RECORD and referred to the Committee on Finance.

The letter and petition were referred to the Committee on Finance and ordered to be printed in the RECORD without all the signatures, as follows:

FAYETTEVILLE, TENN., *October 3, 1931.*

Hon. KENNETH D. MCKELLAR,
Memphis, Tenn.

DEAR SEATOR MCKELLAR: I am inclosing herewith a petition requesting that Congress take action at the coming session regarding payment of the balance of the soldiers' bonus.

There are about 500 ex-service men in Lincoln County. Out of all the men I got to see there were only four that refused to sign this petition. I think it is only necessary to mention that these four men, three of which I know had sufficient reason for not desiring to sign same, aside from the fact that they all were the possessors of good incomes, are all already well fixed financially.

I did not get to see all the men, although you can see that the percentage of those refusing to sign the petition is negligible.

The Legion in Detroit voted against it. The Legion, as a whole, did not get a chance to vote on it. The delegates voted like they wanted to vote without the little fellow having a chance to vote.

The Government can borrow all it wants at 1¾ and 2 per cent, yet it charges us 4½ per cent on our own money. It doesn't charge any foreign country over 3 or 3½ per cent on loans. It canceled Germany's war debt for a year running into millions. The country we went to France to fight—an enemy—gets theirs given to them voluntarily and we have to fight to get what rightly belongs to us.

During the war men at home got from $10 to $25 a day for their work and enjoyed life while we were fighting for $1 a day and half enough to eat. All railroads and industries that the Government took over were put back in good shape, and they were paid well in cash for their use, and we human targets got a little insurance for our service payable in 20 years.

When we were leaving for France everyone told us that, when we got back, there was nothing that would be too good for us. Back slappers were shaking hands with us, telling us what they would do for us when we came back; and to-day those same back slappers and handshakers are the ones that are fighting to keep us from having what rightly belongs to us.

Senator MCKELLAR, I was 14 years old when I went in the Army in 1917. When I was 16 I had been to France and back. I am 28 years of age and I am taking the responsibility of writing you this letter with the backing of my comrades. We, as a whole, ask you to do all in your power toward procuring favorable action by Congress regarding the soldiers' bonus.

We also take occasion at this time to thank you for all of your efforts in the past devoted to procuring favorable legislation for the ex-service men. We have followed closely your utterances as given in the press and assure you of our deep interest and appreciation of same.

Again thanking you for what you have already done and what we feel sure you will continue to do in the future, I remain,
Your respectfully,

MARION J. GRAY.

We, the undersigned ex-service men of Fayetteville and Lincoln County, Tenn., hereby request Congress to enact a law giving ex-service men of the World War the balance of the adjusted compensation (bonus).

MARION J. GRAY AND OTHERS.

WIDOWS AND ORPHANS OF VETERANS

Mr. McKELLAR. I present a letter in the nature of a petition from Mrs. W. R. Altom, president of the American Legion Auxiliary, Department of Tennessee, favoring the passage of the so-called widows and orphans' bill presented by the American Legion. I ask that the letter may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the letter in the nature of a petition was referred to the Committee on Finance and ordered to be printed in the RECORD without all the signatures, as follows:

AMERICAN LEGION AUXILIARY,
DEPARTMENT OF TENNESSEE,
December 15, 1931.

Senator K. D. MCKELLAR,
Washington, D. C.

OUR DEAR SENATOR: We, as presidents and secretaries of the American Legion Auxiliary units of East Tennessee, are very much interested in the welfare of all wives and children of the ex-service men.

Therefore, we are extremely interested in the passage of the widows and orphans' act as will be presented by the American Legion.

Will you please write us your attitude toward the passage of this bill. Send your reply to Mrs. James A. Greene, Johnson City, Tenn., post-office box 674.

Assuring you of our deep appreciation of your assistance, we are,
Most sincerely,

MRS. W. R. ALTOM, *President.*
MRS. JAS. A. GREENE, *Secretary.*
AND OTHERS.

COTTON PRODUCTION STATISTICS

Mr. SMITH. Mr. President, a few days ago the Senator from Nevada [Mr. PITTMAN] called attention to the dropping off of the exports from this country. Much has been said in committee rooms and throughout the trade generally as to the encroachment on the world's cotton market by foreign nations. The Senator from Nevada also called attention to the price levels at which our commodities have been sold.

At my request the Department of Commerce prepared some tables showing the actual production of commercial

cotton in foreign countries. I desire to have the tables printed in the RECORD. I also ask to have printed in the RECORD a table showing the amount of exports and domestic consumption of American cotton for 30 years and the average price at which cotton has been sold during that period.

These tables, I think, will be of very great interest to the Agricultural Committee in its forthcoming investigation.

I also have a photostatic copy of a table showing the average production over a period of five years of cotton in foreign countries by specified staple lengths. Much has been said about the improvement in Indian and in Russian cotton. I present these tables, with the letters of transmittal, because they bear out that which I have maintained all along, that, so far as the encroachment on our market or the world's market by foreign cotton is concerned, it is a fabrication by those who, in my opinion, desire to affect the American market by virtue of giving out that kind of propaganda.

Mr. SHORTRIDGE. Mr. President——

The VICE PRESIDENT. Does the Senator from South Carolina yield to the Senator from California?

Mr. SMITH. I do.

Mr. SHORTRIDGE. Is long-staple cotton raised in South Carolina?

Mr. SMITH. It is.

Mr. SHORTRIDGE. Is the Senator able to advise the Senate whether or not there has been an increase or a falling off of imports of long-staple cotton?

Mr. SMITH. That information is included in the tables, and the Senator can get it from them. I do not think the falling off of importations into this country has been appreciable. The fact of the matter is that in the confused and distressed condition which seems to be prevalent throughout the world the premium between the ordinary variety and the long-staple cotton has—for what reason I do not know—come to a point where it is practically negligible.

Mr. SHORTRIDGE. The Senator will recall that all types of cotton were on the free list and that when we enacted the last tariff act we placed long-staple cotton on the protected list at 7 cents a pound.

Mr. SMITH. Yes, sir.

Mr. SHORTRIDGE. I assume the Senator is aware that application has been made to the Tariff Commission to reduce that rate. I telegraphed the commission requesting that no hearings be had without those of us who were interested in maintaining that rate being given notice and an opportunity to be heard. If it be proper, I should like to have inserted in the RECORD immediately following the documents offered by the Senator from South Carolina two resolutions adopted by cotton organizations of California protesting against any reduction of the present rate of duty on long-staple cotton, a commodity in which California is very deeply interested.

Mr. SMITH. I was of the opinion that, on account of the small quantity of real long-staple cotton produced in California and parts of Arizona—that is, cotton which would compete with the Egyptian cotton—perhaps a tariff might result in bringing about a higher price, but the same thing, in my opinion, has happened in the case of long-staple cotton that happened in the case of wheat.

The producers of long-staple cotton, having no financial resources and no compact sales organization, were compelled to take the price the buyer offered, just as the action of Congress in putting a duty of 42 cents a bushel on wheat, the wheat producers competing with each other, was worse than a gesture; it was almost an insult to the wheat producers, because the price went down practically more than 40 cents a bushel. Why? Because the wheat producer, unlike the ordinary industrial organization, had no resources; he had no financial surplus, and was not in a position to hold his commodity for the market and distribute it in America at the protected price and then sell his surplus abroad at the world's price. He was compelled, on the contrary, to take what the buyer offered. That is the condition with cotton. A duty of 7 cents a pound may be levied on cotton, but the buyers give what they please. The fact is that now I do not think long-staple cotton is bringing much more than the amount of the tariff which has been levied. I know, I sold some that did not average much over 7 cents a pound.

Mr. SHORTRIDGE. If the Senator will pardon me, I do not care now to enter into a discussion of conditions or why prices have fallen or the effect of the 7-cent duty placed upon long-staple cotton, but I will ask the Senator and the Senate if they will be good enough to read the resolutions to which I have referred, which will, perhaps, in part, afford an explanation of the low price of long-staple cotton.

In any event, I will say to the Senator from South Carolina, if I may address him, it will be recalled that Senators representing cotton States, and particularly those States which raise the highest grade, or the long-staple cotton, were then, and I assume are still, in favor of maintaining the rate which we placed on long-staple cotton after thorough investigation and thoughtful consideration. I do not want the Tariff Commission to proceed with hearings on that point without giving us due and proper notice.

Mr. SMITH. I think that is proper.

The VICE PRESIDENT. Without objection, the request of the Senator from South Carolina will be granted.

The tables and letters of transmittal presented by Mr. SMITH and ordered printed in the RECORD are as follows:

DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington, December 15, 1931.

Hon. ELLISON D. SMITH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In compliance with your telephone request there is inclosed a tabular statement showing the production of commercial cotton in the several foreign countries for each crop from 1910 to 1930, inclusive.

As you know, the weight of the bale in the several countries differs very materially. The quantities have been converted into equivalent bales of 478 pounds lint.

There is inclosed a photostat copy of Table 1 of Miscellaneous Publication 104, United States Department of Agriculture. This table shows the approximate quantities of the several lengths of cotton produced in each of the countries. There is also inclosed a copy of a memorandum prepared by the textile division of the Bureau of Foreign and Domestic Commerce entitled "Varieties of Cotton Grown in Foreign Countries." This memorandum is a general description of the production in all of the foreign countries which produce cotton. This memorandum and the photostat copy should give a pretty good idea of the character of foreign-grown cotton.

Very truly yours,

W. M. STEUART, *Director.*

Production of commercial cotton in foreign countries

[Quantities in thousands of bales of 478 pounds lint]

Crop	Total	India	Russia	Egypt	China	Brazil	Mexico	Peru	All other
1930	11,548	4,800	1,550	1,661	1,590	493	169	240	1,045
1929	12,105	5,120	1,310	1,750	1,825	535	246	250	1,069
1928	11,331	4,865	1,208	1,660	1,550	520	272	210	1,046
1927	10,643	4,715	983	1,250	1,930	492	179	215	879
1926	10,064	4,230	755	1,695	1,335	449	360	245	995
1925	10,555	4,845	737	1,610	1,400	602	202	185	974
1924	10,197	5,100	453	1,450	1,320	605	280	200	789
1923	8,865	4,400	260	1,289	1,420	575	138	201	582
1922	8,197	4,220	55	1,229	1,360	535	178	190	430
1921	7,380	4,200	43	902	1,030	540	147	175	343
1920	6,225	2,600	85	1,285	1,045	450	215	155	390
1919	8,795	4,475	440	1,305	1,150	560	210	175	480
1918	6,715	2,950	575	1,000	940	550	135	120	445
1917	6,833	2,971	605	1,307	868	418	131	115	418
1916	7,468	3,391	1,114	1,062	847	323	147	113	471
1915	7,218	2,751	1,532	954	884	262	131	97	607
1914	8,816	3,982	1,304	1,448	785	460	131	108	598
1913	8,445	3,862	1,077	1,565	649	440	157	115	580
1912	7,834	3,481	959	1,561	732	330	147	115	509
1911	6,565	2,374	982	1,530	654	291	135	104	495
1910	7,242	2,847	1,026	1,575	811	293	154	100	436

NOTE.—Commercial crop for India, China, and Peru arrived at from consumption, exports, and changes in stocks.

TABLE 1.—*Production of cotton in foreign countries by specified staple lengths*—Continued

Country	Average 1925-26 to 1929-30			
	Total	Less than ⅞ inch	⅞ inch to 1 3/32 inches	1 1/16 inches and above
	Bales	*Bales*	*Bales*	*Bales*
Mexico	250,507	12,525	225,457	12,525
Venezuela [1]	32,071		32,071	
Colombia [2]	17,342		4,335	13,007
Peru	223,218		55,804	[3] 167,414
Ecuador	6,025		3,012	3,013
Brazil	544,484		217,794	326,690
Paraguay [4]	11,053		11,053	
Argentina	107,146		101,788	5,358
Guatemala [4]	955			955
Haiti [1]	21,997			21,997
Dominican Republic [1]	351		176	175
Porto Rico [1]	1,390			1,390
Salvador [1]	1,345			1,345
British West Indies	4,307			4,307
Italy [5]	3,113		3,113	
Yugoslavia	344		344	
Greece	18,963		18,963	
Bulgaria	2,967		2,967	
Malta [1]	455		455	
Spain [1]	2,584		1,292	1,292
Algeria	6,235			6,235
Morocco (French) [1]	461			461
French West Africa:				
Dahomey [2]	5,062			5,062
Ivory Coast [2]	6,171		6,171	
French Guinea [1]	2,176		1,088	1,088
Senegal [1]	2,696		1,348	1,348
French Sudan [2]	3,913		1,956	1,957
Upper Velta [1]	6,122		3,061	3,061
French Togo [4]	6,669		3,334	3,335
Nigeria	28,498		28,498	
Egypt	1,578,800			[6] 1,578,800
Anglo-Egyptian Sudan	125,429		12,543	112,886
Italian Somaliland	4,833			4,833
Eritrea [1]	1,960		653	1,307
Belgian Congo [2]	22,119			22,119
Angola [1]	2,634		2,634	
Kenya [2]	1,096		1,096	
Uganda	128,397		12,840	115,557
Tanganyika	20,629		15,472	5,157
Nyasaland	4,228		4,228	
Northern Rhodesia [2]	146		146	
Southern Rhodesia [1]	1,498			1,498
Mozambique [1]	8,641		8,641	
Union of South Africa	10,654		2,663	7,991
Cyprus [1]	2,429	607		1,822
Turkey (Asiatic [2])	127,195	84,797	42,398	
Syria and Lebanon	8,611	8,611		
Iraq	3,507			3,507
Russia (Asiatic)	1,007,118		1,007,118	
Persia [1]	90,938	60,626	30,312	
India [7]	4,732,000	2,901,000	1,831,000	
Oomra		1,482,000		
Dhollera		499,000		
Bengal-Sind		796,000		
Comilla, Burma, etc		90,000		
Coconada		34,000		
Punjab (American)			209,000	
Sind (American)			4,000	
Broach			215,000	
Coompta-Dharwar			241,000	
Western and Northern			216,000	
Tinnevelly			131,000	
Salem			31,000	
Cambodia			116,000	
Barsi and Nagar Hyderabad Gaorani			667,000	
China	1,862,914	1,596,783	266,131	
Japanese Empire:				
Japan [2]	1,261	1,261		
Chosen	137,382		34,346	103,036
French Indo-China [1]	4,119		4,119	
Dutch East Indies [1]	4,905	3,679	1,226	
Siam [2]	3,429	1,714	1,715	
Australia	6,401		6,401	
New Hebrides [2]	2,917		2,917	
Total	11,224,810	4,671,603	4,012,679	2,540,528

[1] 4-year average.
[2] 3-year average.
[3] About 67,000 bales of long rough cotton, 1¼ to 1½ inches, are included in this total.
[4] 2-year average.
[5] Figure for 1929-30 only.
[6] According to information from the International Institute of Agriculture, International Cotton Bulletin, Consular Reports, and Todd, all Egyptian cotton is designated as long staple or 1⅛ inches and above. The Division of Cotton Marketing has received samples of 1 1/16-inch cotton from Egypt which shows that some cotton is below 1⅛ inches, but has no information on quantity.
[7] This classification of Indian cotton according to staple lengths is based on Liverpool interpretations and may vary from a classification based on the official standards of the United States for length of staple.

Compiled from official sources, from International Institute of Agriculture, from information based on samples of foreign cotton received by the Division of Cotton Marketing of the Bureau of Agricultural Economics, and from unofficial trade reports.

Because of differences in description of cottons for length of staple in the reporting countries, it is not certain that the distributions here shown have been uniformly made nor that they are comparable with cottons classed under the official standards of the United States for length of staple. Distributions are subject to revision on the basis of further work on the classification of cotton of foreign growths.

TABLE 2.—*Production of cotton in India by varieties and staple lengths, average 1915–16 to 1918–19 and annual 1925–26 to 1929–30*

[1,000 bales of 478 pounds net; 000 omitted]

Description	Average 1915–16 to 1918–19	1925–26	1926–27	1927–28	1928–29	1929–30
Mainly under ⅞-inch staple:						
Oomra (Khandeish, Central India, Berar, and Central Provinces)		1,367	1,316	1,582	1,700	1,446
Dhollera		527	476	718	336	437
Bengal Sind (United Provinces, Rajputana, Sind, Punjab, etc.)		904	688	654	854	879
Comilla, Burma, etc		104	95	87	77	87
Coconada		45	26	33	38	31
Total	2,453	2,947	2,601	3,074	3,005	2,880
Per cent of total crop	72.1	56.7	61.9	61.6	61.8	65.4
Mainly ⅞-inch staple and above:						
Punjab (American)		300	192	183	159	212
Sind (American)		2	4	3	5	7
Broach		277	186	204	175	235
Coompta-Dharwar		265	168	274	254	244
Western and Northern		322	145	185	292	135
Tinnevelly		151	113	124	136	133
Salem		30	28	28	36	35
Cambodia		130	97	103	122	126
Barsi and Nagar, Hyderabad Gaorani		777	671	812	679	395
Total and above	949	2,254	1,604	1,916	1,858	1,522
Per cent of total crop	27.9	43.3	38.1	38.4	38.2	34.6
Total crop	3,402	5,201	4,205	4,990	4,863	4,402

Compiled from Area and Yield of Principal Crops in India, reports of the Indian Central Cotton Committee and the Empire Cotton Growing Review. This classification of Indian cotton according to staple lengths is based on Liverpool interpretations and may vary from a classification based on the official standards of the United States for length of staple.

DEPARTMENT OF COMMERCE,
BUREAU OF THE CENSUS,
Washington, December 10, 1931.

Hon. ELLISON D. SMITH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In compliance with your telephone request there are furnished the following figures of American cotton consumed in the United States and exported for cotton years from 1906 to 1931, inclusive. The quantities are shown in running bales, counting round as half bales. Separate statistics of linters consumed and exported are not available for some of the earlier years. Accordingly, the statistics of consumption for 1906, 1907, and 1908, and of exports for 1906 to 1913, inclusive, include some linters.

Year	Consumption (bales)	Exports (bales)	Average price per pound upland cotton (cents)	Year	Consumption (bales)	Exports (bales)	Averagre price per pound upland cotton (cents)
1931	5,083,613	6,759,927	9.5	1918	6,382,695	4,288,420	27.1
1930	5,803,348	6,689,796	16.8	1917	6,470,244	5,299,519	17.3
1929	6,778,199	8,043,588	18.0	1916	6,080,618	5,895,672	11.2
1928	6,534,946	7,539,945	20.2	1915	5,375,305	8,322,688	7.3
1927	6,880,124	10,926,614	12.5	1914	5,383,099	9,256,028	12.5
1926	6,175,775	8,051,491	19.6	1913	5,250,392	9,199,093	11.5
1925	5,917,485	8,005,228	22.9	1912	4,921,683	11,081,332	9.6
1924	5,352,937	5,655,856	28.7	1911	4,322,987	8,025,991	14.0
1923	6,322,294	4,822,589	22.9	1910	4,465,968	6,491,843	14.3
1922	5,612,993	6,184,094	16.9	1909	4,929,796	8,889,724	9.2
1921	4,676,891	5,744,698	15.8	1908	4,389,462	7,779,508	11.5
1920	6,002,993	6,545,326	35.4	1907	4,844,568	8,825,236	10.0
1919	5,589,820	5,592,386	28.8	1906	4,770,804	6,975,494	10.9

Very truly yours,

W. M. STEUART, *Director.*

TARIFF RATE ON LONG-STAPLE COTTON

Mr. SHORTRIDGE. Mr. President, I offer and request that there be printed in the RECORD the resolutions adopted by the board of directors of the Fresno County (Calif.) Chamber of Commerce, urging that the present rate on long-staple cotton, as fixed by the tariff act of 1930, namely, 7 cents a pound on cotton of 1⅛ inches and better, be maintained, and no decrease authorized, and further petitioning the United States Tariff Commission that the said rate of duty on long-staple cotton be kept in force. I ask that the resolution be referred to the Committee on Finance.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Resolution

Whereas realizing that the stocks of imported cotton have diminished to a point whereby the American producer of staple cotton will soon be able to receive the premiums he is entitled to for his efforts to produce superior quality of cotton, the Fresno County Chamber of Commerce, representing hundreds of growers of cotton who produced staple of 1⅛ inches and better, do petition to the United States Tariff Commission that the tariff act of 1930, section 336, carrying an import duty of 7 cents a pound on cotton of 1⅛ inches and better, be kept in force; and

Whereas the growers of this district used to receive a premium of from 2 to 4 cents per pound above market quotation, due to the quality and staple of their cotton, which for several years past has not been obtainable, due, in a great extent, to the importation of cotton; and

Whereas the effect of this tariff schedule is just beginning to have its effect on domestic cottons in aiding the cotton growers to attain a fair premium on their longer staple lengths, the tariff not having affected this premium due to the accumulation of imported stock prior to the action of the tariff, and the stocks now being down to a point where domestic cotton is affected, we feel that it is only fair that the tariff remain in force long enough to measure its effectiveness as far as the producer is concerned and any hardships that manufacturers claim; and

Whereas the Fresno County Chamber of Commerce is especially interested in protesting a decrease in the tariff, because 60 per cent or more of the California cotton crop last year was of 1 3/32-inch staple or longer: Therefore, be it

Resolved, That the board of directors of the Fresno County Chamber of Commerce, in regular session in Fresno, Calif., this 18th day of November, 1931, representing all of the cotton growers of this district, do hereby urge that you give your earnest attention to the above-mentioned tariff in seeing that it is maintained at the present duty, and not decreased; be it further

Resolved, That copies of this resolution be sent to Senators and congressional Representatives of California, Arizona, and New Mexico; Chester Gray, Washington representative of the American Farm Bureau Federation; and to the secretary of the Tariff Commission, Washington, D. C.

Adopted at a regular meeting of the board of directors of the Fresno County Chamber of Commerce, November 18, 1931.

TREFFLE R. LA SENAY,
Executive Secretary.

Mr. SHORTRIDGE. I also present a letter addressed to me from the Kern County Chamber of Commerce, Bakersfield, Calif., which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the letter was ordered printed in the RECORD.

BAKERSFIELD, CALIF., *November 14, 1931.*

The Hon. SAMUEL M. SHORTRIDGE,
United States Senate, Washington, D. C.

DEAR SENATOR SHORTRIDGE: At a regular meeting of the board of directors of the Kern County Chamber of Commerce, held at Bakersfield, Calif., Tuesday evening, November 10, 1931, the following resolution was passed:

"Whereas realizing that the stocks of imported cotton have diminshed to a point whereby the American producer of staple cotton will soon be able to receive the premiums he is entitled to for his efforts to produce superior quality of cotton, the Kern County Chamber of Commerce, representing hundreds of growers of cotton who produced staple of 1⅛ inch and better, do petition to the United States Tariff Commission that the tariff act of 1930, section 336, carrying an import duty of 7 cents a pound on cotton of 1⅛ inch and better be kept in force; and

"Whereas the growers of this district used to receive a premium of from 2 to 4 cents per pound above market quotation, due to the quality and staple of their cotton, which for several years past has not been obtainable, due, in a great extent, to the importation of cotton; and

"Whereas the effect of this tariff schedule is just beginning to have its effect on domestic cottons in aiding the cotton grower to attain a fair premium on their longer staple lengths, the tariff not having affected this premium, due to the accumulation of imported stock prior to the action of the tariff, and the stocks now being down to a point where domestic cotton is affected, we feel that it is only fair that the tariff remain in force long enough to measure its effectiveness as far as the producer is concerned and any hardships that manufacturers claim; and

"Whereas the Kern County Chamber of Commerce is especially interested in protesting a decrease in the tariff because 60 per cent or more of the California cotton crop last year was of 1 3/32 inches staple or longer: Therefore, be it

"*Resolved*, That the board of directors of the Kern County Chamber of Commerce, in regular session in Bakersfield, Calif., this 10th day of November, 1931, representing all of the cotton growers of this district, do hereby urge that you give your earnest attention to the above-mentioned tariff in seeing that it is maintained at the present duty and not decreased."

Yours respectfully,

L. B. NOURSE,
Secretary Kern County Chamber of Commerce.

SYMPOSIUM OF VIEWS OF CERTAIN GOVERNORS RELATIVE TO THE ST. LAWRENCE WATERWAY

Mr. VANDENBERG. I ask unanimous consent to have printed in the RECORD and referred to the Commerce Committee a summary of the views of the governors of 10 Central and far Western States pleading for the speedy conclusion of the prospectus for the St. Lawrence waterway. Most of these governors appeared in person at a recent meeting in Chicago where a so-called council of States prayed for earliest possible action upon this gigantic undertaking which would open the landlocked heart of the Nation to the commerce of the oceans. It is the greatest adventure since Roosevelt bisected Panama. It is the greatest single public improvement that could be put in work at the present time. It is the greatest practical instrumentality for farm relief. These gubernatorial opinions are particularly timely, because we are given to understand that a treaty between the United States and Canada for the completion of the St. Lawrence waterway is fast approaching conclusion.

The VICE PRESIDENT. Without objection, it is so ordered.

The statements were referred to the Committee on Commerce, as follows:

OHIO

By Hon. George White, Governor of Ohio

Of all the natural bounties bestowed upon mankind by a kindly providence, none exceeds in significance the Great Lakes of North America. This chain of connecting inland seas in the very heart of the continent has been vital to its history and will be vital to its destiny. Exploration and settlement followed this waterway. Vast commerce floats upon its surface and marvelous industrial development clusters about its shores. It constitutes the natural basis for every system of transportation throughout the Middle West. It has drawn a civilization to its borders.

But thus far its utility has been essentially local to America. Deep-water transportation to harbors beyond the seas has been broken by obstacles in the channel of the St. Lawrence. It is now proposed that the coordinated might of the United States and of Canada be exerted to remove those obstacles. What a fitting sequel to the policy of peace we have pursued for a hundred years!

The advantages which will flow from this accomplishment are beyond all calculation. Lake ports will become seaports. In terms of freight haulage, Toronto and Buffalo, Cleveland and Chicago will be nearer to Europe than is New York. Ocean-going vessels from the Orient will discharge their cargies upon the shore of Minnesota. A veritable "northwest passage" will become a reality.

Much of this titanic project is already accomplished. Its completion depends upon the successful negotiation of a treaty between the United States and Canada.

Every consideration of statesmanship dictates the seizure of this opportunity to benefit multiplied millions of people. The immediate undertaking of the work will help to lift the depression now. Its completion will prolong its benefits for generations to come.

The resources of America have been developed by men of vision; men who could see the empire rising in the wilderness; men of iron wills and sturdy hands. To such men this project must appeal. An undertaking so typical of American enterprise must fire the mind of every man of action. Its promise stirs the imagination of the people.

In a world suffering from the tragic results of national animosities and discords there comes to us this opportunity to demonstrate the benefits of international cooperation.

In behalf of the people of Ohio, I join with our neighboring States and with our brethren from Canada in bespeaking the early consummation of this beneficent undertaking.

MICHIGAN

By Hon. Wilber M. Brucker, Governor of Michigan

Nothing would strike the present sluggish economic situation with more dynamic impact right at this moment than the completion of the Great Lakes-St. Lawrence waterway. It would act as an economic blood transfusion to renew circulation in the body politic. It would not only be a psychic stimulant but would invigorate the whole of North America as well by the establishment of new world trade routes. It would furnish the element of physical improvement which would literally compel the kind of confidence that commands prosperity. To Michigan and some of her sister States the Great Lakes-St. Lawrence completion means more than any Government undertaking ever before proposed in this country's history.

For decades now men of vision on both sides of the international boundary line have dreamed of the completion of this great highway of commerce down the St. Lawrence to the Atlantic. They have envisoned ports of the Great Lakes being opened to vessels of all nations, making it possible for the commerce of the Great Lakes and all that vast territory commercially tributary to be carried to ports of the world. They have followed their belief through all its successful engineering phases, with the resultant knowledge that the commerce of the Great Lakes region may be carried in American bottoms without transshipment to all parts

of the world. They have been undaunted throughout the maze of diplomatic negotiations until to-day they have come to the period of realization that the Atlantic can be served 2,000 miles inland to make ocean ports of Chicago, Detroit, Milwaukee, Duluth, Toledo, Cleveland, Buffalo, and countless others, and that 87 per cent of all ocean-going ships will be able to drop anchor in the ports of the Great Lakes and connecting waters.

The Great Lakes-St. Lawrence is the largest connected body of fresh water on the globe. Its combined area exceeds 90,000 square miles from Duluth to tidewater at Montreal. Twenty-three States of the Union are commercially tributary to it, in addition to its great Canadian interest. The shore line of the Great Lakes and islands exceeds 8,000 miles, of which 2,200 miles are within the State of Michigan. The Great Lakes constitute the greatest highway of water-borne commerce, except the high seas, in the world. Without the St. Lawrence River development a normal year sees 200,000,000 tons of commerce, worth $1,500,000,000, moved to market by water transportation on the Great Lakes. The commerce carried on the Great Lakes exceeds by 50,000,000 tons the total annual coastwise commerce of the United States carried on the oceans. Thirteen and eight-tenths of the total foreign commerce of the United States is carried on over the Great Lakes.

There are more than 400 harbors on the Great Lakes and their connecting waters, of which approximately 100 have been improved by the Federal Government at a cost of more than $90,000,000. About 300 other harbors have been improved by local governmental agencies and private enterprise. Millions more have been expended by the Federal Government in the construction and operation of the locks between Lakes Superior and Huron, through which passes more tonnage each year than through the Panama Canal, Suez Canal, Kiel Canal, or the Manchester Ship Canal.

This whole central inland area has been awaiting the blasting out of the key log in the jam blocking direct traffic to world markets by way of the St. Lawrence. No part of the country can be prevented from the full realization of its natural possibilities with resultant benefit to the rest of the country. The establishment of trade balances in favor of this inland empire of 22 States can not fail ultimately to redound to the common good of all the States. No section can afford to oppose that which will eventually work out for the common good.

SOUTH DAKOTA

By Hon. Warren Green, Governor of South Dakota

South Dakota needs the St. Lawrence waterway because it will give us both convenience and profit in marketing our farm products, which is almost our only means of getting wealth into the State.

It means a convenience because our elevator capacity is only about 27,000,000 bushels and in a normal year we export about 120,000,000 bushels, so our elevators will be filled about four times. We must have transportation responsive to our needs.

In a casual year about 150,000 freight cars, or 5,000 train loads of 30 cars each, are necessary to move the farm products which we export from our State. If this marketing were carried by one train, the engine would be nosing into the freight yards of Chicago, the heavily loaded cars would stretch across northern Illinois, across the long dimension of Iowa, across the still greater distance of South Dakota, and the caboose would be over in the oil fields of Wyoming getting oil for the axles of this 1,135-mile train. Our production nearly all goes east. Almost the entire exports of grain and meats go to the mills and packing plants toward the east and into the established channels of trade.

Four lines of railroad are fairly direct to Lake Superior and five nearly direct to Lake Michigan. For convenience we must have both the quick service which railroads give and the cheap service that water transportation can give.

As a matter of profit, we must be able to market in competition with other agricultural areas producing similar products. We find that a mile on the freight train is about equal to 10 miles in cost on the ocean freighter. The world is so organized now that commerce must enter our calculations. We know that the average seaport for our competitors in Argentine and Australia is less than 250 miles from the farm, while we are about 1,600 miles from the seaport. We know that European farmers can deliver their potatoes at less expense in New York or any other coastal city than we can, while we grow the best potatoes in the country. If we take the rate from New York to Liverpool as the yardstick for measurement, we in the capital of South Dakota, at the exact center of the North American continent, are, for the purpose of shipment, just about 25,000 miles, or the entire distance around the world, from New York. In other words, the present cost of shipping a bushel of grain from Pierre, S. Dak., to New York is equivalent to the cost of shipping it around the world if the water rate from New York to Liverpool is used as a basis.

Our best estimates are that we could just about pay the interest annually on the entire investment which the United States will make in building the seaway down the St. Lawrence out of the increased profits of the South Dakota farmers.

MINNESOTA

By Hon. Floyd B. Olson, Governor of Minnesota

The basic industry of the Middle West is agriculture. The prosperity of that section depends upon the buying power of food. In other words, from the standpoint of an amateur economist, the buying power of food determines our prosperity. The farmer of the Middle West is handicapped by being obliged to pay a high rate of transportation on his produce, which cuts down the amount he receives and being obliged to pay a high transportation rate for the commodities he buys from the East, thus raises his cost of production and operation. He first pays in heavy freight rates in order to bring his products—at least his surplus products—to market. Then again on the commodities which are not manufactured in the West he pays a heavy transportation charge in order to get them.

I would not attribute the depression of the mid-west farmer to the Esch-Cummins law, but since the passage of that law, with the increase of freight rates which affected the Middle West, particularly because of the long haul and other economic factors and governmental activities, the farmer became depressed. We in the cities of the Mid West believe that our economic trend is going to follow whatever trend there is in agriculture.

While wheat does not compare, in money receipts, with the dairy products of the Middle West, yet it is and always has been a sort of economic bellwether as to prices. In other words, the prices of farm commodities and, to some extent, the prices of manufactured commodities, follow the market price of wheat up or down.

The development of the Great Lakes-St. Lawrence seaway would permit the transportation of wheat to the foreign markets by as much as 10 cents a bushel less than the present rail and sea rate. That would mean a tremendous increase in income to agriculture through the increased revenue from wheat, with its consequent effect upon other commodities.

It is an established fact that water transportation will cheapen the cost he pays to get products and will cheapen the cost he pays upon the commodities he ships to world markets. The seaway will be of incalculable value to the farmer. It will increase his buying power and his buying power will not only be manifested in the purchase of manufacturing products but it will extend gradually to the seaboard.

It would also develop industry in the Middle West, which has declined 50 per cent in Minnesota in the last 10 years, so that the producers would be able to purchase manufactured articles at considerably less than the present prevailing market price.

That about expresses the viewpoint of a great many people, particularly in my own State. Cheaper rates on what the farmer buys—cheaper rates on what he sells—and an opportunity to dispose of his surplus on a firmer basis in world markets than he now has on the rail route.

ILLINOIS

By Hon. L. L. Emmerson, Governor of Illinois

No Commonwealth can be more interested in the success of these efforts than my own State of Illinois. Chicago to-day is one of the great ports of the world, but it is destined to take a great leap forward on the day that the first deep-draft ocean-going vessel sails down the St. Lawrence, and through the lake system, to weigh anchor here.

The States of the upper Mississippi Valley form the greatest food-producing region in the world, and to-day's production could be multiplied many times if markets were available. Bringing of ocean-going vessels to our doors, putting us on a basis of equality with seaboard States in the competition for world markets, will more than any other factor settle the farm problem which is now pressing us for solution. Production of grain in the region which would be influenced by the St. Lawrence waterway system amounts to more than 3,600,000,000 bushels a year.

If this great section is to continue to export grain, it must be able to meet competitive world prices. That competition can not and must not be met by reduction in farm labor costs, but it can be met in the cost of carrying the products of our farms to the world's market centers.

Engineers and statisticians have estimated that the St. Lawrence waterway would save about 10 cents a bushel on the cost of transporting grain. If only one-half of this amount should accrue to the producers, the American farmer would benefit to the amount of $150,000,000 yearly.

It is well recognized that the price of our crops is set by the price of crop surpluses. It has been generally urged that production be decreased to wipe out these surpluses. If we can increase prices through reduction in marketing costs, the same end will have been achieved without recourse to artificial methods.

While maintaining its agricultural wealth, the great mid-West has become one of the most important industrial sections of the entire world. Our mammoth industries have been developed in spite of the handicap which we suffer, in competition for world trade. Our own State of Illinois produces annually five and one-half billion dollars' worth of manufactured products, being exceeded only by New York and Pennsylvania. To maintain those markets, which we have won, and at the same time develop others, demands not only the most improved production methods but improved distribution methods.

Growing markets mean more jobs, and more jobs mean increased spending power and less want. It requires no stretch of imagination to vision a new era of increased prosperity for the territory along the St. Lawrence and Great Lakes upon the completion of this improvement in which we are all so vitally interested. Its attainment may be hurried through the unselfish cooperation of benefiting communities.

INDIANA

By Hon. Harry G. Leslie, Governor of Indiana

The Calumet area is the industrial center of America. Indiana has some 40 miles of lake frontage on the southern end of Lake Michigan, which reaches down into the heart of the richest area in the world. While the lake frontage is small, it is the most important harbor project on Lake Michigan. East Chicago's port

of Indiana Harbor, the adjacent port of Buffington, and the harbor of Gary have a water-borne commerce that not only takes first place among Lake Michigan port facilities but compares favorably with many of the great ports on the Atlantic and Pacific and, according to the latest available figures of the War Department, outranks all harbors on the Gulf coast, including that of New Orleans. Mention should be made here of the projected Port William between Gary and Michigan City, which, with the return of industrial activity, will rival the older harbors in facilities and the amount of commerce clearing there.

Numerous trunk-line railroads touch this area, and many of the great motor-vehicle highways center here. To have available the Lakes-to-Gulf waterway will make possible even far greater shipping advantages. There has been a steady and continuously increasing volume of industry in this area. When assured that the St. Lawrence waterway will be available in the near future, we can reasonably expect a much greater development in the future than has existed in the past.

The vast volume of domestic traffic moving between the West and East will be vitally affected. Pacific lumber now moves by the Panama Canal to the Atlantic seaboard and back west as far as Indiana. Copper moves to Puget Sound via the Panama Canal to eastern seaboard. It could easily go by rail to Duluth, thence by water to the Great Lakes and canal to the Atlantic seaboard. Brazilian coffee, Yucatan sisal, East India rubber could all move in bulk from origin to destination at Great Lakes ports upon the completion of this project.

From the experience of other nations in the construction of ship canals there can be no reasonable doubt as to the advantages of the proposed canal but as to the absolute necessity of it. England spent hundreds of millions of dollars to bring Manchester to the sea, and her greatness is largely due to her overseas commerce. Germany, through the Kiel Canal and a network of waterways that connect her industrial centers with the sea, has conclusively demonstrated the vital importance of bringing the sea to her manufacturing centers in order to enable them to compete for the markets of the world.

This project brings sea-going ships to the center of industry, it reaches the richest agricultural region of the world, it brings the world markets a thousand miles closer to the sources of production, it cheapens the cost of transportation both domestic and foreign. Its immediate construction is of vital importance to the economic life of the greater part of our country and should be hastened with the greatest possible speed.

MONTANA

By Hon. J. E. Erickson, Governor of Montana

It is not my purpose to attempt to advance new arguments or reasons for the construction of the proposed Great Lakes and St. Lawrence shipway. It seems that everyone East and West is agreed that a water route connecting the Great Lakes with the sea is essential to the progress and well-being of the great Northwest and indeed of the entire country.

My only excuse in traveling from the far-off Montana to meet with you is to emphasize as strongly as possible the intense interest our people feel in the proposed shipway and their earnest desire that this project be constructed as soon as it is possible to do so, and also to assure you of our hearty cooperation in promoting this enterprise.

Some one has said that the two great problems of civilization are production and an adequate system of distribution of the products of labor and industry. We have gone a long way towards the solution of the problem of production. We have not been so successful in solving the problem of distribution. Scientific methods of farming have enabled the farmer to greatly increase the yield of his land, and the introduction of machinery and labor-saving devices has enabled him to extend the scope of his operation so that mass production is now enjoyed by the tiller of the soil as well as by the great industries of the country. As a result, in the present unhappy condition of the country, we find ourselves with vast surpluses of wheat, cotton, and other agricultural products, and the same is true of our industries. They are curtailing production because there is no market for the products at the mills and factories, and yet there are millions in China, India, and other countries who are starving and perishing for want of commodities which are so plentiful in the world. Even in our own country millions of citizens are crowding the bread lines and are forced to accept charity, and all because we have not the facilities nor the machinery for properly distributing the things that we raise and make to feed and care for our population.

Present conditions emphasize in a very definite and positive way that our means of transportation must be improved. The United States has reached a point where it produces more than it consumes, and it has become essential to our prosperity that we seek foreign markets for our surpluses. Shipping facilities must be improved and freight rates reduced. President Hoover evidently had this in mind when he made his notable speech at Louisville a couple of years ago. You will recall that he included in his program the St. Lawrence shipway. On that occasion he said:

"One of the most vital improvements to transportation on the North American Continent is the removal of the obstacles in the St. Lawrence River to ocean-going vessels inbound to the Great Lakes. Our Nation should undertake to do its part whenever our Canadian friends have overcome those difficulties which lie in the path of our making similar undertakings."

NORTH DAKOTA

By Hon. George F. Shafer, Governor of North Dakota

The advent of the St. Lawrence seaway has been too long delayed. Ever since the completion of the Panama Canal, the interior economic development of America has been sadly out of balance. The Panama Canal made the Atlantic and Pacific coasts of this continent close neighbors in commerce, and, by the same token, it correspondingly lengthened the distance, in terms of relative transportation costs, from the interior of the country to its ocean ports. Thus, coast cities flourished, while inland cities struggled against discouraging handicaps. Thus, industries were obliged to remove from interior points to locations on or near the seacoast. Thus, there was placed upon agriculture in the great mid-continent section a disadvantage beyond its ability to carry and still compete profitably in the markets of the world. Thus, there was created a condition of economic dislocation, sometimes called "economic inequality," between great sections of our country, a condition which lies at the base of much of the economic discontent for something existing in the mid-western and northwestern regions of our country, a condition which cries out for correction in a voice that is heard throughout the land. Because ocean commerce has no competitor in economy of costs, it will, when brought to the interior of the continent by means of the St. Lawrence River and the Great Lakes, do much to equalize transportation costs between seashore and inland centers of trade and production. This will not only restore the economic balance in accordance with the laws of economic justice, but it will revive both industry and agriculture in that vast empire lying between the Alleghany and Rocky Mountain Ranges.

While we have been patiently waiting for our Governments to open negotiations for a treaty providing for the joint construction of the St. Lawrence seaway, much progress has in fact been made by the two countries, acting independently but with a common purpose, to bring this gigantic improvement into existence. Millions of dollars have been expended in deepening and widening the connecting waters between the Great Lakes, improvements made directly toward the fulfillment of the seaway project. Many more millions have been appropriated by the United States Government to carry on still further improvements of like nature in those waters.

The United States is anxious for the opportunity to assume its full share of the responsibility for completing this partnership enterprise. This opportunity is now at hand. By securing the prompt ratification of the forthcoming treaty, and by speedily enacting the necessary enabling legislation, we may yet see the beginning of construction on the final unit of the St. Lawrence seaway within the span of another year.

WYOMING

By Hon. Perry W. Jenkins, of Wyoming, personal representative of Gov. A. M. Clark

Through isolation half the resources of our Nation have been locked up for over a century. Half of the area of our Republic lies to the west of the Missouri. With a potential wealth scarcely touched, when the Mountain States come into their own, an awakening of the West will bring to the East the realization that a new era has dawned.

Wyoming is 1,000 miles from Chicago, embracing 100,000 square miles of land, rising 1,400 feet above the sea to gather moisture with which to water her fertile acres. The Geological Survey has estimated these resources at over one-half million for each member of her present political family. It has enough coal to meet the present market demands for 150,000 years. Coal is only a fraction of her stores; oil, shale, iron, copper, potash, aluminum are produced in the millions of tons.

Here is a State whose agriculture, supported by irrigation, is as rich as any of her sister States. Her cattle number over 1,000,000 head; her sheep are two and a half times that number. Agriculture is in its infancy and on the increase.

Would you have this wealth find its way to the Pacific coast and the Orient? Or would you prefer that it leave its trail of gold across your threshold? The growing tonnage already convinced our State that the Great Lakes-St. Lawrence seaway from the Lakes to the ocean was the only solution of our transportation problem. Ten years ago we began a campaign of education; in 1923 we passed an act that committed our State to this project; this year a still stronger act of legislation shows that our interest is unabated.

Our congressional delegates, our State officials—in fact, all the people of the State—are a unit in advocating speedy consummation of your program.

As the years go by and the West awakens to her opportunity and her bounties are realized, there will pour down around her great railway centers a flood of commodities that will make the port of Chicago one of the largest markets of the world.

What I have said about my own State will be repeated by sons of sister States; a still greater boon to humanity will be accomplished by the drawing closer of the ties that have so long bound the United States and Canada together.

Not a fort, with its grim guns, guards the boundary; not a threatened war shall mar the security of the Great Lakes. Where on any other continent to-day do such conditions prevail? A common parentage and a common God unite us. Let us hope that a common waterway may yet strengthen the bonds that have existed over a century of peace. Let us work for the speedy com-

pletion of this new enterprise and add another tie that will bind us still closer, so that Canada and the United States may proceed hand in hand in development for mutual good.

CALIFORNIA

(A letter from Hon. James Rolph, jr., Governor of California)

I deeply regret that I will be unable to attend your highly important waterway meeting in Chicago. Pressure of State business, however, makes it impossible for me to leave California during that period.

I am heartily in accord, however, with any move that will complete a through seaway from the Great Lakes to the Atlantic Ocean, thus placing the interior of the continent on an ocean base for rate making.

Any movement that makes for quick and cheap transportation makes for progress and prosperity. And any such step that benefits a section of the Nation benefits the entire Nation. Therefore, California is deeply interested in the success of your endeavor.

REPORTS OF COMMITTEES

Mr. KING, from the Committee on Immigration, to which was referred the bill (S. 7) to provide for the deportation of certain alien seamen, and for other purposes, reported it without amendment.

Mr. HOWELL, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

S. 194. An act for the relief of Jeff Davis Caperton and Lucy Virginia Caperton (Rept. No. 8);

S. 241. An act for the relief of Donald K. Warner (Rept. No. 9);

S. 243. An act for the relief of S. F. Stacher (Rept. No. 10); and

S. 1357. An act for the relief of Nancy H. Rouse, Clara H. Simmons, W. H. Hays, Hallie H. Hamilton, and Bradford P. Hays (Rept. No. 11).

Mr. HOWELL also, from the Committee on Claims, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

S. 159. An act for the relief of R. B. Miller (Rept. No. 12); and

S. 458. An act for the relief of C. M. Williamson, Mrs. C. E. Liljenquist, administratrix, Lottie Redman, and H. N. Smith (Rept. No. 13).

Mr. HOWELL also, from the Committee on Claims, to which were referred the following bills, reported them each with an amendment and submitted reports thereon:

S. 971. An act for the relief of Milburn Knapp (Rept. No. 14); and

S. 1214. An act to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy (Rept. No. 15).

Mr. JONES, from the Committee on Appropriations, to which was referred the joint resolution (H. J. Res. 141) to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932, reported it without amendment.

He also, from the same committee, to which was referred the joint resolution (H. J. Res. 142) making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932, reported it with an amendment.

ADDRESS BY HON. RAY LYMAN WILBUR, ENTITLED "SELF-MANAGEMENT, THE BASIS OF CITIZENSHIP"

Mr. SHEPPARD. Mr. President, I present for publication in the RECORD an address by Dr. Ray Lyman Wilbur, Secretary of the Interior, before the regional conference of the National Woman's Christian Temperance Union, December 5, 1931, 3 p. m., at Foundry M. E. Church, entitled "Self-Management, the Basis of Citizenship."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Late one evening I was sitting on a cliff looking down over a wild patch of woods and meadows in the California mountains. Suddenly a she bear and two cubs came out of the brush into an open space. The mother bear looked back at each cub and evidently gave instructions that they should follow close at her flanks until they were again under cover. One cub started to wander off and was called back two different times, but the third time the mother took a quick turn and slapped him until he rolled head over heels for 15 or 20 feet. He then scrambled to his feet and ran up close to his mother, staying there until they disappeared. I have often wondered why it was that bears manage to get along so well, in spite of guns and traps and scarcity of food and a world of difficulties that have been brought to them by man. Evidently they are brought up according to bear laws and learn how to be bears.

Each one of us has just the same kind of a problem to face as we go from youth to maturity. Each of us controls a body machine and has a brain for that purpose, as well as to connect us up with the world of reality. Each of us must learn to handle himself, to go on his own power, to be a self-starter, to do many automatic things. Each one must, through instruction or experience, develop his own rules for the care of himself and of his own conduct. The period when we go from youth to maturity is the most interesting and important of all. It is a great thing to grow up, get new knowledge and a new sense of power. After watching thousands of young men and young women I have learned to have confidence in those who have learned self-management and self-control. We are born with impulses and emotions that, uncontrolled, would carry us frequently to disgrace and disease. We are tempted many times. Based on a study of a lot of abnormal people, many normal persons seem to think that self-indulgence makes character, creates respect in others, and develops health. Nothing could be further from the truth. The wise young person is the one who can learn by the experiences of others. Those who have to try everything once are sure to be damaged in the process. It is not common sense to be foolish.

Just at present our youth are facing a period of transition and are breaking away from old standards and conceptions of life. They see about them freedom of conduct, to copy which is easy, but to follow which is full of peril. Youth faces danger willingly, but intelligence and observation should show us that a sane, wholesome, and useful life inside of a living body requires the same kind of protections for it that we place about our automobiles so that they will operate efficiently and properly.

In this somewhat troubled period, each young person must face one question that has been before most young people throughout human history. Human beings long ago discovered certain drugs and chemicals, among them a group that are known as narcotics and anæsthetics. These include alcohol, ether, gasoline, cocaine, opium, etc. One of the long, hard struggles of mankind has been to master these valuable agents. Each has its proper place. Administered and used by experts, they are great servants. Misused and self-administered, they often lead to bad habits and degradation. They have the unfortunate quality of clouding personality or uncovering human attributes that are normally held under control. The principal difficulty with the use of alcohol is that its effect upon a person involves others. When one person is no longer able to manage himself, others must manage him. When families are involved, others suffer from the effects of the drug. Society as a whole must pay the full price for any misuse of these chemical substances that materially affect the central nervous system, consciousness, and personal responsibility.

In the social struggle against alcohol, the commonest of these drugs, this country has passed certain laws and has placed a clause in the Constitution of the United States. This is a country which depends upon majority rule. Until a majority by proper course have determined that these constitutional provisions and these laws are not desired it is the proper function of a citizen to obey. Certainly, no young citizen beginning his life career can consider that he is managing himself well if he begins by violation of any law of his country. I realize that there is much publicity about alcohol and prohibition, but there is also a great deal of intellectual shallowness in meeting the social and legal questions involved. Sad as it may seem, in spite of great literature, fine plays, sports, and family life, we have a lot of people with empty minds that are never comfortable unless they are filled up with alcohol. There have always been such people, and no doubt there will continue to be, but youth in making its choice certainly ought to strive for the thing that is strong instead of that which is weak. One hates to be what is called a goody-goody, but one can obey the law and do the sensible thing without feeling that way about it.

I have often noticed that those who are the most careless in their habits have been the first to praise those who take good care of themselves, such as the members of the football squad who obey the training rules. I am convinced, too, that many of our boys and girls to-day boast of breaches of conduct and pose as rather devilish in order to show people that they have grown up and are quite worldly. In their hearts and in their real attitudes toward themselves and in most of their conduct they are decent, sane, and thinking of a future career full of interest and noble action.

My suggestion, then, to you is to look these questions right in the eye and not allow yourselves to be fooled by those about you and have the courage not to join in unless you wish to do so. No one can make you drink unless you want to. You must do your own swallowing. You must remember, too, that some of us must obey the Constitution so that when future tests of it come, as they surely will, we can fight with clean hands and not have our strength stolen away by the knowledge that we belong among those who make personal decisions as to what laws to obey. The sense of having violated laws seems to create a strong emotional reaction against them as a method of self-justification. Much of our present agitation comes from stinging consciences.

Manage yourself in that way which leaves no regrets and no scars, and life will give you self-satisfaction, comfort, and happiness.

MARGARET J. DUFFY

Mr. TOWNSEND, from the Committee to Audit and Control the Contingent Expenses of the Senate, reported back favorably, without amendment, the resolution (S. Res. 97) submitted by Mr. GLENN on the 16th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Margaret J. Duffy, widow of James E. Duffy, late a laborer of the Senate under supervision of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

SOPHRONIA B. LYNCH

Mr. TOWNSEND, from the same committee, reported back favorably, without amendment, the resolution (S. Res. 98) submitted by Mr. NEELY on the 16th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Sophronia B. Lynch, widow of Columbus F. Lynch, late a messenger of the Senate under supervision of the Sergeant at Arms, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE COMMITTEE ON PUBLIC LANDS AND SURVEYS

Mr. TOWNSEND, from the same committee, reported back favorably, without amendment, the resolution (S. Res. 99) submitted by Mr. NYE on the 16th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Public Lands and Surveys, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE COMMITTEE ON PENSIONS

Mr. TOWNSEND, from the same committee, reported back favorably, without amendment, the resolution (S. Res. 100) submitted by Mr. ROBINSON of Indiana on the 16th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Pensions, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress, to send for persons, books, and papers, and to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. TOWNSEND, from the same committee, reported back favorably, without amendment, the resolution (S. Res. 101) submitted by Mr. THOMAS of Idaho on the 16th instant, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Irrigation and Reclamation, or any subcommittee thereof, hereby is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee, may sit during the sessions or recesses of the Senate.

INVESTIGATION OF RAILROAD PROBLEMS

Mr. TOWNSEND, from the same committee, reported back favorably, with an amendment, the concurrent resolution (S. Con. Res. 3), submitted by Mr. COUZENS on the 9th instant, establishing a joint congressional committee to make a general investigation and study of railroad problems.

The amendment was, on page 4, line 3, to strike out "$10,000" and insert "$1,000," so as to make the concurrent resolution read:

Whereas many railroads are involved in grave financial difficulties, and all the railroads have sought a 15 per cent increase in freight rates; and

Whereas there is a movement now in progress to reduce the wages of all railway employees, although it appears that approximately 500,000 normally necessary railway employees are now unemployed, and many thousands of others have only part-time employment, and that the present earnings of a large percentage of the employed railway workers are less than the amount necessary for a decent livelihood; and

Whereas responsible representatives of the railroads have indicated that financial assistance of the Federal Government will be sought in order to maintain the operations of many railroads, and to avoid further impairment of transportation service and further deferment of necessary maintenance, with the resulting increase of unemployment; and

Whereas an emergency exists requiring that a coordinated program be developed immediately to preserve continuous and efficient railroad transportation and to avoid the imposition of intolerable burdens upon either the necessary investment or the necessary labor required to maintain this essential public service; and

Whereas there is no single agency of the Government authorized to develop such a program, or charged with full responsibility for determining the extent to which Government aid can and should be extended to meet all the needs of the present emergency: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be composed of the chairman, the ranking majority member, the ranking minority member, and the next ranking minority member of the Committee on Interstate Commerce of the Senate, and the chairman, the ranking majority member, the ranking minority member, and the next ranking minority member of the Committee on Interstate and Foreign Commerce of the House of Representatives. The committee is authorized and directed to make a general investigation and study of all matters affecting the operations of common carriers by railroad subject to the interstate commerce act, with a particular view to determining to what extent the Federal Government can aid during the present emergency in preserving continuous and efficient transportation service by railroad, in alleviating the financial difficulties in which many such carriers are involved, in relieving the distress of the unemployed railroad workers, and in preventing further unemployment among such workers. The committee shall report to the Congress from time to time during the first session of the Seventy-second Congress the results of such investigation and study, together with its recommendations for necessary remedial legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the first session of the Seventy-second Congress, to employ such experts, and clerical, stenographic, and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $1,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the committee.

Mr. TOWNSEND. I ask unanimous consent for the present consideration of the concurrent resolution.

The VICE PRESIDENT. Is there objection?

Mr. COPELAND. Mr. President, reserving the right to object, I am wondering what the committee can do with $1,000 to investigate the railroad problem; and, further, what more can be disclosed than has been brought out by the long hearings before the Interstate Commerce Commission. I should be glad to have the Senator state his views in that respect.

Mr. COUZENS. Mr. President, I do not know whether the Senator from New York has read the purposes of the concurrent resolution; but in the preamble I pointed out the observations that I have secured from railroad executives over the weeks and months since I have returned to Washington and been in contact with them as to their needs.

I point out here in the preamble:

Whereas responsible representatives of the railroads have indicated that financial assistance of the Federal Government will be sought in order to maintain the operations of many railroads, and to avoid further impairment of transportation service and further

deferment of necessary maintenance, with the resulting increase of unemployment.

Then, further, I point out that—

There is no single agency of the Government authorized to develop such a program or charged with full responsibility for determining the extent to which Government aid can and should be extended to meet all the needs of the present emergency.

In other words, the committee, if formed, so far as I can speak for it, would not be required to go out and get any witnesses or to make a physical examination of the railroads. It would be a forum where the representatives of the railroads themselves could come and present their needs and suggest what might be done by Congress to assist them.

As the Senator knows, there are several ways of doing this. One way is to provide loans to the railroads through the President's proposal for a reconstruction loan agency. Another is to provide loans to the railroads in the same manner as was provided heretofore, when the railroads borrowed money from the Federal Treasury with adequate security and repaid it, so that in the final analysis there was a profit to the Government.

Those are two ways in which the railroads might be relieved financially. There is no other place to which they can go except Congress to deal with these subjects. In order to expedite matters and to prevent the necessity of the Committee on Interstate Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House having to duplicate the hearings and to prolong the discussion, it was my view that a concurrent resolution should be passed providing for the creation of a joint committee to deal with the subject.

Mr. COPELAND. Mr. President, I am much interested in what the Senator says. There can be no doubt that the railroads are in a desperate condition. When a great system like one going through my State—the New York Central Railroad—a system which has not failed to pay a dividend for 60 years—finds itself confronted by such distress that it passes its dividend, and its stock has so declined that it is no longer legal for certain institutions in my State to use it as security, it gives evidence that something is wrong.

I have no disposition to assent to a protracted hearing on the part of the committee—a hearing which undoubtedly would cover very much of the material which was gone over at great length through the summer. On that account I have serious question about the propriety of passing this concurrent resolution.

It would seem to me that the right way to do would be for the Senator from Michigan, who is informed on the subject and competent to do it, to prepare a bill which in his judgment would cover the needs of the railroads so far as the Congress can relieve the distress and present it to the Senate. Then it can be referred back to his committee with full authority to conduct such hearings as may be needed to develop whether or not his plan is a wise one.

To answer the question which undoubtedly will be asked by the Senator, "We have to have the material, do we not?" let me say that every detail of that material must be included in these extensive hearings.

Mr. COUZENS. Will the Senator yield at that point?

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Michigan?

Mr. COPELAND. Yes.

Mr. COUZENS. There is no desire to repeat the collection of that information. The interstate commerce commissioners can come down and tell us all we desire to know; but as far as I know the railroads have made no application or request, except through me personally, for any aid. I am not in a position to speak for the railroads as to what they claim their needs to be, but certain representations have been made to me which justified this concurrent resolution.

There will be no repetition of testimony. The only objection I can see to the Senator's suggestion that I introduce a bill on the subject is that a bill of that kind would have to be introduced in both Houses, and we would have to go through the same process in each House. If a joint committee is created, the railroads can appear and tell us what they want; and the concurrent resolution provides, not for a final conclusion of the hearings, but that reports shall be made from time to time as to what might properly be done to aid the railroads.

Mr. COPELAND. Mr. President, what the Senator has said strengthens my impression that this measure would lead to protracted discussions without having any objective in mind except a hazy one to give relief if relief is possible.

I am perfectly candid in my opinion that the right way to do is for the Senator to present a bill outlining what he thinks should be done. Then all of us will be prepared to give thought to the recommendations made by the Senator and to see whether or not we agree with him in his suggestions.

Mr. COUZENS. Will the Senator yield further?

The VICE PRESIDENT. Does the Senator from New York further yield to the Senator from Michigan?

Mr. COPELAND. I do.

Mr. COUZENS. I have no idea what to present. The railroads have made no showing. I could not prepare a bill stating what ought to be done. I want the representatives of the railroads to come down here and tell us what they think ought to be done, how it ought to be done, and what position they think the Government is in to carry out their recommendations. I can not present a bill in advance. I do not know.

Mr. COPELAND. Mr. President, without prejudice at all to the question—and I may say that I am impressed by what the Senator has said—I ask that the matter may go over. I will talk to the Senator about it, and perhaps we can take action later.

The VICE PRESIDENT. The concurrent resolution will be placed on the calendar.

EXTENSION OF LEGAL HOLIDAYS IN THE DISTRICT

Mr. CAPPER. From the Committee on the District of Columbia I report back favorably, with amendments, Senate bill 655, declaring December 26, 1931, to be a legal holiday in the District of Columbia, and I submit a report (No. 7) thereon. At the request of the committee I ask for the immediate consideration of the bill, because of the emergency character of the legislation.

The VICE PRESIDENT. The clerk will state the title of the bill for the information of the Senate.

The CHIEF CLERK. A bill (S. 655) declaring December 26, 1931, to be a legal holiday in the District of Columbia.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. FESS. Mr. President, may I ask whether it is a general measure making December 26 a legal holiday hereafter?

Mr. CAPPER. No; it applies only to December 26, 1931, and there is ample precedent for the bill.

Mr. FESS. I have no objection if it is not a general law.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments, in line 3, after "1931," to insert "and January 2, 1932"; in the same line to strike out "a legal holiday" and insert "legal holidays"; and at the end of line 4 to insert "*Provided*, That all employees of the United States Government in the District of Columbia, and all employees of the District of Columbia, shall be entitled to pay for said holidays the same as on other days," so as to make the bill read:

Be it enacted, etc., That December 26, 1931, and January 2, 1932, shall be legal holidays in the District of Columbia: *Provided*, That all employees of the United States Government in the District of Columbia, and all employees of the District of Columbia, shall be entitled to pay for said holidays the same as on other days.

The amendments were agreed to.

Mr. KING. Mr. President, not having had the opportunity of being at the committee meeting this morning, as I had two other committee assignments, I understood that this bill was to deal only with the 26th of December. I see now that it has been elaborated.

Mr. CAPPER. It is amended to apply to New Year's Day as well as to Christmas, in view of the fact that the same situation exists as to New Year's Day as to Christmas—that is, Saturday of that week is also a legal half holiday—and the bill simply makes it a legal holiday for the entire day. We did the same thing in 1925 at Christmas time, and we enacted similar legislation in 1930 with regard to the Fourth of July.

Mr. KING. Mr. President, why should we discriminate in favor of Federal employees in the District of Columbia as against Federal employees throughout the United States?

Mr. CAPPER. The measure simply makes it possible for a few per diem employees to receive their pay the same as all other Government employees will receive theirs, the latter being on a monthly basis.

Mr. KING. It is discriminatory legislation; but I shall not object.

Mr. DILL. Mr. President, I ask unanimous consent that the vote by which the amendment of the committee including January 2, 1932, was agreed to, be reconsidered.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the vote is reconsidered.

Mr. DILL. Mr. President, it seems to me that this matter of declaring holidays is becoming quite a fad, to say the least. I was in thorough accord with allowing the employees one holiday after Christmas, but it seems to me that the giving of two holidays is rather unusual, is it not? I have not known of it being done in the past.

Mr. ASHURST. Mr. President, will the Senator yield to me?

Mr. DILL. I yield.

Mr. ASHURST. Inasmuch as I introduced the bill under consideration, I wish to make the following explanation: Saturday, as the Senator knows, is a half holiday in the District of Columbia. Unless we make Saturday, the 26th of December, 1931, and Saturday, January 2, 1932, holidays for the whole day it will mean that the employees of the District of Columbia and of the Federal Government in the District of Columbia will be required to come to their offices for half a day.

Mr. DILL. Why should they not?

Mr. ASHURST. And the banks will be required to open for half a day. Inasmuch as we clamored for nine months that Congress should be in session, then when we get in session deadlock over the office of President pro tempore, and then adjourn for about 12 days, I fail to perceive why Senators object to granting the faithful overworked and underpaid Government employees in the District of Columbia an additional half day. I hope the Senator will not object.

Mr. DILL. Mr. President, I do not want to be put in the position of objecting to people having a half holiday, but I think we are going too far when we start by giving them an extra day and then give them two extra days.

The Senator spoke about the banks and the bank people. It is proposed that all the banks be closed, practically, for three days during each of two weeks. It is being proposed that the Government departments shall answer no mail, shall give attention to no requests which come from the Members of the House or of the Senate, or from the country.

I do not think there is any terrible burden on the employees if they have to come down for half a day. I think that the second part of this bill should be stricken out.

Mr. BARKLEY. Mr. President, may I say to the Senator that if Christmas Day and New Year's Day fell on any other day except Friday, this bill would not be suggested; but inasmuch as the two holidays, Christmas and New Year's, come on Friday, Sunday being a holiday anyway, I can not see that any harm can come either to the Federal public service or to the District of Columbia by allowing these people to have Saturday morning off, in view of the fact that they have Saturday afternoon anyhow. There will be very little work done, I imagine, on Saturday morning, after Christmas on Friday, with another holiday coming on Sunday.

Mr. DILL. I am not objecting to the holiday the day after Christmas.

Mr. BARKLEY. The same situation applies to New Year's Day.

Mr. DILL. No; it does not apply at all. New Year's is not a day of festivity. It is not a day of celebration compared with Christmas time.

Mr. BARKLEY. The Senator is mistaken about that. It is quite a day of festivity, and a night of festivity also.

Mr. DILL. There is another phase of this situation to consider. Why should Government employees in the District be given two holidays here when such employees outside of the District are not given either of these days? Why not make this apply to Government employees all over the United States, if it is so desirable?

Mr. BARKLEY. There is no demand and no request for it, in the first place. I may say to the Senator that so far as the banks are concerned, it does not work any hardship on them. They are perfectly willing to have this done. If it is not done, they will be required to open.

Mr. SMITH. Why worry about the banks? Most of them are taking a holiday anyhow, closing up permanently.

Mr. DILL. I think we ought to have a vote on that part of the bill which provides a holiday after the 1st of January. In other words, I think the part making January 2 a holiday should be stricken out, and I move to strike it out.

The VICE PRESIDENT. The amendment offered by the Senator from Washington will be stated.

The CHIEF CLERK. The Senator from Washington proposes to strike out the words " and January 2, 1932."

The VICE PRESIDENT. What is desired by the Senator from Washington may be accomplished by voting down the committee amendment.

The question is on agreeing to the committee amendment. [Putting the question.]

Mr. LA FOLLETTE. I ask for a division.

Mr. BINGHAM. Mr. President, let the question be stated.

The VICE PRESIDENT. The amendment will again be read.

The CHIEF CLERK. The original bill read as follows:

That December 26, 1931, shall be a legal holiday in the District of Columbia.

The committee proposes to strike out the article " a " and the word " holiday " and to insert " and January 2, 1932 " and the word " holidays."

Mr. BORAH. Mr. President, there is some confusion about what we are trying to do. I wish some one who is familiar with the bill would explain it.

Mr. ASHURST. Mr. President, I proposed that inasmuch as Christmas Day would be a holiday and half of Saturday would be a legal holiday——

Mr. BARKLEY. And all of Sunday.

Mr. ASHURST. Yes; that we should make all of Saturday, December 26, a legal holiday. That was the bill in its original form. But the Committee on the District of Columbia added " Saturday, January 2, 1932."

Mr. CAPPER. Mr. President, let me interrupt right there. The amendment was made at the request of the Commissioners of the District of Columbia.

Mr. ASHURST. The Senator from Washington has moved to strike out the amendment which proposes to make Saturday forenoon a legal holiday in the District of Columbia. That is the way the question arises.

Mr. DILL. Only as to January 2, 1932.

Mr. ASHURST. Yes.

Mr. LA FOLLETTE. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. Did not the Chair state that the vote would come on the committee amendment and that the objective of the Senator from Washington could be obtained by the rejection of the committee amendment?

The VICE PRESIDENT. That was the statement of the Chair, and that is the way the question will be put.

Mr. BLACK. Mr. President, I desire to ask the Senator from Arizona a question. Does this mean that all the Federal employees of the District of Columbia will have a holi-

day and that the same holiday will not be granted to Federal employees throughout the Nation?

Mr. ASHURST. It applies only to the District of Columbia, because in the District of Columbia Saturday afternoon is a legal holiday.

Mr. BLACK. May I ask the Senator whether he does not think it would be a fair proposition, if the employees of the Government here are given a certain holiday, that the same right should be extended to Government employees in other sections of the country?

Mr. ASHURST. Mr. President, the warm heart of the learned Senator prompts him to ask that question, and my own warm heart responds that if we had the power to do so, and if it were possible to do so, I would gladly have it done.

Mr. BLACK. Could it not be done for all if it is to be granted to the employees here?

Mr. ASHURST. No; it could not be.

Mr. BARKLEY. Mr. President, in this connection let me say there is no national holiday outside of the District of Columbia on any day by act of Congress. All the national holidays observed in the States are by acts of the legislatures of the respective States. We have no power to deal with that matter except in those places over which the Congress has jurisdiction.

Mr. BLACK. Mr. President, I may say this to the Senator. I understand, of course, that what the Senator says is the case. I would not be in favor of an attempt to establish a national holiday, but this simply relieves the employees referred to of the necessity of working on the specified days indirectly. Certainly Congress would have the right, if it saw fit, to provide by amendment to this bill, or in some other way, that employees of the Government throughout the country should be relieved from labor on that day.

Mr. ASHURST. Congress would have that power, but the discussion as to the constitutional right of Congress to do so would so engage the abilities of constitutional lawyers, and to such a protracted degree, that the holiday would have gone by long before we got the bill through.

Mr. DILL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. DILL. I would like to have the Chair state what we are to vote upon.

The VICE PRESIDENT. The question is on agreeing to the committee amendment making January 2, 1932, a legal holiday.

Mr. DILL. If we agree to the committee amendment, we make January 2 a holiday?

The VICE PRESIDENT. That is correct.

Mr. DILL. If we vote down the committee amendment, we shall not make it a legal holiday?

The VICE PRESIDENT. The Senator is correct.

Mr. DILL. Then my amendment really was not in order at the time it was offered.

The VICE PRESIDENT. No. The question is on agreeing to the committee amendment. Did the Senator from Wisconsin ask for the yeas and nays, or ask for a division?

Mr. LA FOLLETTE. I asked for a division when I assumed that the committee amendment had been defeated by a viva voce vote. But now that the matter has been explained to the Senate, I am willing that a viva voce vote be taken upon it.

Mr. BINGHAM. Mr. President, may I ask whether this applies merely to January 2, 1932?

The VICE PRESIDENT. That is the amendment which is before the Senate.

Mr. CAPPER. It applies only to the holiday season, which begins next week.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The VICE PRESIDENT. The question is on the passage of the bill as amended.

The bill was passed.

The title was amended so as to read: "A bill declaring December 26, 1931, and January 2, 1932, to be legal holidays in the District of Columbia."

COMMERCE AND TRADE WITH CHINA—EXPENSES OF FOREIGN RELATIONS COMMITTEE

Mr. TOWNSEND. Mr. President, I report back favorably, from the Committee to Audit and Control the Contingent Expenses of the Senate, Senate Resolution 96, with an amendment, and ask for its immediate consideration.

The Senate, by unanimous consent, proceeded to consider the resolution.

The amendment was, in line 9, after the word "purposes," to strike out "$10,000" and to insert in lieu thereof "$5,000," so as to make the resolution read:

Resolved, That the Committee on Foreign Relations and the subcommittee thereof authorized and directed by Senate Resolution No. 256 on June 2, 1930, Seventy-first Congress, second session, to examine and study stipulations relating to commerce in existing treaties of the United States and other governments with the Republic of China, and conditions that may affect our commerce and trade with China, hereby is authorized to expend in furtherance of such purposes $5,000 in addition to the amounts heretofore authorized.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The resolution as amended was agreed to.

INTERNATIONAL NEWS SERVICE POLL ON PROHIBITION

Mr. COPELAND. Mr. President, I ask unanimous consent to have printed in the RECORD a painstaking poll made by the International News Service on the attitude of Congress toward prohibition.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

WETS ABLE TO COUNT ON 155 IN HOUSE—LARGE NUMBER ON BOTH SIDES OF CAPITOL NONCOMMITTAL—TREND IS WET

(Following is the first of a series of three stories based on a complete poll of the Seventy-second Congress on prohibition:)

By George R. Holmes

The new Seventy-second Congress, although wetter than its predecessors, will not vote to modify the Volstead Act to permit beer and light wines.

There is a chance, however, that the new Congress may see a majority vote rolled up for some sort of referendum on prohibition, although it is extremely doubtful if two-thirds could be mustered for resubmission of the eighteenth amendment itself.

These are the outstanding results of a poll of Congress by International News Service—the only complete poll that has ever been made in Congress on prohibition in 10 years. Four hundred and thirty-four Members of the House were canvassed and 95 Members of the Senate, there being one vacancy in each branch.

ASKED TWO QUESTIONS

The Members were asked two questions:

1. Do you favor a referendum on the eighteenth amendment as proposed by the American Legion?

2. Do you favor legalizing beer?

The results were:

HOUSE OF REPRESENTATIVES

For referendum, 155.
Against referendum, 96.
Undecided or noncommittal, 183.
A majority of the House is 218.

SENATE

For referendum, 32.
Against referendum, 29.
Undecided or noncommittal, 34.
A majority of the Senate is 49.

On the beer question, only 125 Members of the House and 21 Senators said they would vote in favor of it, the rest being frankly hostile to the suggestion or noncommital. Many of those willing to vote for a referendum on the whole prohibition issue were unwilling to vote for beer because they do not believe such action consistent with the amendment itself.

DEPENDS ON "UNDECIDED"

From these figures it is at once apparent the ultimate fate of the referendum hinges upon those large blocs in both Houses which are unwilling or unable to state now how they intend to vote upon it.

In the House this noncommittal bloc numbers 183. It would require 63 votes from this bloc to give the 155 a majority. In the Senate the undecided bloc numbers 34, and 15 of them would have to join the wet side to make a majority.

Many of those who preferred to be listed as noncommittal are really undecided until they see what form the proposed referendum takes. Many others declined to take a position on either side of the question for publication for fear of causing political repercussions in their home districts.

MANY TO DODGE VOTE

Prohibition is the bogey man in every Congressman's life—unless he happens to represent a district that is safely wet or safely dry. Some of those questioned in the International News Service poll even objected to being listed as "noncommittal." They just don't want their names associated with prohibition in any form—in print.

It probably is a safe prediction that when prohibition is voted upon this session—as it will be, since the new rule that 145 Members can cause the discharge of a committee considering legislation—some Members are going to find pressing business that will take them away from the Capitol that day.

THE PARTY LINE-UP

Analysis of the poll disclosed that prohibition has cut both parties almost in twain. The party division is interesting. It follows:

House vote on referendum

	Yes	No	Noncommittal
Republicans	81	36	97
Democrats	73	60	86
Farmer-Labor	1		

Senate vote on referendum

	Yes	No	Noncommittal
Republicans	16	16	16
Democrats	15	13	18
Farmer-Labor	1		

A number of Democrats stated frankly they would be noncommittal until "the party acts," presumably on candidate and platform at the convention next June. Southern Democrats particularly adopted this attitude in many instances.

DRIFT TOWARD WETS

That there has been a marked drift toward the wet side of the question, particularly in the past year, is very apparent. Many Members who have consistently voted dry for years on every question affecting prohibition now prefer to be listed as "noncommittal."

Many of them are really undecided; many others are politically fearful of making any commitment, especially since the allied dry organizations served notice recently that they would regard a vote for referendum as "a wet vote."

Some hitherto known drys stated they were inclined to vote for a referendum when the time comes, but insisted upon being put down as noncommittal. Still others declared they would be guided by the sentiment of their districts or States.

CONGRESS FAVORS POLL

Typical of this group who will be guided by home sentiment is Senator COUZENS (R.), of Michigan. He said he was willing to vote for a referendum, but that he would vote against beer. He said:

"Politically, I am a dry. As long as the constitution of Michigan prohibits all alcoholic beverages I shall vote as my constituents desire. If they express a desire for a change, I shall vote to carry out that expression."

Many others said the same thing in varying language.

POLL OF CONGRESS ON LIQUOR REFERENDUM FINDS SENTIMENT DIVIDED

Many and varied were the replies received from Senators and Congressmen in a poll on prohibition taken by International News Service.

Some of the replies follow:

Senator LEWIS (D.), of Illinois: "I think Congress should resubmit the eighteenth amendment. It was put over while we were at war, and see now how it has affected people."

Senator JONES (R.), of Washington, author of the "five and ten" law: "I will meet the situation when it comes up for official action."

Senator NORRIS (R.), of Nebraska: "I don't believe prohibition has had a fair trial. Its enforcement has been in the hands of its enemies. Until it has been given a fair test I am not in favor of a change. If, after a fair trial, there is evidence that it can not be enforced, then I will favor a change."

Senator LOGAN (D.), of Kentucky: "I see no valid objection to a referendum. I do not favor beer, for the Constitution forbids it."

Senator BAILEY (D.), of North Carolina: "A poll of the Members of Congress is contrary to sound public policy and ought not to be encouraged. For this reason I will not respond."

Senator ODDIE (R.), of Nevada: "I favor a referendum, but I prefer not to discuss beer, as that is a collateral issue and controversial as to percentages."

Senator DILL (D.), of Washington: "I can't answer your questions at this time."

Senator JOE ROBINSON (D.), of Arkansas: "I prefer not to make any statement concerning prohibition at this time."

Senator BYRNES (D.), of South Carolina: "My people are more interested in the return of prosperity than the return of liquor."

Senator GLENN (R.), of Illinois: "I favor anything not intoxicating in fact, but I wouldn't vote for an illegal beverage. I believe the people have a right to vote directly on prohibition, so I should favor a referendum."

Senator COOLIDGE (D.), of Massachusetts: "I favor a referendum on the eighteenth amendment, and I favor Government control of the manufacture and sale of beer through agencies properly guarded and restricted."

Representative BOLAND (D.), of Pennsylvania: "I am heartily in favor of the referendum, or any other bill that will eventually give the American people freedom from this hypocritical law."

Representative MCGUGIN (R.), of Kansas: "I am opposed to either a referendum or legalizing beer. I don't wish to see prohibition made an issue in the next election. It would only becloud vital economic and social issues which should be before the people."

Representative KVALE (F.-L.), of Minnesota: "I have never opposed and never will oppose a referendum for which there is a clear popular demand. No on beer."

Representative WHITLEY (R.), of New York: "I'm in favor of amending the eighteenth amendment to give each State so desiring control of liquor within its borders."

Representative FINLEY (R.), of Kentucky: "Why not a referendum on the Mann white slave law and the Harrison antinarcotic law? What's the matter with the beer we now have?"

Representative CLARKE (R.) of New York: "I have no program except to loyally follow our President. You can put me down as extremely noncommittal on everything but the President's program."

Representative MILLARD (R.), New York: "Yes to both questions. I think prohibition is wicked."

Representative FULMER (D.), of South Carolina: "I'll listen to the arguments and then vote the way I think best."

Representative DOUGHTON (D.), of North Carolina: "I'm dry but I'm open-minded on some method to improve conditions in the interest of real temperance."

Representative DAVIS (D.), of Tennessee: "I'm opposed to bringing up prohibition in any form."

Representative RAGON (D.), of Arkansas: "I'm opposed to either the referendum or beer at this time. But I don't know what the future will bring."

Representative FERNANDEZ (D.), of Louisiana: "I'm wringing wet."

Representative MILLIGAN (D.), of Missouri: "I'm noncommital until my party has spoken."

Representative BANKHEAD (D.), of Alabama: "I wait on my party."

Representative DICKINSON (D.), of Missouri: "I'm noncommital, but tolerant."

Representative RAMSPECK (D.), of Georgia: "Georgia has a State law more drastic than the Volstead Act. Until some action is taken in Georgia indicating a change in sentiment, I deem it my duty to reflect the sentiment expressed by the enactment of the Georgia statute."

Representative LUCE (R.), of Massachusetts: "My answer is, 'That depends.'"

Representative JONES (D.), of Texas: "The meat and bread problem is far more important at this time than the drink issue."

Representative COOKE (R.), of New York: "I favor a referendum, although I have little faith in its efficacy as a relief measure."

Representative WOODRUFF (R.), of Michigan: "I favor a referendum. But I do not believe beer with an alcoholic content that will satisfy those asking for it can be provided by law under the Constitution."

POLL SHOWS BIG GAINS BY WETS—MANY NEW MEMBERS OF CONGRESS AMONG THOSE WHO WANT REFERENDUM

(Following is the second of a series of three articles based upon a prohibition poll of Congress made for the Washington Times by International News Service, the only complete poll ever made:)

By George R. Holmes

The new Seventy-second Congress, which probably will witness a real test vote on prohibition for the first time in years, reflects enormous gains for the opponent of the eighteenth amendment.

This was clearly shown in the complete poll of the membership by International News Service on two questions:

1. Whether the Members favored a referendum on the amendment.
2. Whether they favored legalizing beer.

HOW THEY STAND

The poll disclosed that 32 Senators and 155 Representatives favored the referendum, 29 Senators and 96 Representatives opposed it, while 34 Senators and 183 Representatives have not made up their minds or were unwilling publicly to state their position.

On the beer question 21 Senators and 125 Representatives said they would vote for modification of the Volstead Act. The others were either opposed to it or noncommittal.

Upon this great bloc of noncommittal or undecided Members in both Senate and House depends what the Seventy-second Congress will do, if anything, concerning the issue at this session.

The gains the opponents of prohibition have made in the new Congress were most strikingly manifested in analyzing the poll of the new Members taking their seats for the first time.

MANY NEW MEMBERS WET

Of the present House membership of 434 there are 87 new or "baby Members." The poll disclosed that of this new membership 45 are frankly opposed to prohibition, 29 prefer to be listed as noncommittal, and 13 are dry. Incidentally, the new drys come from sparsely populated districts.

Another striking feature of the poll was the revelation that many Southern Democrats, hitherto dry almost to a man, are becoming more and more noncommittal on the question, possibly in anticipation of a party stand on the issue in the platform and candidate next year.

In 10 States of the old South, having a combined membership of 97 in the House, there were 53 Members who listed their attitude as noncommittal, or who professed unwillingness to state their views on the specific questions asked.

Virginia offered one example of this increasingly cautious attitude on the part of the southern Democrats, the nine Democratic Members from Virginia all stated their position as noncommittal. The one Republican Member said he would oppose both a referendum and modification. Virginia is one of the pioneer prohibition States and the home of Bishop James Cannon, jr.

INDIANA AND IOWA

Indiana and Iowa, usually regarded as dry States, furnished only one negative vote each. Four of the Hoosier Members said they would vote for a referendum, while the others preferred to be noncommittal.

HOW SENATORS AND REPRESENTATIVES STAND ON PROHIBITION REFERENDUM

The complete poll of both Senate and House on the question of a prohibition referendum follows:

Senate

FOR REFERENDUM—32

Republicans: Barbour, Bingham, Blaine, Carey, Couzens, Cutting, Glenn, Hebert, Kean, La Follette, McNary, Metcalf, Oddie, Reed, Schall, Walcott—16.

Democrats: Broussard, Bulkley, Coolidge, Copeland, Fletcher, Hawes, Kendrick, King, Lewis, Logan, Pittman, Tydings, Wagner, Walsh of Massachusetts, Wheeler—15.

Farmer-Labor: Shipstead—1.

AGAINST REFERENDUM—29

Republicans: Borah, Brookhart, Capper, Dickinson, Fess, Frazier, Hastings, Hatfield, Howell, Norbeck, Norris, Robinson of Indiana, Steiwer, Thomas of Idaho, Vandenberg, Waterman—16.

Democrats: Ashurst, Bratton, Bulow, Connally, George, Harris, Hayden, Hull, McGill, Sheppard, Stephens, Thomas of Oklahoma, Walsh of Montana—13.

NONCOMMITTAL—34

Republicans: Austin, Dale, Davis, Goldsborough, Hale, Johnson, Jones, Keyes, Moses, Nye, Patterson, Shortridge, Smoot, Townsend, Watson, White—16.

Democrats: Bailey, Bankhead, Barkley, Black, Byrnes, Caraway, Costigan, Dill, Glass, Gore, Harrison, McKellar, Morrison, Neely, Robinson of Arkansas, Smith, Swanson, Trammell—18.

House

FOR REFERENDUM—155

Republicans: Englebright, Curry, Kahn, Welch, Carter, California; Freeman, Tilson, Goss, Connecticut; De Priest, Granata, Britten, Illinois; Wood, Indiana; Holmes, Rogers, Andrew, Underhill, Tinkham, Martin, Gifford, Massachusetts; Clancy, Hooper, Person, Wolcott, Woodruff, McLeod, Bohn, Michigan; Clague, Andresen, Maas, Nolan, Knutson, Pittenger, Selvig, Minnesota; Niedringhaus, Missouri; Baldridge, Nebraska; Arentz, Nevada; Bacharach, Eaton, Perkins, Seger, Hartney, Cavicchia, Lehlbach, New Jersey; Bacon, R. Pratt, LaGuardia, Millard, Fish, Hancock, Whitley, Andrews, Cooke, New York; Hall, North Dakota; Hollister, Hess, White, Bolton, Ohio; Beck, Stokes, Ransley, Golder, Connolly, Welsh, Darrow, Wolfenden, Kinzer, Sullivan, Estep, Campbell, Pennsylvania; Burdick, Aldrich, Rhode Island; Horr, Washington, Amlie, Kading, Schafer, Stafford, Withrow, Boileau, Schneider, Peavey, Wisconsin—81.

Democrats: Lea, California; Lonergan, Connecticut; Tierney, Connecticut; Kelly, Illinois; Beam, Illinois; Sabath, Illinois; Igoe, Illinois; Schuetz, Illinois; Rainey, Illinois; Karch, Illinois; Dietrich, Illinois; Boehne, Indiana; Canfield, Indiana; Pettengill, Indiana; Jacobsen, Iowa; May, Kentucky; Fernandez, Louisiana; Maloney, Louisiana; Cole, Maryland; Palmisano, Maryland; Linthicum, Maryland; Gambrill, Maryland; Granfield, Massachusetts; Connery, Massachusetts; Douglass, Massachusetts; McCormack, Massachusetts; Hart, Michigan; Cochran, Missouri; Williams, Missouri; Stewart, New Jersey; Auf der Heide, New Jersey.

Norton, New Jersey; Brunner, New York; Lindsay, New York; Cullen, New York; Black, New York; Somers, New York; Delaney, New York; Carley, New York; Rudd, New York; Celler, New York; Prall, New York; Dickstein, New York; Sullivan, New York; Sirovich, New York; Boylan, New York; O'Connor, New York; Kennedy, New York; Bloom, New York; Gavagan, New York; Griffen, New York; Oliver, New York; Fitzpatrick, New York; Corning, New York; Mead, New York; Harlan, Ohio; Kniffin, Ohio; Lamneck, Ohio; Fiesinger, Ohio; West, Ohio; Sweeney, Ohio; Crosser, Ohio; Martin, Oregon; Boland, Pennsylvania; Lichtenwaler, Pennsylvania; Condon, Rhode Island; McMillan, South Carolina; Crump, Tennessee; Kleberg, Texas; Smith, West Virginia; Reilly, Wisconsin—73.

Farmer Labor—Kvale, Minnesota—1.

AGAINST REFERENDUM—96

Republicans: Evans, California; Crail, California; Swing, California; Eaton, Colorado; Timberlake, Colorado; Houston, Delaware; French, Idaho; Smith, Idaho; Reid, Illinois; Adkins, Illinois; Yates, Illinois; Robinson, Iowa; Lambertson, Kansas; Guyer, Kansas; McGugin, Kansas; Strong, Kansas; Hope, Kansas; Partridge, Maine; Ketcham, Michigan; McLaughlin, Michigan; Manlove, Missouri; Simmons, Nebraska; Davenport, New York; Stalker, New York; Reed, New York; Sinclair, North Dakota; Murphy, Ohio; Garber, Oklahoma; Hawley, Oregon; McFadden, Pennsylvania; Beers, Pennsylvania; Temple, Pennsylvania; Lovette, Tennessee; Loofbourow, Utah; Lankford, Virginia; Hogg, West Virginia—36.

Democrats: McDuffie, Alabama; Hill, Alabama; Steagall, Alabama; Jeffers, Alabama; Patterson, Alabama; Oliver, Alabama; Almon, Alabama; Driver, Arkansas; Miller, Arkansas; Fuller, Arkansas; Ragon, Arkansas; Glover, Arkansas; Parks, Arkansas; Taylor, Colorado; Green, Florida; Owen, Florida; Cox, Georgia; Crisp, Georgia; Ramspeck, Georgia; Tarver, Georgia; Lankford, Georgia; Greenwood, Indiana; Ayres, Kansas; Gregory, Kentucky; Moore, Kentucky; Carden, Kentucky; Doxey, Mississippi; Busby, Mississippi; Quin, Mississippi; Collier, Mississippi; Barton, Missouri; Norton, Nebraska; Kerr, North Carolina; Pou, North Carolina; Lambeth, North Carolina; Doughton, North Carolina; Weaver, North Carolina; Disney, Oklahoma; Cartwright, Oklahoma; McKeown, Oklahoma; Swank, Oklahoma; Johnson, Oklahoma; McClintic, Oklahoma; Haines, Pennsylvania; Hare, South Carolina; McSwain, South Carolina; McReynolds, Tennessee; Davis, Tennessee; Eslick, Tennessee; Browning, Tennessee; Patman, Texas; Rayburn, Texas; Sumners, Texas; Johnson, Texas; Briggs, Texas; Garrett, Texas; Buchanan, Texas; Williams, Texas; Thomason, Texas; Blanton, Texas—60.

NONCOMMITTAL—183

Republicans: Barbour, California; Free, California; Hardy, Colorado; M. D. Hull, Illinois; Chindblom, Illinois; Buckbee, Illinois; Johnson, Illinois; Allen, Illinois; Chiperfield, Illinois; W. E. Hull, Illinois; Hall, Illinois; Holaday, Illinois; Vestal, Indiana; Purnell, Indiana; Hogg, Indiana; Kopp, Iowa; Haugen, Iowa; Cole, Iowa; Ramseyer, Iowa; Dowell, Iowa; Thurston, Iowa; Swanson, Iowa; Gilchrist, Iowa; Campbell, Iowa; Hoch, Kansas; Sparks, Kansas; Thatcher, Kentucky; Finley, Kentucky; Beedy, Maine; Nelson, Maine; Snow, Maine, Treadway, Massachusetts; Foss, Massachusetts; Dallinger, Massachusetts; Luce, Massachusetts; Wigglesworth, Massachusetts; Michener, Michigan; Mapes, Michigan; James, Michigan; Christgau, Minnesota; Goodwin, Minnesota; Hopkins, Missouri; Dyer, Missouri; Leavitt, Montana; Wason, New Hampshire; Wolverton, New Jersey; H. J. Pratt, New York; Parker, New York; Crowther, New York; Snell, New York; Culkin, New York; Clarke, New York; Taber, New York; Sanders, New York; Burtness, North Dakota; Cable, Ohio; Brand, Ohio; Mouser, Ohio; Jenkins, Ohio; Seiberling, Ohio; Moore, Ohio; McClintock, Ohio; Cooper, Ohio; Butler, Oregon; Watson, Pennsylvania; Turpin, Pennsylvania; Rich, Pennsylvania; McGrady, Pennsylvania; Doutrich, Pennsylvania; Leech, Pennsylvania; Kurtz, Pennsylvania; Chase, Pennsylvania; Kendall, Pennsylvania; Swick, Pennsylvania; Strong, Pennsylvania; Cochran, Pennsylvania; Shreve, Pennsylvania; Coyle, Pennsylvania; Wyant, Pennsylvania; Erk, Pennsylvania; Kelly, Pennsylvania; Christopherson, South Dakota; Johnson, South Dakota; Williamson, South Dakota; Taylor, Tennessee; Colton, Utah; Weeks, Vermont; Gibson, Vermont; Hadley, Washington; Johnson, Washington; Summers, Washington; Bachmann, West Virginia; Bowman, West Virginia; Shott, West Virginia; Nelson, Wisconsin; Frear, Wisconsin; Carter, Wyoming—97.

Democrats: Allgood, Alabama; Huddleston, Alabama; Bankhead, Alabama; Douglas, Arizona; Wingo, Arkansas; Drane, Florida; Yon, Florida; Parker, Georgia; Wright, Georgia; Rutherford, Georgia; Brand, Georgia; Wood, Georgia; Vinson, Georgia; Larsen, Georgia; Major, Illinois; Arnold, Illinois; Parsons, Illinois; Keller, Illinois; Crowe, Indiana; Gillen, Indiana; Larabee, Indiana; Ludlow, Indiana; Griswold, Indiana; Cary, Kentucky; Spence, Kentucky; Chapman, Kentucky; Gilbert, Kentucky; Vinson, Kentucky; Montet, Louisiana; Sandlin, Louisiana; Wilson, Louisiana; Kemp, Louisiana; DeRouen, Louisiana; Overton, Louisiana; Goldsborough, Maryland; Lewis, Maryland; Rankin, Mississippi; Whittington, Mississippi; Collins, Mississippi; Hall, Mississippi; Romjue, Missouri; Lozier, Missouri; Milligan, Missour; Shannon, Missouri; Dickinson, Missouri; Johnson, Missouri; Nelson, Missouri; Cannon, Missouri; Fulbright, Missouri; Morehead, Nebraska; Howard, Nebraska; Shallenberger, Nebraska; Chavez, New Mexico; Warren, North Carolina; Abernethy, North Carolina; Hancock, North Carolina; Clark, North Carolina; Bulwinkle, North Carolina; Polk, Ohio; Underwood, Ohio; Hastings, Oklahoma; Dominick, South Carolina; Stevenson, South Carolina; Gasque, South Carolina; Fulmer, South Carolina; Mitchell, Tennessee; Byrns, Tennessee; Cooper, Tennessee; Dies, Texas; Sanders, Texas; Mansfield, Texas; Cross, Texas; Garner, Texas; Jones, Texas; Bland, Virginia; Montague, Virginia; Drewry, Virginia; Burch, Virginia; Woodrum, Virginia; Fishburne, Virginia; Smith, Virginia; Flannagan, Virginia; Tucker, Virginia; Hill, Washington; Hornor, West Virginia—86.

MORE SENATORS AIR VIEWS OF DRY LAW—SOME INDORSE REFERENDUM, BUT FEW O. K. LEGALIZING OF INTOXICATING BEER

Herewith are presented more of the replies received by International News Service in its poll of the Members of the Seventy-second Congress on the possibility of a referendum on prohibition and the question of legalizing beer:

Senator GEORGE (D.), of Georgia: "I do not favor repeal of the eighteenth amendment. Beer, if intoxicating, can not be legalized under the Constitution."

Senator BROUSSARD (D.), of Louisiana: "I favor a referendum on the eighteenth amendment and I favor legalizing beer."

Senator VANDENBERG (R.), of Michigan: "No question regarding a referendum can be intelligently answered unless the specific text is available. A referendum on repeal with concurrent submission of the proposed alternative would be ridiculous."

Senator HEBERT (R.), of Rhode Island: "I favor a constitutional convention because the people ought to be permitted to express their convictions."

Senator KING (D.), of Utah: "If we do anything at all with prohibition, we should submit the question of repeal. I favor no palliative."

Senator CAREY (R.), of Wyoming: "Beer would merely complicate the enforcement of prohibition. I favor a referendum on the eighteenth amendment, but there must be a new plan of control proposed before we can repeal the existing law."

Senator REED (R.), of Pennsylvania: "If there is to be a referendum, Congress should submit the question of repeal or modification to the people."

Senator BARKLEY (D.), of Kentucky: "I won't vote for any beer bill that I believe violates the Constitution."

Senator HATFIELD (R.), of West Virginia: "West Virginia is dry."

Senator SHORTRIDGE (R.), of California: "My section of the country is more interested in oil and other economic questions."

Senator BANKHEAD (D.), of Alabama: "Alabama has always been dry. I do not know about a referendum. I have not thought about it."

Senator HAYDEN (D.), of Arizona: "I voted for the eighteenth amendment and the Volstead Act, and I will vote to support them with any amount of money."

Representative DIETERICH (D.), of Illinois: "I favor repeal of the amendment in the manner provided by the Constitution; also legalizing beer in the quantities necessary to supply the wants of the citizenship."

CAPITOL POLL SHOWS G. O. P. WETTER PARTY—ISSUE LOOMS BIG IN NEXT CAMPAIGN—REPUBLICANS MUST FOLLOW DRY WHILE DEMOCRATS TRAIL ALONG WITH WET

(This is the concluding article of a series based upon International News Service's poll of Congress on two prohibition questions: (1) Whether the membership favored a referendum on the eighteenth amendment as proposed by the American Legion, and (2) whether it favored modification of the Volstead Act to legalize beer. Previous articles have disclosed that there is scant chance for modification at this session, but perhaps a chance of Congress voting in favor of some sort of a referendum.)

By George R. Holmes

The issue of prohibition bestrides the necks of both political parties—to the confusion and dismay of the leaders, who look with anxious eyes at the coming presidential election.

In the new Seventy-second Congress, whose Members have hardly taken their seats before they have to figure on reelection next year, the situation is unique and somewhat chaotic.

REPUBLICANS DIVIDED

The Republicans are preparing to follow the dry leadership of President Hoover—yet 81 Republicans in the House have publicly committed themselves in favor of a referendum on the eighteenth amendment and most of this number also favor modification of the Volstead Act.

The Democrats are resigned to going into the election next year behind a wet presidential candidate, perhaps even on a wet platform as well—yet 60 Democrats in the House are absolutely opposed to either a referendum or to modification of the Volstead Act.

In the Senate the figures are proportionately the same.

The Democratic drys from the South and West are fearful and uneasy.

ALL FEARFUL AND UNEASY

But the Republican wets are just as fearful and just as uneasy—perhaps more so, in view of the action taken yesterday by a group of wet Republicans.

These Republicans met and organized a militantly wet bloc under the chairmanship of Representative James M. Beck, of Pennsylvania, former Solicitor General of the United States, and their purpose, as publicly stated, is to "dispel the illusion that the Republican Party is a dry party."

In the complete poll of the membership of the Seventy-second Congress on prohibition, just concluded by International News Service, it was disclosed that approximately 40 per cent of the Republicans in the House were publicly in favor of a referendum on the eighteenth amendment, and a somewhat lesser percentage in favor of voting for beer. Approximately 43 per cent were undecided or noncommittal, and only 17 per cent were absolutely opposed to any action looking to a change.

HOW DEMOCRATS STAND

Among the Democrats of the House, approximately one-third or 33 per cent, declared themselves in favor of a referendum, while 37 per cent were on the fence, and 30 per cent were opposed.

Thus, paradoxically enough, the poll disclosed that despite the dry Republican national leadership, and the wet Democratic national leadership, the Republicans of the House are really wetter than the Democrats, at least so far as a referendum on prohibition is concerned.

The Senate is drier than the House, being a continuing body where the Members are elected for 6-year terms instead of two.

The 48 Republicans in the Senate split three ways on the question of a referendum. Sixteen favored a national referendum, 16 opposed, and 16 were noncommittal.

The 46 Democrats polled split 15 for a referendum, 13 against, with 18 noncommittal.

The recapitulation of both Senate and House on a prohibition referendum showed:

House

	For	Against	Noncommittal
Republicans	81	36	97
Democrats	73	60	86
Farmer-Labor	1		
Total	155	96	183

Senate

	For	Against	Noncommittal
Republicans	16	16	16
Democrats	15	13	18
Farmer-Labor	1		
Total	32	29	34

MANY BILLS TO ACT UPON

It is the huge "noncommittal" blocs in both parties and in both Houses that will determine what, if anything, the present Congress does about prohibition.

There are bills enough galore to act upon. In the House alone, in the first few days of the session, more than 50 bills and resolutions were introduced for repeal of the eighteenth amendment, proposing new amendments to devitalize the eighteenth and to modify the Volstead Act. The sponsors of these measures were about evenly divided as between Republicans and Democrats.

That there will be a test wet-and-dry vote this session seems assured under the new rules adopted by the House. Heretofore all prohibition modification bills have been kept locked up in committees under the old rules, which gave autocratic powers to the House leadership. Under the new rules, when 145 Members sign a petition to get a bill out of committee and on the floor, the committee can be discharged from further retention of the measure.

HAVE SUFFICIENT VOTES

The International News Service poll revealed that 155 Members of the House are publicly committed to a referendum, or 10 more than the number required to force a vote under the new rules.

The show-down or test of strength is viewed with apprehension by the great "noncommittal bloc," which in the House numbers 183. They will be compelled to stand up and be counted, and they don't relish it with party platforms still to be adopted and an election only 11 months away.

In the course of taking the poll, many of the noncommittal bloc privately told the canvassers that they intended to vote for a referendum if the test came on that issue, although they insisted upon being publicly catalogued as noncommital. They didn't want to state in advance for fear of inciting attacks by the drys.

Similarly, many others privately declared their intention of voting against any chance, but likewise insisted upon being listed as noncommittal for fear of attracting wet opposition in their districts.

NONCOMMITTALS BALANCED

Probably the noncommittal wets about balanced the noncommittal drys on the question of a referendum, with probably a remaining third of the noncommittal bloc being really undecided, perplexed, and very much disturbed about what they are going to do.

Between the organized drys, who have served notice that a vote for a referendum will be considered by them as a wet vote, and the growing strength of the organized wets, the life of an on-the-fence Congressman from a debatable district is no bed of roses.

SMOOT FORESEES PROHIBITION VICTORY; OTHERS DIVIDED ON REFERENDUM

Herewith the third and concluding installment of varying congressional comment gathered by International News Service in its poll of Congress on prohibition referendum and the legalization of beer:

Senator SMOOT (R.), of Utah: "I want to know more about the exact form of a referendum before committing myself. If a referendum were taken, I think the prohibitionists would win."

Senator PITTMAN (D.), of Nevada: "I don't see what Congress can do. It's really up to the States. If they elect a wet Congress, the prohibition law will be repealed; if they don't, the law will remain as it is."

Senator NORBECK (R.), of South Dakota: "My State is more interested in farm relief than in referenda on beer."

Senator STEIWER (R.), of Oregon: "I am making no public statement on the question at this time."

Senator AUSTIN (R.), of Vermont: "I want to consider the questions more extensively before expressing an opinion."

Senator HOWELL (R.), of Nebraska: "'No' on a referendum and 'no' on beer."

Senator CONNALLY (D.), of Texas: "I do not favor a referendum nor legalizing beer."

Senator FLETCHER (D.), of Florida: "I'm inclined to favor a referendum, but I don't favor beer."

Senator MCGILL (D.), of Kansas: "I favor neither a referendum nor beer."

Senator ROBINSON (R.), of Indiana: "I favor neither a referendum nor beer."

Senator NEELY (D.), of West Virginia: "I'm noncommittal."

Senator THOMAS (D.), of Oklahoma: "I favor neither beer nor a referendum."

Representative CHRISTOPHERSON (R.), of South Dakota: "I favor prohibition, but am willing to seriously consider any propositions submitted."

Representative COOPER (R.), of Ohio: "If those opposed to prohibition bring forth some plan of control in the case the eighteenth amendment were repealed, there is no question that many who believe in prohibition would go with them on a referendum.

Representative WILLIAMS (D.), of Missouri: "I think it should be referred to a constitutional convention. It is useless to amend the Volstead Act."

Representative LOVETT (D.), of Tennessee: "I am opposed to resubmission at this time. We should try greater enforcement."

Representative WOLFENDEN (R.), of Pennsylvania: "I'm for relief from prohibition in any form the question takes."

Representative JAMES (R.), of Michigan: "When the State of Michigan votes wet I will be guided by the wishes of the people."

Representative LEWIS (D.), of Maryland: "I stand where Woodrow Wilson stood."

Representative COLTON (R.), of Utah: "I don't favor repeal of the amendment, but would have to see the form of a referendum before committing myself."

Representative RANKIN (D.), of Mississippi: "I see no reason for projecting the prohibition issue at this time. What the people want is economic relief."

Representative JOHNSON (D.), of Missouri: "I want to see the bills before committing myself."

Representative LEA (D.), of California: "I favor a referendum, but I don't know about beer; I'd rather go to fundamentals."

Representative GREGORY (D.), of Kentucky: "I am opposed to either a referendum or beer, but I think there should be a change in the legal machinery. Penalties are too heavy and abuses too great."

Representative WHITTINGTON (D.), of Mississippi: "Generally, I favor national prohibition until something better comes along."

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES:

A bill (S. 2224) to provide for the establishment of a light vessel at Grays Harbor, in the State of Washington; to the Committee on Commerce.

A bill (S. 2225) granting a pension to Frank Nyland (with accompanying papers); to the Committee on Pensions.

A bill (S. 2226) authorizing the United States Employees' Compensation Commission to consider the claim of Christian Thomas Buerkle; to the Committee on Claims.

By Mr. McNARY:

A bill (S. 2227) to place the names of Jonathan H. Pigman and Jeannette Earle Morser on the final roll of the Cherokee Indian Tribe of Oklahoma, and for other purposes; to the Committee on Indian Affairs.

By Mr. FRAZIER:

A bill (S. 2228) relating to the issuance of permits for the use of surplus tribal lands within the Klamath Indian Reservation; to the Committee on Indian Affairs.

By Mr. BLAINE:

A bill (S. 2229) to provide for the release of deeds of trust and mortgages in the District of Columbia, and for other purposes; and

A bill (S. 2230) to regulate the foreclosure of mortgages and deeds of trust in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. NEELY:

A bill (S. 2231) for the relief of Henry C. Perrine; to the Committee on Military Affairs.

By Mr. SMOOT:

A bill (S. 2232) to amend section 126 of the Judicial Code, as amended; to the Committee on the Judiciary.

A bill (S. 2233) to authorize the exchange of potassium-bearing lands in Tooele County, Utah, between the United States and private owners; to the Committee on Public Lands and Surveys.

By Mr. BINGHAM:

A bill (S. 2234) granting an increase of pension to William E. Carpenter; to the Committee on Pensions.

A bill (S. 2235) for the relief of John Moriarty;

A bill (S. 2236) to reimburse the William L. Gilbert Clock Co. for revenue erroneously paid; and

A bill (S. 2237) for the relief of Helen M. Crowley; to the Committee on Claims.

A bill (S. 2238) to correct the military record of Charles B. Harrison;

A bill (S. 2239) for the relief of Nicholas Parello;

A bill (S. 2240) to provide benefits for women who served with the American Expeditionary Forces during the World War; and

A bill (S. 2241) for the relief of Floyd W. Phillips; to the Committee on Military Affairs.

A bill (S. 2242) granting six months' pay to Louis Soluri; and

A bill (S. 2243) for the relief of Charles A. Muccino; to the Committee on Naval Affairs.

By Mr. WHITE:

A bill (S. 2244) granting an increase of pension to Edward L. Hayes; to the Committee on Pensions.

By Mr. HATFIELD:

A bill (S. 2245) granting an increase of pension to Jane Soulsby (with accompanying papers); to the Committee on Pensions.

By Mr. CAREY:

A bill (S. 2246) for the relief of Lawrence Dowling; to the Committee on Military Affairs.

By Mr. SHORTRIDGE:

A bill (S. 2247) for the relief of Harry C. Hall; to the Committee on Civil Service.

A bill (S. 2248) for the relief of Alexander M. Simons; to the Committee on Military Affairs.

A bill (S. 2249) for the relief of C. C. Moore & Co., engineers;

A bill (S. 2250) granting employees' compensation to the next of kin of John W. Aspe;

A bill (S. 2251) for the relief of James E. Dethlefsen;

A bill (S. 2252) for the relief of Timothy Fennessy;

A bill (S. 2253) for the relief of Estella Howard;

A bill (S. 2254) for the relief of John H. Hughes;

A bill (S. 2255) for the relief of Gustav Schmidt;

A bill (S. 2256) for the relief of the estate of Gualupe Zazueta, deceased; and

A bill (S. 2257) for the relief of Austin G. Tainter; to the Committee on Claims.

By Mr. WALSH of Montana:

A bill (S. 2258) granting a pension to Jerry M. Humphrey; to the Committee on Pensions.

A bill (S. 2259) for the relief of Mathie Belsvig; to the Committee on Public Lands and Surveys.

By Mr. BRATTON:

A bill (S. 2260) for the relief of S. F. Stacher; to the Committee on Claims.

A bill (S. 2261) granting an increase of pension to Isabel Galanes Calvert de Bohun; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 2262) granting a pension to the regularly commissioned United States deputy marshals of the United States District Court for the Western District of Arkansas, including the Indian Territory, now the State of Oklahoma, and to their widows and dependent children; to the Committee on the Judiciary.

By Mr. BROOKHART:

A bill (S. 2263) placing certain employees of the Bureau of the Census under the civil service; to the Committee on Civil Service.

By Mr. PATTERSON:

A bill (S. 2264) to amend section 91 of the Judicial Code, as amended; to the Committee on the Judiciary.

A bill (S. 2266) to carry out the findings of the Court of Claims in the case of Joseph C. Grissom; to the Committee on Claims.

A bill (S. 2267) for the relief of William Earhart; to the Committee on Military Affairs.

A bill (S. 2268) authorizing and directing the Secretary of the Interior to enroll on the tribal rolls of the Choctaw and Chickasaw Nations all Choctaw and Chickasaw claimants whose names appear in the citizenship cases hereinafter mentioned and who were duly and legally enrolled by the Federal court, and the heirs now living of all such claimants born prior to the closing of said tribal rolls by an act of Congress; to the Committee on Indian Affairs.

By Mr. HARRIS:

A bill (S. 2269) for the relief of Lucy Cobb Stewart; to the Committee on Foreign Relations.

A bill (S. 2270) granting a pension to Randolph H. Clark; to the Committee on Pensions.

By Mr. SWANSON:

A bill (S. 2271) for the relief of the estate of James M. Catlett, deceased; to the Committee on Claims.

By Mr. NYE:

A bill (S. 2272) to grant vacant, unreserved, unappropriated, nonmineral lands to accepting States, and to authorize the President to establish national ranges in nonaccepting States; to create a board authorized to determine as to the disposition of certain areas of public domain; to enable the United States, the States, and individuals to exchange lands for the consolidation of mingled areas, and granting lands to certain States to achieve that purpose; to provide for the control, disposition, and protection of stock-watering places and of intrastate and interstate stock driveways; and for the conservation of grazing resources, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. SHIPSTEAD:

A bill (S. 2273) to prevent corrupt practices in the nomination and election of President and Vice President of the United States;

A bill (S. 2274) to extend the Federal corrupt practices act to primary elections of Senators and Representatives; and

A bill (S. 2275) to prevent the use of Federal official patronage in elections and prohibit Federal officeholders from misuse of positions of public trust for private and partisan ends; to the Committee on Privileges and Elections.

By Mr. DALE:

A bill (S. 2276) providing for the appointment to the classified civil service and the retirement of certain Government employees; to the Committee on Civil Service.

A bill (S. 2277) granting an increase of pension to Eliza H. Bagley (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 2278) authorizing the Secretary of War to reduce the penalty of the bond of the Brazos River and harbor navigation district, of Brazoria County, Tex., furnished as surety for its doing certain work on the improvement of Freeport Harbor, Tex.;

A bill (S. 2279) for the relief of Walter G. Harrell;

A bill (S. 2280) for the relief of Uel Stephens;

A bill (S. 2281) for the relief of Llewellyn B. Griffith;

A bill (S. 2282) to authorize the appointment of Arthur W. Pigott as warrant officer, United States Army;

A bill (S. 2283) for the relief of Otto Christian;

A bill (S. 2284) to give advanced rank to certain retired officers of the United States Army; and

A bill (S. 2285) for the relief of H. B. Berry (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 2286) authorizing the William Robert Smith Memorial Association of El Paso, Tex., to construct a memorial in honor of William Robert Smith, former Member of Congress from the sixteenth district of Texas; to the Committee on Irrigation and Reclamation.

A bill (S. 2287) authorizing disposition of naval floating dry docks no longer in use; to the Committee on Naval Affairs.

A bill (S. 2288) for payment of part of expense of street improvement near Federal building in Greenville, Tex.; and

A bill (S. 2289) authorizing appropriations for payment by Federal Government of its part of cost of improvements adjoining Federal building sites; to the Committee on Public Buildings and Grounds.

A bill (S. 2290) for the conservation of rainfall in the United States; to the Committee on Agriculture and Forestry.

A bill (S. 2291) to amend subsection (b), section 60, Federal bankruptcy act; to the Committee on the Judiciary.

A bill (S. 2292) for the relief of Col. Frank B. Parker; and

A bill (S. 2293) including dependent sisters within classes of persons entitled to automatic insurance under the war risk insurance act; to the Committee on Finance.

A bill (S. 2294) authorizing the investigation of waste products by the Secretary of Commerce; and

A bill (S. 2295) for the inspection of vessels propelled by internal-combustion engines; to the Committee on Commerce.

A bill (S. 2296) for the payment of the claims of citizens of the United States against the Republic of Mexico; to the Committee on Foreign Relations.

A bill (S. 2297) granting a pension to Mary Ashley Thomas; and

A bill (S. 2298) granting a pension to D. H. Waide; to the Committee on Pensions.

A bill (S. 2299) for the relief of former Lieut. Col. Timothy J. Powers;

A bill (S. 2300) for the relief of W. G. McGee;

A bill (S. 2301) for the relief of the Concrete Engineering Co.;

A bill (S. 2302) for the relief of W. E. Maxwell;

A bill (S. 2303) for the relief of J. M. Badt;

A bill (S. 2304) for the relief of David McD. Shearer;

A bill (S. 2305) for the relief of Harold C. Marshall;

A bill (S. 2306) for the relief of the Black Hardware Co.;

A bill (S. 2307) to provide for the settlement of damage claims arising from the construction of the Petrolia-Fort Worth gas pipe line; and

A bill (S. 2308) for the relief of C. N. Markle; to the Committee on Claims.

By Mr. HAWES:

A bill (S. 2309) for the relief of Michael Dalton (with accompanying papers); to the Committee on Claims.

A bill (S. 2310) granting a pension to Bettie Ashbrook (with accompanying papers); and

A bill (S. 2311) granting a pension to Robert Muir (with accompanying papers); to the Committee on Pensions.

By Mr. BROOKHART:

A joint resolution (S. J. Res. 61) authorizing the Secretary of the Treasury to purchase farm-loan bonds issued by Federal land banks; to the Committee on Banking and Currency.

REPAYMENT OF DROUGHT LOANS

Mr. BARKLEY. Mr. President, I desire to introduce a bill and to make a brief statement.

The VICE PRESIDENT. Is there objection to the Senator making a statement regarding the bill he desires to introduce? The Chair hears none, and the Senator from Kentucky will proceed.

Mr. BARKLEY. Mr. President, at the last session of Congress, as we all recall, an appropriation was made authorizing the Secretary of Agriculture to make loans to farmers in the drought areas for the purchase of seed, feed, and other things necessary to enable them to produce crops. Those obligations have been falling due, and are now falling due. In my State, the main money crop being tobacco, markets have opened within the last week or two, but the prices offered the farmers have been so low that most of them have been induced to return their crops to their farms, because the

price offered was less than it cost them to produce the crop. Many of them are unable, therefore, to repay the Government their obligations or to pay their taxes or to make any payments on other obligations.

In view of that circumstance, it seems to me that the wise and just thing would be for Congress to authorize the Secretary of Agriculture to extend these loans one year more, and I am introducing a bill, which I desire may be referred to the Committee on Agriculture and Forestry, authorizing the Secretary of Agriculture to do that thing.

Mr. McNARY. Mr. President, may I ask the able Senator from Kentucky if his bill refers to the $65,000,000 appropriated last year?

Mr. BARKLEY. It refers to the amount of money appropriated in the last Congress to make loans to farmers in the drought areas. I suppose it would include the entire $65,000,000, the $45,000,000 appropriated, and the subsequent appropriation which was for rehabilitation.

Mr. McNARY. It covers both items?

Mr. BARKLEY. Yes. It proposes to authorize the Secretary of Agriculture to extend for one year these loans out of both funds.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2265) to extend the time for repayment of certain loans to farmers for the crop of 1931 was read twice by its title and referred to the Committee on Agriculture and Forestry.

WORKS OF ART IN THE WHITE HOUSE

Mr. FESS submitted the following resolution (S. Res. 106), which was referred to the Committee on the Library:

Resolved, That the Committee on the Library of the Senate be, and is hereby, authorized and directed to have prepared and compiled a history and description of the works of art located in the White House, with the official portraits of the Presidents and their portraits by contemporaneous artists, at a cost not to exceed $2,500, to be paid out of the contingent fund of the Senate.

ADDITIONAL CLERK TO BANKING AND CURRENCY COMMITTEE

Mr. NORBECK submitted the following resolution (S. Res. 107), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Banking and Currency is hereby authorized to employ Gibbs W. Sherrill as an additional assistant clerk during the first session of the Seventy-second Congress, he to be paid at the rate of $1,800 per annum, out of the contingent fund of the Senate.

MARJORIE RUTH RANKIN AND ALICE JOSEPHINE RANKIN

Mr. BROOKHART submitted the following resolution (S. Res. 108), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Marjorie Ruth Rankin and Alice Josephine Rankin, widow and daughter, respectively, of Roy H. Rankin, late the clerk in the office of Hon. SMITH W. BROOKHART, a Senator from the State of Iowa, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be divided equally between said widow and daughter, and to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE IMMIGRATION COMMITTEE

Mr. HATFIELD submitted the following resolution (S. Res. 109), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Immigration, or any subcommittee thereof, hereby is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

HEARINGS BEFORE THE BANKING AND CURRENCY COMMITTEE

Mr. WALCOTT submitted the following resolution (S. Res. 110), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Banking and Currency, or any subcommittee thereof, hereby is authorized to expend from the contingent fund of the Senate not to exceed $5,000 for expenses in connection with the hearings before said committee on Senate bill No. 1, Seventy-second Congress, first session, to provide emergency financing facilities for banks and other financial institutions, and other purposes, upon vouchers to be approved by the chairman of said committee.

PROPOSED INCLUSION OF TRAINED RESERVES IN DEFINITION OF ARMED FORCES

Mr. SHEPPARD submitted a resolution (S. Res. 111), which was referred to the Committee on Foreign Relations, as follows:

Resolved, That it is the sense of the Senate of the United States that trained reserves be included in estimating and limiting the military strength of nations participating in the forthcoming conference for reduction and limitation of armaments, and that the delegation representing the United States at such conference be so advised.

Mr. SHEPPARD. Mr. President, in connection with the resolution, I submit an excerpt from the Journal of the Texas House of Representatives giving its proceedings in regard to the matter covered by the resolution, which I ask may be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the matter was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Resolution of Texas House of Representatives favoring inclusion of trained reserves in the definition of armed forces in connection with world disarmament (by Mr. Hatchitt)

Whereas the highest purpose of America in participating in the World War was the establishment of permanent peaceful international relations by steps toward a better observance of international law, in part through reductions in the armaments in the various nations; and

Whereas in compliance with said purpose the Washington Conference was held in 1921, and the London Naval Conference was held in 1930, both of which said conferences labored for mutual limitations on naval forces, and in compliance therewith in 1932 the first opportunity since 1914 for limitation on both military and naval forces will present itself at the first general conference for the reduction and limitation of armaments, in which said last-mentioned conference the United States will participate; and

Whereas responsible statesmen agree that civilization can not now survive another general war, that the poverty-stricken and tax-ridden peoples require an abandonment of competition in armaments and limitation on armed forces, and that without such limitation another general war will be inevitable within a few years; and

Whereas there is danger that trained reserves will be omitted in whatever treaty may be submitted by said last-mentioned conference in limiting the armed forces of the various nations that will participate in said last-mentioned conference, although the major military strength of every modern nation is made up of its trained reserves; and

Whereas it would be impossible for the contemplated treaty to weaken the present military strength of the United States; and

Whereas the people of Texas and the people everywhere are vitally concerned in the success of said conference: Now, therefore, be it

Resolved, That it is the earnest desire of the House of Representatives of the State of Texas as the representatives of the people of this State that the Senate of the United States do everything in its power to contribute to the success of said last-mentioned conference, and that if possible the Senate of the United States require that trained reserves be included in the armed forces of the nations participating in said last-mentioned conference as said armed forces may be limited under the contemplated treaty; and be it further

Resolved, That a copy of this resolution be sent to the Hon. MORRIS SHEPPARD, senior United States Senator from Texas for his presentation to the Senate of the United States.

BRADLEY.
HUBBARD.
HATCHITT.

The resolution was read the second time.

Mr. Burns, of Walker, moved that the resolution be referred to the committee on military affairs.

Mr. Gilbert moved to table the motion, and the motion to table was lost.

Question recurring on the motion to refer the resolution, it prevailed.

PROPOSED COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

Mr. SHEPPARD submitted the following resolution (S. Res. 112), which was referred to the Committee on Rules:

Resolved, That Rule XXV of the Standing Rules of the Senate be, and the same hereby is, amended by adding after the paragraph reading as follows: "Committee on Territories and Insular Affairs, to consist of 14 Senators," a new paragraph reading as follows: "Committee on World War Veterans' Legislation, to consist of 15 Senators."

PROPOSED SECOND MORNING HOUR FOR CALENDAR CONSIDERATION

Mr. SHEPPARD submitted the following resolution (S. Res. 113), which was referred to the Committee on Rules:

Resolved, That paragraph 3, Rule VII of the Standing Rules of the Senate be, and the same hereby is, amended by adding between the word "Mondays" and the word "the" in said paragraph the words "and Thursdays."

INVESTIGATION OF SHORT SELLING

Mr. THOMAS of Oklahoma. Mr. President, I desire to introduce two Senate resolutions. I shall not ask for immediate consideration, but will ask for a few moments to explain the resolutions.

The VICE PRESIDENT. Is there objection to the Senator explaining the resolutions? The Chair hears none, and the Senator from Oklahoma is recognized for that purpose.

Mr. THOMAS of Oklahoma. Mr. President, we have just passed a bill providing a holiday in the District of Columbia. In some sections of the country every day is a holiday for the condemnation of Congress. Last winter we were told that if Congress would adjourn and go home the big interests and big business would work out a salvation for the United States and the world.

On the day that we adjourned, on the 4th of last March, the stock of the Illinois Central Railway was selling at 78. On the 28th day of November, just a few days ago, the stock of this concern had fallen 65 points, or 83 per cent.

On the 4th day of last March New York Central Railway stock was selling at 116¼. On November 28 it was selling for 28⅛, a loss of 88⅛, or 75 per cent of the stock value of the corporation.

On the 4th of March Baltimore & Ohio Railroad stock was selling at 76⅛. On November 28 that same stock was selling for 23⅛, a loss of 53 points, or 68 per cent.

United States Steel on March 4 was selling at 143½. On November 28 that stock was selling for 53⅛, a loss of 79⅞ points, or 63 per cent. On yesterday, I am advised, the stock of the Steel Corporation reached a low of 36, a loss of 107 points since March 4. Such loss was sustained during the time when these interests said that if Congress would adjourn and go home they would be able to work out a return to prosperity.

I shall not take the time to read the entire list to which I have been referring, but I ask unanimous consent that it may be inserted in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The list is as follows:

Name of stock	Mar. 4, 1931, low	Nov. 28, 1931, close	Points lost	Approximate percentage of loss
Illinois Central	78	13	65	83
New York Central	116¼	28⅛	88⅛	75
Baltimore & Ohio	76⅛	23⅛	53	68
American Telephone & Telegraph	193⅜	125½	68⅛	36
International Telephone & Telegraph	31½	10¾	20¾	66
United Corporation	25	11⅛	13⅞	55
Electric Bond & Share	53½	15⅜	38⅛	71
Niagara-Hudson	13¼	7½	5¾	43
Tri-State Utilities	29⅛	0¼	28⅞	99
United States Steel	143½	53⅜	89⅞	62
Bethlehem Steel	62¼	24¼	38	61
Anaconda Copper	39⅜	13⅜	26	65
Standard Oil of New Jersey	47½	31¾	15¾	33
Gulf Oil Co	66½	45	21½	32
Texas Corporation	32¾	16¾	16	49
General Motors	42⅞	24½	18⅜	42
Chrysler Motor	21¼	14	7¼	34
Studebaker Co	23	12	11	47
General Foods	52⅜	34¾	17⅝	33
Standard Brands	18⅞	14	4⅞	25
Commercial Solvents	18½	9¾	8¾	47
United States Industrial Alcohol	68⅛	27¼	40⅞	60
Paramount Publix	44⅜	11⅞	32½	73
Radio-Keith-Orpheum	19⅝	2	17⅝	89
Warner Bros. Pictures	13½	3⅞	9¾	71
Chase National Bank	102	39¾	62¼	61
Guaranty Trust Co	539	296	243	45
Irving Trust Co	39	20	19	48
Niagara Shares	8⅞	3¾	5⅛	57
United Founders	9	2⅜	6⅝	73
Goldman-Sachs	8⅛	2½	5⅝	69

Mr. SMITH. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from South Carolina?

Mr. THOMAS of Oklahoma. I yield.

Mr. SMITH. I should like to ask the Senator if he has ascertained whether the earnings of the corporations, whose stocks he is quoting and as to which he has noted the falling off in the market price, have fallen off a like percentage? In other words, do the earnings of these corporations justify this decline in the prices of their stocks?

Mr. THOMAS of Oklahoma. My information is that the decline has no relation to the real value of the stock or the actual earnings of the company. There is little relation, if any, between the two.

Mr. SMITH. The point I wanted to bring out is that perhaps we have developed a system in the country by which the stocks and debentures which are issued by our corporations are a matter of speculation rather than a reflection of what they are contributing in the way of production and dividends.

Mr. THOMAS of Oklahoma. Mr. President, the subject of my remarks is the identical matter suggested by the Senator from South Carolina. A short time after we adjourned on March 4 wheat on one single day declined in value on the exchanges something like 10 cents per bushel. The people generally believe that the cause of these declines is what is known as short selling. The farmers believe that the low prices of their commodities—corn and cotton and wheat—are caused by the bear raids upon the commodity exchanges. The people of the country who own much of the stocks of these companies believe that the reason why the stocks are selling so low to-day is because of the combinations or pools in New York and elsewhere raiding the exchange markets and bearing these stocks down.

A few days ago the head of the New York Stock Exchange, Mr. Richard Whitney, delivered an address in Syracuse, defending the policy of short selling. In the last paragraph of his address he laid down the "defi" of the exchanges, those in New York and the commodity exchanges in Chicago, New Orleans, and other places; and here is the last sentence of his address:

In so far as the exchange is concerned, the defense of short selling is not a matter of opinion. It is a matter of principle.

The newspapers of the country gave much attention to this address made by Mr. Whitney. It was only preliminary to the releasing of quite a volume by the Stock Exchange of New York. On December 15, 1931, the New York Stock Exchange sent to a number of the Members of this body quite a volume explaining and trying to justify the practice of short selling. I exhibit to the Senate a copy of that volume. The newspapers of the country gave elaborate reviews to this release. The New York Times, on December 17, printed more than a full page in analysis of the release of the New York Stock Exchange.

Mr. President, the issue is joined. The country believes, whether rightfully or wrongfully, that this practice now in vogue on the commodity exchanges and on the other exchanges—the practice of short selling—is the cause of the low prices of the stocks and commodities of the country. The senior Senator from Kansas [Mr. CAPPER] has introduced a resolution asking for an investigation. The senior Senator from Indiana [Mr. WATSON], the majority leader, is on record, if the public press may be believed, in favor of such an investigation. Perhaps other such resolutions have been introduced. In order that the committees may have the benefit of such suggestions as the Members can make, I desire to offer two resolutions. I send those two resolutions to the desk and ask that they be read for the information of the Senate.

Mr. KING. Mr. President, before that is done, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Utah?

Mr. THOMAS of Oklahoma. I yield.

Mr. KING. Without desiring to dissociate myself from the position taken by the Senator I would like to ask if there has not been a deflation in labor? Labor has suffered a decline in wages. Is it not a fact that most of the stocks, or at least many of the stocks, that were sold upon the stock exchange and forced upon the people by the high-powered salesmanship of some of the banks and brokers of New York and elsewhere, were entirely too high? Is it not true that they are not as low now as they were in 1920 and 1921; that some of the stocks are even now too high and that they have not been shaken down to the proper level yet.

My own opinion is, if the Senator will pardon me, that many of these stocks reached altitudinous heights without merit and as a result of predetermined efforts upon the part of those who submitted them to the public to force them upon the public. They did everything they could to augment their values notwithstanding that the stocks were worth perhaps not more than 10 or 15 per cent intrinsically of the values for which they were being sold on the market.

Mr. THOMAS of Oklahoma. Answering the question submitted by the distinguished Senator from Utah, I exhibit a special correspondent's article dated New York, May 21. This news item is headed "Utilities Earned Largest Profit in the Worst Year. Net Income Last Year Was 2 Per Cent Greater than All-Time Record of 1929." I ask that the text of the article may be printed in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

UTILITIES EARNED LARGEST PROFIT IN THE WORST YEAR—NET INCOME LAST YEAR WAS 2 PER CENT GREATER THAN ALL-TIME RECORD OF 1929

NEW YORK, May 21.—Gross revenues of 21 of the leading 23 utility systems of this country were nearly $44,000,000 higher in 1930 than in 1929.

The gross revenues of the 21 companies were $2,101,336,523 in 1929. This was an all-time record, made in a year which was marked by feverish, if uncertain, prosperity. But in 1930 the same companies had gross revenues of $2,145,065,916, a gain of $43,729,393, or something over 2 per cent, made in the worst business year of the last half century.

Mr. THOMAS of Oklahoma. As a further answer to the inquiry just submitted, I have another news story under the headline "American Telephone and Telegraph Resources over $5,000,000,000. Company's financial operation are second only to those of United States." I ask that it likewise be incorporated in the RECORD in my remarks at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

AMERICAN TELEPHONE AND TELEGRAPH RESOURCES OVER $5,000,000,000—COMPANY'S FINANCIAL OPERATIONS ARE SECOND ONLY TO THOSE OF UNITED STATES

By Charles F. Speare

NEW YORK, March 7.—Next in size to those of the United States Government are the financial operations of the American Telephone & Telegraph Co. as described in the report for 1930. The figures reflecting the different phases of activity by this premier American public utility are bewildering to the layman in their scope, running up frequently into billions of dollars.

The total assets of the Bell system at the end of 1930 were over $5,000,000,000. The amount of its capital obligations in the hands of the public was $3,271,619,000. During 1930 the company spent for development and research and for additions, betterments, and replacements the sum of $585,000,000, or about 70 per cent as much as was spent for capital improvements in that period by all of the American railroads. It took in earnings from dividends, interest, and from telephone operations of over $292,000,000, and paid out in dividends more than $139,000,000. And during 1930 the company added to its list of stockholders nearly 98,000 names, the largest increase for any one year in its history.

To-day there are nearly 575,000 shareholders in the company. At the end of December it registered 567,694. The report states that there are holders of American Telephone & Telegraph stock in every State of the Union, as well as in 70 foreign countries and United States possessions. Consequently it is the most widely known issue in the world and the daily fluctuations in its price affect the mood of investors in every part of the globe. Since 1921 the holders of Telephone stock have increased from about 190,000 to the present figure of approximately 575,000. Included in this total are over 100,000 employees of the Bell system, whose average holdings are 10 shares, compared with the average for the entire body of stockholders of 32 shares.

Mr. THOMAS of Oklahoma. I have another rather interesting news item under the heading "Billion Dollar Firms Now Number 24 in the United States." Not desiring to take up the time of the Senate to read it, I ask that this be inserted likewise at this point in my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

BILLION-DOLLAR FIRMS NOW NUMBER 24 IN UNITED STATES

The list of billion-dollar corporations in America, selected on basis of total assets, now numbers 24 and includes 7 railroads, 5 public utilities, 5 banks, 4 insurance companies, and 3 industrials, according to a compilation made by American Trustee Share Corporation. They are:

American Telephone & Telegraph; United States Steel; Southern Pacific; Pennsylvania Railroad; Standard Oil of New Jersey; New York Central; Canadian Pacific; Atchison, Topeka & Santa Fe; Union Pacific; Consolidated Gas of New York; Baltimore & Ohio; Cities Service; Commonwealth & Southern; United States Electric Power Corporation; General Motors; Chase National Bank; National City Bank; Guaranty Trust of New York; Continental Illinois Bank & Trust; Transamerican Corporation; Metropolitan Life Insurance Co.; New York Life; Equitable Life; and Prudential Insurance Co. of America.

Mr. THOMAS of Oklahoma. I now ask that the resolutions just introduced by me may be read for the information of the Senate.

The VICE PRESIDENT. Without objection, the clerk will read, as requested.

The Chief Clerk read the first resolution (S. Res. 114), as follows:

Resolved, That the Committee on Banking and Currency be, and is hereby, authorized and requested to investigate for the purpose of ascertaining to what extent, if at all, there has been during the four years last passed so-called short selling of stocks, bonds, and securities and of commodities as the result of combinations so to do among and between individuals, copartnerships, associations, corporations, or any or all of them in combination and to what extent, if any or all of the various stock exchanges have facilitated any such sales or selling, to the end that the Senate may be informed as to what legislation, if any, may be necessary or advisable in the premises.

And also to ascertain to what extent, if any, as the result of any combinations of individuals, copartnerships, associations, corporations, or all of them in combination, known false and untrue statements or inventions have at any time or times during the four years last passed been put abroad, circulated, and published concerning any stocks, bonds, securities, or in any manner or degree related to them or any of them for the purpose of affecting them marketwise, either to depress them or to inflate them, and also to what extent, if at all, any agencies or instrumentalities have knowingly loaned themselves to or assisted in the circulation and publication of any such false statements or inventions knowing or having reason to believe the same to have been false, to the end that the Senate may be informed as to what legislation, if any, may be necessary or advisable in the premises.

Mr. THOMAS of Oklahoma. I ask that the resolution just read be referred to the Committee on Banking and Currency.

The VICE PRESIDENT. It will be so referred.

Mr. THOMAS of Oklahoma. I ask that the second resolution be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 115), as follows:

Resolved, That the Senate request the President to direct the Attorney General of the United States to immediately summon or convene an extraordinary Federal grand jury to conduct an inquiry as to what extent, if at all, any individuals, copartnerships, associations, or corporations have, during the four years last passed, engaged in short selling (so called) of stock, bonds, and securities as the result or by reason of any combination or agreement so to do for the purpose of depressing the prices of stocks, bonds, and securities and to what extent, if at all, any stock exchange has facilitated the same, to the end that it may be determined if any Federal law or laws has or have been violated.

And also to ascertain to what extent, if any, as the result of any combinations of individuals, copartnerships, associations, corporations, or all of them in combination, known false and untrue statements or inventions have at any time or times during the four years last passed been put abroad, circulated, and published concerning any stocks, bonds, securities, or in any manner or degree related to them or any of them for the purpose of affecting them marketwise, either to depress them or to inflate them, and also to what extent, if at all, any agencies or instrumentalities have knowingly loaned themselves to or assisted in the circulation and publication of any such false statements or inventions knowing

or having reason to believe the same to have been false, to the end that it may be determined if any Federal law or laws has or have been violated.

Mr. THOMAS of Oklahoma. As a further explanation and justification of the two resolutions I ask unanimous consent to have printed in the RECORD a statement, as I do not care to take the time to read it.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The statement is as follows:

All constructive forces are working to bring about a resumption of normal business conditions. This is the solution of unemployment. The most potent factor now in business depression is the almost absolute lack of confidence, and in its stead the presence of fear. He who can restore confidence will have furnished the necessary impetus to business return. Psychology is a most important factor. Investment in stocks and securities is so closely related to business and business conditions that the two can not be considered separately. Prior to the late war very few of our people knew anything about securities and stock markets. The masses knew nothing about them. The Government, through its war-bond sales, first undertook their education, which resulted in the people, as a whole, becoming stock minded. Following the war, the great industrial organizations of the country were quick to recognize this condition and to avail themselves of it, as presenting an opportunity to them to do their financing by the sale of their securities to the earners and savers. The work of these organizations completed the education of the people. Large undertakings of public improvements are not financed by few individuals of great wealth. Such financing can only be accomplished by the use of the savings of the wage earners.

It is said that 20,000,000 of our people were interested in stocks and the stock market when the debacle of the fall of 1929 occurred. Loss and distress were widespread. Immediately following the debacle, efforts to overcome the shock, to stabilize, to be constructive, were made by all but a few, and compared to these few, Captain Kidd was a man of high ideals. The stock market, and all that it means, have become so much a part of the lives of our people that no effort of reconstruction can be successfully undertaken that does not regard it as an important factor. For more than a year stock prices and stock values have little or no relation. Commercializing the timidity of the people, powerful groups of "bears" have spread rumors and "gone short" in stocks and in commodities creating further loss and distress among the people. To destroy courage, instill fear and panic is the "stock in trade" of these people. The circulation of false rumors and statements were made only for the purpose of frightening the holders of securities and commodities and causing them to sell at losses, at which time the bears cover their short sales, and their gain is the sum of the loss of those who have been frightened.

It will be recalled that in 1929 or 1930, when it was apparent that the market was being daily raided and vicious, false rumors systematically circulated, the president of the New York Stock Exchange voluntarily sent out a notice requiring all of its members to report at the close of business each day the names of all individuals for whom they that day had made short sales, the names of the stocks, and the number of shares. Short selling instantly ceased and the market advanced and continued to advance, and there was a much better feeling, until this order was rescinded, whereupon, and almost immediately following, the old distress returned. The financial reporters of the great daily papers are an intelligent lot of men. On the reports of these men their papers almost daily tell openly of "bear raids" and of unfounded rumors depressing prices. It is significant that a few weeks ago when England abandoned the gold standard that the New York stock exchanges immediately forbade short selling for a limited time. Why?

I recall a report that was circulated that the Wickersham committee would report in favor of beer and light wines. This was immediately followed by what appeared to be a raid on Coca Cola and Canada Dry Ginger Ale. The raid and the rumor brought about a large volume of sales in these two stocks, and no doubt those who sponsored it cleaned up again.

This is only one instance of hundreds of other wholly unfounded stories that have been put afloat for the purpose of terrorizing and the sum of the loss of the victims was the gain of those who were guilty. From the stories that have been circulated hardly any financial institution has escaped attack. The farmers, our largest and most important group, have been damaged by billions, while other groups have lost by millions.

Millions of people have been "wiped out," while perhaps many still own their securities. Their incomes may not have been decreased, but they are worth, in security prices, only a fraction of what they were formerly; also their credit is decreased to this extent. These people feel that rigid economy is necessary, and it is useless, in my opinion, to urge them to spend or employ.

It seems to me that an open and obvious condition exists which is in violation of our laws against "combinations in restraint of trade." As I see it, there are two methods of procedure which conditions demand to solve the difficulty. One is a resolution by the Senate requesting the presidents of the New York stock exchanges to require their members to report at the close of business each day the names of all individuals for whom they have made short sales, the names of the stocks, and the number of shares, and that the exchange each day report these to the Department of Justice. This request would, undoubtedly, be immediately complied with. The other is a resolution requesting the President to direct the Department of Justice to immediately convene an extraordinary grand jury for the purpose of ascertaining whether in this respect our antitrust laws have been violated. If these two steps are taken, the American colony in Paris would probably be materially augmented.

Many of our States have established divisions in their legal departments devoted entirely to investigation and the prosecution of individuals and corporations who seek to sell fraudulent and worthless stocks and securities to the gullible public. Our courts grant injunctions restraining these individuals and corporations from continuing such activities. It is possible that the Department of Justice has undertaken some of these crusades. At any rate, the Post Office Department has repeatedly denied the mails to these concerns. These people are engaged in taking the wealth of the people through fraudulent means, and giving them nothing in return but a worthless printed certificate, regret, and distress. The combination short selling, instead of inspiring confidence, as a means to an end, as the others do, instills fear, but the result is the same to the people. Why should we pursue in one case and lift no hand in the other?

It was disclosed in an investigation a few years ago that the people of this country had invested something over $135,000,000,000 in American securities. These securities did not represent stock-market commitments. They represented outright investment. This sum represented a tremendous credit in the hands of the people. Every time the market is raided the value for credit purposes of these securities is lessened, because bankers accept securities as collateral at the market price regardless of what their ideas of actual value may be. What a different state of mind would exist if the credit and worth of the people is even partially restored and confidence is allowed to take the place of fear. What I suggest I do not consider as in any degree artificial. It is simply removing a deadly menace from the path we must travel.

I am not concerned in this matter with the welfare of those people who are in the stock market, but am considering them and the stock market simply as a means to an end.

I recently read in a metropolitan newspaper the financial article that accompanies the daily report of the market, and find that it aptly describes what I have in mind. It speaks of the efforts of "operators for the decline." I think two forces are at work. One led by the President and Congress and made up of those who are constructively inclined, striving to accomplish the most desirable result, and an opposing force, "operating for the decline."

I know of one undertaking for construction, involving the expenditure of $150,000,000, 40 per cent of which represents labor. The material to be used must be specially constructed, which would represent another 40 per cent to be expended for labor. Obviously, undertakings of this magnitude have to be financed. The usual procedure is for a group of bankers to enter into contract to purchase the securities. They in turn distribute them to the public. The public to-day has no confidence, largely for the reasons that I have set forth. Here is a project, with well over a hundred million dollars to be expended for labor, perfected and ready to go ahead, but which can not be attempted under present conditions, and yet what the people desire and need is work, and not charity, and the suggested project is only one of many "frozen enterprises."

I do not contend that the action suggested will be a panacea for all the ills which confront the country, but I do assert that such policy has major possibilities.

Mr. THOMAS of Oklahoma. I ask that the last resolution be referred to the Committee on the Judiciary.

The VICE PRESIDENT. The resolution will be so referred.

A FIREARMS CONTROL ACT FOR THE NATION'S CAPITAL

Mr. COPELAND. Mr. President, I present for publication in the RECORD a radio address delivered by the senior Senator from Kansas, Mr. CAPPER, a member of the advisory council of the National Antiweapon Association, which was broadcast on the 16th instant.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is always a pleasure to talk to the people of the District of Columbia about the problems confronting them. I have always found that the citizens of Washington are intelligent, fair-minded, and progressive. The fact that they have no vote does not incline them to any apathy in public affairs. When any important civic question arises, they rise to meet it. They think about it and present their opinions to the commissioners or to Congress. That is why I like to go to the people of this city for suggestions or criticism of proposed laws that affect them.

I am going to ask you to think to-night of a really critical condition present in Washington which affects every one of you, young and old. I want to ask you if you can reconcile in your minds a system of laws that does everything possible to regulate carefully the sale of deadly poisons, while on the other hand it all but encourages an unrestricted traffic in deadly weapons.

You probably know that anyone with the price can walk into a store where guns are displayed for sale, select a weapon, buy

cartridges, sign a fictitious name and address in the seller's record book, and leave the store without any question. The purchaser may be buying that gun to protect his home or for target practice or for hunting. Again, he may be buying it for some less innocent pursuit.

Now, a great many people do not regard a revolver primarily as a deadly weapon. They think of it in connection with its proper and legitimate uses. They would keep it in a safe place and take care of it.

But it would be foolish to deny that a great many other people, who have no respect for law, think of a revolver as a tool to help them in their illegal and immoral method of living. The hold-up man, the burglar, and the hired killer of the underworld depend on firearms for their livelihood. The revolver is the gunman's business equipment. It is a most deplorable fact that the laws of the District offer no more obstacles to the gunman in getting his business equipment than they do to the law-abiding citizen.

It seems to me that this is a situation we can not conscientiously ignore. It is true that Washington is less afflicted with gangsters and racketeering than other American cities. But even if we had no criminals here, the promiscuous sale of firearms would offer another very grave question. I mean the use of firearms by children and irresponsible persons.

I am sure that the parents who are listening to me would no more let their children play with a gun than with a rattlesnake. Some of you may be surprised to hear me say that the use of firearms by children is growing and is taking a dreadful toll in young lives throughout the country. But the facts can not be denied. You can hardly pick up a newspaper in these days without finding that some child has shot a playmate or himself.

Do you know that in the State of Washington a 12-year-old child recently was sentenced to life imprisonment for murder? That sad case has a parallel in California, where a boy of 15 was given a similar sentence for a like crime. On December 2, the local newspapers carried stories from Chicago stating that four children had been killed and two badly wounded in gun battles in and near that city. A few days later a 14-year-old gang leader in Detroit shot to death a boy of 15. Within the past few days a 16-year-old boy committed suicide in Nantucket, Mass., by shooting himself.

What do these revolting tragedies of American childhood mean to us? Are we, as responsible elders, to stand idly by and witness this useless, preventable sacrifice of the youth of America? These children, of whom I have told you, were not hardened criminals. They were not in the ghastly business of killing for gain. Was it their fault that they found deadly weapons ready to their hand? Of course not. The answer is this: It was too easy for them to get a gun. To-day, in the District of Columbia, it is too easy for children to get guns.

I am sure you do not want such news stories as I mentioned here to go out to the country from the Nation's Capital. I know you do not want your fine city shamed and degraded by a modern slaughter of the innocents. But our lack of law on this important point is bringing us closer every day to similar outrageous tragedies.

It is my job, as chairman of the Senate Committee on the District of Columbia, to assist in the enactment of laws for the District. I think I should be grossly derelict in my duty to Congress and to the people of Washington if I did not try, to the best of my abilities, to prohibit by law the untrammeled trafficking in firearms in this city.

I want to say here and now that I do not believe laws will cure all of man's troubles. I believe also that a law is only as efficient as its enforcement. But this particular evil can be curbed by law. We have adequate machinery for its enforcement in the District. More important than all, I know that the good people of Washington will be found wholeheartedly in support of this movement to banish the gunman from your city, and to keep guns out of the hands of your children.

I hope to introduce very soon in the Senate a bill that will accomplish the purposes I have outlined. I am convinced that the bill will not prescribe any harsh or unreasonable restrictions on any law-abiding, responsible persons. Some folks who have heard about the bill think I want to confiscate all kinds of firearms and dump them into the Potomac, and make it impossible for anyone to buy a gun for any reason whatever. This is not so. Let me tell you briefly some of the things proposed in the firearms bill.

The sale of revolvers is forbidden to convicts, drug addicts, habitual drunkards, incompetent persons, and persons under the age of 18. Convicts are forbidden to possess revolvers.

Sales may be made only after 48 hours after application to the seller. In applying to purchase a gun the buyer must make out a blank to contain information that can be easily verified by investigation. The laws against carrying concealed weapons are made more rigorous. A crime of violence committed by a person armed with a revolver carries an additional penalty. The licensing of persons to carry guns is also treated in the bill.

Those are the high points of the bill. I do not think that any provision of the bill will cause any serious inconvenience to the honest firearms dealer and the honest purchaser of firearms. In fact, this bill has been criticized by some folks as dealing too leniently with the matter of selling firearms. Personally I think it is fair to everybody concerned in its provisions.

At any rate, whether the bill is too mild or too strict will be fully and freely discussed before the District Committee. It is our policy to give the public the fullest possible opportunity to be heard on legislative matters concerning the District. This bill is not going to be rushed through Congress if it does not meet with the approval of representative opinion of the District's people.

From my experience on the District Committee I know that Washingtonians are quite able to express themselves clearly in opposition to unpopular legislation. I have known a real furore of public opposition to manifest itself against bills that would operate against the people's interest.

And now, in concluding, I want to assure you all that I am doing my very best to protect and maintain your interests in the District Committee, and I want you to feel free to let me know your ideas on any bills concerning the District.

And as it may happen that I may not meet all of you within the next week, let me wish you a very merry Christmas and a happy and prosperous new year.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 5822. An act to provide a tax on the transfers of estates of decedents; to the Committee on Finance.

H. R. 5823. An act to increase the motor-vehicle-fuel tax in the District of Columbia and to provide for the better administration thereof; and

H. R. 5824. An act to require the registration of motor vehicles in the District of Columbia, to prescribe registration fees based upon the weight of such motor vehicles, and for other purposes; to the Committee on the District of Columbia.

EXECUTIVE SESSION

The VICE PRESIDENT. Morning business is closed. The calender under Rule VIII is in order.

Mr. McNARY. Mr. President, there are only two or three bills on the calendar and an executive session is desired. I ask unanimous consent to dispense with the call of the calendar to-day.

The VICE PRESIDENT. Without objection, that order is made.

Mr. McNARY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. FLETCHER. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Johnson	Robinson, Ind.
Austin	Cutting	Jones	Schall
Bailey	Dale	Kean	Sheppard
Bankhead	Davis	Kendrick	Shipstead
Barbour	Dickinson	Keyes	Shortridge
Barkley	Dill	King	Smith
Bingham	Fess	La Follette	Smoot
Black	Fletcher	Lewis	Steiwer
Blaine	Frazier	Logan	Swanson
Borah	George	McGill	Thomas, Idaho
Bratton	Glass	McKellar	Thomas, Okla.
Brookhart	Goldsborough	McNary	Townsend
Broussard	Gore	Metcalf	Trammell
Bulkley	Hale	Morrison	Vandenberg
Bulow	Harris	Moses	Walcott
Byrnes	Harrison	Neely	Walsh, Mass.
Capper	Hastings	Norbeck	Walsh, Mont.
Caraway	Hatfield	Norris	Waterman
Carey	Hawes	Nye	Watson
Connally	Hayden	Patterson	Wheeler
Coolidge	Hebert	Pittman	White
Copeland	Howell	Reed	
Costigan	Hull	Robinson, Ark.	

The VICE PRESIDENT. Ninety Senators having answered to their names, a quorum is present. Reports of committees are in order.

Mr. FLETCHER. From the Committee on Military Affairs I report sundry nominations in the Army. I should like to have them confirmed now, and ask unanimous consent that they may be confirmed en bloc.

The VICE PRESIDENT. Is there objection?

Mr. McNARY. I did not hear the request.

The VICE PRESIDENT. The request is that the nominations reported by the Senator from Florida from the Military Affairs Committee be confirmed at this time en bloc.

Mr. McNARY. Very well.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc.

If there be no further reports of committees, the Secretary will call the calendar.

FEDERAL RESERVE BOARD

The Chief Clerk read the nomination of George R. James, of Tennessee, to be a member of the Federal Reserve Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Wayland W. Magee, of Nebraska, to be a member of the Federal Reserve Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

FEDERAL FARM LOAN BOARD

The Chief Clerk read the nomination of Horace Paul Bestor, of Missouri, to be a member of the Federal Farm Loan Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of James B. Madison, of West Virginia, to be a member of the Federal Farm Loan Board.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

UNITED STATES SHIPPING BOARD

The Chief Clerk read the nomination of Jefferson Myers, of Oregon, to be a member of the United States Shipping Board.

The VICE PRESIDENT. Without objection, the nomination is affirmed.

DEPARTMENT OF COMMERCE

The Chief Clerk read the nomination of Frederick M. Feiker, of New York, to be Director Bureau of Foreign and Domestic Commerce.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

COAST GUARD, COAST AND GEODETIC SURVEY, AND MARINE CORPS

The Chief Clerk proceeded to read sundry nominations in the Coast Guard, the Coast and Geodetic Survey, and the Marine Corps.

Mr. FLETCHER. I ask unanimous consent that all nominations on the calendar in the Coast Guard, the Coast and Geodetic Survey, and the Marine Corps may be confirmed en bloc.

The VICE PRESIDENT. Without objection, it is so ordered and the nominations are confirmed en bloc. That completes the calendar.

REFERENCE OF EXECUTIVE MESSAGES

Mr. McNARY. I submit an order and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The Chief Clerk read as follows:

Ordered, That on calendar days of the balance of the first session of the Seventy-second Congress, when Executive messages transmitting nominations or treaties are received and there is no executive session of the Senate, the President of the Senate is authorized, unless objection is made, to refer to the proper committees as in executive session, such messages, with the accompanying nominations or treaties.

The VICE PRESIDENT. Is there objection to the consideration of the order?

Mr. McKELLAR. I did not hear all of it read. Will the clerk read it again?

Mr. McNARY. I will say to the Senator that it is merely in line with the practice which has been followed by the Senate at recent sessions.

Mr. McKELLAR. I inquire if it has been submitted to the leader on this side of the Chamber?

Mr. McNARY. I can not answer that question. It was given to me by the clerk.

Mr. McKELLAR. I myself see no objection to it.

Mr. McNARY. If there be any objection to-morrow or the next day, I will ask that the order be rescinded.

The VICE PRESIDENT. Without objection, the order is agreed to.

AIR MAIL CONTRACTS

The Senate resumed legislative session.

Mr. McKELLAR. Mr. President, I desire to ask unanimous consent for the consideration of two resolutions requesting information. I ask to have the clerk read the first one.

The VICE PRESIDENT. The resolution will be read.

The Chief Clerk read the resolution (S. Res. 53) requesting certain information regarding air mail contracts, as follows:

Resolved, That the Postmaster General be, and he is hereby, requested and directed to furnish to the Senate at the earliest practicable moment the following information:

1. A list of the various air mail contracts made for carrying air mail in the United States proper, such list to show the date of the contract, the name of the contractee, the mileage of the contract, the amount of compensation, the route of the contract, and the amounts of mail in pounds of each class carried under each contract. If a space contract has been entered into, give reasons for entering into such space contracts.

2. The same information in reference to all contracts handled by the department for the carriage of mails to foreign countries by air mail.

3. State whether the domestic contracts are uniform and, if so, furnish a copy of the contract entered into. If they differ, point out the differences in such contracts, or furnish copies of same.

4. If the contracts for foreign air mail are uniform, furnish a copy of the uniform contracts, and if they differ, point out the differences in such contracts.

5. The number and names of the corporations carrying air mail for the Government, the number and names of corporations bidding on contracts and whose bids were rejected, and give copies of all rejected bids.

6. The number of routes and the mileage of each which has been extended since the passage of the Watres Act, and the additional schedules.

7. A map of the United States showing the location and mileage of all routes now being used and showing the main routes and extensions, differentiating the same by markings showing the main routes and extensions on said map separately.

8. Give the names of the officers and the attorneys of each aircraft company carrying mails, together with the names of the board of directors of each company. If any contract is controlled by a holding company or companies, furnish the same information as to holding companies.

9. Finally, a tabulated statement concerning all these contracts, showing, among other things, the number of bids received, and the amount of each bid and the reasons for rejecting same, if such bids were rejected, the bid accepted, the changes made in the contract by extension or otherwise, the amounts paid per mile, the amount of space, the number of pounds for the transportation of mail under original contracts, and the changes or extensions, the payments made to the various aircraft carriers and including the method of payment, and the amounts of appropriation and the amount expended out of said appropriation, and, finally, any other information pertinent to these contracts available in your office.

The VICE PRESIDENT. The Senator from Tennessee asks unanimous consent for the immediate consideration of the resolution. Is there objection?

Mr. McNARY. Mr. President, I can not assent to the immediate consideration of the resolution. Let it go over until to-morrow.

Mr. McKELLAR. I have an exactly similar request for information from the Postmaster General as to ocean mail, Senate Resolution 85. I hope the Senator will allow both of them to come up to-morrow.

Mr. McNARY. Yes.

Mr. McKELLAR. They will both be offered now, and I ask to have them lie on the table.

The VICE PRESIDENT. The resolutions are already ordered printed, and they are lying on the table now.

ADJOURNMENT

Mr. McNARY. I move that the Senate adjourn.

The motion was agreed to; and (at 1 o'clock and 33 minutes p. m.) the Senate adjourned until to-morrow, Saturday, December 19, 1931, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 18, 1931

MEMBERS OF THE FEDERAL RESERVE BOARD

George R. James.
Wayland W. Magee.

MEMBERS OF THE FEDERAL FARM LOAN BOARD

Horace Paul Bestor.
James B. Madison.

MEMBER OF THE UNITED STATES SHIPPING BOARD

Jefferson Myers.

TO BE DIRECTOR BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Frederick M. Feiker.

COAST GUARD

Frederick C. Billard to be Commandant.
Nathaniel S. Fulford to be lieutenant.
Hiram R. Searles to be captain.
Joseph E. Stika to be commander.
Charles F. Howell to be captain.
Floyd J. Sexton to be commander.
Chester McP. Anderson to be lieutenant.
Charles L. Duke to be lieutenant (junior grade).
Edward W. Holtz to be lieutenant (junior grade).
Herbert F. Walsh to be lieutenant (junior grade).
Leonard T. Jones to be ensign.
Henry F. Garcia to be ensign.
Searcy J. Lowrey to be ensign.
Ellis Reed-Hill to be commander (engineering).
Sigval B. Johnson to be district commander.
Frank E. Miner to be ensign.
Samuel L. Denty to be ensign.
Peery L. Stinson to be ensign.
Robert Theodore Alexander to be ensign.
Marion Amos to be ensign.
Eric Alvin Anderson to be ensign.
Charles Breckenridge Arrington to be ensign.
Charles Otis Ashley to be ensign.
Elmer Edward Comstock to be ensign.
Frank Arthur Erickson to be ensign.
Edward Armstrong Eve, jr., to be ensign.
Richard Charles Foutter to be ensign.
Quentin McKay Greeley to be ensign.
Chester Lawrence Harding to be ensign.
James Reed Hinnant to be ensign.
George Irving Holt to be ensign.
Christopher Copeland Knapp to be ensign.
Joseph Edward Madacey to be ensign.
Richard Eugene Morell to be ensign.
Donald McGregor Morrison to be ensign.
Howard Allen Morrison to be ensign.
Rufus Edward Mroczkowski to be ensign.
James Plakias to be ensign.
Randolph Ridgely, 3d, to be ensign.
Harold Bateman Roberts to be ensign.
Simon Ray Sands, jr., to be ensign.
Henry Undercofler Scholl to be ensign.
William Davis Shields to be ensign.
Ned Weckesser Sprow to be ensign.
Roy Edward Stockstill to be ensign.
Elmer Jonathan Suydam to be ensign.
Victor Frank Tydlacka to be ensign.
Aden Clay Unger to be ensign.
Halmar Jenkins Webb to be ensign.
Oscar Cottman Buckingham Wev to be ensign.
Preston Baker Mavor to be temporary ensign.
Alvin H. Giffin to be temporary ensign.
Joe G. Lawrence to be temporary ensign.
Clovis Breton, jr., to be temporary ensign.
James A. Alger, jr., to be temporary ensign.
Frank C. Curro to be temporary ensign.
Robert S. Lecky to be temporary ensign.
George A. Farnsworth to be temporary ensign.
Kenneth S. Davis to be lieutenant (junior grade).
William I. Swanston to be ensign.
Arthur M. Root, jr., to be ensign.
Clyde G. Tarkenton to be ensign.
John T. Stanley to be ensign.
William E. Creedon to be ensign.
Henry A. Meyer to be ensign.
Donald C. McNeil to be lieutenant commander.
Harley E. Grogan to be lieutenant commander.
Herman H. Curry to be lieutenant commander.
Harold G. Belford to be lieutenant commander.
Seth E. Barron to be lieutenant commander.
Frank E. Pollio to be lieutenant.
John H. Martin to be lieutenant.
William T. Schellhous to be lieutenant.
Harold S. Maude to be lieutenant.
Donald E. McKay to be lieutenant.
Vernon E. Day to be lieutenant.
Leslie B. Tollaksen to be lieutenant.
John L. Steinmetz to be lieutenant.
Stanley C. Linholm to be lieutenant.
Fred P. Vetterick to be lieutenant.
George M. Phannemiller to be lieutenant.
George F. Hicks to be lieutenant.
Clarence F. Edge to be lieutenant.
Alexander L. Ford to be lieutenant.
Stephen H. Evans to be lieutenant.
John A. Glynn to be lieutenant.
John E. Fairbank to be lieutenant.
Joseph A. Kerrins to be lieutenant.
Edward H. Thiele to be lieutenant.
Reginald H. French to be lieutenant.
John W. Ryssy to be lieutenant.
John J. Purcell to be lieutenant.
Richard J. Burke to be lieutenant.
Richard L. Horne to be lieutenant.
Edwin J. Roland to be lieutenant (junior grade).
Peter V. Colmar to be lieutenant (junior grade).
George H. Bowerman to be lieutenant (junior grade).
Allen Winbeck to be lieutenant (junior grade).
William B. Chiswell to be lieutenant (junior grade).
Oliver A. Peterson to be lieutenant (junior grade).
Marius De Martino to be lieutenant (junior grade).
Charles M. Perrott to be lieutenant (junior grade).
Stanley F. Piekos to be lieutenant (junior grade).
Carl G. Bowman to be lieutenant (junior grade).
Lowell C. Gibson to be lieutenant (junior grade).
James C. Wendland to be lieutenant (junior grade).
Perry S. Lyons to be lieutenant (junior grade).
Richard M. Ross to be lieutenant (junior grade).
John A. Dirks to be lieutenant (junior grade).
Harry A. Loughlin to be lieutenant (junior grade).
Henry J. Wuensch to be lieutenant (junior grade).
George W. Nelson to be lieutenant (junior grade).
William P. Hawley to be lieutenant (junior grade).
Hans F. Slade to be lieutenant (junior grade).
Romeo J. Borromey to be lieutenant (junior grade).
Donald B. MacDiarmid to be lieutenant (junior grade).
Garrett V. A. Graves to be lieutenant (junior grade).
William B. Scheibel to be lieutenant (junior grade).
Bret H. Brallier to be lieutenant (junior grade).
George H. Miller to be lieutenant (junior grade).
John W. Malen to be lieutenant (junior grade).
Petros D. Mills to be lieutenant (junior grade).
Gordon P. McGowan to be lieutenant (junior grade).
Donald D. Hesler to be lieutenant (junior grade).
Marvin T. Braswell to be lieutenant (junior grade).
John N. Zeller to be lieutenant (junior grade).
William T. Stromberg to be captain.
Leonard M. Melka to be lieutenant.
Maurice Rice to be chief pay clerk.
George W. Miller to be chief pay clerk.
Anthony F. Glaza to be chief boatswain (Life Saving).
Abram Wessel to be chief boatswain (Life Saving).
Luke Christopher to be temporary lieutenant.
Charles W. Harwood to be lieutenant commander.
John P. Murray, jr., to be lieutenant commander.
Severt A. Olsen to be lieutenant commander.
Gustavus U. Stewart to be commander.
Joseph F. Farley to be commander.

COAST AND GEODETIC SURVEY

To be aides with relative rank of ensign in the Navy

John Carraway Bull.
Dorland Henry Konichek.
Joseph Edward Waugh, jr.
Paul Taylor.

To be junior hydrographic and geodetic engineers with relative rank of lieutenant (junior grade) in the Navy

Max Gaylord Ricketts.
Gilbert Carlton Mast.
Marshall Hudson Reese.
Fred Anderson Riddell.
Ira Richard Rubottom.
Maurice Elmer Wennermark.
Fred Natella.

APPOINTMENTS IN THE REGULAR ARMY

To be major generals

Brig. Gen. Albert Jesse Bowley.
Brig. Gen. Robert Emmet Callan.
Brig. Gen. Edward Leonard King.
Brig. Gen. Hugh Aloysius Drum.
Brig. Gen. Stuart Heintzelman.
Brig. Gen. Campbell King.

To be brigadier generals

Col. John Fitz Madden, Infantry.
Col. Howard Louis Laubach, Infantry.
Col. Joseph Powell Tracy, Coast Artillery Corps.
Col. Thomas Walter Darrah, Infantry.
Col. John Hendricken Hughes, Infantry.
Col. Charles Sherman Lincoln, Infantry.
Col. Ernest Darius Scott, Field Artillery.

To be Inspector General with the rank of major general

Col. John Fisher Preston, Infantry.

To be Judge Advocate General with the rank of major general

Col. Blanton Winship, Judge Advocate General's Department.

To be Chief Signal Officer with the rank of major general

Col. Irving Joseph Carr, Signal Corps.

To be Chief of the Air Corps with the rank of major general

Brig. Gen. Benjamin Delahauf Foulois.

To be Surgeon General with the rank of major general

Col. Robert Urie Patterson, Medical Corps.

To be Assistant to the Surgeon General with the rank of brigadier general

Col. Edward Lyman Munson, Medical Corps.
Col. Matthew Augustus DeLaney, Medical Corps.

To be professor of mathematics at the United States Military Academy

Capt. Harris Jones, Corps of Engineers.

To be second lieutenants

CORPS OF ENGINEERS

Kenneth Adelbert McCrimmon.
Walter Henry Esdorn.
Chester William Ott.
Richard Lee Jewett.
Frederick Gilman Saint.
Frederick Hayes Warren.
Charles Hartwell Bonesteel, III.
Louis Russell Wirak.
William White Ragland.
Marvin Lyle Thomas.
Edward John Cotter.
Gunnard William Carlson.
Stephen Read Hanmer.
Edward Minter Parker.
Walter Krueger, jr.
Chester Lavaughn Landaker.
William Frederick Cassidy.
Edward Aloysius Brown, jr.
Walker Wilson Milner.

CAVALRY

Angelo Ralph Del Campo, jr.
Jergen Bernhardt Olson.
Lawrence Herbert Rodgers.
Glenn Frederick Rogers.
Cornelius Ardalion Lichirie.
John Larimer Inskeep.
Loren Fletcher Cole.
Donald Norton Yates.
James Bertram Corbett.
Scott Mock Sanford.
William Eaton Chandler.
James Chester Blanning.
Harry James Fleeger.
Royden Eugene Beebe, jr.
Philip Higley Bethune.
Earle William Hockenberry.
Louis Augustine Guenther.
Milton Wylie Arnold.
Robert Perkins Holland.
Henry Keppler Mooney.
John Knight Waters.
Robert Merrill Lee.

FIELD ARTILLERY

Champlin Fletcher Buck, jr.
George M. Wertz, jr.
John Phillips Daley.
Elwin Herklas Eddy.
Daniel Francis Callahan, jr.
Theodore William Parker.
George Robert Huffman.
James Francis Stroker.
John William Hansborough.
Robert Hackett.
Charles Frederick McNair.
William White Dick, jr.
Donald Cubbison Little.
John William Cave.
Alphonse Alfred Greene.
A. J. McVea.
Charles Walker Raymond.
George Sebastian Speidel, jr.
Richard Holmes Harrison.
James William Park.
Gordon King Cusack.
Warren Harlan Hoover.
John Archibald Barclay, jr.
Merillat Moses.
Clyde Robinson McBride.
Hoyt Daniel Williams.
Miller Osborne Perry.
Charles Coburn Smith, jr.
Camden William McConnell.
Samuel Smellow.
William John Bell.
Johnson Hagood, jr.
Frederick Richard Redden.
Percy Hotspur Lash, jr.
John Edwin Barr.
Hamilton Murray Peyton.
John Newlin Raker.
Addison Vincent Dishman.
John Anderson Berry, jr.
William Harris Isbell, jr.
Mervyn MacKay Magee.
Orlando Collette Troxel, jr.
Harold Ambrose Hughes.
George Edwin Dietz.
Louis Victor Hightower.
Carl Wilbert Carlmark.
Robert Leander Cardell.
Charles Francis Densford.
Leo Wilbur Cather.
Raymond Silas Pratt, jr.
Walter Foster Gallup.
Jacob Edward Smart.
Irving William Jackson.
Robert Quinney Brown.
Charles Edward Nason Howard, jr.
John Robert Beishline.
Field Hunter Tapping.
John William Mackay Read.
John Joseph Davis.
Wendell Washington Bowman.
Charles Pence Westpheling.
Joseph Buford Zimmerman.
Richard Spencer Carter.
Elmer Lee Thompson.
Ashton Miller Haynes.
Merle Lucius Fisher.
Arthur Hamilton Hogan.
Edwin Anderson Walker.
Dean Ambrose Herman.
William Taylor, jr.
Arthur Raster Hercz.
Terrence Robert Joseph Hickey.

COAST ARTILLERY CORPS

Marshall Sylvester Carter.
Clarence Jonathan Hauck, jr.
Clifton Lee MacLachlan.
Roger Willard Moore.
Marcellus Duffy.
Jesse Huckett Veal.
Alfred Christian Gay.
Walter Ferris Ellis.
Robert Alan Stunkard.
Grosvenor Francis Powell.
Merwin Scott Dickson.
Howard William Hunter.
Gordon Aylesworth Blake.
Joseph Francis Carroll.
Donald Bowie Webber.
Peter Schmick.
Philip Bessom Stiness.
Frank Pickering Corbin, jr.
Michael Martin Irvine.
Gaspare Frank Blunda.
Lucius Nash Cron.
Frederick Theodore Berg.
Arthur Deane Gough.
Tom Victor Stayton.
Elmo Clark Mitchell.
Herbert Walter Mansfield.
Frank Arthur Bogart.
Charles Robert Bard.
Paul Gordon Miller.
Charles Breckinridge Duff.
Wilbur Manly Skidmore.
Milan George Weber.
Ernest Moore.
William Arthur Davis, jr.
Chester Joseph Diestel.
Earle Fremont Cook.
William Lamar Parham.
Albert Frederick Cassevant.
Richard Sylvester Spangler.
Carl Edward Green.
David Northup Motherwell.
Harry Bryant Cooper, jr.
Jermain Ferdinand Rodenhauser.
Millard Chester Young.
Norton Bailey Wilson.
Eugene William Hiddleston.
William Ayres Hampton.
Robert Freeman Fulton.
Pasquale Francis Passarella.

INFANTRY

John Barclay Sullivan.
James Donald Sams.
William Charles Hall.
Sidney Glenn Brown, jr.
Milton Hughes Pressley, jr.
Anthony Sherwood Howe.
Julian Merritt Chappell.
Norman Ernest Tipton.
William Frew Train.
August Schomburg.
Fielder Price Greer.
Harold Lucas Bays.
John Maurice Brown.
Augustus William Dannemiller.
Forrest Caraway.
Donald Donaldson.
Francis Thomas Pachler.

Charles Roger Urban.
Donald Rosser Patterson.
John Thomas Westermeier.
Glenn Aloysius Farris.
Dean Coldwell Strother.
Clifford Christopher Wagner.
Richard Byington Carhart.
Robert Daniel Johnston.
George Frederick Hartman.
Edwin John Messinger.
Charles North Howze.
Richard Hungerford Wise.
John Robert Skeldon.
Orville Zelotes Tyler, jr.
Maynard Norwood Levenick.
Gunnar Carl Carlson.
George Edward Fletcher.
Hugh Pate Harris.
Gordon Singles.
Russell Bowman Semple.
Dick Hunter Lawson.
Lester LeRoy Hilman Kunish.
Robert Edward Lee Eaton.
Carl Fillmore Damberg.
James Irvine King.
Thomas Joseph Marnane, jr.
Ernest Fred Easterbrook.
Curtis James Herrick.
Edward Kenly Purnell.
Howard Max Pahl.
Howard Harrison Dudley.
Hilbert Fred Muenter.
John Autrey Feagin.
Blair Arthur Ford.
Richard Klemm Boyd.
Charles Lowman Decker.
Orrin Charles Krueger.
William Potter Turpin, 3d.
Raymond Taylor Lester.
Charles Edward Hoy.
Richard Francis Reidy.
William Leonard Hardick.
Harrison Schermerhorn Markham.
Richard Steinbach.
Loren Albert Ayers.
Harry Winston Candler.
William David Davis.
Earle Bradford Leeper.
Seiss Ertel Wagner.
Joseph Barlow Coolidge.
John Clarence Gordon.
John Hugh McAleer, jr.
Arthur Raphael Kerwin, jr.
Peter Otey Ward.
Carl William Kohls.
John Thomas Malloy.
Harold Robert Uhlman.
Donald Knox Armstrong.
Andrew Joseph Adams.
Victor James MacLaughlin.
Charles Bowman Dougher.
William Rogers Woodward.
James Willard Pumpelly.
Charles Ingram Humber, jr.
David William Hutchison.
Irving Lehrfeld.
Paul Christian Heim Walz.
Phineas Harvey Adair.
Roy Luttrell Leinster.
Robert Everett Quackenbush.
Charles Elder Frederick.
Samuel Edward Jones.
Howard Hart Reed.
Gustave Marinius Heiss.
Joseph Kingsley Dickey.
John Frank Ruggles.
Harry George Roller.
Roy Kay Kauffman.
Donald Frank Buchwald.
John Hugh McGee.
Van Hugo Bond.
Marvin James Coyle.
Ernest Clyde Peters.
Gerald Evan Williams.
Clarence David McGowen.
Eugene Lewis Brown.
John Edward Leary.
Daniel Turner Workizer.
Alexander Johnston Sutherland.
James Edward Maloney, jr.
Alfred Cookman Marshall, jr.
James Thomas McClellan.
Robert Moorman Cheal.
Merrick Hector Truly.
Houston Parks Houser, jr.
William James Mahoney.
Richard Robert Danek.
James Henry Carlisle.
Edward Julius Timberlake, jr.
John Tazewell Helms.
Paul Arthur Mayo.
Theodor Jacob Beck.
William Addison Magee Morin.
Charles Pugh Baldwin.
Augustus George Elegar.
John Hubert Mathews.
John Walter Brady.
Oral Grant Willis.
Russell Hunter Griffith.

PHILIPPINE SCOUTS

Rufo Caingat Romero.

MEDICAL CORPS

To be first lieutenants with rank from July 21, 1931

Frederic Ballard Westervelt.
Alonzo Ray Dawson.
Otis Otto Benson, jr.
Ernest Holden Parsons.
Kenneth Arthur Brewer.
Norman Wilhalm Anderson.
Lewis Barbato.
Paul Strimple Fancher.
Vinnie Hale Jeffress.
Kenneth Fredrick Ernst.
Theodore Longworth Finley.
Kermit Hoyt Gates.
Charles Lee Kirkpatrick.
Loyd Eugene Griffis.
Lester Ernest Judd.
Joseph Hamilton McNinch.
William Jeffers Kennard.

DENTAL CORPS

To be first lieutenant

Henry Richard Sydenham.

VETERINARY CORPS

To be second lieutenant

George Townley Price.

MEDICAL ADMINISTRATIVE CORPS

To be second lieutenants

Ralph Beveridge Robinson.
Paul Christian Borup.
Philip Wright Hockersmith.

CHAPLAINS

To be chaplains with the rank of first lieutenant

Peter Christian Schroder.
John Henry August Borleis.
Hudson Bissell Phillips.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR

TO ADJUTANT GENERAL'S DEPARTMENT

Maj. Madison Pearson.
Capt. Elmer Ellsworth Hagler, jr.

TO JUDGE ADVOCATE GENERAL'S DEPARTMENT

Capt. George Bagby Campbell.
Capt. John Robert Dinsmore.

TO QUARTERMASTER CORPS

Lieut. Col. William Fitzhugh Jones.
Lieut. Col. James Blyth.
Capt. Norman E. Waldron.
First Lieut. Francis Earle Rundell.

TO FINANCE DEPARTMENT

Maj. Kenneth Prince Lord.
First Lieut. William Stanard Keller.
First Lieut. Kenneth Eugene Webber.
First Lieut. Alonzo Valede Thorpe.

TO ORDNANCE DEPARTMENT

First Lieut. George Henry Bardsley.
First Lieut. Otto Max Jank.
First Lieut. Harold Joseph Conway.
First Lieut. Ulysses John Lincoln Peoples, jr.
First Lieut. Benjamin Schultz Mesick, jr.
First Lieut. Walker Wesley Holler.
First Lieut. Harry William Miller.
First Lieut. Carl Rueben Dutton.
First Lieut. William Edward House.

TO SIGNAL CORPS

First Lieut. William Leighton McEnery.

TO CHEMICAL WARFARE SERVICE

Maj. Joseph Daly Coughlan.
First Lieut. Thomas Jefferson Ford.
First Lieut. Sterling Eugene Whitesides, jr.

TO FIELD ARTILLERY

Second Lieut. Francis Scoon Gardner.
Second Lieut. Robert Gordon Crandall.
Second Lieut. George Edward Lynch.
Second Lieut. Ralph Copeland Cooper.

TO COAST ARTILLERY CORPS

Maj. Henry Clarence Davis, jr.
Capt. James Emerson Troupe.
Second Lieut. Eugene Charles Smallwood.
Second Lieut. Charles Armstrong Lynch.

TO INFANTRY

First Lieut. Aloysius Joseph Tagliabue.
First Lieut. James Edwards Poore, jr.

TO AIR CORPS

First Lieut. Robert Chaffee Oliver.
First Lieut. Charles Pearre Cabell.
Second Lieut. Walter Edwin Todd.
Second Lieut. Harry Gage Montgomery, jr.

Second Lieut. Harold Quiskie Huglin.
Second Lieut. Charles Sommers.
Second Lieut. Sidney Andrew Ofsthun.
Second Lieut. Samuel Victor Stephenson.
Second Lieut. Thomas Jefferson DuBose.
Second Lieut. Ralph Powell Swofford, jr.
Second Lieut. Frederick Walker Castle.
Second Lieut. George Fletcher Schlatter.
Second Lieut. Elmer Landen Meguire.
Second Lieut. Howard Monroe McCoy.
Second Lieut. Charles William Haas.
Second Lieut. Clark Neil Piper.
Second Lieut. Aubrey Kenneth Dodson.
Second Lieut. Mark Edward Bradley, jr.
Second Lieut. Douglas Mitchell Kilpatrick, jr.
Second Lieut. Wiley Duncan Ganey.
Second Lieut. Thetus Cayce Odom.
Second Lieut. Anthony Eugene Curcio.
Second Lieut. Morris John Lee.
Second Lieut. Ernest Emil Holtzen, 2d.
Second Lieut. Marvin Lewis Harding.
Second Lieut. Birrell Walsh.
Second Lieut. James Sylvester Sutton.
Second Lieut. Richard Churchill Hutchinson.
Second Lieut. Edwin Sanders Perrin.
Second Lieut. Neal Edwin Ausman.
Second Lieut. Troup Miller, jr.
Second Lieut. William Dole Eckert.
Second Lieut. Lauris Norstad.
Second Lieut. Millard Lewis.
Second Lieut. Othel Rochelle Deering.
Second Lieut. John Chesley Kilborn.
Second Lieut. Carl Amandus Brandt.
Second Lieut. Richard Shafle Freeman.
Second Lieut. Harold Lester Smith.
Second Lieut. Norman Ray Burnett.
Second Lieut. Richard Joseph O'Keefe.
Second Lieut. Joseph Arthur Miller.
Second Lieut. Kurt Martin Landon.
Second Lieut. Gerry Leonard Mason.
Second Lieut. Hubern Paul Dellinger.
Second Lieut. Daniel Anderson Cooper.
Second Lieut. Sory Smith.
Second Lieut. Paul William Blanchard, jr.
Second Lieut. Henry Alan Winters.

PROMOTIONS IN THE REGULAR ARMY

To be colonels

William Cattron Rigby, Judge Advocate General's Department.
James Totten, Adjutant General's Department.
William Charles Webb, Field Artillery.
William Burton Pistole, Judge Advocate General's Department.
Frank Joseph Griffin, Signal Corps.
Hugh Carnes Smith, Judge Advocate General's Department.
Consuelo Andrew Seoane, Signal Corps.
Sebring Clay Megill, Signal Corps.
George Lemuel McKeeby, Judge Advocate General's Department.
Arthur William Bradbury, Infantry.
William Alexander Graham, Judge Advocate General's Department.
James Harty Bryson, Field Artillery.
William Barlow Wallace, Infantry.
Ernest Dichmann Peek, Corps of Engineers.
George Redfield Spalding, Corps of Engineers.
Elliott Johnstone Dent, Corps of Engineers.
William Goff Caples, Corps of Engineers.
Henry Clay Jewett, Corps of Engineers.
Wildurr Willing, Corps of Engineers.
William Stacy Browning, Field Artillery.
Francis William Clark, Field Artillery.
Joseph Fauntleroy Barnes, Field Artillery.
Walter Driscol Smith, Field Artillery.
William Peirce Ennis, Field Artillery.
Harry Birdwhistell Jordan, Ordnance Department.
Frank Purdy Lahm, Air Corps.
Willis Grandy Peace, Coast Artillery Corps.
Creed Fulton Cox, Field Artillery.
Robert McCandlass Beck, jr., Cavalry.
George Moore Russell, Cavalry.
Edward Marsh Shinkle, Ordnance Department.
Lewis Brown, jr., Cavalry.
Raymond Silas Pratt, Field Artillery.
Jerome Gray Pillow, Cavalry.
Alden Farley Brewster, Field Artillery.
John Anderson Berry, Adjutant General's Department.
Edward Harrison DeArmond, Field Artillery.
Edmund Kearsley Sterling, Cavalry.
Kerr Tunis Riggs, Cavalry.

To be lieutenant colonels

John Logan Jenkins, Infantry.
Charles Henry White, Infantry.
Alvin Gustav Gutensohn, Signal Corps.
Stanley Livingston James, Signal Corps.
John Stephen Sullivan, Infantry.
David Grover Cleveland Garrison, Infantry.
James Lawton Collins, Field Artillery.
Evan Elias Lewis, Infantry.
William Caldwell McChord, Air Corps.
William Rudicil Henry, Field Artillery.
James Howard Laubach, Quartermaster Corps.
George Richard Harrison, Infantry.
Ralph Wayne Dusenbury, Infantry.
Thomas Charles Spencer, Signal Corps.
Robert Mercer Cheney, Cavalry.
Fauntley Muse Miller, Infantry.
Ray Corson Hill, Infantry.
William Schuyler Woodruff, Infantry.
Thomas Franklin McNeill, Infantry.
John Gavin Tyndall, Field Artillery.
Alfred Lawrence Pearson Sands, Field Artillery.
Charles Peaslee George, Field Artillery.
John Delbert Reardan, Air Corps.
Ernest Leonard Pell, Infantry.
William Henry Shepherd, Field Artillery.
Marshall Guion Randol, Field Artillery.
Joseph Carmoreau Hatie, Infantry.
George Meredith Peek, Field Artillery.
Alexander James Stuart, Ordnance Department.
John Nesmith Greely, Field Artillery.
George Ruhlen, jr., Coast Artillery Corps.
John Edward Mort, Field Artillery.
Webster Allyn Capron, Ordnance Department.
Frederick Monroe Barrows, Field Artillery.
Henry Wirt Thomas Eglin, Coast Artillery Corps.
Cary Ingram Crockett, Infantry.
Glen Edgar Edgerton, Corps of Engineers.
Charles Lacey Hall, Corps of Engineers.
Virgil Lee Peterson, Corps of Engineers.
John Wesley Niesz Schulz, Corps of Engineers.
Clarence Lynn Sturdevant, Corps of Engineers.
Richard Tide Coiner, Corps of Engineers.
Lawrence Wright McIntosh, Air Corps.
James Henry Burns, Ordnance Department.
Everett Strait Hughes, Ordnance Department.
Thomas Jefferson Smith, Ordnance Department.
Roger Sheffield Parrott, Field Artillery.
Oliver Andrews Dickinson, Field Artillery.
Richard Edgar Cummins, Cavalry.
Telesphor George Gottschalk, Field Artillery.
Harvey Douglas Higley, Field Artillery.
James Wilbur Lyon, Chemical Warfare Service.
Rodney Hamilton Smith, Coast Artillery Corps.

To be majors

Joseph James Goffard, Infantry.
William White Dick, Adjutant General's Department.
Thomas Scott Smith, Infantry.
Dana Henry Allen, Infantry.
Burr Polk Irwin, Infantry.

Martin Ackerson, Infantry.
William Johnston Bacon, Judge Advocate General's Department.
Herbert Edwin Featherstone, Cavalry.
Frank Unsworth McCoskrie, Infantry.
Edgar Gersham Coursen, jr., Quartermaster Corps.
Edward William Bondy, Infantry.
Andrew Jackson McFarland, Infantry.
John Miller Fray, Field Artillery.
Harold Howard Galliett, Infantry.
John Vincil Stark, Infantry.
Robert Joerg, jr., Infantry.
Rudolf Karl Schlaepfer, Infantry.
John William Stanley, Infantry.
Grover Be Egger, Infantry.
Clyde Pickett, Cavalry.
Paul Oscar Franson, Infantry.
John Neely Hopkins, Infantry.
George William Gillette, Corps of Engineers.
William Agnew Howland, Infantry.
Clifton Augustine Pritchett, Infantry.
Luke Donald Zech, Infantry.
Lucian Dalton Bogan, Infantry.
William Pitt Morse, Infantry.
Charles Thomas Phillips, Air Corps.
Richard Law Hubbell, Ordnance Department.
Roy Eugene Blount, Cavalry.
Hubert Vincent Hopkins, Air Corps.
Thomas Ralph Miller, Field Artillery.
Frank Edwin Sharpless, Infantry.
Earl Ransom Reynolds, Coast Artillery Corps.
Nels Erick Stadig, Infantry.
Ben-Hur Chastaine, Infantry.
Leigh Bell, Infantry.
George Frederick Spann, Quartermaster Corps.
McGregor Snodgrass, Quartermaster Corps.
John Herman Knuebel, Infantry.
Erle Dorr Ferguson, Field Artillery.
Harry Clayton Luck, Infantry.
Arthur Vincent Gair, Field Artillery.
Lewis W. Amis, Infantry.
Harry Richardson Simmons, Infantry.
Kenneth Frederick Hanst, Infantry.
Everett Charles Williams, Field Artillery.
Walter Harold Root, Infantry.
Fred W. Miller, Infantry.
Maurice Clenen Bigelow, Infantry.
Ross Ormall Baldwin, Infantry.
James Alphonse Kilian, Cavalry.
Donald Patrick Muse, Air Corps.
Thomas Ralph Kerschner, Field Artillery.
Karl Christian Schwinn, Infantry.
Otho Wilder Humphries, Infantry.
Perry Lee Baldwin, Infantry.
George Thomas Shank, Infantry.
Thomas Butler Burgess, Infantry.
Russell Conwell Throckmorton, Infantry.
Albert Chester Searle, Field Artillery.
Asa North Duncan, Air Corps.
Carl Austin Russell, Infantry.
Hal Tanner Vigor, Quartermaster Corps.
Will Gillett Gooch, Quartermaster Corps.
Maurice Joseph McGuire, Infantry.
Walter Carey Rogers, Infantry.
Chauncey Harold Hayden, jr., Infantry.
Erle Oden Sandlin, Infantry.
Isaac George Walker, Cavalry.
Walter Edward Jenkins, Field Artillery.
William Elmer Lynd, Air Corps.
Ernest Louis McLendon, Infantry.
Rhodes Felton Arnold, Infantry.
Ivan Sanders Curtis, Infantry.
Aln Dudley Warnock, Infantry.

To be captains

Clarence Peyton Kane, Air Corps.
Harry Weddington, Air Corps.
William Alexander Marsh, Infantry.
Charles Louis Carpenter, Quartermaster Corps.
Benjamin Franklin Vandervoort, Quartermaster Corps.
Torrence Theodore Shannon, Infantry.
Winfield Scott Roberson, Field Artillery.
James Pearce Wharton, Infantry.
George Thomas Barnes, Quartermaster Corps.
Samuel Custer Eaton, jr., Air Corps.
Hiram Wendell Tarkington, Field Artillery.
Marcellus Lowry Stockton, jr., Cavalry.
Edwin Stewart Brewster, jr., Field Artillery.
Wilbur Henry Vinson, Infantry.
Winfield Chapple Scott, Cavalry.
Leo Thomas McMahon, Field Artillery.
John Prosper Eckert, Field Artillery.
Phillip Bassett Shotwell, Cavalry.
Kie Doty, Infantry.
Ralph Eugene Ireland, Cavalry.
Bryan Llewellyn Davis, Field Artillery.
Mark Milton Potter, Field Artillery.
Clarence O'Leary, Ordnance Department.
James Hodges Drake, Infantry.
Joseph Hemsley Stevenson, Corps of Engineers.
Leslie Shaw Williams, Quartermaster Corps.
Joseph John Gutkowski, Infantry.
Edgar Augustine Cecil Curran, Infantry.
William Taliaferro Fletcher, Cavalry.
Charles Albert Welcker, Infantry.
Millard Stowe Curtis, Infantry.
Arthur Clay Blain, Infantry.
Robert Lee Allen, jr., Field Artillery.
Walter Aaron Stetler, Infantry.
Joseph Edwin McGill, Infantry.
George Hely Molony, Infantry.
Harry Luther Coates, Infantry.
George Roland McElroy, Cavalry.
John Redmond Thornton, Cavalry.
Douglas Horace Rubinstein, Infantry.
Leonidas Lee Koontz, Air Corps.
Edward Davis Jones, Air Corps.
Mortimer Francis Sullivan, Cavalry.
Eggleston Westley Peach, Infantry.
Leslie Dillon Carter, Cavalry.
Don Riley, Infantry.
Pembroke Augustine Brawner, jr., Infantry.
Isaac Leonard Kitts, Field Artillery.
Fred Charles Thomas, Cavalry.
Merrill Deitz Mann, Air Corps.
James Bernard Patterson, Cavalry.
Frank Dunn, Quartermaster Corps.
Albert Carl Foulk, Air Corps.
Edward Vincent Harbeck, jr., Air Corps.
Hubert Butler Bramlet, Chemical Warfare Service.
Irwin Harold Joffee, Quartermaster Corps.
Edward Ernest Hildreth, Air Corps.
Samuel Gordon Frierson, Air Corps.
Phillips Melville, Air Corps.
John Gordon Williams, Air Corps.
William Colb Morris, Air Corps.
Albert Brown Pitts, Air Corps.
Bernard Scott Thompson, Air Corps.
Willis Ratcliffe Taylor, Air Corps.
Robert Duane Knapp, Air Corps.
Louis Braswell Knight, Infantry.
Lowell Allison Elliott, Chemical Warfare Service.
James Thomas Curry, jr., Air Corps.
Harry Albert Fudge, Cavalry.
Burdette Mase Fitch, Field Artillery.
William Bettencourt Souza, Air Corps.
Alfred Lindeburg, Air Corps.
Joseph Alexis Wilson, Air Corps.
Fred Tobias Yount, Quartermaster Corps.
Clements McMullen, Air Corps.
Ames Scribner Albro, Air Corps.
Milo McCune, Air Corps.
Charles McKinley Robinson, Air Corps.
John Sanderson Crawford, Coast Artillery Corps.

Benjamin Buckles Cassiday, Air Corps.
Charles Yawkey Banfill, Air Corps.
Myron Ray Wood, Air Corps.
George Frederick Robert Taylor, Quartermaster Corps.
Arthur Alva Jackson, Quartermaster Corps.
Robert Theodore Cronau, Air Corps.
Rex Walter Minckler, Signal Corps.
Frank Charles Peters, Quartermaster Corps.
Isaac Jackman Williams, Air Corps.
Donald Lloyd Bruner, Air Corps.
William Joseph Gainey, Quartermaster Corps.
Lloyd Chartley Blackburn, Air Corps.
Edward Jenkins, Infantry.
Audrey Blaine Ballard, Air Corps.
John Henry Gardner, Air Corps.
William Campbell Goldsborough, Air Corps.
Walter Raymond Peck, Air Corps.
Leon Aurile White, Coast Artillery Corps.
Ephraim Preston Jolls, Coast Artillery Corps.
Alan Fuller Cameron, Coast Artillery Corps.
Walter Lee McCormick, Coast Artillery Corps.
Arnold Dante Amoroso, Coast Artillery Corps.
James Howard Smith, Coast Artillery Corps.
Clarence Omer Bell, Coast Artillery Corps.
Fred Brenning Waters, Coast Artillery Corps.
Arthur Girard Hamilton, Air Corps.
Charles Mellis Myers, Coast Artillery Corps.
Cyrus Quinton Shelton, Coast Artillery Corps.
Frederick Rockwell Chamberlain, jr., Coast Artillery Corps.
Edward Huffner Wood, Air Corps.
Emil Charles Kiel, Air Corps.
Daniel David Coons, Quartermaster Corps.
Harold Lee George, Air Corps.
Lewis Allegeo Dayton, Air Corps.
Younger Arnold Pitts, Air Corps.
Howard Zabriskie Bogert, Air Corps.
Benjamin Franklin Griffin, Air Corps.
Ward Fisk Robinson, Air Corps.
Charles Roderick Mize, Finance Department.
Joseph Branson Canfield, Quartermaster Corps.
Hans Christian Jespersen, Infantry.
Lyle Meredon Shields, Infantry.
Harvey James Golightly, Infantry.
Charles Hale Dowman, Air Corps.

To be first lieutenants

Edwin Bascum Kearns, jr., Infantry.
Rinaldo Van Brunt, Infantry.
George Patrick Lynch, Infantry.
John Francis Holland, Infantry.
John Porter Kidwell, Infantry.
Clarence Harwood Smith, Infantry.
Thaddeus Elmer Smyth, Infantry.
Waldemar Noya Damas, Infantry.
James Durward Barnett, Infantry.
Claude Aubrey Black, Infantry.
Russell Thomas Finn, Field Artillery.
Harry Wells Crandall, Infantry.
Joseph Pringle Cleland, Infantry.
Enoch Joseph Skalandzunos, Infantry.
John Laing De Pew, Cavalry.
John Robert McGinness, Infantry.
William Griffith Stephenson, Infantry.
George Bateman Peploe, Infantry.
Samuel Selden Lamb, Infantry.
Curtis D. Renfro, Infantry.
Charles Henry Caldwell, Air Corps.
Joseph Blair Daugherty, Infantry.
Haskell Hadley Cleaves, Infantry.
Albert Aaron Horner, Infantry.
Louis Quarles McComas, Infantry.
Mitchell Alonzo Giddens, Cavalry.
Leif Neprud, Coast Artillery Corps.
Theodore Lamar Dunn, Infantry.
Elliott Bickley Gose, Infantry.
Floyd Ellsworth Dunn, Infantry.
George Wellington Madison Dudley, Infantry.
Michael John Geraghty, Infantry.
Donald Dunford, Field Artillery.
Arthur Superior Peterson, Infantry.
Ralph Randolph Sears, Infantry.
Edgar Turner Noyes, Air Corps.
David Evans Bradford, Cavalry.
James Keller De Armond, Air Corps.
Ernest Avner Suttles, Infantry.
August William Farwick, Cavalry.
Samuel Mason Lansing, Infantry.
Pierre Bacot Denson, Coast Artillery Corps.
Harvey Lyon Boyden, Air Corps.
Carl William Westlund, Infantry.
Walter Llewellyn Wheeler, Air Corps.
Norme D. Frost, Air Corps.
Linus Dodge Frederick, Air Corps.
James Gordon Pratt, Air Corps.
Milton Miles Murphy, Air Corps.
Lee Quintus Wasser, Air Corps.
Otto Wienecke, Air Corps.
Howard Knowles Vail, Infantry.
Benjamin Thomas Starkey, Air Corps.
Percy Walter Thompson, Field Artillery.
Clarence McCurdy Virtue, Infantry.
Ralph Finch, Infantry.
Charles Howard Valentine, Cavalry.
Julian Henry Baumann, Field Artillery.
Joseph Kerr Gibson, Field Artillery.
Judson MacIvor Smith, Infantry.
Frank Gilmore Irvin, Air Corps.
George Vernon Holloman, Air Corps.
George Henry Dietz, Infantry.
Donald Hubbell Smith, Coast Artillery Corps.
Richard Hodgson Bridgman, Cavalry.
Luther Gordon Causey, Infantry.
John Meade, Field Artillery.
Glenn Oscar Barcus, Air Corps.
William Andrew Weddell, Coast Artillery Corps.
John Randolph Jeter, Infantry.
John Mulford Evans, Infantry.
Theodore Anderson Seely, Infantry.
George Avery Chester, Coast Artillery Corps.
James Thomas Dawson, Field Artillery.
Burgo Doyle Gill, Coast Artillery Corps.
William Wheeler O'Connor, Infantry.
Walter Hoyt Kennett, Field Artillery.
George Paul Harrison, Field Artillery.
Edward Campbell Franklin, Coast Artillery Corps.
Franklin Leslie Lichtenfels, Infantry.
William Frederick Niethamer, Coast Artillery Corps.
Harold Victor Roberts, Infantry.
William Clyde Baker, jr., Corps of Engineers.
William Livingston Bayer, Signal Corps.
Herbert William Ehrgott, Corps of Engineers.
Turner Ashby Sims, jr., Air Corps.
Francis LeRoy Ankenbrandt, Signal Corps.
William Hunt Mills, Corps of Engineers.
Keith Richard Barney, Corps of Engineers.
Elvin Ragnvald Heiberg, Corps of Engineers.
Frank Xavier Aloysius Purcell, Corps of Engineers.
Harold Anthony Brusher, Coast Artillery Corps.
Raymond Coleman Maude, Signal Corps.
Samuel Wallace Van Meter, Air Corps.
Richard Wyman Pearson, Corps of Engineers.
Irving Arthur Duffy, Cavalry.
William Preston Corderman, Signal Corps.
Clerin Rodney Smith, Corps of Engineers.
Fiorre John Stagliano, Coast Artillery Corps.
Parker Maynard Reeve, Corps of Engineers.
Harry Warren Johnson, Cavalry.
Rufus Leonidas Land, Cavalry.
James Norvell Krueger, Corps of Engineers.
Robert Kinzie McDonough, Corps of Engineers.
Donald Prentice Booth, Corps of Engineers.
Arthur August Gerhart Kirchhoff, Corps of Engineers.
William Murlin Creasy, jr., Chemical Warfare Service.
Alfred Henry Johnson, Air Corps.

Ralph Morris Osborne, Field Artillery.
Norman Arthur Matthias, Corps of Engineers.
Lincoln Jones, jr., Infantry.
Harlie Heston Parks, Field Artillery.
Malcolm Raymond Kammerer, Infantry.
Charles Daniel Sugrue, Infantry.
Robert Eugene Mousseau Des Islets, Corps of Engineers.
William Edward House, Coast Artillery Corps.
James Roy Andersen, Infantry.
Benjamin Easton Thurston, Infantry.
Harold McClure Forde, Cavalry.
William Alexander Walker, Field Artillery.
John Cold Beaumont Elliott, Corps of Engineers.
Samuel Russ Harris, jr., Air Corps.
Lewis Sherrill Griffing, Field Artillery.
Waldo Eugene Laidlaw, Infantry.
Hamer Pace Ford, Infantry.
Robert Clifford Broadhurst, Coast Artillery Corps.
John Ensor Perman, Field Artillery.
George William Hickman, jr., Infantry.
Earl Jerome Murphy, Field Artillery.
Holger Nelson Toftoy, Coast Artillery Corps.
Harold Doud, Infantry.
David Louis Van Syckle, Infantry.
Wallace Hayden Barnes, Cavalry.
Shelton Ezra Prudhomme, Air Corps.
John Paul Doyle, jr., Cavalry.
Leon William Johnson, Air Corps.
Richard Walden Mayo, Field Artillery.
Earl Lewis Ringler, Infantry.
George Voegele Ehrhardt, Cavalry.
Walter Clement Stanton, Field Artillery.
Frank Sayles Bowen, jr., Infantry.
Malcolm Dudley Jones, jr., Cavalry.
Edward Lowe Rhodes, Cavalry.
Richard Keith McMaster, Field Artillery.
Charles Dutton McNerney, Infantry.
William Peirce Ennis, jr., Field Artillery.
Guy Beasley Henderson, Air Corps.

MEDICAL CORPS

To be colonels

Earl Harvey Bruns.
Herbert Charles Gibner.

To be lieutenant colonels

Sanford Williams French.
Thomas Joseph Flynn.
William Denton.
John Joseph Reddy.
Herbert Henry Sharpe.
Lloyd Ambrose Kefauver.
John Roy McKnight.

To be majors

Ira Frederick Peak.
Henry Stevens Blesse.
Samuel Winchester Reeves.
Thomas Franklin Weldon.
William LeRoy Thompson.
George Paul Sandrock.
Edward Athelstane Casserly.
Walter Clifton Royals.

To be captains

Alfred Alexandre de Lorimier.
Norman Hyde Wiley.
Paul Irwin Robinson.
Silas Beach Hays.
Henry William Daine.
Earl Maxwell.
Wilford F. Hall.
Daniel John Berry.
William Augustus Hadly, jr.
Roary Adlai Murchison.
Paul Hayes.
Hugh Logan Prather.
George Hollander Donnelly.
Francis Willard Pruitt.
Elbert De Coursey.
John Frederick Bohlender.
Charles Scott Mudgett.
Ellis McFerrin Altfather.
Aubrey LeVerne Bradford.
Rollin LeRoy Bauchspies.
Ernest David Liston.
John Ruxton Wood.
Jack William Schwartz.
Clyde Lemuel Brothers.
Roger Gaylord Prentiss, jr.
Claude Linwood Neale.
George Horsfall.
Harold Edward Schneider.
Olin Foster McIlnay.
Samuel Howard Alexander.
John Larkin Gallagher.
Warren Mimms Scott.
James Harvey Turner.
Robert Eugene Bitner.

DENTAL CORPS

To be colonel

Frank Powell Stone.

To be major

Albert Fields.

To be captains

James Simon Cathroe.
Ingolf Bernhardt Hauge.
John LeRoy Carter.

VETERINARY CORPS

To be colonel

Robert Julian Foster.

To be lieutenant colonels

George Henry Koon.
Daniel Buchter Leninger.

To be majors

Allen Chamberlain Wight.
Elwood Luke Nye.
Kenneth Earl Buffin.
Robert Payne McComb.
William Roy Wolfe.
Chauncey Edmund Cook.
Gerald Woodward Fitz-Gerald.
Stanley Clifford Smock.
Charles Brenton Dunphy.
Howard Mayo Savage.
Burlin Chase Bridges.
Mott Ramsey.
Josiah Wistar Worthington.
Fred Chester Waters.
Harry Edward Van Tuyl.
Louis Lathrop Shook.
Daniel Henry Mallan.
Louis Goldman Weisman.
Everett Cooper Conant.
James Alexander McCallam.
Harry John Juzek.
William Henry Dean.
Solon B. Renshaw.
Frank Holmes Woodruff, subject to examination required by law.
Will Charles Griffin.
Lloyd Clifford Ewen.
Charles Oliver Grace.
Edward Michael Curley.
James Russell Sperry.
Floyd Chauncey Sager.
Henry Emil Hess.
Vincent Brown Wright.
Paul Roberts King.
Forest Lee Holycross.
Daniel Sommer Robertson.
Earl Floyd Long.
Joseph Fenton Crosby.
Raymond Irvin Lovell.
Ralph Brown Stewart.
Charles Mansur Cowherd.
John Knox McConeghy.
Francois Hue Kari Reynolds.
Sawyer Adelbert Grover.
Charles Sears Williams.
Fred W. Shinn.
Philip Henry Riedel.
Irby Rheuel Pollard.
Frank Caldwell Hershberger
Clifford Eugene Pickering.
Frank Benjamin Steinkolk.
Raymond Randall.
Seth C. Dildine.
Joseph Hiriam Dornblaser.
George Leslie Caldwell.
Jacob Landes Hartman.
John Harold Kintner.
Arthur Dunlap Martin.
Samuel George Kielsmeier.
Peter Thomas Carpenter.
Oness Harry Dixon, jr.
John Wesley Miner.
George Jacob Rife.

To be captains

Herbert Morris Cox.
Laurence Robert Bower.

To be first lieutenant

Maurice Wendell Hale.

MEDICAL ADMINISTRATIVE CORPS

To be first lieutenant

Lloyd Moore.

CHAPLAINS

To be chaplains with the rank of major

George Runyan Longbrake.
Nathaniel Alexander Jones.
Charles Wadsworth Ball Hill.
Albert Kingsbury Mathews.
Henry Nathan Blanchard,
John Truman Kendall.
James Lemuel Blakeney.
George Foreman Rixey.
William Joseph Ryan.
Edward Thomas McNally.
John Ralph Wright.
Harry Carleton Fraser.
John Oscar Lindquist.
Frank Meredith Thompson.
Walter B. Zimmerman.
Jacob Donald Hockman.
Joseph Burt Webster.
Alexander Wayman Thomas.
Frank Connors Rideout.
Alfred Cookman Oliver, jr.
Pierre Hector Levesque.
John Hall.
Edward Lewis Trett.
Charles Coburn Merrill.

To be chaplain with rank of captain

James Hugh O'Neill.

PHILIPPINE SCOUTS

To be captain

Roscoe Bonham.

CHIEF OF THE MILITIA BUREAU OF THE WAR DEPARTMENT

George Emerson Leach to be Chief of the Militia Bureau of the War Department, with the rank of major general.

APPOINTMENTS IN OFFICERS' RESERVE CORPS

GENERAL OFFICERS

To be major generals, reserve

George Emerson Leach.
Roy Hoffman.

To be brigadier generals, reserve

James Craig McLanahan.
William Gray Williams.

REAPPOINTMENTS IN THE OFFICERS' RESERVE CORPS

GENERAL OFFICERS

To be brigadier generals, reserve

Leigh Robinson Gignilliat.
Cary Fletcher Spence.
Henry Joseph Reilly.

To be brigadier generals, Medical Corps Reserve

Fred Towsley Murphy.
Frederick Fuller Russell.
Sanford H. Wadhams.

To be brigadier generals, Auxiliary Reserve

Frank Billings.
Howard Seymour Borden.
John Joseph Carty.
George Washington Crile.
Lewis Atterbury Conner.
Milton Fennimore Davis.
Joel Ernest Goldthwait.
Charles Horace Mayo.
William James Mayo.
Thornwell Mullally.
William Henry Welch.
William Holland Wilmer.

PROMOTIONS IN THE NAVY

MARINE CORPS

To be major generals

Ben H. Fuller.
Logan Feland.
John T. Myers.

To be brigadier general

James C. Breckinridge.

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 18, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Infinite and eternal God, in whose might rests the destiny of nations and men, we pray that we may live up to the full measure of our Christian manhood. Teach us, our Father, how to estimate wisely the great debt and obligation which we owe our country, which so thoroughly appreciates men and their values. A mite of malice is too much, while a big measure of charity is not enough; an ounce of selfishness is too much, while a pound of generosity is not enough. A bit of war is too much, while a whole lot of peace is not enough. Increase the power of these values that make for goodness, fraternity, and cooperation, and diminish the things that are evil and that separate men. O let Thy purpose and Thy will be done in the very heart and mind of this Congress. Through Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 263. An act to promote the conservation of wild life, fish, and game, and for other purposes;

S. 655. An act declaring December 26, 1931, and January 2, 1932, to be legal holidays in the District of Columbia; and

S. Con. Res. 2. Concurrent resolution to pay Anna Jarvis a sum equal to six months' compensation of the late Grant Jarvis.

Mr. MAPES. Mr. Speaker, I submit a bill and privileged report from the Select Committee on the Fiscal Relations Between the United States and the District of Columbia.

The SPEAKER. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill relating to the contribution of the United States toward defraying the expenses of the District of Columbia.

The bill was referred to the Committee of the Whole House on the state of the Union and ordered printed.

PERMISSION TO ADDRESS THE HOUSE

Mr. FREAR. Mr. Speaker, I ask unanimous consent to speak for two minutes to make a correction.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. FREAR. Mr. Speaker, on yesterday I made a statement in regard to the taxpayers in the District of Columbia. I do not care for myself, but I do for the committee, to correct a misquotation in this morning's press. I do not want the committee placed in a false position, because the reverse of the misquotation is true. The press this morning quoted me as saying the taxpayers might move outside of the District if they chose to do so because of objection to the committee proposals in regard to matters of taxation in the District. That was not it at all. Just the reverse. A suggestion was made that if residents moved outside, it would enable them to have a voice in public affairs, for matters of the District are under the control of Congress under the Constitution and could only be changed by amendment. I also said they would be "relieved" from taxation as long as they remained within the confines of the District. Taxes are higher in all surrounding States and that has been a repeated statement, for no one would find lower taxes elsewhere.

CHARLES C. KEARNS

Mr. POLK. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Ohio asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. POLK. Mr. Speaker, ladies, and gentlemen, since adjournment yesterday, I have learned of the death of Hon. Charles C. Kearns, a distinguished citizen of Ohio. For 16 years Mr. Kearns was a Member of this House, as Representative from the sixth Ohio district. While Mr. Kearns was my immediate predecessor and political opponent, and while we differed in our opinions on many public questions, I wish to state to the House that our personal relationships were always most cordial. I always found Mr. Kearns to be a most kindly and affable gentleman. During his long service in the House he was honored by his party by being placed on the Ways and Means Committee, and I am sure I express the sentiment of all my colleagues from Ohio, from both parties, when I state that we all have a feeling of personal sorrow in the passing of Mr. Kearns.

ORDER OF BUSINESS

Mr. SNELL. May I have the attention of the gentleman from Illinois for a moment in regard to the program. As I understand, the moratorium bill is up to-day, and probably the land bank bill will follow. What has the gentleman in mind following that?

Mr. RAINEY. We expect to go forward with the foreign debt postponement bill to-day and conclude it, even if a night session is necessary.

Mr. SNELL. I hope that we will pass it to-day.

Mr. RAINEY. I hope that Members will limit their remarks as much as possible and remain on the floor, because the demand for time has been very large.

Mr. BLANTON. If the gentleman from Illinois will ask unanimous consent that Members may extend their remarks in the RECORD on the moratorium bill, it might save us much time.

Mr. RAINEY. I will make the request after the bill comes back to the House that all gentlemen who have spoken on the bill may extend their remarks in the RECORD.

Mr. BLANTON. But how about those who do not speak to-day? Will not the gentleman make the request now and include them?

Mr. RAINEY. Very well; Mr. Speaker, I will include those. I ask unanimous consent that all Members may have five legislative days to extend their remarks in the RECORD on the bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent that all Members of the House may have five legislative days in which to extend their own remarks on the bill. Is there objection?

There was no objection.

Mr. RAINEY. In further explanation, we want to pass this bill to-day and remain in session until 12 o'clock or longer if necessary. We want everybody to remain on the floor. To-morrow we expect to take up the bill for the relief of the Federal land banks, and we hope to pass that tomorrow. After the holidays the first major piece of legislation we expect to consider is the Strong bill, providing emergency financing facilities for banks and other financial institutions. Hearings on that bill commenced to-day, and as soon as we can get the hearings completed and get it on the floor, after the holidays, we shall take that up.

Mr. SNELL. I am very glad to have the gentleman make that announcement, because we are all very much interested in that piece of legislation.

Mr. RAINEY. And a few moments ago the President sent instructions to me to say that while the bill we take up to-morrow provides relief for the Federal land banks, he will undertake to take care of the needs of the joint-stock land banks, the intermediate credit institutions, and other banking institutions out of the emergency financing bill, although they are not expressly named in that bill. The President will take care of all of them out of this bill as soon as we pass it.

Mr. SNELL. I think that is entirely satisfactory and very pleasing to this side.

Mr. RAINEY. We shall try to do the best we can to carry out that program on this side, if gentlemen on the other side of the House cooperate with us. [Applause.]

Mr. STEAGALL. Mr. Speaker, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. STEAGALL. May we not have an understanding that the bill for the relief of the Federal land banks will be finished to-morrow? There will not arise any occasion for extended debate upon that bill, except on one particular feature of it, which ought not to take very long. As I view the matter, I can not think there will be any difficulty in finishing the bill to-morrow. I am sure every member of the House will be glad to know that.

Mr. JOHNSON of Texas. Mr. Speaker, will the gentleman from Illinois yield?

Mr. RAINEY. Yes.

Mr. JOHNSON of Texas. In order to ask the gentleman from Alabama a question. When will copies of that bill be available?

Mr. STEAGALL. Sometime to-day.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. RANKIN. The hearings on the debt funding bill closed yesterday. They have not been published. It is utterly impossible for Members of the House to get those hearings and inform themselves as to what took place before the Committee on Ways and Means by to-night. There is no need for any hurry about this. The bill can not possibly be passed in the Senate before the holidays. Why should we be forced to stay here and pass on this measure before the Members of the House have had ample opportunity to investigate the hearings and see what they are voting upon?

Mr. RAINEY. Oh, the gentleman was present yesterday during the entire hearings, and the valuable feature of the hearings was the gentleman's own speech. He remembers what that was.

Mr. RANKIN. I thank the gentleman from Illinois and will say that I was one witness who said what he thought, to say the least. The trouble is that I inserted in those hearings some telegrams, one from the President to myself, and my reply, and some other documents that are now at the Government Printing Office, and we can not get them even to refer to. I submit we ought to be permitted to have those hearings and read them and have an opportunity to inform ourselves on this vital question before we are forced to vote upon it.

Mr. RAINEY. We hope the hearings will be here before we get through. The gentleman can tell the House what those telegrams are.

Mr. RANKIN. I shall do my best.

Mr. RAINEY. The House has the utmost confidence in the gentleman and any statement the gentleman makes.

TAXATION IN THE DISTRICT

Mr. BOYLAN. Mr. Speaker, I ask unanimous consent to proceed for one minute, and in that time to have the Clerk read a letter which I have.

The SPEAKER. The gentleman from New York asks unanimous consent to speak for one minute and during that time to have the Clerk read a letter. Is there objection?

Mr. DYER. Mr. Speaker, I reserve the right to object. I shall not object in this case, but I think we should get on with the business before us. I shall object to any further requests of that nature.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

DECEMBER 17, 1931.

Representative JOHN J. BOYLAN,
Washington, D. C.

DEAR SIR: May I thank you for your courage and fairness in raising your voice against the storm of hatred and prejudice that raged against the residents of the District of Columbia yesterday? I am an old lady, all of whose property is in Washington, so that I can not "move out," as so kindly suggested by one of our noble protectors. The proposed new taxes do not affect me, since I own no motor car, and the new income tax about balances the intangible tax (which I do not evade). But what troubles me is the feeling that I am governed by a body of alien enemies. I appreciate the few who stand out against the others.

Very truly yours,

HELEN LOUISE SARGENT.

TWO HUNDREDTH ANNIVERSARY OF BIRTH OF GEORGE WASHINGTON

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent for the present consideration of a concurrent resolution, which I send to the desk and ask to have read.

The SPEAKER. The gentleman from Virginia asks unanimous consent for the present consideration of a resolution, which the Clerk will report.

The Clerk read as follows:

House Concurrent Resolution 4

To provide for the appointment of a joint committee for the celebration of the two hundredth anniversary of the birth of George Washington

Resolved by the House of Representatives (the Senate concurring), That a joint committee consisting of three Members of the House of Representatives and three Senators to be appointed by the Speaker of the House of Representatives and the Vice President of the Senate, respectively, is authorized to make suitable arrangements for a fitting and proper celebration in the House of Representatives on February 22, 1932, of the two hundredth anniversary of the birth of George Washington.

The SPEAKER. Is there objection?

Mr. UNDERHILL. Mr. Speaker, I reserve the right to object. I ask the gentleman from Virginia to withhold that for a day at least. I know that some of the Members of the House, including myself, are rather disturbed at the amount of money which is being asked for and has been expended in the preliminary advertising of this celebration.

I do not believe we had better go any further until we have a definite understanding as to how much we are going to spend and how far we are going.

Mr. WOODRUM. This does not call for the expenditure of any money. The gentleman knows we always observe Washington's Birthday, and this being the two hundredth anniversary, it was thought proper to have this celebration.

Mr. UNDERHILL. The gentleman means it is for the House itself?

Mr. WOODRUM. This is for the House.

Mr. UNDERHILL. I have no objection.

The SPEAKER. May the Chair have the attention of the gentleman from Virginia for just a moment? I am informed by William Tyler Page, former Clerk of the House, who has been connected with the George Washington Bicentennial as its secretary, that this matter was discussed in a joint conference of the two committees, and that arrangements were made at that time for this celebration.

Mr. WOODRUM. Mr. Speaker, this resolution is being introduced at the request of Mr. BLOOM, director of the bicentennial, and will in no way interfere with anything that they may want to do. In fact, it is contemplated that this committee will collaborate with the Bicentennial Committee.

Mr. SNELL. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SNELL. As I understand, this pertains to the exercises in the House on that day.

Mr. WOODRUM. That is all.

Mr. SNELL. So that there is no expense whatever connected with it?

Mr. WOODRUM. No expense, unless there is a special program printed, or something like that, but this resolution does not ask for the appropriation of any money.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. LAGUARDIA. It will be under the supervision and guidance of the Bloom committee?

Mr. WOODRUM. Oh, no; it will be under the supervision of the House committee, and, I take it, the committee will confer with the Bloom committee.

Mr. LAGUARDIA. Then I shall not object.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. WOODRUM]?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

FOREIGN-DEBT MORATORIUM

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that it may be in order for me to move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the resolution (H. J. Res. 147) to authorize postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

The SPEAKER. The gentleman from Mississippi [Mr. COLLIER] asks unanimous consent that it may be in order for him to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the resolution (H. J. Res. 147). Is there objection?

There was no objection.

Mr. COLLIER. Now I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 147; and pending that motion, I would like to have an understanding, or some agreement, as to general debate on this matter.

As I understand, the gentleman from Oregon [Mr. HAWLEY], and I happen to occupy the same position in regard to this resolution, so I presume that under the custom any member of the Committee on Ways and Means opposed to the resolution will be permitted to control the time of those who are opposed to the resolution. It has been suggested that the general debate be concluded in five hours, two and one-half hours to be controlled by myself and two and one-half hours to be controlled by some member of the committee opposed to the resolution. Of the two and one-half hours controlled by me, I will, of course, grant a division of time to the gentleman from Oregon [Mr. HAWLEY].

Mr. HAWLEY. Does the gentleman think five hours general debate is necessary?

Mr. COLLIER. Well, so much thereof as may be necessary.

Mr. SANDERS of Texas. Mr. Speaker, I represent those who are opposed to the bill, together with the gentleman from Illinois [Mr. RAINEY]. I am a member of the Committee on Ways and Means and filed a minority report. I have requests for five hours' time.

Mr. COLLIER. There is no intention on our part to hastily rush this matter through, yet I believe that five hours' debate on the part of those represented by the gentleman from Texas is a little unreasonable. I am willing to extend the time to accommodate them, however. I believe that five hours on each side is a little unreasonable, but I want to accommodate the gentlemen who oppose this resolution in order that every Member of this House may be heard. This is not only a national but an international matter, and I do not want it said that we hastily and hurriedly rushed the resolution through the House. How much time does the gentleman from Texas [Mr. SANDERS] think he can get along with?

Mr. SANDERS of Texas. As a matter of compromise, we may get along with four hours, although I have requests for much more time.

Mr. COLLIER. Mr. Speaker, then I ask unanimous consent that the general debate be confined to eight hours, four hours to be controlled by myself, out of which I will yield an equitable division of time to the gentleman from Oregon [Mr. HAWLEY], and four hours to be controlled by the gentleman from Texas [Mr. SANDERS].

The SPEAKER. Is it the intention of the gentleman from Mississippi that general debate shall be confined to the resolution?

Mr. COLLIER. I shall certainly insist that the debate be confined to the resolution.

The SPEAKER. The gentleman from Mississippi [Mr. COLLIER] asks unanimous consent that general debate be limited to eight hours, and be confined to the discussion of the resolution, one-half the time to be controlled by the gentleman from Mississippi [Mr. COLLIER] and one-half by the gentleman from Texas [Mr. SANDERS].

Mr. CRISP. Mr. Speaker, may I state the request of the gentleman again? It is that there be eight hours general debate, four hours to be controlled by the gentleman from Mississippi [Mr. COLLIER], chairman of the committee, four hours to be controlled by the gentleman from Texas [Mr. SANDERS], who filed a minority report, and that the debate be confined to the subject matter of the resolution; and that out of Mr. COLLIER's time he will make an equitable distribution of it to the gentleman from Oregon [Mr. HAWLEY].

The SPEAKER. Is there objection?

Mr. HAWLEY. Reserving the right to object, may I ask the gentleman from Mississippi [Mr. COLLIER] how much time he proposes to yield to me out of the four hours?

Mr. COLLIER. May I ask the gentleman how much time he will need?

Mr. HAWLEY. I think about half of that time, but I will yield back any that is remaining if the gentleman from Mississippi so desires.

Mr. MICHENER. Reserving the right to object, did I understand from the leader, Mr. RAINEY, that this matter would come to a vote before we adjourned to-day?

Mr. RAINEY. Yes. If we sit here all night, we are going to vote on this bill to-night.

Mr. CRISP. The membership will understand that after the general debate the resolution comes up under the 5-minute rule and there will still be further debate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLLIER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 147, to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of House Joint Resolution 147, with Mr. BANKHEAD in the chair.

The Clerk read the title of the resolution.

Mr. CRISP. Mr. Chairman, I ask unanimous consent that the first reading of the resolution be dispensed with.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that the first reading of the resolution be dispensed with. Is there objection?

Mr. BLANTON. Mr. Chairman, reserving the right to object, if the resolution is read, it is printed in the RECORD automatically, but if it is not read, it is not printed. With the understanding that the resolution shall be printed in the RECORD I will not object, and I ask unanimous consent that the resolution be printed without reading.

Mr. BANKHEAD. The gentleman from Texas reserves the right to object, but says he will not object if it is understood that the full text of the resolution be incorporated in the RECORD. With that understanding the gentleman from Texas does not object.

Mr. BLANTON. Mr. Chairman, I understand there is no objection to that being done.

The CHAIRMAN. Is there objection to that modification of the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia to dispense with the first reading of the resolution?

There was no objection.

The resolution follows:

Resolved, etc., That in the case of each of the following countries: Austria, Belgium, Czechoslovakia, Estonia, Finland, France, Germany, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, and Yugoslavia, the Secretary of the Treasury, with the approval of the President, is authorized to make, on behalf of the United States, an agreement with the government of such country to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such country to the United States in respect of its bonded indebtedness to the United States, except that in the case of Germany the agreement shall relate only to amounts payable by Germany to the United States during such fiscal year in respect of the costs of the army of occupation.

SEC. 2. Each such agreement on behalf of the United States shall provide for the payment of the postponed amounts, with interest at the rate of 4 per cent per annum beginning July 1, 1933, in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and one during each of the nine fiscal years following, each annuity to be payable in one or more installments.

SEC. 3. No such agreement shall be made with the government of any country unless it appears to the satisfaction of the President that such government has made, or has given satisfactory assurances of willingness and readiness to make, with the government of each of the other countries indebted to such country in respect of war, relief, or reparation debts, an agreement in respect of such debt substantially similar to the agreement authorized by this joint resolution to be made with the government of such creditor country on behalf of the United States.

SEC. 4. Each agreement authorized by this joint resolution shall be made so that payments of annuities under such agreement shall, unless otherwise provided in the agreement (1) be in accordance with the provisions contained in the agreement made with the government of such country under which the payment to be postponed is payable, and (2) be subject to the same terms and conditions as payments under such original agreement.

SEC. 5. It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced; and nothing in this joint resolution shall be construed as indicating a contrary policy or as implying that favorable consideration will be given at any time to a change in the policy hereby declared.

The CHAIRMAN. Under the unanimous-consent arrangement entered into in the House before the House went into Committee of the Whole there are to be eight hours of general debate on the resolution and confined to the subject matter of the resolution. Under that agreement the gentlemen from Mississippi [Mr. COLLIER], the chairman of the committee, is entitled to the control of four hours and the gentleman from Texas [Mr. SANDERS] is entitled to four hours. The Chair now recognizes the gentleman from Mississippi, the chairman of the committee. [Applause.]

Mr. HAWLEY. Will the gentleman now state how much time he will yield to me?

Mr. COLLIER. Will half the time be satisfactory?

Mr. HAWLEY. Yes.

Mr. COLLIER. Mr. Chairman, I yield two hours to the gentleman from Oregon.

Mr. Chairman, ladies and gentlemen of the committee, the resolution before us to-day is no partisan measure. It is a measure which was primarily designed to relieve a depression which exists in this country and which exists to a much greater degree in other countries, a depression which was primarily the outcome of the greatest war in the history of all the ages, a war which in its intensity set in motion forces which shook civilization to its foundations and almost rocked the universe itself, a war in which 10,000,000 of the young manhood of the world were slain upon the battlefields and over twice as many more were maimed, crippled, or otherwise removed from the fields of life's productiveness, a war in which it is conservatively estimated that over two-thirds of the world's wealth, its treasure, and its developed resources were wasted, utilized, or destroyed.

Following that war came the inevitable reaction. Serious depression arose over here, and it was much worse across the water. In the latter part of May or the first part of June, 1931, the National Bank of Austria got into serious financial difficulty. It was in dire circumstances. This bank was, perhaps, the greatest financial institution in that section of Europe. It had exhausted its resources, and while friends and other countries came to its aid and put up, I believe, $14,000,000, yet that amount of money did not place that great banking institution upon a stable foundation. The lack of confidence in Austria by reason of the difficulties of the Austrian bank soon spread into Germany. It grew worse and worse. It was at once followed by large withdrawals of gold from the Reichsbank. Now, my friends, let us understand what the Reichsbank is in Germany. It is not a local bank like so many we have in America, but it is to Germany what our great Federal reserve system is to America. In two weeks, early in June, there was $107,000,000 in gold withdrawn from the Reichsbank; in another week the sum amounted to $130,000,000, and there was at the same time $100,000,000 in gold in exchange drawn from that bank. Soon the reserve was almost depleted. This situation became so acute in Germany that it was apprehended that unless immediate steps were taken there would be a general moratorium. By a general moratorium I mean the cessation of payments, both public and private, in that country.

The situation was so acute that we had the unusual spectacle of the President of a great Republic—a Republic with which not many years before we had been engaged in war—writing to the President of the United States for aid. President Hindenburg appealed to President Hoover for aid and intimated that unless aid were given that there might be a collapse of the financial structure of that great country.

Now, gentlemen, what would a financial collapse in Germany have meant? Germany is a country of between 60,000,000 and 65,000,000 people. To allow the financial structure of Germany to crumble and fall would have meant that all the adjoining smaller countries around Germany would have been dragged down in its fall. All trade would have been stopped; business stagnation generally would have followed; and all loans in Germany, private and public, would have been endangered.

Mr. HARE. Will the gentleman yield?

Mr. COLLIER. I hope the gentleman will not interrupt me until I complete my statement.

Mr. HARE. I just want to ask one question.

Mr. COLLIER. I will yield for that purpose, and then ask the gentleman not to interrupt me further.

Mr. HARE. I would like to know when these negotiations began between Germany and the United States.

Mr. COLLIER. On the 20th of June, 1931.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. COLLIER. Yes. I am always pleased to yield to my good friend from Kentucky.

Mr. VINSON of Kentucky. I know the gentleman does not want to be in error as to the time the negotiations began. I understood the gentleman to say they began on June 20.

Mr. COLLIER. I thought he asked me when the moratorium was offered. The negotiations began about a month before that.

The State Department, through its attachés, the press, and the country generally, knew of the situation in Germany. Think not, my friends, that a country of 65,000,000 people, occupying the position that Germany does in central Europe, could collapse without dragging down in its fall all the adjacent countries, and think not that such a serious disturbance in Europe would not be felt here across the water. All of our trade relations would have been absolutely destroyed.

It was for these reasons that the President of the United States on the 20th of June made the proposition to the other countries of the world that if they would postpone the payment and acceptance of all debts and amounts owing to them, we would do likewise. This was finally accepted by the countries of Europe.

They talk about this postponement, my friends, as though it were a cancellation of the debt. It is a postponement only by creditors of debtors who are unable to pay. How many Members of this House, I may ask, in their lives have had to have an extension of a certain amount of time on the amount that they owed to banking institutions? It was hinted, and it was generally talked of in the press and in other places, that this means a cancellation of the debt.

The President of the United States before he took action got in touch with the Members of the House and of the Senate. I understand from the testimony of Mr. Mills that over 279 Members of the House, I believe it was, agreed to stand by him in this moratorium.

Now, let us see just what this moratorium is and what this debt postponement, what this renewal, or what this extension of time for one year means.

It is a small document of five sections, and section 1 recites the names of the countries in which the postponements are to be made.

Section 2 simply provides that the deferred payments for next year, instead of being paid in one payment, shall be amortized in 10 annual installments at the rate of 4 per cent.

Section 3 provides that no such agreement shall be entered into by the President of the United States unless it appears to his satisfaction that such government has made or is willing to make an assurance that it will exact from other countries and extend to other countries the same privilege that we have exacted or extended to them.

I want to clear up one matter which seems to have been disturbing the House in regard to a word in line 21, of section 3, the word "reparation." This does not refer to the United States in any way. When the President of the United States made the agreement with the countries of the world, they were to make the same kind of an agreement in reference to the governmental debts of those countries which owed them. No country owes us reparations, and this does not commit us to any reparation plan by which we are willing to have the debts of the foreign governments to us dependent upon collection of reparations from Germany. This simply describes the kind of debts these other countries had among themselves. For instance, if reparations had been taken from the resolution, France would not have been willing to have entered into the arrangement, because a great part of the debt that is owing to France from Germany consists of reparations. It is only descriptive, so the other countries of the world would know what kind of debts they had to make their agreements with in order to comply with the general agreement we were making, in order to stabilize the financial system of Europe, and at the same time place ourselves upon a firmer and a sounder basis.

Now, let us go to section 4, and there may be one line in this section which has disturbed many Members of this House. It disturbed me until it was explained. This is simply put in here for the purpose of excepting Austria and Greece. The line that may need explanation to the Members is line 3, at the top of page 3, in section 4:

> Each agreement authorized by this joint resolution shall be made so that payments of annuities under such agreement shall, unless otherwise provided in the agreement (1) be in accordance with the provisions contained in the agreement made with the government of such country.

Now, why were the words "unless otherwise provided in the agreement" inserted?

Because the countries of Greece and Austria were in a different situation, and this clause related only to those countries, I will explain why this was done.

When the United States was at war with Germany our Government agreed to give to the Government of Greece, which at the time was one of our allies, a commitment amounting to $60,000,000; $18,000,000 of this was paid in commitments to the Republic of Greece.

After $18,000,000 had been paid there was a revolution in Greece. This revolution brought about a change of policy, and after this change the allied governments, including our own, refused to advance more commitments to that country.

A number of years afterwards in 1929, I believe, it was determined in the settlement with Greece that they would loan Greece an additional amount. Greece wished an amount equal to the difference between the $18,000,000 and the $60,000,000, but it was finally determined to loan them $12,000,000.

I want to tell you that I did not support that legislation. I want to say to you that my distinguished colleague on this committee, who was a member of the Debt Funding Commission, did not support that resolution. But it passed the House, and the $12,000,000 additional was loaned to Greece.

The $18,000,000 which Greece borrowed from us at the time when she was our ally is treated like any of the other debts due the United States, and the $12,000,000 loaned Greece afterwards is a different proposition. It was made after the war, and the terms of that settlement remain as they were first made.

Now, let us see about Austria. We did not lend Austria any money. It was testified before the Committee on Ways and Means that there was a condition of suffering and starvation in Austria beyond description. An official high in rank testified before our committee. He related many harrowing details including the statement that out of every thousand babies of a certain tender age over 800 had starved to death.

We loaned them no money, but we had on hand a great quantity of wheat, and we sent them this wheat for which we were secured by Austria's promise to pay. In addition, there was some arrangement whereby the United States received certain receipts.

Sometime after the loan was made Austria got into such a weak condition that in order to prevent the financial structure of the country from collapsing various countries of the world, including the United States, surrendered their liens and took a second mortgage. The amount Austria owes us is small as compared to the debts of many other nations.

For these reasons Austria is exempted from this resolution.

Now, what is the fifth and last section? It is as follows:

> SEC. 5. It is hereby exrpessly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced; and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying that favorable consideration will be given at any time to a change in the policy hereby declared.

My friends, these debts were made at a time of great stress; they were made when we were engaged in the greatest war of all the ages; they were made at a time when we had 4,000,000 of the young manhood of America either in France ready to face the red storm of German fire and blood and

steel or were in America prepared to embark for the scene of conflict.

Our national debt had reached its highest peak sometime after the Civil War, when it was barely as much as two and three-quarter billion dollars. The national debt increased to over $26,000,000,000 during the last war. During the last year and a half of the war we raised from the American people by taxation and by borrowing, over $19,000,000,000.

We were taxing ourselves to the uttermost. These debts were made in good faith, they were honestly made, and we were assured by the debtor countries that the indebtedness would be paid back as soon as they were able to pay it. We cheerfully raised $10,000,000,000 and loaned that sum to our allies on their promise to pay us back dollar for dollar. It was agreed at the time that when we made a bond and sold it to the American people to get the money to lend to our allies, they would give us in return a bond of like tenor and bearing the same rate of interest. There was no talk then of German reparations. All of the countries of the world on our side were engaged in a desperate effort to destroy Germany. We were not a party to the Versailles treaty. I for one make the statement without fear of successful contradiction that no official statement has ever been made by anyone in authority in the United States to the effect that the payment of the foreign debt to us would be in any way dependent upon the payment those countries received in reparations from Germany.

There has been a good deal of talk in the newspapers, there have been hints here and there, that these debts are to be canceled. With the exception of the debt that we owe to Belgium, which perhaps more for sentimental than business reasons I supported, none of the other debt settlements received my approval. I had the honor to have charge of the minority in the consideration of several of those settlements. After making speeches during the war from one end of the country to the other inducing the people to buy Liberty bonds to lend to our allies and assuring them that they would lose no money by the transaction, I did not feel that I was in a position to make a settlement for them in that way. I did not like the interest arrangements, but all of this is neither here nor there. The debts were made. They have been scaled, they have been generously scaled. In some instances these debts have been scaled as far down as 70 per cent. They have been scaled enough, and I for one Member of this House will never agree to a cancellation or a reduction of the debts now owing to us by these foreign countries. [Applause.]

I think the statement in the report of the committee can better explain section 5 than I can. I shall read what the committee says:

> The committee is firmly of the opinion that nothing in the resolution can in any manner be construed as indicating a policy of debt cancellation or reduction, or as committing the United States or Congress to such a policy. In view, however, of repeated statements by opponents of the resolution, the committee feels it desirable to set the matter at rest by the insertion of section 5.

My time is limited, and I am going to hurry and not make the extended talk on the matter as I had intended. But there are several propositions I want to make clear before this House. A great many Members of this House have promised the President of the United States that they were in favor of postponing for one year the debts of the foreign nations in order to avoid the collapse of one of the great countries in Central Europe. Yet there appeared a statement in the press the other day that Great Britain, through her ambassador, had placed in the hands of her fiscal agent in New York the sum of $91,000,000 to be applied as the installment which was due on December 15, and that the French ambassador had placed the amount owed by France in the hands of its fiscal agent, also that the ambassador from Italy had done likewise. This article was signed by one of the newspaper reporters of the city of Washington, Mr. Horan. Mr. Horan was present and the committee requested him to appear. He did. We asked him where he got his information, and he declined to answer, pleading the privilege of a newspaper reporter. Knowing that the ethics of the newspaper profession are very high, and especially so in the city of Washington, we did not press the gentleman, but excused him, as we did not care to place him in the attitude of divulging a confidential communication. But did we let the matter rest there? Your chairman was directed to take the matter up with the Secretary of the Treasury to find out who was the fiscal agent of these countries. He was told that J. P. Morgan & Co. was the fiscal agent of those countries, and that J. P. Morgan had acted for Great Britain and France in 1930 and 1929 in their payments. With the assistance of the Treasury the chairman got in touch with that banking house. Mr. H. P. Davison, of the firm of J. P. Morgan & Co., appeared before the committee. We directed his attention to these newspaper articles and asked him if the Government of France and the Government of England had deposited any money with his firm for that purpose. He stated that his house was the fiscal agent for these countries, and that he knew of no other fiscal agent in America. He said not only had they not done so but those countries had not notified his firm about the matter. He further stated that in the past, some time before the amounts were due, his firm had been notified by these countries in regard to the installments.

Mr. VINSON of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. COLLIER. Yes.

Mr. VINSON of Kentucky. But to a subsequent interrogation, Mr. Davison took refuge behind the privilege which he claimed as between a banker and a client, did he not?

Mr. COLLIER. A question was asked Mr. Davison, not by a member of the committee but by a Member of the House, whether the Governments referred to had directed him to pay the money. If I have not quoted the gentleman correctly, I wish the gentleman from Kentucky will correct me. He said if the money was there he would have done it, did he not?

Mr. VINSON of Kentucky. Oh, he said yes; but then he qualified it.

Mr. COLLIER. And was not the further question asked, that if they had just been requested to pay it, whether he would do it; and my recollection is that the gentleman made it plain that if the money was there and they had requested him to pay it, he would have paid it; but, on the bald statement as to whether he would transact their business on credit, or something like that, or whether or not he would have extended them credit at all, he declined to answer. I am just giving the gist of it, and I ask the gentleman from Kentucky if I am not correct.

Mr. VINSON of Kentucky. After the gentleman from Illinois [Mr. CHINDBLOM] had come to his rescue and suggested the question of privilege.

Mr. COLLIER. Well, I am just stating the facts as they appear, because there was so much talk. There were statements made before the committee to the effect that these Governments were ready and willing to pay, and that we, notwithstanding the distressed condition of this country, were turning down those requests. I say to you, my friends, that this committee has acted diligently. We have summoned the Secretary of State before us twice on this matter. We have diligently made every inquiry that it was possible to make in order to avoid any criticism that we were trying to rush or hasten this matter through. Any statement made by anyone that those Governments were ready to pay or that any one of those Governments was ready and willing and prepared to pay its installment on December 15 was not substantiated, for after careful and diligent inquiry there is not found one word of corroboration in the hearings before this committee.

Mr. RANKIN. Will the gentleman yield?

Mr. COLLIER. I yield.

Mr. RANKIN. As a matter of fact, did we not show before the committee a statement appearing on the front page of the Washington Post to the effect that the British ambassador, the French ambassador, and the Italian ambassador had all announced that they were ready to make those payments on the 15th? Was that not shown to the committee?

Mr. COLLIER. There was an article from a newspaper read to the committee.

Mr. RANKIN. Yes, sir; and it was on the front page of the Washington Post.

Mr. COLLIER. On yesterday, on the front page of the United States Daily, appeared a great speech made by a good Mississippian, and it is called a speech made by Mr. COLLIER, but it was made by the gentleman from my own State [Mr. RANKIN]. So the gentleman can not rely on everything he sees in the newspapers.

Mr. RANKIN. Let me further ask the gentleman whether or not any inquiry was made of the French Embassy, the Italian Embassy, or the British Embassy as to whether or not those statements were correct?

Mr. COLLIER. The statement was made that this money was paid into the hands of the fiscal agents. We went to the banking firm to whom they said the money was paid and their representative said it had not been paid. What more could we do?

Mr. RANKIN. I was the Member of the House who asked those questions. When I asked him if as fiscal agent of those countries the house of J. P. Morgan & Co. had been requested to make those payments to the Government on December 15, under the circumstances, he would have paid it, he declined to answer.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. COLLIER. I yield.

Mr. VINSON of Kentucky. Regardless of whether they had paid this money to their fiscal agents, I would like to have the gentleman tell the House whether or not there is a syllable in this record that was offered to our committee to indicate that either England, France, or Italy was unable to pay or had expressed any desire for an extension of time.

Mr. COLLIER. I do not know that there was. I would say that as far as I know and as far as the record shows and as far as we could find out by diligent inquiry, by having the Under Secretary of the Treasury before us three or four times, by having the Secretary of State there in person several times, by putting newspaper reporters on the witness stand, by sending to New York for the members of the firm to whom this newspaper reporter said they had paid the money; I say, after all that diligent inquiry we have not found one scintilla of evidence to show that those Governments were ready to pay.

When the gentleman asks if the great country of England would not pay, I am not going to stand upon this floor and say that Great Britain, with its immense possessions, with its wonderful resources, if we had demanded the pound of flesh, would not have been ready to pay. I am not going to make that statement. [Applause.] Nor will I make that statement of France, nor will I make that statement of any of them. We have had confidential communications, not of a nature that some may fear—to try to hide anything—but confidential communications. I am a Democrat. We had a Republican Secretary of State and a Republican Under Secretary of the Treasury before us, and I make the statement, after having been on this committee for 18 years, I never saw more or franker statements than were made by those two gentlemen. They answered every question that was asked them. We have our troubles here; we have our own banks failing. Several of them failed in my State recently. We have terribly distressing conditions here, and there are terrible conditions abroad. It is a terrible situation for a bank in a local community to fail. It causes suffering and sorrow and distress. It causes more suffering and more sorrow and more distress when a large bank in a large community fails. Our hearts go out in sympathy to those depositors who have lost their earnings; but, my friends, visualize if you can when these banks fail that many of them have been reopened. The strong arm of our Government has stepped in and they have done what they could to reopen them. There is behind us the Federal reserve bank with its millions of reserves; but, visualize this, now: Suppose our great Federal reserve system were to topple and fall, what condition then would every bank in America be in?

It was the failure of Austria's reserve system, if I might call it that name, which precipitated the crisis in both Austria and Germany; and it was the collapse of the German Reichsbank, which corresponds to our Federal reserve system, that was sought to be averted by the offer of this debt postponement.

Think you, my friends, that if any great cataclysm had occurred over there—notwithstanding the fact that we are over 3,000 miles away—it would not have been reflected over here? The committee did not believe that in this time of universal distress, when that great nation was on the verge of financial collapse, when its financial structure was about to fall, and in its fall bring down with it neighboring countries—the committee did not feel justified in saying that at that time we would exact the pound of flesh from any nation in Europe or elsewhere. [Applause.] Does that answer the gentleman?

Mr. VINSON of Kentucky. I am waiting for an answer.

Mr. COLLIER. What was the gentleman's question?

Mr. VINSON of Kentucky. The question was: Was there any testimony before the committee that they were not able to pay or that they had any desire not to pay?

Mr. COLLIER. I will answer that in this way: The debt was due on December 15. When the gentleman from Kentucky or myself or any other Member of this House has a note in bank which he is unable to pay, he goes to the bank and tells them he can not pay. However, I will say this: That if we had insisted, I believe England would have paid. I think that answers the question.

Mr. VINSON of Kentucky. I will ask the gentleman from Mississippi if there is any proof in this record or any testimony that England, France, or Italy sought the edict or mandate of the President on June 20 declaring this moratorium?

Mr. COLLIER. This is an American proposal.

Mr. VINSON of Kentucky. The gentleman bases his statement on the letter from Hindenburg and the President's message, but there is no proof that any of the other nations affected sought the moratorium.

Mr. COLLIER. But there is proof that when the moratorium was offered they eagerly accepted it. Whether it was right or whether it was wrong, it was an earnest effort to stabilize the credit of the world in order that we ourselves should not be dragged down, and I want to make this assertion: That there is testimony to the effect and there is evidence of a certain nature—because some things can not be certain—that this moratorium, when it was offered, prevented the collapse which was impending. At that time it was evident that within three or four days there would be a general cessation of payments in that great country of both private and public debts. It gave those countries a chance to breathe. It is like giving a stimulant to a failing heart. It may not effect a cure, but it revives the patient and gives him a chance to breathe and get on his feet again. [Applause.] I think it did good, and the immediate result was a rise in the prices of commodities. Cotton went up $5 a bale.

Mr. HAWLEY, Mr. VINSON of Kentucky, and Mr. MAY rose.

The CHAIRMAN. Will the gentleman from Mississippi suspend in order to permit the Chair to make a statement with reference to the order of procedure? Just before the gentleman from Mississippi finished his last statement there were three Members on the floor seeking to interrupt the gentleman at the same time. The rule of the House and the committee requires that when a gentleman desires to interrupt a speaker he shall first address the Chair and secure the permission of the Speaker or the chairman before he can interrupt the speaker. I hope members of the committee, in order to carry out orderly procedure, will remember that rule.

Mr. HAWLEY. Will the gentleman yield to me?

Mr. COLLIER. I yield to my colleague.

Mr. HAWLEY. The fact that these nations signed this agreement and that they have not collected anything from their debtors since July 31 of this year is an indication that they expected this agreement to go through and an implied request on their part that they should not be required to pay.

Mr. COLLIER. I think it could be so considered. They entered into the agreement, and the main purpose was an earnest endeavor on the part of sovereign countries to prevent the further withdrawal of gold from Germany. Germany had gotten into the habit of doing a great part of its business on short-term loans, and when this lack of confidence occurred it was extremely difficult to renew those short-term loans. When the gentleman wants to know who first made the proposal I will answer him by saying the United States itself, and the fact is that the countries he has mentioned eagerly entered into the agreement.

Mr. MAY. Will the gentleman yield to me?

Mr. COLLIER. I yield.

Mr. MAY. I merely want to ask this question, and in asking it I want to say it is not for the purpose of heckling the speaker but for information. When I came to this Congress I came here favorably inclined toward this proposal. The question has been discussed among Members of this House in my presence and it has been repeated that there was absolutely no request from some of the governments, to begin with, for the extension of this time. I want to ask the gentleman from Mississippi whether or not there is anything in the proceedings or hearings before the committee as to who did initiate this proposal?

Mr. COLLIER. I think I can answer the gentleman very definitely. It was initiated by the President of the United States and I do not think there were any other requests, and it was initiated by the President of the United States because of information received through agencies of this country abroad. It was not only on the 20th of June but for six weeks back that the administration had knowledge, through our agencies abroad, of what was going on. As to whether any of the other countries asked for it there is no evidence in the hearings and I do not think that is material to this issue.

Mr. COX. Will the gentleman yield?

Mr. COLLIER. Yes.

Mr. COX. Referring to the question originally propounded by the gentleman from Kentucky, a member of your committee, did it not appear that all of the other powers had agreed upon this proposal and that therefore an inquiry into the ability of the other governments to pay did not appear to be pertinent to the issue that was before the committee?

Mr. COLLIER. Absolutely. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has consumed 47 minutes.

Mr. COLLIER. I will take only three minutes more.

Mr. ESLICK. Will the gentleman yield?

Mr. COLLIER. Yes.

Mr. ESLICK. Is it not true that this postponement agreement applies to several countries to whom Germany is in no way indebted?

Mr. COLLIER. Yes. However, I do not think that has anything to do with it.

Mr. ESLICK. But the moratorium applies to nations which are in no way dependent upon Germany.

Mr. COLLIER. Absolutely. Now, I have only two minutes more and I have talked longer than I intended.

I want to say, in conclusion, I believe this is a matter that is nonpartisan. I believe it is an earnest effort to try to get the country out of the depressing condition it is now in. There have been a great many hints and innuendoes about secret things done here and there. The committee has gone to the bottom of them, and in no instance has any one of these hints or charges been sustained. [Applause.]

Speaking for myself, I believe this is a matter that far transcends any question of partisanship. I made this statement some time ago, and I am willing to repeat it now: Whenever the President of the United States, though I belong to an opposite party, brings in a matter which I believe is for the best interests of the American people I am going to support it and stand by it regardless of whence it comes. [Applause.]

I certainly intend no disrespect to the distinguished gentlemen who are opposing this resolution, because I have the highest personal regard for them, and I have the highest opinion of their ability, and I certainly mean no disrespect to them when I say it strikes me, my friends, there are two ways of looking at this question, and two ways only. To paraphrase an old poem:

To every man and nation sometimes comes the moment to decide
In the strife for better government to take the big or little side.

To-day, my friends, in conclusion, I am going to take what I believe to be the big side. I intend to support the resolution. [Applause.]

I reserve the remainder of my time, Mr. Chairman.

Mr. SANDERS of Texas. Mr. Chairman and gentlemen of the committee, this is not a partisan matter and I am not going to discuss it in the light of partisanship. I want to say that I am not the keeper of the conscience or the judgment of any man on this floor, but I say to you, frankly, that rising above partisanship it is my humble conviction that every Member of the Congress ought to cast his vote on this important matter for the good of his country and not to help or to hinder any political party.

My friend the gentleman from Mississippi [Mr. COLLIER], chairman of the committee, made a very good speech in a way. His speech reminded me of a negro down in Texas who was preaching a sermon, and said: "Brothers and sisters, my sermon to-day will be divided into three parts. The first part you will understand and I won't understand; the second part I will understand and you won't understand; and the third part neither of us will understand." [Laughter.]

The parallel ceases in that the gentleman's speech was not divided into three parts, as Gaul was, but was divided into two parts. The first part was on their side of the question and the second part was on our side of the question. There can not be any doubt about that to those of you who followed the gentleman.

My friends, this is a nonpartisan matter. I am going to ask now, and I am going to pause for an answer, because I am going to deal fairly with you—I want every Member in this House to-day who has read the hearings on this bill to hold up his hand. I want somebody to check on me. I want it to go in the RECORD that when I made this request not a single hand went up; and I want to say to you, following that, my friends, that any man who will vote for this proposition without having read the hearings on this resolution has but one parallel in all the history of the world, and that was when the blessed Master said, "I have not seen such great faith; no, not in Israel."

Mr. SIMMONS. Will the gentleman yield?

Mr. SANDERS of Texas. Yes.

Mr. SIMMONS. A statement like the one the gentleman just made was severely denounced as demagogic a few days ago from the gentleman's own side. We are here on the floor of the House trying to listen to the debate and so far as I know the hearings have only been available to the membership of the House since noon. Let us be fair to the membership of the House. That statement, I think, is absolutely unfair, Mr. Chairman.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. SANDERS of Texas. Yes.

Mr. VINSON of Kentucky. As a matter of fact, for the information of the gentleman from Nebraska [Mr. SIMMONS] the hearings are not available at this time. There is one pamphlet available, but the testimony before the committee has not been printed and made available.

Mr. SIMMONS. Will the gentleman yield?

Mr. SANDERS of Texas. Sit down. I do not yield further. I want to say that when this resolution was brought up here we were limited to four hours. If they will

"unlax" themselves and stay in session to-morrow and Monday and Tuesday, as they ought to do, and give me the five hours I requested, then I will yield to the gentleman or to anybody else, but until that time comes, I do not want anyone else to interrupt me.

I say to you now another thing—not a hand went up indicating that you have read the hearings. I want to say this to you, gentlemen, I am opposed to this resolution, but if any man in the Congress of the United States, in this Hall or out of this Hall will show me where there is one syllable of evidence produced before the committee to the effect that the nations mentioned in this resolution ever asked for this extension and that they are not able to pay, I will vote for it. Now, put up or shut up. You can not do it. The fact of the matter is that this whole thing was not inspired, spontaneously, overnight.

I have here a clipping from the Washington Herald where they talk about the President of the United States. Reading here in the Herald—and I dare any man to deny it—the text is "the bankers' proposal."

When did this thing occur? I have to hit this thing only in the high spots, because I am going to be generous to gentlemen who oppose this in giving them time.

Here is the Washington Herald of December 17, 1931, where Mr. Hearst publishes a letter from Bache, in which he says that he had a memorandum of some views in regard to the German reparations.

When was that? October 21, 1930. He says that an extensive campaign would be necessary in this country.

Campaign! That is what it is, a campaign by international bankers, and every time a Member of the House votes for a moratorium you are increasing the tax on every husband, wife, and child in your district, and your people are going to hold you accountable.

On one occasion a man was driving cattle along the road. There was a young calf on wobbly legs that strayed from its mother and ran down the road. The old man ran after him but failed to catch him. The old man threw his hat down and said, "Go it, you darn fool, but you are going to be sorry when supper time comes."

The membership of the House are going to find out, when they go back to their districts and meet the farmer. He will say, "Well, I see you granted a moratorium for Germany." "Yes. How are you getting along?" The farmer will say, "The land bank closed me out and my wife and children are out." I want to say to you that you can not afford to do it.

Now, listen to this. The article goes on to say with a view that an intensive campaign will be necessary in this country in order to influence the Washington atmosphere and educate the man in the street.

I have tried cases in court, and I think I know how to judge the testimony of witnesses.

Mr. Bache says he had no such idea in his mind. Why did he utter it? A man can not utter a thing that is not in his mind. That was in his heart, to create an atmosphere in Washington. Mr. Hearst in the letter absolutely comes out and repudiates it and refuses to do it.

Now, if any man will show me in the hearings one syllable of testimony that any nation mentioned in the resolution has testified that it is not able to pay or that it took the initiative in this matter, I will quit speaking and vote for your resolution.

You can not do it. I say to you frankly, as a practitioner at the bar for many years, that if this case was brought into a civil court on the testimony you have here, it would terminate in an instructed verdict for the defendant. If I were representing the defendant, I would get up and move the testimony of the plaintiff was not sufficient, that he had not made out a case, and the court would give me an instructed verdict, and it would not be disturbed by any higher court in any State in the United States, and you know it. I defy you to show the evidence. Not only that, but take the speech of the gentleman from Mississippi [Mr. COLLIER].

The first part of it was a reiteration of the speech of Ogden Mills. I have a very high regard for Mr. Ogden Mills. We always compliment the boy who comes up from poverty and is successful, but I say that the boy who comes from riches and applies himself is also worthy of compliment. He is one of the brightest men in the United States. But take his testimony as a whole and read it, and you will see that it is nothing but a great oratorical display about the conditions that existed in Germany in June, 1931. All of the testimony is to that effect. There is no testimony about the conditions now. As Sam Jones, the great Georgia evangelist, said, "I am not talking about the sweet bye and bye, but I am talking about the nasty now and now." Why can not we have testimony as to the condition of these nations and their ability to pay at this time?

Mr. JONES. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Texas. Yes.

Mr. JONES. I notice a statement in the minority report that France did not accede to the proposition unconditionally; that she got some advantage. Just how much did that amount to?

Mr. SANDERS of Texas. I would be very glad to answer that question, but I am going to leave it to the gentleman from Kentucky [Mr. VINSON] when he makes his speech. I have other matters on my mind and I must hurry along. We worked in my office last night until the hands of the clock reached 12, because they said that we must get this report in. Oh, yes; the world would come to an end if we did not ratify this, and yet every man in the House knows that the Senate of the United States will not act upon it before the holidays. You know that you are wasting time in rushing here and not giving the Members an opportunity to read the hearings and inform themselves on the issues involved in this matter. [Applause.]

Let us go out of the hearings because you have to get out of them in order to get the testimony. I say to you frankly that in all my practice of law in this country, and in my service in Congress, I never saw such a side-stepping by witness in all my life. They brought forth here a representative of J. P. Morgan & Co. When he came before our committee he stood up in this way like a minister going to perform a marriage ceremony. We asked him a few questions, and he dodged them. It reminded me of a crazy man who said to an audience, "I am going to show you that I am a great artist, and here is my great painting." He held up a blank page. He said that this was a picture of the Children of Israel Crossing the Red Sea as they were being pursued by Pharoah. Someone in the audience said, "Where are the Children of Israel?" He replied that they had crossed over and were on the other side. Then the man said, "Where is the Red Sea?" The crazy man replied, "It has been driven back." The next question was, "Where is Pharaoh?" and the artist replied, "Why, he has not come in sight." [Laughter.] That is absolutely a comparison as to the testimony that that man rendered.

I voted against every debt settlement that has been made in this country. The Washington News says in its issue of the 12th instant:

> As a matter of fact we have already canceled the debts from 25 to 80 cents on the dollar, a total cancellation of about $7,000,000,000. That $7,000,000,000 does not grow on trees; it has to be paid by the hard-pressed American taxpayers, by the mortgage-ridden farmer and the wage-cut worker and the near-bankrupt business man.
>
> When the American taxpayer consented to take that $7,000,000,000 loaf off the European taxpayer, he assumed that the European taxpayer was too poor to pay for luxuries in the form of giant navies and armies. But since that debt cancellation, Europe has gone on spending more on armaments. Those European armaments in effect are being paid for by the American taxpayer. And in the case of Great Britain, the American taxpayer is not only paying for a large British Navy but in turn is paying more for an American Navy to compete with that larger British Navy.

If those nations over there want to spend their money for war purposes, they are not going to get any help from the United States. The fact is that they have expended practically two billions of dollars in the last year for that pur-

pose. Do you know how much money that is? We get lost in figures.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Texas. Yes; I yield.

Mr. RANKIN. I don't want to take up the gentleman's time, but on the point of Germany's ability to pay, on the front page of the Washington Post this morning there is an Associated Press dispatch from Basel, Switzerland, in which it is stated that Germany has increased her budgetary expenses, and that means her yearly expense, by the sum of $925,000,000, between 1926 and 1929. It is stated that $375,000,000 of this amount resulted from increases in salaries, $175,000,000 for various purposes, and $250,000,000 for unemployment insurance. That is what is called a dole. That means Germany has increased those expenses $800,000,000, of which the American people were never informed until this morning.

Mr. SANDERS of Texas. Very well. I have to hurry along. I hope nobody else interrupts me. That again reminds me of the fellow in Texas who was driving an unruly pair of work oxen down a sandy road. One of them laid down on the ground. He could not get him to start, but finally he got him up by some persuasive means and he got him to make a lunge. When he did that he stopped. Finally the man just walked around and caught the ears of the oxen and he jammed their heads together and said, "Durn you, I have got more sense than both of you."

When the war was over, Germany started in to win by diplomacy what they had lost in war, and I have here a clipping from a reputable newspaper man in this country—and newspaper men know their onions—who said that over in Germany the budget was doctored up in order to make it appear that they were downtrodden and hard pressed. I would like to talk longer, but time is running fast. I have many things that I would like to mention, but I must be liberal with those who are dependent upon me for time. I call attention to the fact that on page 8 of our report we set out the amount of money that these nations have been spending.

Remember, they are able to spend that for armaments. They are able to spend that for war. They are able to do that in times of peace, but they are not able to pay the United States, according to the President, the amount of money herein mentioned.

This resolution was introduced on the 14th of this month. We have had only three days' hearings. I say to you that the President of the United States was not acting in good faith when he did it. I say to you that when he sent that wire to the Members of Congress, he had already acted. I received one of them. This is what he said: "I consulted the leaders." In other words, I suppose you just feed out of their hands. He is mistaken in the temper of the American people. Every man in this Congress who is feeding out of some leader's hand is degrading himself. I am like Andy Gump, "I wear no man's collar," and I am thinking for myself.

The President of the United States sent that wire down there. It was a cheapening of his dignity; it was a lowering of the great dignity of the office of the President of the United States, and his sympathies have been more for the other countries than for this country. I had in my mail this morning a paper showing the voters over there in Great Britain, and in that was Mr. Hoover, stating his address Red House, Campden Hill, when he was an elector over there. Red House, I understand, is situated in Horton Street, Kensington, but comes under Campden Hill for voting purposes. I am not trying to vent any spleen against Mr. Hoover, because I always dislike to jump on the fellow that is down and out, and he seems to be, but I am talking to you about the facts that present themselves to me as an American citizen and as a Congressman to vote my conviction.

When you pass this moratorium you are increasing the tax burden on the men, women, and children of your districts. It is right in here—$2 for each one. When you go back home, if you want to vote for this, I will tell you "good-by" finally when the session adjourns, and I hope at some future date you will reform and come back, but you can not go out and defend it. You are raising the tax burdens of this country, which we are going to have to increase in this Congress, when the Treasury of the United States is $2,000,000,000 in the red.

My friends, I appeal to you as a patriotic duty to consider all the evidence in this matter and cast your vote for the good of your country. The international bankers may conspire, the President may disappoint, but truth will march ever onward, sovereign and undying. [Applause.]

The President's message to this Congress has been interpreted by the best thinkers and writers of this country as a move for the further reductions and final cancellation of the war debts. If the President did not have that in mind, why did he propose the revival of the War Debt Commission? The Hon. Claude G. Bowers, in a recent issue of the Washington Times, in a very able article headed, "America, Pack Horse for World War Debts," says:

> We do not know to what extent or if, indeed, at all, the President, in his secret conversation with the representatives of England, France, and Italy, has compromised the American position on the debts. The position of France and all other nations owing us billions is that they will reduce the reparations in proportion as we reduce our debts. That does not take a penny out of the pockets of those nations; it takes all the money out of the pocket of the American people.

In another very able article in a different issue of the same paper, Mr. Bowers says:

> Anyone reading the message and unfamiliar with the purpose of these presidential communications would imagine that he was reporting "not on the state of the Union," so much as on the conditions of Europe. This disposition to stand in the midst of the wreckage wrought by the economic stupidity and the deceptive inflations of the market, to which this and a previous administration consciously and deliberately contributed mightily, and look across the sea has come to be an obsession of the administration. Why this harping about depression elsewhere? Hasn't the administration yet discovered any desperate depression here at home?

Continuing, Mr. Bowers says:

> It is going to take some time to balance our own Budget; and it will be longer before we again smugly and sternly call on Europe to balance hers. Certainly we are in no condition to play the benefactor of mankind by taking over the debts of other nations and paying them out of the pockets of our own people.
>
> There is not a scintilla of doubt that the administration, in its policies and through its conversations with the debtor nations, is moving toward further reductions or, what it amounts to in the end, the transfer of the debts of other nations to the taxpayers of this country This plan, ready or in the making, is to be imposed upon us because our bankers have made extravagant private loans in Europe which can not be readily liquidated if the people in the nations where the loans were placed are to be taxed to repay what they borrowed from the American Government. The "butcher, the baker, the candlestick maker" are to be taxed to pay the debts of foreign governments so that the private loans may be paid at good interest to the American banker.
>
> The London News-Chronicle, commenting on the revelations on American conditions in the President's message, concludes that "the United States is a very sick country," and the London Morning Telegraph says: "President Hoover unfolded a melancholy story, showing that the Federal Treasury is in a far worse position than the British Exchequer."

I conclude, Mr. Speaker, by submitting the minority report, which is a clear statement of this entire matter:

CONSTITUTION IGNORED

The President of the United States did not have the constitutional right to take the action which he did in June of this year with respect to the moratorium. Under the Constitution of the United States, this was a matter to be determined by Congress in session, with proper communication thereon by the President of the United States, together with full facts of existent circumstances. The President did not regard this matter of sufficient moment to call Congress into special session to consider same.

The conclusion of the President was reached after several weeks of investigation and consideration. No reason has been shown to excuse the usual constitutional procedure for the consideration of a matter of this importance.

NO NECESSITY FOR MORATORIUM

The necessity for the deferring of the payments of the intergovernmental debts to the United States by the 16 foreign powers affected by this resolution was not proven to the satisfaction of those subscribing to this minority report.

The selfsame arguments heard upon the consideration of the debt settlements advocated by the administration were heard anew. Generalities in respect of the financial structure of Germany were given voice. Germany was said to be unable to pay her

reparations to seven or eight of these foreign countries affected by this measure. The other seven or eight countries affected by this resolution do not receive any sum from Germany in reparations (the names of these nations are not set forth herein because of the fact that the hearings in which they were to be inserted are not available to us at this time).

Thus, this resolution would defer the payment of moneys to this country from seven or eight nations for value received even though nothing is payable to them from Germany.

Germany is the nation to be helped. The sum of $6,000,000 is the only sum due by Germany to this country. No one even suggested that England, France, and Italy were not ready, willing, and able to pay their obligations to us on the due date. These three countries would pay to us during the fiscal year 1932 the sum of $224,227,125. The total amount of the payments deferred, including Germany's $6,000,000, is $252,566,803. Upon Thursday, December 10, 1931, Mr. Chamberlain, Chancellor of the Exchequer, is reported to have assured the House of Commons that all British foreign obligations could be and would be met.

No evidence was adduced before us that any of the foreign nations affected were financially unable and unwilling to make these payments. On the other hand, the nations affected by this resolution expended approximately $2,000,000,000 for armaments and war preparations within the last fiscal year.

We quote from the New York Times dated Sunday, August 2, 1931:

What nations spend on arms

[Expenditures for the last fiscal year, figured at rounded par or in a few cases at the average of exchange, as compiled by the World Peace Foundation from the forthcoming League of Nations Armaments Year Book]

Austria	$14,507,320
Belgium	33,303,200
Czechoslovakia	51,189,000
Estonia	5,520,000
Finland	16,457,500
France	466,960,000
Germany	171,923,040
British Empire	726,731,065
Greece	21,340,800
Hungary	20,200,000
Italy	248,946,500
Latvia	7,860,000
Lithuania	5,680,000
Poland	92,072,000
Rumania	53,647,200
Yugoslavia	50,458,000
Total	1,986,799,625

It is very interesting to note that when the sums so expended within one year by the British Empire, France, and Italy on arms are segregated from this list, the total makes the startling sum of $1,424,637,565. It is peculiarly pertinent when we again remind the House that these three nations would only pay within the present fiscal year the sum of $224,227,125 upon their indebtedness to us.

THE PRESIDENTIAL ACTION WAS A STEP TOWARD FURTHER CONCESSION TO FOREIGN DEBTORS

This is a forerunner and a curtain raiser to debt cancellation or another moratorium. Be not deceived. Read the President's message. Read this resolution and read the hearings.

The President in his message to the present Congress recommended the re-creation of the World War Debt Commission.

Mr. Mellon, Secretary of the Treasury, in what is reported to be a statement clarifying President Hoover's recommendations to Congress, on December 11, gave forth a public statement which is quoted in full as follows:

MR. MELLON DEFINES NATION'S POSITION ON DEBT CANCELLATION

"There should be no misinterpretation as to the administration's recommendations to Congress relating to the debts due us from foreign governments and the re-creation of the World War Foreign Debt Commission. The administration is opposed to cancellation. No recommendation made carries any such implication.

"It is, however, the duty of those in authority to deal with realities, and there is no escaping the fact that some of our debtors can not meet in full the payments due us until there has been a substantial measure of economic recovery and that the position of others is so changed as to call for consideration of their present situation in the light of existing circumstances.

"Our debt settlements were effected on the basis of the capacity of the debtors to pay. As the President said in his statement of June 20, 'As the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world.'

"Take the case of Great Britain, our best customer, which even in the depression year 1930 took $678,000,000 worth of American agricultural and industrial products. The economic and financial changes of the past year have immensely increased the value of her payments to us. The series of events through which Great Britain was forced off the gold standard are too recent to require enumeration.

"To-day the pound sterling is selling at $3.315 to the pound, which is a 32 per cent discount as compared with last year when it stood at tariff parity or $4.866. All debts to Great Britain from foreign governments, except reparation payments, which are not being collected at all this year, and are not likely to be collected in full next year, are payable in sterling. Her debt to us is payable in gold dollars. The combined effect of these unfavorable factors results in an enormously increased burden for the people of Great Britain.

"Payments during the present fiscal year will serve to exemplify the magnitude of the additional burden.

"With the pound sterling at par, the British Treasury needs 32,800,000 pounds in order to pay us $159,500,000. With the pound sterling at the rate at which it sold on December 10, 1931, it would take 48,100,000 pounds or an increase of 15,300,000 pounds, or 47 per cent. Or in other words, the burden on the British taxpayers is increased by almost one-half.

"When the British debt settlement was made it was estimated that its present value at 4½ per cent was 80 per cent of the total amount due prior to funding. If the amount to be raised in pound sterling to meet the obligation to us in dollars is increased by 47 per cent, it becomes apparent that from the standpoint of the British taxpayer he is asked to meet not the obligation as established by our debt commission but an amount considerably in excess of such obligation.

"Nothing could more forcibly illustrate the changed situation which places on the executive as well as the legislative branch of Government the duty of reexamining the obligations of our debtors and their ability to meet them during a period of world-wide economic depression.

"Does anyone believe that Austria or Hungary should be asked to pay the installments due from them in view of the extraordinarily straitened circumstances in which the people of those two countries find themselves and great difficulty which they experience in obtaining foreign exchange for the purpose of carrying on even the minimum of effectual commerce with the rest of the world?

"Does anyone believe that Germany should be asked by the United States Government to meet her payments on the costs of the army of occupation when such a demand by us must be inevitably followed by demands of other creditors to pay her reparations in full?

"These instances should suffice to demonstrate that to stand on the letter of our bond and to refuse to investigate or to consider the facts is to fail in our responsibility to the American people whom we represent and to the debtors whose capacity to pay we ourselves undertook to determine.

"What intelligent business man or banker would blindly refuse to investigate or to consider the altered circumstances of a debtor whose unsecured obligation he held? The situation of our debtors has been immensely altered during the course of the last two years. New questions in relation to these debts are bound to arise in the course of the next few months. The Congress should be in a position through a commission created by it and composed in part of its own Members to ascertain what the facts actually are and to deal with these new problems as they arise.

"It is with such thoughts as these in mind that the President recommended the re-creation of the World War Foreign Debt Commission. I am confident that upon mature consideration this recommendation will commend itself to the Congress."

The administration bill was introduced by Mr. COLLIER, chairman of the Ways and Means Committee, by request of the Treasury. This is the formal way of presenting the views of the Executive without in any manner binding the gentleman who would introduce it. It was the bill upon which the hearings were held. It is House Joint Resolution No. 123. We print it in full as follows:

[H. J. Res. 123, Seventy-second Congress, first session]

Joint resolution to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933

"*Resolved etc.*, That in the case of each of the following countries: Austria, Belgium, Czechoslovakia, Estonia, Finland, France, Germany, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, and Yugoslavia, the Secretary of the Treasury, with the approval of the President, is authorized to make, on behalf of the United States, an agreement with the government of such country to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such country to the United States in respect of its bonded indebtedness to the United States, except that in the case of Germany the agreement shall relate only to amounts payable by Germany to the United States during such fiscal year in respect of the costs of the Army of Occupation.

"SEC. 2. Each such agreement on behalf of the United States shall provide for the payment of the postponed amounts, with interest at the rate of 4 per cent per annum beginning July 1, 1933, in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and one during each of the 9 fiscal years following, each annuity to be payable in one or more installments.

"SEC. 3. No such agreement shall be made with the government of any country unless it appears to the satisfaction of the President that such government has made, or has given satisfactory assurances of willingness and readiness to make, with the government of each of the other countries indebted to such country in respect of war, relief, or reparation debts, an agreement in respect of such debt substantially similar to the agreement authorized by

this joint resolution to be made with the government of such creditor country on behalf of the United States.

"SEC. 4. Each agreement authorized by this joint resolution shall be made so that payments of annuities under such agreement shall, unless otherwise provided in the agreement (1) be in accordance with the provisions contained in the agreement made with the government of such country under which the payment to be postponed is payable, and (2) be subject to the same terms and conditions as payments under such original agreement."

It will be noted that what appears as section 5 in the resolution under discussion (probably) was not included in the administration measure.

This section reads as follows:

"SEC. 5. It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying favorable consideration at any time to a change in the policy hereby declared."

It may be that, with the knowledge of the sentiment in Congress and throughout the country against favoring foreign nations over our own country, the administration at this late date decides that moratoriums, debt reductions, and debt cancellations, at the expense of the American taxpayer are not particularly popular. In any event, Congress is given the opportunity to give expression to its policy in this regard. We heartily concur in this amendment to the administration bill.

THE TIME ELEMENT

It was stated to us that the President reached his conclusion to initiate the moratorium on the 17th or 18th of June, 1931. His statement relative thereto was given publication on June 20, 1931. The wires to the Members receiving them were dated June 23, 1931. As we have noted, more than five and one-half months elapsed before Congress convened. No special session was called to consider this measure. Congress assembled Monday, December 7, 1931, and the Democratic members of the Ways and Means Committee were duly elected on that date. The administration measure was forwarded to Chairman COLLIER and immediately introduced by him on Monday, December 14. The hearings begun on the 15th were had in the mornings and afternoons of the 15th, 16th, and 17th. The bill was reported out, introduced in the House a few minutes before its adjournment on this date, December 17. It will be printed to-night and will be made available with the reports thereon to the Members to-morrow.

The hearings, while not so extensive in the testimony of the witnesses appearing before the committee, are not available at this time to the members of the committee nor to the Members of the House. There were considerable references made to documentary evidence which was agreed to be filed as a part of the evidence in support of this measure. These were not made available to the committee, and we are completely at a loss to know their contents.

We are in hearty accord with the dispatch of business. We have no criticism whatever of the manner in which the distinguished chairman of this committee has conducted the hearings, but we do submit that the membership of the committee should have had time to read the evidence and the documents called for by the evidence before preparing the reports, and the membership of the House should have had the opportunity to read the record and to digest it before being called on to vote on this momentous question.

CHANGE IN TERMS OF PROPOSAL

The final agreement reached on July 6, 1931, differed materially from that announced by President Hoover on June 20, 1931.

The initial proposal of the President, concerning which he sought the position of Members of Congress subsequent to the time when he had reached his conclusion, provided "postponement for one year of all intergovernmental debts."

It is patent that the postponement sought in this legislation is not for one year. It is true that the legislation treats of the payment of the debts for a 1-year period, but this deferred payment is strung out over a period of 10 years. It was admitted by the spokesman for the administration, Mr. Mills, that the President did not have in mind on June 20, 1931, the payment over a 10-year period of the indebtedness due for this fiscal year.

Further, as evidenced by the above quotation, the postponement was to be "of all intergovernmental debts." In the agreement finally reached, France refused to accede to that proposal. All unconditional reparations due France from Germany are to be paid. There can be no doubt but that such condition is a deviation from the President's proposal. France is given a decided advantage in this respect.

In conclusion we desire to call the attention of the Members of the House to the fact that our revenues amount to only about one-half the amount of the expenditures of the Government; that we have a large deficit and it is growing by leaps and bounds and to withhold the collection of this $252,000,000 means that it must be raised in taxation from the people of the United States, amounting to more than $2 for every man, woman, and child in the United States. We commend the equitable maxim known to every lawyer—we should be just to the American people before we are generous to the peoples of Europe.

Mr. SANDERS of Texas. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. VINSON] 30 minutes.

Mr. VINSON of Kentucky. Mr. Chairman, ladies and gentlemen of the House, I regret to occupy my present position. It is always a matter of regret for me to part company with my friends of the Ways and Means Committee, to which I have so recently been elected. However, this is a nonpolitical measure. Our conclusions upon it should be solely directed by our judgment and our conscience. I made every honest effort within my being to support this resolution.

I recognized the position I occupied on the committee, being the youngest member on the committee in point of service, and I tried to go along. But the record was made up, when the testimony of the witnesses was heard, when the case went to the committee as a jury to be determined by them. I could not support it. I state my position here and now, without criticism of any gentleman on the committee or any other member for their conclusions. I just could not support it.

In the first place, in my opinion the constitutional procedure was not followed by the distinguished gentleman who is the President of our country. It was said by the distinguished chairman of the Committee on Ways and Means that President Hoover initiated this proposition. I doubt that such really happened. Germany and men whose private interests were at stake initiated it. It was current conversation for months prior to Mr. Hoover considering it in May, 1931. The intensive study of it by our Government was said to have begun in May, 1931. The President had six weeks before reaching his conclusion on June 20, in which he could have called into extra session the Seventy-second Congress. When it suited his purpose he had called into extra session another Congress, the Seventy-first. He did not choose this constitutional course.

It is very, very strange, my friends, that his formal statement, or declaration, to the world happened to be issued on the same day that President von Hindenburg cabled the President of the United States. It seems that cable was timed to a nicety. The President reached his conclusion without the assistance of the Congress of the United States.

I know that in these latter days some say, "What is the Constitution between friends?" But it is a grave danger for men who claim friendship for the Constitution to ignore it for any reason. Congress should have been called into extra session. This matter could have been considered by Congress in the same time it has now taken. If such great hurry was required to pass the bill, certainly it could have been done in short shift in an extra session and a delay of almost six months avoided.

I have no criticism to offer for that lovable, genial gentleman who has rendered distinguished service as chairman of the Committee on Ways and Means [Mr. COLLIER]. He is my good friend. I love and esteem him for his worth. But there were some things that happened in that committee hearing that I think you ought to know about. It is my purpose to tell you some of them.

When Mr. Horan, a reporter, was haled before the committee, information was sought of him as to the source of his information that 9 or 11 foreign countries had made deposits with their fiscal agents in this country with which to pay the moneys due December 15, 1931. He stated that the ethics of his profession would not permit him to speak. When Mr. Davison, the representative of J. P. Morgan & Co., appeared and Congressman RANKIN queried him, Mr. Davison took refuge behind the privilege of a banker and client. That was a new privilege to me. When a gentleman representing a district in the State of Pennsylvania sought to appear before our committee and give evidence upon this bill, a man who for 17 long years has served that district in Congress, a gentleman who, for 8 or 10 years and until control of the House changed, occupied the position of chairman of the great Committee on Banking and Currency, a gentleman, I might say, who, for all these years stood high in the citadel of the Republican Party, a gentleman who brought many bills to the House representing the banking interests of this country, especially the branch-banking interests—

when that gentleman endeavored to appear before the committee, it is in the printed record that the gentleman from Massachusetts [Mr. TREADWAY] made the motion—and if it were not printed in the RECORD I would hesitate to tell you what the motion was—the gentleman from Massachusetts [Mr. TREADWAY] made the motion that Mr. MCFADDEN, the gentleman from Pennsylvania, should not be heard by our committee. Thanks to the good sense of the committee that motion did not prevail.

Mr. TREADWAY. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. I would add that the attitude I took before the Ways and Means Committee was absolutely justified by the action of the gentleman from Pennsylvania [Mr. MCFADDEN]. I am glad I did it and would be glad to do it again.

Mr. VINSON of Kentucky. There you are. That is the way they do the job, and that is the reason I could not swallow this resolution. I made an honest effort to support this measure, but there was a time when, in the consideration of this resolution, I saw the cloak removed from some of the gentlemen who are so anxious to press this matter to a hasty conclusion, gentlemen on this side of the aisle. You say it is not political in one breath, but your acts—and I speak this respectfully—belie your words.

Mr. TREADWAY. Will the gentleman yield again?

Mr. VINSON of Kentucky. I yield to the gentleman from Massachusetts.

Mr. TREADWAY. Does the gentleman consider that a statement on this floor, accusing the President of the United States of not being loyal to his oath of office, has any characteristics of political development?

Mr. VINSON of Kentucky. I was not referring to that. That charge came from your side of the aisle. [Applause.]

Mr. TREADWAY. But absolutely discredited by this side of the aisle. [Applause.]

Mr. VINSON of Kentucky. That would be no valid reason why that gentleman, the Representative of a Pennsylvania district, should not be permitted to appear before a committee to give evidence upon a subject to which he had given much study in the months and years he was serving your cause. Answer me that, please.

Mr. TREADWAY. I will be glad to make references to the matter in my own time a little later in the debate. I do not care to take the gentleman's time, because time is valuable, but if there is occasion to bring it up later I shall be glad to do it.

Mr. VINSON of Kentucky. House Joint Resolution 123, which was introduced into this Congress, is the administration measure, but that resolution is not the resolution which is being considered here to-day. We are considering House Joint Resolution 147, which is House Joint Resolution 123 with a very material amendment. I want you to understand what happened in connection with amending the original measure.

Mr. PERKINS. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from New Jersey.

Mr. PERKINS. I have no doubt of the gentleman's sincerity, but I would like to ask what was the question from which the banker sought to shield his client?

Mr. VINSON of Kentucky. He had answered the question once categorically; a second time, when it came in a little different way, he answered it evasively, and the third time he thought, in the vernacular, he had gotten his foot in it, and he declined to answer it. The question was this, whether or not, irrespective of the fact that either Great Britain or France had deposited funds with their fiscal agents, J. P. Morgan & Co., New York, for the payment of the December 15 amount—whether or not J. P. Morgan & Co. had such relations with England and France as that they would have paid this amount themselves upon notice from the countries to do it.

Mr. PERKINS. Will the gentleman yield further?

Mr. VINSON of Kentucky. Yes.

Mr. PERKINS. Does not the gentleman think that was an entirely proper thing for a banker to refuse to answer, because it was a question whether or not a bank would extend credit to a foreign country?

Mr. VINSON of Kentucky. I do not think so.

Mr. PERKINS. It did not involve relations between us and a foreign country.

Mr. VINSON of Kentucky. I do not think it was a proper thing to permit him to refuse to answer the question as propounded. I do not consider it to be a privileged communication in the court room or before a committee of Congress. I recall that several years ago certain high crimes and misdemeanors were being investigated in another body. I recall that certain gentlemen refused to testify before that committee, and as I recall it the courts stepped in and said that it was the law of the land for such testimony to be given.

Mr. PERKINS. Will the gentleman kindly yield for one further question?

Mr. VINSON of Kentucky. I yield.

Mr. PERKINS. As I understood the gentleman's response, it was not a question of information from a foreign country, it was a question of whether a banking concern would itself extend credit to a foreign country, which is not a matter before us at all. It is a private question for that banking institution.

Mr. RANKIN. Will the gentleman yield?

Mr. VINSON of Kentucky. Yes.

Mr. RANKIN. That question was not even before the committee.

Mr. VINSON of Kentucky. I want to get back to the resolution that was introduced by request, through the hands of the chairman of this committee [Mr. COLLIER] and call your attention to the difference that obtains in respect of House Joint Resolution 147, which we are now considering, and the measure sponsored by the administration.

The resolution under discussion is similar to the bill as originally introduced by Mr. COLLIER by request of the Treasury Department except that a new paragraph is added to it. It is section 5 of the bill under discussion and was offered by the distinguished gentleman from Arkansas [Mr. RAGON].

In order that the full significance of this amendment may be seen, I would call the attention of the House to the condition which prevailed with reference to the settlement of governmental obligations at the close of the war. It will be remembered that this Government loaned billions of dollars to its allies during the war and subsequent thereto. The allied countries insisted and secured reparation agreements in which Germany was to pay certain damages growing out of the war. This country refused to take this position with reference to reparation. This Nation exacted no moneys from Germany growing out of said war except a small sum in part payment of the cost of the Army occupations.

The matter went along until the World War Debt Commission begun functioning. In the debt settlements, our allies insisted that their debts to us, incurred during the war and thereafter, be hooked up and dependent upon their collecting reparations from Germany. This Nation refused to proceed upon this theory and until this good hour, the intergovernmental debt owing to this country by the allied nations were in nowise dependent upon the collection of reparations. For the first time the policy of this Government has been changed toward considering Germany's capacity to pay, as affecting the liability of the nations mentioned in this agreement to pay their intergovernmental debts to us. In consequence of which we were departing upon a course which must have pleased the nations concerned, other than ourselves. For the first time, their obligations to us, which had been scaled down and reduced most generously in the debt settlement of the past—all of which I opposed—were suspended by us because of the alleged inability of Germany to pay the reparations to said countries.

The message of the President, recommending recreation of the World War Debt Commission could only be to renew the study of the capacity of the nations to pay. Its only pur-

pose, in my opinion, was a step in the direction of a reduction or cancellation of the foreign debt.

Immediately after the President's message to the Congress had been delivered, Mr. Mellon, Secretary of the Treasury, on December 11, 1931, issued what was said to be, a clarifying statement. We include it in full:

MR. MELLON DEFINES NATION'S POSITION ON DEBT CANCELLATION

There should be no misinterpretation as to the administration's recommendations to Congress relating to the debts due us from foreign governments and the re-creation of the World War Foreign Debt Commission. The administration is opposed to cancellation. No recommendation made carries any such implication.

It is, however, the duty of those in authority to deal with realities, and there is no escaping the fact that some of our debtors can not meet in full the payments due us until there has been a substantial measure of economic recovery and that the position of others is so changed as to call for consideration of their present situation in the light of existing circumstances.

Our debt settlements were effected on the basis of the capacity of the debtors to pay. As the President said in his statement of June 20, "As the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world."

Take the case of Great Britain, our best customer, which even in the depression year 1930 took $678,000,000 worth of American agricultural and industrial products. The economic and financial changes of the past year have immensely increased the payments of her payments to us. The series of events through which Great Britain was forced off the gold standard are too recent to require enumeration.

To-day the pound sterling is selling at $3.315 to the pound, which is a 32 per cent discount as compared with last year, when it stood at tariff parity or $4.866. All debts to Great Britain from foreign governments, except reparation payments, which are not being collected at all this year and are not likely to be collected in full next year, are payable in sterling. Her debt to us is payable in gold dollars. The combined effect of these unfavorable factors results in an enormously increased burden for the people of Great Britain.

Payments during the present fiscal year will serve to exemplify the magnitude of the additional burden.

With the pound sterling at par, the British Treasury needs 32,800,000 pounds in order to pay us $159,500,000. With the pound sterling at the rate at which it sold on December 10, 1931, it would take 48,100,000 pounds or an increase of 15,300,000 pounds, or 47 per cent. Or in other words, the burden on the British taxpayer is increased by almost one-half.

When the British debt settlement was made it was estimated that its present value at 4¼ per cent was 80 per cent of the total amount due prior to funding. If the amount to be raised in pound sterling to meet the obligation to us in dollars is increased by 47 per cent, it becomes apparent that from the standpoint of the British taxpayer he is asked to meet not the obligation as established by our Debt Commission but an amount considerably in excess of such obligation.

Nothing could more forcibly illustrate the changed situation which places on the executive as well as the legislative branch of Government the duty of reexamining the obligations of our debtors and their ability to meet them during a period of world-wide economic depression.

Does anyone believe that Austria or Hungary should be asked to pay the installments due from them in view of the extraordinarily straitened circumstances in which the people of those two countries find themselves and great difficulty which they experience in obtaining foreign exchange for the purpose of carrying on even the minimum of effectual commerce with the rest of the world?

Does anyone believe that Germany should be asked by the United States Government to meet her payments on the costs of the army of occupation when such a demand by us must be inevitably followed by demands of other creditors to pay her reparations in full?

These instances should suffice to demonstrate that to stand on the letter of our bond and to refuse to investigate or to consider the facts is to fail in our responsibility to the American people whom we represent and to the debtors whose capacity to pay we ourselves undertook to determine.

What intelligent business man or banker would blindly refuse to investigate or to consider the altered circumstances of a debtor whose unsecured obligation he held? The situation of our debtors has been immensely altered during the course of the last two years. New questions in relation to these debts are bound to arise in the course of the next few months. The Congress should be in a position through a commission created by it and composed in part of its own Members to ascertain what the facts actually are and to deal with these new problems as they arise.

It is with such thoughts as these in mind that the President recommended the re-creation of the World War Foreign Debt Commission. I am confident that upon mature consideration this recommendation will commend itself to the Congress.

It is well to recall that subsequent to the war, and particularly within the past few years, private bankers of this country have made extensive loans in Germany. If Germany is required to pay her treaty obligations, the collection of the private debts may be delayed or endangered. Further, there has been sold in this country through large banking institutions billions of dollars in German securities. These sales in the main have been made through the connections of the large New York Banks, and practically every community has owners of such securities. Their value has depreciated somewhat, and there may be delay or danger in their collection, with consequent injury to those selling or holding same for a profit.

It is very plain to see that it is to the interests of the private investments in Germany that the national obligations be reduced as much and as quickly as possible. In my judgment, the action hereunder, on June 20, 1931, was intended to be a forerunner of the re-creation of the World War Debt Commission, and its functioning to the end that the debts be further scaled down. Our foreign creditors would lose nothing if Germany's reparations to them were reduced, if at the same time we reduced their debts to us.

In my judgment, this resolution is merely the renewal of the effort to prefer the rights of the international bankers, the rights of the private creditors, over the obligations due this Government. And holding this view, there is nothing for me to do, except prefer to protect the governmental obligations.

After the message of the President to the Congress, seeking to recreate the World War Debt Commission, and after the statement of Mr. Mellon, tending to clarify the President's message, the liaison officers, particularly in the Treasury, ascertained that the temper of this Congress would not permit reduction or cancellation of the foreign debt. The leaders in the House and Senate refused point-blank to accept responsibility for the nonpayment of the sums due to us on December 15, which was decided in meetings held prior to the last-named date. Then we had repeated utterances that there was no intention of seeking debt reduction or debt cancellation. This is the situation that obtained when the resolution was taken up for consideration by the Ways and Means Committee in executive session on Thursday, December 17.

After the resolution (H. J. Res. 123) was read, the gentleman from Arkansas offered the amendment which declared the policy of Congress to be against the reduction or cancellation of any indebtedness of foreign countries to this Nation. Immediately gentlemen close to Mr. Hoover began objecting to it, and upon the vote taken it was adopted 16 to 9, only one gentleman of the administration party voting with the majority for this amendment. He was the gentleman from New York [Mr. CROWTHER]. Due to the fact that the press carried this information in detail with the names of those voting for and against it, I am not precluded from its discussion. Regardless of what may be said, the expressed attitude of these nine gentlemen was against this amendment.

While they, or their leaders, may say that we are not in favor of debt reduction or debt cancellation, when they, by their vote, would destroy the declaration of policy against debt reduction or cancellation, methinks, that while it may be the voice of Jacob, I can see and feel the hand of Esau.

Section 5 of the resolution under discussion reads as follows:

It is hereby expressly declared to be against the policy of Congress that any indebtedness of foreign countries to the United States should be in any manner canceled or reduced; and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying that favorable consideration will be given at any time, to a change in the policy hereby declared.

This amendment is a most splendid one. I voted for it in the committee and urged its passage. However, the House should not be deceived. The international bankers and those leading the fight for reduction or cancellation of the foreign debts at this hour, and before the vote is taken, are declaring that the Ragon amendment, being merely a declaration of policy of this Congress and not binding upon future Congresses, will not preclude their hopes from being realized. I do not subscribe to that theory. I believe that the consideration of this resolution, the Ragon amendment, and the focusing of the attention of Congress upon the

private interests involved in debt reductions or cancellation will postpone for many a day the further loss of money to this Government from nonpayment of intergovernmental debts to us.

Another peculiar thing happened in the course of this hearing. I am just a small-town lawyer, but I have been active in the court room for 20 years. Information came to the chairman of the committee from the gentleman from Pennsylvania [Mr. McFADDEN], the gentleman who occupied such high position with them for many, many years, that if Mr. Castle, the Under Secretary of State, were called before the committee certain information might be obtained from him that would be pertinent to the consideration of this question. The chairman of the committee requested Under Secretary Castle to appear before our committee. Mr. Castle has not reached the committee room yet. In his place we were honored, particularly honored, by the presence of the Secretary of State, who had already testified in the hearings. Of course, when you would ask Mr. Secretary of State what conversation occurred to which Mr. Castle was a party—the Secretary himself not present—the only answer he could give was that he had no knowledge of it. If you were trying a case in a justice of the peace court and you were to put a witness on the stand and ask him if a certain other person had a conversation with a third party, the witness not being present, there is no court in this land that would not sustain an objection to the question, or strike the answer, if one be given.

Mr. CRISP. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Georgia.

Mr. CRISP. My friend has accurately stated what happened; but did not the Secretary of State enter the telephone booth, come back and say he had just talked to Mr. Castle over the phone, and that Mr. Castle said he had had no such conversation with the French ambassador?

Mr. VINSON of Kentucky. The gentleman states it correctly; but I still say that in the primary fundamentals of the law of evidence it would still be hearsay.

Mr. CRISP. I admit it is hearsay, and a great deal of irrelevant and immaterial hearsay evidence was adduced at this hearing.

Mr. VINSON of Kentucky. But the fact remains that Mr. Castle did not testify before the committee. We had no opportunity to ask him about any conversation with M. Claudel, the French ambassador.

Now, in regard to the situation in which we find ourselves, we have a little pamphlet in which the testimony of Mr. Mills and the testimony of Mr. Stimson appears. They were to append certain documentary evidence to their verbal testimony, but not until around 11 o'clock to-day was this evidence available, and the evidence of other witnesses, including the statement of Mr. McFADDEN, of Mr. RANKIN, of Mr. PATMAN, of Mr. Horan, and of Mr. Davison, have not been made available to us even yet. The only way you can support this measure is to do it on faith. I started out trying to do this on faith and, finally, got to a point where I had to give up.

Referring to the documentary evidence, was it expected that the London protocol, the Franco-American agreement, the Wiggins report, could even be read intelligently within the time permitted?

There is another proposition involved here. A question was asked Mr. Mills with reference to the countries named in the resolution that did not receive reparations from Germany. I would like for you to get this. There are 16 nations named in this resolution. The testimony is that there are seven or eight of them that do not receive any money from Germany in the form of reparations.

When the gentleman from Mississippi [Mr. RANKIN] was before the committee, I inquired of him the names of the seven or eight countries that did not receive any reparations from Germany, and he said he had the list some place. Some gentleman on the committee spoke up and said that Mr. Mills would put that in the record. When I picked up the hearings to-day containing Mr. Mills's testimony, I do not find the names of those seven or eight countries that received no reparations from Germany; in other words, seven or eight of these nations are receiving benefits without giving any consideration; seven or eight of these countries are receiving benefits from this country without sacrificing a thing in the way of forbearance of payments from Germany.

Mr. GRIFFIN. Will the gentleman yield?

Mr. VINSON of Kentucky. I will.

Mr. GRIFFIN. Has the gentleman stated what these countries are that receive no reparations from Germany?

Mr. VINSON of Kentucky. I have not; and I take it that very few Members of this House have the information at hand. If anyone has and will give me the information, I will be very happy to have it.

Now, there are a number of things I want to call your attention to. In every debt settlement to which this Government is a party there is a provision for a 2-year moratorium by any signatory to the contract.

I want you to get that. When these debts were contracted by foreign countries there was a proviso inserted therein that if Germany's condition was such as to justify, it might have a moratorium for two years.

Now, Germany could not and did not show that she was incapacitated to pay. Certainly she was not entitled under the law to a moratorium under the contract, and certainly, if not under the contract, not by Executive action.

Mr. STAFFORD. Will the gentleman yield?

Mr. VINSON of Kentucky. I will.

Mr. STAFFORD. The gentleman asks for the eight countries that did not receive reparations from Germany. My study of the hearings in connection with conversations on the Young settlement——

Mr. VINSON of Kentucky. Oh, that is not competent testimony in a hearing of this kind. I can not yield for that. We have certain rules of evidence in the consideration of matters of this kind that preclude what would otherwise be considered competent evidence, or so it has been held in this case.

Mr. RAGON. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. RAGON. The gentleman stated there was a provision in the contract that Germany might request a 2-year moratorium.

Mr. VINSON of Kentucky. Yes.

Mr. RAGON. Did not that apply to the interest instead of the principal?

Mr. VINSON of Kentucky. I do not know. I know that Italy did not pay any interest until after five years, and then she paid one-eighth of 1 per cent per annum, and my inquiry in the hearings shows that Italy will be excused from paying thirty-seven million plus in principal and the sum of $2,000,000 plus in interest.

Mr. CRISP. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. CRISP. The gentleman asked if there was anything in the record showing the names of the countries who had agreed to the moratorium and had no claim against the United States.

Mr. VINSON of Kentucky. No; against Germany. I know the gentleman has Mr. Stimson's statement, but I have not been able to find the names of the countries to which Germany does not pay the reparation.

Now, I want to come back to Germany's capacity to pay. If that is not in the picture, then Mr. Hoover has not a leg to stand on. You know you have a certain committee operating right now as a subcommittee of the Young plan in Switzerland. In the first column of the first page of the Washington Post I find that the Young plan committee finds that Berlin can pay the annuities.

Now, before this goes to a vote, I would have you know that you have a committee, operating under the Young plan, constituted for that purpose, reporting to the world that Germany is capable of making payment of the annuity.

In that same report I see that the Germans are good bookkeepers. It shows that in one instance they made a

mistake in favor of themselves of $112,500,000. With reference to the Wiggan report, they made another error in dealing with the amount of short-time credit—a small error of $1,150,000,000.

We insert herewith, in full, this news item as it appeared in the Washington Post, December 17, 1931:

GERMANYS' PLEA FOR DEBT CUT GETS SETBACK—YOUNG PLAN COMMITTEE FINDS BERLIN CAN PAY ANNUITIES—BASEL BODY CHARGES INTEREST IS INFLATED—EXPERTS ALSO SAY REPUBLIC HOLDS LARGER INVESTMENTS THAN REPORTED

BASEL, SWITZERLAND, December 16.—Germany's plea for reduction in reparations received several severe setbacks to-day.

A subcommittee of the Young plan advisory commission discovered, it was understood, that Germany's foreign trade balance should be more than sufficient to pay unconditional reparations annuities of about $150,000,000.

The subcommittee, which tried for a week to establish the net indebtedness of the Reich, turned in a report which was withheld from the public but will be incorporated in the final findings of the investigators.

The reference to the foreign trade excess was understood to have been included in the report at the request of the French, who wished to combat arguments that Germany was unable to pay the nonpostponable annuities considered inviolable by the Paris government.

DEBT INTEREST UNDERESTIMATED

The subcommittee found, it was learned, that the total interest on debts which Germany must meet annually is $112,500,000 less than the total submitted last week by Carl Melchior, Berlin's member of the Young plan committee.

Doctor Melchior's figure was $450,000,000, but according to a reliable source the subcommittee reported the proper total to be $337,500,000.

The subcommittee, composed of statisticians under the chairmanship of Maurice Frere, of Belgium, also was understood to have concluded that Germany's short-term indebtedness was nearer the $1,850,000,000 set forth in the report of the committee headed by Albert H. Wiggin than $3,000,000,000, as asserted by Germany before the Young plan experts last week.

The statisticians found, it was said, a number of debts which they were unwilling to recognize as "short-term."

OUTSIDE INVESTMENTS HELD LARGER

The subcommittee refused to set a figure for German investments abroad but declared them to be much higher than the $2,125,000,000 set forth in the Wiggin report. This total was estimated July 31.

Sir Walter Layton, British delegate, began writing the final report to-night. He, Prof. Charles Rist, of France, and Doctor Melchior have deserted the Bank for International Settlements to carry on their work at the Englishman's Hotel.

The World Bank board meeting set for January 11, 1932, may be advanced a week. The board must pass on the experts' recommendations before the various governments consider them.

In the same paper on the same page, adjoining that column, we find that the German Reich boosted the budget by a billion dollars annually during the period between 1926 and 1929. If they were able to increase the salaries of their officials by $375,000,000 and to make the payment of $250,000,000 for unemployment insurance, $125,000,000 for reparations, and for various sums the amount of $175,000,000, making a billion dollars in all, it seems to me that that bolsters up the finding of this committee that Germany had the capacity to pay.

We insert herewith the news item above referred to, which appeared on the first page of the Washington Post, December 17, 1931:

REICH BOOSTED BUDGET BY BILLION, DATA SHOW—ABOUT $375,000,000 WAS ADDED TO PAY OF PUBLIC SERVANTS BETWEEN 1926 AND 1929, YOUNG PLAN COMMITTEE REVEALS

BASEL, SWITZERLAND, December 17.—Germany's budgetry expenses increased $925,000,000 between 1926 and 1929, the Young plan advisory committee on reparations reported to-night. About $375,000,000 of this amount resulted from increases in the salaries of public servants granted in 1927, the experts found.

The statistics were contained in a report of the subcommittee on German budgetary practices, parts of which were made public by the financial experts who are investigating Germany's capacity to pay reparations. The report, a communique said, was widely commented on at to-night's plenary session of the Young plan committee.

The salary increase brought the pay of lesser functionaries to the level of 1913, the communique explained. Other items contributing to the increase in budgetary expenses included unemployment insurance of $250,000,000; reparations, $125,000,000; and various, $175,000,000.

The communique revealed that the financial relationship between the Reich and Federal States was discussed by the subcommittee as well as recent measures increasing the sums the Federal States received from the central Government.

The subcommittee, headed by Hendryk Colijn, of Holland, also went into the cost of education and the practice of subsidizing housing enterprises from public funds. In addition, the investigators inquired into the growth of public debts in general.

Germany's recent attempts to balance the budget by drastic economies were lauded in the report. The experts agreed that Germany was right in attaching importance to providing without delay for the reduction of floating debt caused by past budgetary deficits, despite the heavy burden this imposes during the period of crisis. The communique confirmed previous reports that another subcommittee, headed by Maurice Frere, of Belgium, had fouhd it impossible to determine the exact total of German holdings abroad.

"The subcommittee refrained," the statement said, "from setting the total of holdings abroad, but indicated that $2,100,000,000, as of July 31, 1931, was a reasonable figure.

"But this takes no account of the considerable foreign holdings resulting from the flight of capital, for which it is impossible to set a figure."

PARIS, December 17 (U. P.).—The French and British Governments brought the most vital point of the international-debts controversy to a head to-night when Sir Frederick Leith-Ross, British deputy controller of finance, arrived for informal discussion of conflicting viewpoints.

Earlier a British memorandum had been received at the foreign office emphasizing the London Government's contention that private debts owed by Germany must be given priority over political debts (reparations) which the Reich is pledged to pay.

France, which has little at stake in German private debts as compared to the huge sums invested by British and United States bankers, insists that reparations must be given first claim. It is generally conceded that Germany can not pay both, and it remains to be decided whether she can pay the total of either reparations or private debts.

The British note, which was a reply to a recent French memorandum on reparations, was not made public, but it was made known that it said details of the projected January debts conference can not be settled until the Young plan advisory committee at Basel reports on Germany's capacity to pay. The British Government made no specific answer to points raised in the French communication.

One of the most difficult problems admittedly will concern participation of the United States in the international conference, and Leith-Ross is expected to discuss that question thoroughly with the French Government leaders. They will go into the problem of framing an agenda which will obtain official participation by the American Government.

I want the Congress to get this picture. There are 16 foreign nations whose debts are to be postponed if this resolution is enacted into law. There is not a syllable of evidence that any of these nations sought the moratorium agreement, or that they, or any of them, were unable to pay the full amount due this country upon the due date without any ill consequences to it. I repeat, there is not a word in this record that intimates that any of these foreign nations were not ready, willing, and able to make the payments involved herein.

A very startling disclosure may be witnessed if we consider the amount of money that these 16 nations expended in the last fiscal year for armament and war preparation. The sum total of their expenditures for this purpose is $1,986,799,625—in round numbers, $2,000,000,000. We get this information from the World Peace Foundation compiled by them from the forthcoming League of Nations Armaments Yearbook.

We quote from the New York Times dated Sunday, August 2, 1931:

What nations spend on arms

[Expenditures for the last fiscal year, figured at rounded par or, in a few cases, at the average of exchange, as compiled by the World Peace Foundation from the forthcoming League of Nations Armaments Yearbook]

Austria	$14,507,320
Belgium	33,303,200
Czechoslovakia	51,189,000
Estonia	5,520,000
Finland	16,457,500
France	466,960,000
Germany	171,923,040
British Empire	726,731,065
Greece	21,340,800
Hungary	20,200,000
Italy	248,946,500
Latvia	7,860,000
Lithuania	5,680,000
Poland	92,072,000
Rumania	53,647,200
Yugoslavia	50,458,000
Total	1,986,799,625

It is very interesting to know that the sums expended within this one year by the British Empire, France, and Italy on arms total the startling sum of $1,424,637,565—in round numbers, one billion and a half dollars.

The deferred payments amount to $252,566,803. This amount is made up as follows:

Amounts payable during the fiscal year 1932 by foreign governments on account of their indebtedness

Country	Principal	Interest	Total
Austria	$287,556		$287,556
Belgium	4,200,000	$3,750,000	7,950,000
Czechoslovakia	3,000,000		3,000,000
Estonia	108,012	492,360	600,372
Finland	55,000	257,295	312,295
France	11,363,500	38,636,500	50,000,000
Great Britain	28,000,000	131,520,000	159,520,000
Greece	660,000	449,080	1,109,080
Hungary	12,270	57,072	69,342
Italy	12,200,000	2,506,125	14,706,125
Latvia	44,664	205,989	250,653
Lithuania	38,615	185,930	224,545
Poland	1,325,000	6,161,835	7,486,835
Rumania	800,000		800,000
Yugoslavia	250,000		250,000
Total	62,344,617	184,222,186	246,566,803
Germany, army costs	6,000,000		6,000,000
Total	68,344,617	184,222,186	252,566,803

Thus it is patented that England, France, and Italy would pay $224,000,000 plus of the $252,000,000 deferred. I would repeat again that these three nations, England, France, and Italy, for the past fiscal year have expended in round numbers a billion and a half dollars for arms and war preparations. In other words, these three nations, within the past fiscal year, have expended six times the amount of money involved herein, as a deferred payment to them. This condition obtains, and the deferred payments will be brought about, even though these nations make no request therefor, and everyone admits there is no evidence in the record to show that they do not have the capacity to pay without hurting them.

Mr. GARBER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. Yes.

Mr. GARBER. What did the evidence develop as to the amount of reparations deferment extended to Germany?

Mr. VINSON of Kentucky. Approximately $400,000,000. In other words, the Treasury says $400,000,000 as an annuity going to other countries other than the United States.

But, my friends, this statement of the President of June 20 is not the agreement under consideration in this Congress, and there can not be any mistake about that. The President of the United States on June 20, 1931, said there will be a moratorium for a period of one year of all intergovernmental debts. There are two main distinctions. In the first place, the postponement has not been for one year. The postponement is spread out over a period of 10 years. Ogden Mills testified before our committee—and that is in the hearing—that the President had in mind stepping up the payments as you would shove a ladder up. In other words, he would defer the payment of 1932 until the time for the payment of the 1933 amount, and then let the payment be made in 1933 for the amount due in 1932, and so on; but that did not suit France. France would not sign that sort of an agreement. Then we determined we wanted a long period over which to stretch the payment of the amount deferred—25 years I believe. France said, "We have to have it paid in three years." Then France said six years, and finally they agreed on 10 years. And instead of a postponement for one year the postponement is for a period, in part, of 10 years. Has anybody thought about that?

Mr. GARBER. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. Yes.

Mr. GARBER. The moratorium referred to in the Versailles treaty was for a period of two years. Does that include the nonpostponable debts of France?

Mr. VINSON of Kentucky. I could not say; but I can say this: The President's proposal was to postpone the payment of all intergovernmental debts. Just go back to your primary Latin days and think of what intergovernmental debts are. What does that mean? That means all debts between the governments. This resolution on which you are called to vote to-day does not provide for postponement of all intergovernmental debts. France would not agree to that, and when they came to write that agreement France made them write into it that all the money that she would receive as a result of the Versailles treaty as unconditional reparations must be paid to France, and France receives this fiscal year $125,000,000 from Germany as a result of her stand and as a result of the departure from the Hoover plan.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. VINSON of Kentucky. Yes.

Mr. PERKINS. Would the gentleman be good enough to explain to the House what the purpose of section 3 is? It would seem to the ordinary reader—and some of us have no knowledge on this subject—that this agreement to postpone can only depend upon agreements by other countries to postpone.

Mr. VINSON of Kentucky. That is correct, but France accepted unconditional reparations. There is no question on earth about it. You can see in the report of the Secretary of the Treasury for 1931, page 361, the text of the agreement reached by the American and French negotiators at Paris, France, July 6, 1931. There, the second thing France says is:

> However, the Reich will pay the amount of the unconditional annuity.

And the Treasury tells me that amount is $125,000,000 for this year, and I say to you that such contract is a preference given France that was not thought of when the President issued his statement on June 20, 1931.

Mr. LAGUARDIA. But the gentleman understands, of course, that France did that in order to save the identity of the preferential payments, and that the International Bank for Foreign Credits will immediately reloan that back to Germany.

Mr. VINSON of Kentucky. Where; to Germany?

Mr. LAGUARDIA. She will take German bonds for it.

Mr. VINSON of Kentucky. It goes to the German railroads, and railroad bonds are issued for the money received by the railroad.

Mr. LAGUARDIA. But they are state railroads.

Mr. VINSON of Kentucky. It is like another thing that occurred in the committee. Testimony was given in the committee, and there is no contradiction of it, that there was a private loan to private bankers in Germany to the amount of $600,000,000 to $800,000,000, and that the same money was reloaned to Russia at a higher rate of interest.

Now, we can not fool ourselves. I do not think the gentleman from New York [Mr. LAGUARDIA] is fooling himself. This is a fight between private bankers and the Government of the United States to determine whether or not their private debts are going to be preferred over our governmental obligations.

Mr. SIROVICH. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. SIROVICH. The gentleman stated before that in the event Germany was unable to pay her obligations the contract provided that she was to be given a two years' moratorium. Am I right?

Mr. VINSON of Kentucky. That is my understanding of it; yes, sir.

Mr. SIROVICH. Does that contract provide further that in the event of Germany's inability to pay she must ask for a moratorium herself, or that it must be instituted by the debtor, to ask the creditor?

Mr. VINSON of Kentucky. As I understand it, Germany would initiate the conference. The reference of the gentleman from New York, as I understand it, is to the moratorium under the Young plan.

Mr. SIROVICH. Did Germany initiate the conference here?

Mr. VINSON of Kentucky. I could not answer that. I take it in view of the fact that this Young plan committee

is working on it, she did, but I could not give the gentleman a positive answer in that connection. But, assume that we had a private business transaction and one of you gentlemen were president of a bank, and we Congressmen owed you money. Did you ever hear of the president of a bank or a chairman of a board of directors initiating a proposal to extend credit to a debtor? I venture the assertion that in this hour of stress, if any bank presidents started anything like that they would soon be out of a job.

About Thursday, December 10, I believe it was, a man in high place rose in the House of Commons and he had a few remarks to make about the ability of England to pay. I do not believe he mentioned anything about the ability to pay, as far as this editorial is concerned, but Mr. Chamberlain, Chanchellor of the Exchequer, assured the House of Commons on Thursday, December 10, that all British foreign obligations could and would be met.

That statement was made the day before Mr. Mellon's clarifying statement heretofore referred to was uttered. It related to the re-creation of the World War Debt Commission. Oh, they want to get away from that World War Debt Commission and the re-creation of it, but the President recommended its re-creation. Mr. Mellon, as we have seen, sought to explain the need of its re-creation. In that article you see in his mind the financial master that he was supposed to be—the gentleman sometimes referred to as "the man who stayed too long"—that it was his intention and his understanding of the President's intention that this commission was to be re-created in order that a survey might be made of the capacity of our foreign debtors to pay. What does that mean? It means an effort to scale down, reduce, or cancel these debts. America will not stand for that sort of legislation. My good friend COLLIER in a flight of eloquence stated that "there were small ways to do things, and there were big ways; and that he chose the big way." I agree with Mr. COLLIER—there are two ways to this thing. In my judgment, there are two ways—the European way and the American way. For my part, I take the American way. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield myself 10 additional minutes.

Mr. CELLER. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. CELLER. In the event we do not pass this resolution granting the moratorium, what would be the gentleman's opinion as to the effect on our foreign debtors and on the world in general?

Mr. VINSON of Kentucky. That information was sought and, as far as I can find in the hearings, no answer was given.

Mr. CELLER. What would the gentleman say?

Mr. VINSON of Kentucky. This statement was given to the press on June 20, 1931. It was afterwards ratified July 6, 1931. The first payment to be made was December 15, 1931. That day has come and gone. What has happened as far as the effect of the nonpayment on the 15th is concerned that would not have happened otherwise?

Mr. GREEN. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. GREEN. I wonder if the gentleman has any information as to whether or not, if this moratorium is adopted, America will probably go off the gold standard? Was that brought out in the committee? That has been predicted by some Members.

Mr. VINSON of Kentucky. I wish to say to the gentleman from Florida that the hearings are silent on that score.

Mr. GREENWOOD. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. GREENWOOD. I understood the gentleman to say, and I understand the agreement to be under the Young plan, that any nation that shows inability to pay has the right to apply to the proper commission or agency set up to make that showing, and they will be allowed a 1-year or a 2-year moratorium.

Mr. VINSON of Kentucky. A 2-year moratorium.

Mr. GREENWOOD. If that would be the case, then Germany could apply to another nation and receive that, but under this plan it is a blanket proposal that takes in all the nations, regardless of their ability or their inability to pay, and therefore covers a wider field than was intended to be covered by the agreement under the Young plan?

Mr. VINSON of Kentucky. There is no doubt about that.

Mr. ABERNETHY. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield.

Mr. ABERNETHY. Did the committee have any assurance from the Treasury Department or from the President that there would be any let-up on the debtors of the United States from banks and various institutions that are foreclosing people all over the country? Did you have any assurance that we were going to get any relief for our own people from anybody connected with the Treasury Department or with the executive branch of the Government?

Mr. VINSON of Kentucky. I did not hear any such statements coming from either Mr. Mills or Mr. Stimson or any other witness.

Mr. UNDERWOOD. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to my good friend from Ohio.

Mr. UNDERWOOD. The gentleman is making a splendid presentation. He mentioned a moment ago the amount that Germany had loaned to Russia. Has the gentleman any figures that will show how much of the money that has been borrowed from Germany has been used in the way of making internal improvements?

Mr. VINSON of Kentucky. No. I asked the question as to the amount of American capital invested in Germany as of June 20, 1931. The answer was that as of December 30, 1930, there was about $1,400,000,000, plus, as I recall it. Other statements indicate $3,000,000,000. That was the nearest we got to that point.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Washington.

Mr. SUMMERS of Washington. Was there any testimony before your committee as to whether the nations concerned had or had not limited their expenditures for armaments because of the moratorium being extended?

Mr. VINSON of Kentucky. There is not a single word that any benefit came to them such as the gentleman suggests.

Mr. YON. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Florida.

Mr. YON. Was there any evidence given to your committee during the consideration of this resolution as to the amount of American capital now owing by the nations mentioned in this resolution—the total amount loaned by the international bankers?

Mr. VINSON of Kentucky. I do not recall it. I want to call the attention of the committee to this point: Mention is made of the suffering in Germany and in the European countries. We never had any particular testimony on that point. When we settled with France, France got the best of the bargain, and I read in a speech this morning made in another body, where a gentleman considered close to the administration made the statement that at this time the capacity of France to pay exceeded America's capacity to cancel.

Can you forget for a moment that in the fiscal year that ended July 1, this year, this Government is in red ink approximately $1,000,000,000, and on December 15, 1931, in the present fiscal year, with six and one-half months yet to go, according to the statement of the Treasury, we are already $1,500,000,000 plus in red ink?

The deficit this year is going to be $2,000,000,000 or more. It comes back to this question, as I view it: I say to you that if I felt that any hurt was going to come to this country, and I might even go further and say if any serious hurt

would come to Germany because of this resolution failing, I might throttle my inclinations. But there has been no proof before our committee to that effect. It comes to this point, whether the $252,000,000 deferred payments contained in this resolution shall be paid by these 16 nations, or fall upon the already too heavily laden shoulders of the American taxpayers. [Applause.]

Mr. GARBER. Will the gentleman yield?

Mr. VINSON of Kentucky. I yield to the gentleman from Oklahoma.

Mr. GARBER. The gentleman has presented a very able exposition of the question involved, but I want to inquire upon whom is the burden of proof, and how should that proof appear to the members of this committee? In the absence of any evidence whatever to the membership of this committee, why the forcing of a serious international question like this before this body?

Mr. VINSON of Kentucky. Is the gentleman a lawyer?

Mr. GARBER. No; I am not a lawyer.

Mr. VINSON of Kentucky. Well, I will gladly set forth my view. This House joint resolution was referred to a committee. The proponents of the measure certainly had the burden of proof; they took the burden of proof; they introduced their witnesses, and when they closed their evidence, as far as I am concerned, they did not make out a case. [Applause.]

Just before I came to the floor of this House to-day I was reading one of the best weekly newspapers published in Kentucky. It was the Cynthiana Democrat, published at Cynthiana, Ky.—this week's issue. It set forth in cryptic language its viewpoint with respect to this moratorium, and as it is short, I will read it to you.

Mr. Hoover does not believe charity begins at home. Kentucky warehouses are filled with tobacco, on which the Government holds mortgages, and drastic efforts are made to collect them, yet the President makes almost a sobbing appeal to extend the war-debt holiday to relieve foreign debtors.

My friend, I do not deem it necessary to attempt a word picture of the distressed conditions of our own people. Governmental statistics show that the decline in the valuation of the farmers' crops for the past two years has been 49 per cent. Thousands of farmers have lost their homesteads under the cold hammer of the foreclosure proceedings. Thousands of banks have failed in our home land. Billions of dollars in property value have vanished in our own midst as by magic. Seven million unemployed Americans cry out for work; tens of thousands upon tens of thousands cry out for bread. Charity does begin at home. It may not be the international viewpoint, but I believe it is the viewpoint of the people in 19 Kentucky counties, whom I have the honor to represent, when I say upon this floor that America should be just to her own before she is generous to a foreign people.

I want to say in conclusion that while I have been earnest I do not mean to impugn the motives of any Member of the Congress in their position. I do not possess any illusions as to the result of this debate or the result of the vote, but as a Member of Congress and as a member of this Committee on Ways and Means, I felt it was upon me to bring the limited information I had to the House. I thank you. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield 25 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON of New Jersey. Mr. Chairman, ladies and gentlemen of the committee, I wish first of all to express as one Member of this House my appreciation of the distinguished chairman of this committee [Mr. COLLIER] for the lofty, broad-visioned, and patriotic point of view he brought to us in his speech. I am going to vote for this moratorium. I am opposed to any proposal at this time for the cancellation of debts, although I am confident that in the not distant future we shall have to face that problem because of the economic exhaustion of certain debtor countries and because of the inequalities resting upon the different peoples of the world in connection with intergovernmental debts. For instance, I am reliably informed that Great Britain has agreed to pay the United States on the basis of 4½ per cent, 81 per cent of her indebtedness; the French who, in my judgment, are as able to pay as any nation in the world, have agreed to pay on the basis of 50 per cent; while the Italians come in on the basis of 26 per cent.

I am not wildly enthusiastic about this moratorium on the ground that it is going to usher in the kingdom of Heaven and settle all our world problems. But I am profoundly interested in it, because I believe we have got to keep faith with our Government and with the world by putting this legislation through, because it will give our people and the other nations affected a brief breathing spell and because this discussion will open the way for the much-needed education of our people, our Congress, our Government, and the rest of the world as to the nature and meaning of the baffling problems that now face mankind.

If you will permit me, I would like, in the few minutes that are allotted to me, to give an interpretation necessarily inadequate, using this moratorium as a symbol, of the challenge which confronts civilization in this and every other country to-day.

You will, I believe, agree with me that mankind is a spiritual entity, and that the history of civilization is in essence a history of the development of the spirit of man. Occasionally down through the centuries the forms that the spiritual energies of man have taken on, used, and outgrown are broken up by some unusual circumstance and a new era is introduced. Such marked the beginning of the Christian era; such was the beginning of the era that followed the Dark Ages, when out of the Renaissance and the Reformation were born those tremendous energies that created the American Nation and made possible the progress of the modern centuries throughout the world.

To-day, mankind stands in the shadow of the greatest crisis of all recorded history, with the possible exception of the beginning of the Christian era. It is impossible for any man who loves his fellows, or has respect for his duties to God and man, to face these tragic conditions in a partisan, a sectarian, or a sectional spirit.

In this faith I venture to express my view of the responsibility that rests upon this House, upon the Executive, and upon every American-minded citizen of our beloved country.

In the first place, gentlemen, I believe that in the stress and anguish of this hour a new era is being born, in which the masses of men in every country are going at last to have access to the economic resources of the world which will lift them out of poverty, out of dependence, out of unemployment, and out of fear. We are groping now in the darkness before the dawn of the greatest era of peace, prosperity, and happiness for the masses of men the world has ever known. Strange as it may seem, as we gird our mind to face the new age we find the world bogged down with debts. Nations are in debt, minor political units are in debt, corporations and individuals are in debt.

Do you gentlemen realize that beginning with the World War and ending with the loans that were made since, we have taken out of this country and blown away in battle or transferred to European countries nearly $40,000,000,000, and every dollar of that money was produced by somebody's sweat and somebody's brain power? If we had that $40,000,000,000 back in this country now we would not have unemployment, we would not have lack of credit, we would not have homes foreclosed on account of inability to pay. In making this enormous transfer of our funds we have simply shut our eyes and jumped into the bog with the rest of the world.

As we stand at the threshold of this new age, with its supreme tasks, with its new and baffling problems, we must face the fact that the world is sick. We are a part of it all. We never again can escape from world contact and the responsibilities of world leadership. We are going to sink or swim with the other nations. We are like the old lady down in Maine who got up in prayer meeting and said, "Thank the Lord our church is united—we are all froze together." That is where we are to-day, whether we like

it or not. We are in with the Germans, we are in with all the peoples of Europe, and they are in with us, and from now on we sink or swim together.

Now, let me point out two or three things that we Americans have at stake.

I agree with the gentleman who has just spoken—that we have got to decide whether under these conditions we can retain our American principles of life and American principles of government. I believe we can. I do not believe we can do it, however, by any narrow partisanship, by any sectionalism, by any class consciousness, by any elevation of the inconsequential, by any blind and bigoted denial of the great central problems of our time. For once in our lives we have come together—North, South, East, and West—and whether we elect a Republican or a Democrat as President next year, we have got to stand together as a nation, 120,000,000 of us, if we are to save what God has given us in our form of government and in the principles that constitute the essence of our American civilization and that govern our daily lives.

In the second place, we have at stake the principles that control the economy of our life, and upon which have been builded our economic and industrial structure.

I have been associated for 20 years with the great industries of this Nation. The task assigned me was to increase the share of the employees in the products of their toil, and I based my service on the proposition that the chief instrumentality of civilization in America is organized industry, which, of course, includes the farm. That is where the final battle is being fought out. We have to-day millions of unemployed; not due to the Republicans, not due to the Democrats, but due to the play of great, eternal, economic energies that we have been fooling with and have known nothing of. The tragedy of unbalanced production and consumption, of unnecessary unemployment and financial failure, is forcing us to a new study of these laws and energies, which will bring us after a while into a saner and sounder form of life.

Gentlemen, this moratorium is just a symbol. It reveals to the Members of the House responsibilities that we have never known before. And it lifts our deliberations out of the muck of demagoguery and partisanship. The other day we heard a distinguished gentleman on the majority side make the statement that Mr. Hoover proposed to spend millions for the railroads, millions for the banks, and nothing for starving Americans. That kind of talk constitutes the acme of partisan futility.

Take the New York Central Railroad, one of the greatest and best-managed transportation systems in the country. For 60 years it never passed a dividend until last week. Five years ago its stock was selling at $250. At the beginning of this year it sold at $132, and yesterday it sold at $24. Thousands of its employees are out of work. Much of its rolling stock stands idle. Why? Because there is not enough freight and passenger business to pay the running expenses of the system. If President Hoover can do something to rehabilitate the railroads, I ask you if that will not be the best way to get employment for starving people?

Take the banks. They are receiving deposits, doing all kinds of business except making loans, and at the same time their capital is being steadily impaired by the depreciation in the market value of their bonds. Surely, if we can do something to bring back the value of bank securities and keep the banks from being closed, that will help the unemployed and relieve hungry and homeless women and children.

Now, I want to say a word with reference to our honored President. Mr. Hoover was placed in the White House by the intelligent choice of a vast majority of our American people. He may not be a great showman. But in my judgment he is the best-equipped man in America for the tragic testings and burdens of that high office at this time. His extraordinary opulence of mind is matched by a sympathetic understanding of the needs of humanity. He is steering our ship of state through the most terrific tempest in history. He is forced to steer by stars obscured by the storm clouds that enwrap the world. Most of us can not see the stars at all. We see only the clouds. But Herbert Hoover is safeguarding the priceless heritage of American ideals and principles intrusted to his care, and when he retires from office he will be able to say, "I have kept America American." It is our duty, regardless of party, sect, section, or breed, to stand behind our President in his sacrificial service of his own people and of mankind. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman and members of the committee, discussion of various questions within the general field of intergovernmental indebtedness is helpful to a better understanding of the problem presented by this indebtedness which to-day commands the attention of the world. The discussion should not, however, obscure the particular question upon which the House is called to pass in the resolution which is now before us.

The question presented by the resolution is, in my judgment, a very simple one. It is simply the ratification or nonratification of the proposal of June 22 last, the proposal by the President of the United States, subject to confirmation by Congress, to postpone all payments upon debts of foreign governments to the American Government during the present fiscal year in the event of like postponement for one year of all payments on intergovernmental debts owing to other important creditor powers. This is the only question which is before us at this time. No other question is involved. Any other question which may arise in the future can be dealt with if and when it arises.

I have been interested in intergovernmental indebtedness during the past 10 years. It was my privilege to serve for two years with the World War Foreign Debt Commission and for four years with the agent general for reparation payments under the Dawes plan. During the summer I have revisited Germany, Switzerland, England, and France with a view to further study of the subject.

As far as I am concerned, I favored ratification of the President's proposal at the time that it was made. I am in favor of its ratification now.

Intergovernmental debts to-day are evidenced by obligations issued under a series of agreements, in some cases concluded after years of experiment and negotiation. They include obligations issued under the agreements for refunding debts due America, representing advances under the Liberty loan acts, sales of surplus war material, and relief extended to some 17 different nations, originally amounting to some $11,000,000,000. They include obligations issued under similar agreements in respect to vast sums owed other creditor powers. They include obligations issued under the terms of the Young plan for the settlement of reparation indebtedness affecting directly no less than 12 different nations, with a total population of over 450,000,000. These and other agreements of lesser importance define the periodical payments to and by the principal powers of the world based in each instance on estimated capacity to pay in the satisfaction of existing intergovernmental indebtedness.

The proposal of the President, except as required by the year's postponement, involves, in my judgment, no change in any of these agreements. It contemplates no change in the settlements concluded in respect to debts due this Government or any other government. It looks to no change in the terms of the Young plan for the settlement of reparation indebtedness. It merely calls for a moratorium expiring June 30 next in respect to all payments on intergovernmental indebtedness, urging that all concerned be not only "good neighbors" but "wise creditors" as well. In so far as America is concerned, the sums postponed under the terms of the pending resolution will be repayable in full in 10 annual installments with interest at the rate of 4 per cent per annum.

I am sure that the gentleman from Kentucky [Mr. VINSON] does not mean to leave a false impression with the House. If I understood him correctly, he indicated that France had refused to concur in the proposal now under consideration and that she had insisted that she receive considerable payments from Germany on reparation account during the period of postponement. Under the terms of the Young plan Germany is required to pay annually some four hun-

dred millions of dollars. Of this total some one hundred and fifty millions are payable unconditionally, the balance being subject to postponement by Germany under specified conditions. France agreed unqualifiedly to the postponement of her share in the conditional portion of the annuity. All that she asked was that her share in the unconditional portion should be paid by Germany to the Bank for International Settlements, which in turn might relend it in full and immediately within Germany. She asked this in order to preserve the framework of the Young plan. She receives nothing on reparation account during the period of postponement.

Mr. ARENTZ. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I should be glad to yield, but I have very little time.

Mr. GARBER. Mr. Chairman, will the gentleman yield for one question for information?

Mr. WIGGLESWORTH. I shall be glad to yield for one question, but my time is very limited.

Mr. McFADDEN. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Oklahoma.

Mr. GARBER. Did the gentleman mean to be understood as saying that France obtained nothing, or that Germany was required to pay her nonpostponable debt into the Bank for International Settlements, which would, in turn, loan it back to Germany?

Mr. WIGGLESWORTH. The unconditional payments are made to the bank and reloaned within Germany immediately.

Mr. McFADDEN. Will the gentleman yield?

Mr. WIGGLESWORTH. I can not yield further. The forces which led to the proposal should need no emphasis. An economic storm of the first magnitude has swept throughout the world. No nation has escaped its effects. Almost every nation has suffered severely. In agriculture, in industry, in trade, in widespread unemployment, in conditions of credit and currency, in budgetary deficits, in political unrest, in revolution, in these and other ways, the effects of the storm have been manifest. Threatened disaster in Central Europe, the downfall of the British Labor Government, the suspension of gold payments in Great Britain, the drain of gold from the United States to the extent of some seven hundred millions of dollars, all within a period of about five months, bear witness to the storm's violence.

In Central Europe, crisis became apparent in May. It became apparent with the discovery that the so-called Kredit Anstalt, an institution handling a very large proportion of Austria's banking business, had become involved in serious financial difficulty. Action by the Austrian Parliament, aid from the Bank for International Settlements, at Basel, aid from some ten of the leading central banks of the world, failed to localize the trouble. Within a month it had spread to Germany, with such consequences as to threaten the entire fabric of European finance. Confidence was shaken. A run on Germany began. Short-term credit, the very life blood of German industry and German foreign trade, was withdrawn from Germany to an alarming extent. Figures for the end of June showed a loss in short-term credit as compared with January 1, equivalent to some eight hundred millions of dollars. The reserves of the Reichsbank were driven almost to the legal minimum. Financial collapse within Germany, in the judgment of those in a position to know, appeared almost inevitable within a matter of hours. Immediate action was called for, if disastrous consequences were to be avoided.

The proposal by the President followed, with instantaneous effect throughout the world. Collapse was forestalled.

It is difficult to exaggerate the gravity of the situation which might have developed had the hand of hope not been extended at this time. No one who followed developments in Europe closely prior to the President's proposal could fail to appreciate the menace of disaster. No one, in my judgment, who has followed developments carefully since that time can fail to realize the tremendous responsibility which the President would have assumed if he had failed to act at the critical hour. I have not time to paint the picture in detail. It is sufficient to say that financial breakdown, economic breakdown, political chaos, knocked at the doors of Germany and other nations of central Europe, and that they would have had incalculable consequences in the world as a whole.

The economic frontiers of America have been flung far beyond the political boundaries of the Nation. Aside from the billions of dollars owed us by the several governments of Europe, aside from the billions of dollars which we have invested in Europe, we have in Europe to-day the outstanding market for American products. Sales to Europe even last year—a year of profound depression—amounted to almost $2,000,000,000. Sales to Europe over a period of years have almost equaled in value the total sales by America to all the rest of the world put together. America has a tremendous interest in the well-being of Europe. That interest, the interest in the preservation of present-day civilization as well, in my judgment, fully justified the moratorium proposed by the President and call for its ratification at this time.

Mr. SANDERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I shall be glad to yield at the end of my statement. I can not yield now.

The proposal was made to meet the disaster which threatened in Germany. It was made to give the period of a year to the economic recovery of the world. It was made to contribute to the forces of recuperation, both at home and abroad. To refuse to ratify it now would be to withdraw the hand extended in time of need. To refuse to ratify it now would be to extinguish the hope that it kindled, with all that that hope meant to the world. To refuse to ratify it now, as our distinguished colleague from Texas, Judge SUMNERS, has expressed it, "might affect the financial situation of the entire world."

There is nothing, Mr. Chairman, in my judgment, either mysterious or complicated in the moratorium proposal. It does not suggest cancellation. It does not suggest reduction. As amended in committee it expressly precludes both possibilities. It merely suggests deferred collection. It merely suggests that we accord to our debtor nations in Europe the same consideration that any one of us might accord to individual debtors in difficult times.

I hope sincerely that the House will lose no time in giving the proposal its approval. [Applause.]

I yield back the balance of my time.

Mr. COLLIER. Mr. Chairman, I yield 30 minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. My colleagues, I am as intensely pro-American as any Member of this House. I am a party man, but I always place country above party. [Applause.] In this instance there is no conflict whatever between my party and my country, for this is an American question and not a political question.

In the time I have I can not discuss this matter as closely as I would like to discuss it, but I think there have been straw men, extraneous matter, irrelevant matter, matters that have nothing to do with the issues, injected into this case in an effort to becloud the issue and fool the people. I say that with respect. Let me say I have always been tolerant of those differing with me. They have just as much right to their opinions as I have to mine, and I accord to them the utmost sincerity of purpose.

To my mind it would be, under existing conditions, calamitous to the world and to America if this resolution did not pass. [Applause.]

Gentlemen, I do not want any applause. It takes time, and I ask you to desist from applause. I never speak for applause.

I agree thoroughly with the position that my friend the chairman of the Committee on the Judiciary announced in a speech in the House last week, that the President did not pursue the wise course in handling this matter. I think the gentleman from Texas [Mr. SUMNERS] correctly defined the power of the President, and that the President, of course,

has no right to change the law. He has a right to negotiate treaties and subject to the approval of the Senate a law can be changed, but I know the President acted in utmost good faith, with the purest of motives, with a desire to serve the world. I think, however, it would have been better, after he had made his suggestion of a moratorium, which he made subject to ratification by Congress, had he called Congress into session to pass upon it. But he did not.

The President did me, among others, the courtesy of conferring with me by telephone at my home in Georgia before the moratorium was suggested, and advised me of the conditions in Austria, in Germany, and in Europe, and after being apprised by the President of the United States as to conditions there, I stated if his proposition did not involve or did not commit me to supporting legislation canceling or scaling down the American war debts or making their payment dependent upon the payment of German reparations to the Allies, I would support a one year's moratorium, and I am going to support the moratorium. I thought it wise then, and that conviction has been confirmed by the hearings before the Ways and Means Committee.

I have nothing to say as to how any of my colleagues should act, who responded to the President's telegram on this subject. They are alone the keepers of their own consciences and must decide what is best for them to do, and whatever they do I know they are acting in good faith.

My friends, I am not going to attempt to go over all the details of the economic situation, for I can not do it and say what I desire to say, but, briefly, the Bank of Austria was to close, the Government overthrown. Six hundred million dollars in gold in a few days were drawn out of the Bank of Germany. Foreign credits exceeding a billion dollars were being withdrawn from Germany. The gold reserve of the Reichsbank of Germany had reached the minimum, and unless some relief was afforded it would be closed. France and other European countries would not come to the rescue. The Bank of England temporarily stepped in and made a loan which they could not follow up, and unless some relief was afforded the German Government would collapse and it was feared communism might get root there, and the whole world was interested in the stabilization of Germany, for to-day, my friends, no one nation can live to itself alone. [Applause.] No one nation can be rich, happy, and prosperous and other nations prostrate. If the nations of Europe were in a chaotic condition, their purchasing power would be destroyed, and the industries of America and the farmers of America would not be able to sell to them or to the other countries affected by it, and as an economic proposition it was to America's interest to stabilize conditions there. When the offer was made prices within a few days went up, but France took time to agree to the moratorium and prices dropped, and in some commodities dropped lower than they had been before the moratorium offer was made. But the announcement did have the effect of stabilizing credit conditions in Europe, and it kept Europe from being economically in a chaotic state. Those facts were given me briefly over the telephone from the White House. The hearings before the Committee on Ways and Means sustained and substantiated those findings, but, gentlemen, to-day what is the situation that confronts you? The President of the United States, the official spokesman for this Nation to the other nations of the world, suggested a moratorium. The other nations of the world finally agreed to it, and the agreement was embodied in the London protocol. What would happen to-day if the United States did not agree? Chaos would follow. All of the countries of the world would feel that the American Government was responsible, and I believe the welfare of the world, the welfare of the United States, demands that this moratorium bill pass this House.

If Europe should collapse, the purchasing power of her people would be destroyed, the panic would spread to the United States, and the surplus cotton, wheat, and manufactured products of the citizens of the United States would have a still further circumscribed market, and prices would go still lower than they are now. What great suffering and distress would my people be forced to undergo by such a calamity. I will not take the chance of inflicting this catastrophe upon them.

Something has been said about France having a preference. The gentleman from Massachusetts [Mr. WIGGLESWORTH] correctly detailed that, but, gentlemen, under the terms of the resolution itself France can not have any preference. No other nation can have any preference and obtain a moratorium from the United States. Why? The resolution says the United States will grant a moratorium only to those countries who grant moratoria to all of their debtors.

Another proposition has been brought in here that this would involve us in reparations. Nothing of the kind. This resolution has no connection whatever with the payment of German reparations to the Allies. I am unalterably opposed——

Mr. RANKIN. Will the gentleman yield?

Mr. CRISP. I yield.

Mr. RANKIN. Does the gentleman state that only those countries which grant a moratorium to their own debtors would be given a moratorium under this resolution?

Mr. CRISP. Yes.

Mr. RANKIN. What about those eight countries to which Germany does not owe anything?

Mr. CRISP. They entered the London agreement, and while they have no claims against Germany, they granted to all of their neighbors a moratorium on their intergovernmental debts. It was humanitarian on their part to come in and forego those debts for a year in order to help stabilize the world, because all countries are equally involved in the stabilization of the world.

Mr. RANKIN. Will the gentleman yield further?

Mr. CRISP. I can not yield further.

Mr. RANKIN. That is a new phase.

Mr. CRISP. The gentleman is going to speak, and he can answer it when he speaks.

Mr. RANKIN. I will do it.

Mr. CRISP. All right. That is the situation. Now, gentlemen, much has been said about these foreign governments having the money here ready to pay these installments. I respectfully say that has no bearing whatever upon the issue involved. If it were admitted that they had the money here, or if it were admitted that they did not have it here, what difference does that make? The President of the United States suggested this moratorium, and the other nations agreed to it. They were advised by the Treasury Department, whether rightly or wrongly, that they would not be considered in default by the Treasury Department if the payments were not made. So, of course, they did not make them. They were waiting to see the course of events. They expected, of course, this moratorium resolution to pass and that they would not be expected to make the payments. So they made no provision for paying them. Is not that common sense? Why should they, with the foreign exchange involved and all of those things, send money over here when they were not expecting it to be used? In my judgment, if it had not been for this proposed moratorium, they would have had this money here and they would have paid the installments, and I am confidently expecting those nations of Europe to keep their solemn international agreements and pay the amount due the United States under their solemn agreements.

Now, it has been argued that the United States only had due it $6,000,000 of German reparations, which was a mere bagatelle. That is true, and that was only to pay a part of the expense of the cost of the Army of Occupation in Germany. Our Army went there at the request of Germany after the war, with the understanding that Germany was to pay the expense. The only money the United States has ever received from Germany is $65,998,512.13, the cost of the Army of Occupation, and $51,653,024.08 paid to cover the awards made by the Mixed Claims Commission, whereby American citizens were to be paid for damage to their property by Germany during the war. The United States has never received one foot of ground, and not a mark for war damage; no railroads and no property of any kind, notwithstanding the fact that the United States spent $39,000,000 plus in war expenses.

My friends, I am going to leave to others a more detailed argument as to economic conditions, for I desire to address you on section 5 of the resolution. But may I not say before I go to that—and when I was interrupted I was just about to say—that some people are being confused on account of the resolution naming reparations. Why does the resolution describe the amount of debts which those different countries owe each other? Germany owed the Allies $400,000,000 to be paid this year. She could not pay that money. Therefore it was proposed to grant this year's moratorium to relieve Germany from the payment for one year of this $400,000,000, in order to allow her to become stabilized. Reparations are used in the resolution to say to France, to England, to Belgium, and to all of those countries, that if they do not grant their debtor, Germany, a moratorium for a year on every kind of debt they have against Germany of a public character, including their claims for reparations, we will not grant them a moratorium on the amounts they owe us. America would have been foolish to have granted France and England a moratorium of what they owe America and then permit Great Britain and France to collect the reparations due them from Germany. That is the only reason reparations are in the resolution, describing the character of the debts on which other countries must grant moratoria in order to secure the benefit of our moratorium.

I had the privilege as well as the burden of serving on the American World War Debt Commission, and I know something of those settlements. Those settlements were extremely liberal and generous on the part of the United States. No country on earth has ever been as generous to its debtors as we were to our allied debtors. That commission took the position that it was going to fund debts according to capacity to pay, for, mark you, my colleagues, the debts owing to us were nothing but the moral obligation or promise to pay on the part of foreign nations. If they did not keep that promise, what recourse had we? There was no court to which we could go and obtain a judgment. If they did not voluntarily pay, the only recourse was by the arbitrament of arms, the declaration of war, and the sending of an army over. God forbid any such happening. This year, if there had been a collapse of Europe and there had been no moratorium, and had these European nations refused to pay their international debts—and it looks like they could not pay—what would have been your remedy as far as Germany is concerned? War would have been your only remedy.

I believe and always have believed that our allied debtors could pay, and I am expecting them to pay. [Applause.]

The total amount of principal and interest due to date of funding of the American World War debts was $11,522,354,000. Under the terms of the settlements to be paid over 62 years the interest amounts to $10,621,185,000, making the colossal total of $22,143,539,000. As a representative in Congress of the American people, I can not sacrifice their interest by voting to scale down or cancel this honest, just debt owing us by responsible nations of the world.

In my judgment, the Allies indebted to us could very easily meet the payments due the United States on account of war debts if they would enter into international agreements to reduce their military and naval establishments. The last available figures for a comparison between the amounts expended by the different countries for armaments and the amounts due by them to the United States were as of the year 1930. I include herein a statement of them:

Country	For armament	For debt to United States
Belgium	$23,247,347	$7,950,000
Czechoslovakia	41,056,000	3,000,000
France	547,133,935	50,000,000
Great Britain	608,024,880	159,520,000
Italy	322,337,000	14,706,000
Poland	122,995,000	7,486,000
Rumania	67,061,000	800,000
Yugoslavia	47,491,000	250,000
Total	1,779,346,162	243,712,000

Oh, how much the world would gain, how much humanity would be benefited, what a relief it would be to the taxpayers of the earth if armaments could be reduced by international agreement! If this could be done, the security of each nation would be the same, for armaments are comparative, and if each nation had a small military armament its national protection would be relatively the same as if each had a large one, and at the same time the taxpayers of the world would be relieved of crushing tax burdens. My dear friends, what would be the practical effect of a cancellation of all war debts? It would be that the American taxpayer would have the burden of paying practically $16,000,000,000 and the citizens of other countries would be relieved of tax burdens to meet war debts. Why do I say this? Our allies owe us, as a rule, more than their allies owe them. Therefore a general cancellation would relieve the Allies of a greater indebtedness to the United States than is owed to them. I will give an illustration: France owes the United States under the funding agreement $4,025,000,000. France has claims for war debts against the Allies amounting to approximately $548,636,152. France also has a claim for some amount from Germany on account of German reparations to be paid her; but a general cancellation of debts would inure to her benefit to the amount of hundreds of millions of dollars. The United States can not cancel her $16,000,000,000 owing American citizens who hold her bonds sold to obtain money to prosecute the war or to loan to our allies for the same purpose. Do not these bonds represent war debt? Do those in the United States who advocate cancellation favor canceling the $16,000,000,000 war-rebt bonds issued by the United States? I for one would never agree to any such suggestion, for the faith and honor of the American Government must ever remain inviolate.

I am unalterably opposed to a revival of the American World War Debt Commission. I am opposed to reopening those settlements. I am opposed to scaling them down and I am opposed to canceling them. I think the best thing this Congress can do is to express an opinion and let the world know, let the international bankers of this country know, let all who advocate scaling them down know, and let the foreign governments know that there will be no reduction or cancellation of those debts, but that we expect them to be paid. If that knowledge is carried to them, I believe they will pay. [Applause.]

I think if this resolution accomplishes no other great purpose, though I think it does, if it carried along with it this notice to the world, it would be a great legislative act.

When the Foreign Debt Commissions arrived in the United States, your commission stated that the settlements made had to be final settlements. When the first French commission, the Caillaux commission, came over here, the American commission and that commission were unable to reach an agreement. Why? The Caillaux commission insisted on two conditions prior to making any agreement: One, that any agreement they might make to pay us must be dependent upon their receiving reparations from Germany, and if they failed to receive reparations from Germany, they were not to pay us; and the other was the right to reopen the settlement for review after five years.

The subcommittee of the American commission was composed of Mr. Hoover, then Secretary of Commerce and today the President of the United States, Mr. Mellon, Senator SMOOT, and myself. We took the position we would not make any settlement that was not to be a final settlement, not privileged to be reopened, and I stand right there today, although some of those gentlemen have changed their opinion.

Let me give you an idea as to how generous the settlements were, except that Great Britain's was a liberal settlement on the part of Great Britain. The cash value of the British settlement, reduced to its present value on a 4¼ per cent discount rate, is 80 cents on a dollar, on a 3 per cent discount rate it is 104 cents on the dollar. The French settlement on a 4¼ per cent discount rate is 47.2 per cent, or less than half, and on a 3 per cent basis 64.6. The Italian

settlement on a 4¼ per cent discount is 24 and a fraction, and on 3 per cent, 36; Belgium, 46½ or 39.7.

And may I say right here, gentlemen, that France obtained from the United States after the armistice, for cash advances made to her after the armistice and for the sale of surplus war property, which was $400,000,000, practically $1,600,000,000 or $1,700,000,000, and the settlement made with France, in effect, simply asked France to pay back to the United States the money she received from the United States after the armistice and for the property she bought after the armistice. The effect of that settlement is to cancel the billions she received from the United States while actual war was going on, and every equity was extended her. She is not asked to pay back, under this settlement, funds obtained by her while the war was going on. France in her debt settlement owed us $4,025,000,000. The cash value of it on a 4½ per cent discount to-day is $2,010,000,000, or less than half, and she received as much after the war, plus the purchase price of war property, as the present cash value of her settlement.

Now, these are the conditions. I am not going to agree, so far as I am concerned, to vote to revive the War Debt Commission or to reopen those settlements or to scale down those settlements or to cancel them; and in the Ways and Means Committee I offered a much more drastic section 5 than the one that is now in the bill, but after discussion I finally withdrew mine and supported the one that was adopted.

Mr. LAGUARDIA. Will the gentleman yield on that?

Mr. CRISP. Yes.

Mr. LAGUARDIA. I would like to get the gentleman's views for my guidance as to whether or not, as a matter of policy, one Congress can bind or speak for future Congresses.

Mr. CRISP. The gentleman is smart and the gentleman knows it can not. The gentleman knows that if the Congress passed such a law, the next Congress could repeal it. The gentleman knows that quite well, but I think this Congress should let the world know the views of this Congress, and if the world is as smart as I think it is, it will know this Congress is reflecting the views of the American people. [Applause.]

This is my judgment about it. Let me say another thing. In the Senate the other day a question arose as to whether the State Department approved foreign loans. The distinguished Secretary of State appeared before us. He is an able, courteous, and frank man, and in executive session he would talk to us about anything. I secured his permission to make this statement on the floor. I asked him if any of the foreign governments had approached the State Department asking that these debts be reopened or asking for any cancellation, and he said no.

Who is doing it? I want this Congress to go on record and give an answer to whomsoever it may be that Congress is not going to do it.

Another proposition, I asked him if the State Department approved or disapproved of loans made by private bankers to Europe. He said they never approved, but they sometimes disapproved, and let me tell you that that was used once to my knowledge to the great advantage of the American people.

Right after the war Great Britain came voluntarily and freely and settled her debts on a generous basis, and if there can be any equity in a change as to any of them it is in the case of Great Britain. The other nations refused to come. They were repeatedly invited to come and they would not come, and, finally, the State Department took the position that they would not approve any international private loans to any of these countries or their citizens until their public debt was funded, and then they came and these settlements were made, and they vary from that of England of 80 per cent on the dollar to that of Italy of a little less than 30 cents on the dollar, and France's is a little less than 50 cents on the dollar.

The distinguished Secretary of the Treasury, Mr. Mellon, made a speech the other day over the radio and said that these settlements were based on the capacity to pay, and that if the capacity to pay had changed they should be opened again to settlement on capacity to pay.

My friends, there is no man with one ounce of intelligence who does not know that if these settlements were reopened, America will have to grant a further reduction. There is only one purpose, one object, and that is to scale them.

I am opposed to Mr. Mellon's position to-day, which is very different from what it was when the Cailaux commission was here. Then it was distinctly stated that no settlement would be made that was not a final settlement, and the capacity to pay was the basis of that settlement.

Mr. ESLICK. Will the gentleman yield?

Mr. CRISP. Certainly.

Mr. ESLICK. Does the gentleman understand that any foreign government has asked for a scaling of these debts?

Mr. CRISP. I do not, and I will say that I presume that the Government agency that deals with foreign governments would receive that request if there was one, and the Secretary of State said that he never had any such request from any foreign government.

That is what I want everybody to know. As far as I am concerned I am not going to vote to scale or cancel these debts, and when the foreign governments know it, they will stop hoping and hoping, and I have no doubt they will be honorable and keep their agreements and pay the United States. [Applause.]

Mr. SANDERS of Texas. Mr. Chairman, I yield 15 minutes to the gentleman from Tennessee [Mr. ESLICK].

Mr. ESLICK. Mr. Chairman and ladies and gentlemen, I have sought a few minutes to discuss the proposition before the committee. There have been a large number of requests on our side of this question, and I want to be fair to other men who want to express their views on the moratorium.

I regret on the first measure that comes from the Ways and Means Committee I must dissent from my leadership. But so long as I am a Member of this House, no man, be he President of the United States, can commit me to a measure by a Western Union telegram. [Applause.] And no member of my party, or any other party, can commit me to a measure I believe hurtful to the great American people. [Applause.]

When the President wired me I answered him emphatically that I would not vote for the moratorium. I had my reasons for this, and they are stronger to-day after the hearings before the Ways and Means Committee, and I am more convinced to-day that I was right than ever before.

I have been amused at the arguments made here that there was no haste for the passage of this measure. The President had five and a half months to call Congress into an extra session, but on a previous occasion the President had some experience with an extra session and he did not want another. [Applause.]

We come here after three days' hearings before the Ways and Means Committee to take up this measure, and we are to-day passing upon it. I say to you lawyers of the House that we are an appellate court, hearing an appeal from the Ways and Means Committee, and yet you are called upon to pass upon this great lawsuit that indirectly involves $10,000,000,000 without the record before you. Can you vote upon it intelligently?

The members of the committee have not the record before them. It has not been printed at this time. I thought we should have had it before us with a reasonable time to study it. We worked until midnight last night to get the minority report in. We did not have access to the hearings.

Now, I do not impugn or challenge the motives of any man here. I have the highest regard and the highest respect for the members of the Ways and Means Committee. I challenge no man's right to vote for or against the measure. He is responsible to his own conscience, his constituency, and the country.

I assume that responsibility, and I shall meet it with my own people. I do not intend to vote for this measure, I have never intended to vote for it, because I believe it is wrong. In the first place, I do not believe that the President acted

within his rights in making the agreement for this moratorium. I believe this as a lawyer. I am not going to discuss the legal aspects of this question. When the message flashed over the wire, I began to reason with myself. The first proposition was this: Who brought this situation about? Did America bring about the world-wide cataclysm? Was America responsible for this condition in Europe? Not at all. Germany brought about the World War. I think of the morbid and sordid picture drawn by the gentleman from Mississippi [Mr. COLLIER]. I agree with him. They were four of the blackest years in history. The war destroyed four years that should have been devoted to a Christian civilization. It left 10,000,000 young men in their graves on the western front. It made 7,000,000 widows and 15,000,000 orphans, and it destroyed $150,000,000,000 worth of property. Who brought it about? We did not. When one of two peoples must suffer, is it not fair that the party who produced the cause should assume and bear the burden? When the issue was presented, I asked, In what better condition is my country than the countries on the other side? I heard my friend the gentleman from Georgia [Mr. CRISP] discuss the international debt settlements. He presented it to the Congress. I heard him tell the Congress that these nations were paying to the utmost of their capacity to pay; and yet, my friends, take the single debt settlement of Italy. I represent an agricultural people, and they lifted from the shoulders of the Italians a great burden which, divided by congressional districts, placed a debt on my people of 7,000,000 bushels of corn at a dollar a bushel, and to-day under present prices it represents 28,000,000 bushels of corn. When I looked at the slide in prices, I saw that we had gone far down the hill, like the countries of the Old World. Let me call my friend's attention to this: When he tells you of the collapse in the old country and what might follow, turn your eyes upon your own land. You are slipping at the rate of $6,000,000 every day on the red side of the ledger. You are going into debt $250,000 every hour that yonder clock ticks off. Is there another nation in all the world to-day that is slipping as fast as we are? Your revenues are only one-half of the outgo. That is the President's own statement. Look out upon the cities and the great army of the unemployed. It is greater in America than in any country in all the world. Germany has her three and a half to five million people unemployed. Organized labor says that we have 7,000,000 unemployed in America. I look upon the great city of New York. It is the greatest monument to wealth that human history records, and yet in the face of those monuments of wealth stand the miles of unemployed.

As I understand, three-quarters of a million people within the environs of New York stand with outstretched hands for the gift of charity. Allowing four to a family, that means 28,000,000, or more than 20 per cent of the American people, idle, hungry, and half naked, and yet you tell me that we are in a position to step into the outside world and make these guaranties. I don't believe it. I believe charity begins at home. I have had a little experience. I helped to sell Government bonds in time of war. We carried out the instructions of the Secretary of the Treasury. We were told that this money would be loaned to our allies and that it would be paid back to us at the same rate of interest. Our people were told to buy until it hurt. I saw men who ought to have bought $1,000 buy $10,000. I saw the time come, after they had borrowed from the banks when they had plenty of money, when hard times were upon us and the banks needed the money. The bonds they bought had fallen to eighty cents on the dollar. The banks called on these people, and they mortgaged their little homes to the Federal land bank and other lending corporations, and when these debts were due the troubles of 1921 and 1922 were on hand, and they could not pay taxes and interest. There was no moratorium for those people, but a 30-day default in interest and they sold the house and home and farm from under them. When you sell the home of an American citizen, when you turn him into the highway and byway, you take from him an independence that belongs to the American citizen, and instead of patriotism you write resentment. In the last 10 years by involuntary sales 1,200,000 farms have been sold out of the 6,000,000 farms in the United States. What country in the world presents this picture? When you are declaring moratoriums, had you not better take care of the farmer and the fellow in his home, the American citizen, the man who knows how to accustom his shoulder to the musket and his hand to the saber in time of war, and in time of peace how to adapt his hand to the plow and help create the Nation's wealth? What country in the world can match 3,000 bank failures, with $2,000,000,000 liabilities, during the panic called a "depression" beginning in the autumn of 1929? No other country has such a record of misfortune. My appeal is for the American citizen. I have no unkind word for Germany, not a bit of it; but the gentleman tells us in these debt settlements that the countries of the Old World were paying to their utmost capacity. They could not pay us interest, they could not pay us honest money due us, but last year the very nations to which this moratorium applies expended 65 per cent more money in preparation for war than they spent in 1913. Do you know that last year the world spent more than $4,157,000,000 in armament in preparation for war, that the pathway that leads to the future some day may be made slippery with the warm, red blood of mankind? They are not able to pay us, but they are able to build the great fleets and establish the great armies, that the world again may witness the sacrifice of human life and the destruction of accumulated property. I ask unanimous consent to insert a statement showing the record by nations of the amounts contributed to the world's armament.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

WHAT NATIONS SPEND ON ARMS

[Expenditures for the last fiscal year figured at rounded par or in a few cases at the average of exchange, as compiled by the World Peace Foundation from the forthcoming League of Nations Armaments Yearbook]

Government:	Budget expenditure
Argentina	$50,331,291
Australia	18,419,702
Austria	14,507,320
Belgium	33,303,200
Bolivia	3,481,200
Brazil	55,005,920
Bulgaria	7,609,000
Canada	21,069,200
Chile	28,920,000
China	94,291,650
Colombia	6,452,000
Costa Rica	688,000
Cuba	12,031,000
Czechoslovakia	51,189,000
Denmark	12,270,000
Dominican Republic	1,056,838
Ecuador	1,814,220
Egypt	10,471,318
Estonia	5,520,000
Finland	16,457,500
France	466,960,000
Germany	171,923,040
Great Britain	465,255,000
Greece	$21,340,600
Guatemala	2,100,000
Haiti	1,157,920
Honduras	973,524
Hungary	20,220,000
India	211,587,622
Irish Free State	7,080,500
Italy	248,946,500
Japan	236,861,500
Latvia	7,860,000
Liberia	126,070
Lithuania	5,680,000
Luxemburg	277,200
Mexico	46,335,500
The Netherlands	30,880,000
New Zeland	3,496,150
Nicaragua	272,391
Norway	11,520,000
Panama	610,540
Paraguay	1,419,100
Persia	9,896,000
Peru	9,796,000
Poland	92,073,000
Portugal	16,379,640
Rumania	53,647,200
Salvador	2,195,600

Government—Continued.	Budget expenditure
Siam	$9,526,950
Soviet Union	578,942,707
Spain	112,583,300
Sweden	39,750,000
Switzerland	19,660,000
Turkey	17,371,564
Union of South Africa	4,906,891
United States	707,425,000
Uruguay	8,638,000
Venezuela	6,090,400
Yugoslavia	50,458,000
Total	4,157,931,958

Mr. ESLICK. I don't want to deal in personalities, but I listened with very great interest to the distinguished gentleman from New Jersey [Mr. EATON] in his peroration on the President. He told us the President, through his eyes and ears, saw and heard the cyclone that the people have not seen. Doctor EATON, tell the people they are happy that they have not seen what he has. If it has been any worse than that, which has been administered to the people in the business world in the last two years, may the Lord spare us and let us never see what the President has seen. I was amused at his statement, in the last analysis, to take care of the $40,000,000,000 private loans abroad, that represented the sweat and toil of the American people. What do the unparalleled losses in this country represent but the toil and sweat of our people? How are taxes to be paid or the deficit in the Treasury balanced except through the American people? When you postpone this indebtedness, our people now oppressed and staggering under the burdens of debt, you place an emergency tax of more than $2 upon every man, woman, and child in the United States. You fix a burden of $252,000,000 on the American taxpayers. You take this great burden from foreign governments that have not asked it and burden our people with it. As between the foreign taxpayers and the governments of Europe and the American taxpayers and the Government of the United States, I am for my Government and the home people. In good conscience my position and my appeal is—Let us first be just to our home people before we are generous to the peoples of Europe. [Applause.]

Mr. HAWLEY. I yield 10 minutes to the gentleman from Wisconsin [Mr. STAFFORD].

Mr. STAFFORD. Mr. Chairman, never in the history of the Government has there been a time under our existing constitutional policy when the good faith of our Government has been tested as at the present moment. The prime objective of the moratorium was for the relief and rescue of Germany. Incidentally it was for the relief and rescue of all Europe. Incidentally it was for the relief and rescue of the United States. Germany was going to be bankrupted, then France and all continental Europe would likewise be bankrupted, and the bankrupt conditions of continental Europe would unquestionably affect the international trade relations of the United States.

I ask you, my fellow Democrats—if I may so describe you—if that great President of yours, who guided this country during the World War, were in the White House to-day or in June last when the financial cataclysm was sweeping over Europe, had received an appeal from the recognized authority of Germany, the President of the Reich, that unless some relief were granted from the payment of its war debts then Germany would be in a condition of absolute chaos, would he, under his constitutional right as Executive of the Nation, with the power and right to negotiate treaties, have dodged his responsibility, or would he have done just what the present President of the United States, who also took such a commanding part during the World War in the relief of war-stricken Europe, did—initiate the negotiations that brought about the moratorium?

No one can question here that under the Constitution the executive power is vested in the President, and that he has full right to determine the foreign relations of the National Government, subject, so far as they are embodied in treaties, to ratification by the Senate. He has the right to inaugurate and communicate on all matters relating to our foreign relations. And if perchance the President of the United States did not undertake formal agreement in the way of a treaty for submission to the United States Senate, nevertheless the President was within his constitutional right in inaugurating this moratorium and submitting it to the Congress for ratification, because, and because alone, it affected the revenues of the Government.

I do not say that the President should not have convened Congress earlier to approve it, but he had a constitutional right to inaugurate it, and he had the constitutional right to submit it to the Congress of the United States for ratification.

Every event in European affairs that has followed since this was made public confirms the fact that the President was right and was not misled by the president of the Reich in inaugurating this moratorium.

Mr. SIROVICH. Why did the President not call a special session?

Mr. STAFFORD. The gentleman must ask the President. Perhaps it was because he had received assurances from a majority of the Members of Congress that the moratorium would be ratified, but whatever his reason was, whether there were Members abroad, or whether by reason of the close vote between the parties he did not want to have Congress on his hands, which I think was the real reason, because he had suffered badly from his prior experience even when he had a large majority in the House in his support; never theless, whatever the reason was, he was within his constitutional right in negotiating the moratorium and submitting it to the Congress.

Mr. MONTAGUE. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. MONTAGUE. Assuming the President was wrong, does that justify us in voting wrong?

Mr. STAFFORD. Just merely because the matter has been deferred six months, if the facts that have occurred since then have not changed the picture, why then should we refuse approval? The question before us is whether we are going to renounce the representative of our Government in foreign affairs and have him held up to ridicule; have the United States Government held up to ridicule, that we can not be counted upon to support the President on a proposition that essentially is within the province of the Executive to initiate and negotiate.

Only yesterday that criticism was reflected in the French papers. Pertinax, one of the foremost political writers in Paris, was chiding our country for not supporting the President in matters of foreign policy. To-day we should put aside partisan politics and look at the proposal in the broad light of what is our duty as the foremost financial nation of the world.

Mr. RAYBURN. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. RAYBURN. What would the gentleman think if, when the President was negotiating the treaty, the Democrats had met and a majority of them had signed a "round robin" when he was engaged in international affairs like some Republicans did in 1919? [Applause.]

Mr. STAFFORD. That would have given him notice and given notice to the countries affected by the moratorium that it might be expected there would be opposition to this proposal. But no such opposition occurred. He conferred not only with Republicans but he conferred with the leading Democrats on the Committee on Foreign Affairs of both Houses and with the members of the Committee on Ways and Means. Then he sent telegrams to every Member of the Senate and House and received assurances from a large majority of each House that they favored the proposal. It was an exigent condition. Time was the essence of the arrangement. Having the constitutional authority to negotiate treaties, if he had not taken the initiative, Germany might have succumbed and the flame of destruction would have extended to France and all continental Europe.

Mr. SIROVICH. But Germany never asked for the moratorium.

Mr. STAFFORD. President von Hindenburg did make his appeal to the President for a moratorium by reason of the very conditions then existing.

Mr. BLANTON. Will the gentleman yield?

Mr. STAFFORD. I do not yield.

Mr. FREAR. Will the gentleman yield?

Mr. STAFFORD. I can not yield further.

The Darmstadt Bank, one of the largest in Germany, with branches in Austria, Hungary, and other European countries, had suspended payments. Since then Great Britain had to yield to the demands of her seamen, the most ignominious act in the history of the British nation, because she was in such a critical condition that the Government could not stand up and say "You must obey the commands of your Government." Britain since has suspended gold payments. Japan recently has suspended gold payments. France, by its attitude at that time, thought she would not be affected by this conflagration that was spreading and might ultimately involve all Europe and affect the entire world, but she, too, later realized the necessity of yielding to the moratorium.

Mr. SANDERS of Texas. Will the gentleman yield?

Mr. STAFFORD. I yield for a brief question.

Mr. SANDERS of Texas. How many of the nations mentioned in the resolution have ability to pay now?

Mr. STAFFORD. The question is larger than that. The gentleman might say we should not do this because Germany has revived and that now the balance of trade is in her favor. But that is no reason why we should not grant this moratorium. The principal argument in favor of the suspension of the payment of the entire war debt for one year is that Germany has revived; she has not been obliged to suspend gold payments, she was given a breathing spell so as to revive by not being required to meet for one year her war-debt payments of more than $400,000,000. The answer to the gentleman's question is that the President rightly forecasted what would happen if Germany were exempted from the payment of $400,000,000. It is like any other creditor who is relieved from the payment of debts. Germany was enabled to use that $400,000,000 for her own improvement. Instead of paying it and having it in turn parceled out to France, Great Britain, Belgium, and the United States, she was able to use it for her own industrial revival. [Applause.]

It saved the German Government from a complete collapse, and perhaps a political revolution. The international events that have occurred since confirms the wisdom of the President in inaugurating this debt suspension. Let us now support the President in an act that was intended for and did redound to the benefit of the German people and the Reich.

The legislative branch of our Government is being tested to-day as to its capacity to do its full duty. No matter what is the politics of the President, I call upon you to sink partisan feelings and rise to your full measure to view our foreign affairs with disinterested eye for what is best for country and all the nations of the world.

[Here the gavel fell.]

Mr. HAWLEY. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, I rise for the purpose of giving a little history in regard to our debt settlements which may not be familiar to Members of the House generally, and what I say has bearing on a question now disturbing some of the Members regarding cancellation of debts.

When the resolution for European debt settlements was first presented to the committee, prior to the Dawes settlement, it provided that the Secretary of the Treasury alone should make the settlements. At that time Secretary of the Treasury Mellon was requested, as members of the committee at that time may remember, to come before the committee and discuss certain amendments which I had to offer. Secretary Mellon came, I believe, in executive session. The first amendement which I suggested, and which was afterwards adopted, was that instead of the Secretary a commission should make the settlements. That commission was later formed and had on its membership Mr. CRISP, of Georgia, and other able men in and out of Congress. That commission made all the settlements. A second provision in the debt settlement resolution was that there should be no cancellation of debts, also an amendment I offered. It is an important provision that was incorporated in the resolution. At first it was objected to by the Secretary because he said it might prove embarrassing in the settlements, but eventually the objection was withdrawn and that went into the resolution. The third amendment was that there should be no substitution of securities for the debts of any debtor country, because there was talk at that time of substituting German and Austrian securities for securities we expected to get from France, England, and the other countries. That was objected to in like manner, but eventually it was written into the resolution. Two other amendments were at that time suggested to the Secretary and were afterwards adopted. One had to do with the limitation of time for settlements and the other with publicity. Those five amendments were adopted and they are interesting at this time because of the fear of cancellation and substitution. It has always been the policy of this Government in all settlements that have been made that there should be no cancellation or substitution of securities. Our own attitude is clear on the subject.

I speak of that because it has to do with the question which is before us. There is no intention with Congress to cancel the debts, as the President and others have announced. In this connection, it should be remembered that our Government does not hold one dollar of German securities nor does Germany owe us anything. She does owe England, France, Italy, and other countries that owe us $11,000,000,000, and these debtor countries depend on German reparations to them with which to pay us.

When as a Government, through the Debt Settlement Commission, we permitted France to reduce her war debt 50 per cent and Italy 75 per cent there is no comparative loss to be feared by the United States in extending interest payments to them for one year, when a world-wide situation confronts us as it does in connection with the possible overthrow of the political and economic government of Germany. I believe there is a large majority in this House of the same opinion—that there is no comparison between a quarter of a billion dollars extended interest to England, France, and other debtors for one year when, on the other hand, we have in the past canceled several billion dollars in order to relieve all these war debtors from their debts to us. In the latter case the American public pays all debts remitted to France, Italy, and other countries. The moratorium does not remit one dollar of debts due from those countries but extends for one year their 1931 payments to us, and on that they agree to pay 4 per cent annually, according to the bill. These countries depend on payments from Germany to them to pay us. If Germany fails them, they may fail us.

When last in Germany, four years ago, I saw more red flags in the city of Berlin on one Sunday than I saw in all Russia, and I was in Russia two months and traveled from one end of the country to the other.

[Here the gavel fell.]

Mr. HAWLEY. Mr. Chairman, I yield the gentleman one additional minute.

Mr. FREAR. It occurred in this way: There was a communist celebration in Berlin at that time, and frankly I was startled at the display of communism in conservative Germany. In Russia we were informed by Russian commissars that the Bolsheviks during the war had spread communistic propaganda among the Germans more than among any other people or in any other country.

Mr. HOWARD. Will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. HOWARD. The gentleman said we voted these millions to France. Will not the gentleman be kind enough to permit me to say I did not take part in that wickedness.

Mr. FREAR. If the gentleman will find that statement in my remarks, I will be willing to correct it. I did not say

that we voted those millions but that we confirmed those settlements. I do not know whether the gentleman, as a Member of the House, took part in that; but we accepted the decision of our own Members on the commission that the settlements contained all that the debtor countries were able to pay, for be it remembered if a default in payments occurs, the only way to enforce payment is by war, and the American people do not want another war, nor if they have the decision, will they engage in another foreign war.

Mr. Chairman, if a house was on fire or in smoking ruins and it threatened the safety of adjoining buildings, I would not question the motives or purposes of those who were putting out the fire. The first thing to do would be to put out the fire and save surrounding buildings. If the regular fire department was not handy, I do not believe the chief fireman would refuse to accept any aid.

That is the position of Germany and the United States with the moratorium. I was in Germany shortly after the war. I saw long lines of crippled, hungry men and women and children in the streets of Berlin and other cities. The mark was then dropping so fast that stores were only kept open a half day. At Ambassador Houghton's residence I met some of those who had been in power in former days. Germany was without business, without money except the depreciated paper mark, and distress and poverty were on every hand. I am discussing this condition in its relation to the moratorium. All of her domestic debts were canceled with the downfall of the paper mark. The people lost all their savings.

All of the French domestic debts were also scaled down to the French holders 80 per cent with the fall of the franc. It looked as though peace in Europe was as bad as war. In fact it is doubtful that Germany would have weathered the storm after the war but for the strong hand of President von Hindenburg at the helm. Remember, Germany is now a republic, and no one will hold the German people responsible for former acts of their deposed war leaders. The people have little voice in any country with declarations of war. Once in war they have no alternative but to fight. The World War is over and the great problem in Europe is whether the new governments that have repudiated their kings, czars, and emperors will survive as republics.

Communism and distress is found threatening more than one European country in addition to its control of Russia.

That is due to war, and Germany is not alone concerned with the future. The whole civilized world is involved. Under debt settlements with Great Britain, France, Italy, Czechoslovakia, and other countries $11,000,000,000 loaned by the United States to these countries during and after the war were scaled down so that not 50 per cent of the loans made by the United States will be repaid if placed on a cash basis. Loans to France and Italy were scaled down approximately 50 per cent for France and down to 25 per cent on the dollar for Italy, as stated.

This settlement would not repay to us the money we loaned these countries for rehabilitation after the armistice was signed. These settlements were made with the approval of Congress on the theory that a half loaf or a quarter of a loaf from Italy was better than no bread at all.

With reparations due from Germany to the victors, it was long ago admitted by all countries that the terms were so heavy that Germany would repudiate all her war settlements and make no effort to save herself from threatened economic ruin.

America was then begged by European powers to help adjust a critical situation and the Dawes plan was the outcome. That plan of reparations would have weighed down a prosperous Germany, but when worn out, with few industries working, word soon came that the Dawes plan was also impossible to carry out. Another settlement was prepared, and Young, also an American, arranged what was known as the Young settlement, secured by rail customs and other sources of income. These reparations were to be paid to the European allies and would help to pay their debts to us.

American money followed, poured into Germany, secured by local, municipal, and German Government bonds. Bankers are now blamed for urging poor securities on the American public. I believe they were largely responsible for high-pressure salesmanship, and although many billions of dollars in private funds went to Germany and helped start the wheels in her mills and factories, the money was taken from such bonds floated by bankers with the American people.

That, in brief, is the record of Germany's debt settlements since the war. Germany did not owe the United States one dollar excepting in private debts. We made loans to the victors—to England, France, Italy, and other countries—to rehabilitate Europe, but none to Germany. Our people bought German bonds, but the United States Government did not loan anything to Germany.

Great Britain, France, Italy, Belgium, were German victors that agreed to pay the United States during a period of over 62 years, but depending first upon German payments to these European countries under the Young reparation plan. They paid us if Germany paid them. When Germany stopped paying them, then they stop paying us. That is their proposition now.

There is no disagreement thus far in the story of Europe's war debts. In May, last summer, President Hoover was advised that the German Reichsbank, her financial center, was to close because of serious financial difficulties. With that bank crash no reparations would be paid by Germany to her European victors and they would not pay to the United States. Germany was not alone threatened by communism, but all Europe and America were possibly involved to some extent in the storm. Was Germany worth saving? Without Germany, from an American viewpoint, we might lose the $11,000,000,000 that would only be paid us through German reparations, according to European claims.

That was a threatened conflagration in time of peace almost as serious as in time of war. President Hoover believed the situation critical. By giving Germany a breathing spell, order could be brought out of chaos. President von Hindenburg proposed a one year's postponement of Germany's debt interest and reparation payments to her victors, and France and our other debtors were finally won over to the plan if they were to be relieved in their payments to us for 1932 by a year's extension.

The President acted. He wired Senators and Members the situation as he believed it to be. He did not call Congress together because that would have taken time, long debates, and in the meantime the house might burn down as did Rome while Nero fiddled.

When word was received from a majority of Senators and Members from both Houses of Congress, whether Democrats or Republicans, the President negotiated with Germany, England, France, and all the other countries to give a 1-year moratorium or extension of their joint debts to Germany on condition the United States would extend their payments for one year. Not cancellation of their debts but a moratorium for one year. It was the only solution of a critical situation in world affairs.

Mr. Chairman, possibly we were mistaken, possibly Germany was not bankrupt and did not need the year of grace, but neither the President nor Congress could withhold consent in the face of a threatened collapse, because if Germany defaulted, all others would default. For selfish reasons, if from no higher motives, that was the course to pursue.

The President may not have known all the facts, but he knew far better than we did and, in any event, was ready to postpone the $250,000,000 annual interest and debt payments to us from our debtors, to put Germany on her feet.

The gentleman from Illinois [Mr. CHIPERFIELD] interrupts to ask insertion of actual amounts loaned and canceled for France and Italy. They are set forth herewith.

The funded principal of the French loan, $4,025,000,000, and interest due of $2,822,674,104 to time of settlement amounted to $6,847,674,104. Amount to be paid in 62 years

on a 4¼ per cent interest basis, $11,474,900,000. Total French debt canceled on 4¼ per cent basis, $4,627,225,895.

On the same basis Italy's debt was $2,042,000,000 principal, interest $365,677,500. Total due to time of deferred payment, $5,821,552,000. Total Italian debt canceled, $3,413,874,500.

On the same basis, Great Britain's debt was $4,600,000,000 principal, interest $6,505,965,000. Total, $11,105,965,000. Total British debt canceled, $2,008,207,000. Or a total cancellation for these three nations, on a 4¼ per cent basis, of $10,040,307,000.

The above is from table prepared at request of Hon. Theodore E. Burton by the Treasury Department in 1929. According to data offered to the House by Representative HASTINGS, it further appears amounts expended by the above three countries in recent armaments reached in 1930—Great Britain, $608,024,880; France, $547,133,935; Italy, $322,337,000. The United States exceeded all other countries with its 1930 war expenditures reaching: Navy, $357,806,219; Army, $339,906,459; total, $697,712,678, or about $6 for every man, woman, and child in this country is being expended in time of peace, or double the $348,000,000 we spent in 1914 for war purposes.

With these startling figures practically for maintenance alone, Congress now further confronts a new great "parity" Navy bill carrying more than a billion dollars additional and a soldier conscription bill for 4,000,000 men for European service, if need be—all in time of peace. The naval and military forces in this country are again in the saddle.

I have set forth the war debt facts briefly. The war is long past. That is water over the wheel and responsibility for that war will never, never be settled. It takes two or more persons to make a quarrel and that is true of wars among nations.

The last war will stay with us in our debt settlements over 50 years more to reach the last of Europe's debt settlement. That is, if we ever realize on these debts. I have quoted to the House repeatedly predictions by soldiers, writers, statesmen, and others that another war is in the making. Some prophets claim it will come within 10 years, others fix a later date. They do not know just when it will come, but they do know that between bitter resentment over the treaty of Versailles, which carved up Germany, Austria, Turkey, and Russia, a smoldering fire is likely to break out as it did through the Alsace-Lorraine bone of contention that helped provoke the World War between Germany and France.

France and Italy are feverishly racing in their competitive naval programs, and we are invited to join that race by the pending billion-dollar new naval program in Congress. Battleships are soon obsolete but serve to keep alive the naval race and our injection into another European war to end wars.

The last war reported, 13,000 casualties among the Thirty-second Division of Wisconsin and Michigan boys thrown into battle as "shock troops," or approximately 50 per cent were disabled of the full strength of that division. I do not know whether propaganda, largely false in the past, will again seize the American Congress and force us into another European war.

Judging from the Spanish-American and World Wars, I do know that war hysteria is promoted by propaganda so that Congress becomes overwhelmed by Lord Northcliffe and other powerful influences from abroad, while our own press and war interests are always ready to believe potential enemies are on the job to injure us. If war comes to Europe, it seems certain again to involve us, because the same war interests will arouse Congress and the President to a declaration of war before the American people have learned to know the real causes for European disagreements. Like business panics and business depression, war is reoccurring.

All debts now owing to us will be infinitesimal and of no value compared with the cost and casualties certain to come from another war.

For that reason I have again reoffered a resolution (H. J. Res. 103) which provides:

Congress shall have power to declare war only after the proposition shall have been submitted by the President to the several States and a majority of the States at general or special election, called by the governors thereof, shall have approved the same. This amendment shall not be construed to prevent the President from using the Army and Navy to suppress insurrections and to repel invasions.

"The right of the people to be secure in their persons shall not be violated by conscription or forced military service, but when public safety demands Congress may provide for forced military service on the North American continent and in no other place."

I shall later remind the House of some of the arguments and propaganda influences used in other wars that are again calculated to force Congress to declare war and of influences of Presidents on Congress to the same end, not for the purpose of criticizing past wars or their inception but to urge permitting the people who fight and pay the bills to have the decision.

This is not directly involved in the moratorium before us, but if we would have no more moratoriums we should have no more European wars; and if we would avoid such wars let us place the decision with those who bear the war burdens.

[Here the gavel fell.]

Mr. SANDERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. QUIN].

Mr. QUIN. Mr. Chairman, I hope no gentleman will interrupt me in the few moments I have.

In the hot days of the summer the President of the United States honored me by sending me a telegram. I did not have time, in a good manner, to answer it, but I am going to answer it to-day. [Laughter and applause.]

I have listened to a lot of this talk. One gentleman told about the President of the United States, Mr. Hoover, seeing the storm and the great trouble abroad. I want to tell you in this RECORD so the President can read about some of the storms and troubles we have here in the United States. He does not have to go across the briny deep to the European countries to see what has been described here to-day. He can see it in every congressional district of the United States. He can see it all the way from Canada to the Gulf of Mexico. He can see it from New York City clear out to San Francisco.

Does the President know that throughout this country 7,000,000 people, honest, faithful, working men and women who have been working in the stores and factories and sawmills and in every kind of industry are to-day in idleness, and many of them begging for bread? Does he know that throughout this country good, faithful working people are walking barefooted? Does he know that in this country of America farmers in every State in this Union have borrowed money from the Federal farm-loan banks and that their homes, where these men have worked from the date of their birth up to 60 years of age, due to the great panic that has been growing on, are being lost through foreclosure of what we call mortgages; and that men and women, industries and banks have bought the bonds and not a single one of those bank bonds to-day is worth over 75 per cent, and I think most of them are worth less than 33⅓ per cent. Yet we hear of troubles over yonder in Europe.

You have here in the United States the man who produces cotton getting a little measly sum of 5 cents a pound for cotton that has cost him 10 cents a pound. You see them getting a few cents for oats, you see them getting a few cents for wheat, and you see fine cattle in the fields here that sell on the hoof for 2 cents and 4 cents a pound. Yet the President fails to see this.

In every town and village and in every city of the United States there are vacant stores, vacant houses, because people are unable to pay rent. In every community from the biggest town to the smallest village, you see people in want and in poverty.

In the United States the stocks and bonds of the great railroad systems are going down to zero. The great railways of this Republic, that have always been good investments, to-day none of them can sell their stock or sell their bonds. The bonds of a great railway system that were worth 105

to-day are quoted at 15. Stock that was worth 200 is quoted at 36, and one stock that was worth 167 is down to 9½.

Factories in every line of industry, where thousands of good men and women were once at work earning a good living, are idle to-day. In every State in the Union you see this. You see it in Pennsylvania, where the great rolling mills and cement factories were once operating regularly; to-day they are idle, with broken window glass and the men who worked in them idle. All this I call to the attention of Mr. Hoover.

Do you know that in every State of this Union, following the very worst panic we have ever had, we are almost in the state of being in the Dark Ages? Why can he not see this storm here at home?

Talk about this Congress being called on to grant to Germany and to all other European nations the gratuity of a moratorium, who is going to give these farmers a moratorium? Every day you see in the papers of your district where they are selling out these honest farmers because they can not pay their installment payments and the interest. Yet you are called on to give away all this money over yonder in Europe. You are called upon as representatives of the people to do this.

Understand me, you are not here to grant special favors to these grafting international bankers in Wall Street and elsewhere that have imposed on the people by selling them these worthless bonds. Do you not know that this is a scheme to protect these men, a bunch of exploiters in this Republic who have been growing fat while everybody else has been losing money and some starving to death? They issue these bonds and sell them to the American people after taking off 15 or 20 per cent as their profit and putting it in their own pockets. This is the bunch of gentlemen that are behind this moratorium, and you need not fool yourselves. They mean for us to act the big fool and to grant this special favor to the privileged bankers who have robbed our American people through selling these bonds so that all this money they have loaned over yonder in Europe, especially in the great country of Germany—and it is a great country—so that they can have the Government finally cancel all of that money that they owe us, and then they will be able to collect their money and put it in their own pockets.

We have the situation of honest men and women on this floor being called upon to make these people safe and to let our people go broke and many go hungry.

Taxes are already so high in this country that we can not raise them, and we are going to be $3,000,000,000 in the hole in our Government by the first of next July, and you gentlemen know it. Yet you are called on to let these countries over there have an extension of a year in which to pay the amount they owe the United States.

Why do you not give the farmers a moratorium on their farms? All these people in this Republic I consider our people, and our people must have some way to live as well as the people abroad. Our people, and when I say our people I mean the citizens of the United States of America, and that is the country in which the President, in my judgment, ought to see the storm.

My friend from Wisconsin [Mr. FREAR] was talking about seeing red flags over in Germany. If we follow this policy, including this high tariff that you have put on us and which the President has said must stand—and understand, in my judgment, that is one of the causes of our being in this awful fix to-day, because you cut off our markets abroad in which to sell the produce from the farms and factories of this country, and that is the reason your railway systems are going into bankruptcy, and that is the reason your farmers are going into bankruptcy.

Talk about banks failing in Germany. Hell, they have failed by the thousands all over the United States. All over Pennsylvania and all over the West, all over the North, all over the South, you have these failures of banks and then talk about two failing in Germany.

You better think about the banks in the United States. Let us think of what is happening in the United States.

You are going to cause the red flag to be brought up here if you keep on treating the American people like you do.

You hear talk about the President seeing a cloud over in Germany. I say that we have not only got a cloud here, but we have a thunderstorm here already. It will take this Congress to take care of the United States of America, in my judgment, because we have a great crisis here and not only a crisis but a dangerous future.

We are not only facing a dangerous future, but we are standing on the brink of the precipice now. Every man better keep his eyes open and watch his step. I have a feeling for the American citizen, I have a feeling for the people of this country. We must look out for our own fireside.

Do you know that all the way from the humble cottage of the poor man, with his wife and children around him, clear up to the palace of the rich, this depression is affecting them? Rockefeller and Henry Ford and that type of men are losing money and so is everybody all the way down to the little peanut vender right here in the United States. We are called on by this resolution to ignore all of them in order to go to Europe and help them.

My friends, I may vote wrong, but I am going to vote with my heart. I am going to vote for the flag of this Republic.

I stand for the flag of the United States. I stand for the rich as well as the humble homes. We are called upon to perform a duty, and my vote is for the American people against the moratorium for foreign governments.

[Here the gavel fell.]

Mr. CANFIELD. By authority of the gentleman from Mississippi [Mr. COLLIER] I yield three minutes to the gentleman from Arkansas [Mr. RAGON].

Mr. RAGON. Mr. Chairman, ladies and gentlemen of the House, I can not attract your interest and attention as did my spectacular friend from Mississippi [Mr. QUIN], but I do crave your attention for a few minutes.

I think this question should suggest itself to the House in that serious attitude that I think should surround the most important question since I have been a Member of this House.

So far as I am personally concerned, I favor the provisions of the moratorium. I may be wrong. I can see nothing incompatible with the Constitution of the United States in the actions that have been taken. In this I may be wrong. But there is one thing in which I know I am not wrong, and that is in following and supporting, after he has made a difficult and deliberate and honest effort to serve the welfare of this country, I am not wrong in following the President of my country. [Applause.]

There never walked a man who thought more of Woodrow Wilson than I. [Applause.] There never walked a man in the United States that regretted more the Republican round robin that occurred in a branch of this great Congress in opposition to some of his policies than I, but shall I adopt such tactics which I did not think right at that time on this occasion? I am as seriously convinced as I am of anything, that this country to-day stands in just as great peril as it did in 1917 and 1918. I wish some of you could have sat in the executive session of that committee and have seen the concern that manifested itself upon the face of one of the highest officials of this Government, and the one most intimately connected with international affairs in this country. I am one who subscribes to another philosophy in American Government, and that is that I do not care what man is elevated to the Presidency of the United States, or from what party he comes, he is no ordinary man. I am not ready to say that the President of the United States, regardless of party or social standing, is a man who does not appreciate the obligations that go with the oath that he takes for the high office of President of the United States. [Applause.]

Mr. SANDERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. RAGON. No; I can not yield. Then, again, gentlemen, I am further convinced of this fact, that we have not

selected a President of the United States who in his heart sought to fill up the Cabinet of his administration with men who were impelled by dishonest motives. If there is any man who knows what the international relations of this country are with the different nations of the earth, that man is the Secretary of State. I ask my colleagues, particularly those on the Democratic side of the aisle, to bear these things in mind, because I know that honestly in your heart and mind and conscience, your feeling is identical with mine.

Mr. SANDERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. RAGON. No; I can not yield. The Secretary of the Treasury, of course, has an intimate knowledge of the financial affairs of the world. Some of my friends, men whom I greatly love, are opposed to this. I can not keep from believing that they have prejudged this question not on the real merits of the issue, but by the columns of the newspapers. Gentlemen, are you going to take the highly colored headlines and the news items that appear in the great American newspapers and also European, and cast aside the testimony of men who have to handle the affairs of this Government in its international relations? Something has been said here, and at first blush it appears to come with good grace, to the effect that there is such mystery about all these negotiations. There has to be a mystery when it comes to handling international affairs between this country and foreign countries. Look for just a moment at the situation that might have occurred if Mr. Hoover in the negotiation of these terms of the moratorium had given advertisement to the world of what he was about to do. It would have caused a complete breakdown in Europe. Negotiations of such character must be quiet; yes, "mysterious," if you please. Let us look at the situation for a moment.

There was a bank failure in Austria that started the great disturbance. It grew to such proportion that President von Hindenburg on June 5 issued an ultimatum the effect of which was to increase taxes, and necessarily, therefore, alarm, because evidently the German Government did not take into consideration the serious purport of such an ultimatum outside the confines of Germany. In the second week of June there came a terrific withdrawal of gold and foreign exchange from the reserves of the Bank of Germany. That continued up until the week of June 20, and in that time over a billion reichsmarks, or $250,000,000, had been drawn from the reserves, represented in gold and foreign exchange, from the Bank of Germany. In the last two days, I have been informed, a large part of those withdrawals occurred. The gentleman from Kentucky [Mr. VINSON] said that it was strikingly strange, it was a mysterious coincidence, that the President of the United States should have made up his mind to grant this moratorium on the 20th, and that President von Hindenburg on the same day should have sent a letter to President Hoover. The Secretary of State notified the French ambassador, Mr. Claudel, on Thursday before Saturday, June 20, that a moratorium would be proposed. He advised him in the early part of the forenoon. Therefore the von Hindenburg letter was addressed two days after the first communication of Mr. Hoover's intention. What did the President then do?

The President sent telegrams to different Members of Congress. Two hundred and seventy-six men responded favoring this proposal. I have forgotten the number in the Senate, but, if I remember, it was 68. Here is the President of the United States first notified of these direful conditions by Ambassador Sackett, prior to even June 5, intimately familiar with the conditions in Germany, and then after the receipt of these telegrams from Representatives and Senators, as a representative of my country and your country, he undertakes the task of completing this moratorium.

Mr. SANDERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. RAGON. I have twice refused my good friend from Texas, but I can not longer refuse him.

Mr. SANDERS of Texas. I just want to know if the gentleman thinks those telegrams are binding unless the President stated all the facts?

Mr. RAGON. I can speak for no one but myself, but it is binding on me so far as I am concerned, and it has been so considered by me ever since [applause], and when I heard the testimony coming from the acknowledged representatives of my country in international affairs I say it made me all the stronger in my position. My friends have also found great objection to the fact that there are eight countries who are not parties to the reparations. Let us look at those countries. That sounds like a pretty bad thing, but, as the gentleman from Georgia [Mr. CRISP] said awhile ago, after you examine the matter it appears nothing more than a scarecrow or a straw man. Of the $252,000,000 that we forebear on the part of our debtors, how much do you suppose these seven countries pay in?

They pay in only $4,000,000. Four of those seven countries are infant countries, Jugoslavia being one of them. Finland is an old country, but two other countries, Austria and another, are countries that themselves have reparations to pay. There is nothing to such an argument when you consider $248,000,000 due from governments drawing reparations.

Mr. RANKIN. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. RANKIN. Are we going to grant a moratorium to these people in order that they can pay reparations to somebody else?

Mr. RAGON. No. My friend was present in the committee, I think, when I asked the question of Mr. Mills. And he answered, "I do not see how our country is going to grant a moratorium to one of our debtor countries and deny it to the other." As I say, it was a very small friendly act on the part of our Government in extending to these small countries the same postponement of their annual debt as they did to the other countries.

The gentleman from Mississippi [Mr. QUIN] puts into the argument an element that I am sure does not appeal to your intelligence very strongly, when he talks about the distress in this country. We all know that. There is not a man here on either side of the aisle whose heart does not bleed for those people who are unemployed. I would hate to think we had a President of the United States whose heart did not rotate deep interest around the sufferings of our people to-day. I do not think there is a man on this floor who thinks that. There is not a man on this floor who believes that his fellow Congressmen feel that way. I wonder how many bills my friend from Mississippi has introduced to relieve this situation. How many bills has he introduced to give a moratorium to the farmers of this country? I will answer the question as far as I am concerned. I have been working on one for a week. I do not know whether I have the sense to prepare it properly or not. If the bill which we will pass to-morrow will not cover it, I shall continue my work, but each of you have upon your shoulders and upon your conscience the same burden as the President of the United States to help our distressed people. It is our job. We do not have to wait for the President to come here and tell us that we must do something to relieve that suffering. We can initiate methods of relief ourselves. Primarily the burden comes to our shoulders.

My friends, such as the argument of my friend from Mississippi is simply building a straw man to becloud and befuddle the minds of these men and women who have upon their shoulders the duty of discharging this serious responsibility.

Mr. VINSON of Kentucky. Will the gentleman yield?

Mr. RAGON. I yield.

Mr. VINSON of Kentucky. Referring to the gentleman's farm bill, does the gentleman expect to get any more support from the other side of the aisle than he did for his amendment to this bill in committee yesterday?

Mr. RAGON. I do not know. I will tell the gentleman what I think. Well, I am not going to defend them in the

committee. They still have their opportunity to strike that amendment out which I put in there.

Mr. VINSON of Kentucky. None of them will make the motion.

Mr. RAGON. That is their business. It is not mine.

Now, on the question of the international banks that my friend speaks about, I do not like their practices any better than he does, but we have sat here through 10 long years, and we have not done a thing that I have ever heard of in the House of Representatives to curb the activities of those men. Have you?

[Here the gavel fell.]

Mr. HAWLEY. Mr. Chairman, I yield to the gentleman from Arkansas five additional minutes.

Mr. RAGON. The gentleman inveighs against the international banker. Why does he so inveigh? Only to becloud the issue. He denounces them because they have gone down there and sold to the little banks and individuals of his country bonds of Germany, which represent improvements in German municipalities and German corporations, and so forth. His objection to the international bankers is because they have hoodwinked some men down in his district in Mississippi and some men in my district in Arkansas with these bonds, all of them catapulted into commerce through the acts of the international bankers. That is a terrible scarecrow. Whenever you vote down this resolution, I ask you what are you going to do to the American banking system? Paralyze it? Yes. You will wreck the banks in the great cities of this country, in our great American metropolis and three or four years ago no man dared stand up and even suggest their weakness. Whenever you paralyze the banks of New York, what are you going to do down in Joplin, Mo., and in Little Rock, Ark.? I do not have any more use for the activities of the international banker than my friend QUIN, but I call this to his attention, that when his vote is cast in this House, and this resolution is killed, then, my friend, you will see the tottering form of Germany go to the junk pile inside of 30 days; and where is the value of that bond that they have sold to your farmer and business man down in Mississippi? That argument I think is mere raillery, but it is answering the argument of raillery by my good friend from Mississippi.

As I see it, this is a stupendous question. It is something more than simply the amount of money involved, because this money, compared to even the value of the appropriations that we make for the purpose of sustaining our War and Navy Departments, is but pocket change. Although it is small, I think if France had come across in a reasonable time and embraced the proposition we would have had much better times than we have had, due to the manifestations of the quick upturn in the stocks of this country and the stocks of Europe immediately upon the announcement of such a moratorium. But, my friends, the delay of France simply killed the psychological effect that this moratorium had. However, that is where we acted foolishly. Many people went about shouting from the housetops everywhere that this meant restoration of the prosperity we had between 1923 and 1929. My friends, its only effect was the psychological effect it had upon the European nations and the raising up of friendly relations for us in Europe, which we badly needed.

But it was a healthy psychology. It was one that was working well. I say to you that if you want to have a psychological effect directly opposite to what you had at that time, then vote down this resolution. But, I can not believe you will do so.

I said to you as I began, I suppose I am as red-hot a Democrat as anyone, but I can go over the shadow line of my partisan feelings when my country is involved. [Applause.] Regardless of whether or not the Republicans stood with Woodrow Wilson and may have not done so in a reprehensible way, do not let us imitate them in this year of our Lord when we have a Republican President in the White House.

Let me tell you something. As surely as I am standing on this floor, I firmly believe that these things are going to be battled out under the administration of a Democratic President, and I say to you, let us deal intelligently with these serious international questions which are now confronting us and which affect not only our existence but the existence of the whole world. So, Democrats, be careful, lest your actions arise in the future to embarrass you. We should put aside the question of partisan politics. I can not say that party politics animate men on either side of this House but, from a question or two asked here, I am afraid partisan politics do have some long, lingering influence down in some of our hearts, but on serious questions of this kind let us put them aside. [Applause.]

[Here the gavel fell.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 25 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, there is a high point in the life and history of every Congress. My humble opinion is that this day will be the high point in the life of this one. You are making history to-day, and I would be unfaithful to myself, unfaithful to the American people, and unfaithful to the people whom I have the honor to represent if, when called upon to speak on this occasion, I failed to speak frankly.

I have said time and again—and I say now—that this moratorium movement has behind it a scheme concocted by certain international bankers to cancel the foreign debts owing to the United States and unload that burden upon the American people in order that the bankers may collect their private loans abroad.

In the beginning, I want to refer to some statements made by the distinguished gentleman from Arkansas [Mr. RAGON] with reference to my honorable colleague, Mr. QUIN. There is not a man in Congress who more thoroughly registers the heartbeats of the American people in his attitude on public questions such as this than does PERCY QUIN, of Mississippi. [Applause.]

The gentleman from Arkansas, instead of criticizing Mr. QUIN and praising the foreign policies of the present administration, which have been the most bunglesome in the history of the Republic, might well take a lesson from that sturdy and faithful Democrat who came here to protest against the passage of this resolution which, in my opinion, is one of the most vicious measures ever brought to the floor of this House.

I wonder whether the gentleman from Arkansas fully subscribes to the foreign policy of the present administration which he so generously praises. I wonder if he remembers how the present Secretary of State got himself into a most ridiculous position as between China and Russia some time ago. I wonder if he recalls his performance with Japan the other day. I wonder if he remembers what happened in 1930, when his conduct toward the people of Brazil, at a time when they were fighting to overthrow the most corrupt régime that republic had ever had, how he came almost within a hair's breadth of plunging this Republic into a war with Brazil, which would have meant a war with all the Spanish-speaking peoples of Central and South America.

I would advise the gentleman from Arkansas to inform himself on these questions before he goes too far in his praise of the present administration, and in condemnation of my colleague for his earnest attempt to protect the American people in this matter.

The advocates of this measure ridicule our referring to the suffering people in the United States. I was before the Ways and Means Committee when the Under Secretary of the Treasury came there.

He painted a picture of conditions in Germany and said there were 3,500,000 unemployed in that country last June, when at the same moment there were more than 4,000,000 unemployed in the United States, and that number has grown to more than 7,000,000 at the present time. Why is the Treasury Department so much concerned about unemployment in Germany while blindly refusing to recognize the seriousness of our own situation?

Let us see from whom this moratorium movement came, who started it, and what forces were and are still behind it. It was not France. It was not England. It was not Italy. None of those countries asked for this moratorium. Oh.

but they tell us that it came as the result of the critical condition in Germany. The Under Secretary of the Treasury referred to the Bank of Austria. I wonder what he thinks about the banks in your States and mine which are failing and bringing wreck and ruin to our people while we quibble over trying to give these moratoriums which will not relieve the people of the United States but will impose extra burdens upon them.

They talk about conditions in Germany. I want to talk to those who have been shedding tears about the condition in Germany. I want to show you what that condition is found to be. This is the only testimony we have, this hurried hearing we had, and they are rushing in to have you vote before they even publish the results. They did not go to the bottom of this thing, as I will show before I close. Here is the condition in Germany:

Basel, Switzerland, December 17, 1931. Germany's budgetry expenses increased $925,000,000 between 1926 and 1929.

Mr. LAGUARDIA. In dollars or marks?

Mr. RANKIN. In dollars. Its annual expenses, if you please, its annual budgetry expense, increased almost $1,000,000,000. Let us see what that increase is:

About $375,000,000 of this amount resulted from increases in the salaries of public servants granted in 1927.

Other items are unemployment insurance of $250,000,000. Do you know what unemployment insurance is? Page Mr. BEEDY, of Maine. That is what they call a "dole" in England. A dole in England is simply unemployment insurance, and that is what this is.

While gentlemen on your side, and some on my side, are criticizing the distinguished gentleman from Alabama [Mr. HUDDLESTON] for his reference to a "dole," if you are voting to relieve Germany through this resolution, it is in order that they may continue this "dole" to the people of Germany.

One hundred and seventy-five million dollars was used, it is stated, for various purposes, and $125,000,000 extra on reparations.

There is an annual increase of $925,000,000, and you did not know that until you saw it in to-day's paper. You have not even read the hearings and can not get them, but they ask you to rush in here and vote for this resolution and tell you that Germany is unable to pay and that if we do not grant this moratorium there will be "serious consequences" there, as if we do not have "serious consequences" throughout the United States to-day.

Another thing, Mr. Chairman, they have tried in every possible way to explain away the fact that Great Britain, Italy, and France were ready to make these payments on December 15, 1931. You have a great deal of this propaganda inspired by these international bankers who are interested in this proposition, telling the American people that these countries will never pay. Why, these countries will pay every dollar they owe. Do you not know that no country is going to risk losing its trade with the United States merely to avoid the payment of these amounts? Every man who makes that statement challenges the honor of the countries involved, all of whom are on friendly terms with the United States.

I say they not only will pay, but they were ready to make these payments when they came due.

I read this statement from the front page of the Washington Post to the committee. I will read it to you and I will ask to insert it in my remarks:

The Italian ambassador, Giacomo di Martino, had called on the State Department on Saturday to announce that the Italian Government had already deposited with the fiscal agents of the Italian Government in New York the necessary funds to carry the Italian debt payments. Similar action had already been taken by Sir Ronald Lindsay, the English ambassador, and the French ambassador, Paul Claudel, who were in a quandary as to how to advise their Governments.

But they were informed by the administration that it was not necessary, and that they would not be held in default if they failed to pay.

They challenged this statement before the Ways and Means Committee, and even brought the young reporter who wrote that article and put him on the stand, and he said, "I can not reveal the source of my information, but it is correct."

They could have found out by calling a representative of either one of these embassies. The truth of the business is they had the money ready to pay, so did the other countries, but the administration turned it down, in the hope that you would vote for this resolution or that you might vote for one that would be the opening wedge for the cancellation of these foreign debts to the United States. That is what is behind it.

Oh, they say, "We are not for cancellation." If you are not for cancellation, let me ask you one thing: Why did the President of the United States ask for the re-creation of the old Debt Funding Commission? There can be but one answer, and that is, in order that they might scale down and, to that extent, cancel these foreign debts to the United States.

I defy any man in this House to tell me why he asked for the re-creation of this old Debt Funding Commission if it was not to scale down or cancel these debts. I pause for a reply. I hear none. Then why stick your heads in the sand?

Mr. SCHAFER. Will the gentleman yield?

Mr. RANKIN. No; I do not care to bring in the liquor question.

Mr. SCHAFER. The gentleman asked why.

Mr. RANKIN. I am sure I would not get an answer from the gentleman without a speech on prohibition, and that subject is not before the House. [Laughter.]

There is an amendment in the resolution that simply voices the sentiment of Congress that we shall never reduce or cancel any of these debts. I am largely responsible for that amendment. When that came to a vote in the committee, to show you what was behind this measure, there was only one Republican member who voted for it, and that was the distinguished gentleman from New York [Mr. CROWTHER]. If they did not want to cancel these debts, if they did not want to reduce or scale down these debts, then why did they object to putting it in the resolution? No; I will tell you what is behind this, gentlemen, and your people know it, whether you do or not. It is the cancellation of these debts which will mean a cost to the United States Government of $19,000,000,000, spread over a period of about 60 years.

But they say now that they have got you committed by telegram, and at this point I would like to insert the President's telegram to me, Mr. Chairman, and my reply.

The CHAIRMAN (Mr. OLIVER of Alabama). Without objection, it is so ordered.

The matter referred to follows:

WHITE HOUSE,
Washington, D. C., June 23, 1931.

Hon. JOHN E. RANKIN,
Tupelo, Miss.:

You no doubt have seen my statement in Sunday's press of the proposals of the American Government in respect to postponement for one year of all intergovernmental debts. Inasmuch as the proposal is, of course, contingent upon action by Congress, and, as the matter is one of national interest having no partisan character, in that light I consulted before action the Senators and Representatives of both parties present in Washington and as many as possible who were accessible in the country. This list of generous support from Members was shown in the public statement referred to above. I regret that difficulties of communication rendered it impossible to contact with all Members of the Senate and House. I do not wish to press any Member for reply as to his views if he prefers not to give them at this time, yet, if you are favorable to the proposal in the first paragraph of the statement above mentioned, it would undoubtedly be helpful to the general situation if you could inform me thereof.

HERBERT HOOVER.

To that telegram I replied:

TUPELO, MISS.

Hon. HERBERT HOOVER,
President of the United States:

Your telegram relative to the postponement for one year of payment on foreign debts to America was delivered to me on my return from Pennsylvania, and in reply thereto I desire to say that I can not hastily commit myself to the support of this proposition in the form indicated. In my opinion it would merely divert these payments from the Federal Treasury in order to apply them to the interest on private loans that have been made

in Europe since the war by certain large financial interests in the United States. While it might seem to do so temporarily, it would not contribute to the permanent solution of our difficulties. It seems to me that before Congress commits itself to this policy it might be well to secure the cooperation of these large financial interests and let them also agree to a moratorium in order that this entire burden may not be passed on to the American people. In my honest opinion, Mr. President, if this movement is consummated it will simply be the beginning of the cancellation of these foreign debts. To this I can never agree. I know, and you know, that those large financial interests that have extensive loans in Europe are anxious to get the foreign debts to the United States canceled, in order to strengthen their own securities. Before we take a step that undoubtedly will mean ultimate cancellation of these debts, there should be some understanding on the subject of a reduction of armaments. Why pass this burden back to the masses of the American people to help foreign countries maintain enormous military establishments in times of peace? Again permit me to say that before Congress agrees to this moratorium it would be well to couple with it a moratorium on tariffs and wipe out, at least for the time being, those international barriers that have paralyzed world commerce, stagnated world trade, and produced the unprecedented depression in which we find ourselves. In my humble opinion it would be useless to cancel these foreign debts, in order to give a temporary and unnatural impetus to business, without at the same time removing the causes that have produced the demoralized condition which now prevails, to say nothing of the injustice of ultimately loading this entire burden on to the great masses of American people.

J. E. RANKIN, M. C.

Mr. RANKIN. I would like also to insert in the RECORD this table from the newspapers showing the amount spent on armament by these various countries and the amount of their payments to us. I make this request, Mr. Chairman.

Mr. SCHAFER. Reserving the right to object——

Mr. RANKIN. I withdraw the request. This is one time I am not going to be sandbagged into any discussion of the liquor question by the gentleman from Wisconsin.

Mr. Chairman, I say the men who answered this telegram are not bound, and I would like for you Democrats to listen to this. You are going to have to answer on your own responsibility. Do not deceive yourselves. This will be an issue in every congressional district in the United States next year, both in the primary and in the general election. The American people are not going to see you, under the pressure of Wall Street, vote their money away to foreign countries under the condition that this country is in without a solemn protest that you will never live to forget.

In the President's telegram to me he asked that there be a moratorium on all intergovernmental debts; yet in the agreement with France of July 6 she refused to give a moratorium on the unconditional reparations from Germany.

When you signed that telegram, did you agree for that modification? Is it possible that you agreed to this arrangement of which you had never heard?

If so, you are bound; if not, you are not bound. On June 20 he made no mention of the fact that there were seven or eight of those countries to whom Germany did not owe a nickel, but to my surprise the gentleman from Georgia [Mr. CRISP] said a while ago that he understood that there was an understanding that they should grant a moratorium to the people who owed them.

That is the first time I ever heard of that proposition. They were new countries. They have made no loans, and had not had an opportunity to get into debt to anybody but us. [Laughter.] Did your telegram bind you to give them a moratorium? A majority of you did not know that they were involved.

Another thing, it has been said for 10 years that we were never to mix reparations with these foreign debts. But by this measure we step into the breach and take the burden of paying the reparations growing out of the war.

Did you vote for that when you signed the telegram, you gentlemen who legislate by telegram? If so, then you are bound. You can go back and say to the people, "Of course, I knew what I was doing; I am for mixing reparations with war debts—and in having our people pay both of them."

Another thing they did not tell you. In the telegram the President sent me he did not say anything about extending this moratorium for 10 years, but only to extend it 1 year. Now you are asked to extend it for 10 years. The telegram I had said nothing about reviving the old Debt Funding Commission.

If it had, it could have been for only one thing, and that would be the reduction or cancellation of these debts and unloading them onto the American people.

They talk about conditions in Germany. Germany does not owe us this money. It is France and Italy and England and Belgium and these other countries involved. They have the money to pay. France is in better condition to-day than we are, especially when compared with their condition and ours 10 years ago.

Every debtor country in Europe had the money to pay us, and every one of them would have paid it had it not been for this pell-mell rush in here in response to the excitement at the White House, trying to sandbag you into giving this moratorium before you had time to investigate it.

Before the Ways and Means Committee they brought a representative of J. P. Morgan & Co., a young fellow, and put him on the stand.

Some of them were so afraid that we would ask him an embarrassing question that I never did get him to answer the question whether or not the financial relations of that bank to England, France, and Italy were such that if they had been notified to make these payments they would have done so. As a matter of fact, that is what would have happened, and if it had not been for the Secretary of State and the Under Secretary of the Treasury every dollar of this money would now be in the hands of the United States.

I know it is an unpleasant thing to make a fight at this time. I may be making a useless fight, but I am going to tell you now that I never fought a battle in all my life in which I was more seriously in earnest than I am to-day.

Do you think that under these conditions, with the financial condition of Germany having been concealed until yesterday, with the undeniable testimony brought out by the committee that they have been concealing this condition, and that they increased their internal expenses more than $900,000,000 a year—do you think with that situation, with every country that owes us a dollar ready and willing to pay, that I can vote to support what I believe to be a move to cancel these foreign debts and unload that burden on the American people when we have six or seven million of our own citizens walking the streets and tramping the highways without work?

Feeling as I do, do you suppose that I can afford to vote for this resolution to turn back $260,000,000 of our money to Europe, when there are millions of women and children in this country to-day who are suffering for want of the necessities of life? Do you suppose I can vote for that when in practically every congressional district in the United States American citizens who maintain this country in time of peace and fight its battles in time of war are having their homes sold from under them in order to meet their taxes?

Do you suppose I can vote for this resolution in order to lift that burden from the peoples of Europe and put it upon our own? Do you suppose I can vote for it when I see scattered throughout the length and breadth of this land the widows and orphans of those who fought our battles in the World War, the war out of which these international bankers made their fortunes, the war out of which these reparations grew—when I see those widows and orphans without a penny, whose husbands and fathers died as a result of their service in the war? When I see them denied one penny as a result of a presidential veto in this House, I can not, and will not, stultify myself to vote for this resolution which I honestly believe is unnecessary, which I honestly believe means the ultimate cancellation of these foreign debts and the unloading of that burden onto the already overburdened taxpayers of the United States. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield 25 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, it seems to me that the subject matter before us to-day is one about to which we could apply common sense rather than resort to oratory. I for one have the distinction, I believe, of being the only

Member of Congress who was not honored by a telegraphic request for a legislative power of attorney from the President. I did not get a telegram for the simple reason that within 24 hours after the President had declared the moratorium I expressed doubt as to the validity of the President's act, and in a radio speech from WOR, New York, criticised the procedure.

I still believe, and I concede to the opposition, that there is no constitutional power vested in the Executive to make any solemn obligation of the nature of the moratorium. I can not agree with the distinguished gentleman from Pennsylvania [Mr. BECK] seeking to sustain as constitutional the act of the President. But, gentlemen, we are not in a court of law to-day; we are rather sitting as a court of equity and mercy. If this were purely a domestic matter, we might well resent a seeming usurpation of power—as a matter involving our relations with foreign governments. We have little choice. Repudiate the President; but to the world, perhaps, unfamiliar with our constitutional provisions, we could never be able to explain. After all, when the President spoke the people of the world had every right to assume he was talking for the American people. We have no choice in the matter other than to ratify what is now an accomplished fact. This is not the first time in the history of our country that the President has acted without the advice and consent of the legislative branch of the Government. In 1892 a similar situation came up. At the time an interesting precedent—just the reverse of the constitutional question now before us—was found back in 1864. At that time notice had been given to England that the United States desired to avail itself of a cancellation clause in the treaty of 1817 in relation to armaments on the Great Lakes, and had given six months' notice, in accordance with the provisions of that treaty, and the Senate ratified that notice. Immediately thereafter in view of changed conditions on the Great Lakes it was thought for the best interests of the United States to continue that treaty, whereupon the Secretary of State gave notice to England that this country withdrew its former notification of cancellation and indicated that notice of such withdrawal was notice of our desire to continue the treaty.

Great Britain then raised the question as to the authority of the Secretary of State and the President without the consent of the Senate. That question was definitely answered at the time by our taking the stand that the matter of procedure or authority of the President did not and could not concern a foreign government. In a memorandum submitted by the Secretary of State, Mr. Foster, to the President on December 7, 1892, referring to this incident and approving the precedent, the law does permanently establish as to the position of the United States in such a situation.

> As between the United States and Great Britain this act of withdrawal was "no less authoritative than the notification itself." Into the authority of the Secretary of State, either to give or withdraw the notice, the British Government was "incompetent to inquire"; it "could only accept and respect the withdrawal as a fact." The question of competency "being a matter of domestic administration, affecting the internal relations of the executive and legislative powers" in no wise concerned Great Britain. The raising by her of a question as to "the authority of the executive power" in the matter would have constituted "an unprecedented and inadmissible step in the international relations of governments.

We are exactly in a reverse position to-day. A solemn promise had been given to the nations of the world, although without authority; and if we now question that, we would be confronted with our stand in 1892 and in 1864. International law, as you all know, is based on precedents; and we surely would be in a most awkward position if Congress were to reverse the established custom in our relations to foreign governments. I think the opposition to this resolution has served a very useful purpose. I believe it will be many years before any Executive will take it upon himself to make any promise involving expenditures, requiring legislation, or dealing with a subject matter entirely under the control of the legislative branch of the Government without first obtaining the necessary consent or authority from Congress. It will serve another very useful purpose, because I think it will be many, many years before any Member of Congress will be so quick to answer a telegram and give the President a legislative power of attorney. In this instance many Members of this House are estopped from criticizing the President by reason of the quick and unequivocal responses sent to him in reply to his telegram.

I stated at the time and within 24 hours the law on the question as I understood it, and that under the precedents and in accordance with the limitations of our Constitution this was not a subject of treaty. There is no treaty concerned in this matter.

What is the history of our foreign loans? During the Sixty-fifth Congress, after the declaration of war, this Congress passed what is known as the first Liberty loan act. In that act we provided—

> for the further and successful prosecuton of the war, the Secretary of the Treasury, with the approval of the President, is authorized to buy foreign securities of the nations—

with which we were then associated in the war against Germany. That is all the authority there was. Purely a legislative act, and when the Secretary of the Treasury and the President acted they acted for Congress within the limits of the specific delegated powers granted to them by the first Liberty loan act. Thereafter, the second and third Liberty loan acts reiterated that authority and increased the amounts to be purchased of those foreign securities commonly known as our foreign loans. After the war came the debt refunding act, and we gave back those securities and funded the various debts. Again, the Executive, we find, acted as a delegated agent of the legislative branch of the Government in expressing the willingness of the American Government to reduce the original debts. Then Congress created the Debt Funding Commission. Finally Congress approved the settlements made.

So, gentlemen, it is clear there is no question of any treaty or treaty-making powers involved now. The President can only act under the delegated powers given by Congress on any arrangement with foreign governments concerning loans by us to such foreign governments. That, I believe, has been made clear to the world by what has transpired in Congress during the last few days.

I feel that the nature of these loan transactions is so clear that no one will seriously continue to contend that they come within the treaty-making powers of the Constitution. But all of that is beside the question at this particular moment. A majority of the Members of the House and the Senate by their very conduct are estopped from raising the question of the President's authority at this time. I am not; but as I said before, in a matter of so great importance to the world and concerning our relations with foreign governments, I do not question it for the purpose of the consideration and the necessary passage of the resolution now before us. Ah, gentlemen, many of you have already spoken. If you stood by the President in June you can not refuse to stand by him in December. Here I have a long list of our colleagues. How easy it is to picture many a friend of ours who responded so quickly and cheerfully to the President's telegram, strutting down Main Street of his home town with an air of importance, pulling the telegram out of his pocket and with a most serious mien telling his constituents and neighbors, "I have just been consulted by the President in a most important matter—I have given the matter a great deal of thought and I am going to help the President—I have wired him to go ahead, that he can count on my support." [Applause and laughter.] Why, gentlemen, there has seldom been such a successful result of a test of applied egotistical psychology. [Applause and laughter.]

Seriously, though, no one can object, I am sure, if I should read statements made by Members of this House and the other body as quoted in dispatches from the Associated Press and carried in all of the papers in the country. Before reading these most impressive statements it is well that we be reminded that the course of action taken by the President was approved at the time by the following Senators: HENRY F. ASHURST, HIRAM BINGHAM, WILLIAM E. BORAH, JAMES F.

BYRNES, ARTHUR CAPPER, SIMEON D. FESS, DUNCAN U. FLETCHER, CARTER GLASS, WILLIAM J. HARRIS, PAT HARRISON, CORDELL HULL, WILLIAM H. KING, Dwight W. MORROW, GEORGE H. MOSES, DAVID A. REED, CLAUDE A. SWANSON, ARTHUR H. VANDENBERG, ROBERT F. WAGNER, DAVID I. WALSH, THOMAS J. WALSH, JAMES E. WATSON.

And by the following Representatives:

ISAAC BACHARACH, JOSEPH W. BYRNS, CARL R. CHINDBLOM, FRANK CROWTHER, JAMES W. COLLIER, CHARLES R. CRISP, THOMAS H. CULLEN, GEORGE P. DARROW, HARRY A. ESTEP, WILLIS C. HAWLEY, CARL E. MAPES, J. C. MCLAUGHLIN, EARL C. MICHENER, C. WILLIAM RAMSEYER, BERTRAND H. SNELL, JOHN Q. TILSON, ALLEN T. TREADWAY, and WILL R. WOOD.

I will repeat at the risk of becoming tiresome that I do not personally approve of such method of legislation. Certain that we will never have a recurrence, I feel justified in stating that it comes with bad grace at this time for any legislator to go back on the promise given the President last summer.

Now, let me read these choice quotations from our colleagues of statements made at the time that the world and the country was approving the President's act. Listen to these quick responses:

Senator HARRIS, of Georgia said:

I told President Hoover that I felt the moratorium would not only help Germany but would help our country greatly.

Representative LUDLOW:

Unhesitatingly pledge President Hoover my vote and my influence on the moratorium proposal.

Mr. BLOOM, an authority on foreign affairs:

The only safe and sound business solution.

Representative WILSON, of Louisiana:

It is the only practical thing to do.

Senator TYDINGS:

I am all for it. It is a good thing.

And then good, lovable, generous EDGAR HOWARD, of Nebraska, said:

I favor the present plan. He does not go as far as I would like to go. I favor the principle of cancellation of all war debts, provided all nations would agree to cancel all war debts due from any other nation.

Then comes Representative SHALLENBERGER, one of the most earnest legislators on the floor of this House:

The nations of Europe are staggering under the weight of war debts. Relief from this load is essential to the return of world prosperity.

IGOE, of Illinois:

The plan is a good one. I believe in it and will vote for it.

SABATH, of Illinois:

I am satisfied the proposal will be helpful and beneficial and I will give it my support.

But he adds:

I feel that immediate steps should be taken to relieve conditions in our own country.

LEONARD W. SCHUETZ, of Illinois:

I think it is a wonderful plan, but Mr. Hoover should first do something for the sufferers in this country before taking care of Europe. I will support the moratorium idea, though.

WILLIAM H. SUTPHIN, of New Jersey:

I heartily approve anything that will stimulate business. This seems a step in the right direction. I will give the plan my support.

AUGUSTINE LONERGAN, of Connecticut:

I favor a moratorium as outlined by you in Sunday's press.

Senator MARCUS A. COOLIDGE, of Massachusetts:

A very good thing. The suspension should go into effect immediately. It will help Germany materially. I do not believe in the cancellation of reparations or debts and do not think the proposed moratorium is a preliminary to cancellation.

E. E. COX, of Georgia:

If the proposal made carries with it no implication of reduction or cancellation of war debts, I will support it.

HOWARD W. SMITH, of Virginia, said the plan appears to offer—

possibility of aiding in the alleviation of the present distressful economic conditions, and I am heartily in accord with any such movement.

MICHAEL K. REILLY, of Wisconsin:

If the plan is accepted it should have a good effect on the general morale of European countries and bring some direct relief by releasing funds for industrial investment.

OSCAR L. AUF DER HEIDE, of New Jersey:

The President's proposal, if agreed to by all the allied nations, will probably be effective in relieving the economic and political strain in Germany.

CHARLES R. CRISP, of Georgia, said he would support legislation for a one year's moratorium on international public debts—

If all nations involved would agree, but would not consent to reducing debts due us by foreign governments.

WILLIAM J. GRANFIELD, of Massachusetts—

There are two sides to every question * * *. If the suspension of the payment of war debts will stabilize conditions throughout the world and preserve the present German Government, by all means suspend them.

Mr. O'CONNOR. Will the gentleman yield? Will the gentleman read the names that are not on there?

Mr. LAGUARDIA. I can not read what is "not there," No one could possibly frame a more impressive appeal than this—

It is just one of those cases wherein we can afford to be generous and patient, in the hope that it might preserve a part of civilization, save a republican form of government and influence such economic stability among a people, the beneficent results of which it is hoped will give impetus and confidence to the economic progress and general prosperity.

Not from a supporter of the President, not from a banker, not from a standpatter, but from one of the most brilliant aggressive Democrats in the United States, Senator PAT HARRISON of Mississippi.

Now, ladies and gentlemen, let us take the figures. We have had a great deal of figures in the last few years. It is not only the United States, after all, that is generous in this matter. Other nations have their economic troubles. Other governments are waiving payments for one year. The parliaments of France and Belgium and England, and whatever there may be of a parliament in Italy, have their budgetary troubles, and necessarily they all must have based their 1932 and 1933 budget plans on receiving fixed payments from Germany. None of the countries indebted to the United States for war loans is in as good a financial position as we are—and we are in a bad shape.

Under the reparations plan, Germany would have paid England during the period under consideration, and covered by the moratorium, $175,000,000, and England would have received about $65,000,000 from France and about $21,000,000 from Italy—a total of approximately $261,000,000. England would have paid to us only $159,000,000.

Germany would have paid to France $193,000,000 and France would have paid to us $50,000,000 and $65,000,000 to England. It is estimated that France's suspension of payments amount to a little over $75,000,000.

Germany would have paid to Belgium $30,000,000 and Belgium would have paid to us $9,000,000. Surely the suspension of $21,000,000 for one year means a good deal to a small country like Belgium.

Germany would have paid to Italy $45,000,000 and Italy would have paid to us $15,000,000 and to England $21,000,000.

So that after all, let us not assume the attitude that the United States alone is suspending payments for one year. Every one of the allied nations or nations debtor to the United States have been compelled to surrender payment of reparations during the present year.

Something has been said about France's refusal to waive payments during this period and insisting upon payments of part of the reparations. It is true in part, but let us be fair about that. France will actually receive no cash payments

from Germany during the year covered by the moratorium. France did not want to lose the identity of certain particular noncancellable reparation payments, and, in order to save it, it provided that those payments would be made, but should be made to the Bank for International Credits and immediately turned back to Germany and the bonds of the German railroads taken therefor. But I submit that inasmuch as the railroads are owned by the German Government, therefore this payment back to Germany is tantamount to a waiver of all payments during the present year. France naturally has her own domestic troubles and after all that the French people have been through in the last 60 years it is not so surprising that they proceed rather cautiously and perhaps to insist on maintaining their rights.

A great deal has been insinuated and intimated and something said concerning "secret understandings" or "secret arrangements" between this country and France, or between the President and other countries. All such talk, of course, is foolish. There can be no such thing as a secret understanding or a secret arrangement or secret treaty or even a secret promise between the Government of the United States and the government of any foreign country. It is not necessary to serve notice or for Congress to declare that there can be no such thing as any secret arrangement or secret understanding. The world was given notice of that years ago. At one time, when it was rumored among the chancellories of Europe of some secret understanding between this Government and the Czar of Russia, the position of the United States was clearly stated by Mr. Bayard, the then Secretary of State, on May 5, 1885, when he declared:

> There is no secret treaty * * * between the United States and Russia, and I may well add that there are no effective secret engagements of any kind between the United States and other sovereignties, all concluded treaties becoming effective only upon the ratification and public proclamation by the President.

So I am sure there is no necessity of dwelling upon that point or attempting to answer some of the insinuations made along such lines.

We have also had a great deal of discussion about the international bankers.

Well, I hold no brief for the international bankers or for any kind of bankers; but let us be frank about this. Gentlemen, when you are criticizing bankers to-day—and they have been responsible in a large measure for the complete financial and industrial collapse under which we are suffering—you are criticizing the economic system of the day; yet when some of us criticize it we are confronted with the charge of being radicals and seeking to destroy rather than help. It can not be denied that the present economic system has completely broken down. I do not think it requires any argument any more to convince you that the entire economic system is about to collapse. Many fundamental changes and readjustments must be brought about. Germany is doing in many ways a great deal more than we are to bring about an economic readjustment. It is indeed well that we give Germany a chance to get on her feet. It is to our interest that we do so.

At one moment we hear that this moratorium is for the benefit of France; then we hear it is for the benefit of Germany. I am frank to say I believe it is for the benefit of all the countries concerned. [Applause.] The House will remember that just before the declaration of the moratorium there was a run on Austria, gentlemen, not a run on one institution, not a run on one bank or a chain of banks, but a run on a country, so much so that Austria was compelled by Government decree to close its banks and appeal to the countries of Europe for additional loans in order to save the situation. Following that run on Austria there was a run on Germany, which was followed by a run on Great Britain. Since that time 19 countries have been compelled to abandon the gold standard and go to the silver standard. The economic situation is most critical. We are in a most critical situation right in our own country.

I believe it was the gentleman from Texas [Mr. SANDERS] who stated that the House was not informed, that we knew nothing about this. I can not speak for the House, but I can speak for a small group of serious-minded, progressive legislators who have given this matter a great deal of study. The small Progressive group of the House knew this matter was coming before us. We read every particle of documentary evidence we could get our hands on. We invited sponsors of the opposition to come before our group to make statements and argue their side of the question. We invited a well-informed gentleman in support of this question, and we listened to him for two hours and a half. The Progressive group in this House is informed. I do not know how they will vote, because it is one of the fundamental principles of the Progressives that each Member votes according to his own conscience and judgment and not en bloc, but I can say that no matter how they vote they at least have been informed on this question and have as much information as anyone in the country. So I resent the statement made this afternoon that Members of the House are uninformed on the question and have had no opportunity of getting the facts. Here is one group of Members that has obtained the facts.

Now, gentlemen, of course we are going to have the problem of our own domestic economic collapse before us. I will concede that we are in bad shape industrially, commercially, financially, and even socially. I am sure there will be a sharp division in this House when some constructive measure comes before us for consideration. I want to submit to the gentleman from Mississippi [Mr. RANKIN] that it is no proof of the prosperity of a country to say that Germany had to appropriate an increase of $250,000,000 this year to take care of the unemployed people. Germany is crushed. There is no question about that, and no better proof than the number of unemployed referred to by the gentleman from Mississippi.

Let us now look to the political side of this question.

Mr. RANKIN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. RANKIN. What about appropriating $350,000,000 a year to raise Government salaries?

Mr. LAGUARDIA. I am not sure of the accuracy of that figure and its classification.

Mr. RANKIN. The statement was that they raised Government salaries $375,000,000 that year.

Mr. LAGUARDIA. An increase was necessary, due to the depreciated value of their currency and, of course, they had to make good for it. Depreciation of currency is also no indication of prosperity.

Gentlemen, let me point out the political situation. Let us be fair about this thing. There is a political party in Germany right now that is hoping that this Congress turns down this moratorium. Why? Because then the Hitlerites will move in and take control of the government. Just as sure as day follows night if Hitler gets into power, then within six months we will have a Hohenzollern at the head of the German Government. I, for one—and I believe I speak the sentiments of the 2,000,000 boys who went overseas—do not want to see a Hohenzollern back on the throne of Germany. [Applause.] Either that—followed by the restoration of the Hapsburg dynasty—or chaos and uncertainty. We must not give the Royalists of Germany and Austria an opportunity to again disturb the peace of the world.

Now, gentlemen, let me read a part of a message that was most unusual in any war message read at any time by any head of any nation. I was a young Member of the Sixty-fifth Congress when war was declared. I remember vividly this part of the message delivered by President Wilson, which created a new thought in international relations. It not only electrified this country but compelled the whole world to listen and admire this great man.

This is what President Wilson said in his war message referring to the Hohenzollern dynasty and distinguishing it from the German people:

> We are now about to accept the gage of battle with this natural foe to liberty and shall, if necessary, spend the whole force of the Nation to check and nullify its pretensions and its power. We are glad now that we see the facts with no veil of false pretense

about them, to fight thus for the ultimate peace of the world and for the liberation of its peoples, the German people included.

[Applause.]

Now, gentlemen, listen to this:

We are, let me say again, the sincere friends of the German people, and shall desire nothing so much as the early reestablishment of intimate relations of mutual advantage between us—however hard it may be for them, for the time being, to believe that this is spoken from our hearts. We have borne with their present government through all these bitter months because of that friendship—exercising a patience and a forbearance which would otherwise have been impossible. We shall, happily, still have an opportunity to prove that friendship in our daily attitude and actions toward the millions of men and women of German birth.

[Applause.]

And this is the first opportunity, gentlemen, to make good in a practical, material, tangible way, the sacred promise made by President Wilson to the people of Germany at the time he was compelled to declare war against their government.

I do not know how much good the moratorium will do, but I do know that Congress will do irreparable damage if it is not ratified at this time. A chance must be given the German people to save their form of government, to save their republic, and also give notice to the German people that we are going to make good the promise made by the President of the United States when he declared war against the Hohenzollern dynasty. Under the circumstances I for one am not willing that the American Congress should plead ultra vires on a solemn promise made by the President of the United States. [Applause.]

Mr. VINSON of Kentucky. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. McFADDEN].

Mr. McFADDEN. Mr. Chairman, ladies and gentlemen of the committee, I observe by articles appearing in the public press of yesterday afternoon and this morning, published quite generally in the newspapers throughout the country, that I have been singled out as a victim of punitive measures to be administered to me by my Republican colleagues of Pennsylvania in the House and Senate of the United States.

I have serious objection to being tried in this ex parte manner and having an ex parte judgment rendered against me by this self-constituted board of inquiry concerning utterances made by me on the floor of this House. Whatever I said on the floor of the House upon any subject, I said in the performance of what I conceive to be my full duty in giving to the Members of the House such information as I had concerning matters then pending before the House, in order that they might have the same opportunity of considering and weighing the evidence that I had before voting upon such measures.

I submitted documents and was prepared to submit further documents were I permitted, but, unfortunately, on account of the insistence of the time restrictions I could not submit the other documents, all of which were of evidential value in determining the weight to be accredited to any remarks I was then making.

I was appearing in the performance of my official duty, as it is the duty of every Member in this House to give such information as he may have acquired to the House on any matter pending before the House that he believes will be to the best interests of his constituents and his country.

The truth of the allegations made by me in the speech that I made on the floor of this House seems to be the subject of inquiry of this cabal of my State associates in the Congress of the United States. If, in the wisdom of this House, they desire to further consider this matter, I shall hold myself in readiness to furnish such additional information as I may have to offer, supplementary thereto, and all referred to therein.

Now, I want to discuss for a moment some phases of the bill that is now before us. I appeared before the Ways and Means Committee the other day and pointed out two or three things in connection with this bill. I have repeatedly been calling the attention of the Members here to one phase of this particular bill which, it seems to me, it is important for us to consider. I refer now to the fact that the ratification of this moratorium affects seriously the Young plan, in that it opens up the debt question.

I would also like to call the attention of the House to the fact that after the moratorium declaration, France, after several days of consideration, objected to that declaration and refused to concur. France finally entered into an agreement known as the Franco-American agreement, in which France changed completely the question of the moratorium. The subsequent visit to this country of Premier Laval, of France, brought back the Young plan into operation, which had been seriously affected by the moratorium, and France was assured, as a result of the Laval conference, if we can believe the reports of the French House of Deputies, that the United States was willing that France should deal with Germany.

Now, I want to call the particular attention of the House to the fact that the Franco-American agreement was an additional agreement, and I want to call again to the attention of the House, as I did to the Ways and Means Committee, the London protocol, and I want to state to you men here, many of you are lawyers—I am not—that there is a treaty involved in this transaction, and it is a matter for the United States Senate to handle.

There are conditions set forth in that treaty which have to do with international finance. There are matters in that treaty which affect international finance seriously.

I also want to call your attention to the fact that in the Young plan there were provisions set up whereby Germany was given a course to pursue in case she found herself unable to pay. The machinery was set up and was completely set up, so that if Germany found she could not pay her course was clear, and that course was that she should apply to the Bank for International Settlements for relief.

For some reason or other Germany did not see fit to operate under the Young plan. I have just been wondering, from the reports that are emanating from Basel, Switzerland, and from Berlin in the last few days, referred to by the gentleman from Mississippi [Mr. RANKIN] and published in all the papers, where, under the terms of the Young plan, under which Germany is now operating, and you must understand in this connection that Germany is operating under the Young plan and not under the Hoover moratorium. Germany was given, since the Hoover-Laval conference, the right to a 2-year moratorium by asking for it, under the Young plan, through the Bank for International Settlements. The Bank for International Settlements was directed to operate under the Young plan and set up a committee to study Germany's capacity to pay; but, as I say, for some reason they did not want to do this.

Now, as a result of what has happened since the Hoover-Laval conference, Germany has been told, not only by France but by the international bankers of New York, speaking for financial America, that they expected her to ask for a moratorium under the Young plan, as France was asking.

This committee has been working, and alongside the committee has been a committee representing the international bankers who have been responsible for the flotation in the United States of probably between seven and eight billion dollars' worth of German bonds and what is now known to be two billion and a half dollars of acceptance credits.

Why did Germany refrain from acting under the moratorium clause until she was forced to do so after the Hoover-Laval conference? It seems to me that these financial and economic committees which have been investigating her capacity to pay have discovered the reason why Germany did not operate under the Young plan. They would know that Germany was holding out. We have proof of that by the Wiggin report of last summer, which estimated $1,250,000,000 of acceptance credit, which was underestimated by 50 per cent.

The Germans apparently wanted to operate under some plan where their financial situation would not be gone into so carefully. The Wiggin report must have accepted the Reich's figures without a careful check.

The present committee, composed and dominated largely by England and France, have been watching the financial operations of Germany closely. They are in a position to understand the peculiar make-up of the minds of their neighbors.

I have referred to the fact that there was nothing new or pressing about this particular moratorium. I have pointed out the fact that it was known in the United States as long ago as the fall of 1930.

In that connection I want to call attention to a visit in the United States of a very important German, and I want to refer to an article which is reported in the Baltimore Sun—all the papers at that time had this—under date of October 20, 1930.

This article is written by Drew Pearson, the Washington Bureau, Baltimore Sun. It says:

MORATORIUM ON ALLIED DEBTS TO UNITED STATES UNOFFICIALLY STUDIED—NEW YORK FEDERAL RESERVE BANK HEAD DRAFTING TENTATIVE PLAN IN VIEW OF POSSIBILITY GERMANY MAY DEFAULT ON REPARATIONS

Dr. Hjalmar Schacht, the man who stabilized the German mark, has placed an extremely frank and extremely gloomy picture of Germany's economic plight before the highest officials of the Hoover administration during the week-end.

Coincident with this it was learned to-day that George Harrison, governor of the Federal Reserve Bank of New York, has been working on tentative plans for a moratorium on allied debt payments to the United States in case Germany declares a moratorium on her Young plan payments to the Allies.

Mr. Harrison was in the Capital yesterday and to-day and had luncheon yesterday with Doctor Schacht at the home of the Secretary of State Stimson.

SUGGESTED DEBT REVISION

Because of this fact Germany made informal suggestions to Great Britain as early as last summer that a campaign be started for the scaling down of allied debt payments to the United States.

The officials with whom Doctor Schacht conferred over the week-end include President Hoover, whom he saw this morning; Secretary of the Treasury Mellon, whom he saw both yesterday and to-day; Eugene Meyer, chairman of the Federal Reserve Board; Joseph P. Cotton, Under Secretary of State; George Harrison; and Secretary of State Stimson.

In his conversations with some of these Doctor Schacht went into the German situation very thoroughly and was extremely frank.

I want to point out to you and call to your attention the fact that the ratification of the moratorium opens up the debt-settlement plan. The position of this administration has been reiterated by very high authorities that there was no connection between the war debts and reparations.

In the remarks I made the other day I referred to an editorial appearing in the Hearst papers to the effect that a plan had been submitted to Mr. Hearst in the fall of 1930.

Mr. RANKIN. What is the date of the paper that the gentleman is reading from?

Mr. McFADDEN. October 20, 1930.

Mr. BEEDY. A plan for what?

Mr. McFADDEN. A plan for the moratorium, as I just stated, reading from the article.

Mr. BEEDY. But the article does not so state. As the gentleman quoted it, it was a plan for debt revision.

Mr. McFADDEN. I shall put the article in the RECORD so that it can be seen for itself.

Mr. BEEDY. The gentleman inserted it in his original speech, and I called attention to it in my reply, and the gentleman will find that the language of the article stated that the plan submitted at that time was for debt revision and the word "moratorium" was not used.

Mr. McFADDEN. I have other articles here where the word "moratorium" was used. I think it is immaterial here, and I think the gentleman will appreciate that fact before I finish.

Mr. RANKIN. And Congress was in session after that.

Mr. McFADDEN. Oh, yes; Congress was in session until the 4th of March, 1931.

Mr. RANKIN. And it was never brought to the attention of Congress by the Executive.

Mr. McFADDEN. It was not at that time. I have several articles here covering the question of Dr. Hjalmer Schacht. In respect to Doctor Schacht's visit, I might say that I was advised of his contemplated arrival and purpose. I was told that Doctor Schacht, because of some activities of mine in connection with war debts and reparations and some speeches that I had made, desired to see me in regard to the question of a moratorium. A friend of his came to me and asked me if I would see him. He apparently obtained my views as regards this particular matter, and I did not have the pleasure of seeing Doctor Schacht on his visit here.

I want now to call attention to the correspondence appearing in the Washington Herald of December 17, 1931, being a copy of a letter addressed by Jules Bache, of the firm of J. S. Bache & Co., members of the New York Stock Exchange, of New York City, which firm is probably the second largest stock-exchange house in the city of New York. The letter is dated November 6, 1930. Note the dates in regard to Doctor Schacht's visit, which I have just referred to here, and this letter. Permit me to say also that Mr. Bache, besides being a member of the stock exchange, is an international financier, closely associated with the group of international financiers who have floated these large issues of German securities in the United States. His letter addressed to Mr. Hearst is as follows:

LETTER FROM MR. BACHE TO MR. HEARST

42 BROADWAY, NEW YORK, *October 21, 1930.*

WILLIAM RANDOLPH HEARST, Esq.,
San Simeon Ranch, Calif.

MY DEAR MR. HEARST: Sometime ago at the request of some friends I drew up a memorandum of some views in regard to German reparations—which are not novel—with a view that an intensive campaign would be necessary in this country in order to influence the Washington atmosphere and educate the man in the street, realizing that any such ideas if fostered by Wall Street interests would be thought to be based on a desire of the banking interests to make their loans in Germany better and would prejudice political thought.

There is no such idea in my mind, but I am guided entirely by a desire to help the general depressed situation. I do not know whether your ideas coincide with mine, but I can not conceive of any better way of awakening public interest in this country in any such movement, as I am recommending, than to have it supported by the Hearst publications.

In addressing you I am reminded of the magnificent manner in which you took up the idea of the sales tax when I first discussed it with you, and I am wondering whether you are sufficiently interested in this subject to consider seriously the idea of having your publications lead in this matter.

Any such move by the United States can not help but elicit an enthusiastic reception by the nations interested, and while on the face of the proposition, it would appear as though we were making a present of part of our legitimate war loans, I am convinced that we are never going to be able to collect all of these war loans, and in fact I am inclined to think that we are likely to get a great deal more of our money back by this method than in any other way.

Asking your indulgence for this communication, and with cordial greetings, believe me

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INCLOSURE IN MR. BACHE'S LETTER

OCTOBER 1, 1930.

It seems to me that the United States has in its power by prompt action to change the entire current of sentiment throughout the world and that at practically no cost to itself, but with the possibility of enormous indirect gain in the benefit that will accrue to the income of its citizens and its business community, by lifting the cloud of depression now weighing so heavily on the business world.

Doctor Schacht, since his arrival in this country, has been outspoken in expressing his unofficial opinion that it is only a question of time when Germany will be compelled to ask the Allies for a moratorium on its reparation payments. Any economist who will carefully review the situation and inform himself of the condition of German finances, will concur with Doctor Schacht. In fact, figures show that Germany has never paid any reparations in excess of the actual money loaned to it by other nations. It has no resources of its own out of which to pay these reparations, which in the final analysis can only be paid out of an export balance, which Germany has not yet acquired to any extent.

The day that Germany ceases the payment of reparations the Allies, with the exception of England, which have contracts under the war loans to pay money to the United States will cease payment under those contracts, and we have no way to enforce payment thereunder. It seems, therefore, patent that beyond the English payments we have little to hope for from the German reparations once payment stops. It is unlikely that France will endeavor to compel payment by force, since a renewed invasion of Germany by French troops would so demoralize the German situation as to make payments still more hopeless.

I have, therefore, arrived at the conclusion that if the United States were promptly to call a conference of the Allies represented

in Paris when the Young plan was evolved and offer to its debtors, including England, to reduce their payments in proportion to each of their debtor's share in the conditional payments contemplated by the Young plan, on condition that these debtors cancel those conditional payments, the very fact that Germany would thus be relieved of one-third of the amount fixed as indemnity under the Young plan would so improve the morale of the German nation, as well as its credit, that it would make it quite probable that the unconditional payments could be made, and the United States would thus recover far more from these war loans than under present conditions it is ever likely to receive.

The effect of the announcement of such a program would be so inspiring as to immediately dissipate the heavy clouds hanging over the financial future of the world. In fact, it would bring moneys to the United States which personally I am convinced it would otherwise never receive. It would so immeasurably improve the standing of the United States in the community of nations that such action by us would become an asset and remove a liability.

The unconditional payments agreed upon in the Young plan are $163,000,000. The conditional payments amount to $314,900,000. It is these latter, which at best will never be collected, which I am asking the United States to lose.

I appreciate that politically this program is seemingly impossible of fruition. So did the repeal of the Volstead Act appear less than 12 months ago. There is only one way by which such a program could become successful. It would be by the formation of a group of great industrialists, if possible headed by Mr. Owen D. Young, the expenses of which everyone would gladly contribute, to educate the voting public of the United States into a realization that at best the man in the street has little interest in the sums which the United States might recover from these German indemnities.

* * * * * * *

Right there I desire to call the attention of the House to the close relationship which big business not only in the United States but big business in Germany has; how closely it is related to the international financial group, which I am referring to in this debate. [Continuing reading:]

Since the great mass of the people do not pay taxes, whereas every factor in our community is interested in securing a better price for what he has to sell, whether commodity or labor, which would surely result in the improvement of the world's status. This movement must come from the great industrialists, whose following can be counted in the number of voters they employ.

This is a very practical letter to the Members of Congress as to how legislation is promoted by the interests that want to put something across. [Continuing reading:]

It can not come from the bankers, who would be accused of trying to make their loans good. It is a movement worthy of great leaders. Once started, it is bound to succeed.

I want to call attention to the fact that the international banking group, and this big international industrial group, have been carrying on a campaign intensively for the purpose of reducing and canceling these debts.

The announcement of the formation of such a committee would immediately start to improve world sentiment.

I am not going to read Mr. Hearst's reply, but I will ask unanimous consent that it be inserted in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The matter referred to is as follows:

LETTER TO MR. BACHE FROM MR. HEARST

NOVEMBER 6, 1930

MY DEAR MR. BACHE: I advocate the sales tax because I believe in it. I can not advocate your present plan of the United States canceling any more of the debts of the Allies for the simple reason that I do not believe in the plan.

I think the United States has already canceled too much of the debts owed to us by the Allies. My plan would be to insist upon the Allies paying their obligations and to deprive any country that would not pay its obligations of the favored-nation privileges.

I quite agree with you that politically your program is impossible of fruition, but I do not see any analogy between your plan of cancelling the debts of the Allies to the United States and the repeal of the Volstead Act.

The repeal of the Volstead Act did not seem at all impossible of accomplishment to those of us who were advocating the repeal. We felt that it ought to be accomplished, could be accomplished, and would be accomplished.

In regard to the further canceling of the debts to America by the Allies, about nine-tenths of the people of the United States feel that a proposition of that kind as an American measure can not be accomplished, should not be accomplished, and will not be accomplished.

I think the same banking policy should be followed toward nations as is followed toward individuals; and from what I know of banks and bankers, they do not, as a rule, cancel their loans to people who are able to pay, but unwilling to pay. The Allies are able to pay the United States and are merely unwilling to pay.

The ability of the Allies to pay does not depend on the German indemnity. The German indemnity should of course be reduced by the Allies, but not by us, who have neither received nor demanded indemnity from Germany.

Moreover, the territorial question is just as important as the financial question in dealing with the iniquities of the Versailles treaty—more important in fact. The plan of France was to crush Germany by dismemberment as well as by an impossible indemnity.

If America gets into the question of rectifying the iniquities and injustices of the Versailles treaty, we are likely to get into a vast amount of trouble and probably be involved in the war, which is almost sure to come as a result of that treaty.

My opinion, Mr. Bache, is that we are out of those complications and ought to stay out. We have asked for no direct indemnity from Germany. We have asked for only part payment of the debts which the Allies owe us.

The whole situation has been settled on this basis, and the only advantage that we get out of the situation is that it has been settled.

I not only do not intend to advocate any further reductions in the debts the Allies owe this country but I will certainly vigorously oppose any such proposal.

Of course you realize perfectly that there is nothing personal in my attitude. I would be very pleased to do anything to oblige you if it did not involve a principle which I can not compromise.

Sincerely,

W. R. HEARST.

Mr. McFADDEN. I also want to call the attention of the House at this time to the struggle of these committees—the bankers' committee and the Young committee—that are dealing with Germany's capacity to pay. I want to make as clear as I can to you the fact that these international bankers are asking priority over the reparation debts which are owed to the Allies, principally to France. I also want to emphasize the fact that the Germans have agreed with these international bankers to give them a preference on their private debts. I also want to call attention to the fact that between the time Mr. Wiggin came back from abroad, in which he made his first report, that he and his New York committee of bankers have been very active in promoting a proper settlement that would inure to the benefit and protection of these private debts. They have evidenced interest, and they are on record in favor of the reduction and cancellation of German reparation obligations.

I want to call your attention to a statement that was left with the State Department on December 10. I am quoting now from the Financial Chronicle of New York under date of December 12, 1931. This article appears at page 3891, and the heading is as follows:

FRENCH GOVERNMENT'S MEMORANDUM TO STATE DEPARTMENT ON REPARATIONS

Associated Press dispatches from Washington on December 10 reported that the French Government had formally notified the United States of its position that reparation revision must be accompanied by a comparative scaling down on war debts.

The dispatch added: "Ambassador Claudel, of France, on instructions of the Paris Government, notified Secretary Stimson of the French attitude."

[Here the gavel fell.]

Mr. SANDERS of Texas. I yield to the gentleman from Pennsylvania [Mr. McFADDEN] 10 additional minutes.

Mr. McFADDEN (reading):

It was understood that French commissions in other interested countries were also instructed to advise nations to which they were accredited of the French position.

In the New York Tribune, under the same date, December 10, 1931, appears the following:

William R. Castle, jr., Under Secretary of State, confirmed to-day the report that Paul Claudel, French ambassador, transmitted the views of the French Government on reparations to Henry L. Stimson, Secretary of State, yesterday. Mr. Claudel explained these views orally and then left a memorandum summarizing his conversation.

Later on it says:

Mr. Castle said he had read of the suggestion of J. Ramsay MacDonald, British Prime Minister, for a conference on economic conditions;

And it was informally placed before him.

It also says:

The French Government also advanced the view that any readjustment of reparations would have to be accompanied by a general rearrangement of the intergovernmental debts, which means the war debts owed to the United States.

I want to call your attention to a clause in the Young plan, inserted by France, not agreed to by the United States, but notice of which was given to the United States at the time of the signing of the Young plan. This stipulation provided, not in these words, but in substance to the effect that any lowering of German reparation payments would result in a like reduction of the debts owed to the United States by France. This is the reaffirmation on December 10, which the French Republic has served through their minister on the State Department of the United States.

Yesterday, when this came to my attention, I took occasion to call Mr. William R. Castle, jr., of the State Department, on the telephone, and I read to him extracts of this article, and I asked him whether or not Mr. Claudel, on behalf of the French Republic, had left that notice with the State Department. He told me they had. I said, "Did Mr. Stimson, in his appearance before the Ways and Means Committee, present that information?" He said, "No." I said, "Why not?" He told me that it was a communication from a foreign government, and we had no right to present it. I called on my colleague, the chairman of the Ways and Means Committee, then in executive session, and repeated to him what I have repeated to you here, and with all of the emphasis that I possessed, I insisted that they call Mr. Castle in executive session and get that statement.

I do not know whether they got it or not. I hope they did, and I hope they gave proper and careful consideration to it, because that is their position.

I want to repeat in closing that when this moratorium is passed you are changing the Young plan. You are reversing the former opinion of all the administrations that have dealt with this debt plan, and you are opening up to a future conference the question of governmental debts owed the United States as well as reparations.

Mr. BEEDY. Will the gentleman yield to a question for information?

Mr. McFADDEN. Yes.

Mr. BEEDY. The gentleman has been discussing the question of debt revision or the cancellation of debts, which is one issue. Now, do I understand that the gentleman is opposed to the proposed moratorium, namely, the delay of a year in the payment of war debts? Am I correct in my understanding?

Mr. McFADDEN. I am opposed to this moratorium because it opens up the whole question of war debts and reparations.

Mr. BEEDY. That is the gentleman's opinion, but the gentleman is opposed to a moratorium for a year and he has been consistent in that attitude, has he not?

Mr. McFADDEN. Because of the fact that Germany had a legal method under international law, which for some reason she saw fit not to exercise but which she has been forced to exercise now, and the committees are finding out the condition of Germany, and I am beginning to believe that we should not be aiding Germany in avoiding the just obligations she has entered into under an international agreement. [Applause.]

Mr. BEEDY. And in the gentleman's opposition to a moratorium he stands to-day just where he has stood for two years; is that true?

Mr. McFADDEN. Oh, no.

Mr. BEEDY. Has the gentleman changed his mind about it?

Mr. McFADDEN. I have learned a lot in two years. I have learned a lot in the last two weeks and I am learning every day.

Mr. BEEDY. Has the gentleman changed his mind about the desirability of a moratorium at any time?

Mr. McFADDEN. I think I have answered the gentleman on that. I am opposed to a moratorium, if the gentleman wants to know; yes.

Mr. BEEDY. Has the gentleman been opposed to it consistently?

Mr. STAFFORD. Will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. BEEDY. The gentleman yielded to me, and I think I am entitled to an answer.

Mr. McFADDEN. I said I have learned a lot about this in the last two or three weeks. I suppose the gentleman is referring to an interview which perhaps I gave out some time ago in New York.

Mr. BEEDY. A year ago the gentleman announced that he favored a moratorium.

Mr. McFADDEN. But conditions have completely changed.

Mr. BEEDY. How?

Mr. McFADDEN. I have been reciting to you what kind of methods have been taken to bring about this moratorium, and I have learned more than I knew a year ago about this whole subject.

Mr. BEEDY. Are we not in more dire straits, Germany included, than we were in the fall of 1930?

Mr. McFADDEN. I think it is due largely to our intermeddling in this whole international situation. [Applause.] And let me say this: That this means also that we are going to be called into conference at a round table, on one side of which will sit Uncle Sam and on the other side of the table are going to sit the countries who owe us, and they are determined that these debts shall be reduced or canceled. It means this: That these international bankers in order to protect their situation—and we have evidence of it in all the reports that come along—are planning now to organize international financial institutions comparable to those which are being organized or proposed to be organized here, for the purpose of taking bad debts out of one pocket and putting them into another, and then tying them up with a blue ribbon and selling them to the innocent public as something else when, as a matter of fact, they are nothing but bad debts.

Now, I say the quicker we get out of Europe and attend to the economic and financial conditions of this country the better. I say, also, that the finest and best thing that can be said by this Congress would be to serve notice on these international bankers that they must turn their backs on Europe and come back here and help us out of this disastrous economic and financial condition which they have brought about. [Applause.] I would also challenge the great industrial leaders of this country, like Owen D. Young and the heads of other big industrial institutions much in the same manner. I would say, "Gentlemen, we have confidence in your ability and your integrity, but you have been paying too much attention to international operations. You have brought about great unemployment in the United States; you have upset the whole economic condition of your country. Come back here and attend to the business of this country, in which you are engaged as leaders, and the Congress of the United States will support you to the limit, but when, by your actions and your operations, and through the sale of your securities, and through the use of the credit of the Federal reserve system you are depriving our people of their savings, their funds, and their right to do business, you are wrong."

Why, gentlemen, you would not stand for it one moment if you knew that international trade transactions were using the credit of the Federal reserve system at current, prevailing Federal reserve rates when the people of the United States can not get access to the Federal reserve system at anything but exceptionally high rates. I say it is time we began to inventory the situation and find out where we are going.

Gentlemen, I have no sinister motives in what I am trying to do. What I am trying to do here is to do that which is best for the American people. [Applause.] Anyone who challenges that right I defy.

Mr. GOLDER. Will the gentleman yield?

[Here the gavel fell.]

Mr. SANDERS of Texas. I yield the gentleman from Pennsylvania 10 additional minutes.

Mr. McFADDEN. I yield to the gentleman from Pennsylvania.

Mr. GOLDER. I desire to make a statement in justice to the gentleman from Pennsylvania [Mr. McFADDEN]. The newspapers have carried a story to the effect that the gentleman from Pennsylvania has been repudiated by his colleagues from that State. I desire to state that while the gentleman's colleagues from Pennsylvania have disagreed with the expressions of our colleague relating to the President of the United States, I believe there is not a member of our delegation who has the affection or the respect of his colleagues to a greater extent than my colleague from Pennsylvania [Mr. McFADDEN].

Mr. SANDERS of Texas. Mr. Chairman, I make the point of order I yielded to the gentleman from Pennsylvania [Mr. McFADDEN].

Mr. GOLDER. The gentleman from Pennsylvania yielded to me, and I felt, in justice to him, that it ought to be understood by his other colleagues in this House that I, at least, as his colleague from Pennsylvania, have the same regard and respect for his ability and his courage that I had three days ago, though disagreeing entirely with his references to our President. [Applause.]

Mr. McFADDEN. Gentlemen, I have been seriously criticized here, and, in addition to what I have already said, I have heard the lip-to-ear conversation that has been going on around this House. I have heard all kinds of stories issued for the purpose of discrediting me. I am not on trial here, gentlemen. I am ready to answer any questions, and I am surprised that my colleagues here would listen, without even discussing these matters with me in order to get the facts. It is regrettable.

Mr. STAFFORD. Will the gentleman yield?

Mr. McFADDEN. I yield.

Mr. STAFFORD. The gentleman in his speech stresses the fact that Germany did not apply for a moratorium, under the Young plan, as it might have done. I wish to ask the gentleman whether or not under the terms of her agreement Germany could only ask for a moratorium of the conditional payments and not the unconditional payments, and is it not a fact that France refused to accede to the position of the President in granting a complete moratorium, and that prevented, as a psychological matter, a revival of business in general?

Mr. McFADDEN. My answer to the question is this: Since the visit of the French Premier to Washington, Germany has gone under the Young plan and has asked for this relief as the right and proper and orderly way to proceed.

Mr. STAFFORD. But under the Young plan——

Mr. McFADDEN. I do not yield any further. I think I have answered the question.

I do not care to use any more time except to say this: I have here excerpts, which I have had translated in my office, from the debates of the French Chamber of Deputies pertaining to this subject, which are material to this issue, and I am going to ask unanimous consent that they may be placed in the RECORD. I want to direct the attention of every Member of the House to the debates which have taken place in the French House of Deputies, and I, therefore, ask unanimous consent to insert this in to-day's RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. LaGUARDIA. Reserving the right to object, will the gentleman put in the original text also?

Mr. McFADDEN. I do not know that I have that now. I got them from the Library.

Mr. LaGUARDIA. Is the original text in the Library?

Mr. McFADDEN. Yes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McFADDEN. Mr. Chairman, under leave to extend my remarks in the RECORD I include the following discussion of an interpellation on the ministerial reply to the proposals of President Hoover, also extracts from the Official Journal of the French Republic of June 26, 1931, concerning the Hoover proposal:

The PRESIDENT. I remind the Senate that M. Lémery has filed a request for interpellation on the reply which the Government made to the proposal of President Hoover relative to the Young plan and that it was decided that this interpellation should be discussed immediately after the two credit projects.

M. Lémery has the floor in order to develop his interpellation.

M. LÉMERY. Gentlemen, in ascending this tribune, I can not help being struck by the resemblance of atmosphere between this session and that of the 25th of July, 1929. As to-day the French Senate was deliberating in haste, with its eyes fixed on a due date. If we had not ratified the Mellon-Berenger accords before the 1st of August, 1929, the Government of the United States had warned us that it would require immediately the payment of the stocks, or 10 milliards, and that it would present, on their due date, the certificates of debt which it held in its hands.

In vain, still weakened by the prodigious effort which we had completed to put our finances in order, conscious of the danger there was in ratifying the accord on the debts, when the Young plan was not even approved, did we ask the Government of the United States to wait a few months to exact its credit? The Secretary of State answered us that the dispositions established could not be modified save by law, that the Congress had just left for vacation; we would have to submit or suffer execution; we had only a few hours in which to choose.

To-day, if we kept to the terms which the American Under Secretary of State, Mr. Castle, has employed, it would be necessary for us to accept the offer of President Hoover before the 1st of July.

Little was wanting, indeed, that the French Senate should not even have been able to manifest its opinion concerning the reply made by the French Government to the American proposal. It is necessary to felicitate the President of the Council for having understood that, since President Hoover believed it useful to state in his note that 22 American Senators, out of 91, approved of his initiative, it was not improper for him to concern himself with the sentiments of the French senators. [Very good! from the center and on the right.]

Gentlemen, the precipitation with which this negotiation has been entered upon in consequence of telegrams, in consequence of proceedings about which we are not yet clear, the effect of surprise which has accompanied the offer of President Hoover, the emotion—for it is necessary to say the word—which has seized upon the country and its representatives, the belief in which we still are that we should taken an immediate decision, have given us the painful impression that the French Government and Parliament are deliberating under a moral pressure, just as they deliberated, on July 29, 1929, under the threat of the bailiff.

There are, however, two essential differences. In July, 1929, the United States took us by the throat so that we would pay; in June, 1931, it urges arguments upon us that we should not be paid!

In July, 1929, it required that we should respect to the letter the contracts which we had concluded with it. In June, 1931, it exhorts us to wipe out the accords which, after 10 years of negotiations, of concessions, and of sacrifices, the nations which are creditors of Germany have concluded with their debtor. [Signs of approbation from the same benches.] And, although this time it no longer has the slightest right over us, although there exists no juridical date capable of hastening our deliberations—for the payments due from Germany are not to be made until July 15 and the date July 1 seems completely foreign to the interests of the nations and to the relations of the peoples among themselves—the prestige of the United States is so great and the tone of its voice is so dominant that our Government is in some sort dazzled by the American lighthouse and dashes itself with lowered head against the hard crystal which surrounds its light.

I am not ignorant of the fact, gentlemen, that authoritative brusqueness is in the American manner, that it constitutes part of their diplomacy, but it is for us to oppose to it the coolness and analytical spirit which are the essential qualities of our race and which, in the past, have triumphed frequently in the field of peaceful discussion.

Once these necessary reflections have been made upon the conditions in which the American proposal was presented, let us consider—this is the object of my interpellation—the French reply.

It does not seem satisfactory to me. Is that because it was improvised in a haste which nothing, as I have just said, justified, with the desire of showing a courteous celerity toward President Hoover, or is it indeed because any reply other than yes or no was necessarily confused and complex? However that may be, it remains that the French reply was of a nature to satisfy no one, neither President Hoover nor those who, in the Chamber of Deputies, approved it with their votes, nor, certainly, you all know it, the insatiable Germany.

You may well believe that I do not wish to lead you into a long examination of that reply, because, in my opinion, the problem is not there. Perhaps it is not indispensable to allude to the "elevated sentiments" which have inspired the American proposal, since President Hoover spoke to us of "outflow of gold," of "economic crisis," of "fall in American exportations," and it was thus to exceed what courtesy required to pay homage to the sentiments which these expressions betray.

Perhaps it would have been appropriate to reply to America that we were waiting to know the position which the German Government would take before making ours known. But all that, gentlemen, is a matter of form; and that which interests us is the substance.

The thing which has aroused in many of us the feeling of disquiet which I am endeavoring to express is the very cleverness

with which the French note is written. What does it say? It says essentially this:

"We agree that all the payments provided for by the Young plan shall be suspended except the unconditional payments. We know, of course, that the United States does not wish to make any distinction between the conditional payments and the unconditional payments. We know that the United States even affects to ignore the reparations. But we are proposing to them a system which will suspend the reparations without saying so." Certainly, gentlemen, this is ingenious; but it is too ingenious and I fear lest it end only in dissimulating the truth to the country.

All the world knows that if the United States had consented to safeguard our rights to the reparations it would have been easy for it to propose only the remission to Germany of the conditional amounts, and all the world knows that that is precisely what the United States does not wish.

M. LE COMPTE LOUIS DE BLOIS. Very good!

M. LÉMERY. We might then either enter indeed into their views or attempt indeed to bring them to ours. But to wish to reconcile two states of mind so diametrically opposed and to wish to reconcile them by bookkeeping sacrifices, by plays of writing, and by balancings of phrases—that is, gentlemen, to expose us in the negotiations which are in progress to painful results, to grave disillusionments—it is, in any case, pardon me the word, to camouflage the truth and to deceive the country.

Finally, for I do not wish to be insistent, it seems to me that we might have said, with a little more clarity and energy, that we do not intend to grant a remission to Germany of a debt which amounts, for a single year, to 12 milliards, if Germany is to use this money in order to make herself a weapon, whether economic or military, against our allies and against ourselves. [Lively applause.]

One would say, gentlemen, to read the reply of the French Government, that it had some apprehension about employing, in its note, the word "armaments," about speaking of the German armaments, although we are constrained to envisage to-morrow the construction of warships capable of holding the German armored cruisers in check.

What did it fear in truth? That one would set our own armaments before us? But, beyond the fact that they are imposed upon us by the American default, by the fact that the United States did not honor the signature of President Wilson [lively applause] and accept the pact of four which guaranteed peace; when we build warships it is with our own money; but when Germany gives herself a battle fleet of a character clearly offensive, as the scope of action of the *Deutschland* testifies, it is with the money of her creditors that she constructs it! [Very good! Very good! from the center and on the right.]

M. DOMINIQUE DELAHAYE. It is the debtor who is ruining the creditor!

M. LÉMERY. Is it necessary, then, that ideas so simple, so elementary, should be obscured and that we should hesitate a little to claim for ourselves a political independence which we have won at the price of so many cruel sacrifices? [Applause.]

But the great argument of the Government, so striking in its simplicity that it disposes us to pass over all criticism, is this: "What other reply could we make to the United States? Were we not placed in the alternative either of seeing the Young plan function or of accepting the suspension of payments? We were placed before that alternative, either to accept that suspension, or to be faced by a moratorium claimed by Germany. Now, if Germany declares a moratorium, we will find ourselves in a more serious situation than if the payments are suspended. The proposal of President Hoover, amended by the mechanism which we suggest, is more advantageous, even financially, than the moratorium. Above all, it places us in a moral position which a refusal opposed to the President of the United States would have completely ruined."

Such is, gentlemen—I do not believe I have distorted it—the argument which was produced in the chamber by the Government. This it is which I wish to examine very rapidly in expressing myself on the dangers of the acceptance of the Hoover plan.

First of all, gentlemen, what is the offer of President Hoover? I have heard it recalled in our commission that it is the President of the French Republic who conducts negotiations. Is this then a project for a treaty? Is it a project for an accord? Not at all! Is it only a plan analogous to those which, on two occasions, American experts have baptized with their names? Not the least bit in the world.

It is, gentlemen—and the President has emphasized it with perfect loyalty, with a sense of fair play to which I pay tribute—a view which is, so to speak, personal, a sort of voluntary, benevolent arbitration which he proposes, a suggestion which in order to become a reality should first of all be accepted by the interested parties, that is understood, but which should afterwards and above all be accepted by the American Congress, which, as you know, gentlemen, does not meet until next December.

Now, it is not certain that even if the Hoover proposal had been accepted without any reservation the Congress would have followed its President. It is still less certain since we are introducing reservations into the Hoover proposal. The more we strive to place, more or less well, that proposal in harmony with the Young plan and the accords of The Hague the more we try to safeguard our sacred right to reparations, the more we diminish the chances of seeing the American Congress follow the proposals of the President of the United States.

It is not necessary, then, to repeat the mistake of 1919 and to reject as improbable the idea of a Congress rejecting the personal gesture of its President.

Have you considered, Mr. President of the Council, that if this hypothesis is realized it will place us in a terrible situation? All Europe, entirely engaged upon the course of renunciation of credits, would be forced abruptly to reverse gears. The United States might claim the settlement of our debts in December, although for six months we should have received no payment from Germany. The German payments which the Bank for International Settlements would have taken in under the unconditional heading, and which in our plan it would have been invested in private German enterprises, would have to be immediately recalled, definitively ruining an economy which we are endeavoring to consolidate. German credit would be more compromised than it can be to-day, but above all our credit and that of the United States would undergo the same fate. [Very good! Very good!]

Let us now consider the other hypothesis.

The American Congress ratifies the Hoover proposal, even with the modifications which we seek. Can one truly hope that this Franco-American plan, if it operates only during one year, can have any efficacy? Who can seriously believe that on the 1st of July, 1932, Germany will have put her finances in order again and that she will resume the service of the Young plan? If that were the case, if 12 months of suspension of payments would really suffice to reestablish economic harmony in Germany, the United States would be very badly inspired in wishing to impose upon us the renunciation of the unconditional part. That part amounts, for one year, to the relatively insignificant sum of 612,000,000 marks. Who could be convinced that the United States, which has invested in Germany nearly two hundred milliards of francs, could not give the Reich a loan of 612,000,000 marks if that loan could save the German economy? [Very good! Very good!]

No, gentlemen, the Hoover proposal can have no efficacy. I will go further, it can have no sense—it would be absurd to deceive oneself—unless it continues beyond the duration of one year. But, in that case, the whole economy of the system conceived by the French Government is upset.

It is impossible, Mr. Minister of Finance, to balance the budget "in writings" as you have exhibited it to the Chamber. It becomes impossible to inscribe, thanks to a "slight reduction of eight days," as you have said, the unconditional payments which the Bank for International Settlements would have invested for us in Germany and which it should have recalled at the expiration of the year.

We remain before a hole of about two milliards made in our budget, and we can not fill it up save by imposing further taxes on the French taxpayer, already crushed by the impost. [Lively applause.]

Let me, gentlemen, summarize the situation somewhat brutally. Either the Hoover proposal, amended by us, lasts only one year, and then it has no value, or it lasts more than a year; and then it is we who pay the reparations which Germany, responsible for the war, owes.

That, it is necessary to say to the country. It is necessary that the country should know that it is that which Germany wishes; she proclaims it by her rulers, by all her parties, by all her press. I desire no further proof of it than the manifesto to the German nation issued by the Government of the Reich on June 5, 1931, which states:

"The Government is conscious that the economic and financial situation of the Reich imperiously requires that Germany should be released from intolerable obligations under the heading of reparations."

Nothing, gentlemen, could be clearer.

Finally—and the point of view which I am now going to set forth is not less important than that in regard to which I have just explained myself—even if the Hoover proposal were an efficacious remedy for the German, European, and world crisis, it would have the grave drawback of bringing back into question accords which have solemnly been declared definitive and unalterable.

When we were presented with the conventions in question the legal project was entitled:

"Project of law carrying approbation of the different accords entered into at The Hague, August 31, 1929, and January 20, 1930, in view of the complete and definitive settlement of the problem of reparations."

Consequently, as it has already been said with eloquence in the Chamber, if, after one year, accords such as those of The Hague, proclaimed inviolate, declared to be so before the French Parliament in order to secure its vote, can be called into question again; if, for conventions which have been studied at length, freely discussed, and freely accepted, one can substitute other conventions under the pretext that they appear more opportune, I say that there is no more security for anyone, that there is no more stability for any nation, and that never more will any confidence be possible. [Lively applause.]

M. LE COMTE LOUIS DE BLOIS. That is all that has been done for the past 10 years.

M. HENRY LÉMERY. When one considers with what prudence the experts of the Young plan have defined the unconditional part; when one reads in their report, chapter 8, paragraph 115, that sentence which one must never tire of quoting:

"We recognize the fact that in fixing the amount payable by Germany in foreign exchanges, without any right of postponement at 660,000,000 reichsmarks, we have adopted a figure dictated

by prudence; nevertheless, we are certain that it is wiser to undervalue with deliberate intent than to run the slightest risk of weakening the credit of Germany in proposing a figure which could not immediately be accepted by a well-informed public opinion."

When, I say, one reads that sentence one acquires an understanding of the danger there is in touching either the principle of the unconditional part or the reality of the unconditional annuities. This amount of 612,000,000 of reichsmarks which should be transferred in any case to the Bank for International Settlements for the services of reparations is all that remains of the charge which rests justly upon Germany for the damages for which we will never cease to repeat that she is fully responsible.

Of these six hundred and twelve millions, five hundred come to us, which sufficiently explains the fact that other nations have hastened to accept a proposal whic does not touch them themselves, for in this matter it is we who are the victims and none of the experts of the Young plan, none of the signatories of the accords of The Hague, was able even to imagine that a great nation like Germany would declare herself incapable of paying that obole.

Everything was provided for by the experts of the Young plan, by the plenipotentiaries of the Hague Conference, except the case of a Germany incapable of paying an annuity of 612,000,000 marks. It is, nevertheless, this meager remnant that one wishes to touch.

It would truly be necessary to be very blind not to see what a dangerous precedent the acceptance of the Hoover proposal creates. To touch the Young plan, to bring back into question, either under a direct form or under an indirect one, the annuity proclaimed unconditional, this is to declare with Germany that treaties are scraps of paper; that engagements subscribed to have no importance; and that the opinion of experts is, like all the rest, absolutely useless. [Lively applause.]

I conclude, then, that the dangers of the suspension of payments, as it results from the Hoover proposal, even though modified by the French reply, and admitting that it will be ratified by the American Congress, are not negligible. I even declare, gentlemen, that they are so diverse, so unforeseen, so unforeseeable, that it is impossible for anyone to evaluate them.

As for the dangers of the moratorium, the other solution which might be envisaged, we know them well. They are defined; we can calculate exactly the extent of the sacrifices which they involve. These sacrifices involve the obligation for France to complete the guaranty fund of 500,000,000 marks—of which 300,000,000 are already paid—which is destined to insure payments to the creditor powers, among which is Belgium, who do not receive anything from the unconditional annuity when the Young plan functions normally.

But these 200,000,000 marks to be paid by us would only have been a Treasury disbursement, a loan to the Bank for International Settlements, a loan which would bear interest to our profit if the moratorium were prolonged for more than five years.

Is it necessary to count also, among the disadvantages of the moratorium, the obligation by which we should have had to pay America just the same? I believe, then, nothing would have prevented us from recalling to the United States the resolution which the French Senate voted, according to which France engages to pay the war debts only to the extent to which she is paid by Germany, for I suppose that that resolution was not an empty gesture designed to mask a speculation.

Then, in the chapter of disadvantages, the obligation of completing, by the addition of 200,000,000 marks, the guarantee fund. But in the chapter of advantages two things of vital importance: First, a settlement, to some extent automatic, of the situation and a settlement on the basis of the treaties. We would not have to improvise in a few hours or in a few days a system which runs the risk of compromising the future irremediably. We would only have to apply the Young plan, which rejects a moratorium for the unconditional payments and which exactly delimits the rights and duties of each.

But, above all, the request for a moratorium, according to the procedure of the treaties in force, which proclaim—article 8 of the accord of The Hague—that "Germany alone is qualified to present a request for a moratorium," would have brought with it a consequence which has not perhaps been sufficiently brought to light. That is the immediate convocation of a consultative committee charged with examining the reasons for which Germany finds herself under the necessity of suspending the transfers, and charged also with submitting for the examination of the interested governments the measures which should be taken in order to return to the execution of the plan. [Lively approbation from numerous benches.]

This consultative committee is not a phantom; its functions are defined at length throughout chapter—of article 8 of the Young plan, and in the minds of experts, as in that of the signatories of the accords of The Hague, this committee has so much importance that France is only obliged to establish the guarantee fund of 500,000,000 marks, of which I have just spoken, when measures have been taken to bring about the convocation of the consultative committee.

Then, gentlemen, the question which comes to all minds, which I have met on the lips of all my colleagues of the Senate when we have spoken of this matter, is the following: "Is it in order to avoid the investigations of this consultative committee that the American intervention was imagined [Very good! Very good! and applause] and that the present procedure was suddenly invented?"

How then! Germany is held by the treaties, if she wishes a moratorium, to request it herself, and to request it for the conditional part of the payments, for that part alone. Her request should be made 90 days before the moratorium is to be declared. Her next payments are due July 15, and if the moratorium was to come into effect July 15, her request should have been made April 15. Now, it was only on the 17th of June that the ambassador of Germany at Paris informed the French Government that his country would soon be constrained to ask a moratorium. He waited, in order to take these steps, until France had paid two days before, on the 15th of June, to the United States the amount that she owed in payment of her debt.

M. DOMINIQUE DELAHAYE. What is good to take is good tc keep.

M. HENRY LÉMERY. And three days after the action of the ambassador of Germany, President Hoover issued his proposal.

In truth, gentlemen, everything happened as if one had waited until France had paid America before saying to us, "And now Germany will not pay." [Very good! and applause.]

How, in these conditions, can we permit the intervention of President Hoover to have as a result, not only the destruction of the Young plan but also the effect of sparing Germany the inquiries and the control provided for by the accords of The Hague and intrusted to a consultative committee whose powers have been solemnly recognized and defined?

That, gentlemen, is not admissible. Even if the Hoover proposal were less disadvantageous for us, financially speaking, than the suspension resulting from the moratorium contractually provided for by the Young plan, with an inquiry and control, it would seem to me that that solution would still be preferable to the proposal with which we are confronted.

For that solution, indeed, the President of the Council would certainly have found a more homogeneous majority in the Chamber than the one which gave its approval to the Government. [Very good! Very good! and various movements.]

I hear indeed the reply of those who see in the gesture of Mr. Hoover the prelude to the regeneration of the world, to general disarmament. I have heard the appeal to confidence which the Chancellor of Germany formulated in pathetic terms. That appeal to confidence, we rediscovered it regularly in all the international acts which have registered the sacrifices which we make, we ourselves. To-day it is the Young plan which is injuring the confidence so desirable between peaceful nations; yesterday it was the occupation of the Rhineland; to-morrow Germany, free from her debt, will find other clauses in the treaty of Versailles which hinder confidence and which require new surrenders. For during the past 10 years the situation, in truth, is clear; our sacrifices are always for to-day; confidence is always for to-morrow. [Very good! and applause.]

To conclude, if it is true that the situation of Germany is as desperate as it is declared to be, is it possible that our Government should have known nothing of it? If it did know it, why did it not propose a remedy in time? Why did it not suggest any plan in time? Why did it wait, with folded arms, until the United States took command of the maneuver? Has France then become sterile? Are we, henceforth, destined to drag along in the wake of the great powers, as if we were left out of the number of the great powers?

That, gentlemen, is what is dramatic in the manner in which, yesterday, the Austro-German accord was concluded, which our ambassadors had not foreseen; in which, more recently, the proposal of President Hoover, which had long been in the course of preparation without our agents having known anything of it, arose.

For 10 years we have lived with our eyes fixed on the star of peace. Each time that one has asked us for concessions that were real and tangible, and immediate, we have granted them in the hope that they would have a recompense; that is, the institution in the world of the spirit of peace and of solidarity.

Now, each time that recompense, which is of an ideal and spiritual order, retreats, and, in the words of the poet, its flight is eternal.

We evacuate the Rhineland and our troops, who withdraw voluntarily, are insulated——

M. DOMINIQUE DELAHAYE. What a mistake!

M. HENRY LÉMERY. We reduce our claims, and the demonstrations of the Hitlerians become more violent, and the Steel Helmets take an oath before the eyes of the crown prince, to whom we have given permission to return to Germany, to destroy the treaty of Versailles. Our Government lends an ear to the proposal of President Hoover; it is answered with the manifestation of the students of Potsdam, with the discourse of Doctor Schacht, with a flood of insults, of threats in the German press.

Mr. President of the Council, we do not intend to hamper your negotiations. You will assume your responsibilities. [Very good!] We only ask you not to forget that there is no peace for nations, that there is no peace for men, if signed treaties, if past conventions are not respected. [Applause from a large number of benches.] It is, Mr. President of the Council, around that idea, simple as truth and strong as morality, it is around that idea that the Government should endeavor to group all the peoples that have a taste for loyalty, all the men who fear equivocation, uncertain hopes, and deceptive illusions.

That will be the significance of the order of the day which I shall offer. [Lively applause from a large number of benches.

The speaker, in returning to his place, receives the felicitations of his colleagues.]

[Extracts from the Official Journal of the French Republic of June 26, 1931, concerning the Hoover proposal]

RESUMPTION OF THE DISCUSSION OF THE INTERPELLATIONS

The PRESIDENT. We return to the interpellations.

M. Louis Marin has the floor as the author of the third interpellation.

M. LOUIS MARIN. I have always said at the Chamber that, in a democratic and parliamentary régime, not only the duty but the evident interest of the governments was to seek to support themselves on opinion and on the parliament.

I do not believe that there is a better example of that necessity than the situation created by the proposal of President Hoover.

During the eight days since the proposal became known in France it has aroused a profound emotion, I will even say a veritable anguish, although the entire opinion of this country has known how to preserve an absolute calm and dignity in the circumstances. [Applause on the right.]

If I correctly understood the attitude of the Parliament last Tuesday, I had the same impression of unanimity on the gravity which that unexpected proposal presents and on the necessity of grouping ourselves in order to safeguard with the last rights to the minimum amount of our reparations which are left to us—in short, our legal rights.

To-day it is not a question for me—nor, I think, for anyone—of ascertaining what the responsibilities of the past may be among us. If I have always thought that there was no parliamentarianism and no government with responsibility and, above all, without exemplary sanctions, the past does not interest us at this moment, before the gravity of the decision to be taken.

That some of us were right and others wrong, that we might have acted otherwise, makes little difference to us now.

That which interests us essentially is to know what to think of the Hoover proposal and what to do to-morrow before the negotiations which the Government is conducting, in the course of the votes which we shall have to cast, on the one hand, this evening or in a few days; on the other hand, when we shall be presented with the necessary legal project, for it is only by a law that one can touch the national law which incorporates the dispositions of the Young plan.

I was speaking of public opinion and of the gravity with which it has envisaged this question. There has not been for a very long time such emotion in our provinces.

This is because they have understood that for the first time in history one saw produced a proposition so important, so unexpected, and, above all, bearing not only on the interests of the country that made it but also on the interests of peoples outside the life of which the United States had up to that time wished to remain. It is, then, necessary that we should examine that proposal in all its consequences.

The first observation which I wish to make is this: What is the value of the proposal of the President of the United States for the year which begins on July 1—a proposal for the suspension of all payment on the part of Germany and of international payments in the course of the year 1931–32?

M. Margaine has already admirably demonstrated it from the point of view of the facts, and M. Dubois from the point of view of the law. My task will accordingly be lightened.

I said last Tuesday that, for the United States, the operation proposed by their President was perfectly understandable.

The United States propose to sacrifice a little more than 6 milliards of francs which are due to them. But, on the other hand, at least 250 milliards of francs are invested in German business, on the part of American individuals, on the part of large American enterprises, and on the part of American banks.

I said 200 milliards last Tuesday; but a more attentive study of the documents obliges me to correct my figures. You have been able to see, enumerated one by one, in the Figaro of this morning, what German industrial bonds, to the value of more than 50 milliards of francs, were held in New York; they form only a slight part of the American capital invested in Germany, and the greater part was recently in serious difficulties. [Various movements.]

I understand perfectly, in these conditions, a political operation in which a head of state, who has authority for it, except for reservation and reference to his congress, places in the balance an immediate loss for the budget of the state against a possible gain of considerable sums for the economy of his people, although the formidable effect on the exchange which followed it did not remedy anything, for the gain of some was brought about at the expense of others.

I also see the certain advantage which, for this year, Germany will derive from that operation. Germany will not pay ten milliards and a half of francs which burdened her budget legitimately, since they represented a minimum amount of all the debts which were imposed upon her by the treaties.

To tell the truth, that advantage is, for Germany, an advantage which is, above all, a moral advantage and one which stimulates her instincts which are destructive of the treaty of Versailles and, first of all, of what she so unjustly calls the tribute of reparations. From the financial point of view the remedy is mediocre. The budget of the Reich is colossal and it represents, moreover, only a slight part of the budget of Germany; in addition, in that country, neither the budget of the states, which is very substantial, nor the budget of the towns, which is infinitely higher than that of our departments and of our communes, must be overlooked.

Those who know Germany will not contradict me.

These ten milliards and a half of francs, the remission of which represents a political triumph for the Reich, are a relatively small matter for the finances of Germany; nevertheless, they do represent an appreciable benefice for her, which she will waste in other fields since, following the publication of the news, she has already stopped the projects for reducing the salaries of functionaries, just as she stopped, at Cherbourg, a shipment of gold for the United States.

I imagine, therefore—I shall say why in a little while—that, in view of the present, and above all in view of the future, she is still more happy than the industrialists and bankers in the United States could have been on learning that a political operation was going to make it possible to save them from the shipwreck which threatened them.

There are countries which are affected and from which nothing but sacrifices are asked.

I do not speak of the sacrifices of England, which are very slight.

I do not even speak of those of Italy, which are more considerable but which she has already accepted, nor of those of ravaged Yugoslavia, of Rumania, of Greece, or of any other country of central Europe, or even of Portugal or Japan; whatever the sacrifice that has been imposed upon them without their having first been consulted, the amounts are, to tell the truth, not very considerable.

I think, on the contrary, of the sacrifices of Belgium and of France, which, nevertheless, were so unjustly and so horribly ravaged during 52 months and which, since then, have added so many further sacrifices during the peace to those which they had accepted, in their struggle for the right, during the war.

For Belgium, seven hundred millions have been promised to her unconditionally. That is a sum which she has entered in her budget, on which she counts, and for the replacement of which she will be obliged to institute new taxes; a hard result for a friendly country which was unjustly ravaged and which conducted herself so magnificently.

For France, and without going over the details given by M. Margaine and M. Dubois, the one billion nine hundred and fifty-nine millions, the two milliards in round numbers of which M. Dubois has spoken, or more exactly, the two milliards and a half which will be lacking in our budget, it will indeed be necessary this year——

M. ALBERT BEDOUCE. No; it is a question of one thousand seven hundred millions.

M. LOUIS MARIN. That is not my opinion. We will discuss these figures in detail.

M. ALBERT BEDOUCE. We will discuss them when you wish. It is a question of one thousand seven hundred and forty-nine millions exactly.

M. LOUIS MARIN. Intentionally, Monsieur Bedouce, I do not wish to enter into consideration on the eighty millions of the unconditional part which we give up in order to pay our interallied war debts, and which are added for this purpose to the conditional part. Consequently, although forming part of the unconditional part, that amount does not come to us and does not figure in our budget. I do not wish to take at this moment the time of the Chamber for these detailed discriminations and a certain number of differentiations which Monsieur Dubois has already pointed out from the tribune and which will appear in the Official Journal. I take for the moment the round number of 2 milliards.

M. ALBERT BEDOUCE. It is exaggerated. [Exclamations from the right.]

M. LOUIS MARIN. Monsieur Bedouce, I can not let you say that it is exaggerated, for when it will be necessary to replace these 2 milliards by 2 milliards of taxes the question will arise very serious and very weighty. [Applause from the right, in the center, and from several benches on the left.]

I do not wish to reduce this problem to a question of money, or even of taxation, serious as this already is.

But have we, I ask this of the Minister of Finance and of the Minister of the Budget, a financial situation so flourishing that we can waste the resources of our budget? Is there not a hole of 2 milliards in the budget of the past period? Are not the diminutions of value in the present period causing us grave disquietude? Does the balance of our foreign trade not mark a disturbing falling off which is amounting to a deficit of 1 milliard a month; that is to say, perhaps 12 milliards in the year?

Do not all these signs, and others besides, dictate to us our conduct? I am not doing anything but bringing forward what the Ministers of Finance and of the Budget will say to us during budgetary or financial discussions.

Thus, we are before a very disquieting financial situation. And it is here that all at once we are told: "It will be necessary to find two milliards or two milliards and a half of new taxes."

Thus, Monsieur Bedouce, you see that that question of money——

M. ALBERT BEDOUCE. Once more, it is not a question of two milliards and a half.

M. LOUIS MARIN. One may say that when M. Bedouce has an idea in his head he has it nowhere else. [Smiles.]

Mr. ALBERT BEDOUCE. It is of interest to everyone to give exact figures.

M. LOUIS MARIN. I ask M. Bedouce, in the name of the long collaboration which has united us for more than a quarter of a century, not to seek to impose his figure, which he claims to be

exact, on my figure, which I claim to be as exact. It would be necessary for us to spend too much time in discussing them——

M. PIERRE-ETIENNE FLANDIN (Minister of Finance). All the more so because they are both inexact. [Various movements.]

M. LOUIS MARIN. Mr. Minister of Finance, you do not bring us into agreement, for we have learned that you are quite an expert in inexact figures. [Various movements.]

In those, notably, which you have furnished to the press these last few days we have observed the height of inexactitude.

Then, if you will be so good, let us hold, in conducting our considerations, to average figures, all the more so because, alas, we will meet these figures again.

That which is incontestable is that for us the operation which we are asked to accept is represented for this year by a considerable sacrifice [Very good! Very good!], although we are in a financially difficult situation, and although it will be necessary to vote new taxes, which will be added to others which will still have to be found for other reasons, which you all know.

M. PIETRI, Minister of the Budget. It is not exact in the case of the counterproposal.

M. HENRY FRANKLIN-BOUILLON. There is, moreover, the figure which is mentioned in the note sent by the Secretary of State to the Treasury.

He states in that that the operation will cost France $96,000,000, approximately. You see how little that figure given by the Americans themselves approaches the figure of 2 milliards of francs.

M. GRUMBACH. That proves that M. Bedouce was right. [Smiles.]

M. HENRY FRANKLIN-BOUILLON. They are all right, including the American Secretary of State. Nevertheless, we are not going to ask them to agree in regard to the centimes!

M. LOUIS MARIN. M. Grumbach could not fail to say, for the sake of group solidarity, that M. Bedouce was right, any more than M. Pietri could fail to sustain the Minister of Finance for the sake of ministerial solidarity. [Smiles.]

It is indeed necessary that, sometimes, ministerial solidarity should manifest itself. [Laughter.]

It is a thing one sometimes sees; it is indeed necessary that it should manifest itself even in public.

The PRESIDENT OF THE COUNCIL. One sees that you have been a minister.

M. LOUIS MARIN. The operation proposed by President Hoover is represented exclusively by a sacrifice for us, as for Belgium and the states of eastern Europe.

The advantages that are made to sparkle before our eyes as compensation are not for us. It seems, moreover, that for the past 10 years we are always asked for sacrifices without being offered any compensation other than words. There is, in fact, no advantage for us in the operation that they wish to impose upon us; there are only disadvantages for 1931–32.

They try to make an advantage appear before our eyes by telling us that the sacrifice which we are going to make will aid the general economy of the world.

I would willingly grant it if that were so.

France is never the last to make sacrifices for the general economy of the world, and I believe that no one on this score could give her any lessons. [Applause on the right and in the center.]

Neither before the war, nor during the war, nor since could one find a country which has made so many sacrifices as ours in order to assure peace and economic equilibrium in the world. [Applause from the same benches.]

But, in spite of the firmness with which President Hoover, in the first words of his note, declares that it is a question of reestablishing the economic equilibrium of the world, I answer: No.

It is only a question of one country, and of those who have imprudently confided capital to that country.

It is only a question of reestablishing German economy——

[From the right.] And American.

M. LOUIS MARIN. And a part of American economy, the bankers who have invested substantial amounts of capital in Germany. [Applause from various benches.]

But for the rest of the world, I assert that this project, presented as useful to world economy, is without any effect, and that none is even sought. It concerns only one country—Germany—and by way of accessory one creditor of that country, the United States.

Can we, at least, even as regards Germany, have the idea that the moratorium of payments which will be given to her for 1931–32 will serve to save her economy?

M. Margaine has done justice to the complaints of Germany on the subject of her economy. He has shown by figures, which relieve me of the necessity of making the proof myself, how the commercial balance of Germany was favorable, how her exportations were considerable and increased from day to day. Perhaps he has not insisted enough on this point and on the danger which, from this fact, certain of our own industries were running.

We know also—and M. Margaine has shown it—what extravagances of all kinds the German budget contains. And if M. Herriot speaks in the course of this discussion, I am sure that he will show—I have an impression of it from his articles—what extravagances Germany commits from the point of view of military and naval preparation.

It is M. Herriot who tells us, for instance, very justly, that it is we who will pay for the *Deutschland*, with money which we should have received for our reparations. [Lively applause in the center, on the right, and on the left.]

It will be the same with the six *Deutschlands* which are to follow; it will be exactly the necessary amount which we are going to lend to the Bank for International Settlements.

I do not take the credit of having established this fact away from you, Monsieur Herriot. I cite it as an excellent example, among many others, alas!

All those who study Germany, who examine her budgets, perceive that the two causes of the weakening of the German economy are these extravagances, notably the military extravagances——

M. ALPHONSE TELLIER. According to the treaty of Versailles, Germany should not have been authorized to construct those vessels!

M. LOUIS MARIN. And, on the other hand, those political manifestations, such as those of the Steel Helmets, such as the aggressive and violent discourses of so many ministers, which cause foreign capital and even German capital to flee. [Applause in the center and on the right.]

If so much German capital and foreign capital has been withdrawn in the course of these last months and if last week there was very nearly not an economic crisis or even a financial one but an exchange crisis in Germany, it was the counterpoise to political manifestations which were quite unseasonable.

Men of the most diverse political opinions, over there and among us, recognize the fact. Monsieur Grumbach, do you wish me to invoke the opinion of your friends? M. Gaston Jeze, who is one of your friends. . . [Interruptions from the extreme left.]

Yes; Monsieur Frossard. Ask it, then, of M. Vincent Auriol!

M. L.-O. FROSSARD. It is a long time since M. Gaston Jeze has rejoined you, Monsieur Marin.

M. LOUIS MARIN. So much the better! I should not like to misuse quotations and remain in the domain of leading ideas, in such a debate; but I will read you what M. Jeze wrote a few days ago:

"The German Reich has not made a good use of the financial liberty which was given to her in 1930. This is the proof that a good international financial control renders services to the countries which have submitted to it.

"These States protest in the name of their prestige, but it is not necessary to talk about prestige when one does not know how to manage one's own affairs. This is the case with Germany."

[Applause.]

That is the conclusion of his last article, probably in regard to the Hoover plan.

The operation proposed by Mr. Hoover is going to be costly to us ourselves, since, like Belgium, we are asked for sacrifices. If only we had the consolation of thinking that that operation might aid the German economy! But no; it will not aid either the Germany economy or the finances of Germany or her banking movement.

I see you protest, Monsieur Grumbach——

M. GRUMBACH. I said nothing! Is it my silence that protests?

M. LOUIS MARIN. No; it is the language of your hands. [Exclamations and laughter on the extreme left.]

The PRESIDENT. If he could always interrupt with his hands! [Laughter.]

M. LOUIS MARIN. If President Hoover had proposed to us not the suspension of payments by Germany and of payment of the interallied debts during one year, which, for the general credit and the movement of minds, can have, at the end of a few days, only a slight importance, but the annulment of all the interallied debts, that is to say, of the common expenses of the war, which should have been logically and equitably divided, and leaving apart the sacred reparations, that great operation might have been efficacious.

Europe, seeing itself relieved of the payment of the milliards which it is to send across the Atlantic during the 62 years, such an announcement would have astonished the world; but it might have had a certain repercussion on the operations of credit and would have constituted an operation useful to European finances. [Applause in the center and on the right.]

If in order to remedy German unemployment and ameliorate Germany economy President Hoover had asked us, to the end of putting the German factories to work, to agree to increase the deliveries in kind, without doubt certain countries like England, attached to their industry, which is formidably threatened by Germany, would have protested; we would, perhaps, ourselves have been obliged to defend our industries and to make use of triangular deliveries, as proposed last year.

But I understand that such a remedy might have palliated German unemployment and ameliorated somewhat the economy of the Reich.

When one speaks to us of a financial and exchange remedy, when I learn that the Bank of France advanced a few days ago one hundred millions of gold to the Reichsbank, so that it might avert a new monetary crisis——

The MINISTER OF FINANCE. That is inexact.

M. LOUIS MARIN. You may make the correction presently, if the two facts which I maintain and which I am about to indicate are not exact. But, if you prefer, I will content myself with hypotheses, which is equally useful for my demonstration, instead of citing realities, however instructive.

If you prefer, then, I will suppose that gold is lent to Germany. In this case I understand that at the moment when the Reichsbank sees its reserve diminish and unfortunately approach the critical point, this loan of gold may render it a very great service.

I understand, also, if the German banks have difficulties at the end of the month, like those of June and July, and if they are offered loans, serious guarantees being employed, that, evidently, another operation useful for German finances is thus performed.

But I declare that the operation proposed by President Hoover can not really aid German economy, although it costs us terribly dear.

It does not only cost us two milliards and a half, it has, for us, a moral aspect which is of an incontestable gravity.

For years we were asked to agree to reductions of our claims. And then, one doy, we were told: "Now your claim is definitive, you no longer run any risk."

M. Dubois was right to cite the text of the Official Journal in order to show the seriousness of this matter.

We were told: "You will no longer run any risk after your sacrifices; it is now an unconditional debt before which you will find yourselves. It is a sacred debt which will be paid in any and all circumstances. There can be no moratorium for this unconditional part which will not be postponable under any pretext. Undoubtedly the reparations which were due to you are diminished; instead of the considerable sums which were justly fixed by the previous schedule of payments and which were already far from corresponding to the real amount of our devastation, you will only receive a little, but you will surely receive it. It is a solemn promise!"

"We should so surely receive it," said M. Poincare, "that the unconditional part should be commercialized."

And he added: "We will not vote for the project until the commercialization is not only promised but realized." [Very good! Very good! in the center.]

Who can now have the hope of commercializing the immense quantity of the unconditional obligations of the Young plan which have not yet been commercialized? [Applause in the center, on the right, and from various benches on the left.]

It was only because it was incontestably unconditional that that part of the German debt could be commercialized.

Now, see how, all at once, evidently for a reason independent of Germany—although, presently, we shall see how the first negotiations which led to the proposal of President Hoover arose and how Berlin was their source—for some reason or other, unknown to us, apart from us, without our having been forewarned, the unconditional character of that part is brought into question, and, so to speak, destroyed at the first blow.

And what are we told? See, it is so little unconditional even in your own eyes that there even you, Frenchmen, and the English and the Italians abandon it! For, in the proposals of the Government, even if you have it paid to the Bank of International Settlements, in order that it, in its turn, may give it to Germany, you are not paid; it is exactly as if the unconditional part were suspended. It is a genuine moratorium. You are paid with words and you will never again have a confidence firm enough to assure commercialization.

Who can imagine that there are still financiers who could think of commercializing any part whatever of the Young plan? [Lively applause.]

For the period 1931–32, then, there will be: New taxes, a serious breach of the given word. Although we thought we were building on the rock, there is the impossibility henceforth of commercialization.

But there is something much more serious than what may happen to us for the period 1931–32. We are at this moment before the habitual lure. Here is a proposal which affects only one year. But for the past 10 years you have known the lures: Proposals are made which are anodyne in appearance, which it seems possible to accept, not with a light heart, if one is ever so slightly perspicacious, but because they are presented in a form which does not alarm.

Nevertheless, in reality, who among you does not say to himself that at this moment it is the fate of the whole Young plan and of the 60 years of it which are left to run which is at stake? [Applause from various benches.]

If the French Government, if M. Laval, endeavors at this moment to make conditions, to cause the sacred character of the reparations to prevail, it is only to save face, as they say, it is in order to try to save the future and to try to save something of the Young plan. I do not believe—quite the contrary—that the proposals which I have heard read will accomplish that. But who, then, can have much hope of accomplishing it except with a formal resistance of the French Parliament? [Applause.]

If the French Parliament does not indicate clearly that it intends that the unconditional part shall not be touched, that the future of the Young plan shall not be touched; if it does not require that that part shall be paid, and paid to ourselves for our reparations; if its vote does not say this with all the firmness necessary, the Young plan is dead. [Applause from numerous benches.]

Mr. President of the Council and Mr. Minister of Finance, I am delighted to see that at least you two among the ministers have applauded.

The PRESIDENT OF THE COUNCIL. All the ministers have applauded.

M. FRANCOIS ALBERT. I demand the floor for an appeal to the rule. The senators who are ministers have no right to applaud. [Smiles.]

M. LOUIS MARIN. When they are good things that are said on the tribune, the senators who are ministers have the right to applaud. [Smiles.] When they try to criticize parliamentary deputies, we may contest them that right, Monsieur Francois Albert. When they applaud us, let them do it, in spite of the rule.

M. FRANCOIS ALBERT. When they applaud you!

M. LOUIS MARIN. When they applaud one of us, whoever he may be.

M. FRANCOIS ALBERT. Of the majority!

M. LOUIS MARIN. We have not come to that egotism. We have come to it so little to-day that the object of the debate is one of those on which we can all find ourselves in agreement.

What is serious, I was saying, is that the Young plan is threatened in its totality. It had already been threatened by Germany before. You have all read the renewed and aggressive declarations of German men of politics and of the German press, declarations more and more vigorous, calling for the death of the Young plan, the abolition of the "tribute"!

Every day, newspapers curse this tribute. Even on the day after the Hoover proposal, a number of German newspapers ask that, if it is accepted, if there is a moratorium for one year, the struggle shall be continued with all the more bitterness in order to destroy it completely.

I do not need to read you the texts. Some days ago, a review, in order to illustrate German thought on the Hoover proposal, grouped the articles from the German newspapers—it is not M. Gignoux who will contradict me—and took account of public opinion in Germany on the future of the Young plan. Not one of these newspapers—I have them under my eyes—from the most conservative to the most revolutionary, which did not express the same opinion: It is necessary to continue the struggle to the death against the Young plan and to destroy it without delay.

We knew, then, that it was menaced, but by Germany. The cleverest and most prudent of the Germans, like M. Stresemann, had said: "It will last 10 years." His successors had said: "It will, perhaps, last two years." No one dared to say: "At the end of one year we will see it, I do not say set at naught, but struck a blow which will be mortal if the French Parliament does not manifest its formal purpose to maintain it." [Applause.]

Nevertheless the unalterable character of the Young plan and of the unconditional annuities has been more solemnly affirmed than that of any other financial treaty.

I might recall to M. Tardieu his sensational declarations, on his return from The Hague, on the vital importance of the word "definitive" and of the absolute security of the unconditional part.

I might also recall to M. Paul Reynaud the striking and persuasive demonstrations which he made us, based on the truly definitive and unconditional character of the settlement entered into.

M. PAUL REYNAUD, Minister of the Colonies. I have not changed my opinion, Monsieur Louis Marin.

M. LOUIS MARIN. Wait! We are going to see what will become of your declarations or, rather, alas, what has already become of them.

I do not wish to speak at this moment save of certain ministers of whom I have the formal declarations at hand which we have heard, one or another.

Abroad it was infinitely more solemn. Twenty-eight states had given their signatures. Was there a representative of one of those states who did not believe in the solidity of the unconditional part? In any case, all have affirmed their convictions on this point.

We are indeed obliged to say to ourselves that if we do not take the most extreme precautions and the most certain guaranties the Young plan will have received a mortal blow. And I do not wish to speak of simple verbal guaranties, of those of which M. Franklin-Bouillon said that they were only too prodigal.

Let us take care. The destruction of the Young plan would be a fact more serious still in other ways than the loss for one year of two milliards and a half. And more serious still than the financial charges which would weigh for a long time on this country, would be the moral and political consequences.

Nations live, above all, by the moral principles which animate them. [Applause.]

In international life—we are certainly all in agreement on this point—in which the policeman does not yet exist, in which the tribunal is barely beginning to function, without disposing, moreover, by any practical sanction, the observance of the elementary principles of moral conscience is a vital matter. [Lively applause.]

Let no one speak to us in the future of signing pacts if one is not sure that they will be scrupulously and conscientiously observed. [Fresh applause.]

It must indeed be said that here is a singular manner of respecting the given word, vital principle of all social life, and above all, of all international life.

I will not read you texts, but there is one which comes to my mind. In a letter, concerning himself with interallied debts, President Coolidge indicated to what an extent the American people had respect for the given word and for contracts.

Is it not singular, when we have signed contracts, that voices should be raised from another part of the world to say to us: "Break these contracts! It is not necessary or indeed we will not be able ourselves to accomplish an operation which is advantageous to Germany and to Europe at the same time that it is advantageous to us."

Respect for contracts is a vital matter. But there is more; here, it is a question of respect for particularly solemn international pacts, of which, in international life, one ought not to tolerate any infraction, especially if it is oblique and masked by generosity.

The Young plan is not only, as M. Louis Dubois said, the result of long years of tentatives and events. It was solemnly prepared, solemnly presented, and solemnly accepted. And we are told: "You were counting on that pact to be able to commercialize the unconditional annuities? You can mourn over that, for this year. It is not what you believe." Such is the will of a nation which, moreover, did not participate in the Young plan nor in the discussion of the European Continent. [Applause.]

It is necessary, they tell us, to make trash of these stipulations. You can get no use out of them by relying on them.

I will add that, not only do the texts in question merit the respect due to international pacts but they merit also the respect that one owes to the laws of each sovereign country.

Just so, in fact, the Young plan has been voted by a very great number of parliaments. The countries interested as creditors or as debtors have incorporated it, sometimes not without trouble, into their internal legislation. What does one do, at this moment, with the respect due to the laws of the countries which have voted them? One tells us that it is necessary to pass beyond our own laws; that it is necessary that the governments should arrange themselves in such a manner as to cause our laws to be abrogated!

I do not believe that these are excellent methods for international life.

I believe them to be all the more evil because they lead further to neglect of the respect for the forms and guaranties written in the contracts.

For, after all, in the Young plan, France, if she were not paid, and Germany, if she could not pay, had, both the one and the other, a procedure and a certain number of guaranties useful for the functioning of the plan.

Without any doubt, Germany could have declared a moratorium. But formalities would have been necessary which would have offered us certain guaranties, delays, proportion of payments, verification of the financial state of Germany, proposal of experts. A committee would be charged with examining the condition of Germany; conditions were provided, after the suspension of transfers, for the future moratorium of payments, which could not be declared save at the end of one year and only for 50 per cent. The Young plan carried with it a certain number of considered conditions and possibilities, such as that of choosing as arbiter the court of The Hague, whose authority no one questions.

What is done with all these guaranties? We are told imperiously: "We will act and we beg you to act as if they did not exist. Put all your juridical work aside. We are making a proposal which dominates, to such an extent, all your laws, your procedures, and your arguments that it sweeps aside the given word, that it sweeps aside treaties and laws."

These manners are of a profound gravity. M. Dubois said that perhaps we would have to take upon ourselves not only the burden of the 2 milliards of new taxes, but would further have to pay out of our treasury the 3 milliards promised to the guaranty fund which we would be asked to pay to the Bank for International Settlements.

It is sufficient for Germany, looking ahead—as she said in her press yesterday—to proclaim in a few months the suspension of transfers in order that in one year, since she is not sure that the United States after the elections will permit her to obtain a second moratorium, she may obtain a moratorium of payments, because that is something she can not obtain until one year after having made use of the moratorium of transfers. It will be sufficient for her to declare the suspension of transfers in a few weeks for us to be obliged on the same day to pay, in conformity with the engagement which we have signed, the sum of 3 milliards. [Applause.]

Can we truly accept such charges and, above all, in international life ought such proceedings to be recommended?

I wish that, in general, the given word should be much more respected, the word solemnly given in international treaties, confirmed in the internal laws of different countries; but I wish indeed that what are called parliamentary prerogatives should also be respected, for, in our democracies, at least, it is the elected representatives of the people who, alone are sovereign. They have the true responsibilities. It is they who, finally, whether they are asked to accept them, as M. Laval announced, before entering into an engagement, or whether they are left with them afterwards, bear these responsibilities before their conscience, which is the essential thing, before history and before the body of electors. [Applause on the right and from various benches in the center.]

I have not the impression that the parliamentary prerogatives are respected by the proposal of President Hoover. They are not, certainly, as regards our country or Belgium; I will even—I call the attention of the President of the Council, to whom I might recall some very precise memories, to this point—say that they do not appear to be respected in what concerns the United States itself.

When M. Franklin-Bouillon, about a year ago, demanded that the United States should be asked to extend time for the payment of the stocks—that was also during vacation—Mr. Stimson replied to the dispatch from M. Briand in a moving manner.

Mr. Stimson said: "To refuse you in such circumstances seems to me very hard. I have French origins. I have done everything in order that my country should enter the war. I was among the first to enlist and I participated in the whole campaign of the American Army. But Congress alone is sovereign and its Members are at this moment dispersed. The President can, then, do nothing until Congress returns."

We bowed to the decision, but many of us thought that if an allied country or even an unfortunate country in any part of the world had had need of a vote from the French Chamber the President of the Chamber or the Government would not have done wrong in calling us back in very large numbers to discuss a serious question. [Lively applause.]

Mr. HAWLEY. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, we have been greatly interested in the address of the gentleman from Pennsylvania [Mr. MCFADDEN], which has just been concluded. We recognize his sincerity of purpose in the manner in which he has discussed this great subject before us. He several times—or certainly twice—in the course of his remarks said that his attitude on this question is governed by his conscientious desire to serve the best interests of this country. I directly differ with the gentleman as to what are the best interests of this country. In my opinion the best interests of the country are for him and the rest of us to vote for this debt-postponement bill before us here to-day.

This will serve the best interests of the country and not any effort to discredit our officials, which he has done both on this floor and before the Ways and Means Committee.

The gentleman was asked by the gentleman from Maine [Mr. BEEDY] whether he had changed his mind or whether he had been of the same mind right along with reference to this matter and he passed the question by. He did not answer it man fashion at all, because he had in mind what the gentleman from Maine knew.

I hold in my hand a copy of the New York Daily Investment News, dated December 17, 1931. It is a signed article, evidently by the editor or by one of the important members of the staff of this daily paper, and I read:

Representative MCFADDEN'S attack in Congress on the President recalls an interview published in the Investment News a year ago, October 20—

The date that he referred to in his remarks, mind you—

following my suggestion of a moratorium on reparations and war debts. Mr. MCFADDEN, who was requested by this paper to express his opinion on the subject of a moratorium, said, among other things: "A moratorium or downward revision of the present reparation payments under the Young plan is immediately necessary. Germany has given clear evidence of how difficult it is for her to pay, and the only relief seems to be in reduction of the amount of annuities or suspension."

Certainly he must have materially changed his opinion since then.

Mr. McFADDEN. There has been a material change in conditions since that time.

Mr. TREADWAY. I agree with my distinguished friend from Pennsylvania, there has been a great change, conditions are much worse than when the gentleman gave out his interview a year ago.

Mr. McFADDEN. And we have more definite knowledge——

Mr. TREADWAY. I agree with the gentleman that we have much more definite knowledge on the serious condition of the financial world from what it was a year ago. Since the gentleman gave out his interview conditions have changed materially for the worse.

There is another thing that I think should be definitely stated. The gentleman from Pennsylvania [Mr. MCFADDEN] said that on December 9 and 10 the ambassador from France placed in the hands of Mr. Castle, the Under Secretary of State, an official document. I can say authoritatively on this floor that Mr. Castle, the Under Secretary of State on those dates had no interview with the French ambassador. Now, I will back that statement to the limit, and it is absolutely contrary to what the gentleman from Pennsylvania stated to the House.

Mr. McFADDEN. Was Mr. Castle called before the Committee on Ways and Means yesterday?

Mr. TREADWAY. Mr. Castle was called through his superior officer, and I am authorized to say on the word of the Secretary of State in accordance with the statement I

have just made that Mr. Castle was interviewed by his superior, Secretary Stimson, and he will back what I say.

Mr. McFADDEN. I want to say that I have nothing to take back.

Mr. TREADWAY. No; because the gentleman is absolutely wrong. There is nothing to take back; there is nothing true about it. I am not saying that the gentleman from Pennsylvania intentionally places wrong information before the House, but I am saying that it is wrong. The gentleman from Mississippi [Mr. COLLIER] called on the Secretary of State for information. The Secretary of State interviewed the Under Secretary and within 15 minutes was before our committee in executive session and repeated to us that Mr. Castle had told him just as he came to our committee room that he had had no communication on December 9 or 10 with the French ambassador or any representative of the French Government. I can not be more positive in a statement than that.

Mr. VINSON of Kentucky. As a matter of fact, Mr. Castle did not appear before the committee?

Mr. TREADWAY. He did not; we asked for his superior officer, and there was no occasion for Mr. Castle appearing.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. CHINDBLOM. Does not the gentleman recall that the Secretary of State called Mr. Castle over the telephone in the room and came back and said he had talked with Mr. Castle, and made the statement reported here?

Mr. TREADWAY. Yes.

Mr. VINSON of Kentucky. Did not the gentleman from Mississippi [Mr. COLLIER], chairman of the committee, ask that Mr. Castle come before the committee?

Mr. TREADWAY. The gentleman may have suggested it, but if he will recall, I went from my end of the table down to the chairman and said to him that I thought we should ask the superior or head official either to appear or to direct the Under Secretary to come before us, and Mr. COLLIER thought that was the proper procedure. Am I not right in that?

Mr. VINSON of Kentucky. I don't understand that Mr. COLLIER called Mr. Stimson. Mr. Stimson said that Mr. Castle had told him that he was not called.

Mr. TREADWAY. The gentleman from Pennsylvania [Mr. McFADDEN] says that we did not have the Franco-American agreement before us. I have a copy of it here in my hand. There is absolutely no change under the Franco-American agreement of July 6, as the result of the debt postponement; not the slightest. Get these two facts in mind. We are not a party in any sense to the Young agreement, and had nothing to do with it. That is a matter of German reparations. We had no hand in it. Still, the gentleman from Pennsylvania says we have changed it. There has not been the slightest change in the Young plan, and when I asked him to point out the changes before the Committee on Ways and Means he again dodged the question and failed to make an answer. In addition, he is very much confused about relations between international bankers, as he calls them, and our Government. Our Government, as such, has nothing whatever to do with the investments that the people may make in foreign countries or in this country. It is fortunate if at any period we have sufficient money so that our people can make investments. Just now we do not want them, but we can not control the use of American money with respect to where the owner of that money may see fit to invest it. It is impossible, and it has no relation whatsoever to the subject of this debt postponement.

I want now to make a brief reference to one remark of the gentleman from Mississippi [Mr. RANKIN]. Mr. RANKIN admitted that, of course, it was ethically wrong for us to question the source of the information that the reporter of the Washington Post used in writing an article. He said positively that it came from official sources. We can trace no official source that it could have come from, and the article was incorrect. I hold in my hand the stenographic notes and the gentleman from Mississippi [Mr. RANKIN] said a few moments ago on this floor:

> They could have found out by calling a representative of either one of those embassies.

He refers there to the Committee on Ways and Means. I have listened to many speeches by the gentleman from Mississippi, and I shall not comment upon them, but what Member of this House for a moment thinks that any legislative body, this body or any committee thereof, can call before it as a witness a representative of any foreign embassy? It is the most absurd statement I ever knew a Congressman to make on this floor, that a committee of this House could call before it a representative of a foreign embassy. I can say authoritatively in that respect that if any representative of a foreign embassy so forgot his position in connection with his relations to his own government as to do such a thing as that, he would be immediately recalled by the home government.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. RANKIN. All the gentleman had to do would have been to propound that question and they could have conferred with their government and they would have given him the information.

Mr. TREADWAY. There is no way whereby any representative of a foreign government can have any direct communication with any legislative agency in this country.

Mr. RANKIN. If they conferred with their government, they could do it.

Mr. TREADWAY. They can only do business with us through the State Department, and that is where they have done it. The gentleman is absolutely wrong.

A good deal has been said here about insincerity of purpose. The gentleman from Pennsylvania [Mr. McFADDEN] said in his testimony before our committee:

> I've seen through all my examination of these matters the dual position of the officers of our Government in all their relationship.

"Dual position." He thereby accuses, by innuendo, officials of this Government in high positions of saying one thing as representatives of the Government and doing another thing as representatives of investment houses in New York or elsewhere.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HAWLEY. Mr. Chairman, I yield four minutes more to the gentleman.

Mr. TREADWAY. That is another innuendo that is not worthy of our consideration. I tried to quiz the gentleman on that and failed. Then he also said that—

> the maneuvers which had been conducted by the State and the Treasury Departments in a field in which the Congress had the right and duty to participate tended to involve and have involved the United States Government in obligations from which it was free but which the allied governments were determined to impose upon it. There is no doubt that the State and Treasury Departments have deliberately withheld from the Congress of the United States information of foreign commitments which have been made and which under the Constitution required the consent of the Senate and the House.

Mr. Chairman, I can authoritatively deny that the State Department and the Treasury have ever made any such commitments or withheld any information from the Congress of the United States. On the contrary both departments have been most anxious to place every bit of available information in our hands. The statement I have quoted from the gentleman's testimony is absurd and without foundation in fact.

Before my time expires I want to compliment members of the majority of the Ways and Means Committee, particularly our new chairman, on the very nonpartisan and able manner in which he has carried on this very intricate subject, the first under his leadership as chairman. His speech this morning was a masterpiece in explanation, and when he and the gentleman from Georgia [Mr. CRISP] had finished their remarks, we could well have voted; but the committee wants the House to have all possible information within

their power to provide. There has been no concealment, there has been no haste, absolutely none. The statement issued by the President of the United States on the 21st of June was notice to the world of what he expected to ask Congress to do at this time, and when gentlemen say there is usurpation of power, they should read the announcement made in the press of that date. Here are a few words from it:

Subject to confirmation by Congress.

That is in the very first paragraph.

In several other places in the course of that statement to the press the same thought appeared, that the President of the United States recognized the fact that it is only by confirmation of Congress that it would be possible to have this debt postponement put through.

Then, my friends, in closing I want to call attention to one outstanding feature of the statement of the President of that day:

I am suggesting—

He said—

to the American people that they be wise creditors in their own interest and be good neighbors.

Let us consider that sentence very carefully in this closing period of the debate.

In the interest of our own credit, and good neighbors that we want to be to the nations of the world.

That seems to me to be the heart and the essence of the President's interest and desire to promptly have this legislation passed. [Applause.]

Mr. CANFIELD. Mr. Chairman, I yield eight minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Chairman, I have listened to this entire debate, and have reached the conclusion that we can not fail without serious dishonor to the Republic to pass this legislation. Other powers involved have acted upon the President's proposal, and for the Congress now to fail to adopt the resolution empowering the Secretary of the Treasury, with the consent of the President, to ratify this agreement would amount to impeachment of the good faith of the Government. [Applause.]

Mr. Chairman, the handling of all international questions presents difficult and delicate problems. The President has been criticized for his failure to call Congress in session and obtain authority for moving in the premises. There is some merit, possibly, in that criticism, but, Mr. Chairman, we must visualize conditions as they existed at the time the proposal was made. The whole of Europe was in a chaotic condition, or at least almost. Germany was on the very brink of caving in. Great Britain was having her troubles. Delay would have been involved in assembling Congress in extra session. A crisis was on, and, therefore, in this emergency was to be found the justification for the President taking the initiative. I find nothing in the fact, if it be a fact, that representatives of Germany, official or otherwise, visited this country and counseled with the administration, including the President. I find nothing in the fact, if it be a fact, that officials of France or any of the other powers visited this country and counseled with the President or with others holding official positions in the Government. I say, Mr. Chairman, I find nothing in those circumstances that justifies the impeachment of the good faith of the President in making the proposal to all of the powers involved that there be a suspension in the collection of intergovernmental debts for the period of 12 months.

Mr. Chairman, I concede that there are surface arguments against the adoption of this resolution. In the settlements that were made a few years ago billions were sacrificed by our country. We have at the present time a terrible depression upon us. Want and hunger stalk in a naked state throughout the land. Our army of unemployed is being increased. Bread lines are being lengthened; but, Mr. Chairman, I take it that the motivating cause of the President proposing this resolution was in order to condition this country to the point that it might give direct and immediate treatment to these troublesome domestic problems upon our hands.

Will it be contended upon this floor, Mr. Chairman, that we could afford at the time to adopt a hands-off policy? Are not gentlemen candid enough to concede that we had an interest at stake? Does not the gentleman understand and appreciate the fact that the failure of Germany would have taken down with her possibly the whole of Europe, and that with the failure of these our creditor nations we would have taken liquidation on our foreign debt?

Do gentlemen not understand that this whole proposal was in the interest of world equilibrium and of world stability? Will not gentlemen concede, Mr. Chairman, that the actuating cause of the President was in order to strengthen our position or to improve the status of our claim as against foreign powers? Are there those here, Mr. Chairman, who are willing to make the assertion upon the floor of this House that the President was unmindful of the general welfare, and that his entire intent and purpose were to serve special groups, when the proposal of the moratorium was made?

I submit, Mr. Chairman, that the hour presents to the membership of this House the necessity for an exhibition of the best statesmanship of which we are capable.

[Here the gavel fell.]

Mr. HAWLEY. May I ask the gentleman from Texas a question, for the convenience of Members? Does the gentleman intend to use all the time at his disposal?

Mr. SANDERS of Texas. We are going to use all the time. I have more requests than I can accommodate.

Mr. Chairman, I now yield to the gentleman from Kentucky [Mr. MAY] five minutes.

Mr. MAY. Mr. Chairman, ladies and gentlemen of the committee, last June when I received the telegram of the President of the United States I thought seriously of the wisdom of his suggestion before I answered his telegram stating that at that time and as then advised I was inclined to go along in support of his proposition. I said, however, that I believed then, as I believe now, that conditions were such in this country that he should give his first attention to the American people.

I am not one of those who want to indulge in partisanship or make criticisms of the Chief Executive of my country, but I do believe that this is a question of greater moment than some of us apprehend.

I have no patience with the idea that the failure of this Congress to ratify the action of the President of the United States would result in disaster to this great country of ours.

When I wired the President that I felt conditions at home demanded more attention from the Government of the United States than conditions in Europe required, I was then studying about the system that had been resorted to which literally drained the pockets and the purses of the people of the United States, as by a suction pipe, into the money centers of this country and destroyed its business.

We were told by the Secretary of the Treasury, by the President of the United States, and by the report of the Federal Trade Commission as late as the middle of October, 1929, that the economic situation in the United States was fundamentally sound. Here in Washington was the Secretary of the Treasury, with his finger tips upon the wires connected directly with the stock exchange in Wall Street. Here in Washington were the records and facilities of the Federal Trade Commission. Here in Washington was the President of the United States, with direct communication and supervision of those two great agencies for obtaining information, and yet the American people were permitted to go on without advice, but upon the assurance from these sources that conditions were fundamentally sound; and the banker and the lawyer and the merchant and the farmer throughout this broad land of ours went down into their pockets and drew up their money that drifted through this great suction pipe of financial manipulations from Washington and New York into the great stock exchange, and the collapse came and our securities were gone and our

resources destroyed and dissipated. To-day the same representatives of the American people who permitted that are the representatives who are demanding of the Congress of the United States that they ratify the arrangements made by the President with respect to this moratorium. [Applause.]

It has been appropriately said on the floor of this House, in the course of this debate, by the gentleman from Alabama [Mr. HUDDLESTON] that the American soldier won the war on the battlefields of France and in the Argonne; that Woodrow Wilson won the war at Versailles; and that President Hoover lost it in Washington. That is an appropriate expression of the situation.

Mr. Chairman, at this time I ask unanimous consent to insert in the RECORD as a part of my remarks two editorials from a current issue of the Washington Post on the subject of intergovernmental debts which I think are pertinent to the matter under discussion.

WAR DEBTS WIPED OUT

It is unfortunate that the American public and the nations of Europe should have forgotten so soon the origin of what are now known as the "war debts." The cancellationists are anxious to have the world view these intergovernmental obligations as war debts. Europe furnished the men, they say, and America furnished the money to prosecute a common cause. Europe suffered a tremendous loss of human life. Why should money advanced by the United States for war purposes be repaid?

This appealing argument has no foundation in fact. In the first place, the United States has no responsibility for the European war. In the second place, the actual war debts of the allied nations to this Government have already been canceled. The Senate was given extensive details as to what the present European debts represent in an address by Senator MCKELLAR, which was generously punctuated by remarks from Senator SMOOT, a member of the World War Foreign Debts Commission. It is an indisputable fact that the debts incurred before the armistice were wiped out by the funding agreements.

France's debt amounted to $4,025,000,000, of which $1,655,000,000 represented postwar advances. The current value of the entire French-American settlement, at the rate of interest carried in France's existing obligations, is about $1,681,000,000. In the words of Secretary Mellon—

America has canceled the obligations of France for all advances during the war, and France in the Mellon-Berenger agreement has undertaken to repay only the advances and obligations subsequent to the armistice. No other creditor of France has accorded such generous treatment.

It should be recalled also that France purchased $2,000,000,000 worth of American goods which were in that country at the close of the war, paying only $407,000,000 for them. Even that ridiculously low figure was dumped into the general debt agreement and now passes under the category of "war debts."

With respect to Great Britain, a letter written by Secretary Mellon is enlightening. He says:

In the case of England, postarmistice advances with interest amounted to $660,000,000, and the present value of the entire debt settlement is $3,297,000,000. It must be remembered that England borrowed a large proportion of its debts to us for purely commercial as distinguished from war purposes—to meet its commercial obligations maturing in America, to furnish India with silver, to buy food to be resold to its civilian population, and to maintain exchange. Our loans to England were not so much to provide war supplies as to furnish sterling for home and foreign needs and to save England from borrowing from its own people.

Belgium's postarmistice borrowings, with interest amounted to $258,000,000, and the settlement was made at a current value of $192,000,000. Thus the Belgian people are paying to American taxpayers a good deal less than they borrowed after the war was over.

In the case of Italy, the cancellation of a purely commercial obligation is still more striking. Secretary Mellon's report shows that Italy received from the United States after the war closed $800,000,000, including interest. The settlement was made on a current value of $426,000,000. Almost half of the postwar debt was canceled.

Since the funding agreements were signed the war debts have passed out of the picture. Obligations now owed by European governments represent funds that were advanced for reconstruction, for the purchase of supplies, for the stabilization of European credit, and other commercial purposes. Cancellation of these debts, totaling $11,000,000,000, could in no way be considered a contribution on the part of the United States to the winning of the war but only an after-war gift to nations that now are unable or unwilling to pay their commercial obligations.

BOND JOBBERS

Two of the jobbers in questionable European "securities" have told the Senate Finance Committee that the banks which sponsored these loans now hold very small amounts of such paper. The great bulk of this depreciated paper is now held by American citizens, amounting to more than $6,000,000,000 in face value, and quoted in the market at less than half that figure.

The profits of the National City Bank in floating $1,071,000,000 of foreign bonds amounted to $13,392,402. The profits of Morgan & Co. were not disclosed. Mr. Lamont, a member of that firm, told the committee that he was mortified to admit that the profits had been contemptibly small. While the "gross spread" between the banker's inside price and the price exacted from the public seemed to be very large, in some cases as high as 8 per cent, there were so many middlemen bankers taking a slice of profit that Morgan & Co. made very little money and in some cases none at all. The bonds in some instances were floated purely out of a sense of duty.

The curse of international banking, like all other business, is that too many middlemen snatch off profits as the business passes through their hands. The international bankers are like the downtrodden farmer. If they could only sell their product direct to the consumer, they could make big profits. Obviously, it is the duty of Congress to set up a Federal bank board to stimulate cooperative selling by international bankers so that the greedy middleman can be eliminated. The bank board could buy up foreign bond issues when there is overproduction and hold them for a better market. Of course, the international bankers would be expected to do their share by cutting down production.

Since the banks have floated off this foreign paper it stands to reason that the banks are solvent. They have avoided the great mistake of holding this paper themselves. It is only the innocent purchaser who is insolvent.

From these editorials it will be seen that this Government has already gone to the limit as a philanthropist.

Mr. Chairman, I regret now to find myself unable to agree to the moratorium as proposed by the President, but I do not find it necessary, inasmuch as this is a nonpolitical question, to question the motives of the President of the United States; but, as a Member of the Congress and a representative of the American people, I have a right to question the judgment of the President and his advisors, and upon that ground alone I find myself compelled to oppose the resolution as reported by the Committee. I concede that the President, Secretary of State, and other high officials of the administration have been and are in better position than the Members of this House to know all of the facts connected with the initiation of this move, and all of the details of whatever negotiations may have transpired between this Government and the governments of Europe, and likewise they are in position to know and do know more about the promoters of the scheme than do the Members of this House; and when the President suggested in his message that the moratorium be given first and foremost attention by the Congress, that it be expedited and passed without delay, he should have submitted a report giving to the Congress the information which he no doubt has available through the State Department and the Department of the Treasury, and thereby would have probably relieved himself of many of the criticisms that have been made on the floor of this House. But he chose not to do so, and when we come here and find that a member of his

own party, the gentleman from Pennsylvania [Mr. McFADDEN], who for the last decade has enjoyed the confidence and trust of his own party, including the President, Secretary of the Treasury, and other officials of the Government high in authority in financial and diplomatic circles, and who, during the entire 10 years last past has been Republican chairman of the powerful Committee on Banking and Currency and in position to know and understand the multitudinous ramifications and doings of the Treasury and Federal reserve system, and when he boldly charges that the President of the United States and the Secretary of the Treasury are in secret alliance with like banking interests denominated by him as international bankers of Germany, Austria-Hungary, and other foreign nations to do hurt to the American Government and the American people, how can the Members of this House afford to support this proposal in view of the further fact that the Committee on Ways and Means have reported this bill to-day and the House has never yet been permitted to see even the slightest evidence heard by the committee, none of that evidence having been even written up, but a demand is made here that the resolution be passed without delay, and even an effort has been made on the floor of this House to limit debate thereon.

Although it is a question effecting the entire American people and every taxpayer in this land, we are told that it must pass before adjournment on this day. This, together with the fact that the gentlemen of the committee, Members of this House, who make the minority report, tell us in the report and in argument here that witnesses connected with the State Department and the agents of the powerful banking interests of Wall Street, refuse to divulge information to the committee and shelter behind the privilege accorded to the agent or representative of a principal, I still find myself unable to support the moratorium, notwithstanding the claimed stabilizing effect of the passage of the resolution is urged by the proponents of the resolution.

It is still within the minds of the American people, that it was Germany that provoked and brought on the World War, the greatest catastrophe in all history, and for which this country was in no sense responsible, and they still remember that the Von Hindenburg who cabled the President of the United States June 20 that Germany was in a desperate financial condition and needed the backing of the American Government, and a moratorium on the payment of its debts, is the same Von Hindenburg that formed a steel ring almost around the city of Paris in March, 1918, and pushed it forward with Germany artillery, poison gas, and every instrumentality of death conceivable to the human mind in an effort to destroy a world civilization and the same Hindenburg whose vicious grasp upon the west front was broken by the American doughboy at the expense of the lives of thousands upon thousands of the youth of our land, and yet the President in his message favors the moratorium and objects to the Congress extending any further financial relief to the ex-service men. In his message, he said:

> There will be demands for further veterans' legislation; there are inequalities in our system of veterans' relief; it is our national duty to meet our obligations to those who have served the Nation. But our present expenditure upon these services now exceeds $1,000,000,000 per annum. I am opposed to any extension of these expenditures until the country has recovered from the present situation.

And yet he says, "Give Germany a chance," when in truth and reality, if the charges made against him by the gentlemen of Pennsylvania are true, he is trying to give the international bankers of Austria, Germany, England, and France a chance. I, for one, feel that charity should begin at home, and so long as we have seven millions of the toilers of this Nation tramping the streets of the great cities and strolling the highways of the land in search of employment, so long as we hear the cry of twenty millions of their dependent women and children pleading for bread, so long as we have the farmers of America, burdened with mortgages upon their homes, their surplus crops without market and rotting in the fields, their farms being sold by multiplied thousands, so long as banks throughout the length and breadth of this country of ours are toppling and falling, and multiplied thousands of depositors are denied their own money, just so long, I am opposed to granting moratoriums to the national bank of Austria and the Reichsbank of Germany. So long as this condition continues in my own country, I am not going to stand with folded arms and closed lips, and watch our vanishing economic freedom, and with it possibly our own political freedom march to a grave of plutocracy at the behest of the international bankers of the world, and not register my protest. It has been stated on the floor of this House by the gentleman from Pennsylvania [Mr. McFADDEN] that the President and Treasurer of the United States, and perhaps the Federal Reserve Board, were in secret alliance with these international bankers, and a challenge has been issued by him for an investigation of the truth of his statements, and so far, no one has dared to accept his challenge, and so long as that challenge goes unanswered, I do not propose to vote against what I conceive to be the interests of my constituents and the American people. The plea is made here, and Members of this House, with pathetic cry and quivering voices, howl that a great calamity will befall the Nation if this resolution is not passed.

As stated, Mr. Chairman, I have no fears as to the ultimate outcome of the present economic situation in this country, yet I know that great sacrifices and untold suffering has been and must continue to be the price paid for economic freedom of our own people, and still I can look through the misty haze of overwhelming misfortune, and see the sunlight beyond the clouds.

This Nation, following the wisdom of Washington, who in its early existence warned against foreign alliances, has pushed forward from a few struggling colonies to the most powerful and richest Nation upon the face of the earth; it has passed through panics and depressions in the past; it survived the terrible ordeal of 4 years of terrific civil war and 10 years of reconstruction thereafter, and from a divided, rent, and torn war-stricken country it came out of the most terrible economic and social disaster in all history. From 1860 to 1870 was a decade of blood and tears, and yet the great French hero, Clemenceau, speaking of the conditions that existed at the close of the reconstruction period that followed the Civil War, and expressing his confidence in the ultimate wisdom and success of our form of government, said:

> Thus on every hand political and social difficulties arise. But the people of the United States have a peculiar faculty for adjusting themselves to circumstances and learning by experience, suddenly changing their course and thus nearly always disappointing prophets of disaster. The Americans will make mistakes, but they will quickly find out how to remedy them. They will lose their way temporarily among the problems which beset them, trying out and abandoning unsatisfactory solutions, but in the end, when truth and justice have taken some kind of shape and revealed themselves to the eyes of the world, the people will seize upon them. So we must reserve our judgment for a time. For the present I will do no more than indicate the fluctuations of public opinion. The events of the last four years have taught me never to give up hope for this country.

I, Mr. Chairman, like the Tiger of France, believe that the events of the past have taught us never to give up hope for this country.

The gentleman from Pennsylvania [Mr. McFADDEN] has produced in this Chamber records showing that out of funds collected through the forbearance of the country the Republic of Germany has loaned to Soviet Russia hundreds of millions of dollars, and the gentleman from Georgia [Mr. CRISP] has told us of a visit to Berlin and of the terrible street demonstrations of the Russian reds, and I doubt not that his statements are true, and if they are, then I am opposed to granting a moratorium to the European nations, and particularly to Germany, to allow them to keep the money of the American taxpayer and loan it to Russia to support a soviet system of communism. Yes, Mr. Chairman, the plan is to extend a moratorium to Germany, while German bankers and German interests furnish money to Soviet Russia, with whom we have no diplomatic inter-

course and who to-day would tear down and forever destroy the American flag.

Ah, gentlemen, we may have bread lines and soup houses throughout the length and breadth of this land, but not within the memory of any man in this House until the opening day of this session of this Congress have we beheld such a spectacle as we saw in the great Capital City of our country at the very hour when this Congress was administering the oath of office to the Speaker of this House. Before the Capitol, within the walls of which this Congress was organizing to legislate for the American people, stood an armed wall of hundreds of Washington policemen to prevent the entry of 1,500 jobless and hungry American citizens, admitted by the president of the American Federation of Labor to be the emissaries of communism, and yet men on this floor will vote a moratorium to Germany, while Germany loans American money to Soviet Russia and Soviet Russia in turn fosters and breeds communism in secret places throughout the length and breadth of this great country of ours. For my part I should rather vote for a substantial appropriation to the Department of Justice for the purpose of stamping out communism in America. In the face of a deficit in our own Treasury of more than a billion dollars and with that deficit climbing by leaps and bounds, the Congress of the United States is asked to forego the collection of its foreign debts. I would remind my colleagues on both sides of this Chamber that the United States Government never owned a dollar or a dollar's worth of property but what was collected by the drastic method of taxation, laid in hundreds of thousands of instances upon the tattered backs of the toiling masses of this country. It is money that we propose to give to Germany, earned by the hand of toil.

Since this debate began, I motored to the great national shrine of Mount Vernon and stood beside the still waters of the Potomac at the voiceless tomb of Washington. In awe, sacred reverence, and retrospect, I stood with bowed head before the sacred sarcophagus of the Father of our Country, and my mind went back to the dreary winter days of Valley Forge, when the heroes of the revolution, hungry and ill-clad, walked with bleeding feet upon the frozen fields of Valley Forge to found this Republic, and then, too, I thought of the dark days of 1917 and 1918, when our boys, with a gallantry and heroism unequaled in all history marched beneath the Stars and Stripes, through the terrors of shot, shell, and death, across No Man's Land, into the very jaws of death, to save that which Washington had given to us as the rich heritage of a free people.

So long, Mr. Chairman, as the memories of those days live with me I can not vote for this moratorium to European Governments. Until our veterans have been paid their adjusted-service certificates, and until we can bring back to the American home owner in his humble cottage upon the mountain side and in the valley, upon the farm and in the city and village the inspiration of the immortal John Howard Payne's Home Sweet Home, I shall not vote for this moratorium. [Applause.]

[Here the gavel fell.]

Mr. SANDERS of Texas. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. JOHNSON] such time as he may desire.

Mr. JOHNSON of Oklahoma. Mr. Chairman and members of the committee, it would be an imposition to take the time at this late hour sufficient to make the argument I had in mind in opposition to the pending measure. I have abundant reasons for opposing the moratorium purporting to delay for one year the debts due America by the German Government, but which, in my opinion, is a positive opening wedge for absolute and ultimate cancellation.

Surely there is no one on either side of the aisle, nor is there a Member of this House, who would refuse to vote for the pending bill if given positive assurance that the measure meant what it pretends. I have listened attentively to this debate for almost a week, and so far as I recall no proponent of the measure has had the temerity to say that the bill, if and when passed—for the die is cast, your promises have been given, and it is conceded the bill will pass—will solve the economic situation or actually give the desired relief to Germany. Is there any Member of this House who will say that one year's postponement of Germany's debt to America will solve Germany's problem? Do you proponents of this bill believe that if Germany is unable to pay now she will be more able to pay her increased debt 12 months from now? Will any Member show his good faith and courage by arising here and saying that he does not know Germany will ask for another extension one year from now? And is there anyone here who believes that Germany will not get that extension? Then when Germany is granted her request is it not a foregone conclusion that other foreign governments will demand the same?

A few minutes ago the gentleman from New York [Mr. LAGUARDIA] made a strong appeal for the passage of this bill; but is occurs to me that the gentleman, who is usually logical in his argument, was inconsistent when he admitted that the President acted without authority in committing this Government to a moratorium without the consent of Congress and then begged this Congress to stand by the President.

The gentleman from New York read into the RECORD many statements from Members of this House committing themselves to the moratorium. He did not read my statement. When the President made his famous but, I grant, unwitting surrender to the international bankers last June, after many of those leading bankers from New York had camped some three or four days at the Treasury in conference with Secretary Mellon, and wires went forth from the White House to Members of both Houses of Congress inviting a pledge to the so-called 1-year postponement plan, I did not make any rash promises. I did not surrender then, even though my first impulse was to follow the President if possible to do so. In my reply I told the President that I would not oppose the moratorium, provided, among other things, I was convinced it would not lead to ultimate cancellation, which I was afraid then, and am convinced now, this so-called 1-year holiday actually means.

During all this extended debate the burden of the argument from the Republican side of this aisle has been a plea to "stand by the President"; that has been their hue and cry. Why, Mr. Chairman, I have been amazed to hear several Republican leaders compare this moratorium with the World War. It has been especially amusing to hear gentlemen on the Republican side speak with such emotion and deep feeling in their eloquent pleas to "stand by the President," who a few days ago turned their backs on the President by relegating to the ranks their distinguished and able leader from Connecticut [Mr. TILSON], who is generally known to be the closest man in Congress to the Chief Executive. I am only too glad to stand by the President when I believe him to be right, but so long as I remain a Member of this body I shall not hesitate to oppose the President when I know him to be wrong. [Applause.]

Since I have been a Member of Congress I have attended two important peace conferences in Europe as one of the representatives of this body. I have traveled all over Germany and many of the other nations of the Old World. It has not been many months since I went up the beautiful Rhine River from Mainz to Coblenz. With few exceptions I received more cordial treatment in Germany than in any nation in Europe. I personally have no ill feeling toward Germany nor the German people; they are thrifty, progressive, and ambitious. But it has been amusing to me to hear colleagues on this floor plead so appealingly for poverty-stricken Germany, many of whom have never placed their feet on German soil and know surprisingly little of conditions there. It is true that financial conditions are bad in Germany, but it is also true that they are critical in America. I say without fear of contradiction that conditions of the farmers of Germany are not as deplorable as are those of the farmers of the district I represent in Oklahoma. The great Rhine River is at this moment literally filled and jammed with seagoing and lighter cargoes, and the thousands of smokestacks up and down the Rhine are literally belching forth black smoke, showing that industries of Germany are not at a standstill, as some would have you believe.

Permit me to remind you that this is not the first so-called moratorium that has been brought to this Congress for consideration. When I first came to Congress I recall that this body was confronted with a measure proposing to grant France one year's additional time to pay for certain war materials she had purchased from the United States at 10 cents on the dollar. You will recall that when the World War closed we had $2,000,000,000 worth of war materials in Europe that France needed. France struck a bargain with America and bought those materials, consisting of overcoats, raincoats, shoes, guns, ammunition, tractors, and war materials of every kind, including groceries and supplies, at 10 cents on the dollar. France promised to pay in full for these materials in one year's time, but, of course, made no effort to pay. She came to Congress and asked for a moratorium of one year and was given extension of time by this big-hearted, generous Government.

A year later France again sent her emissaries to Congress and again her request was granted. Year after year since then France has called on the Congress of the United States and year after year this debt has been extended. France and other foreign governments have found this Government of ours so generous that all Europe looks upon us as a big-hearted Santa Claus. Europe knows Uncle Sam is "easy." None of the foreign nations, save possibly England, has the slightest thought of paying the balance of its debt to America. And to the American who happens to be in Europe, representatives of those governments and citizens generally make fun of your Government and mine for being so easy. And all agree that they do not propose to pay, and do not have to pay, their debts to this Government. "Finis la guerre" (the war is over) is the only argument or excuse given for Europe's attitude to America.

If you will examine the RECORD you will find that almost the identical argument that has been made on this floor to-day and for the past week in favor of this alleged one year's postponement, was made by some of the same leaders here a few years ago in favor of cancellation of a major portion of war debts due America by other nations. Be it remembered that 51 per cent of the French debt and 74 per cent of the Italian debt was canceled in order that America might show her brotherly love and play the part of the Good Samaritan to those supposedly impoverished nations. We were also told that it would be a valuable aid in helping France and Italy to prosper, and that their prosperity would be indirectly reflected in America, and that our magnanimity to France and Italy would mean a revival of business in the United States. Congress was also assured that France and Italy were to reduce their armaments of war. Both nations prospered to considerable extent by our overgenerous move, and neither nation felt obligated to keep faith with America. Did trade with either France or Italy improve? No. Both nations went across to the cut-rate store—Russia—and began buying their cotton, their wheat, and other supplies that they were morally obligated to buy from the United States. Did either nation reduce its armaments of war? Oh, no; but, on the other hand, both France and Italy have decidedly increased their standing armies, their navies, and increased their appropriations for aircraft. In short, France and Italy took Uncle Sam, the big-hearted Santa Claus, on a "snipe hunt" and left him holding the sack.

The pending bill, stripped of the silly, maudlin sentiment, camouflage, and misinformation, resolves itself into one simple question, as I see the picture: Will Uncle Sam be taken on another snipe hunt by another foreign government and be left holding the sack? [Applause.]

In conclusion, permit me to compliment the all-powerful Ways and Means Committee for adding section 5 to the bill, even though it is almost a meaningless section. It is a short and extremely mild statement of policy, giving notice to the Old World that the pending measure, when passed, does not necessarily mean that Congress has adopted a policy of absolute cancellation. It is a beautiful little gesture, and gives those of you who, on the spur of the moment, promised the President to support this bill, at least one leg to stand on in your protestations to your constituents that you are really opposed to ultimate cancellation. But, Mr. Chairman, I can not in good conscience support the moratorium, because I am fully convinced that it is not a one year's postponement we are voting on here to-day, but full and absolute cancellation. Be not deceived; you are simply lifting these debts from the shoulders of Europe and transferring them to the already weary backs of our American taxpayers of to-day as well as those of generations yet to come. [Applause.]

Mr. Chairman, I ask unanimous consent to insert two resolutions, one by the Bill Murray Club, of El Reno, Okla., and another by the American Legion, of Lawton, Okla.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Chairman, under the leave granted me I am inserting in the RECORD a resolution adopted unanimously by the Murray Club, of El Reno, Okla., in the district I have the honor to represent in Congress, and composed of several hundred members. I am advised that this resolution was passed unanimously and, I feel, represents the sentiment of citizens generally in the sixth congressional district of Oklahoma, irrespective of political affiliations. I concur heartily in the sentiment expressed therein.

The resolution is as follows:

Resolution

Whereas Andrew Mellon, Secretary of the Treasury of the United States of America, has forwarded to Congress a demand on that body to pass legislation raising the taxes on small incomes and inheritances and lowering the exemptions that now exist;

Whereas said proposed legislation, as set forth in the plan and demand of Secretary Mellon, raises the tax on small incomes approximately 700 per cent and raises the tax on large incomes of $50,000 or more less than 20 per cent; and

Whereas said Secretary Mellon has announced that he will soon submit a bill for the approval of Congress establishing a moratorium or cancellation of war loans made to foreign countries;

Whereas it is the opinion of the Murray Club, of Canadian County, Oklahoma, that said proposed tax is inequitable and unfair to the persons earning small incomes, and it is further the opinion of the Murray Club that the cancellation of debts owing by foreign countries is an act in favor of the big international banking interests, the burden and cost of which must be borne by the taxpayers of America, and it being further the opinion of the Murray Club that taxes should now be lowered instead of raised, and that European countries should be called upon to pay their honest debts of war: Therefore, be it

Resolved by the Murray Club of Canadian County, Okla., That we condemn and recommend for disapproval the plan, bill, or demand of Secretary Mellon made to the American Congress known as the so-called income tax bill; be it further

Resolved, That we condemn and recommend for disapproval the passage of any bill creating a moratorium or the further cancellation in any amount of war debts owing by European countries; be it further

Resolved, That copies of this resolution be mailed to honorable Senator THOMAS P. GORE, honorable Senator ELMER THOMAS, and to the honorable Congressman JED JOHNSON.

CLYDE MATTHEWS, *President.*

Attest:

SIDNEY CLUTE, *Secretary.*

Mr. JOHNSON of Oklahoma. Mr. Chairman, I also insert in the RECORD a resolution adopted by Lowery Post, No. 29, American Legion, Lawton, Okla., in the district I have the honor to represent in Congress, and composed of several hundred members. I am advised that this resolution was passed unanimously, and I concur heartily in the sentiment expressed therein.

The resolution is as follows:

Resolution

Whereas it is our belief that the action taken by delegates in attendance at the national convention, American Legion, September 21 to 24, 1931, at Detroit, Mich., in voting down the resolution calling for the immediate payment by the Government to veterans of the World War the balance due them on their adjusted-compensation certificates does not conform with the desires and needs of the membership of the American Legion at large throughout the United States who were unable to attend this convention and who depended on their own delegates to represent them at the convention, for the reason that delegates representing certain State departments that had already indorsed the final payment of adjusted certificates at their own State department conventions, and who had instructions to carry on through the national con-

vention, did not follow instructions, but cast their votes against the resolution due to certain outside influences brought to bear beginning three days prior to and continuing through the convention until the question was defeated. This assertion is verified by the fact the following State departments had previously gone on record in their State conventions demanding the final payments of adjusted-compensation certificates:

(a) California, with a strength of 71 votes, cast 53 against it.
(b) Massachusetts, with a strength of 65 votes, cast 26 against it.
(c) Michigan, with a strength of 35 votes, cast 13 against it.
(d) Ohio, with a strength of 36 votes, cast 22 votes against it.

And there is no doubt but that a number of other State departments did the same as these four. This makes a total of 114 unauthorized votes that were cast against the resolution that should have been cast for it that are known of; and which, if deducted from the 902 votes counted against it and added to the 507 votes cast for it, would change the vote to 621 for and 788 against, not considering other departments on whom we do not have figures; and

Whereas there is no doubt but that this flagrant violation of instructions on the part of hundreds of delegates attending the convention was brought about by the presence and influence created during the convention by high ranking Government officials and politicians who have opposed each and every plan that has been conceived for the adjustment of the soldier's compensation. President Hoover had declined invitations extended by the national commander American Legion and the mayor of Detroit to honor the convention and the city of Detroit with his presence. But three days prior to the convention, and after a 4-hour conference with the Secretary of the United States Treasury, Mr. Andrew W. Mellon, who is possibly one of the most radical opponents to any financial aid to the soldier, Mr. Hoover finally accepted the invitations. Only two days prior to the opening of the convention the Detroit newspapers carried this headline: "Mr. Mellon insistent that President Hoover attend the American Legion convention." The methods used and the organization gathered together was possibly the strongest and most perfect ever before used at any convention, for in addition to using the powerful influence of the President of the United States, it was augmented by the addition of Col. Hanford McNider, a past national commander of the American Legion, and who now holds the high position of United States minister to Canada; Col. Theodore Roosevelt, Governor of Porto Rico; and Gen. Frank Hines, Director of the United States Veterans' Bureau, Washington, D. C., all of whom, it will be noted, are holders of high appointive positions, which are under control of the most serious opponents to settlement of an obligation which the Congress of the United States confessed judgment by the act of 1924; and

Whereas the high majority, and possibly as many as 90 per cent of the membership of the American Legion scattered throughout the great width and breadth of those United States, who were not financially able to attend such an elaborate convention as was held at Detroit, Mich., desire an opportunity to express their desires and wishes in the matter of the Government, who has been so liberal with foreign countries, war contractors, railroads, and all the other big industries in adjusting their war claims, meeting this obligation without further delay: Now, therefore be it

Resolved, That Lowery Post, No. 29, Department of Oklahoma, American Legion, in regular assembly at Lawton, Okla., December 3, 1931, hereby request the next United States Congress to enact the necessary laws so as to permit the payment of adjusted compensation now due the veterans of the World War, as has been confessed by the Government as being due these soldiers since 1925; and be it further

Resolved, That a copy of these resolutions be spread in the minutes of this meeting, a copy mailed to each and every American Legion post in the Department of Oklahoma, a copy to at least one outstanding American Legion post in each State in the United States, with the request that they circularize every American Legion post within their respective States, and a copy to each congressional Senator and Representative representing the State of Oklahoma in the United States Congress with the request that they use their best efforts toward securing for some 3,580,000 veterans of the World War who are in urgent need of this financial assistance at this time.

GEO. W. MCMILLAN,
Committee Chairman.
A. Z. WILLIFORD,
Committee Member.
WM. C. ELLER,
Committee Member.

Presented and adopted at regular meeting of Lowery Post, No. 29, American Legion, Department of Oklahoma, this 3d day of December, 1931.

ANDREW CROSBY,
Post Commander.

Official:

GEORGE WILLIAMS,
Post Adjutant.

Mr. SANDERS of Texas. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, I rise to protest the adoption of House Resolution 147, to postpone the payment of the bonded indebtedness due the United States from foreign governments during the fiscal year beginning July 1, 1931. I am opposed to this resolution, because it means the ultimate cancellation of the war debts. We may undertake to deceive ourselves by false logic and assurances that this is a temporary postponement, but in my humble judgment it is the end of the war debt. If this is not the end of the war debt, or the first initial move that will eventually lead to the cancellation of war debts, then why did the President in his message to Congress recommend the reestablishment of the Debt Funding Commission? What possible purpose could this commission serve other than to cancel the debts, in whole or in part? If the administration is sincere in its statement that it is opposed to the cancellation of foreign indebtedness owing to America, the creation of this Debt Funding Commission would be a useless and expensive act without the possibility of any resulting advantages.

If this proposed moratorium is not the first move leading to cancellation, then why did Ramsay MacDonald, the greatest political leader in England and possibly in Europe, say during his campaign, in substance—

that the moratorium, thank God, ended all foreign debts, and never again will our people—those of the English nation or those of any other country in Europe—be troubled with the payment of the debts that have been asserted to be due from those countries unto the United States of America.

Not only did Ramsay MacDonald utter these views, but many other statesmen in Europe made similar statements.

But, Mr. Chairman, why deceive ourselves or the American people with the delusion of hope. This whole scheme of a moratorium was conceived by international bankers for the purpose of putting priority upon their claims against Germany and of subordinating the claim of the people of the United States of America. These international bankers have loaned $3,000,000,000 to Germany, and they feel that they can not collect this tremendous sum if our Government insists upon the payment of the indebtedness due it. They therefore wish to saddle upon the overburdened shoulders of our taxpayers this tremendous sum of $11,000,000,000 owing us by foreign nations.

Mr. Chairman, the undisputed evidence adduced upon the hearing before the Ways and Means Committee shows that not one of our debtor nations requested this moratorium. Germany, the one who it is claimed will be most benefited, did not request it. The President, acting on his own initiative and in a sumptuary and unconstitutional manner, proposed this moratorium at a time when our debtors were making preparation to pay us the $252,000,000 due on the 15th of June, this year.

If the President of the United States believed that this moratorium was necessary and advisable, why did he not follow the constitutional requirement and summon Congress in extraordinary session to pass upon this far-reaching proposal? He could have assembled Congress within two or three days, and the representatives of the people would have been given an opportunity to weigh and consider the matter and act in behalf of the American people. A special session of Congress would not have cost the American people any more, because the salaries of the Congressmen go on just the same whether they are in session or not. But evidently the international bankers feared a special session of Congress. They feared the investigation and disclosures that were inevitable.

There is not a scintilla of evidence before this House indicating that our foreign debtors desired or needed a moratorium. Of course, we are not granting the moratorium to Germany. We are granting a moratorium to France, who is the most prosperous country on the face of the globe at the present time. France has very little unemployment, and is maintaining the strongest military forces ever known in the history of her country. We are granting a moratorium to England who owns the greatest empire on the face of the globe.

We did not participate in the debt settlement between Germany and the European nations with which she was engaged in war. We repeatedly stated that the money the Allies borrowed from us was in no way linked with the money owing by Germany to the Allies. Within the past six

months Germany paid $230,000,000 to international bankers, and yet we are asked to step aside and permit the bankers to collect the sums due them and saddle this tremendous burden upon the American people and their children's children. Others may hesitate, others may procrastinate, but as for me, Mr. Chairman, I shall protest this outrageous proposal with all the force at my command and as long as I am privileged to serve in this great body.

Mr. Chairman, it seems to me that we have been exceedingly generous to our foreign creditors. After the war America canceled every war debt owing to her by her Allies; but not content with this generous action—which I would not have supported had I been in Congress at that time—there are those who insist that we cancel the commercial debts—money loaned for the purpose of rehabilitating those countries. Some of these countries even used our money for paying cash bonuses to their soldiers, and in building up great armies and navies, and even for lending money to other nations to build up armaments. According to the statement of Secretary Mellon, America canceled the obligations of France for all advances during the war, and France only undertook to repay the advances and obligations subsequent to the armistice.

This Government canceled Italy's debt, and then virtually divided the postarmistice debt in half and arranged for her to pay the last half of the postarmistice debt in 62 years. The same was true in regard to Serbia. We not only canceled Belgium's war debt but we canceled sixty-six millions of her after-the-war debt. The Debt Funding Commission pared down more than 50 per cent of the foreign indebtedness owing to us. The money that was obtained for making these loans and advances to our allies during the war and after the war was through the issuance of Government bonds which were sold to our citizens. We must collect this money through taxation from our people.

Mr. Chairman, in dealing with this question, we must remember that we are not dealing with our own property; we are acting as the trustees of the American people, and we do not have the moral right to saddle this indebtedness upon the overburdened shoulders of the American taxpayers and their children's children.

Mr. Chairman, the proposal of the moratorium by President Hoover evidently did not relieve the situation in Germany. After the announcement of the moratorium Germany was compelled to put an embargo upon the exportation of gold and to resort to the most arbitrary and energetic measures to prevent her financial collapse. It is true that after the announcement of the proposed moratorium there was a temporary advance in stocks, bonds, and securities, but this was due to the belief on the part of international bankers that America would consent to a complete cancellation of the foreign indebtedness. When, however, it became manifest that the great majority of American people were vigorously opposed to such cancellation, the stocks and bonds sank to a lower level than ever before.

Under the Young reparation plan Germany had the right, when it was unable to pay, to postpone her debts for three years; but she did not take advantage of this provision contained in every contract that she had made. Why, then, was it necessary for the President to take the initiative in this matter and invite our creditors not to pay us? If Germany was unable to pay, she had the right to apply to the Bank for International Settlements and to obtain a postponement of the indebtedness; but, despite this remedy, President Hoover, in a moment of great generosity and deep concern for Europe, took the initiative and extended to our creditors an invitation not to pay us.

Mr. Chairman, I am disgusted with that maudlin sentiment that is continually urging us to save Europe. It seems to me that it is high time for us to save America. For the past 15 years we have been engaged in the business of saving Europe; we have poured billions of dollars into the treasuries of Europe and enabled them to build up their industries and agriculture at the expense of the American people. We are now faced with a $2,000,000,000 deficit in our own Treasury. Seven millions of our fellow citizens are walking the streets in idleness, unable to secure the means of earning a decent livelihood. Our farmers have been reduced to despair.

On account of the enactment of the Smoot-Hawley law by the Republican administration our export trade has been reduced to a minimum. In 1920 our foreign exports amounted to the enormous sum of $8,100,000,000, and under the present law our exports have diminished to $3,843,-180,000 in 1930. We therefore no longer have foreign markets in which to sell our surplus agricultural products. This in a large measure accounts for the fact that the farmers' products have fallen to the lowest price level in many years. The records of the Department of Agriculture show that it cost our farmers on an average of 89 cents per bushel to produce corn in 1930. The same year it cost them $1.09 a bushel to produce wheat, and from 50 to 54 cents a bushel to produce oats. According to the same records, it cost our cotton farmers 16 cents per pound to produce cotton in 1930. The production cost for these products will be about the same for 1931, according to many authentic statements that have been made. This fall corn sold for prices ranging from 25 to 30 cents a bushel; wheat as low as 25 cents a bushel; oats 15 cent a bushel, and cotton as low as 4 cents a pound in the lint.

In spite of this deplorable condition that prevails throughout our agricultural section, in spite of the general bankruptcy of businesses and industries dependent on agriculture, we are asked to postpone the foreign indebtedness owing to us in order to give the international bankers a chance to collect their loans. Thousands of farmers are losing their farms through foreclosures of mortgages.

Millions of dollars are due the Federal land banks on farm land and the land banks will probably foreclose their liens and sell the homes of many farmers for a mere song. To-morrow we will consider House bill 6172, which proposes to authorize the Secretary of the Treasury to subscribe to the capital stock of Federal land banks to the aggregate amount of $100,000,000. Although I believe that this bill is wholly inadequate to relieve the distressful condition that prevails among our farmers, still I am going to vote for it because I am assured by our leaders that it is the best that we can get. However, our distinguished colleague from Oklahoma, Congressman McKEOWN, will offer an amendment to this bill which will direct the Federal land bank to grant delinquent farmers a moratorium for one year in which to pay their indebtedness due the Federal land banks and save their homesteads from foreclosure. I now predict that the majority of those who are now urging us to grant a moratorium to foreign nations will vote against a moratorium in favor of our farmers. As for me, Mr. Chairman, I will vote for a moratorium in favor of our farmers, but I will never consent to a moratorium in favor of Europe, unless I am convinced by impartial evidence that our creditors are unable to pay us.

We have come to a sad pass in this country, when those in control of the Government are willing to extend aid to Europe which they withhold from their own fellow countrymen. We could be lenient with France, so that she would not have to pay us the $50,000,000 that she owes this year and so that she could spend $547,133,935 on increasing her armament.

Great Britain could not pay the $159,520,000 due us, but she could spend $608,240,880 on armament. Belgium could not pay the $7,950,000 on the money she owed us, but she had no trouble raising the $23,247,347 she spent on armament. We could not inconvenience Italy by requiring her to pay us $14,647,000 due us on the debt, but the administration saw no inconsistency in her action in spending $332,-237,000 on increasing armaments. Our sympathy was so sincere and deep that we could not bear the thought of Rumania paying us the $800,000 that she owed us on a debt. But no one protested her action in spending $67,-610,000 for implements of war. Thus we relieved these foreign debtors for a year by the moratorium of the payment of $252,000,000 on the loans that came from the pockets of the American people, but they could and did have no trou-

ble and no embarrassment in spending $1,779,346,162 for armament.

Mr. Chairman, I beseech the President of the United States to withdraw his eyes from Europe and focus them on our own country. Let him envision the spectacle of woe, hunger, and despair that may be seen in every section of our Nation—the gaunt hand and shrunken cheek of poverty; the pale, emaciated faces of little children; the black despair reflected in the eyes of bearded men; the drooped shoulders and faltering steps of mothers, who have tramped the streets or searched the garbage cans in vain for food with which to lessen the pangs of hunger that gnaw at the stomachs of their babes. Let him consider the deplorable plight of the farmer, who is reduced to the necessity of selling the products of his labor and toil below the cost of production. For a long time the Republican administration and the "inner circle" ignored the honest claims of the farmers. What mattered it to them whether or not the farmer shared in the distribution of economic prosperity; what did they need with the farmer? Drunk with prosperity and rioting in extravagance and indulgencies similar to the last days of Rome, the superrich realized too late that agricultural prosperity is essential to industrial and financial prosperity. The patient and uncomplaining farmer was made to pay $500,000,000 a year in tariff tribute in order that the favored and privileged classes might increase their swollen fortunes. The farmer was made to bear the burden of taxation and he was expected to stand uncomplainingly by while his home was sold under the hammer, and the savings of a lifetime were wiped out.

The farmer did not expect nor demand favors from the Government; all he asked was a fair return upon his investment and labor; all he expected was equality of economic opportunity; all he asked was that if he should continue subject to the laws and conditions of competition, the other groups and classes in our economic life should be subjected to the same laws and conditions. He did object to the unfairness which required him to buy in a protected market and sell in an unprotected market in competition with the cheap pauper labor of Egypt and India and other countries. He did object to paying high prices for the necessities that he required, but compelled to sell his product for a mere song. He did object to having his property valued for taxable purposes above what he could procure for it upon the market while many groups of capital were able to conceal their assets in various ways. But his complaints were not heard by the administration, or if heard, they were little heeded. Then came the day of inevitable reckoning, the awful crash. Is there any wonder that in the collapse of agriculture there were involved the millions of citizens and thousands of enterprises directly dependent upon agriculture?

Mr. Chairman, it seems to me that it is high time for us to heed the admonition of the fathers of this Republic and promote "peace, commerce, and good will with all nations, but entangling alliances with none." We have been in the saving business for the last 15 years. This business has cost us $40,000,000,000 out of the pockets of the American taxpayers. It has cost us the lives of many of our finest young men and it has bled the American people white.

Economic salvation, like charity, should begin at home. Although we should maintain good will and a cooperative spirit with the nations of the earth and endeavor by every legitimate way to promote the peace and happiness of mankind, yet we should avoid the serious blunder of entangling ourselves with the feuds, the quarrels, and the wars of Europe. I have been amazed at the argument of some of the gentlemen in favor of this moratorium. Some of them contend that we must go to the rescue of Germany to prevent Adolph Hitler from seizing the reins of government. In the name of common sense, have we reached that point in the affairs of this country that we must dictate to foreign nations the character of government that they must set up to administer their affairs? If we have come to this point, then we may as well prepare ourselves for endless wars in the future. Our best contribution to the general stability and happiness of mankind is to make our own country the shining example of peace, liberty, happiness, and prosperity. If the majority of the German people want Adolph Hitler, it is none of our business, and we should be content to administer our own affairs without interfering with those of other countries. This is the course recommended by the great men who founded this Nation. It is the only road that will lead to peace, liberty, and safety. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield two minutes to the gentleman from Wisconsin [Mr. AMLIE].

Mr. AMLIE. Mr. Chairman, I have been tremendously impressed by the speech of the gentleman from Texas [Mr. DIES]. I feel that the youngest Member of the House has made by far the best speech in opposition to the resolution that has been made in the course of this debate. [Applause.] I agree largely with what the gentleman has said, but, nevertheless, I am going to vote for the moratorium. [Applause.]

I am going to vote for the moratorium for this reason: It has been in effect for six months. It was entered into by and between the governments in Europe on the one side and the Government of the United States on the other, the President acting for the Government of the United States and having the support of various leaders of both Houses of Congress.

When this agreement was made, the people of these European governments had some right to assume that the President and Members of Congress had some authority to speak for the Government of the United States. They have gone ahead on the supposition that this is an actual agreement, and on the strength of that agreement they have made their plans for the next year.

I feel, therefore, that the Government of this country is in honor bound to fulfill the terms of that moratorium.

There is also the further fact that if a refusal to confirm the moratorium at this time should throw the European countries into financial chaos, they would charge this Government with bad faith and contend that, inasmuch as we had broken the agreement with them, they would be morally justified in breaking their agreement to pay us what is due and owing from them to the Government of the United States.

I wish, however, to protest against the manner in which this moratorium agreement was entered into by the President, without the consent and approval of the Congress of the United States. It is a dangerous precedent. The Executive can go so far in negotiations that the Congress will be placed in a dilemma if it attempts to do anything but confirm what the Executive has done.

I feel that unless the position of the Members of Congress is made definite and clear at this time, that some future President may definitely commit this country to a policy of complete cancellation of all foreign debts before Congress has had an opportunity to act. I believe that we had an excellent illustration of this situation 14 years ago, when the President of the United States as the Chief Executive to a large extent was responsible for creating a situation where Congress felt that there was nothing to do but recognize that a state of war existed and to declare war.

While I am not going to commit myself on any further moratorium proposals which may come before Congress in the proper manner, I am going to state that I will vote against any further moratoriums arranged for by the President without first giving Congress the opportunity to consider the matter. The principle involved is fundamental and can not be lost sight of, if Congress is to perform the duty for which it was created.

It has been argued by many on this floor that because negotiations between nations are intricate, this body ought to leave those matters to the Executive. That because this body is cumbersome, these matters ought to be left solely to the Executive, and his judgment accepted. It is true that the machinery of a democracy is cumbersome, but this is inevitable. There is no escape from this save in a dictatorship.

Either in an open actual dictatorship or by a dictatorship by a Chief Executive making the facts upon which action must be predicated and then having them confirmed by a Congress of yes men. [Applause.]

[Here the gavel fell.]

Mr. CANFIELD. Mr. Chairman, I yield to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, ladies, and gentlemen, without realizing that the President would utilize the recommendations of the moratorium for the postponement of money due to the United States from foreign governments for one year, and in answer to his telegram of June 23, 1931, which read as follows:

Hon. ADOLPH J. SABATH,
Chicago, Ill.:

You no doubt have seen my statement in Sunday's press of the proposal of the American Government in respect to postponement for one year of all intergovernmental debts. Inasmuch as the proposal is, of course, contingent upon actions by Congress, and as the matter is one of national interest, having no partisan character, in that light I consulted before action the Senators and Representatives of both parties present in Washington and as many as possible who were accessible in the country. This list of generous support from Members was shown in the public statement referred to above. I regret that difficulties of communication rendered it impossible to contact with all Members of the Senate and House. I do not wish to press any Member for reply as to his views, if he prefers not to give them at this time; yet if you are favorable to the proposal in the first paragraph of the statement above mentioned, it would undoubtedly aid in the negotiation now in progress if you could inform me thereof.

HERBERT HOOVER.

I replied as follows:

His Excellency HERBERT HOOVER,
President of the United States,
Washington, D. C.:

I am satisfied that your proposal will be helpful and beneficial, and I will gladly support it; but I still feel that immediate steps should be taken to relieve conditions in our own country, as they are much more alarming than you may be aware of or the press dares to publish.

ADOLPH J. SABATH.

A few days thereafter I sent him the following letter:

DEAR MR. PRESIDENT: The German people and the banking sponsors of foreign securities should be, and undoubtedly are, tremendously pleased with the moratorium. I myself hope that it will have a stabilizing effect on conditions in Germany; but I am at this time more concerned with reestablishing confidence and restoring normalcy in our own country.

Though I do not like to do this, I feel duty bound to call your attention again to the serious conditions existing throughout the United States. I am particularly apprehensive that the truth as regards the seriousness is being withheld from you.

The charges that are made that the continuous withdrawal of funds from the banks and the alarming dissatisfaction and restlessness are due to communistic activities may or may not be true; but I know that they will not satisfy the 8,000,000 unemployed people. Nor do I believe that the moratorium granted to Germany will stimulate business in our country, as is too generally asserted.

I feel that something more than the above measure is absolutely necessary, and that those in a position of responsibility should not close their eyes to the existent facts.

After my recent telegram to you, Mr. Eugene Stevens, chairman of the Federal Reserve Board in Chicago, invited me to discuss with him just what agencies might be invoked and what measures might be used to bring order out of the existing chaos. At this conference Mr. Stevens stated that the Federal Reserve Board was impotent in relieving matters any further, having gone as far as was permitted under the law.

Now, not only Mr. Stevens, but many bankers with whom I have discussed the matter, recognize that some immediate relief is absolutely necessary to relieve the serious condition of the banks; that is, those which have not been forced to close their doors; to relieve the millions of home owners who have been unable to secure aid and whose homes have been foreclosed; and to relieve the thousands of business men and manufacturers who will be forced to close their doors and augment the tremendous unemployment. Therefore, I again earnestly urge that a special session be called for the purpose of enacting legislation to save the country from complete ruin.

I have advocated for two years that the Federal Reserve Board come to the rescue of the banks and the municipalities by rediscounting some of the securities held by them, which are not acceptable under the law for rediscount; and this could be accomplished without any loss or expense to the Government, inasmuch as these securities are of greater value in most cases than the securities now accepted by the Federal reserve banks for rediscount purposes.

I also urge the creation of a $5,000,000,000 national relief finance corporation patterned after the War Finance Corporation, which was of such tremendous value and benefit to the Nation in the World War, and which can be made to function as efficiently now, during these critical times.

I have become reinforced in my view by the thousands of communications that I have received and am still receiving that before there can be a regeneration of business, that before confidence can be restored, all gambling, and especially short selling, must be stopped. And I feel that if you would take counsel from people interested in the welfare of the Nation rather than from people interested in the stock exchanges you will reach the same conclusion.

There is considerable unanimity of opinion in this country that if the manufacture and sale of beer were resumed it would immediately provide employment for 500,000 people directly and another 500,000 indirectly and would create a demand for grain, which is now selling at the lowest figure in 50 years.

Not only would this create employment and a demand for grain, but it would also have a wholesome effect upon the discord now prevailing, would, in great measure, eliminate the deficit in the Federal Treasury, and would aid materially the cities in obtaining much-needed additional revenue to pay their employees and thus save them from bankruptcy.

Mr. Chairman, ladies, and gentlemen, to-day I am obliged to state that I greatly regret—after hearing the evidence, charges, and accusations against the President, and those who so adroitly and connivingly recommended the sending of these telegrams—that I did not delay my answer, for having once assured him that I will support it, I am in honor bound to comply with my assurance and will vote for the extension. As I have stated in my telegram, I am hopeful that it will not only relieve conditions in Europe but will have beneficial effects on our own country, and it may lead to action that will bring about the extension of credits, or at least a moratorium on mortgages that are now being and those that shortly may be foreclosed. [Applause.]

I, myself, do not know any reason why this can not be accomplished, though it may, to some extent, inconvenience the holders of such mortgages. Still, I feel that the beneficial effects will outweigh all possible inconveniences, and every effort should be made to bring this about.

As to whether the charges made against the President—that he has played politics with this important question and that he has been used by the international bankers to relieve them in their foreign investments—should receive consideration, I can only say that this is a question that must be given thoughtful consideration.

Mr. Chairman, several years ago I called attention to the unnecessarily excessive loans which were being made by these bankers to the foreign nations and which were being unloaded on the American people, because of the tremendous profit made on such transactions. Not only did I feel that these transactions should be investigated, but I also recommended that action be taken in the future to prohibit such loans unless approved by our Government.

I have also pointed out that these tremendous loans to foreign countries and foreign industries were bound to have detrimental effects on our own financial as well as commercial conditions, and time has clearly demonstrated that I was correct.

Mr. Speaker, I have carefully observed the continuous and persistent determination to aid the foreign nations and interests. If the President and his advisers, yes, and administration, had displayed such determination and had taken such action in relieving the American people and American institutions—instead of trying to placate them with "round-the-corner" prosperity promises—as they displayed in protecting the interests of foreign nations and foreign industries, there is no doubt in my mind that we would now be on the road to reconstruction.

For over two years the President has given us investigations and commissions. Mr. Speaker, what the people demand is relief. I am thoroughly satisfied that if the President had acted on my persistent recommendations two years ago, yes, even one year ago, calling for an extension in the rediscount power of the Federal Reserve Board, the creation of a national relief finance corporation, and the curtailment of short-selling activities, millions of people would not have lost their life-savings in their investments and bank deposits and many banks would not have been compelled to close their doors.

Only to-day 9 banks in Massachusetts, 2 in Illinois, and 4 in other sections of the country have closed their doors.

All this, it can readily be seen, is not helping to reestablish business or confidence.

Had the President the interest of the country at heart he would have listened to the thousands of appeals asking for a special session of Congress, so as to make possible legislation to relieve the existing serious situation.

It is to be deplored that he delayed so long in making recommendations for the constructive legislation which I have advocated. Had he done so when I originally urged him, I am certain that by this time the number of unemployed would not be eight or ten million, as is now the case, but would be tremendously reduced.

For the purpose of informing and allaying the fears of some who believe that this is a 10-year extension, I hereby embody the resolution in the RECORD, showing that the gentlemen who charge that it is a 10-year extension are in error:

Resolved, etc., That in the case of each of the following countries, Austria, Belgium, Czechoslovakia, Estonia, Finland, France, Germany, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, and Yugoslavia, the Secretary of the Treasury, with the approval of the President, is authorized to make, on behalf of the United States, an agreement with the government of such country to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such country to the United States in respect of its bonded indebtedness to the United States, except that in the case of Germany the agreement shall relate only to amounts payable by Germany to the United States during such fiscal year in respect of the costs of the army of occupation.

SEC. 2. Each such agreement on behalf of the United States shall provide for the payment of the postponed amounts, with interest at the rate of 4 per cent per annum beginning July 1, 1933, in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and 1 during each of the 9 fiscal years following, each annuity to be payable in one or more instalments.

SEC. 3. No such agreement shall be made with the government of any country unless it appears to the satisfaction of the President that such government has made, or has given satisfactory assurances of willingness and readiness to make, with the government of each of the other countries indebted to such country in respect of war, relief, or reparation debts, an agreement in respect of such debt substantially similar to the agreement authorized by this joint resolution to be made with the government of such creditor country on behalf of the United States.

SEC. 4. Each agreement authorized by this joint resolution shall be made so that payments of annuities under such agreement shall, unless otherwise provided in the agreement (1) be in accordance with the provisions contained in the agreement made with the government of such country under which the payment to be postponed is payable, and (2) be subject to the same terms and conditions as payments under such original agreement.

SEC. 5. It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced; and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying that favorable consideration will be given at any time to a change in the policy hereby declared.

I am indeed pleased and gratified that the Democratic majority in Congress, by its actions, has demonstrated that it is ready and willing to cooperate with the President in every way possible and to give lie to some of the Republican politicians and to the Republican press who contend that the Democratic majority in the House will retard any legislation which may tend to improve conditions. We shall not harass and embarrass him as the Republicans had harassed and embarrassed President Woodrow Wilson.

Mr. Chairman, I know the sentiment of the majority of Democrats, and I know that they are desirous of doing all in their power, and will strive diligently to pass any and all constructive legislation—and that without any delay. [Applause.]

Mr. CANFIELD. Mr. Chairman, I yield to the gentleman from South Carolina [Mr. HARE].

Mr. HARE. Mr. Chairman, on June 22 of this year I received a telegram from President Hoover advising of the proposal of the American Government to postpone for one year the payments of all international debts. It was stated in the telegram that he had consulted with some Senators and Representatives in Washington before submitting the proposal. The purpose of the telegram, as all Members of Congress know, was to secure an expression from those who favored the proposal referred to. Of course, there was no coercion on his part, but it was apparent that he was anxious to have a commitment in writing from a sufficient number to justify a policy he had inaugurated and expected to have approved at a subsequent date. In the last paragraph he stated:

If you are favorable to the proposal in the first paragraph of this statement above mentioned, it would undoubtedly aid in the negotiation now in progress if you could inform me thereof.

I gave the matter mature, thoughtful, and studied consideration for two or three days before deciding definitely the position I should take. My first impulse was to comply with the President's request and thereby contribute to what appeared to be an effort on his part to relieve the very acute and serious business depression not only in our own country but over the entire world; but the more I attempted to analyze the effect of such hasty action on our part the greater was my conviction it would not be the part of wisdom to subscribe to the President's policy of procedure, for I was convinced that such a policy was inconsistent with well-established and fundamental policies of our Government. That is, I felt that if such a proposal were to be made, it should first be made through Congress as an organized and assembled body and not by a straw-vote method. I felt then and am convinced now that the proposal was not within the province of the powers defined and granted to the President by the Constitution.

I reasoned further and remembered that following the World War, Congress created a commission consisting of Members of Congress to confer with the allied nations and agreed to act upon a definite and certain plan for the payment of debts arising out of the war. I remembered that the commission had reported to Congress a plan of settlement upon the ability of each nation to pay its indebtedness, and it was my understanding that the plan devised or suggested had been definitely agreed upon by the allied nations. And while I never subscribed to or indorsed the plan, I realized the matter had been acted upon by Congress and had become a positive and definite international agreement and felt that before any change should be proposed or made in that definite understanding the matter should first have been referred to Congress—that branch of our Government clothed with responsibility and charged with the duty to make or authorize agreements of this kind.

I concluded, therefore, that to agree to the President's proposal with the limited amount of information furnished in the proposed agreements it would be equivalent to a transfer of a serious responsibility from the House of Representatives to the Chief Executive, which would establish a precedent that in the future might cause a more serious situation in our own country than that which the President was endeavoring to relieve in foreign countries. I therefore refused to give my indorsement to the President's proposal.

Of course, in my deliberations there were other phases of the subject that were necessarily considered. I was fully aware that business conditions in foreign countries were such that in order for such countries to meet their obligations the people were being taxed beyond their apparent ability to pay. Press reports carried information to the effect that some of the nations were liable to become bankrupt unless steps were taken to relieve them of their obligations. However, I was not unmindful of the serious business depression prevailing in our own country. I was aware of the fact that within the past two years hundreds and thousands of America's most reliable and best citizens, engaged in agriculture, had lost the earnings of a lifetime, and deprived of homes obtained as result of their own efforts and by the sweat of their own brow.

In response to a request a few days after receipt of the President's telegram from one of the leading newspapers of the country asking my position in the matter, I said:

President Hoover's desire to relieve people of foreign nations of their obligations to our Government is inconsistent with the position taken by administration leaders toward our own people at last session of Congress, when they registered decided opposition to legislation proposed to relieve distressed farmers for one year from payment of debts due Federal land banks. The President's attitude at that time toward the distressed at home has

caused and is still causing thousands of farmers to lose their homes and suffer untold agony. I can see no good or valid reason why our Government should be more generous to people of foreign nations than to its own citizens.

I think that President Hoover by his proposal is willing to publicly admit the disastrous effect of the Smoot-Hawley tariff act, both at home and abroad, and he apparently believes there can be no recovery from the present business depression under existing trade relations and that the proposed moratorium may in some way relieve the strained business relationship between the United States and foreign nations, without having to go to Congress and ask for the repeal of the last tariff act. Or the proposal may be the first pronounced step to satisfy the big interests that have insisted on the cancellation of all war debts due the United States by foreign nations or that such interests during and following the war.

My further comment was:

If you relieve these nations from the payment of the $250,000,000 soon to be due the Treasury of the United States, there will be an increased deficit in the Treasury and there will be an increased tax burden on the American people, many of whom are carrying burdens too grievous to be borne. If there is to be charity by our Government it should begin at home.

The evidence submitted here during the past week verifies my former impressions or opinions in the matter. That is, my analysis of the situation now confirms the position I took six months ago and I am still convinced that the proposal is not a sound governmental policy nor is it for the best interest of the American people because, "to state it in a nut shell," as we sometimes say, it simply provides for a suspension of debts of the people in foreign countries and at the same time requires Congress to increase the taxes of the American people to the extent of the amounts suspended.

Of course, some good reasons, from an international standpoint, have been advanced for the moratorium but not sufficient to convince me that it should be approved by this Congress, for I am unwilling to indorse a proposition that will increase our taxes in order to decrease those in foreign nations.

The underlying facts in the matter are easily summarized. Let us recapitulate for a moment. During the World War the United States Government issued and sold what was known as liberty bonds to the American people. There was hardly a home in the United States that did not buy a liberty bond or a war-saving stamp. Men, women, and children bought with the patriotic idea that it would help win the war. The money obtained from the sale of these bonds and stamps was loaned to the allied nations of the world to assist in bringing to a successful and hasty end the greatest conflict ever witnessed by the civilized nations of all times.

After the war our Government, right or wrong, loaned additional millions to the allied nations, as well as to Germany—our former foe in battle. This money was advanced for two purposes, one to feed and clothe the starving and naked millions in those sections laid waste by the awful ravages of war; the other to assist these countries in rehabilitating their industries so that they might assist themselves and afford a market for American products. At the same time, however, American capitalists who had grown immensely rich from the opportunities afforded by the war were anxious to further enlarge their swollen fortunes by lending the people of Germany and other foreign nations additional millions, yea, billions, because they felt it was another opportunity to add to their enormous profiteered gains. That was 10 years ago or more. Everything moved along fairly well for the first several years, but the time came when the expense of building and maintaining the implements and agencies of warfare and the payment of interest on the enormous sums of money borrowed from the American Government and American capitalists was found to be extremely burdensome. It is said that bankruptcy and collapse stared some of the governmental institutions in the face. This was particularly true of Germany. Her representatives said, in effect, they had reached a point where it was impossible to carry on their domestic developments, pay the American capitalists, and discharge their obligations to the American Government. Then it was the American capitalists became alarmed, came to Mr. Hoover and the Secretary of the Treasury, Mr. Mellon, and cried with a loud voice saying:

If you do not come to the rescue of these people our millions will be lost, our fortunes destroyed, and our long-hoarded treasures will be gone forever and forever. Help us, Cassius, before we sink.

My impression from the evidence adduced is they suggested to the President and Mr. Mellon that the Government of the United States could afford to lose or forego the payments of these debts easier than the American capitalists. Mr. Hoover seems to have been as clay in the hands of the potter, and in response to the suggestion decided to propose a moratorium and suspend all international debts for a period of one year. Haste was the essence of the plan. He took a straw vote of Members of Congress, without a semblance of constitutional authority, and there were many Members, in this time of distress and with faith in the President of the United States who hastily committed themselves to the proposal. Of course, they were sincere and now, with a high sense of honor and a sincere jealous regard for their integrity, feel they should stand by their original promise.

There is no doubt but what the people in Germany are burdened with taxes, but the same is true of our own country. The thought that nettles me to the core is that for the past two years men, women, and children engaged in agriculture in this country have been driven from their homes and left without a penny, and without hope, because circumstances over which they had no control made it impossible to pay their obligations on mortgages held by Federal land banks and joint-stock land banks, institutions created and supervised by our own Federal Government. Yet, within less than six months prior to the President's moratorium proposal, I had plead with all the power I could command that a moratorium be granted to our own suffering and depressed farmers, and the President would not so much as lift his hand in their behalf. That is, he was not only unwilling to agree to a suspension of the interest on mortgages held by land banks in this country but, to add insult to injury, he is now willing to suspend the time for the payment of debts due us by foreign nations and at the same time demand an increase in taxes from the same farmers in this country and call upon them to help raise the amount equal to the debts suspended. In other words, he says, in effect, to those foreign nations:

You are due the Treasury of the United States approximately $250,000,000, but I am not going to require you to pay it now, because I can call upon the American people and increase their taxes sufficient to offset the amount due us.

No, gentlemen, in the light of the information I have on the subject, I can not support the bill. It may be that if we had the information furnished the Ways and Means Committee we might see the matter from a different angle, but it is not here. They say the hearings are in the hands of the printer and will be here to-morrow, but that does not do us any good, for we are being called upon to consider this bill and vote to-day. I might say here that the hurry in which this matter is being considered creates some suspicion. Some one has said that "ignorance is the mother of suspicion," and as we have not been furnished with the information and facts upon which this proposal is predicated it is natural there should be some suspicion. Of course, we have had some very good speeches purporting to disclose the facts in the matter, but practically all the speeches made in support of this proposal have dealt more or less with generalities. I do not say this in the spirit of criticism, but general statements and hearsay evidence are not sufficient.

Just as it is impossible for the hand to grasp a wave or a shadow, so it is impossible for the mind to grasp a definite, concrete, fundamental policy or plan from mere generalities. I am unable to see the need for such hurry and haste in this matter. The President acted hastily last June when he issued his moratorium proposal before calling upon Congress. Now, as soon as Congress convenes there must be such haste and hurry in the matter—we have only one day to consider the proposal. I think the situation here well

illustrates the thought expressed by Chesterfield when he said:

Whoever is in a hurry shows that the thing he is about is too big for him.

My personal opinion is, Congress has already been too generous with the American people's money, and too beneficent toward foreign nations, because it begins to look now as if the United States, in the long run, will have to pay the cost of a war for which we were in no way responsible.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. HAWLEY. Mr. Chairman, I yield two minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman, in two minutes, of course, I can not attempt to discuss the resolution before the House. I commend the attitude of the leading Democrats of this House upon the position they have taken. I have been a Member of this House some 20 years. I have served under Democratic Speakers and Republican Speakers. I regret exceedingly that there is not a unanimity on the part of the Democratic Members for this resolution. I regret that one of my colleagues from Missouri [Judge DICKINSON], a distinguished and fine gentleman, has not come with the majority of the Ways and Means Committee in support of this resolution. We must admit that the President of the United States is one we must trust in foreign affairs. I served for eight years under the administration of Woodrow Wilson. I supported President Wilson in every request he made upon this House in connection with the great World War. I voted with him upon every such request that he made to this House. I voted, not because he was a Democrat and I a Republican, but I did it because he was our President, and he was responsible to the American people in connection with foreign affairs. I have no regret that I supported him. It is the duty of every Member of this House, if we are patriotic Americans, to stand back of Herbert Hoover, our President, one upon whom no greater responsibilities have come since the days of the great Lincoln. We should give him every ounce of our support if our country is to come out of this catastrophe with honor and credit. Days and nights he has laboriously and with infinite patience succeeded in preventing a great panic. Those of us in this great Republic that stand for country as against partisan advantage will come to honor and praise him for his great work. The next election will show how the American people feel towards our President, and I predict his reelection by a large majority. I am for him 100 per cent.

Mr. CANFIELD. Mr. Chairman, I yield one minute to the gentleman from Indiana [Mr. LUDLOW].

Mr. LUDLOW. Mr. Speaker, this is not a party question. This is a great humanitarian question with world-wide bearings. In considering it we should aim to lift ourselves above the miasmas of politics and try to discern with a clear vision the world factors involved. However fiercely partisan contentions may rage within the confines of our own country, there is one place where politics should cease, and that is at the water's edge.

My vote on this question will not be influenced by the fact that the great chairman of the Ways and Means Committee, who espouses this resolution, happens to be a Democrat, though I admire him greatly, or the further fact that it has the support of a large majority of the Democratic members of that ranking committee. It will not be influenced by the fact that the President of the United States, as highly as I respect that office, desires this legislation to pass. With a deep-seated conviction that this is an instance where patriotism should arise above politics, and believing that ratification is the patriotic course, I take my stand for this resolution, and I do so for one reason only, and that is because I believe it is right.

Last June the German nation arrived at the last lap on the road to desperation. By Saturday, June 20, withdrawals from the Reichsbank had assumed such colossal proportions that the legal minimum had been reached and Germany was toppling on the verge of collapse. By Monday the government would have been compelled to declare a general moratorium, the logical sequence of which would have been a repudiation of debts, widespread disorder, and chaos.

President Hoover was in close touch with developments in those trying hours. The wires were kept hot with messages from our diplomatic and consular agents in central Europe advising him of the impending debacle. He did what any patriot, Democrat or Republican, on whom rests the responsibility of the presidency would have done at that critical time. He searched his mind and his heart for ways to serve. He contrived the plan for a 1-year moratorium of intergovernmental debts as a means of saving Germany and bolstering up civilization, and although he does not belong to my political party I give him the credit of saying that when he proposed the 1-year moratorium he rendered a real service to humanity.

Why do I say this? Because the masters of Soviet Russia who are trying their utmost to obliterate God and to subjugate the human race under the yoke of state despotism were waiting for the collapse of the German State to rush their hordes across the borders, and by fomenting rebellion wherever possible they hoped to capture Germany and make it a soviet country, dedicating it to the suppression of religion and to the collectivism that crushes life and inspiration and hope out of the individual and makes him worse than a slave.

To say that America was not interested in the drama that was being enacted in those trying days is wild talk. To say that the whole world was not interested is equally false. It was of the greatest interest and importance to America, to the world, to humanity and civilization that the rugged German character should be sustained in its hour of greatest trial and that the German Republic, which with all of its imperfections, stood for orderly processes and individual rights, should not be allowed to collapse and perish from the earth. Through the moratorium Germany was saved and a turning point was reached that revived her failing finances and credit and secured her place unimpaired in the family of nations.

In those crucial times I was in close touch with the State Department and was frankly advised of Germany's extremity and of the steps taken for her relief. When the President wired to me asking me if I would support his moratorium plan I was able from first-hand knowledge that I had acquired to formulate an immediate answer. I replied that I would vote to ratify the 1-year moratorium, though I would never support a cancellation or scaling of the World War debts.

I am here to redeem my promise. I am genuinely fearful that the defeat of this resolution would create a world climax, with serious reactions in our own country. Therefore I believe I am voting for the best interests of America, as well as the entire world, when I vote "aye" and, as God gives me to see the light, I can do nothing else. [Applause.]

Mr. SANDERS of Texas. Mr. Chairman, I yield three minutes to the gentleman from Nebraska [Mr. MOREHEAD].

Mr. MOREHEAD. Mr. Chairman and members of the committee, it is useless to undertake a discussion of the merits or demerits of such an important measure as we now have under consideration in the few minutes that I am allotted for that purpose.

I shall not attempt to state my views at this time but intend to extend my remarks in the RECORD and to explain my position by the telegram that I sent to a newspaper of general circulation, the World-Herald, at Omaha, Nebr.

My telegram dated June 23, 1931, in answer to President Hoover's telegram dated June 22, 1931, follows:

THE WORLD-HERALD, *Omaha, Nebr.:*

I am opposed to the cancellation of the war debt owed us by the European nations. In my judgment the moratorium is the first step with that object in view. We undoubtedly owe the average American citizen something. The reduction of the debt by Congress was a tremendous amount. It was made without my consent or vote. I am not for oppression. If emergency demands, I would extend time for payment, but it is a just debt and it should be paid. In my judgment this is more to boost the price of foreign stocks and bonds of which the speculators have tremendous holdings. The visit of the Secretary of the United States Treasury to Europe was to bring about the moratorium and has had its effect on foreign stocks and bonds, but will be of but little benefit to the

average American citizen and will necessitate the extending of income tax to American citizens of small incomes in order to meet the running expenses of the Government.

The business condition of America we find to-day was, beyond a doubt, brought about through the mismanagement of officials in high places. These officials are not satisfied in looking after America's affairs, but have adopted the methods of Alexander the Great in seeking more worlds to conquer.

The moratorium was urged by our national administration to prevent a crisis—if a crisis exists at the present time, what knowledge have we that it will not be worse in a year from now? If a crisis exists, would it not be better to wash our hands of European affairs and turn to aiding the American citizen, getting back to America's ideals, and adopting the policy, as of old, of hands off meddling with European affairs.

There has been—since history runneth not to the contrary—wars, financial trouble, and chaos in some parts of Europe almost every day in the year. We escaped their financial and other serious problems until the new régime assumed the attitude of directing the destinies of other nations.

I am satisfied in my own mind, as it is humanly possible to forecast, that Europe does not expect to pay its debt obligations to America. There is a sentiment in the House of Representatives and among sponsors of the extension of payment now due America by Europe that we should cancel all of the debts for money owed and advanced to European countries during the World War.

I am thoroughly convinced this is the first move to help the sentiment, and it will be strongly urged in a year from now that we cancel all financial obligations due us from Europe and to increase the taxes of the American people in order to take care of our financial problems which should be paid with the money that Europe owes us.

Americans of small means were coerced during the World War to buy Government bonds and in millions of instances had to borrow the money to buy them. In turn this money was loaned to Europe. Millions of Americans who borrowed this money to buy the bonds had to sell them at a great discount. No one who is fair doubts that American soldiers and American credit won the war for the Allies.

As soon as the moratorium is out of the way Congress will proceed to place greater burdens of taxation on the Americans of moderate means who are now unable to pay their present taxes in millions and millions of cases.

Have we forgotten our sworn obligations to protect American taxpayers and the American citizens?

The present crisis which exists in America—and I think I am well informed on this question—has been brought about by the present national administration and its financial cohorts in trying to rehabilitate Europe at the financial expense of America.

In my judgment, the prime move in this extension of obligations due us, is to save speculators of large institutions who have bought great blocks amounting to billions and billions of Europe's promises to pay, with the expectation of an increase in value, and then peddled them to the American citizens.

If the payment now due America is extended to 1933, and at that time two payments in place of one will be due America, the same hue and cry of the debtor nations will be "They are unable to pay us"; and to our shame, we will find the desertion of those who owe allegiance and loyalty to the people of America joining them in an effort to cancel the debt.

I have been rather sensitive of our treatment. The World War was not America's war. American soldiers and American credit won the war. It was not a war which America originated or was directly interested in, except from a sentimental standpoint.

I repeat, Mr. Chairman, that I shall not vote to cancel these obligations and saddle them upon the backs of my people who are already burdened beyond endurance. Nor shall I cast my vote, in a single instance, to increase the taxes of citizen of moderate means—legislation will be up for consideration within a very short time.

Far be it from me to wreak vengeance on the German people, who, as a class, had very little to do with bringing on the war, which was inspired by German officials. I can see no relief furnished by the moratorium to the German people, who have never asked for a moratorium, realizing that France and other creditor countries retain the right to collect from Germany the full amount due them.

From information coming to me, it will be financially impossible for Germany to pay reparations to France and England, as they have been deprived by the treaty of so many of their natural resources. The obligations due America from the Allies are for money borrowed which enabled them to win the war. By all fairness, in peace or war, this money should be repaid to America, as it enabled the Allies to win the World War.

Mr. SANDERS of Texas. Mr. Chairman, I yield three minutes to the gentleman from Florida.

Mr. YON. Mr. Chairman, ladies and gentlemen of the committee, we have heard for the last 13 years about the conditions that have existed in America on account of the settlements that were included under the Versailles treaty. I say to you that America to-day is suffering from the injustices of the opposition party who sought to kill Woodrow Wilson and destroy the Democratic Party under the provisions of the Versailles treaty. The whole economic condition that exists in the United States to-day has permeated and grown out of the conditions that have led us up to this situation to-day when we are asked to ratify a moratorium. We know to-day what gentlemen signed the round robin that said that the Senate would not ratify the Versailles treaty.

But from the beginning of that day we have had uncertainty as pertains to international affairs. I say to the Members of this House they wanted to kill Wilson because he wanted ratification that would bring in the League of Nations. What has happened since then? We see that recently Mr. Gilbert has been entering the back door, and Japan has embarrassed us. Japan has embarrassed us on account of our attitude toward the settlement of world affairs.

Now, what do we have confronting us? If the provisions of the treaty had been complied with I do not believe the American people would be now confronted with the situation of extending a moratorium, as expressed by the President in proclamation of last June, but after the bill had been reported to the House it carries provisions equal to extending five years of intragovernmental obligation. I was on the high seas last June when the President mentioned the moratorium to Members of Congress by telegram, and I did not receive the one, maybe, intended for me. I expressed at the time that I had no objection, as I hoped it would react to the benefit of the turpentine, lumber, cotton, and other producers of raw material products of my State—Florida. The response to the declaration created only a week or more of fluctuation on Wall Street or international banking exchange groups to restore confidence in a purely and naturally a speculative Wall Street or international bankers' markets.

I have lost hope through any Republican President's offer. He recognizes that this country and the world at large has been misled by the machinations of his party that he chose to follow in 1920.

Now, in closing, I would be glad to say more, but Mr. Claude Bowers, a nationally known Democrat, editor, publicist, and otherwise known, expressed himself in the Times to-day better than I can; and, with the permission of the House, I extend as follows as part of my remarks:

[From the Washington Times, December 18, 1931]

THE IMPUDENT ATTACKS ON CONGRESS

By Claude G. Bowers

The disposition of administration organs to criticize Congress because it refuses to be the rubber stamp of the Executive, whose repudiation by the American people brought this Congress into being, impresses us as supreme impudence.

If Congress did not act on the 1-year moratorium by the 15th, it is little better than insolence to denounce Congress on that account. It was not summoned to act on the moratorium when the President proposed it. The attitude of the debtor nations in the interval has not been such as to create American confidence in the efficiency of that remedy for world depression.

There has been no disposition to reduce the cost of armament among them, and some of them have manifested the keenest glee in the expression of their hate for the American people, with the gold drain and the attack on the dollar. Meanwhile the European press, almost without exception, has been assuring the people of the debtor nations that the moratorium means an understanding with the administration here for the transfer of the billions in debts from the nations that borrowed the money out of the pockets of our people, to the backs of our people, who made the loan.

There is enough in the changed situation to justify Congress in making its position plain on this transfer—not cancellation—of the debts, and to inquire into the character of the secret conversations at the White House on which the European press predicates its assurance that Americans will pay the bill.

RESPONSIBILITY RESTS ON HERBERT HOOVER

The utter impudence in the criticism of Congress is in this well-known fact: Three months ago the President was urged repeatedly to call Congress in extra session, if only a month before the regular session.

It was pointed out at the time that Congress would be expected to act on the moratorium by the 15th, and that, with the time always required in the mere organization of a new Congress, this would be practically impossible. That was the common-sense view and there was no common-sense answer.

But the President is among those who have little use for the mechanism of government by the people, or, in other words, for representative government in a democracy; he manifestly prefers autocracies, beyond the interference of popular sentiment, and he is notoriously unhappy always when he has "Congress on his hands."

Thus he refused to do his manifest duty—to summon Congress in extra session to deal with the 1-year moratorium and with other matters relating to the distress of millions of Americans who are eating the bread of charity.

If there is a delay in the 1-year moratorium, the responsibility rests on Herbert Hoover—and on no one else.

PERHAPS CONGRESS CAN DO BETTER

Our form of government, under our sometimes praised Constitution, is either right or wrong. The critics of Congress can not eat their cake and have it too. There is a large element, confined mostly to people of large interests and the lunatic fringe of the intelligentsia, who have no use for our form of government. They want to put the "people in their place," and from some autocratic eminence impose the will of a man or a clique upon the masses. That is the reason we hear so much jeering and sneering at Congress—Congress which comes directly from the people.

IMPOLITE—WHAT IMPUDENCE!

And yet there is no little impudence in this; for few have observed during the nine months that the President had Congress "off his hands" that he achieved greatly in the interest of the American people. Perhaps Congress can do better; it can do no worse.

Some of the more precocious of the critics of Congress are shocked to tears that we should be "impolite" to the debtor nations. Impolite! We who spent $26,645,000,000 on a war that would have been lost to the debtor nations otherwise. We who then took not a cent in reparations and not an inch of German territory, that the debtor nations might take it all. We who have since scaled the debt down by billions. Impolite? What impudence!

Within the last few days the press of England has been assuring the English people that the moratorium means the transfer of billions in debt from their shoulders and those of the other debtor nations to the backs of the American taxpayers; and they are manfully standing by the President.

SURELY MR. BECK HAS NOT FORGOTTEN

Well, that is something on which the American people will pass; and the American Congress—which will not be reduced to an echoing station of an Executive who has been repudiated by the American people at the polls—will discuss and consider American interests.

We have always admired the brilliance of JAMES M. BECK, the most brilliant Republican in the House; but when he seeks to create the impression that the disposition to investigate a foreign policy which foreign nations understand to mean the transfer of billions of debts of other nations to American taxpayers, is inspired by mere partisanship, we must take issue.

Are we to understand that when Mr. BECK insists that the President's foreign policy must be accepted without a peek that the President's party, including Mr. BECK, stands for the transfer of the debts to us?

The brilliant Philadelphian is the last man in the world to tell the Democrats they must stand by the President's foreign policy, whatever it may be and without even an inquiry—because he is the President. It has been such a little while ago that Mr. BECK's party refused to stand for the foreign policy of a Democratic President—though, he, too, was the American President.

They said it was not partisanship then; insisted it was patriotism; warmly asserted that they opposed the President's foreign policy because they thought it detrimental to American interests, and said it was their patriotic duty under their oaths to oppose it—in the interest of America.

Surely Mr. BECK has not forgotten, for he was one of the most brilliant and conspicuous in refusing to "stand by the President."

No; we can not subscribe to the theory that because Mr. Hoover is President we should blindly accept his foreign policies without even an inquiry into what they signify. There are many who feel that these policies should be carefully scrutinized, since the President spent the major part of his mature life under the Union Jack and out of touch with American interests or sentiment.

Mr. McCLINTIC of Oklahoma. Mr. Chairman, does the general authorization to revise and extend carry with it the right to include telegrams that we get concerning this matter?

The CHAIRMAN. It does not.

Mr. SANDERS of Texas. Mr. Chairman, I yield three minutes to the gentleman from Oklahoma [Mr. HASTINGS].

Mr. HASTINGS. Mr. Chairman, after the most mature consideration I can not get my own consent to vote for this moratorium resolution to postpone for one year the payment to our Government of the amounts due by the foreign governments on their indebtednesses.

I do not oppose the resolution for partisan reasons. I do not consider that I have cast any partisan votes in the House other than those cast in the organization of the House. The message of the President was relayed to me while serving on a committee in the West. I did not reply not through discourtesy, but because of insufficient data at hand.

I criticize no Member's judgment. I, of course, impugn the motives of no one. I have never voted for any of these debt funding bills.

Because I find myself unable to support the resolution (H. J. Res. 123) I desire to briefly state the reasons why I am not able to vote for it.

First. This resolution provides that the Secretary of the Treasury, with the approval of the President of the United States, is authorized on behalf of the United States to make agreements with the several foreign countries to postpone the payments of any of the amounts due and payable to the Government of the United States during the fiscal year beginning July 1, 1931, except that in the case of Germany the agreement shall relate only to amounts payable in respect of the costs of the army of occupation.

The postponed amounts are to be paid in 10 equal annual installments with interest at the rate of 4 per cent per annum, beginning July 1, 1933, and it is therefore misleading and an error to say they are postponed only for one year.

No agreement is to be made with any country that does not give satisfactory assurance of its willingness and readiness to make agreements with other countries postponing the collection of similar indebtednesses to those contained in this resolution.

The hearings disclose that the sum of approximately $252,566,803 will be postponed by this resolution and the amount spread over a period of 10 years.

If press reports are correct, many, if not all, of these countries had already made arrangements to pay the amount of their respective indebtednesses, and it is difficult to understand why the same should not be accepted by our Government.

Second. Congress passed the resolution recognizing that a state of war existed against Germany on April 6, 1917. During the 19 months that followed we raised, fed, and equipped an army of approximately 5,000,000 as fine men as ever followed our flag to victory. We assembled them in camps hastily prepared, hurriedly drilled them, and then leased, bought, and commandeered every available bottom at excessive costs to secure their speedy transportation across the sea to strengthen the receding lines of our Allies. The advance of the enemy lines had to be checked at all hazards.

A second attempt was being made to capture Paris. Long-range guns were dropping shells upon that terror-

stricken city. The French people were demoralized and were fleeing Paris.

The American soldiers assisted in checking the enemy, which turned the tide of battle and saved Paris in the second battle of the Marne, July 15–18, 1918.

The successful St. Mihiel drive on September 12, 1918, was skillfully planned and splendidly executed by our gallant American commander, General Pershing. We contributed to the Argonne offensive, which resulted in the signing of the armistice on November 11, 1918.

Third. In 19 months we spent approximately $22,000,000,000, paying in full every penny of the expenses of our Army. We built and paid for docks through which to land troops and supplies. We built and paid for many, if not all, warehouses on foreign soil. We paid rent on all buildings occupied. Our Government and our soldiers literally spent billions of dollars on foreign soil. We only asked the poor privilege of landing and making the extreme sacrifice, if necessary, in defense of a flag made glorious by Washington and proudly sustained by Woodrow Wilson.

We even paid for the ground where the mortal remains of our sainted dead sleep beneath the lilies of France. We materially assisted in saving France, and who knows but that this assistance saved the world from German domination for generations to come.

We were under no obligations, legal or moral, to share in the expenses of the World War before we entered on April 6, 1917. Since then, thanks to the patriotism of our American people, who bought Liberty bonds at par and sold them at an enormous discount, we have paid every dollar of expense we incurred in the World War. We did not claim or receive any financial benefits as a result of the war, not a foot of added territory and not a dollar in money.

Fourth. We did more. We extended credit to our allies. We loaned them $11,552,354,000. These loans were to be repaid at the same rate of interest we were forced to give to secure the money. Of this every assurance was given. The rate then was 4¼ per cent per annum. In adjusting these foreign settlements we lost $10,705,618,006.90.

I am appending a table, prepared in 1929 for me by the Treasury Department throught the courtesy and at the request of Congressman Theodore E. Burton, who was then a member of the Debt Funding Commission. This table therefore official and authoritative. I have inserted it a number of times in the CONGRESSIONAL RECORD and its accuracy has never been challenged.

This official table prepared by the Treasury Department shows (1) the countries with which settlements have been made, (2) the date of agreement, (3) the amount of debt funded, (4) interest to be received, (5) total amount to be received, (6) the amount that would have been received on a British basis (3–3½ per cent interest), (7) total amount that would have been received on a 4¼ per cent interest basis, (8) total amount canceled on a 4¼ per cent interest basis, and (9) total aggregate amount, being $10,705,618,006.90, canceled, lost, or remitted in all of the settlements:

Countries	Date of agreement	Funded principal	Interest to be received	Total	Total that would be received on British basis (3–3½ per cent interest basis)	Total that would be received on 4¼ per cent interest basis	Total canceled on a 4¼ per cent interest basis
Belgium	Aug. 18, 1925	$417,780,000.00	$310,050,500.00	$727,830,500.00	$1,041,597,000.00	$1,191,052,000.00	$463,221,500.00
Czechoslovakia	Oct. 13, 1925	115,000,000.00	[1] 197,811,433.88	312,811,433.88	252,890,000.00	327,854,000.00	15,042,566.12
Estonia	Oct. 28, 1925	13,830,000.00	19,501,140.00	33,331,140.00	[1] 33,331,000.00	39,428,000.00	6,096,860.00
Finland	May 1, 1923	9,000,000.00	12,695,055.00	21,695,055.00	[1] 21,695,000.00	25,658,000.00	3,962,945.00
France	Apr. 29, 1926	4,025,000,000.00	2,822,674,104.17	6,847,674,104.17	9,708,825,000.00	11,474,900,000.00	4,627,225,895.83
Great Britain	June 19, 1923	4,600,000,000.00	6,505,965,000.00	11,105,965,000.00	[1] 11,105,965,000.00	13,114,172,000.00	2,008,207,000.00
Hungary	Apr. 25, 1924	1,939,000.00	2,754,240.00	4,693,240.00	[1] 4,693,000.00	5,538,000.00	834,760.00
Italy	Nov. 14, 1925	2,042,000,000.00	365,677,500.00	2,407,677,500.00	4,923,820,000.00	5,821,552,000.00	3,413,874,500.00
Latvia	Sept. 24, 1925	5,775,000.00	8,183,635.00	13,958,635.00	[1] 13,959,000.00	16,464,000.00	2,505,365.00
Lithuania	Sept. 22, 1924	6,030,000.00	8,501,940.00	14,531,940.00	[1] 14,532,000.00	17,191,000.00	2,659,060.00
Poland	Nov. 14, 1924	178,560,000.00	257,127,550.00	435,687,550.00	[1] 435,688,000.00	509,058,000.00	73,370,450.00
Rumania	Dec. 4, 1925	44,590,000.00	[1] 77,916,260.00	122,506,260.05	107,488,000.00	127,122,000.00	4,615,739.95
Yugoslavia	May 3, 1926	62,850,000.00	32,327,635.00	95,177,635.00	154,651,000.00	179,179,000.00	84,001,365.00
Total		11,522,354,000.00	10,621,185,993.10	22,143,539,993.10	27,819,134,000.00	32,849,158,000.00	10,705,618,006.90

[1] Settlement made on British basis.

This table is official. The figures prepared by the Treasury Department can not be disputed. We lose, cancel, forgive, or remit on the settlements with the 13 countries, based on 4¼ per cent interest, the amount we pay on our Liberty bonds, the proceeds from which we loan these governments, $10,705,618,006.90.

This is a gift through the remission of interest of nearly a million dollars per day to 12 European countries.

The difference between 4¼ per cent interest our Government pays on our Liberty bonds and the interest received by us in these settlements represents an annual loss to the American taxpayers of $332,261,750.

It has been frequently stated in debate on the floor of the House that the settlements of these debts provide for the repayment of the principal sums. That is true, extended over a period of 62 years. Let me illustrate: In our settlement with Italy we receive no interest for the first five years, only one-eighth of 1 per cent for the next five years, then one-fourth of 1 per cent for the next five years, until, during the last seven years, the maximum rate of interest to be received is only 2 per cent. Call it principal or interest, we lost or remitted $10,705,618,006.90.

Since this table was prepared, settlements have been made with Greece, and perhaps some other of the smaller countries, in which additional losses have been sustained. Do you not think that is enough?

Fifth. This is the first step to other extensions, then to readjustments, then to reductions, and finally to cancellations. Solemn promises were made when the loans were secured that they would be repaid in full, principal and interest. They were readjusted at a very great loss to the taxpayers of our country.

The "capacity to pay" argument was then used effectively. No economist will hazard an opinion as to the "capacity" of any nation to pay extended over a period of 62 years.

On the question of "capacity to pay," Secretary Mellon said:

> I appreciate, as all reasonable men must, that it is not possible for any set of men to determine with mathematical accuracy the future capacity of a great nation to tax itself and to transfer the avails of taxation to another nation. We are forced to look at the present and to estimate the future.

On this point, in connection with the Italian settlement, Secretary Mellon said:

> The capacity of a nation to pay, over a long period of time, is not subject to mathematical determination. It is and must be largely a matter of opinion.

The President, in his message of December 10, 1931, encourages the foreign governments to request further extensions when he urges the re-creation of the World War Foreign Debt Commission. He says:

> It is clear that a number of governments indebted to us will be unable to meet further payments to us in full pending recovery in their economic life. It is useless to blind ourselves to an obvious fact.

Further, he continued:

> Therefore it will be necessary in some cases to make still further temporary adjustments.

Neither do I favor the re-creation of the commission. It would be like establishing a court and defining its jurisdiction. That would be an invitation to attorneys to file suits.

The re-creation of the commission would be an invitation to several of the foreign countries to make application for further postponements and the recommendation of the commission may greatly embarrass Congress.

The responsibility is with Congress and it should be retained and not transferred to a commission.

Many speeches have been made in the House favoring a readjustment or cancellation. Articles in the press have supported cancellation and reduction. All of this is to create sentiment favorable to a cancellation of these foreign debts.

I favor the committee amendment added as section 5, defining the policy of Congress against further reductions or cancellations of our foreign debts and will heartily support it. I hope it will have a deterring effect against either propaganda or other efforts looking to a readjustment or further reduction or cancellation of our foreign debts. We have already remitted too much—$10,705,618,006.90.

Sixth. The extensions and reductions to our allies enabled them to use their revenues to maintain large standing armies and to build competitive navies, menacing the peace of Europe and rendering many of the foreign governments unstable. These expenditures for military and naval purposes have necessitated very largely increased expenditures for such purposes by our own Government.

In 1913 the United States spent upon her naval establishment $134,092,416.93; Great Britain spent $224,443,296; the German Empire spent $112,000,000; France spent $81,692,832; Japan spent $46,510,216; Italy spent $41,893,420—or a combined total of $640,632,180.93.

In 1930 the United States spent upon her Navy the sum of $375,291,828; Great Britain spent $271,867,022; Germany spent $47,700,000; France spent $101,258,766; Japan spent $131,000,000; and Italy spent $62,785,079—or a total of $989,902,695. With the exception of Germany, each represents a large increase.

The amounts expended on account of the armies of the several nations for the year ending June 30, 1930, are as follows:

Italy, army and air	$170,956,153
France, army and air	247,032,362
Germany, army (only)	130,299,215
United Kingdom, army and air	275,894,190
British Commonwealth of Nations	578,348,258
United States	328,792,724
Total	1,731,322,902

Our Army appropriation for the year 1930–31 was $339,906,459.

For France and Italy the above represent military figures only and do not include expenditures made by other bureaus for military purposes. For instance, the Bureau of Public Roads carries funds for erecting military works and stations and the Department of Agriculture pays for the support of all animals in the Army.

The appropriations made by foreign governments for the year ending June 30, 1931, are not available.

The expenditure for the Navy Department for the fiscal year ending June 30, 1931, was $357,806,219.

The expenditures for the United States Army in 1914 were $114,020,734, and the naval expenditures for the same year were $139,682,000.

I do not have the amounts of the expenditures by the other countries on their navies during 1913, but the United States expended for that year the sum of $134,092,416 for purely military purposes.

The Washington Star, in an editorial entitled "The Cost of Armaments," under date of December 15, 1931, states:

On the threshold of the Geneva Disarmament Conference the Foreign Policy Association performs a useful service in issuing a comprehensive report on the world's military and naval establishments. The report is compiled from the official figures forwarded to the League of Nations by the various governments invited to participate in the forthcoming effort to beat Mother Earth's swords into pruning hooks. It is an undoubtedly expensive arsenal of weapons that she now maintains, representing a total expenditure in 1930 of $4,500,000,000. Seven great powers—Great Britain, France, Italy, Soviet Russia, Japan, Germany, and the United States—spent two-thirds of that amount, or $2,958,000,000.

The Foreign Policy Association indicates that the ominous feature of these figures is the fact that armament expenditures are steadily rising.

The total 1930 costs were 30 per cent higher than the principal seven powers spent in 1926 and 37 per cent more than they were devoting to armaments in the last pre-war year of 1913. "Excluding Germany, whose armaments were drastically reduced under the Versailles treaty," the report states, "the remaining six great powers were spending 65 per cent more upon arms in 1930 than in 1913."

The Washington Post, in an editorial of December 16, 1931, analyzes the expenditures for armaments, both for the Army and the Navy, in detail for 1930, and compares the amount expended for armaments with the amounts due annually to the United States on foreign debts, as follows:

The following table shows expenditures for armaments in 1930, as compiled by the War Department, and installments on the debt to American taxpayers, which are suspended by the moratorium:

Country	For armaments	For debt to United States
Belgium	$23,247,347	$7,950,000
Czechoslovakia	41,056,000	3,000,000
France	547,133,935	50,000,000
Great Britain	608,024,880	159,520,000
Italy	322,337,000	14,706,000
Poland	122,995,000	7,486,000
Rumania	67,061,000	800,000
Yugoslavia	47,491,000	250,000
Total	1,779,346,162	243,712,000

The outlay of these eight principal debtor nations for armaments is more than seven times what they pay to the United States on account of their war debts. It is strange that Europe should make such a clamor over annual obligations amounting to less than $250,000,000 while stubbornly refusing to cut down its armaments bill that is not far short of $2,000,000,000. So long as these tremendous expenditures for the materials of war continue, any aid that the United States might give through a temporary scaling down of debt payments would be negligible.

Remember, my colleagues, we paid every dollar of the expenses of our own armies during the World War and received no benefits, and asked for none.

We remitted $10,705,618,006.90, and because of increased expenditures by our allies upon their armies and navies we were compelled to place enormously increased tax burdens upon our own people.

No; I am not going to vote for this bill.

Seventh. The President reports a deficiency for the year ending June 30, 1931, of $903,000,000 and an indicated deficit for the current year of $2,123,000,000, and an indicated deficit for the following year of $1,417,000,000. He urges that the strictest economy be observed. With this suggestion I am heartily in agreement, and I will earnestly cooperate in every way to reduce expenditures, and I am going to begin now by voting against this moratorium bill, which postpones payments by foreign powers of $252,566,803, and which transfers that amount to the taxpayers of our own country.

If these foreign governments plead their inability to pay they should be urged to reduce their military and naval expenses and pay the amount saved on their indebtedness to us.

You may answer that there is to be another disarmament conference at Geneva on February 13, 1932. Since the moratorium was suggested last June, there has been plenty of time for the calling of such a conference before the assembling of the Congress in December, 1931.

The World War has been over since November 11, 1918, more than 13 years, and there has been plenty of time for the European governments to examine their budgets and to have realized the necessity for a reduction of armaments, both on land and sea.

I am unwilling to vote for a bill to postpone the payment of this indebtedness to us by governments which, through continued and increased expenditures, compel our Government to spend two and one-half times as much on our Army and Navy as we did before the World War.

Eighth. Let us very briefly survey the conditions in our own country.

I have already quoted from the President's message indicating the deficits for the current year and the year following. Our bonded indebtedness must be increased and additional tax burdens levied upon our own people. What is their condition? Reports indicate some six to eight million people out of employment. Innumerable thousands are being cared for through community chests and from charitable funds. Difficulty is being encounteded in many localities in raising sufficient of these funds. The pinch of winter is approaching. We should give more heed to caring for the needs of our own people before postponing payments due by foreign governments, and, to the extent of the amounts postponed, increasing the tax burdens of our own people.

The farmers of the country, who represent our greatest basic industry, agriculture, are receiving the lowest prices for their products within the memory of many now living, and certainly within a generation. Wheat when threshed brought to the farmers around 30 cents per bushel, and in some localities less; oats 12 to 15 cents per bushel; corn 18 to 20 cents per bushel; cotton around 1½ cents per pound in the seed; livestock—cattle, hogs, and sheep—below the cost of production; and all other farm products at ruinously low prices.

True, these prices have fluctuated favorably to some extent, but many farmers have had to dispose of their products upon the lowest markets to meet taxes, rents, and other urgent needs, and the other obligations for which they were mortgaged. They are making heroic struggles, but their purchasing power is all but gone. Business in some communities, largely supported by agriculture, is depressed to the point of bankruptcy. Mortgages are being foreclosed on their homes and farms. Many can not pay their taxes. School warrants are not being paid, and teachers must, in many localities, discount them at ruinously sharp rates. Industrial centers are feeling the loss of trade through the loss of the purchasing power of the farmers. The agricultural counties and States are losing population.

I have not overdrawn the picture. I know the condition of the farmers. I live among them and own farm lands myself. Only in exceptionally favored cases are any of them receiving more than taxes and the cost of their meager upkeep.

We have already remitted too much to foreign governments. In my judgment, to further postpone payments by foreign governments and to re-create the Debt Commission to encourage further postponements, reductions, or cancellations, will not remedy the unhappy condition of our own distressed people.

Ninth. Finally let me invite attention to the fact that the foreign debt settlements have been a harvest for international bankers. In every case when a settlement was made with a foreign country it was accompanied by a press report to the effect that a large loan had been negotiated by the international bankers at satisfactory rates of interest and large discounts. In turn these loans were sold to literally thousands of investors throughout the country. The latest reports are to the effect that some $6,000,000,000, or more, in foreign investments have been sold to the people throughout the United States. Now that payments on these investments may not be realized their market value has greatly depreciated. Everyone must appreciate that this moratorium is largely in the interest of the investors in these securities.

Let me again remind you that every dollar remitted or postponed is at the expense of the taxpayers of our own country.

Mr. SANDERS of Texas. Mr. Chairman, I yield three minutes to the gentleman from Missouri [Mr. SHANNON.]

Mr. SHANNON. Mr. Chairman, it is said of Stanhope, the greatest of English diplomats, that he never concerned himself with trifles. In the World War, when England and France had their backs to the wall, Lloyd-George cried out:

> As the Lord is my witness, England does not covet a foot of ground.

He meant it. An English diplomat always means everything he says concerning trifles. The loot, however, proved to be empires in territory—not mere feet—for those on the side of the victors who wanted to take.

England and France took freely of the territory of Germany. Then occurred a division of another kind. It was the taking of the livestock, hogs, and poultry, etc., from Germany, and dividing it among the people of Belgium and France. This was in reprisal for the despoliation visited upon France and Belgium by Germany. This, of course, is defended on the ground that it merely made amends for the destruction that took place in these countries at the hand of Germany.

The United States had contributed vastly in man power and money to all combatant countries on the side of the victor. In reparation it asked for nothing; in good faith, coveted nothing; and retired without profiting in any of the spoils taken from defeated Austria and Germany.

However, the United States had a bill, a vast one, running into billions, for moneys and supplies furnished England, France, and other allied countries. In settlement of this claim, a most liberal bargain was struck in favor of both England and France as to the amount to be paid by them to the United States. From the day that this was agreed upon these debtor nations have carried on in a way that could be construed as being nothing other than an attempt to renege on the debts owed us.

All of the United States has been in an unsettled business condition for the past two years. The administration seemed to take no serious notice of it, notwithstanding the fact that banks were failing by the hundreds weekly throughout the great Middle and Western States. Not until a disturbance showed its head in the banking circles in Pittsburgh and started on its march on the citadel of wealth in New York did the administration get busy. It began to leak out that the great banks of New York were loaded with paper of foreign governments and debtors in foreign lands that was worthless or almost so.

Then started the movement of governmental service, not to save humanity, or America, but to save the international bankers. It reached a climax, to my way of thinking, when in the early days of October, two meetings were held in the city of Washington. The New York Times, a reasonably carefully edited newspaper, announced that one of these meetings was held in the private apartments of Mr. Andrew Mellon, Secretary of the Treasury, at which there was present a representative of every Wall Street bank. Instantly following this meeting, there was an Executive call for an assembly of the leaders, so-called, of Congress, to come posthaste to Washington; and three nights later the second meeting was held at the White House.

It is said that Government officials offered in some cases to send high-powered airplanes for these congressional leaders, that they might get here more quickly. This was the fourth month after the famous moratorium poll by telegraph.

So one sees the spectacle of the Senators and Congressmen of the people answering a call from the Executive, and almost meeting, as they came in, the gentlemen from the Wall Street banks going out.

The big New York bankers delivered their message in secret. The Executive promptly responded to it, and assembled, not Congress, but its leaders, so-called. I have it from more than one of those who participated in the October White House meeting that the real purpose of the assembly was to grant a further moratorium, longer in time than the one granted by telegraph four months before.

To all America this thing should be odious. Why should there be any meetings in secret with the agents of the big financial concerns, and why should there be a meeting between the Executive and specially selected representatives of Congress on a matter of business that belonged to the entire people of the United States? Why not a meeting in open? Why should decisions concerning all America be arrived at secretly?

It now appears at this end of the international bankers, the Wall Street group, that they admit having made bad loans in Europe and indicate that if the United States waives

payments from England and France those countries, in turn, will cease collecting loot from Germany, and thereby the bankers will get something from their loans to industries in the impoverished countries; and then it is indicated that some of this will reach a small number of investors in America. On the contrary, if a regular, orderly course is pursued and the United States collects under its loans, all of America will share in all that is collected, as against the other plan through which only a small group of Americans will benefit.

In 1894 Grover Cleveland issued in times of peace $262,000,000 in bonds. For more than 35 years our Republican friends have said harsh things not only of Grover Cleveland but of the Democratic Party as well for his having done this. Growing out of the bond issue there was a Senate investigation, and Missouri's great Senator, George Graham Vest, undertook to make J. Pierpont Morgan disclose the profits that he made as a consequence of these bonds. Mr. Vest asked: "You decline to reveal the profits made by your firm?" Mr. Morgan answered: "I do, sir."

So you see the representatives of the international bankers of to-day, who decline to talk, have a precedent in the man who built this great financial tower that has finally brought all America to this terribly depressed state.

As an evidence that the great bankers have no patriotism in their souls, let me quote what Noyes said of the Morgan-Belmont syndicate of 1894:

> They measured with little mercy the emergency of the Government.

Who ever believed that the house of Rothschild, or the house of Morgan, or any other of the great financial houses, had either a heart or a soul? Verily, I believe that many countries were precipitated into the World War by propaganda and money used by these great houses for the specific purpose of saving their loans to Russia, France, and England, which would have been lost forever to those bankers if other countries had not been forced into the war. What great banking house ever cared how many human lives were sacrificed, so long as their loans and interest could be saved? [Applause.]

[Here the gavel fell.]

Mr. CANFIELD. Mr. Chairman, I yield myself time. I expect to vote for House Joint Resolution No. 123, known as the moratorium on foreign debts, to authorize the postponement of the amounts payable to the United States from foreign governments during the fiscal year of 1932 and their repayment over a 10-year period beginning July 1, 1933. [Applause.]

On June 20, 1931, President Hoover put out a statement through the press which read in part as follows:

> The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest, of course, not including obligations of governments held by private parties. Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year beginning July 1 next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.
>
> The purpose of this action is to give the forthcoming year to the economic recovery of the world and to help free the recuperative forces already in motion in the United States from retarding influences from abroad.
>
> The world-wide depression has affected the countries of Europe more severely than our own. Some of these countries are feeling to a serious extent the drain of this depression on national economy. The fabric of intergovernmental debts, supportable in normal times, weighs heavily in the midst of this depression.
>
> From a variety of causes arising out of the depression, such as the fall in the price of foreign commodities and the lack of confidence in economic and political stability abroad, there is an abnormal movement of gold into the United States which is lowering the credit stability of many foreign countries. These and the other difficulties abroad diminish buying power for our exports and in a measure are the cause of our continued unemployment and continued lower prices to our farmers.
>
> Wise and timely action should contribute to relieve the pressure of these adverse forces in foreign countries and should assist in the reestablishment of confidence, thus forwarding political peace and economic stability in the world.
>
> Authority of the President to deal with this problem is limited, as this action must be supported by the Congress. It has been assured the cordial support of leading members of both parties in the Senate and the House. The essence of this proposition is to give time to permit debtor governments to recover their national prosperity. I am suggesting to the American people that they be wise creditors in their own interest and be good neighbors.

After having read the statement put out by the President, a statement that I had every reason to believe was a statement of the facts, in which he said that something must be done at once or the Government of Germany would collapse, promptly on receipt of his telegram I wired him as follows:

> President HERBERT HOOVER,
> *Care of White House, Washington, D. C.*
> In reply to your telegram of the 22d, will say that I heartily approve of the 1-year moratorium proposed by you, providing all other nations will grant the same extension of time. When a moratorium is agreed to, there should be an understanding that there will be a suspension in the building of armament, or the extension of time will not accomplish the desired results.

Mr. Chairman, after having said I heartily approved of the 1-year moratorium proposed by the President I expect to cast my vote in favor of it, and had I not been convinced that it was the course to pursue at that time, I am frank to say that after listening to the Secretary of State, Mr. Stimson, the Under Secretary of the Treasury, Mr. Mills, whom we have every reason to believe have stated the facts before our committee, I would have been convinced that granting of an extension at that time prevented not only the collapse of the German Government but other governments as well.

I realize that many statements have been made here on this floor as to this being nothing more or less than a scheme of our international bankers; but those that have made these statements, in my opinion, have not been able to prove their case. The facts are, this move was made not only to save Germany, but to save ourselves, for had the German Government collapsed in June or July, others would have gone with it; all of Europe would have been affected and no one can tell what the ultimate result might have been on this country.

The Secretary of State and Under Secretary of the Treasury have informed us that Germany could no longer meet her payments and that if action had not been taken at that time it was, the possibilities are, that Germany would have gone into bankruptcy. And what would that have meant? Her debts to all countries would have been repudiated. Some of the other countries of Europe would have followed her, and those that were not forced into bankruptcy would have asked that the debts they owed us be canceled, the effects of which would have been disastrous.

In granting this extension there is one thing we must bear in mind—international debts are only moral obligations to pay, and can only be collected in one way, if a nation refuses to pay, and that is by using our Army and Navy, and this method I would not approve of; so our choice is not between payment and nonpayment, but between a settlement that can be met and the one that throws them into bankruptcy, destroys the Government, and creates chaos in not only one country but possibly in many.

It has been stated that this was the first move toward the cancellation of all war debts. By the committee amendment, which in fact is the Ragon amendment, we have stated emphatically that it is against the policy of this Congress to either cancel or reduce the debts, so there can be no question arise as to our position on this question.

It has also been stated that our farmers, who have made loans, many of our business men who are not able to meet their obligations, and the thousands upon thousands that are trying to pay for a home to live in should be granted a moratorium, and with this I agree; and will say here and now that I expect to do everything I possibly can to have legislation of this kind favorably considered during this session; but to refuse to pass this resolution will not help those who need extension in our country, in fact it may do the opposite; should the resolution not pass it might mean the collapse of not only the German Government but others as well and affect the already deplorable conditions we have in this country.

I realize it would have been better for the President to have called a special session of Congress, but he did not

do it, so now we are facing a problem that must be met; and the question that confronts us is, Are we going to refuse to confirm what, in the opinion of the majority of this body and the one at the other end of the Capitol, thought last June was the thing to do, and do what we can to relieve a depressed condition that existed in June and still is serious, not only in Germany but in many other countries in Europe, and here in our country; or, are we going to repudiate by our votes the guaranty that has been made by our President?

Mr. Chairman, as I stated in the beginning, I expect to support the resolution. [Applause.]

Mr. PARKS. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. PARKS. I desire to make the point of order that a quorum is not present.

The CHAIRMAN. The gentleman from Arkansas makes the point of order that there is not a quorum present. The Chair will count. [After counting.] One hundred and seventy-three Members are present, a quorum.

Mr. SANDERS of Texas. Mr. Chairman, I yield two minutes to the gentleman from Nebraska [Mr. HOWARD]. [Applause.]

Mr. HOWARD. Mr. Chairman, I rise now only for the purpose of calling attention to an unwitting error committed this afternoon by my colleague from New York [Mr. LAGUARDIA]. I am not one of those who is always accusing newspapers of misrepresenting. I was never misrepresented by a newspaper in my life, but sometimes the boys in their reports of my statements forget to use all of them. There was a case of that kind in the statement made to-day by the gentleman from New York, where he put me in the attitude of favoring the cancellation of all war debts. He was absolutely right in as far as he went, but my further statement was that I was in favor of canceling every war debt owed by any nation to another nation, provided all nations would agree to cancel all war debts due from any other nation.

Mr. LAGUARDIA. I shall be glad to add that to the gentleman's statement, which I quoted from the Associated Press.

Mr. HOWARD. I know the gentleman will, because he is always courteous and he is almost always accurate.

Mr. LAGUARDIA. I thank the gentleman.

[Here the gavel fell.]

Mr. SANDERS of Texas. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, in my speech upon this floor on December 9 I expressed the opinion that the President's action in granting the moratorium will inevitably lead eventually to the cancellation of our European debts. I now wish to state the basis for that opinion.

THE TREATY OF VERSAILLES WAS DICTATED

The treaty of Versailles was a dictated treaty. Germany signed it under compulsion. She yielded merely to force. Germany agreed to the armistice upon the basis of Wilson's 14 points, and placed herself in position where she could no longer resist the armies of the Allies. When Germany came to Versailles ready to make peace on those terms she was confronted by demands for territory, reparations, and other terms not contemplated in the armistice.

The Allies refused to make peace upon the terms of the armistice. Having Germany in a position where further resistance was impossible, they made vast extensions of their demands. Wilson's 14 points were ignored, and heavy additional conditions imposed upon a helpless Germany.

Germany regarded this as a gross breach of faith. She would never have signed the treaty except for the fact that her fleet had been interned at Scapa Flow, her armies had retired from their positions, and vast supplies of war material had been abandoned—she could not renew the war.

For this reason Germany does not recognize the treaty as having any moral binding force. Particularly does Germany resent the imposition of reparations postulated as it was upon the basis that she had deliberately provoked the war. All Germany was then, and is now, united upon one thing—that is, in refusing to accept the postulation of her war guilt.

Germany will never admit war guilt. She will never pay one penny of reparations without compulsion. She recognizes no moral obligation whatever to pay. She will pay only so long as she is unable to resist payment by force. The moment that Germany feels herself strong enough to resist payment, that moment will she refuse to pay anything further.

GERMANY WILL NEVER ACCEPT WAR GUILT

That Germany will never accept war guilt and will never pay reparations postulated upon war guilt is universally recognized. France and England have known it, and our Government has also been aware of it. Upon this field has raged the battle of the diplomats over the settlement of the debts owed to us by the European nations. Our debtors have sought to unload upon us the burden of collecting from Germany. We in our turn have taken the position that reparations are a matter between England, France, and other allied countries on the one hand, and Germany on the other, and with which America had nothing to do. We have insisted that the allied countries pay us what they owe us whether they collect anything from Germany or not.

Upon the issue as to who should act as collector from Germany, the battle has gone on between our diplomats and those of the Allies. France was the last to give in. She did so haltingly and grudgingly, maintaining to the last that her payments to us should be conditioned upon collection from Germany. It seems certain that concessions were made to our debtors, particularly to France, upon amount and terms of settlement, to induce her to give up the insistence that we should be the collector from Germany.

The American position was steadfastly adhered to during the Wilson administration. Under Secretaries Hughes and Kellogg it was firmly defended. It has remained for President Hoover to make a complete surrender of that position and at last to condition payments to us upon the ability of our debtors to collect from Germany. The President and Secretary Stimson have laid down their arms upon the field which was so courageously defended during the Wilson administration and under Harding and Coolidge.

It will be seen that President Hoover's action has a much wider significance than the mere granting of a year's delay on the debts. It is the way in which it was done that is disastrous. It is the fact that at the instance of Germany the President took the initiative and volunteered to secure from England and France the postponement of reparations payments.

Had the President adopted the strategy of having the proposal come from France or England, and the postponement made at their instance and for their benefit, the diplomatic situation would be different. We would not then have been connected with the reparations problem.

REQUEST FOR MORATORIUM SHOULD HAVE COME FROM ENGLAND OR FRANCE

Probably France, and certainly England, had as much interest in an extension to Germany as we ourselves. England also had her vast private loans to Germany. The consequences of Germany's political collapse would have been more harmful to France and England than to us. Sooner or later the request that we make the extensions would have come from them. It is certain that, at a hint from President Hoover, England and France would have been glad to make the request for the extension. England gladly would have taken the initiative. She needed the extension almost as badly as Germany.

For this lack of diplomatic foresight the battle was lost. Whether Congress ratifies the President's action is of little moment. Our Government, by his action, has admitted that our debtors are entitled to extensions until they can collect from Germany. If Germany does not pay, they are not to pay. In logic this does not relate merely to payments falling due in 1931 and 1932, but to the entire debt; it is applicable to all the payments. The logic of the President's action is

that if France and England can make no future collections from Germany, they are under no duty to pay anything upon what they owe us.

The significance of the President's action and the logic of its consequences are known to the nations. France and England know that they need not pay us if Germany does not pay them. Germany knows it also.

Germany will not pay one penny more unless she is forced to do so. All future collections must be extorted from Germany through superior force. France used this force when she invaded the Ruhr, and might use it again. Germany knows that America will not use armies and navies to force her to pay. She knows that the burden of collecting from her has been unloaded upon us. She knows that public opinion in the United States will not tolerate that we use force to collect from her. Under these circumstances Germany will not pay.

Germany will not pay because she feels under no moral obligation to pay. She will not pay because we will not use force to compel her to pay. France will not pay us because she now has the admittedly valid excuse that Germany will not pay her. England, Italy, and all the rest have this perfect excuse; and we are forbidden by the logic of what we have done from answering our debtors that they should pay whether they can collect from Germany or not. We have agreed that we are interested in German reparations. We can never get away from that.

THE BATTLE OF THE DEBTS IS LOST

The President presents Congress with an accomplished situation. Our cause is already lost. What we are doing here now is a vain and futile thing. Whether we ratify or not, our debts are lost. We will never be able to collect anything more.

The President's action in granting the moratorium without the consent of Congress was illegal. His attempt to cover it up by polling Congress by telegram was undignified and unstatesmanlike. It was unjust and unfair, for he did not tell the Members whom he sought to bind by their answers the facts. Congress does not yet know the facts. When in after years the secret correspondence upon which the President acted is finally unrolled it will be found that we are called upon to vote to-day without any real and comprehensive knowledge of the facts which should control our action. In that unprejudiced day the just commentator will pronounce the action of President Hoover in granting the moratorium as not only illegal and unconstitutitonal, but as comprising the most stupendous diplomatic blunder in our history.

Our troops won the battle of the soldiers in the Argonne—President Hoover lost the battle of the debts in Washington. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield seven minutes to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. Mr. Chairman and members of the committee, a majority of the Members of the House of Representatives and of the Senate of the United States responded to the President last June to the effect that, if he entered into this moratorium proposal with other nations for the postponement of intergovernmental debts, they would support that action when Congress convened.

The argument has been made here that the proposal now before us in the joint resolution differs from the arrangement which the President announced on June 20 that he intended to propose to the nations involved. We have heard much about the London protocol and about the Franco-American agreement, and both in this House and before the Committee on Ways and Means, there have been constant reiterations that we should get the London protocol and the Franco-American agreement for proof of the claim that there is a substantial variance between the proposal which the President announced on June 20 and that which is contained in the pending joint resolution.

When the time came for the settlement of details which necessarily followed the main proposal, France did request, and did secure, a slight change in the modus operandi with reference to the unconditional reparations that were to be paid by Germany under the Young plan, but it would be a great violation of logic and an equal perversion of judgment to say that that arrangement was any substantial variance from the proposal made by the President on June 20.

I have before me the so-called Franco-American agreement, dated July 6, 1931, which was released to the press on that date, and therefore everybody has had the opportunity to learn the contents of that document, and the difference is not as serious, either in its inception or in its contents, as it has been presented to us to be.

The first and second paragraphs of that agreement read as follows:

1. The payment of intergovernmental debts is postponed from July 1, 1931, to June 30, 1932.

Second. However, the Reich (meaning Germany) will pay the amount of the unconditional annuity. The French Government agrees, in so far as it is concerned, that the payments thus made by the Reich shall be placed by the Bank for International Settlements in guaranteed bonds of the German railways.

The protocol of the London conference, under date of July 23, 1931, made no reference to the arrangement between France and Germany, but the London committee of experts, in its report of August 11, 1931, provided the terms and plan of operation of that agreement in the following language, as contained in its Annex I, namely:

(a) On the 15th of each month, from the 15th of July, 1931, the German Government shall pay to the Bank for International Settlements an amount in foreign currencies of 51,000,000 reichsmarks as defined in the new plan.

(b) The Bank for International Settlements shall make the normal provision by means of these amounts for the part of the service of the German Government international 5½ per cent, loan, 1930, which is chargeable on the unconditional part of the annuity.

(c) The balance of about 45,000,000 reichsmarks shall be paid over the same day by way of loan in foreign currencies to the German Railway Co. by the Bank for International Settlements.

(d) During the period from August 1, 1931, to July 1, 1932, both inclusive, the creditor governments, acting in agreement with the German Government, hereby give the necessary instructions to the Bank for International Settlements to release the German Railway Co. from the reparation tax of 55,000,000 reichsmarks which that company has to pay monthly under the terms of the debt certificates of the German Government and the German Railway Co., subject to the three conditions, that—

(i) On the 15th of the preceding month the German Government shall have paid to the Bank for International Settlements in foreign currencies the sum of 51,000,000 reichsmarks mentioned under (a) above.

(ii) The sum of about 45,000,000 reichsmarks mentioned under (c) above shall have been paid in foreign currencies to the German Railway Co. by way of loan against the delivery of that company's bonds, all in accordance with paragraph 2 below of the present Annex.

(iii) The service of the German external loan, 1924, in respect of interest and sinking fund shall have been assured.

In other words, in order to avoid a technical default or technical variance in the terms of the Young plan with reference to unconditional payments to be made by Germany, it is provided that Germany would go through the form of paying the money into the Bank for International Settlements and that the bank on the same day would invest the money in the bonds of the German railway. The German railway is associated in such a way with the German Government that the money would actually be available to the German Government itself.

Notwithstanding these facts, I call attention to the statement in the views of the minority—which I hope was made unintentionally—the minority of members of the Ways and Means Committee who dissented from the majority of the committee with reference to the passage of the bill.

I refer to page 11, where I read, as follows:

It is patent that the postponement sought in this legislation is not for one year. It is true that the legislation treats of the payment of the debts for a 1-year period, but this deferred payment is strung out over a period of 10 years. It was admitted by the spokesman for the administration, Mr. Mills, that the President did not have in mind June 20, 1931, the payment over a 10-year period of the indebtedness due for this fiscal year.

Further, as evidenced by the above quotation, the postponement was to be "of all intergovernmental debts." In the agreement finally reached France refused to accede to that proposal. All unconditional reparations due France from Germany are to be paid. There can be no doubt but that such condition is a

deviation from the President's proposal. France is given a decided advantage in this respect.

Of course, when the moratorium was to be granted for one year, some arrangement had to be made for the payments due during that year. The whole scheme of payments might have been extended for one year and then the last payments would in every case have occurred a year later than contemplated by existing agreements. That would have constituted a real moratorium for one year. A doubling of all payments during the following year would obviously have imposed greater burdens than the nations could bear on the basis of their "capacity to pay," which we ourselves laid down as the rule in the debt-funding agreements. The extension of the payments postponed during the moratorium year over a period of 10 years is an exceedingly fair arrangement, particularly since the deferred payments are to carry interest at 4 per cent per annum.

In the second paragraph, which I have quoted from the "views of the minority," they say merely that payment was to be made, but they do not say that immediately on the same day the money is made available for the German Government by the operation of the Bank for International Settlements.

We have had similar innuendoes and insinuations before the Committee of the Whole and before the Committee on Ways and Means during this debate. We have heard the same character of argument in opposition to this bill—deductions drawn and conclusions made with reference to important international problems. We have seen this procedure repeatedly; gentlemen will read a newspaper account and then refer to some mysterious document, like the protocol of London or the Franco-American agreement, and then draw unwarranted conclusions. You have heard them say repeatedly: "It is fair to assume"; "It is reasonable to infer"; "It seems obvious"; "It is a proper conclusion"; and so forth.

For instance, it happened that the German Government did not avail itself of the moratorium provided under the Young plan before Premier Laval of France came to Washington. The Premier had conferences with President Hoover and an interchange of courtesies and of views, of course. He went back to Europe. He arrived in Paris, and soon thereafter Germany took steps to avail herself of the moratorium privilege under the Young plan, because conditions in Germany had been growing constantly worse. One of our good brethren comes here and tells us that the Germans did not use the moratorium before Premier Laval came to America. He came here and then went back, and thereafter Germany invoked the moratorium under the Young plan.

It is at once concluded that Germany made use of the moratorium under the Young plan because Premier Laval had been to the United States and had some conferences with President Hoover, and that Mr. Hoover and he had entered into a secret arrangement that Germany should immediately avail herself of the moratorium privilege under the Young plan. That is the kind of argument we have heard from the gentleman from Pennsylvania [Mr. McFADDEN], who by innuendo and inference has sought to create a world situation which exists, fortunately, largely in his own imagination. Things are bad enough in the world to-day. We had some information before our committee which gave us very great food for thought, and every Member of this House feels the responsibility of the present moment; but we will not improve conditions by injecting into the situation things that do not exist, and by drawing inferences and conclusions from rumors and hearsay and newspaper articles and what not try to create a condition which has no foundation in fact. [Applause.]

Mr. Chairman, let us brush away subterfuges and camouflages and bravely and fairly face the actual situation. The moratorium was necessary and imperative last June. It saved the world from impending disaster by rescuing Germany from immediate collapse. We can not simply refuse to be "our brother's keeper." Our brother needs help, and we should extend to him the assistance within our power. In doing so we are also serving our own best interests. The collapse or even temporary setback of the civilization, of which we are ourselves both the product and a large moving force, would certainly bring irreparable losses to our own people. This moratorium proposal, having given and promising at least temporary aid, merits, aye, it demands our prompt and wholehearted approval.

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent to include in my remarks a statement of the President and a copy of my telegram.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. CANFIELD. I yield five minutes to the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Chairman, last June, on receiving a telegram from the President, I answered immediately, without consulting anyone, that I would support the moratorium. I did so because then I realized from my study and from the information that I had received the condition that really existed in Germany at that time—a condition bordering upon communism and chaos. I did so because I realized that if the conditions in Germany were half as bad as they were said to be they would affect America to a great extent. I did so because the President at that time said that politics were not to be considered in it, and yet, unfortunately, within a very few days the statement was given out by some high-ranking members of the Republican Party that this was a wonderful piece of constructive work on the part of the President and would insure his reelection. Imagine my surprise when I came to Washington at this session at the gentleman from Pennsylvania [Mr. BECK] taking it upon himself to advertise to the country that every Democrat on this side of the aisle was against the President on the moratorium question and that every Republican was for him. Not only that happened, but only this last week the Secretary of War broke loose before the National Republican Executive Committee. He seemed to think, and he expressed the thought, that there was not a Democrat in Congress who had even an idea, that we were waiting here for the President to tell us what to do. And so I am for this moratorium regardless of what has happened, because I believe it is for the best interest of the world situation to-day, the Republic of Germany, and, above all, the United States. [Applause.]

Mr. HAWLEY. Mr. Chairman, I yield two minutes to the gentleman from Washington [Mr. SUMMERS].

Mr. SUMMERS of Washington. Mr. Chairman, upon receipt of the President's wire as to my attitude on a 1-year moratorium on allied debts, I wired as follows:

JUNE 23, 1931.

Hon. HERBERT HOOVER,
President of the United States, Washington, D. C.

Wholeheartedly indorse your constructive proposal to postpone for one year all intergovernmental debts contingent on positive assurances of immediate and substantial reduction in expenditure on armaments by all participating nations.

JOHN W. SUMMERS.

Mr. Chairman, this telegram committed me to the moratorium "contingent on positive assurances of immediate and substantial reduction in expenditure on armaments by all participating nations."

I have made careful inquiry, but have not found the slightest evidence that these nations have reduced expenditures on armaments one single dollar.

With Germany on the brink of a financial collapse, with its disastrous effects on all Europe and America, I did not expect delay while international conferences were assembled, but I did believe then, and I do believe now, that a demand for curtailment of expenditures for armaments, coupled with the moratorium, might have been effective in diverting Europe from preparations for war and starting her on a sane course—even on the road to economic recovery.

WHAT ARE THE FACTS?

The six great powers of Europe have increased their expenditures on armaments 65 per cent since 1913.

From an editorial in the Washington Post I quote this interesting statement:

The following table shows expenditures for armaments in 1930, as compiled by the War Department, and installments on the debt to American taxpayers, which are suspended by the moratorium:

Country	For armaments	For debt to United States
Belgium	$23,247,347	$7,950,000
Czechoslovakia	41,056,000	3,000,000
France	547,133,935	50,000,000
Great Britain	608,024,880	159,520,000
Italy	322,337,000	14,706,000
Poland	122,995,000	7,486,000
Rumania	67,061,000	800,000
Jugoslavia	47,491,000	250,000
Total	1,779,346,162	243,712,000

The outlay of these eight principal debtor nations for armaments is more than seven times what they pay to the United States on account of their war debts. It is strange that Europe should make such a clamor over annual obligations amounting to less than $250,000,000, while stubbornly refusing to cut down its armament bill that is not far short of $2,000,000,000. So long as these tremendous expenditures for the materials of war continue, any aid that the United States might give through a temporary scaling down of debt payments would be negligible.

Under these conditions, Mr. Chairman, I can not keep faith with our honored President, myself, and my constituents and vote for the moratorium. My vote must therefore be recorded against it. Others who pledged themselves unconditionally will no doubt also keep faith and vote for the moratorium.

No question but Europe's tax burdens are heavy, but I do not conceive it as my duty toward a spendthrift individual or nation to encourage the pursuit of wasteful habits.

While this moratorium does not directly involve cancellations, I want to record myself now as against cancellation of foreign debts. I am opposed to scaling down. I am opposed to reductions. I am opposed to reestablishment of the War Debt Commission. I believe Europe is as able to pay during the next 60 years as my farmers are to pay their debts at this time.

If international bankers have oversold worthless foreign securities, then that is their affair and shall never become the burden of the American taxpayer by my vote.

Of course, these nations are in distress, but their distress is of their own making. More than that, they have brought distress on America and the world. I want these nations to know that the attitude of Congress and the American people is against cancellation or reduction. When the countries of Europe know that as to war debts they must stand on their own financial feet, they may be slower in precipitating another world cataclysm. [Applause.]

Mr. SANDERS of Texas. I yield three minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman, ladies and gentlemen of the committee, it is my intention to support this resolution, thereby keeping faith with the President of the United States. When I answered the President in my telegram last June, I said that I would support a 1-year moratorium was absolutely against any debt cancellation, and I say now that I will be absolutely against any further extension of the moratorium. Section 5 of this resolution very clearly expresses my sentiments.

A very close and dear friend of mine, a newspaper man, was in Berlin the night before the news was flashed to Germany of the moratorium going into effect. He said that in the city of Berlin that night there was hardly a soul upon the streets, there was a tenseness in the air, and there were police upon every corner waiting for the communistic riots which they felt sure would take place the next day, probably leading to revolution, if the moratorium did not go into effect.

I believed when I answered the telegram of the President that I was doing something to help to prevent chaos in Germany, chaos which would bring disastrous results to the entire world. Therefore I am going to vote for this resolution to keep faith with the President. And may I express the hope also that those of you who are voting for this resolution to-day, those of you who spoke so feelingly in debate of the heroism of the American service men during the World War, everybody in this House who votes to place this moratorium into effect to-day will, when my friend from Texas [Mr. PATMAN] and I immediately after the Christmas recess ask the Ways and Means Committee of the House of Representatives to bring in a bill for the immediate cash payment of the soldiers' bonus, vote for that also. We have helped Europe by this moratorium; from now on let us see to it that we take care of America, and let us begin first of all by passing a bill to care for the widow and orphan of the veteran, and then pass the cash payment of the soldiers' bonus. Let both be passed early in the session, thereby show the people of America that the country is not ungrateful to the men who fought her battles. [Applause.]

Mr. HAWLEY. I yield five minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman and members of the committee, I had not expected to speak this evening until I heard the gentleman from Arkansas, refer to the Germans as the enemies of the United States. I had thought we had gotten over that war hysteria long ago. The great war President Woodrow Wilson repeatedly informed the American people that we had no quarrel with the German people; but that we were making war on the militaristic and autocratic imperial government. Now that Germany has a republic, I think it comes with bad taste, in the House of Representatives, to speak of the enemies of the United States as the German Republic and the German people.

In these few minutes, however, I would like to say a few words about the tragic conditions that exist in the German Republic and commend the gentleman from Massachusetts [Mr. CONNERY] for what he has just said about communism in Germany. There are 15,000,000 communists in the German Republic to-day, one-fourth of the entire population, whereas in this country out of 120,000,000 people, there are scarcely half a million. When the gentleman from Massachusetts [Mr. CONNERY] tells you about the menace of the communists to the German Republic, he is speaking nothing but the truth.

The seriousness of the situation that exists in that great country at the present time can not be overemphasized. When you say you are giving away something to the German people and to the German Government, you are only giving a holiday of one year on war debts and reparations to provide a breathing spell to the young German republic and save it from communism or fascism. We are not proposing to cancel any of our war loans to any country. The international bankers sent over their high-power salesmen, sent them into every little municipality in Germany, and competed there to sell bonds to those little municipalities to build bridges that they did not need and courthouses that they did not need, in order to make a profit and commission for the big bankers in the United States. We are not altogether blameless for the economic conditions in Germany to-day.

I read in the paper only yesterday—I am not vouching for its accuracy, because it is difficult to believe—that 20 per cent of those Germans who had insurance policies amounting to over 5,000 marks have in the last year committed suicide; that the middle class of Germans are in despair; and that there will be no hope for them unless this moratorium on war indemnities and reparations is granted immediately and they are relieved from the heavy burden of taxes and afforded a ray of hope. No people or no country can exist without hope of economic stability.

If we do not vote for this moratorium, then we help to bring about a revolution in Germany, either toward the right and fascism or toward the left and communism. In either case we will probably lose all the money we have put into Germany and our war debts as well.

Mr. YON. Will the gentleman yield?

Mr. FISH. Yes.

Mr. YON. Does the gentleman think more of Germany than he does of the United States?

Mr. CONNERY. Will the gentleman yield to me to answer that?

Mr. FISH. Yes.

Mr. CONNERY. Everyone in this House knows that the gentleman from New York was an A No. 1 soldier in the American Expeditionary Force in the World War. [Applause.]

Mr. FISH. I will say this to the gentleman, that I do not mind in the least standing up in the House of Representatives and defending the honor and integrity of the young German Republic. [Applause.] I want to see that Republic survive. Its economic stability is essential to world stability and to the peace of the world. I do not want to see it turned toward communism or toward fascism through any action of ours. We brought about the creation of that Republic when we defeated German imperial militarism and autocracy, and I hope we will have no part in causing its overthrow either to the right or to the left by refusing to vote for this moratorium. [Applause.]

[Here the gavel fell.]

Mr. SANDERS of Texas. Mr. Chairman, I yield one minute to the gentleman from South Carolina [Mr. GASQUE.]

Mr. GASQUE. Mr. Chairman and gentlemen of the committee, when I received a telegram from the President of the United States last summer asking whether I would support this moratorium for Germany, without having seen anything in the press or elsewhere, I said to myself and my friends, "This is a step toward the cancellation of the debts of the allied nations in Europe," and I made up my mind then I would oppose this measure before I heard anything else said about it.

The President in his telegram to us intimated that he was not in favor of the cancellation of the war debts. However, every day since, he has been coming nearer and nearer to declaring himself in favor of the cancellation of the war debts.

I shall vote against this resolution for the following reasons:

First. Because I am convinced that the President acted without authority in negotiating with foreign nations on this matter. He violated the Constitution, and he knows it. When I received the President's telegram asking support of his position I immediately tore up the message, refusing even to answer. I saw, and so informed my friends, that this was a movement of the international bankers to cancel all European war debts. The President, however, emphasized in his telegram that this was not true, that he was not in favor of this. Time, however, has told the tale. In his message to Congress he virtually admits that this was what he advocated.

Second. I believe in the adage that charity begins at home. The President seems more interested in Germany than in the great mass of his own or rather our own people. While he and some of his followers claim to be trying to save Germany, thousands of the farms and homes of our American people are being put on the block and sold by the Government of the United States through the farm land-bank agency. Why save Germany and sell out America? What do our people care about foreign nations and charity when they are hungry and destitute? We are breeding communism in this country while trying to save Germany from communism. Our President seems indifferent to conditions in this country, while he seems very much interested in conditions in Europe. Why? I ask you, why? Why has not the President asked for a moratorium for those of our farmers whom the Federal land bank is foreclosing daily because of the conditions brought about by legislation in behalf of greed? Why is he not asking for a moratorium for the millions of farmers and home owners whose homes are being sold daily for taxes? Why is he apparently not interested in saving the thousands of lives who are starving? May I answer? He is more interested in saving the international bankers than he is in saving the people of this great country. I shall vote against this resolution until the President takes some steps or shows that he is first in favor of saving his own country, in favor of saving the homes of our own people.

[Here the gavel fell.]

Mr. HAWLEY. Mr. Chairman, I yield myself nine minutes.

The general proposition has been so well stated by the gentleman from Mississippi [Mr. COLLIER], the gentleman from Georgia [Mr. CRISP], and other gentlemen who have spoken in favor of its passage that I shall not traverse their statements and arguments. There are a few things I wish to add which have not yet been developed.

This resolution is not a moratorium, but proposes that each of the signatory powers shall postpone the collections of moneys due them from others for one year.

Other nations have accepted the leadership of the country and man in whose disinterestedness, good faith, and strength all trust. The United States demanded no reparations. President Hoover administered our assistance once before in their time of necessity. He is probably the only living man who could have united the nations in a movement for mutual relief in this crisis. It is, I think, the outstanding economic and financial program, involving the good will of nations toward each other and their common cooperation in any plan to solve a problem involving great distress and difficulty.

The President is the official designated to communicate with other governments. This he usually does through the agency of the State Department by means of which he prepares proposed international agreements. This agency President Hoover employed in the negotiations which resulted in the proposed agreements embodied in the resolution now under consideration. But the President is not limited to this agency. Since this postponement proposal involves financial considerations, he employed the Treasury Department, the fiscal agency of our Government. We could not ask other nations to temporarily postpone payments due them unless we were willing also to postpone payments due us.

The subject matters to be discussed with other governments is in the discretion of the President. President Hoover, being convinced that the public interests of our Government and the best interests of our people as well as those of other nations would be best so served, instituted the negotiations essential to secure relief for the benefit of the signatory powers, including our own—a practical proposal of great humanity to a large proportion of mankind. This was done that Congress might have definite proposals which would accomplish all that is possible to be done, and that Congress would be assured that what it did would be effective. Having done this preliminary work, he has submitted to Congress directly and through the State and Treasury Departments, with great frankness, the information upon which our action is to be predicated.

Congress is not in a position to conduct such negotiations, nor to have secured the essential concurrence of other nations.

The President has taken only such action as was necessary and incumbent upon him to take, if we, as the leading Nation in the world to-day, are to justify that high and responsible position for the benefit both of our own and all other peoples by means of the relief proposed in the pending resolution, intended to ameliorate the universal distress.

The resolution before us provides for the suspension for one year of payments between governments and the repayment of the moneys now due in 10 annual installments, beginning July 1, 1933. It contains no direct statement, no implication, directly or indirectly, open or concealed, looking to any reduction in the amount of the indebtedness owed to us by any country or a cancellation of such indebtedness due from any country, nor anything else, except the plain proposal that for one year the world as a whole, represented by the great governments and the smaller governments signing the protocol, shall forbear the collection of moneys from each other and let every country remain in statu quo, with its resources and opportunities unimpaired.

Kindly recall the map of Europe in your memories. Early in 1931 in the southeastern part of Europe, banks and financial institutions began to be in trouble and to fail, at first involving 70 per cent of their available working capital. Then failures increased in all those southeastern countries until their credit was seriously impaired and their trade and industries, in distress. They had insufficient capital with which to pay wages, to buy their raw materials, or to operate their industries.

The growing depression then spread into Germany; and that country, which had been steadily building up, suddenly found its credit so greatly impaired, owing to the withdrawal of $850,000,000 in cash and credit, and for other reasons, that its financial system and credit structure were seriously embarrassed and collapse imminent. Other nations gave assistance. The German Government attempted to stem the tide from public resources. The measures were unavailing; Germany had to abandon the gold standard it had adopted after so long a struggle several years before. The dark shadow crossed the channel into England; and that great country, having resources almost unlimited in extent and having its ramifications into every part of the world and of the ocean, was compelled to depart from the gold standard. Following the English disaster 13 countries in all abandoned the gold standard—from Canada and England on the Atlantic to Japan on the Pacific. Departing from the gold standard means that their credit was so impaired, their trade so reduced, and the government's resources so endangered that they could no longer pay a gold dollar in settlement of a debt. The English pound, valued in gold at $4.8665, is quoted in exchange to-day at about $3.30. The postponement of debt payments is a burden on and a benefit to all countries, including our own, but the rehabilitation of other countries will be greatly to our benefit.

The United States is interested in foreign trade. For the four years 1926, 1927, 1928, and 1929 we sold abroad approximately $1,900,000,000 annually; but in 1930, the first year of this present depression, we sold abroad to the countries signing the protocol $450,000,000 less than in the preceding years. Those countries were not able to buy in the usual quantities by reason of their impaired credit and financial resources. They did not have the ability to buy. Their financial condition was such that they could not buy. Germany had 5,000,000 people unemployed; and other nations, in greater proportion on the continent of Europe and in somewhat less proportion in England. They did not have the ability to buy, and their trade with us alone fell off $450,000,000 and with all the world in a much larger amount. This great diminution in our foreign trade, due to the depression abroad, curtailed our trade abroad, to the serious disadvantage of our farmers, our labor, and our industries.

The present year will show a further decline. The disasters of Europe have spread. Her inabilities to transact business have increased. Her people have become less able to purchase the necessities and comforts of life.

No question was ever more thoroughly investigated by a President of the United States than was this question. When it began to be evident that some unusual procedure would be necessary to meet the conditions, not only here but abroad, every diplomatic agency, every commercial agency through the Department of Commerce, and many other agencies, made a survey of the whole field of Europe; and the report from all different and divergent sources contained the same story, that the distress was great and increasing, and the danger of collapse of countries, great and small, was imminent. This threatened collapse in nations with the concomitant suffering of its people, even though later a recovery would be made, presented an appalling spectacle which no humane heart can contemplate without a desire to help.

At that time the President took counsel with the people of the United States, of Congress, and others in the country who had made investigations of economic problems or were engaged in domestic production and foreign trade. He came to the conclusion, after an enormous volume of information, that the proper solution of the problem was in the proposal now before us.

Ladies and gentlemen of the House, the United States has rendered to the world great and immortal services. We established the representative form of government which has taken the world, and after the last great World War, one of its most remarkable and satisfactory results was the downfall of monarchy after monarchy and the establishment of government by the people. We have rendered to the world services that can not be estimated except after a careful, detailed study in the matter of the development of international law, the promotion of peace and the avoidance of war, and the humanizing of the relations between armies in the course of war. We are now confronted with a world in distress, with a world that has taken the proposal that we have submitted, and, since July 31, has acted upon it, anticipating our action. With a world in anguish, people in uncertainty, governments long established and held to be as strong as Gibraltar tottering on their bases, we have a great opportunity to show the world the magnificence of the American spirit, the broadness of our vision, and the greatness and width and depth and height of our humanity. [Applause.]

Mr. CANFIELD. Mr. Chairman, I yield three minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Chairman, I am under no pledge of any kind to anybody with respect to this resolution. I shall vote exactly as if my vote were the deciding vote to seal the fate of this resolution. Therefore I shall vote for it. [Applause.]

It may be that by passing this resolution beneficial results will follow. We are dealing with a world largely bankrupt and it may be that if we pass this resolution good results will be reflected back into America. So far as I can judge no possible harm can come from passing the legislation, whereas unfortunate results might follow if we defeated the legislation. [Applause.] For one I shall not aid in any attempt to defeat a resolution which may be helpful but which can not do any possible harm.

It is the first of the measures on the program of the President of the United States affecting the economic situation in this country, and I cherish the hope that when the moratorium which he negotiated has been ratified by the Congress of the United States, that the next measures on his program will be for the rehabilitation of our own country. [Applause.] We can not afford to be placed in the attitude of attempting to do something for the remainder of the world while disaster and bankruptcy threaten so many millions of American homes. [Applause.]

Mr. SANDERS of Texas. Mr. Chairman, I yield four minutes to the gentleman from Florida [Mr. GREEN].

Mr. GREEN. Mr. Chairman and gentlemen, I have recently introduced a bill which looks toward the end that the distinguished gentleman from North Carolina has just suggested, namely, to provide for a moratorium of two years to the farmers of America on mortgages to the Federal land banks. This bill is as follows:

H. R. 6008

A bill to make provision for extending the time for making payments under loans from Federal land banks, and for other purposes

Be it enacted, etc., That the time for the payment of any installment due and payable to any Federal land bank prior to one year after the enactment of this act, under the terms of any mortgage securing a loan made by such bank, may, at the request of the person from whom such installment is due, be extended by such bank for a period of not more than two years; except that this act shall not be construed to authorize extension of the time for payment of any installment under a mortgage in respect of which a foreclosure proceeding has been instituted.

SEC. 2. The Secretary of the Treasury is authorized and directed to make advances, within the limits of appropriations hereafter made for such purpose, to Federal land banks of amounts equal to installments in respect of which extensions of time have been granted as authorized in section 1. The bank to which any such advance is made shall repay the same to the United States, without interest, within such time, in such manner, and under such terms and conditions as the Secretary of the Treasury and the Federal Farm Loan Board, acting jointly, may prescribe. Amounts so repaid shall be covered into the Treasury as miscellaneous receipts.

My colleagues, until such time as action is taken on that bill, I feel that the Congress should proceed very cautiously in its charity to foreign nations.

Somehow I was impressed by the remarks of the gentleman from New York [Mr. FISH] in regard to the suggestion that the middle-class of Germany is on the verge of ruin. I would like to remind my colleague that with 4 per cent of the American people in possession of 80 per cent of the wealth of the country, and with a few industrialists and the international bankers of the country—and I hold no enmity against them—intrigued with foreign countries to protect their own investments, our own middle-class is in danger of its existence. These financiers and bankers favor the cancellation of debts to our American Government. I feel that we should first look out for the plain American taxpayers. [Applause.]

Thousands of our American farmers are losing their farms to the Federal Government on account of the foreclosures of these Federal land bank mortgages. They are entitled to an extension of time on payment. It is impossible for them, many of them, to meet the obligations on their mortgages. After foreclosure the land banks are unable to promptly dispose of the lands; in fact, the banks do not need or desire the lands; therefore we should extend these farmers the courtesy and assistance that these capitalists and international bankers desire to extend to our foreign country debtors. With me, our own American citizens come first. I oppose a moratorium to foreign countries until after a moratorium is extended to our own citizens; in fact, I am opposed to any moratorium that may lead to further cancellation of our foreign debts.

I shall soon see how many of my colleagues will soon vote for my farm-loan moratorium, as it is very apparent that the matter may soon come up for your approval or disapproval. I hope you will stand with me in the interest of our own depressed farmers.

My friends, to-day I listened with much interest to the splendid speech of the eloquent young lawyer from Kentucky [Mr. VINSON]. He well carries on for the great Henry Clay, of Kentucky, and also to that finished statesman and jurist, Judge ESLICK, of Tennessee, as well as the sane and conservative gentleman from Texas [Mr. SANDERS], and these gentlemen all advised us that in the deliberations of the Ways and Means Committee it was never made apparent to them that the foreign nations are on the verge of failing to pay their payments now falling due. On the other hand, they believe, it appears, that these foreign nations are able to pay, and in fact have not all asked for the moratorium, so why this uncalled for generosity of America.

From the information they gave us on the floor to-day, it is very apparent that the foreign nations have no intention at this time of refusing to pay, or in fact were not able to pay their debts to the American Government.

With a near two billion dollar deficit in our Treasury and 7,000,000 people unemployed, with our President and the Congress now looking to the rehabilitation of the country through home building, how we can believe it is sane economy and good American statesmanship for us to be more generous to our foreign neighbors than we are to those whom we represent in this chamber is beyond my understanding. [Applause.]

The American people are already groaning under the present burden of taxation; yes, taxation from municipality to Federal tax. Cancellation of debts owed the Government by foreign nations will in the end bring additional tax on our people to meet the Government's obligations. Gentlemen, in the name of fairness and good common sense I beg you not pile additional tax burdens on my people. [Applause.]

[Here the gavel fell.]

Mr. CANFIELD. Mr. Chairman, how does the time now stand?

The CHAIRMAN. The gentleman from Mississippi has 13 minutes remaining, the gentleman from Texas 5 minutes remaining, and the gentleman from Oregon 2 minutes remaining.

Mr. SANDERS of Texas. Mr. Chairman, I yield five minutes to the gentleman from Kentucky [Mr. GILBERT].

Mr. GILBERT. Mr. Chairman, if I answered the telegram from the President of the United States, which I think I did not, it was under the impression that there had suddenly arisen a situation to be sustained by irrefutable evidence that Germany was in a state of collapse.

I came into this discussion with the intention of supporting this measure. The debate is about to close. The majority members of the Ways and Means Committee, who are the proponents of the measure, and upon whom the burden of proof naturally rests, have utterly failed to give us, who want to support the President, any excuse whatever for doing so. On the contrary, the committee, organized under the Young plan, with greater facilities for finding out the conditions, report that Germany is able to pay; and it is current in the press that Germany, having borrowed from this country more money than has been paid on her debts to this country, used that money in the reestablishment of her industries, is now one of our main competitors in the markets of the world, and to-day has a larger export trade than the United States. I say to the members of the Ways and Means Committee that they owe a duty to this House and to the Members like myself who want to support the President, to give us in the regular way proper proof upon which we could act. On the contrary, we are informed by able lawyers like my colleague from Kentucky [Mr. VINSON] and the gentleman from Texas [Mr. SANDERS] and the gentleman from Tennessee [Mr. ESLICK] that there is not a line of proof introduced before that committee, showing either that Germany is unable to pay, or has initiated this movement for a moratorium. On the contrary the only committee with facilities to learn the truth finds that Germany is able to pay.

It is true that the gentleman from Arkansas [Mr. RAGON] said that there is a mystery about this. The gentleman from New York [Mr. LAGUARDIA] says that he and a certain group with whom he was associated have secured proof. That is not a fair way to present a great matter before this House, and that Members like myself, who have no secret information that others seem to have and who are not enveloped in any mystery, ought to be informed of. Those of us who sincerely want to support the President, who have never indulged in any criticism against him, are entitled to proof introduced before that committee by the statements of witnesses on the condition of Germany's ability to pay.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. GILBERT. I have not the time. They intimate that there is a responsibility upon us to follow others, including the President of the United States and those high in responsibility in state affairs. I dissent and assert that wherever the Constitution of the United States places a duty upon me to vote, I say it does not deny to me the right to information so that I may exercise that responsibility intelligently.

This is only a question of fact, as we are all equally patriotic, and those upon whom fell the duty to present facts justifying us in breaking a solemn contract have miserably failed to produce such facts. So I must, upon the hearing had, vote against surrendering our rights and transferring to the taxpayers of my country a burden due from another equally able to bear it. [Applause.]

Mr. CANFIELD. Mr. Chairman, I yield three minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Chairman, I rise to say in answer to the remarks of my friend who has just concluded, the gentleman from Kentucky [Mr. GILBERT], that there are extensive hearings here. If he will read the hearings that were out this morning, he will find the testimony of the Under Secretary of the Treasury and the Secretary of State. They fully go into the economic condition of Germany, not in 1920, as some gentlemen who have spoken here to-day said, but they showed the economic condition of Germany starting in May, 1931, and bringing it up to the date of the moratorium. That is all I have to say.

Mr. GILBERT. Will the gentleman yield?

Mr. CRISP. Yes.

Mr. GILBERT. Have all of the hearings on this matter been printed?

Mr. CRISP. So far as I know, and the committee moved as fast as it could, the evidence has been printed, except the testimony of the gentleman from Mississippi [Mr. RANKIN], the testimony of the gentleman from Pennsylvania [Mr. MCFADDEN], and I think possibly the testimony of Mr. Davidson, the representative of J. P. Morgan & Co., and his testimony simply said that his firm had no instructions or moneys from foreign governments to meet these payments, and that matter is extraneous and immaterial and has no bearing on this issue.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. CRISP. Yes.

Mr. FISH. Was it brought out at the hearings that the amount of export trade from Germany to Soviet Russia was $200,000,000 this year, for which they have not been paid?

Mr. CRISP. It was not. It was stated before the committee that possibly some of the German industrialists had made advances to Russia to obtain trade, just as other European countries had made loans in Russia for the same purpose, but the testimony was that in the opinion of the responsible officials of the Government, the amount loaned from Germany into Russia had been grossly exaggerated.

Mr. CANFIELD. Mr. Chairman, I yield the remainder of my time to the gentleman from Oklahoma [Mr. MCKEOWN].

Mr. HAWLEY. Mr. Chairman, I yield the remainder of the time on this side to the gentleman from Oklahoma [Mr. MCKEOWN].

The CHAIRMAN. The gentleman from Oklahoma is recognized for 11 minutes.

Mr. MCKEOWN. Mr. Chairman and gentlemen of the House, politics have never settled an economic question and never will settle an economic question. The makers of the Constitution were wise in their generation, because it is evident from the proceedings here to-day that it would not have done to place the conduct of foreign affairs in the House of Representatives. [Applause and laughter.] This is not a political question, but it is an economic question. The best illustration I can make of it is this. Let us suppose there is in your community a very rich man who has been lending money to his neighbors. His neighbors come in and say to him that they have had a bad crop and that they can not pay him this year and would like to have an extension of their debt for another year. What kind of a citizen would he be, if he could do it, if he would not extend the debts? We hear of men trying to get out of their obligation to support the President by telegram through saying that they agreed to support him in the moratorium for one year, but that now it is a 10-year proposition. There is no 10-year proposition save as to the postponed payment and interest in this case.

It is one year, and the truth about the matter is that if we all knew the real facts, those of you who are most vehement against this extension would be on the floor saying one year is not sufficient and that we ought to give Germany and the rest of Europe an opportunity to recover. Talk about conditions in this country! Yes; conditions in this country are bad. I charged the Republican leaders with a lot of it; but if you defeat this moratorium and the civilization of the world breaks down, then it will be upon the Democrats who voted against this resolution.

You do not think it will happen? Very well. Let us see. I am not going back to Oklahoma and say that I did not know what I was doing when I sent a telegram to the President of the United States saying that I would vote for this moratorium. [Applause.]

I have never pleaded guilty to ignorance at home. I am not going to plead guilty to ignorance here. We have a right to rely upon the President of the United States. He is the Chief Executive of the Nation. I do not care whether you like him personally or dislike him. I do not care whether you like him politically or not. He is the President of the United States. He is the man vested with the power, under the Constitution, to negotiate the foreign relations of this country. [Applause.]

He is the man who is supposed to do it. I was just an unsophisticated country Congressman out in Oklahoma when I received the telegram from the President, the first one I ever did receive from the President of the United States. [Laughter and applause.] I did not know what the condition in Europe was, but I knew what the condition was in Oklahoma. I knew that if Europe was as bad as they said she was, as compared with the conditions in Oklahoma, it was time somebody was extending obligations, and I thought I would not confine my sympathy only to the poor debtors in my district, but I was willing to extend it to other poor people.

Now, I do not fall out with my friends who vote the other way. I never did try to beat some fellow because he voted different than I did. I believe that every man in this House votes according to the dictates of his conscience. That is the way I vote, and I am not afraid to vote the dictates of my conscience because this Irishman will not break his word to the President of the United States or anybody else, if he knows it. [Applause.]

I knew that over there in Europe when President Wilson was making the treaty of Versailles that certain burdens were laid upon the German people, and I knew that politics played a great hand in the great treaty of Versailles, because economics were not considered, and they laid a stupendous burden upon the German people. They laid upon the German people a burden of 132,000,000,000 marks. That is the burden they laid upon the German Government. Not only that, but under the Dawes plan they put Germany in the hands of a receiver. They took a receivership on Germany. France was not satisfied. France put her soldiers in the Ruhr in order to get coal and iron. France found that you could not, by arms, settle economic questions, but it was not until 1928, under the Young plan, when they removed the receivership from Germany, that they set aside the receivership and gave Germany an opportunity to pay.

Oh, they talk about this going to be an extension of the debt. Many of my good brothers say, "I would vote for this, but I am afraid it is going to commit me to a policy of canceling the debts."

My brother, I voted on every one of these debt settlements, and I followed the distinguished gentleman from Mississippi in voting against these debt settlements, and I am to-day following the gentleman from Mississippi [Mr. COLLIER], the brilliant orator that he is, on this matter. [Applause.]

Ladies and gentlemen, this is a serious matter. It is serious because the Executive officer of this Government, the man empowered by the Constitution with the authority, has made an agreement, and he made that agreement upon the assumption that the Congress of the United States, when it convened, would ratify it. I have heard gentlemen say that he should have called us into session in October. Personally I am very glad he did not. We would not have had control if he had not waited until December. [Laughter and applause.] Whether it is good policy to do it that way or not I am not going to say.

The right to call Congress into session is a constitutional right given to the President. It is not for me to say whether he should exercise that right or not. I think he made a mistake, but that is not for me to say. That is his judgment.

Gentlemen say that they are going to beat everybody who votes for this moratorium. I am not going to make any speeches in your district, gentlemen. I published the telegram that I sent to the President, and I published the statement I made, and I will tell you what many of the farmers of my district said. They came in and said, "TOM MCKEOWN, you are right. If you can help the world get better, where we can sell our cotton and our wheat and our hogs and cattle, you will do the best thing you could do for this country. We have to have a chance."

We have got to have a chance. I want to tell you gentlemen who come from the great cotton districts of this country that you want to think twice before you vote and go

on record against this program, because, under the present high tariffs of this country, you can not trade and carry on commerce with the nations of the world. Under the present isolation policy you can not carry on commerce now and they can not buy. You are just going to shut the door. Who wants to see the great Government of the United States torn down? And who wants to see this civilization destroyed and have bolshevism set up in its place? [Applause.]

(Mr. McKEOWN asked and was granted permission to include in his remarks the following telegram:)

To the PRESIDENT,
The White House, Washington, D. C.:
Will support your proposal to postpone all intergovernment debts for one year. Personally, I feel that all debtor nations should be required to reduce military expenditures so that no further extensions will be required. Also believe arrangements should be made to postpone Federal land bank foreclosures for a like period.

TOM D. MCKEOWN, M. C.

[Here the gavel fell.]

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Is there any parliamentary way by which we can get a vote on what is known as the Ragon amendment which the committee added to the resolution?

The CHAIRMAN. The Chair is not familiar with the contents of the amendment, and, therefore, can not give an opinion with reference to it.

Mr. BLANTON. It is section 5 of the resolution.

The CHAIRMAN. The Chair does not think he is called upon to anticipate a ruling upon that matter. The Chair will suggest to the gentleman that he can get a direct vote on that proposition by moving to strike it from the resolution.

Mr. BLANTON. We are in favor of it and do not want to strike it out.

The CHAIRMAN. All time has expired. The resolution will be considered by sections under the 5-minute rule. The Clerk will read the resolution for amendment.

The Clerk read as follows:

SEC. 2. Each such agreement on behalf of the United States shall provide for the payment of the postponed amounts, with interest at the rate of 4 per cent per annum beginning July 1, 1933, in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and one during each of the nine fiscal years following, each annuity to be payable in one or more installments.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and members of the committee, I am one of those Members of Congress who have consistently voted against all of the foreign debt-funding agreements considered during my term of service, and I have spoken extensively in opposition to such agreements because I thought they were too liberal. I was somewhat surprised to hear the clarion voices of our Democratic colleagues raising the cry about international bankers while presenting their opposition to the pending measure. I yield now to the gentleman from Mississippi and some of the others afflicted with international-banker hydrophobia to ascertain if they refer to the same international bankers who had billions of dollars invested in foreign loans prior to the World War and who were the moving power which drove a Democratic administration into said war, which is responsible for most of the existing depression throughout the Nation.

Anyone following the debate on this important international question must have been impressed, as I was certainly impressed, by orations of our Democratic statesmen, such as the gentleman from Mississippi [Mr. COLLIER], the gentleman from Georgia [Mr. CRISP], and my good friend, the gentleman from Arkansas [Mr. RAGON], who spoke in favor of the pending measure.

Anyone who reads the debates on this important question will not have any hesitation in reaching a decision that the present occupant of the White House will go down in history as one of the greatest Presidents in our history. [Applause.]

While I differ with him on some policies, I do not agree with many of my colleagues on the other side of the aisle who in the past have claimed to be champions of State rights and who now take advantage of a world-wide depression to preach bureaucracy and centralization of government and condemn the President of the United States for a multitude of ills over which he has no jurisdiction or control. I expect to see some of our Democratic politicians rise on the floor of Congress and condemn the President of the United States for the drought which caused the loss of thousands of lives throughout the country.

When I consider the facts in connection with this great international problem which is now pending, when I study the leading part taken by the President of the United States, I am proud that I was one of those who went before the people in the last presidential election campaign and advocated his election. I sincerely hope that all of the Republicans in the House will support the President and vote for the pending bill providing for a foreign debt moratorium. [Applause.]

The Clerk read as follows:

SEC. 5. It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced, and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying that favorable consideration will be given at any time to a change in the policy hereby declared.

Mr. SANDERS of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. SANDERS of Texas: Amend by adding section No. 6, as follows:
"That for a period of two years from the date of the approval of this act all Federal land banks are authorized and directed, subject to approval of the Federal Farm Board (1) to withhold foreclosure of any mortgage securing a loan made by such bank if the borrower is in default under the terms of the mortgage, and (2) to extend the time for the payment of any installment due or to become due under the terms of any such mortgage for a period of not to exceed two years."

Mr. CRISP. Mr. Chairman, I make the point of order that the amendment is not germane to the subject matter of the bill.

The CHAIRMAN. Does the gentleman from Texas [Mr. SANDERS] desire to be heard on the point of order?

Mr. SANDERS of Texas. No; I do not want to be heard, but I would like to have my amendment read in its entirety.

The CHAIRMAN. The point of order is sustained.

Mr. PARSONS. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Illinois offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PARSONS: Page 3, add a new paragraph, as follows:
"SEC. 6. This agreement shall be predicated on the reduction of military and naval expenditures by the various governments in an amount equal to twice the amount of the payment postponed by the United States."

Mr. CRISP. Mr. Chairman, I am constrained to make a point of order against the amendment, in that it is irrelevant and not germane to the bill before the House for consideration.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order?

Mr. PARSONS. No.

The CHAIRMAN. The point of order is sustained.

Mr. COLLIER. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BANKHEAD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration House Joint Resolution 147, to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment

over a 10-year period beginning July 1, 1933, and had directed him to report the same back with the recommendation that it do pass.

Mr. COLLIER. Mr. Speaker, I move the previous question on the resolution to its final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

Mr. BLANTON. Mr. Speaker, I move to recommit the resolution with instructions to the committee to report it back forthwith with all the bill stricken out except section 5.

The SPEAKER. Is there any gentleman on the committee who is opposed to the bill and desires to make a motion to recommit? If not, the Chair will recognize the gentleman from Texas to make the motion, if he declares that he is opposed to the bill.

Mr. BLANTON. I am.

Mr. CRISP. I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BLANTON moves to recommit the joint resolution to the Committee on Ways and Means with instructions to report it back forthwith with an amendment striking out all of the resolution except section 5.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. BLANTON) there were 21 ayes and 263 noes.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the resolution.

Mr. CRISP. And on that, Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 318, nays 100, not voting 14, as follows:

[Roll No. 5]

YEAS—318

Adkins	Celler	Drane	Hill, Wash.
Aldrich	Chase	Driver	Hoch
Allen	Chavez	Dyer	Hogg, Ind.
Amlie	Chindblom	Eaton, Colo.	Hogg, W. Va.
Andresen	Chiperfield	Eaton, N. J.	Holaday
Andrew, Mass.	Christgau	Englebright	Hollister
Andrews, N. Y.	Christopherson	Erk	Holmes
Arentz	Clague	Estep	Hooper
Arnold	Clancy	Evans, Calif.	Hope
Auf der Heide	Clark, N. C.	Fernandez	Hopkins
Bacharach	Clarke, N. Y.	Fiesinger	Hornor
Bachmann	Cochran, Mo.	Finley	Horr
Bacon	Cole, Iowa	Fish	Houston, Del.
Baldrige	Cole, Md.	Fitzpatrick	Hull, Morton D.
Bankhead	Collier	Foss	Igoe
Barbour	Colton	Frear	Jacobsen
Beam	Condon	Free	James
Beedy	Connery	Freeman	Jenkins
Beers	Connolly	French	Johnson, Ill.
Bland	Cooke	Gambrill	Johnson, S. Dak.
Bloom	Cooper, Ohio	Gavagan	Johnson, Wash.
Bohn	Corning	Gibson	Kading
Boileau	Cox	Gifford	Kahn
Boland	Coyle	Gilchrist	Karch
Bolton	Crail	Golder	Keller
Bowman	Crisp	Goldsborough	Kelly, Ill.
Boylan	Crosser	Goodwin	Kelly, Pa.
Brand, Ga.	Crowther	Goss	Kemp
Briggs	Crump	Granata	Kendall
Brumm	Culkin	Granfield	Kennedy
Brunner	Cullen	Gregory	Ketcham
Buchanan	Curry	Griffin	Kinzer
Buckbee	Dallinger	Guyer	Kleberg
Bulwinkle	Darrow	Hadley	Kniffin
Burdick	Davenport	Haines	Knutson
Burtness	Delaney	Hall, Ill.	Kurtz
Butler	De Priest	Hall, N. Dak.	Kvale
Byrns	DeRouen	Hancock, N. Y.	LaGuardia
Cable	Dickstein	Hancock, N. C.	Lambertson
Campbell, Iowa	Dieterich	Hardy	Lambeth
Campbell, Pa.	Dominick	Harlan	Lamneck
Canfield	Doughton	Hart	Lankford, Va.
Carley	Douglas, Ariz.	Hartley	Lea
Carter, Calif.	Douglass, Mass.	Haugen	Leavitt
Carter, Wyo.	Doutrich	Hawley	Leech
Cavicchia	Dowell	Hess	Lewis
Lichtenwalner	Nelson, Wis.	Schneider	Thatcher
Lindsay	Niedringhaus	Schuetz	Thurston
Linthicum	Nolan	Seger	Tierney
Lonergan	Norton, Nebr.	Seiberling	Tilson
Loofbourow	Norton, N. J.	Selvig	Timberlake
Lovette	O'Connor	Shallenberger	Tinkham
Lozier	Oliver, Ala.	Shott	Treadway
Luce	Oliver, N. Y.	Shreve	Tucker
Ludlow	Overton	Simmons	Turpin
McClintock, Ohio	Owen	Sinclair	Underhill
McCormack	Palmisano	Sirovich	Vestal
McDuffie	Parker, N. Y.	Smith, Idaho	Vinson, Ga.
McGugin	Partridge	Smith, Va.	Warren
McKeown	Perkins	Smith, W. Va.	Wason
McLaughlin	Person	Snell	Watson
McLeod	Pittenger	Snow	Weeks
McMillan	Polk	Somers, N. Y.	Welch, Calif.
McReynolds	Pou	Sparks	West
Magrady	Prall	Spence	White
Major	Pratt, Harcourt J.	Stafford	Whitley
Maloney	Pratt, Ruth	Stalker	Whittington
Manlove	Purnell	Stevenson	Wigglesworth
Mansfield	Ragon	Stewart	Wilson
Mapes	Ramseyer	Stokes	Wingo
Martin, Mass.	Ransley	Strong, Kans.	Withrow
Martin, Oreg.	Reed, N. Y.	Strong, Pa.	Wolcott
Mead	Reilly	Sullivan, N. Y.	Wolfenden
Michener	Rich	Sullivan, Pa.	Wolverton
Millard	Robinson	Sutphin	Wood, Ind.
Montague	Rogers	Swanson	Woodruff
Moore, Ohio	Rudd	Swing	Wyant
Mouser	Sabath	Taber	Yates
Murphy	Sanders, N. Y.	Tarver	
Nelson, Me.	Schafer	Temple	

NAYS—100

Abernethy	Doxey	Johnson, Okla.	Rainey
Allgood	Drewry	Johnson, Tex.	Ramspeck
Almon	Eslick	Jones	Rankin
Ayres	Evans, Mont.	Kerr	Rayburn
Barton	Fishburne	Lanham	Romjue
Black	Flannagan	Lankford, Ga.	Rutherford
Blanton	Fulbright	Larrabee	Sanders, Tex.
Boehne	Fuller	Larsen	Sandlin
Brand, Ohio	Garber	McClintic, Okla.	Shannon
Browning	Garrett	McFadden	Steagall
Burch	Gasque	May	Summers, Wash.
Busby	Gilbert	Miller	Sumners, Tex.
Cannon	Gillen	Milligan	Swank
Carden	Glover	Mitchell	Sweeney
Cartwright	Green	Montet	Taylor, Colo.
Cary	Greenwood	Moore, Ky.	Thomason
Chapman	Griswold	Morehead	Underwood
Collins	Hall, Miss.	Nelson, Mo.	Vinson, Ky.
Cooper, Tenn.	Hare	Parker, Ga.	Williams, Mo.
Cross	Hastings	Parks	Williams, Tex.
Crowe	Hill, Ala.	Parsons	Williamson
Davis	Howard	Patman	Wood, Ga.
Dickinson	Huddleston	Patterson	Woodrum
Dies	Jeffers	Pettengill	Wright
Disney	Johnson, Mo.	Quin	Yon

NOT VOTING—14

Beck	Hull, William E.	Maas	Weaver
Britten	Kopp	Peavey	Welsh, Pa.
Cochran, Pa.	Lehlbach	Reid, Ill.	
Fulmer	McSwain	Swick	

So the resolution was agreed to.

The Clerk announced the following pair:

Mr. Reid of Illinois (for) with Mr. McSwain (against).

General pairs:

Mr. Fulmer with Mr. William E. Hull.
Mr. Weaver with Mr. Beck.

The result of the vote was announced as above recorded.

On motion of Mr. COLLIER, a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

Mr. VESTAL. Mr. Speaker, my colleague, Mr. MAAS, of Minnesota, is ill. He has directed me to say that if it were possible for him to be here and vote on this resolution he would have voted "yea."

Mr. DARROW. Mr. Speaker, my colleagues, Messrs. COCHRAN of Pennsylvania, SWICK, WELSH of Pennsylvania, and BECK are unavoidably absent. If present, they would all have voted "yea."

Mr. COLE. Mr. Speaker, my colleague, Mr. KOPP, was compelled to go home on account of illness. He has asked me to state that if he were present he would have voted "yea."

Mr. HOLADAY. Mr. Speaker, my colleague, Mr. WILLIAM E. HULL, was called to Illinois this afternoon, and asked me to state that if present he would have voted "yea."

EXTENSION OF REMARKS—FOREIGN-DEBT MORATORIUM

Mr. PARKER of Georgia. Mr. Speaker, I wish to state in the beginning that it is my purpose to vote against this foreign-debt moratorium. I believe the passage of the reso-

lution would be the entering wedge for eventual cancellation of our foreign debts. The people of the United States are perhaps less able at this time to extend financial aid to our European neighbors than at any time in the history of our country. So long as our women and children, not only in my section of the country but in every other section, are suffering, in many cases, because the breadwinner of the family is unemployed and not able to make a support for the family, and while there is unparalleled poverty and want in my State, as well as in the other States, I can not consent for these United States to treat foreigners with more consideration than they are able to treat our own people.

Even though the moratorium did not mean cancellation in the end, I could not vote to extend credit for an additional 10 years to those European nations that are indebted to us on payments that are due at this time, because in order to do so will require the collection of more than $250,000,000 from our people in additional taxes. If we are to cancel or postpone the collection of more than $250,000,000 of our foreign indebtedness, we must find elsewhere an equal amount of money to pay the expenses of operating our own Government. I know of no place to get this money except from the taxpayers of the country. I figure that to postpone the collection of these debts at this time would require the collection of $2 extra tax for every man, woman, and child in the United States.

I can not subscribe to the doctrine of the President, when in his message to the Congress he advocates in one breath this moratorium and in the next breath demands of the Congress that taxes be increased all down the line in order that our huge deficit in the Treasury, which is mounting steadily, may be wiped out. In voting "no" on this suggested moratorium, I realize that many of the leaders of my party are going to cast their votes in the affirmative. I dislike to refuse to follow the leadership of men whose judgment and ability have been tested and proved to be sound.

In this particular instance, I am of the opinion that many of these leaders are voting for the foreign-debt moratorium because of pledges that they have made to the President. Under these circumstances they probably should vote in the affirmative, but as for me, I have not pledged myself nor obligated myself to any man or set of men except the people of the first congressional district of Georgia whom I have the honor to represent in this House.

In casting my vote against this moratorium I am doing it in the interest of every man, woman, and child who happens to live in that great section of our country. There are so many needy people in the United States at this time that I can not agree to support a measure that has for its purpose the alleviation of conditions that exist in the European countries, which, in my opinion, are not as terrible as the want, poverty, and suffering that are in existence in our own country. Until the widows and orphans of those who made the supreme sacrifice for our country have been taken care of and until the masses of our own people are placed in a more fortunate situation than the one they occupy to-day I can not advocate or vote for any measure that will give financial aid to people of other countries, some of whom have recently been our enemies, when such assistance can only be granted by increasing the tax burdens of the unfortunate masses of our own people.

Mr. LARRABEE. Mr. Speaker, this is a brief presentation of the mandate of a large and honorable block of citizens of my district and of the people who border on my district in counties represented by my worthy colleagues.

I shall not waste time with preliminary formalities. The message I bring from the people I represent is plain and demands the most prudent consideration. Their mandate, in fact, is this: That there be no favorable action on the moratorium until they are assured that the Seventy-second Congress will take action favorable to their own relief.

From my district come to my desk numerous telegrams and letters, directed to me, and to the Seventy-second Congress, in which the pleas of those who offered, and in many cases gave, of their very blood on foreign soil—pleas that I and my colleagues here assembled withhold action on the proposed moratorium until consideration, justly due, has been given the obligation we owe the heroes of our own soil.

Veterans of military service on foreign soil have requested Congress for favorable action on payment of the bonus, an obligation which this Government has long since acknowledged it unquestionably owes them.

They resent our talk here of a moratorium to foreign nations while we neglect to act upon our obligation to them. They have requested, in all sincerity and with patriotic views, that consideration be given the obligation this Nation owes them—owes them in actual cash. They have pleaded for consideration for their wives, for the widows of their fallen comrades.

Thus far they have seen only the object of their prayers pushed to the background while the pleas of foreign nations for aid in a financial way have been dragged to the front.

While they have been pleading for aid from their own Government, the one Government they have a right to expect to provide them with the full payment of the debt owing to them, they have heard that Government attempting to tell them that our Treasury is depleted, that no money is available nor will it be available. At the same time they have been asked to step aside with their pleas for their rights, while efforts were being made by their Government to extend to foreign nations all the financial aid that the amiable representatives of those nations have requested.

Our duty is clear, gentlemen of the Seventy-second Congress. We have an obligation to the people of our own land.

We have a gigantic obligation not only to the former soldier but an obligation to the common man and the common woman—an obligation to those who labor in the fields of agriculture, in the shops of industry, in the avenues of commerce, and in the establishments of business, and that obligation is to first take action in behalf of our own people.

I resent very much being asked to cast one of my first votes in Congress for measures that are designed and admitted to be designed for the relief of the people of foreign nations, while I know that back home in my district not hundreds but thousands of people are bitterly suffering from the effect of unemployment.

The people of my district and the people in the district of every Member of Congress have a right to believe and expect that Congress will act first in their behalf, and that, gentlemen, is exactly what they do expect.

They sent us here to look after their affairs. That is the obligation we have to the people of our own land.

Foreign nations have an obligation to us, an obligation that they contracted themselves. The question of whether or not they recognize and fulfill that obligation has a very vital bearing on the question of this Government's ability to fulfill its obligation to our people.

It is not becoming of us to shirk our duty. It is far less becoming of us to sanction, much less invite, foreign nations to forego their obligation at a time when, as our President has said, our own cupboard of finance is bare.

We have the prosperity of these United States to look after first. We have the obligation we owe our own people to pay. We have a duty to the wives and widows of those who fought the battles of war that we must not forget.

If it be true, as we have been led to believe, that this Nation can not afford to pay its obligation to its fighting manhood, then it is unquestionably true that we have no right and can not afford to encourage foreign nations to forget—even for one year—the millions each one of several foreign nations owes to the United States.

Shall this Congress brand itself with the unsavory mark of robbery? Shall we take from the pockets of our own people to fill the pockets of those who already have received more than generous aid from our Nation? Shall we deny the widows and families of those men who went across the sea to fight the battle of democracy that which is theirs, that we may return prosperity to foreign lands first? If that be our duty here, gentlemen, I have failed to be convinced.

Where is there a man in this hall who believes the structure of this Government so frail that it can not longer stand without paying further tribute in millions of dollars to those nations we have already once saved from destruction? Where is there a Member of Congress who sincerely and honestly feels we must neglect our sacred duty to our own flesh and blood if we are to come from the brink of chaos to which we have been submerged?

I demand of you, my colleagues, that you pay heed to the pitiful pleas for help from our own people first.

I am not opposed to charity, but better judgment tells me our charity must start at home.

I call your attention to the fact that those heroes who offered their lives on foreign soil are not asking for charity. They want nothing that is not due them. They want only that their Government fulfill its pledge made to them with the passage of the soldiers' bonus law.

They want only consideration for their wives and the widows of their comrades that not a man among us can deny is due them.

They have an unquestionable right to oppose any effort of any body—Congress or what not—to deny them their bonus while at the same time an administration is attempting to transfer the burden of the late war to the shoulders of our own people.

This Nation has spent billions, yes, $38,837,000,000, in the defense of what we felt was a sacred right. Now, shall we assume to spend additional billions in tribute while we fail to pay our obligation at home?

Shall we set up for the eyes of coming generations the spectre of a nation afraid to meet its obligation to its own people? Shall we paint for posterity a picture of a country so weak in its vision that it can not see what is going on at home—see the suffering and poverty here—while reaching across the sea in a false gesture of charity?

Happiness and prosperity can not be brought to live again until this Nation and all other nations under the sun come to realize that there are obligations more sacred than those of false pride and false charity.

We must realize now our obligations and our duty at home, conditions within the borders of our own Nation. We must pay our own obligations, and in all sincerity, yet with a spirit of kindliness, request other nations pay their obligations to us.

We must correct the disorder at home before we can hope to extend any semblance of aid across the sea. Any effort to take from the shoulders of those who owe us honest obligations that burden and heap it upon the shoulders of our already heavily overburdened people is doomed to failure.

It will breed chaos here—within our own borders—such as the civilized world has never known.

Let us heed the warning. Let us harken to the pleas of our own people. Let us reason for our own welfare before it is too late.

Mr. WILLIAMSON. Mr. Speaker, ever since the President proposed the 1-year moratorium for the debts due from foreign governments to the United States, I have endeavored to get at the basic facts upon which an intelligent judgment should be based.

That there has been much distress under foreign flags we must concede. We also know that foreign governments have had great difficulty in balancing their budgets and that a considerable number have been forced off the gold standard. But, even so, I am not aware that any foreign government has asked for the moratorium or given notice of inability to meet its payments. None are in default except those that were given to understand that they need not pay on December 15 in anticipation of the approval of the moratorium by Congress. That being the case, the proposed postponement of payments due us for one year does not appear to be imperative so far as our debtors are concerned.

What, then, is the indispensable necessity for the moratorium? The reason given is to save Germany from open and declared bankruptcy and a total collapse of her whole financial structure. A dark picture has been painted of the poverty of her people and the danger of their seeking relief in Bolshevism and the repudiation of foreign obligations, both public and private.

While the proposed moratorium is coupled with a provision that our debtors shall extend a like moratorium to Germany, the only country that suffers is the United States. If we forego payment to France and England, for example, and they in turn forego payment from Germany, they sacrifice nothing; but we owe no one and no one will give us anything in return for our generosity. In other words, we become the sacrificial goat for the benefit of other nations to the extent of $252,000,000, which I understand is the amount involved in the moratorium.

We have already made huge sacrifices for Europe. Our own people are themselves weighed down with a heavy tax load, to which must be added additional levies for relief work and to take up the huge deficit in the National Treasury. From every part of the country come cries for relief and for moratoriums for taxes, interest, and installment payments on debts. Shall we neglect these that foreign countries may be aided? Were times prosperous here, the situation would be different, but I believe that most of our debtors are quite as able to pay as we are to forego payment.

Such deferment has already been seized upon by our debtors as the entering wedge for downward revision or cancellation of their obligations to this country. It is idle to contend that it is not the first step in such a program in the minds of those who owe us. Not only in their minds, but in the minds of our international banking groups who are anxious to make more certain the repayment of advancements made by them at the expense of the American taxpayers. To this program I am unalterably opposed and shall therefore cast my vote against the resolution.

If European countries will cut down their armaments and compose the differences with their neighbors, they will not find it especially difficult to pay, even if payment of reparations from Germany should temporarily cease.

Mr. JOHNSON of Missouri. Mr. Speaker, there will be no more important question presented to this Congress than the President's proposal for the postponement of the payment of intergovernmental debts, commonly, but I think mistakenly termed the "moratorium."

It is a question pregnant with great responsibility to us as representatives of the people, a question fraught with the gravest concern to the future weal of our country, for it not only vitally and balefully affects the present economic distress of our people but, as well, our future conduct in regard to entangling foreign alliances.

We are asked blindly to give our support to the proposal because it is recommended by the executive department of the Government.

While I have the greatest respect for our executive department and its pronouncements, I also am persuaded that this department of our Government under the Constitution is left free, within certain limitations, to crystallize its views into legislative enactment. Before passing final judgment upon a question of so great and vital importance to the American people, Congress is entitled to and should have all information upon the subject possessed by the executive department.

If there are any secret understandings or reservations bearing upon the proposal or its interpretation, they should be revealed to Congress in order that it may properly safeguard the rights of the American people. Congress must know whether there is an understanding with the governments concerned that the proposal which at first was understood by the American public to be a moratorium for one year on the payment of intergovernmental debts is in fact intended to culminate in the cancellation of all foreign debts.

Mr. Speaker, last June the President proposed to the country that the payment of all intergovernmental debts be postponed for a period of one year. Detailed information touching this subject was withheld from the public and it and the Members of Congress anxiously awaited the President's message in the hope that it would give the information which would show why it was expedient to place a further burden upon our people for the benefit of foreign ob-

ligors or of the international bankers and private holders of foreign obligations, whose debts were carefully excepted from the operation of the proposed moratorium.

Last week the President delivered to this Congress his message upon this subject. The message was shrouded in a superabundance of glittering generalities, but it was lacking in definiteness and certainty in regard to the specific transactions relative to the proposal for such moratorium.

Mr. Speaker, as a lawyer, my first thought was that it would be beneficial if a motion to make more definite and certain were permissible.

A reading of the message and related records reveals certain facts. Something had happened, we are not informed what, between June and the date of the President's message which had changed conditions.

The message instead of proposing a 1-year moratorium on intergovernmental debts, when viewed with all of the implications and its acceptance by the foreign press, proposed the first step toward the cancellation of all foreign debts.

To show that the proposal now submitted by the President connotes cancellation of the foreign debts, I quote the following language used by the President in said message:

> In June I informed the governments concerned, "The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparation and relief debts, both principal and interest, of course, not including obligations of government held by private parties.

Again continuing his message, the President says:

> As we approach the new year it is clear that a number of the governments indebted to us will be unable to meet further payments to us in full, pending a recovery in their economic life. It is useless to blind ourselves to an obvious fact. Therefore it will be necessary in some cases to make still further temporary adjustments.

Thus the question now submitted is not a moratorium but a cancellation of the foreign debts.

The report of the Secretary of the Treasury shows that as of date November 15, 1931, the total amount of debts owed the United States by foreign countries was $11,598,501,420. That of this stupendous debt, France owed $5,863,650,000, England owed $4,398,000,000, and Italy owed $2,004,900,000. Thus it is seen that of the approximately eleven and one-half billions of dollars of debts sought to be canceled, France, England, and Italy, three of the wealthy nations of the world, owe the United States approximately ten and one-fourth billions of dollars. The proposal, if foreign debts are canceled, is that the people of the United States give to England, France, and Italy ten and one-fourth billions of dollars. Under the proposal the United States is the only nation that would sacrifice a dollar, for France says that for every dollar she reduces her reparations there must be a corresponding reduction in the debt to the United States.

The obligations of the foreign countries to the United States might be canceled, but there is no proposal and there is no way for the United States to cancel its obligations to the holders thereof, which public obligations were incurred in behalf of England, France, Italy, and the other foreign countries. It is known that at the time of the original adjustment of war obligations the United States sacrificed more than seven billions of dollars in the amount justly due her.

According to the report of the Secretary of the Treasury as of date June 30, 1931, the money cost of the World War to the United States on June 21, 1931, was $26,361,096,001.09, and the continuing costs of the war since that date to June 30, 1931, have amounted to $12,797,553,008.48, making the total money cost of the World War to the United States the sum of $39,158,649,009.57. This stupendous money cost to the United States was incurred in a foreign war, brought about by foreign countries, and fought in foreign lands.

The United States loaned to the Allies money and furnished them soldiers to help them win the war. At the close of the war many of the victorious nations, who had loudly proclaimed their only purpose to be to crush the war god, at once sought territorial aggrandizement and the spoils of war in the way of vast reparations adjustments from the vanquished and prostrate foe. It can not be denied that some of the Allies have received reparation awards which are unjust, oppressive, and doubtless beyond the ability of Germany to pay. The United States asked no spoils of war. She did not ask the repayment of the actual money cost of the war. We had borrowed money from the American people in the way of Liberty loans and then loaned this money to France, England, Italy, and our other allies. These nations now owe us approximately $11,500,000,000 of this debt and our Government owes the same, and it must be paid by the American people or our foreign debtors to the holders of Liberty bonds and the other obligations of the United States.

It is reported that Great Britain and other debtor nations at the first of this week had their money here ready to pay the installments due on their debts, but they did not pay same because our Government did not seem to want the money. It is now contemplated that these foreign debts be readjusted and ultimately canceled.

Do France, England, and Italy want the United States to give them these ten and one-fourth billions of dollars so that they may continue to build vast armaments of war in preparation for another great carnage and slaughter of human life? Conceivably this is true, for the President in his message says:

> The burden of taxes to support armaments is greater to-day than before the Great War.

According to the recent report of the Foreign Policy Association, the seven great powers of the world in the year 1930 expended the vast sum of $2,958,000,000 for war armament. In 1930 these seven great powers spent 30 per cent more for armaments of war than they spent in 1926 and 37 per cent more than the same powers spent in the prewar year of 1913. Excluding Germany, the remaining six great powers spent 65 per cent more for war armament in 1930 than in 1913. We are now asked to cancel the war debts of France, England, Italy, and the other foreign nations and compel the American people to pay such debts in order that those foreign nations may continue the development of great war armaments.

The money contribution was not our greatest contribution to the war. We gave to our allies and their cause countless thousands of the bravest soldiers who ever bore arms in defense of their country. In a foreign land, with the courageous challenge "They shall not pass," our boys won the war.

Countless thousands of these lads now sleep in Flanders Field as part of our Nation's sacrifice to a foreign war-mad world. Our gold-star mothers still stand with tear-stained eyes and aching hearts in the presence of their supreme sacrifice.

Mr. Speaker, the mothers and the fathers of our land whom we represent surely counsel that we not give these $11,000,000,000 to the foreign countries so that they will be enabled to continue to build great armaments of war. [Applause.]

The cancellation of debts will benefit England, France, Italy, their allies, and the great international bankers, who want the American public to pay foreign obligations owned by them.

Our farmers to-day are facing ruin and bankruptcy. When they ask help from the Government they are turned away empty handed. Then when their obligations to the Government for seed loans come due, they are offered no postponement in the payment of such debts. Thousands of our farmers because of the inimical policies of the hostile Farm Board have seen their homes swept from them under foreclosure proceedings.

Six million honest laborers, with countless millions of good women and innocent little children depending upon them for support, are out of work through no fault of their own. They are walking our streets seeking just enough work to drive hunger and cold away. When they ask help from the Government, it tells them there can be no Government help.

Our Nation should ever be grateful to our ex-service men who offered their lives in defense of our country, yet when

they seek payment of the debt which is justly due them the Government tells them that the Treasury can not stand the burden that would be imposed by such payment.

Mr. Speaker, these are American needs which first must be met. [Applause.]

We are advised that the Nation is approaching a deficit of approximately $2,000,000,000 at the end of the fiscal year, and that the taxes upon the people must be heavily increased to meet the current expenses of the Government.

I have an abiding sympathy for all foreign countries in distress, but certainly it is the duty of our Government first to relieve the distress among our own people.

There are many thousands of people of German descent in our country. They are a part of the best and most substantial citizens of our Nation, but they too are suffering from the terrible financial and economic depression in our land. They do not want this Government to give England, France, Italy, and their allies $11,000,000,000 and to saddle this obligation onto them and their children.

Personally, I believe that some of the victorious Allies at the close of the war exacted from Germany, in her then helpless condition, unjust and unfair reparation awards which have all but crushed the German nation. If they are desirous of seeing a just adjustment of intergovernmental obligations, they should announce that they will cancel or reduce the obligation that Germany owes to them without asking that the American people pay them the amount of such reduction.

Real relief may be offered to Germany and at the same time to the American people by a reciprocal readjustment with the foreign nations of the iniquitous tariff schedules and laws which have closed the channels of foreign commerce to the products of American soil and American factories.

Our people are now groaning under the weight of the excessive taxes which have been imposed upon them. The entire Nation is standing in the abysmal and murky depth of the worst economic depression and panic it has ever faced.

I can not support a proposal to cancel the ten and one-fourth billions of dollars of debt owed our Government by France, England, and Italy, all of whom are financially able to pay the debt owed by them. The approval of such unjust proposal would place upon the already overtaxed American people a burden which they can not and must not bear. [Applause.]

Mr. REILLY. Mr. Speaker, I favor the ratification by Congress of President Hoover's 1-year moratorium to our European debtors. Last June I telegraphed President Hoover that I favored his proposal to grant a year's moratorium to our European debtors, and I have heard nothing in the debate on the resolution, reported by the Ways and Means Committee approving the President's action, that would lead me to change my views on the foreign-debt proposition.

Much of the discussion in this debate has no relevancy whatever to the merits of President Hoover's moratorium. We all know that we are passing through a serious industrial crisis in this country. We all know that we have millions of men who are out of work and that our farmers are financially distressed as never before in our history. Deplorable as these conditions are in our country, they do not furnish any argument against the action taken by the President in granting a moratorium to Europe.

I take no stock in the argument that the President was influenced by international bankers in announcing his moratorium. The international bankers may or may not be more interested in the private debts owed by Europe to our citizens than they are in the obligations of foreign countries to our Government, but that President Hoover was influenced by such a situation as this foreign indebtedness to our country and citizens I can find no proof.

The moratorium ratification reported to the House by the Ways and Means Committee gives nothing to our foreign debtors except the privilege of paying at a later date with interest the payments due for one year which the moratorium covers.

Some have argued on the floor that our European debtors are ready to pay and would have paid if the President had not stated to them that they would not have to pay. There is no proof for this statement; it is all speculation.

If the President had not granted a moratorium at the time he did, and which, by the way, was not granted until he had received the approval of the majority of the Members of the House of Representatives and the Senate, no one can tell what might have happened in Europe, particularly in Germany.

No matter what some people may think, our country is deeply interested in the industrial situation in Europe and all the world. The world to-day is very small—much smaller than it used to be before science and invention had annihilated space and time.

The President was undoubtedly interested and deeply concerned about the industrial situation in Europe last June when he proposed a moratorium. Our country can not afford to have one more of the European nations become communistic, and I am satisfied that if Germany had joined with communistic Russia in an attack upon the so-called capitalistic economic régime, that all Europe would follow in her footsteps.

Not only our country, but the whole world is in a great economic and political crisis. It is not for the rank and file of the membership of the House of Representatives to decide when there is or is not an international crisis or a European crisis that requires action by the Chief Executive of our Nation.

I was not fully informed when I received the President's telegram as to the situation in Europe. I had no commission from my constituents to keep in touch with industrial Europe. The President of the United States has such a commission and he is so situated that he can keep in touch with Europe. He is our leader under the Constitution in foreign affairs, and upon his shoulders rest the responsibility of a proper conduct of our foreign relations.

This is no time for politics. While President Hoover may be a Republican, he is my President and the President of all of our people regardless of political affiliations.

If I had some doubts as to the wisdom of President Hoover's proposed European moratorium, I would still sustain him in his action giving the debtor nations of Europe one year's respite in liquidating our demands on them, for the reason that under our Constitution he, and not the Members of this body, is charged with the conduct of foreign affairs.

The House Committee on Banking and Currency has reported to this House a bill to aid the Federal land banks of our country, some twelve of them, which carries a provision giving to the officers of the Federal land banks the power, when in their judgment it is the best interest, to grant a moratorium to the borrowers of the Federal land banks. This action is along the same line of forbearance that the President has followed out in his dealings with our borrowers in Europe.

I think that the President did the right thing last June in view of our industrial situation, in view of the European industrial situation, and all the intimate relations between our country and the world when he announced to the world that the United States, the richest country in the world, was willing to grant a 1-year extension to its European debtors.

Mr. PARSONS. Mr. Speaker, ladies and gentlemen of the House, I recognize there is an unwritten law circumscribing new Members with reference to speaking on the floor of this House, but I desire your indulgence for a few moments while I make some observations with reference to the allied debt moratorium.

I have heard with much interest, though with some misgiving, I must confess, the debates which have taken place on either side of this Chamber. I deplore the partisanship shown in such matters when we are facing an economic crisis as stupendous perhaps as ever faced America before. What I shall say will have no partisan import. It is not a time to play partisan politics.

On last June, when the President wired Members of Congress asking their stand upon the moratorium, I withheld any commitment, choosing to wait until the proposition was submitted to Congress in regular form, and after due deliberation and consideration act upon the matter as one of the chosen Representatives of the people.

It is apparent from what has been said and what has transpired with reference to allied debt settlements in this country for the past eight years, that certain forces have been trying to connect German reparations payments with allied debt payments. It is a fact that across the Atlantic the governments of Europe discuss allied debt settlements only in terms as it affects the payment of German reparations. I quote from the message of the French Government delivered in the Chamber of Deputies on June 26, 1931, in reply to President Hoover's message of an earlier date calling a postponement of allied debts.

In order to reply to the suggestion of President Hoover, the French Government is ready to ask the French chambers, of which the intervention is indispensable and the decision sovereign that France abstain, provisionally and for a delay of one year, from conserving any payment on the part of the Reich.

But, being given the nature of the engagements of the Young plan, freely accepted and quite subscribed to, the solemnity with which was recognized the definitive and unalterable character of the unconditional annuities by which the necessary permanence of the principle of reparations was expressed, the risk of shaking confidence in the value of signatures and of contracts, and thus of going against the end aimed at would be great, if, in the proposed suspension of payments, the unalterable annuity were treated like the conditional annuity.

It is quite apparent, therefore, that England, France, Italy, and Germany consider a postponement of allied debts interwoven with German reparation payments. In spite of the fact that gentlemen on the floor of this House, the Secretary of the Treasury, and even the President, advises that it in no way affects German reparations, we know their position is misrepresented, so far as the debtor nations are concerned. America has had nothing to do with the Versailles treaty. We renounced all conquest and have accepted nothing from Germany whatsoever, except the cost of the army of occupation following the war. We have repeatedly renounced recognition of German reparation payments and, regardless of what has been done across the sea, it has been the policy of our Government to insist upon payment of allied debts to the United States, regardless of any arrangements that may have been made relative to Germany's payment to the Allies.

But now in this year of economic turmoil in America, comes the present administration abandoning the position of its former chief and setting out on an uncharted sea of postponement moratorium and ultimate cancellation.

In order that we may have a foundation upon which to base a conclusion regarding not only allied debts but German reparation, it is necessary to include the payments adopted for Germany under the Young plan in 1928. These payments were to begin under date of September 1, 1929, and continue for a period of 59 years, as follows:

Schedule of annuities—Payments for 36 German fiscal years

	Marks
1 year 7 months, Sept. 1, 1929–Mar. 31, 1930	742,800,000
2 years 7 months, Apr. 1, 1930–Mar. 31, 1931	1,704,900,000
3 years 7 months, Apr. 1, 1931–Mar. 31, 1932	1,685,000,000
4 years 7 months, Apr. 1, 1932–Mar. 31, 1933	1,738,200,000
5 years 7 months, Apr. 1, 1933–Mar. 31, 1934	1,804,300,000
6 years 7 months, Apr. 1, 1934–Mar. 31, 1935	1,866,900,000
7 years 7 months, Apr. 1, 1935–Mar. 31, 1936	1,892,900,000
8 years 7 months, Apr. 1, 1936–Mar. 31, 1937	1,939,700,000
9 years 7 months, Apr. 1, 1937–Mar. 31, 1938	1,977,000,000
10 years 7 months, Apr. 1, 1938–Mar. 31, 1939	1,995,300,000
11 years 7 months, Apr. 1, 1939–Mar. 31, 1940	2,042,800,000
12 years 7 months, Apr. 1, 1940–Mar. 31, 1941	2,155,500,000
13 years 7 months, Apr. 1, 1941–Mar. 31, 1942	2,180,700,000
14 years 7 months, Apr. 1, 1942–Mar. 31, 1943	2,198,000,000
15 years 7 months, Apr. 1, 1943–Mar. 31, 1944	2,194,300,000
16 years 7 months, Apr. 1, 1944–Mar. 31, 1945	2,207,500,000
17 years 7 months, Apr. 1, 1945–Mar. 31, 1946	2,203,800,000
18 years 7 months, Apr. 1, 1946–Mar. 31, 1947	2,199,500,000
19 years 7 months, Apr. 1, 1947–Mar. 31, 1948	2,215,200,000
20 years 7 months, Apr. 1, 1948–Mar. 31, 1949	2,210,000,000
21 years 7 months, Apr. 1, 1949–Mar. 31, 1950	2,316,800,000
22 years 7 months, Apr. 1, 1950–Mar. 31, 1951	2,359,200,000
23 years 7 months, Apr. 1, 1951–Mar. 31, 1952	2,343,200,000
24 years 7 months, Apr. 1, 1952–Mar. 31, 1953	2,346,200,000
25 years 7 months, Apr. 1, 1953–Mar. 31, 1954	2,353,300,000
26 years 7 months, Apr. 1, 1954–Mar. 31, 1955	2,364,600,000
27 years 7 months, Apr. 1, 1955–Mar. 31, 1956	2,359,800,000
28 years 7 months, Apr. 1, 1956–Mar. 31, 1957	2,354,200,000
29 years 7 months, Apr. 1, 1957–Mar. 31, 1958	2,361,800,000
30 years 7 months, Apr. 1, 1958–Mar. 31, 1959	2,393,800,000
31 years 7 months, Apr. 1, 1959–Mar. 31, 1960	2,370,600,000
32 years 7 months, Apr. 1, 1960–Mar. 31, 1961	2,380,500,000
33 years 7 months, Apr. 1, 1961–Mar. 31, 1962	2,398,300,000
34 years 7 months, Apr. 1, 1962–Mar. 31, 1963	2,390,200,000
35 years 7 months, Apr. 1, 1963–Mar. 31, 1964	2,402,600,000
36 years 7 months, Apr. 1, 1964–Mar. 31, 1965	2,402,100,000
37 years 7 months, Apr. 1, 1965–Mar. 31, 1966	2,428,800,000
or $18,917,453,800.	79,485,100,000

Payments subject to special provisions—payments for 22 German fiscal years

	Marks
38 years 7 months, Apr. 1, 1966–Mar. 31, 1967	1,607,700,000
39 years 7 months, Apr. 1, 1967–Mar. 31, 1968	1,606,900,000
40 years 7 months, Apr. 1, 1968–Mar. 31, 1969	1,616,700,000
41 years 7 months, Apr. 1, 1969–Mar. 31, 1970	1,630,000,000
42 years 7 months, Apr. 1, 1970–Mar. 31, 1971	1,643,700,000
43 years 7 months, Apr. 1, 1971–Mar. 31, 1972	1,653,900,000
44 years 7 months, Apr. 1, 1972–Mar. 31, 1973	1,662,300,000
45 years 7 months, Apr. 1, 1973–Mar. 31, 1974	1,665,700,000
46 years 7 months, Apr. 1, 1974–Mar. 31, 1975	1,668,400,000
47 years 7 months, Apr. 1, 1975–Mar. 31, 1976	1,675,000,000
48 years 7 months, Apr. 1, 1976–Mar. 31, 1977	1,678,700,000
49 years 7 months, Apr. 1, 1977–Mar. 31, 1978	1,685,400,000
50 years 7 months, Apr. 1, 1978–Mar. 31, 1979	1,695,500,000
51 years 7 months, Apr. 1, 1979–Mar. 31, 1980	1,700,400,000
52 years 7 months, Apr. 1, 1980–Mar. 31, 1981	1,711,300,000
53 years 7 months, Apr. 1, 1981–Mar. 31, 1982	1,687,600,000
54 years 7 months, Apr. 1, 1982–Mar. 31, 1983	1,691,800,000
55 years 7 months, Apr. 1, 1983–Mar. 31, 1984	1,703,300,000
56 years 7 months, Apr. 1, 1984–Mar. 31, 1985	1,683,500,000
57 years 7 months, Apr. 1, 1985–Mar. 31, 1986	925,100,000
58 years 7 months, Apr. 1, 1986–Mar. 31, 1987	931,400,000
59 years 7 months, Apr. 1, 1987–Mar. 31, 1988	897,800,000
or $8,192,578,800.	34,422,600,000

German indemnity of 113,907,700,000 marks, $27,110,032,600.

Let us examine these payments for a moment. The payment for the year ending March 31, 1931, is 1,704,900,000 marks, and these payments gradually increase for 36 years. The payments until October 15, 1949, include within the annuities the service of the German 7 per cent 25-year external loan of 1924, which amounts to an average of 61,800,000 marks annually. This security, of course, is pledged to the international bankers in such a way that they are assured of payments regardless of what may happen to payments to our own Government.

The last 22 annuities show a sharp decline in amount as compared with the preceding 37. This is on account of two reasons: First, the private loans to Germany have been provided for in the first 37 annuities, and, second, the allied debt payments to America during the last 22 years are smaller, with a gradually decreasing amount annually, which shows conclusively that the international banks plan to get their private loans and the allied governments plan to get their reparation payments in order to retire their debts to America.

It has been said that this moratorium is for the benefit of the German people. Its purpose is to stabilize the economic structure of Germany in order to prevent collapse and chaos, which might lead this sturdy race of people into communism. Let us see if the events which have occurred on European shores, in which it is true, we have not officially participated, but to which we have been silent witnesses, are conducive to the stability of the German people and its economic program. The Dawes plan, adopted in 1924 at a conference at which the former Vice President was chairman, and the Young plan, adopted in 1928 at Geneva, at which Mr. Owen D. Young was chairman, in addition to the indemnity laid down by the Versailles treaty, has required of Germany as indemnity, conquest, and future payments the following:

Indemnity exacted of Germany by Allies in land, cash, and in kind

	Marks
Value of land-ceded property	21,289,494,000
Years 1920 and 1921	3,970,835,000
Year 1922	1,402,686,000
Ruhr period, Jan. 11, 1923–Aug. 31, 1924	894,231,000
First annuity, Sept. 1, 1924–Aug. 31, 1925	1,000,255,000
Second annuity, Sept. 1, 1925–Aug. 31, 1926	1,223,157,000
Third annuity, Sept. 1, 1926–Aug. 31, 1927	1,502,283,000

	Marks
Fourth annuity, Sept. 1, 1927–Aug. 31, 1928	1,755,097,000
Fifth annuity, Sept. 1, 1928–Aug. 31, 1929	2,508,057,000
Sept. 1, 1929–Mar. 31, 1966	79,485,100,000
Apr. 1, 1966–Mar. 31, 1988	34,422,600,000
	152,007,700,000

Total indemnity, $36,177,832,600.

It is to be noted that the Allies in the Versailles treaty required of Germany a land area greater than all of the United States east of the Mississippi River, including one-ninth of her land area in Europe and one-tenth of her population, together with the amount of payments in cash and in kind amounting to more than 21,000,000,000 marks. The payments for the years since the war are shown, together with the total expected of Germany for the next 59 years, making a total indemnity upon Germany of more than $36,000,000,000. If this moratorium was shown to be as a charitable act for the German people in order to stabilize their economic structure and personal morale, I for one would be ready to support it; but the contrary is true. When the Great War to end wars was closed we went to the peace conference with the noble idea that there were to be no indemnities invoked, no conquest exacted, but the guiding hand of representative government and democracy should govern the statesmen gathered around that conference table in settling the disputes which then existed upon the basis of fairness, equity, and justice.

But the very moment that England, France, Italy, and Japan got their statesmen together they insisted upon exacting the largest indemnity and conquest that has ever been known in the history of man, and while we sat silently and complacently looked on, two of America's greatest financial geniuses have aided and assisted in the division of spoils. Talk about wars to end wars—there can be no such application among nations, with the great burden of indemnity, impossible of payment, resting upon the shoulders of a disorganized, bankrupt, and defeated people. The Allies have not only not paid a single penny of their own revenue to us in the way of war debts, they have even tried to evade the payment to us of the actual moneys they have received from Germany in reparation payments, with the exception of England.

Let us see, then, how the division of spoils is to be made when these payments are collected from Germany. The following table tells the story:

Division of spoils of German reparations among Allies

	Receipts, 1929–1966	Receipts, 1966–1988	Total
France	$42,233,800,000	$17,279,200,000	$59,513,000,000
British Empire	15,495,500,000	5,662,400,000	21,157,900,000
Italy	9,060,500,000	7,888,300,000	16,948,800,000
Belgium	4,553,100,000	1,165,600,000	5,718,700,000
Rumania	906,100,000	923,400,000	1,829,500,000
Yugoslavia	3,345,000,000	497,900,000	3,842,900,000
Greece	284,700,000	213,400,000	498,100,000
Portugal	518,300,000	180,400,000	698,700,000
Japan	511,000,000		511,000,000
Poland	19,400,000		19,400,000
United States	2,557,700,000	612,000,000	3,169,700,000
Total	79,485,100,000	34,422,600,000	113,907,700,000

The above table does not show the amount already received to date but indicates the amount to be received by each nation at the end of 59 years, when all payments under the Young plan are made by Germany.

Reparation payments are divided into two classes. First, unconditional annuities which can not be postponed and conditional annuities which may be postponed. To show how much France is assisting in stabilizing Germany in the scheme of moratorium, let me quote again from the message of the French Government in its reply to Mr. Hoover:

> To suspend the payment by Germany of the unconditional annuity, while admitting that the Young plan placed with the public should continue to be served, would go directly against a fundamental principle. The (French) Government then considers that a moral interest of the first order is attached to this: That even during the delay provided for by President Hoover the payment of the unconditional annuity should not be altered in any way.

Therefore, it is clear that, in spite of the moratorium that may be granted France and the Allies on their debts to us, the French insist upon the payment of Germany's unconditional annuity of 673,000,000 marks. This sum, after being collected in taxes from the German people and placed in the International Bank of Settlements, is to be reloaned to the German Railway Co. The expressed provision in the moratorium divides the German payment for 1931 into 10 equal annual instalments of more than $40,000,000 each, plus interest at the rate of 3½ per cent, this amount to be added annually to Germany's future payments of more than $400,000,000, thereby making Germany's payment to the Allies next year $454,000,000. If Germany is unable to pay $400,000,000 in 1931, how can she be expected to pay $454,000,000 in 1932, in 1933, and so forth, down through the years?

Mr. Speaker, it is not only apparent but it is as clear as the radiance of the sun itself that Germany will never be able to meet these payments, and that our position now based upon the moratorium in reference to German reparation means continued postponement and ultimate cancellation. The President of the United States and the great Secretary of the Treasury can not escape such an implication.

Having established a basis for the consideration of allied debt payments, let us see what the settlement was in 1923, what the payments have been in the past eight years, and ascertain if we may, whether or not the allied nations have lived up to their obligations made to America when this Nation cast its lot in the greatest war of history and proposed to not only furnish materials and the sinews of war but the very lifeblood of the Nation itself. Their representatives sent to us on those patriotic occasions in 1917 promised payment in cash and in kind for every dollar which we loaned to them across the sea. Let us see how well they have met that obligation.

By referring to the table on debt settlement it will be noted that the total funded principal and interest was $11,565,093,885. The total payments that have been made to date on principal and interest amount to $2,627,580,897.72. Amount of principal paid amounts to only $443,310,743.87. I wish to call your attention to the interest rate paid by foreign governments on these loans. Greece pays the smallest rate of interest of 0.25 of 1 per cent; Italy pays 0.405 of 1 per cent; Yugoslavia 1.03 per cent; and France 1.64 per cent. The other nations' rate of interest range from 1.79 per cent to 3.327 per cent. While the interest rate on United States Government bonds have been from 3½ per cent to 4½ per cent, which the taxpayers in America have been paying during the past 13 years, the foreign governments are paying us a rate of interest far less than our own taxpayers contribute to our own Government.

France, who has gold reserves of $2,534,000,000, compared with the United States gold reserve of $3,903,000,000, seeks now to have her debt payments postponed for one year. France has the largest supply of gold in the world with the exception of the United States, and her supply grew from $1,660,000,000 in April, 1930, to $2,534,000,000 in October, 1931. America's gold supply was reduced from $4,632,000,000 in August, 1931, to $3,903,000,000 in October, 1931. Most of the reduction in gold reserves in the United States during the months of September and October this year went to France.

In other words, France withdrew in gold credits in the United States about $720,000,000 during September and October. The records show that France has to her credit in this country at the present time about $600,000,000. Can any Member of this House who represents a constituency of distressed people, with thousands of them unemployed and hundreds of them literally starving to death, conscientiously vote to renounce the payment of debts to this country when one of the debtors—France—has more than half a billion dollars on deposit in the banks of this country?

But Mr. Mellon tells us that the English treasury is in a deplorable condition. That the pound sterling is 47 per cent below par; that if England pays us at this time, it will take 47 per cent more sterling or goods in kind to satisfy the debt. Let me remind the gentleman that in America

there are thousands of farmers and hundreds of thousands of home owners who now have their farms and homes plastered with mortgages, contracted at a time when prices and wages were high, and who are now being called upon to pay this indebtedness in cash and in kind with the bounty not at 47 per cent, as Mr. Mellon says the British must pay, but with a bounty of 75 per cent. I can not make consistent my position in voting for the moratorium. I would not represent the spirit of my constituents when I refuse to accept the debt from allied governments, and thereby add to the taxpayers' already heavy burden extra taxation to make up the deficit. There is already a deficit of a billion dollars in the Treasury of the United States, and it is generally predicted that another billion will be added during the next year. This deficit must be made up by the taxpayers of this country or by floating bonds which must ultimately be paid with interest.

The tables referred to are as follows:

Statement showing (1) principal of indebtedness of foreign governments prior to funding; (2) accrued and unpaid interest up to date of settlement which was funded into principal under debt agreements; (3) principal of total indebtedness as funded; (4) total to be received under the funding agreements, without regard to the exercise of any options by the debtor; (5) total indebtedness as of date of funding, including accrued and unpaid interest computed at rates borne by obligations then held (5 and 6 per cent); (6) present values of payments to be received over 62-year period (40 years in case of Austria) on basis of interest rates of 3, 4¼, and 5 per cent, payable semiannually, together with percentages that such present values bear to the total indebtedness, including accrued and unpaid interest computed at rates borne by obligations prior to funding; and (7) approximate average interest rates on (a) indebtedness of each country as funded, and (b) original principal from approximate date to which interest was last paid prior to funding to end of funding period

Country	1 Original principal	2 Funded interest	3 Funded debt	4 To be received under funding agreements	5 Debt prior to funding, including accrued interest (5 and 6 per cent)
Austria	$24,055,708.92	$559,176.08	$24,614,885.00	$24,614,885.00	$34,631,000.00
Belgium	377,029,570.06	40,750,429.94	417,780,000.00	727,830,500.00	483,426,000.00
Czechoslovakia	91,879,671.03	23,120,328.97	115,000,000.00	312,811,433.88	123,854,000.00
Estonia	12,066,222.15	1,763,777.85	13,830,000.00	33,331,140.00	14,143,000.00
Finland	8,281,926.17	718,073.83	9,000,000.00	21,695,055.00	9,190,000.00
France	3,340,516,043.72	684,483,956.28	4,025,000,000.00	6,847,674,104.17	4,230,777,000.00
Great Britain	4,074,818,358.44	525,181,641.56	4,600,000,000.00	11,105,965,000.00	4,715,310,000.00
Greece [1]	15,000,000.00	3,125,000.00	18,125,000.00	[1] 20,330,000.00	19,660,000.00
Hungary	1,685,835.61	253,164.39	1,939,000.00	4,693,240.00	1,984,000.00
Italy	1,647,869,197.96	394,130,802.04	2,042,000,000.00	2,407,677,500.00	2,150,150,000.00
Latvia	5,132,287.14	642,712.86	5,775,000.00	13,958,635.00	5,893,000.00
Lithuania	4,981,628.03	1,048,371.97	6,030,000.00	14,531,940.00	6,216,000.00
Poland	159,666,972.39	18,893,027.61	178,560,000.00	435,687,550.00	182,324,000.00
Rumania	36,128,494.94	8,461,505.06	44,590,000.00	122,506,260.05	46,945,000.00
Yugoslavia	51,037,886.39	11,812,113.61	62,850,000.00	95,177,635.00	66,164,000.00
Total	9,850,149,802.95	1,714,944,082.05	11,565,093,885.00	22,188,484,878.10	12,090,667,000.00

Country	6 Present values on basis of interest rates stated and percentage that present value bears to debt prior to funding (column 5)						7 Average annual interest rates (approximate)	
	3 per cent	Per cent	4¼ per cent	Per cent	5 per cent	Per cent	(a) On debt as funded	(b) On original principal, including back interest
							Per cent	*Per cent*
Austria	$12,951,000.00	37.4	$10,238,000.00	29.5	$8,971,000.00	25.9		0.100
Belgium	302,239,000.00	62.5	225,000,000.00	46.5	191,766,000.00	39.7	1.790	1.840
Czechoslovakia	124,995,000.00	100.9	91,964,000.00	74.3	77,985,000.00	63.0	3.327	3.433
Estonia	14,798,000.00	104.6	11,392,000.00	80.5	9,915,000.00	70.1	3.306	3.404
Finland	9,630,000.00	104.8	7,413,000.00	80.7	6,452,000.00	70.2	3.306	3.402
France	2,734,250,000.00	64.6	1,996,509,000.00	47.2	1,681,369,000.00	39.7	1.640	1.955
Great Britain	4,922,702,000.00	104.4	3,788,470,000.00	80.3	3,296,948,000.00	69.9	3.306	3.415
Greece [1]	8,577,000.00	43.6	6,425,000.00	32.7	5,495,000.00	27.9	.250	.950
Hungary	2,076,000.00	104.6	1,596,000.00	80.4	1,388,000.00	70.0	3.306	3.407
Italy	782,321,000.00	36.4	528,192,000.00	24.6	426,287,000.00	19.8	.405	.815
Latvia	6,181,000.00	104.9	4,755,000.00	80.7	4,137,000.00	70.2	3.306	3.426
Lithuania	6,452,000.00	103.8	4,967,000.00	79.9	4,322,000.00	69.5	3.306	3.420
Poland	191,283,000.00	104.9	146,825,000.00	80.5	127,643,000.00	70.0	3.306	3.408
Rumania	48,442,000.00	103.2	35,172,000.00	74.9	29,507,000.00	62.9	3.321	3.358
Yugoslavia	30,286,000.00	45.8	20,030,000.00	30.3	15,919,000.00	24.1	1.030	1.356
Total	9,197,183,000.00	76.1	6,878,948,000.00	56.9	5,888,104,000.00	48.7	2.135	2.402

[1] Exclusive of new 4 per cent 20-year loan of $12,167,000.

Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest as of June 30, 1931

Country	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness				Unfunded indebtedness [1]		
			Indebtedness		Payments on account		Indebtedness	Payments on accounts	
			Principal (net)	Accrued interest [2]	Principal	Interest	Principal (net)	Principal	Interest
Armenia	$11,959,917.49						$11,959,917.49		
Austria	23,752,217.00	$862,668.00	$23,752,217.00		$862,668.00				
Belgium	400,680,000.00	52,191,273.24	400,680,000.00		17,100,000.00	$14,490,000.00		$2,057,630.37	$18,543,642.87
Cuba		12,286,751.58						10,000,000.00	2,286,751.58
Czechoslovakia	[3] 167,071,023.07	18,304,178.09	167,071,023.07		18,000,000.00				304,178.09
Estonia	16,466,012.87	1,248,432.07	13,830,000.00	$2,636,012.87		1,246,990.19			1,441.88
Finland	8,604,000.00	2,954,685.27	8,604,000.00		396,000.00	2,249,370.00			309,315.27
France	3,863,650,000.00	486,075,891.00	3,863,650,000.00		161,350,000.00	38,650,000.00		64,689,588.18	221,386,302.82
Great Britain	4,398,000,000.00	1,911,798,298.67	4,398,000,000.00		202,000,000.00	1,149,720,000.00		202,181,641.56	357,896,657.11
Greece	31,516,000.00	3,091,936.01	31,516,000.00		981,000.00	948,860.00		2,922.67	1,159,153.34
Hungary	1,908,560.00	468,466.32	1,908,560.00		73,995.50	393,717.78			753.04
Italy	2,004,900,000.00	97,584,421.90	2,004,900,000.00		37,100,000.00	2,521,250.00		364,319.28	57,598,852.62
Latvia	6,888,664.20	634,166.79	6,888,664.20			503,337.84			130,828.95
Liberia		36,471.56						26,000.00	10,471.56
Lithuania	[4] 6,197,682.00	1,128,580.22	6,197,682.00		234,783.00	892,250.25			1,546.97
Nicaragua	290,627.99	168,783.13					290,627.99	141,221.15	27,561.98

See end of table for footnotes.

Principal of the funded and unfunded indebtedness of foreign governments to the United States, the accrued and unpaid interest thereon, and payments on account of principal and interest as of June 30, 1931—Continued

Country	Total indebtedness (payments on principal deducted)	Total payments received	Funded indebtedness				Unfunded indebtedness		
			Indebtedness		Payments on account		Indebtedness	Payments on accounts	
			Principal (net)	Accrued interest	Principal	Interest	Principal (net)	Principal	Interest
Poland	$205,057,000.00	$22,646,297.55	$177,485,000.00	$28,572,000.00	$1,287,297.37	$19,310,775.90			$2,048,224.28
Rumania	[1] 63,860,560.43	4,761,945.76	63,860,560.43		2,700,000.00			$1,798,632.02	263,313.74
Russia	192,601,297.37	[5] 8,748,878.87					$192,601,297.37		8,748,878.87
Yugoslavia	61,625,000.00	2,588,771.69	61,625,000.00		1,225,000.00			727,712.55	636,059.14
Total	11,466,028,562.42	2,627,580,897.72	11,229,968,706.70	31,208,012.87	443,310,743.87	1,230,926,551.96	204,851,842.85	281,989,667.78	671,353,934.11

[1] Payments of governments which have funded were made prior to the dates of the funding agreements. Unfunded indebtedness is exclusive of accrued and unpaid interest thereon.

[2] Accrued and unpaid interest on funded debts due to exercise of options to pay specified amounts over first 5 years in lieu of total amounts due, for which bonds similar to those originally issued under funding agreement will be given upon expiration of the options for the full amount deferred.

[3] Difference between principal of funded debt and amount here stated represents deferred payments provided for in the funding agreements, for which gold bonds of the respective debtor governments have been or will be delivered to the Treasury.

[4] Increase over amount funded due to exercise of options to pay one-half of interest due on original issue of bonds in bonds of debtor governments.

[5] Represents proceeds of liquidation of financial affairs of Russian Government in this country. (Copies of letter dated May 23, 1922, from the Secretary of State and reply of the Secretary of the Treasury dated June 2, 1922, in regard to loans to the Russian Government and liquidation of affairs of the latter in this country, appear in the Annual Report of the Secretary of the Treasury for the fiscal year 1922, as Exhibit 79, p. 283, and in the combined annual reports of the World War Foreign Debt Commission, Exhibit 2, p. 84.)

But gentlemen on both aisles of this Chamber say that they are willing to vote for the moratorium for one year, but propose to have the Congress go on record as opposed to the postponement or cancellation of debts. The difference between these gentlemen and my position is that I want to serve notice now instead of waiting until 1932.

In 1921 the Treasury Department drafted a bill and submitted it to Congress providing that—

The Secretary of the Treasury, with the approval of the President, is authorized from time to time to refund or convert and to extend the time of payment of obligations of any foreign government.

Mr. Mellon appeared before the Senate Committee on Finance on June 29, 1921, and asked that this bill be passed. This is what he said:

It was considered desirable to be prepared for any contingency. You can imagine where a country may be weak in its resources, and that country may have, say, German bonds or bonds of some other country which may add to the security if those bonds can be accepted, and they naturally will be accepted, with the indorsement of the country having the primary obligation.

But the Congress rejected Mr. Mellon's proposal and inserted a clause which provided that nothing contained in the debt settlement could be construed to authorize exchange of bonds or cancel any part of such indebtedness. Back as far as 1921 the Secretary was looking forward to a time when he could adjust the payment of allied debts in any manner satisfactory to the international bankers, and there is no question in the minds of the Members of this House, both those for and against the moratorium, but what the international bankers constitute the most powerful force in favor of the moratorium.

But let us see how much we have given the European nations, how much we have loaned them, and how much foodstuff was placed to their credit since the beginning of the war up until the present time. I herewith insert a table showing private American loans to the various European governments at the close of 1930.

Private American long-term investments in Europe, by types, at end of 1930

[In thousands of dollars]

Country	Direct	Portfolio	Total
Austria	17,377	97,688	115,065
Belgium	65,246	188,965	254,211
Bulgaria	812	13,281	14,093
Czechoslovakia	4,875	30,518	35,393
Denmark	15,924	167,799	183,723
Finland	1,206	78,043	79,249
Other Baltic States	10,124	6,867	16,991
France	161,809	309,525	471,334
Germany	243,969	1,176,988	1,420,957
Great Britain	497,305	143,587	640,892
Greece	10,136	42,851	52,987
Hungary	9,520	109,358	118,878
Irish Free State	3,129	3,497	6,626
Italy	121,216	279,924	401,140

Private American long-term investments in Europe, by types, at end of 1930—Continued

Country	Direct	Portfolio	Total
Luxemburg	600	6,957	7,557
Netherlands	44,024	122,574	166,598
Norway	23,470	190,878	214,348
Portugal	17,546		17,546
Poland	53,193	124,130	177,323
Rumania	15,836	9,375	25,211
Saar Territory		7,952	7,952
Spain	91,480	3,000	94,480
Sweden	19,230	253,536	272,766
Switzerland	17,834	43,503	62,237
Turkey	13,755		13,755
Yugoslavia	8,132	49,833	57,965
Total	1,468,648	3,460,629	4,929,277

NOTE.—The portfolio and total investment figures contained in this table are subject throughout to adjustments made necessary by the international securities movement.

Amount of food and materials, cash, and loans of American Government to European nations from 1917 to 1931

Allied debts to the United States	$12,090,667,000
Discount from loan on debt settlement	5,875,000,000
Discount on interest charged on allied debt	5,687,000,000
Food and materials given Allies at close of war	2,675,000,000
Private loans to European governments	4,929,777,000
Total	31,257,444,000

Out of this tremendous sum we are to receive a little more than $17,000,000,000, making a net gift to the European nations of about $14,000,000,000. Can any European truthfully say that America has not been charitable to their people? Can any American say that we have not done our part by Europe? We have been playing Santa Claus for 14 years while our mills and mines and factories have closed, while 10,000,000 men walk the streets searching for employment, and while millions of farmers and home owners are having their property sold out from under their feet, the proposal is brought in here to continue to play the Santa Claus act for war-preparing nations in Europe. But the gentlemen tell us to vote for the moratorium now, and that next year we will serve notice on Europe that she must stand on her own responsibility and meet her obligations. I for one, am ready to announce, that so far as I am concerned, she must stand on her own responsibility and meet her obligations now. We are told, and it has not been denied on the floor of this House, that many of these nations already have on deposit in this country the credits to pay their debt. The amount is about $252,000,000. The argument has been made that unless we postpone the payment of this amount that the financial structure of Europe will crumble. If the financial structure of Europe is only $252,000,000 strong to-day she will crumble before another year, and we should accept the money now or else we may run the risk of losing it in the future, but, gentlemen, I do

not believe that Europe is in that sad financial plight. If these nations, who are our largest debtors, can spend $1,500,000,000 on armaments, they are in no way near the brink of financial collapse and disaster.

Military expenditures of big four powers for fiscal year 1930–31

	Great Britain	France	Italy	Japan
Strength of army	208, 573	600, 987	404, 151	230, 000
Cost of army	$275, 084, 385	$280, 943, 884	$239, 815, 419	$119, 132, 877
Cost of navy	278, 079, 298	103, 200, 000	81, 539, 880	131, 468, 844
Cost of air force	96, 828, 072	90, 754, 080	42, 105, 051	33, 276, 000
Total cost	649, 991, 755	474, 897, 964	363, 460, 350	250, 601, 721

America holds the key to the entire situation for forcing disarmament throughout the world. She holds the purse strings of the universe. If America, through a strong virile administrative leader, would say to Europe that when you disarm and curtail your military expenditures, we will be ready to talk postponement and moratorium, we absolutely would force not only peace in Europe but peace throughout the world, and save from the wreck of military preparedness sufficient funds to retire allied debts not in 62 years but in 25 years. The peace of the world is at stake and you can not divorce it from consideration in connection with allied debt settlements or the moratorium.

In spite of all the gifts and charity we have bestowed upon Europe, I for one would be willing to continue the process if through that channel we can force disarmament and bring peace and contentment to a distracted and demoralized civilization. I would be willing to vote for the moratorium if we were assured that a reduction in armaments for twice that amount would come from the leaders across the sea, but we have no such cherished hopes. The war clouds are gathering in the Far East. Just the other day it was stated in the press that France is seeking to assume world-power domination, that Britain has enjoyed unchallenged for three and a half centuries. Nobody can tell what a year may bring forth. We fought the last war to make the world safe for democracy, and America furnished 4,000,000 men, materials, and the money. Let the Chief Executive place our country in the position it ought to occupy in not only demanding but in forcing peace through the moratorium and I am ready to follow his leadership. In that enviable position I desire to see placed my beloved America.

Mr. FERNANDEZ. Mr. Speaker, there is a little logic to a world debt postponement plan, but it would be unreasonable to assume a debt cancellation of any debtor nation on her obligation to the United States. At what price would we assume a debt cancellation? At home here we have millions in want for food; millions in want for clothes; millions in want for fuel; yea, millions in want for the vital necessities of life; in face of a condition when overproduction in almost every line of endeavor is rampant and the supply is plenty. Unemployment, suffering, and misery, people without the price of the essentials of life; without the price of clothes and nutrition for their loved ones and children.

The mere fact that a debtor nation shall continue to meet her obligations to the United States may not in the least alter the social structure or economic living conditions that confront the amalgamation of the human race to-day. But it is food for thought and more strength for the old adage "Charity begins at home first." Perchance there are some 6,500,000 idle workers in the country to-day. We should be reluctant to encourage any shiftless abandon on the working habit of any individual, but at the same time we must admit that there are the needful ever mounting in numbers, only to contribute to another form of cataclysm—a flood of overproduction with resultant surplus of labor—a virtual standstill of some of our industries—a system that is replete with fear of speculating and establishing; some markets that are inactive and under the lash; all awaiting a timely criterion that will prove the salvation of the world from the tentacles of the present chaos.

It is human to err, for a war always proves to be an error on some nation or nations; but the height of temperance and divinity comes when the nation that was instrumental in the defeat of Germany and her allies comes forth in an apparent act of mercy to, saying the least, help stabilize the finances of that government. For, in the short period of one year a reparations' debt postponement could not possibly have any favorable reaction on industry in the German Republic, nor could a war debt postponement for one year have any noticeable resuscitating effects on industry in any of the other debtor nations of the world. So, diametrically speaking, in my view, this 1-year postponement plan would only help stabilize the financial structure of the Nation itself, and the world in general awaiting the reaction.

In my telegram to President Hoover on June 24, 1931, in answer to his message of the identical date appealing his postponement plan for one year of all intergovernmental debts, I indorsed the idea on the grounds that I thought there was merit to the principle of the world debt-postponement plan. I carried out my indorsement by voting for the 1-year postponement plan to Germany and debtor nations. It only means that their repayment will be mandatory, effective July 1, 1933, over a 10-year period with interest at the rate of 4 per cent.

And section 5 of the joint resolution authorizing the postponement of the amounts payable to the United States from foreign governments during the fiscal year of 1932 expressly declares it to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced.

I can see no harm in the postponement by this country of the World War debts, but I am fearful of what might occur across the waters of the great expanse if this plan were not put into effect as contemplated.

Representing, as I do, part of the great city and port of New Orleans, of the State of Louisiana, I speak for a constituency that is vastly interested in world or foreign commerce. And I think I can reasonably fortify my action in the National Legislature in happy anticipation of some real benefit or accrual to the port of New Orleans.

Mr. FLANNAGAN. Mr. Speaker, the rush with which the moratorium is being put through is alarming. Many of the Members, and I am among the number, have not been able to obtain the facts with reference to the necessity of the moratorium, nor have we been given any valid reason why the measure should be "railroaded" through the Congress with all the dispatch and clockwork of the "Memphis Special," or some other high-powered, high-geared train.

We of the opposition are told by the gentleman from Arkansas [Mr. RAGON] that we have prejudged this question from the reports in the newspapers. What other evidence have we had to consider? Give us the facts, or give us an opportunity to obtain the facts, and I for one, and I believe I voice the sentiment of the opposition, will calmly, deliberately, and impartially consider every fact before coming to a decision.

Why, Mr. Speaker, the gentleman from Arkansas [Mr. RAGON] is a member of the committee that reported this resolution, and while he accuses us of prejudging this question from newspaper reports, for some reason his committee has only furnished us with a partial report of the evidence introduced before the committee—and did not furnish us with that until after Congress convened this morning—and I challenge him to point out one single statement in that evidence, and I presume that it is the most favorable part of the evidence introduced, that justifies the passage of this resolution.

I am against legislating on newspaper reports, and for that reason I resent the high-handed methods that are being used here to-day to put this matter through without first giving every member of this body an opportunity to acquaint himself with the facts. I could hardly believe my ears when the Democratic leader announced this morning that the moratorium would be taken up and that the House would be held in session until its passage. Why the hurry?

The Senate has taken no action and will not, in all probability, until after the holidays. The only conclusion I can draw from the rush and hurry, and I think it a valid and reasonable conclusion, is that the proponents of this resolution are afraid for the Members of Congress to acquaint themselves with the facts before voting. This conclusion is a serious indictment against the leaders of the proponents of this resolution. I hope they can justify their action on some other ground, but until they do my indictment stands.

Mr. Speaker, my opinion is that if the Members of Congress were in possession of all the facts this measure would never pass. Oh, be not deceived! Because the facts will come out, and when they do the American people are going to have a vote on this matter and that vote, in my honest opinion, is going to increase the class of "has beens" and bring a lot of new men and women into this body whose hearts, minds, and souls are dedicated to the service of the American people. Oh, I am not accusing the advocates of this resolution with being out of sympathy with the American people, or with being, in any way, disloyal to the American people. I know that they are loyal Americans. What I am trying to say to them is this: That they are out of touch with the American people and that they had better get a little closer to the man on the street, the man on the farm, the man in the factory, the 7,000,000 men and women in this country who are out of employment.

You may say that this is pretty plain talk for a new Member. Probably it is. I think the time for plain talk has arrived and when I think it is time to indulge in plain talk, why I indulge in plain talk, and that's that.

Having taken my stand against the moratorium, I think that it is only fair that I should state my reasons. These reasons are based upon my limited knowledge of the question. God only knows how many more reasons I would have if I were in possession of all the facts.

My reasons are as follows:

First. There is no necessity for the moratorium.

As I understand the matter, Germany, under the Young plan, could ask for an extension of her debts upon a showing of inability to pay. Now, remember, Germany has never asked for an extension of her debts under the Young plan. Why? While we have never been put in possession of the facts with reference to this particular question the natural inference to be drawn from her failure to put in operation this provision in the Young plan, I think, is that she could not show an inability to pay.

Certainly if Germany was right up against it financially and was unable to pay, she would have taken advantage of the provision in the Young plan. That, as I understand this matter, expressly provides that upon a showing of inability to pay on the part of Germany she shall be entitled to an extension.

I would like to know, and the American people I am sure would like to know, why Germany, if in financial straits, did not take advantage of this provision in the Young plan.

I further call attention to the fact that the National City Bank of New York has handled $1,071,000,000 and joined other syndicates in handling $3,260,000,000 of German Government, German municipal, and German industrial bonds, and that default has not been made in the payment of a single bond handled by the National City Bank to date, and to the further fact that the drop in the price of foreign bonds has been less than the drop in domestic bonds. Why, Mr. Speaker, don't we know, and don't the American people know, that if Germany was one-half as bad off financially as the proponents of this measure would have us believe that default would have been made, long since, in the payment, to say the least, of some of these bonds? Why, this fact alone shows that the industries of Germany and, I might add, the German Government itself, are upon a reasonably sound financial footing.

Second. The German Government, as I understand, has never requested a moratorium.

Now, Mr. Speaker, it has been charged upon the floor, and never denied so far as I have heard, that Germany never requested the moratorium. Why? Well, I do not know, because I have no way of finding out, but I have drawn my own conclusion from the fact that no request for a moratorium has come from Germany. I give my conclusion to you for what it is worth. My conclusion is this: If Germany had requested a moratorium, the American people would have demanded, as a prerequisite to giving serious consideration to the request, that she first show an inability to pay. Germany could not show an inability to pay and, of course, had sense enough to know that such a request would be ridiculous, and therefore proceeded in a different way.

Third. Because I am afraid that a moratorium will lead eventually to cancellation.

If we pass Mr. Hoover's personal moratorium or, rather, the international banker's moratorium, we are giving the nations of Europe the opportunity to stop paying their debts, and if this is ever commenced it is going to be hard, to say the least, to get them to resume payments. We have already given away $5,000,000,000 of the people's money to the nations of Europe and in return the only thing we have received is their ill will and ridicule, and I believe that it is time we realized the fact that this money does not belong to us and that our relationship with respect to same is that of trustee for the people.

We did not start the trouble that necessitated our Government in making these loans anyway. The trouble was started by Germany, and if Germany has to pay and pay dearly for her folly, she has only herself to blame.

Fourth. Because, under the circumstances, the American Congress, representatives of the American people, can not justify a moratorium to Germany at this time.

As above stated Germany, if in financial straits, upon a showing of inability to pay could have put in operation the machinery provided for in the Young plan and obtained an extension of her debts. There is nothing in the Young plan, of course, which would have denied her the right to request a moratorium. She did neither for the obvious reason that a request for a moratorium would have to be predicated upon an inability to pay, and the machinery provided for in the Young plan could only be set in motion upon a showing of an inability to pay.

Then why forgive Germany her debt, not for a period of one year as we were first led to believe the President desired but a part of it for 10 years? The resolution provides for the debt to be paid "in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and one during each of the nine fiscal years following, each annuity to be payable in one or more installments."

O Mr. Speaker, we do not stop with forgiving Germany her debt to us for the period provided for in the resolution, but we are, it seems, so solicitous of her welfare that we demand as a prerequisite to our forgiveness that all nations creditors of Germany do likewise.

Can we, the Representatives of the American people, justify such a stand and at the same time deny the American farmer, small business man, laborer, and soldier boy relief? When we forgive Germany, or forbear with Germany, we are saddling the burden somewhere. Do not forget that. There is no use kidding ourselves. We had better face facts. We are taking the burden off the back of Germany and placing it upon the back of the American taxpayer. We are, by our action, directly adding additional burdens to the onerous burdens under which the people of America are groaning to-day. We are preferring the men, women, and children of Germany to the men, women, and children of America, and, in my opinion, doing it without being driven by necessity to take such a stand but without even invitation or request.

And what a burden we are placing upon the American people. We are denying them the present benefit of $252,000,000 and in all probability denying them the future benefits to be derived from our foreign debts, and this in these days of distress and want, when homes are being sold from over the heads of our own people, when the Federal farm banks are foreclosing mortgages on American farms, when 3,000 banks in this country, representing $2,000,000,000 liabilities, have closed; when 7,000,000 men, representing

around 30,000,000 hungry mouths, are out of employment; and our own Government facing a deficit of around $2,000,000,000.

And we are doing it in spite of the fact that there is no necessity for our action, in spite of the fact that Germany could afford to spend last year on arms $171,923,040, and in spite of the fact that it has been openly charged on this floor, and never denied, that $800,000,000 of the money the Germans have borrowed from the American people have been loaned by the Germans to Soviet Russia at a higher rate of interest and for the purpose of diverting Russian trade to Germany.

O Mr. Speaker, in my opinion, this is not a resolution to relieve Germany, but a resolution to give the bank creditors of Germany in the United States a preference over the German obligations to our Government. We are, I am afraid, legislating to-day against our Government and in favor of the international bankers. I hope I am wrong, but with such facts as I have been able to dig up, I am driven to this conclusion. These bankers, it seems, are afraid if Germany pays us she will be unable to pay them. Well, be it ever understood that I am here legislating for the American people and not the international bankers.

Oh, we are told by the able gentleman from Arkansas [Mr. RAGON] that while he has misgivings about the moratorium, and about this, that, and the other, that: "But there is one thing in which I know I am not wrong, and that is in following the President." I know the gentleman is sincere in making the statement. He is an old college mate of mine, and I have the highest respect not only for his ability but for his sincerity. I want to remind my friend, however, that there are 72 new faces in this Congress by reason of the fact that 72 of the old Members entertained the same view of the President that he at this time seems to entertain, and that he would do well to profit by their sad experiences.

Stand by the President! The sentence sounds well and looks well in print. It has a tendency to convey the idea that the speaker is big and broadminded. Well, I can tell you in a few words where I stand regardless of whether it sounds good or looks good, and regardless of whether it conveys the idea that I am dwarfed and narrow-minded. As between the President and the American people I stand with the people. As between Germany and America, I stand under the Stars and Stripes.

Yes; I stand to-day where I have always stood—for the great masses, for the men and women in this country who are in distress and need a lawyer at court.

For the farmers of this country, who, if anyone needs a moratorium, need a moratorium against the debts owed by them to the Federal land banks. If we are going to declare any moratorium or cancel any debts, let us first give consideration to the claims of the farmers, small business men, and laborers of our country.

For the laboring men of this country, who are not asking for charity but are demanding work.

For the small business men in this country, who are finding it hard to make buckle and tongue meet during these days of Hoover prosperity.

For the soldier boys of this country, many of whom are being denied proper attention to-day because of lack of hospital facilities to take care of them.

Mr. Speaker, when we have considered and taken care of the claims of our own people, I am willing to think about the claims of others, but not until then.

Mr. DISNEY. Mr. Speaker, after due deliberation I am compelled to cast my vote against this bill. I am opposed to legislation by telegram. The framers of the Constitution did not contemplate that international affairs, or even legislation of the slightest importance, could be carried on by correspondence or telegram. I wired the President in response to his message that I could not vote by telegram. I still adhere to that view.

Before presenting my reasons against the passage of this bill, permit me to make some observations upon the arguments adduced in the House to-day.

In the first place, the affirmative of this proposition would not win its case on the evidence presented to the House in a justice of the peace court in any township in the land. This has been charged on the floor and not denied. No case has been made in favor of the resolution.

The gentleman from New York [Mr. LAGUARDIA] makes a statement that there is nothing else to do but ratify the President's conduct. He announces that he is opposed to cancellation of the war debts, and the bill itself, in an amendment, attempts to set up a policy against cancellation, which can, by the way, be changed by this or any succeeding Congress. The gentleman from New York says the President's conduct was unconstitutional and void, "But that there is nothing to do but ratify it." By the same token, let me ask him if he would vote for a cancellation of the debts if the President had unconstitutionally canceled them without consulting Congress?

The gentleman from Arkansas [Mr. RAGON] says that banks will begin to totter if we don't pass this bill; and the gentleman from Georgia [Mr. CRISP] says that we are passing this "to save the world from chaos." Both of these are equally strong arguments for cancellation of the debts, and yet the gentlemen deny that they are for cancellation. If we are doing this thing to save our banking situation and to save the world from chaos, then they should be arguing for cancellation instead of a moratorium, both of which I oppose. For that matter, we have already had about 8,500 bank failures in the last 10 years, since the Harding policy of inflation of the currency was announced and put into effect.

Gentlemen on both sides of the Chamber say that chaos confronted us in June, and that chaos is just around the corner now unless we pass this bill. In my judgment if there was a confrontation of the country with chaos in June, the President should have called us into session if the imminence of saving the world was the point at issue.

The fact that he did not rather belies the proposition. Lots of things can happen between June and December, and I wonder, Mr. Speaker, whether these so-called collapses are voluntary or involuntary upon the part of the European nations who seek cancellation and moratoriums. Right after the war Germany announced she was collapsing, and we gave her the Dawes plan. In not many years she announced she was again sinking in the sea of insolvency, and we gave her the Young plan. And now, after a comparatively short time, we hear the cry of "chaos." They tell us that Hitler is about to get into power in Germany. Well, what of it? If he goes in, he will do so by an election, and the German people will vote for him. He is opposed to the bogey of communism. For one, I think it is none of our business whom Germany selects as her leaders. Again, I ask, are these collapses voluntary or involuntary?

The evidence before the committee shows that France and England, the other nations who owe the money to us—for we are not collecting a dime from Germany—did not request a moratorium and are ready and able to pay; it shows that the President requested the moratorium.

The answer of the gentleman from Wisconsin [Mr. STAFFORD] to a question on the floor is significant. When questioned as to what Germany would do with the money if payment is remitted, he answered, "She will use it for her own self-improvement."

Mr. Speaker, since the war we have remitted, canceled, or lost the enormous amount of $10,705,618,006.90 in war debts. Here is a table, an official one. I am inserting this table prepared by the Treasury Department showing (1) the countries with which settlements have been made, (2) the date of agreement, (3) the amount of debt funded, (4) interest to be received, (5) total amount to be received, (6) the amount that would have been received on a British basis (3–3½ per cent interest), (7) total amount that would have been received on a 4¼ per cent interest basis, (8) total amount canceled on a 4¼ per cent interest basis, and (9) total aggregate amount, being $10,705,618,006.90, canceled, lost, or remitted in all of the settlements:

Countries	Date of agreement	Funded principal	Interest to be received	Total	Total that would be received on British basis (3–3½ per cent interest basis)	Total that would be received on 4¼ per cent interest basis	Total canceled on a 4¼ per cent interest basis
Belgium	Aug. 18, 1925	$417,780,000.00	$310,050,500.00	$727,830,500.00	$1,041,597,000.00	$1,191,052,000.00	$463,221,500.00
Czechoslovakia	Oct. 13, 1925	115,000,000.00	[1] 197,811,433.88	312,811,433.88	252,890,000.00	327,854,000.00	15,042,566.12
Estonia	Oct. 28, 1925	13,830,000.00	19,501,140.00	33,331,140.00	[1] 33,331,000.00	39,428,000.00	6,096,860.00
Finland	May 1, 1923	9,000,000.00	12,695,055.00	21,695,055.00	[1] 21,695,000.00	25,658,000.00	3,962,945.00
France	Apr. 29, 1926	4,025,000,000.00	2,822,674,104.17	6,847,674,104.17	9,708,825,000.00	11,474,900,000.00	4,627,225,895.83
Great Britain	June 19, 1923	4,600,000,000.00	6,505,965,000.00	11,105,965,000.00	[1] 11,105,965,000.00	13,114,172,000.00	2,008,207,000.00
Hungary	Apr. 25, 1924	1,939,000.00	2,754,240.00	4,693,240.00	[1] 4,693,000.00	5,538,000.00	834,760.00
Italy	Nov. 14, 1925	2,042,000,000.00	365,677,500.00	2,407,677,500.00	4,923,820,000.00	5,821,552,000.00	3,413,874,500.00
Latvia	Sept. 24, 1925	5,775,000.00	8,183,635.00	13,958,635.00	[1] 13,959,000.00	16,464,000.00	2,505,365.00
Lithuania	Sept. 22, 1924	6,030,000.00	8,501,940.00	14,531,940.00	[1] 14,532,000.00	17,191,000.00	2,659,060.00
Poland	Nov. 14, 1924	178,560,000.00	257,127,550.00	435,687,550.00	[1] 435,688,000.00	509,058,000.00	73,370,450.00
Rumania	Dec. 4, 1925	44,590,000.00	[1] 77,916,260.00	122,506,260.05	107,488,000.00	127,122,000.00	4,615,739.95
Yugoslavia	May 3, 1926	62,850,000.00	32,327,635.00	95,177,635.00	154,651,000.00	179,179,000.00	84,001,365.00
Total		11,522,354,000.00	10,621,185,993.10	22,143,539,993.10	27,819,134,000.00	32,849,158,000.00	10,705,618,006.90

[1] Settlement made on British basis.

Mr. Speaker, the United States has a population of 124,000,000 and $18,000,000,000 public debt, or $145 per capita. Great Britain has a population of 47,000,000 and a debt of $38,000,000,000, or $834 per capita. France has a population of 40,000,000 and a debt of $80,000,000,000, or $2,000 per capita. Germany has a population of 65,000,000 and a debt of $8,000,000,000, or $125 per capita.

Why, I beseech, gentlemen, can't Germany pay, in the face of these figures, if France and England can?

Mr. Speaker, this proposal breaks faith with the taxpayers of the United States. This moratorium simply means the removal of the burden from the nations of Europe to the backs of the American taxpayers. My reasons for opposing this moratorium are too many in number to announce in the short time allotted me.

It is not good business. We are nearly $2,000,000,000 in the red. Our Government has, or will soon have, a deficit of that amount, and this proposes to forego for 10 years the payment of one-fourth of the amount of our deficit. Is that good business?

One of the debtor nations is France—the most prosperous nation under the sun. In the last 10 years 1,500,000 farmers in the United States have lost their farms through foreclosure, and, in the face of that face, there is not a mortgage on a farm in France.

The gentleman from Georgia [Mr. CRISP] stated on the floor, either substantially or in effect, that the debtor nations—not Germany but our actual debtors—would have had the money ready if the moratorium had not been proposed. Where, then, is there any collapse involved if they were ready, willing, and able to pay? If the restoration of confidence must be purchased with money, and if there is no other way to restore confidence in the world than to forgive our debtor nations, then we should not give them half a loaf, but cancel the debts entirely. This, I think, would be a mistake, but it is indirectly what the gentlemen are arguing for.

We can not say to the farmers and business men of this Nation that we have voted to give relief to Europe and deny them relief for their insolvent condition. These farmers and business men are entitled to our consideration, and this will be worse than Black Friday if we extend the hand of fellowship and plenty to Europe, and then deny the slightest aid to our folks at home.

Mr. Speaker, Europe is not in a condition to ask our aid. She has laid no foundation for mercy or charity. Listen to these appalling figures: During the year 1931, a year in which Germany staggered toward financial collapse, she spent $171,934,040 for armaments. Great Britain spent $465,255,000 and her dominions added $266,560,065. France, the richest nation in the world, spent $466,960,000 for armaments. Soviet Russia spent $578,942,707; and the United States, forced by their example to keep pace with increasing armament, spent $707,425,000. The total of the world's expenditures, the pace for which was set by Europe, is $4,157,931,958. This vast sum was spent during the last fiscal year. Compared with these enormous sums, the $400,000,000 lifted from Germany's shoulders by the moratorium is a bagatelle.

So I say, Mr. Speaker, until Europe has ceased her preparations for the next great war, until she has shown some signs of actually needing a moratorium and being in a moral position to accept our good graces financially, she is not prepared to ask or demand that we help her.

Mr. Speaker, this vast deficit of $2,000,000,000 has largely been brought about by our warlike preparations, which, as I say, we have been compelled to make on account of the belligerent preparations of Europe. So I say to you that it is not good morals or good business to grant this moratorium until after a conference of the nations has been had, in which they have agreed to cut down their armaments comparable to their so-called ability to pay. If they have a collapse imminent, that collapse is due to their deficits; their deficits, like ours, are due to their vast armament program. Mr. Speaker, the idea is preposterous and this is a double-cross of the people of the United States.

We claim to be the leaders of the world in art, in finance, in war, in statesmanship, and yet we do the thing proposed in this bill that puts us at the foot of the class so far as genuine statesmanship is concerned, so far as setting an example to Europe to cease their preparations for another great war is concerned. On the other hand, it is rather an encouragement, when we forego their debts to us and permit them to continue arming—I say it is an encouragement to them to increase their preparations for another holocaust of war.

Mr. Speaker, I ask to have inserted in the RECORD an article by Garet Garrett, entitled "Other People's Money," printed in the Saturday Evening Post recently, and an editorial in one of the leading daily newspapers entitled "Should Not Arms Pay Their Debts?" printed in the Christian Science Monitor August 22, 1931. These articles, respectively, show their prophecy of the European situation and show the arguments against the granting of this moratorium.

Mr. Speaker, until common decency among nations shall be established, or at least demanded by us, in ringing phrases comparable to those of another Woodrow Wilson, until Europe looks upon the moral side of war with due respect, we can not do this thing.

What shall the harvest be? Will it be a cessation or a continuation of preparations for the time when the Four Horsemen will ride forth over the lands of all nations? Will this uncertain, hesitating method stay the hand of war? Will we not rather be confronted, most likely in the near future, Mr. Speaker, with the marching of armies and the sailing of ships prepared by the money that we have forgiven these nations which have been belligerent for centuries? This time demands firmness and exactitude of purpose, not a wavering, impulsive policy between nations. The passage of this resolution is an open invitation to Europe to continue her warlike preparations, and all the dreams of the great Apostle of Peace and his disciples have been shat-

tered. The philosophy of this resolution is indefensible. The time is ripe to say "No," to forbid further vacillation and reproach.

[From the Christian Science Monitor, August 22, 1931]

SHOULD NOT ARMS PAY THEIR DEBTS?

Taxpayers of every nation directly involved in World War debts and reparations will do well to ponder events that are making possible a linking of debt reduction and arms reduction. The report issued by the Wiggin committee at Basel is generally regarded as laying the groundwork for further discussion on debt rescaling. Reception of the moratorium for Germany, especially in the United States, encourages an expectation that public opinion would ratify debt revision as a means of speeding economic recovery throughout the world.

One factor in the situation that can not be overlooked is the attitude of governmental leaders in the United States toward arms reduction as a necessary feature in any scaling down of war debts. Mr. WILLIAM E. BORAH, chairman of the Senate Committee on Foreign Relations, is one of many who are withholding judgment on proposals for debt revision until they see how things go at the Geneva disarmament conference next February.

This issue has outgrown chancelleries and sits on every doorstep. Statesmen who talk of debt reduction are asking taxpayers in creditor nations, chiefly the United States, to assume a burden that may amount to several billion dollars. The American Government, having borrowed from some of its people to lend abroad for war purposes, would tax most of its people to redeem its wartime bonds. This situation places the taxpayer in the position of ultimate creditor, even to his own Government.

One of the fundamental rights of a creditor is to know for what purpose any money he may advance is to be used. This is even more applicable when the disbursement becomes an outright donation, as it would be in the event of war-debt reduction. Here arms reduction enters the picture, for nations of the world expended $4,157,931,958 for armaments during the last fiscal year.

It was a year in which Germany staggered toward financial collapse. Yet Germany spent $171,934,040 for armaments—a small sum compared with outlays of others nations, but nearly one-half the amount saved to the Reich as a result of the moratorium. Great Britain, in recent weeks, facing a financial crisis, spent $465,255,000, and its Dominions added $266,560,065. France devoted $466,960,000 to armaments while still straining her resources to rehabilitate devasted war areas and insisting upon reparations to that end. Finally, Soviet Russia and the United States topped the list with expenditures of $578,942,707 and $707,425,000, respectively.

Compared with these enormous sums, the $400,000,000 lifted from Germany's shoulders for one year by the moratorium dwindles in significance. If the nations would agree at Geneva to reduce world expenditures on arms only 9½ per cent, they would thereby save enough to make an outright gift of $400,000,000 every year to the cause of world economic rehabilitation. What more logical than that proposed outlays for armaments be reduced to pay debts which have been incurred for former armaments?

Statesmen at Geneva can not fail to realize the force of this logic. While the movement for debt revision grows apace, the world still vacillates on the question of arms reduction. Certain elements advance the proverbial reactionary argument. "The time is not ripe." But when will it be riper? The whole world yearns for economic relief. Necessity has already compelled a moratorium that upset precedent and former policy. Necessity may compel debt reduction. Wise statesmanship, impelled by a world citizenry demanding sanity in world finance, can stop or reduce the mad policy of lavishing money on armaments while old debts for arms still keep world ledgers "in the red."

OTHER PEOPLE'S MONEY

By Garet Garrett

THE RESCUE OF GERMANY

Again, for the third time, Germany is threatening to sink in the sea of insolvency with all her creditors on board; and again it is the creditors who frantically work at the pumps. Their anxiety seems greater than Germany's own, and it is, for the singular reason that in this sea only creditors can drown. If Germany sinks, she will rise again, lightened by the loss of her creditors.

Twice the creditors, unable otherwise to keep her afloat, have cast overboard great parcels of debt, and that at first was easy to do because the debt was political. The name of it was reparations. But now, in this third crisis, there are two kinds of debt and two kinds of creditors on board, all in the same dilemma. There is what survives of the original reparations debt, and there is now, besides, an enormous private debt, owing not by the German Government to other governments but owing by the German Government, by all the German States, by German municipalities, by German banks, by German industry, to private lenders all over the world. This is new debt, created in the past six or seven years. The amount of it is more than $3,500,000,000. Two-thirds of it is owing to American banks, American investors, American lenders.

One value of this great private debt to Germany is that she can play it against the political debt. As she watches her creditors working at the pumps, she keeps saying: "Throw over the rest of the reparations debt. That is what is sinking us. Cast that away and the rest will float." Then, to her private creditors alone, she says: "Don't you see how you can save yourselves? Only side with us and we will get rid of the reparations debt entirely. We tell you the rest will float." This suggestion tends to divide the creditors, and they begin quarreling among themselves. But they can not be sure that if the reparations debt be jettisoned the rest will float. They are not sure of anything about Germany. So, in frustration, they appoint an international committee of experts to examine the ship from both the German point of view and that of the creditors, to reconcile them and to say what burden of debt the ship can afford to bear, Germany willing.

The first international committee of experts had to work in a diving bell. Germany then, in 1924, was totally submerged. By inflating her money until it was worthless she had committed an act of complete national insolvency, internal and external. Nothing like it had ever happened before. Nevertheless, the experts found the ship itself to be quite sound and so reported. All that was necessary was to float it again on a tide of confidence. Once afloat, it could bear a reparations debt burden of $625,000,000 a year.

That was the Dawes plan, and on the undertaking to make it work the German Government borrowed $200,000,000 gold from Great Britain, France and the United States to begin a policy of fulfillment. Then, immediately, Germany at large launched herself upon a career of borrowing so amazing and reckless as to correspond to nothing in the history of international finance, except, by contrast, her preceding career in bankruptcy by inflation. And this was the beginning of the private debt.

Five years later the Dawes plan was sinking the ship. The sum of $625,000,000 a year was a disastrous sum in itself; but what made it very much worse was that the Dawes plan did not say for how many years this burden should be carried. It had not fixed the total amount of reparations to be paid, only the annual payment on account. Unless the creditors would agree to fix a total, so that Germany might at least see the end of reparations, there was nothing for her to do but to embrace despair and sink again.

Then a second committee of international experts made an analysis of her resources and said she could afford to pay only $400,000,000 a year. That was the Young plan, and on the undertaking to make that plan work the German Government borrowed $300,000,000 from Great Britain, France, and the United States to launch itself upon a second policy of fulfillment.

But before the Young plan had even begun to work the former head of the German Reichsbank and other Germans were going up and down in the world proclaiming the authentic propaganda that reparations were bringing Germany to ruin; that unless she was relieved of that burden she would surely sink; that if a second act of national insolvency, such as preceded the Dawes plan, was the only way of escape, then this, with all its terrors, might come to seem the lesser German sacrifice. It is weird to remember that with this propaganda running higher and higher, still Germany could borrow on a scale hitherto unheard of.

THE "KAMERAD" CRY IN FINANCIAL CIRCLES

American investors went on buying German bonds, because the rate of interest was high; American banks went on putting their surplus funds on deposit in German banks for the same reason. They all said: "Oh, that is political propaganda about reparations. It has nothing to do with private finance or private investments." Nobody could imagine that the Germans would attack their own credit and really mean it, or that a second act of national bankruptcy was possible. It was a little like the warning on the sinking of the *Lusitania*. There it was, cold and authentic, but nobody believed it.

Suddenly, in June last, the lesser sacrifice did, nevertheless, become imminent. Germany was at the brink of national insolvency and calling on her creditors to forbear and save her from that disaster. Her inflated financial structure was about to fall. The Reichsbank was about to shut up. In that case, naturally, she could only default on the whole of her foreign debt, both political and private; and the private debt, owing not to governments but to foreign investors and foreign banks, had reached the prodigious total of more than three and a half billions of dollars. Could international finance afford to let such a thing happen? Were not Germany's creditors obliged in their own interest to come to her rescue?

The most sympathetic of Germany's creditors was Great Britain, not because she had more to lose than any other country—she had much less in jeopardy than the United States—but for other and complicated reasons. Almost every day in June the head of the Bank of England had New York on the telephone to tell American bankers how desperate the German situation was, how daily it grew worse, and why it behooved the United States to take great measures. Only the United States had the resources to save this Germany. England alone was helpless to avert the calamity. France was obscure. The United States was obliged, in its own selfish interest, to act. For suppose Germany failed, what would happen to American banks with enormous sums on deposit in German banks? And what would happen to the German bonds that had been sold to banks and private investors all over the United States? What would happen to American banks that had these German bonds among their reserves? When the head of the Bank of England was not calling New York the British Government itself was calling Washington and saying the same things.

THE INTERNATIONAL DEBT HOLIDAY

Such were the circumstances under which President Hoover proposed an international debt holiday. No reparations to be collected by the former Allies from Germany, no payments to be made by Europe on account of war debts to the United States

Treasury for a period of one year. The effect of this was a loan of $400,000,000 to Germany. That was the amount she would have had otherwise to pay away on account of reparations. And besides that effect, international finance at the same time made a direct loan of $100,000,000 to the German Reichsbank to meet an emergency. The money was provided by the Federal Reserve Bank of New York, the Bank of England, and the Bank of France. On this day's work international finance heaved a great sigh. Nothing less than the bankruptcy of Germany had been averted. For several days there was a wonderful rise in German bonds, in securities of all kinds, even in commodities, the whole world over.

What followed immediately was a headlong flight from the German mark. Private banks in England, France, Holland, Switzerland, and the United States that had been keeping money in German banks because the rate of interest was high took second thought—and on second thought they were more anxious than ever to call their deposits home; for, after all, a year was a short time and nobody knew what would happen at the end of the holiday. But that was not all. The Germans themselves were in flight from the mark. They had been stealing away from it quietly for a year or more; now they began to run. They took German marks to the Reichsbank and bought dollars in New York, pounds sterling in London, French francs in Paris.

A 12-MONTH MORATORIUM WITH A 10-DAY BENEFIT

This could be done through the mechanism of foreign exchange; and when they had exchanged their marks at the Reichsbank for dollars payable in New York, pounds sterling payable in London, and French francs payable in Paris, they had then only to wire to New York, to London and to Paris to keep their dollars, their pounds sterling and their francs on deposit. Germans who knew not how to convert German marks into foreign bank deposits through the mechanism of foreign exchange found simple ways to get rid of them. For example, they would go to the nearest border and tender the largest possible German-mark bill for a small railroad ticket, wanting not the little journey into a foreign country but the change in Dutch guilders or Swiss francs, for hoarding.

The Hoover debt-holiday plan took effect on June 30, and Germany, on that date, with $400,000,000 less to pay out and $100,000,000 new credit borrowed at the same time, was $500,000,000 to the good. Nevertheless, within 10 days Doctor Luther, head of the German Reichsbank, was going about Europe in an airplane, to Basle, to Paris, to London, saying Germany must have immediately the loan of $500,000,000 more. The whole benefit of the Hoover debt-holiday plan had been swallowed up in the flight from the German mark, and Germany's financial plight was much worse than before. The lesser German sacrifice—that is to say, the total bankruptcy of Germany—now was really imminent.

International finance was horrified. Where was the end of this? The Germans rushing their own money out of Germany, and Germany at the same time imploring her creditors to put more in, to save her and to save themselves!

"It is a sieve," said the French, "a perfect sieve. Moreover, it is very probably a trap. Does Germany think that by threatening to repudiate her debts she can oblige her creditors to go on putting more and more in, merely in order to get a fixed amount out?"

The French were in a very strong position—much stronger than the English. The Bank of England had been steadily losing gold for a long time and was greatly worried about it, whereas the Bank of France had the second largest gold fund in the world and was steadily increasing it.

FRANCE'S POSITION

The French knew very well that the idea of another great international loan to Germany would fail if they declined to support it. So they said, "Very well. We will consider taking part in another international loan to Germany, provided the Germans will behave as debtors should. Debtors ought not to be cultivating a military spirit toward their creditors. Therefore, let the Germans disband their steel helmets, which represent the old military spirit again. Let them stop spending their creditors' money for what they call pocket battleships, which are really very formidable sea weapons. Let them undo their bargain of union with Austria, which is contrary to the treaty of Versailles."

At this, Doctor Luther flew home to Berlin. He represented only the German Reichsbank, and nothing else of the German Government; he was, therefore, not competent to discuss political matters. On his return a song of bitterness burst in Germany. The war still! The French again! They would take advantage of Germany's desperate necessities to make humiliating political demands. Having ruined the Hoover plan by making difficulties about it until the grand effect was lost, now they would use their financial strength to chain Germany down.

The English, dreading more than any other nation a crash of the financial structure of Europe, spilled unction on these waters. They proposed a conference of prime ministers to be held in London, and persuaded the German Chancellor to come by way of Paris and stop there in his best German manner for such impression as it might make on the implacable French nature. The German Chancellor did, taking with him his foreign minister and a body of eminent experts. The French received them at the railway station under an arch of flowers. Anyone who even a little understands the French would know what that meant. It meant that the French were in a logical mood, and that when the embracings were over they would politely regret to find themselves astronomically removed from any point of view but their own. And so it was.

NOT GERMANY'S PROBLEM

Yet what the Germans were saying was enough to make the blood of international finance run cold. They were saying that Germany had no plan of her own to propose. She had only the facts to present. It was up to her creditors to regard the facts and then decide whether to save Germany in order to save themselves. The Germans said they were talking not only of their political debt—that is to say, reparations—on account of which they were obliged to find $400,000,000 a year; they were thinking even more of Germany's new private debt, amounting now to more than $3,500,000,000. This was money Germany and her nationals had borrowed during six years on their bonds and notes and short-dated I O U's from banks and from private investors in America, England, France, Holland, Switzerland, Scandinavia, and elsewhere, and more from Americans than from any of the others. A great deal of it—perhaps the half of it—had been what is called short-term credit—that is to say, loans for short periods, such as may be renewed again and again if the sky stays blue, and yet such as may be suddenly called away at the first sign of bad weather. It had been dangerous to borrow so much short-term credit. They said they knew that all the time. Much of this short-term credit had been unwisely spent. Some of its extravagantly. They knew that also. Admitted it as one of the facts.

Now, many of those who had been lending Germany this money were calling it back. But having spent it, how could Germany give it back, or, in any case, all at once? It was due and payable, yes. The creditors were within their rights to call it back. But they were calling to the vastly deep of 10,000 empty German tills. If they insisted, there was only one thing for Germany to do. That was to confess herself bankrupt and so treat all her creditors alike. It was not Germany's problem really. It was a problem for international finance to solve. The only way for the creditors to get interest or principal out of Germany, or reparations either, was to go on lending her money to pay them with.

At this point of the German discourse international finance began to shudder. For six years it had been pouring money into the German treasury, into German industry, into German banks, saying all the time, "If the world expects Germany to pay reparations it must lend her enormous sums to build up her internal economy." Now, Germany was saying to her creditors, "If you expect to be paid you must go on lending us the money to pay you with. To save your investments you must save Germany first."

And what is it Germany must be saved from? First and always from reparations.

But the Germans were not through. They went on to say that unless international finance came to Germany's rescue with an enormous new loan, it might expect, first, a total eclipse of German solvency toward the outside world. After that what? After that communism—a red Germany, for what that would mean to the peace and comfort of her neighbors. And suppose this does not happen. Suppose for her own sake she can avoid going red in a political sense. Nevertheless, if now it becomes necessary for Germany to save herself with no more benefit of credit, she will be obliged to go red in an economic sense. She knows how to save herself. She has only to forget her creditors, forget the rules of capital, forget the arrangement by means of which international finance is trying to support a high capital structure, and simply flood the markets of the world with unlimited quantities of cheap German goods.

So that was what the conference of prime ministers had to face in London. First, in the obvious aspect, a sinking Germany—sinking for want of an international loan to keep herself afloat. An international loan would be normally the business of international bankers on its merits. But international finance at this time was practically unconscious. Germany had created a situation quite beyond its resources, its experience, or its imagination. International finance is not a bank, not a gold hoard; it is a mechanism. It had been willing enough to take German bonds for $500,000,000 more—if the bonds could be sold. But where could any more German bonds be sold? The world was already full of them, all selling at a terrible discount, because so many holders were trying to get rid of them. International finance, in short, was out of ideas. Possibly the prime ministers, with all their heads together, could think of something. Anyhow, that was the only hope; that was what the conference was for.

The conference took place in London in the third week of July. The seven principal powers of the world were represented. Six of them were anxious creditors; the seventh was the astonishing debtor. The United States was represented by Mr. Stimson, Secretary of State, and by Mr. Mellon, Secretary of the Treasury.

Regard it. In weight and size and shape, it is the most august meeting of high statesmen since war time. Imagine the opening, the formal gestures, a speech by the British Premier saying now everyone must forget his own and think only of the whole, of what will be best to do for the good of the world, since only by unselfish international collaboration can they hope to solve the problem before them.

THE ASTONISHING DEBTOR

Suppose Germany shall speak next. Has she any plan of her own to propose? No. Germany is helpless. She has no plan. She submits the facts and leaves the solution to her creditors. All she can think of is that an international loan of $500,000,000 will keep her afloat. For how long?

That she can not say. For a while at least. It would mean a breathing space.

What has Germany to offer for such a loan?

Nothing. Germany is helpless. She has nothing left to offer.

But what security?

None except her promise to pay.

But her promises to pay already exceed her power of performance. Is not that the problem?

That, of course, is the very problem. The Germans admit it simply.

Will Germany be willing to secure such a loan by a lien on her customs receipts, as the French have suggested?

No.

Why not?

Because the German people will not submit to that humiliation. They will destroy any government that dares to propose it.

Will Germany make any political concessions to appease the French, such as to stop building battleships and to disband the troublesome steel helmets?

No.

Why not?

Again, because the German people will not suffer that humiliation. They would sooner go red. But perhaps Germany will agree to stop working for a revision of the treaties? Perhaps she will agree, when this crisis is over, to return to the Young plan and observe it faithfully, instead of trying meantime to get it revised?

Certainly not. Germany would tactfully remind her very distinguished collaborators that what they are dealing with is a financial crisis. It is a mistake, not to say a breach of concord, to load it with political difficulties.

Very well. But with nothing to yield, nothing to give, nothing to offer that has not already been twice exhausted, on what ground does Germany expect her creditors to lend her another $500,000,000?

The answer is ready. Germany would think her creditors could see the importance of doing it on the ground of their own interest. Suppose they refuse. Suppose they let Germany go. In the first place, the financial consequences will be uncontrollable. They can not be confined to Germany alone. Germany may have to sink, but her creditors will sink with her, and the effect may well be a world-wide financial crash. Secondly, that would be the end of responsible government in Germany. Suppose, then nationalism were to rise in its extreme form, or else communism. In any case, Germany would be obliged to save herself, even though to do so it were necessary to repudiate not only her debts but all other forms of economic restraint, cut wages, cut prices, and overwhelm the markets of the world with German goods.

GERMANY'S CHALLENGE TO THE WORLD

Helpless Germany! Able to challenge her creditors. Able to threaten the political structure of Europe. Able to threaten the economic structure of the world. How had she arrived at this oblique eminence? By intending her mind to it? By taking advantage of the stupidity of the world? By drift of forces that happen to be working for her? And was "threaten" the right word? No member of the London conference, gazing at the Germans, could answer even the last of these questions.

The English were deeply agitated at the thought of Germany going economically red, much more than at the thought of political Bolshevism. A royal commission had just produced a mighty treatise on the necessity to restore the world's price level. Its conclusion was that to stabilize prices at the fallen level would be a calamity. Prices, at whatever cost or risk, even if necessary by a process of scientific international inflation, must be stabilized on a higher level, or else a great deal of the world's capital, representing what formerly had been a normal expectation of profit, would be forever lost. Dumping, therefore—the thought or word of it—filled the British mind with dismay. Russian dumping was terror enough. A campaign of propaganda to bar Russian goods from English markets was at that moment running in the London press. But how much more formidable would Germany be in that red economic rôle, with her skill, her experience, her long ambition to dominate the foreign markets of the world, and her powerful industrial machine—the most powerful and efficient in Europe? And how politely the Germans were saying it!

Yet there was no misunderstanding what they meant; moreover, the idea was rising in Germany. The German newspapers were saying that an economic policy of self-saving, with no further benefit of international finance, would have the advantage to "loosen political and financial bonds which were not unconditionally necessary and have hitherto acted only as brakes on our development." And saying this at a time when the German Government held the German press in strict censorship.

The English could imagine those mountains of coal visible at the German pit heads breaking over Europe and running down into Italy, to the ruin of the British coal trade; they could see German manufactures underselling British goods everywhere in foreign markets. The British press touched the subject in a very guarded manner—hardly at all. But the London Times said it was understood that Mr. Ramsay Macdonald had taken the Germans aside and said to them that a policy of German dumping would bring them into conflict with England. He said England would retaliate, perhaps with no idea in his head of how really it could.

Well, the mighty seven-power conference of six anxious creditors and one astonishing debtor failed to find a magic chemistry. It labored and brought forth two suggestions, then adjourned, pronouncing its own benediction. The suggestions were these: First, that since a new international loan to Germany was not immediately feasible, each of the six creditor Governments should recommend to its bankers that they leave in Germany the remainder of their deposits instead of calling them home. Second, that a third committee of international experts be called up to study Germany's situation, analyze her necessities, and report. It sounds very little. From the creditors' point of view, it was less than nothing.

A TEUTON VICTORY

And yet Germany, with nothing to yield, nothing to give, nothing to offer, had won these three major points. The first point was that she got her loan, though it was involuntary on the part of the lenders. When the principal American and English banks, together with such others as could be bullied or persuaded, agreed to leave their overdue deposits and short-term credits in the German banks instead of calling them home, that was equivalent to a loan of much more than $500,000,000 to Germany. True, it was Hobson's choice. The lenders would have had to leave their money simply because they couldn't get it out.

If they had continued to call for their deposits, every bank in Germany would have been in shutters. Nevertheless, the effect in Germany was the same as if she had got a new loan. She had the money; she could continue to use it. It had been reloaned to her. Proof of the effect was that immediately normal banking processes were resumed throughout Germany, whereas during a fortnight before all German banks had been half moribund, under very strict decree from the government against paying out money, except in small sums and to people who had wages and taxes to meet. The great Darmstadter und National Bank, which had closed up tight a week before the London conference, was reopened at once. Just before it failed, its stock was quoted at 60; after the London conference a syndicate of German industrialists bought control of the stock at 125.

The second point was that Germany won a third international committee of experts to protect her from her creditors; and the American member of the committee was Albert H. Wiggin, head of the Chase National Bank in New York, who is publicly committed to the proposition that reparations and war debts should be heavily scaled down or canceled altogether, and that at the same time American tariffs should be reduced in order that Europe may sell more of its goods in American markets. In the last annual report of the Chase National Bank, he wrote:

"Cancellation or reduction of the interallied debts has been increasingly discussed throughout the world. This question has an importance far beyond the dollar magnitude of the debts involved. Without commenting on the many arguments on both sides of the controversy, and aside from the question of the justice of cancellation, I am firmly convinced it would be good business for our Government to initiate a reduction of these debts at this time."

Thirdly, what Germany most wanted was to lay a mourning wreath upside down on the Young plan, and that she did. The obsequies are deferred, but there is no German who does not take it for granted that the Young plan is dead, who does not believe it died sitting up in London. That is the conviction of Europe also, and the hope, besides, of a great body of Germany's private creditors who, trusting Germany to say that the rest of her debt will float, are anxious to see the last of the reparations debt go overboard.

Moreover, the Wiggin committee of international experts proceeded at once to dig a beautiful grave for the Young plan. Within four weeks it had made its report. It had succeeded, it said, in its first purpose, which was to induce the principal American, British, and other banks having short-term credits in Germany to extend them for six months.

But this, it said, was an emergency step only. Nobody could say what would happen at the end of six months, unless in the meantime the "governments of the world will realize the responsibility that rests upon them and will take prompt measures to reestablish confidence. Their action alone can restore it."

What measures? What action?

The committe skillfully avoided the mention of war debts. It spoke, instead, of the external obligations of Germany, and said: "So long as these obligations, both private and public, are such as to involve either a continuous increase in snowball fashion of the foreign debt of Germany, or alternatively a disproportion between her imports and exports on such a scale as to threaten the prosperity of other countries, the investor is unlikely to regard the situation as stable or permanent."

RUNNING ON BORROWED GAS

A certain conclusion was bound to follow. The governments that participated in the London conference and called up the Wiggin committee must, before the end of six months, assure the world that hereafter "the international payments to be made by Germany will not be such as to imperil the maintenance of her financial stability."

Certainly it is only governments that can do this. They can do it only by forgiving Germany her reparations debt and Europe her war debt to the United States Treasury. So now the voice for war-debt cancellation is the voice of Germany's private creditors, saying: "What difference does it make who pays for the war, so long as we are saved? Let America pay."

What this third international committee of experts represents is, perhaps, the last decline of a world delusion. The delusion is that there could ever be an economic approach to the problem

of German reparations. How can there be, when the German Government itself officially speaks of reparations as tribute? People who believe reparations are tribute—and the Germans do deeply believe it—will not behave as if reparations were a debt. Yet that is how the world has been expecting the Germans to behave. Nor can there be any purely economic solutions with Germany, private or other, so long as Germans keep thinking, "This is the sixteenth—," or, "This is the seventeenth year of the war." Her principal creditors, remember, were her enemies in the war.

It is easy enough to make an economic analysis of the 1931 financial crisis in Germany. That can be done in one sentence. The great German machine, having been raised on borrowed capital to be the most powerful and the most efficient in Europe, was running on borrowed gas. Given that fact, anyone would know what the consequences were bound to be. But what is the fact worth? Why was the German machine running on borrowed gas? Why were the Germans putting their own gas out of Germany for safekeeping, in the banks of foreign countries, and borrowing gas—that is to say, short-term credit—from other people? Why?

When in early July the head of the German Reichsbank was going about Europe in an airplane soliciting an international loan of $500,000,000—gas—to keep the German machine from stalling, the Germans' own estimate of the amount of German money—their own gas—on deposit in New York, London, Paris, Amsterdam, and other foreign money centers was $1,000,000,000. There was so much German money on deposit in Paris alone that if it had been called for all in one day the French money market would have been demoralized. There was no danger of its being called for. The Germans did not want their own money; they wanted other people's money.

EASY MARKS

These you may state as economic facts bearing on the German crisis. They explain the crisis. Yet they are not themselves to be explained in economic terms. If the Germans had kept their own money at home there need not have been a financial crisis. They had enough of their own gas to keep their machine going. But they preferred to hoard their own in foreign countries. Seeing all this clearly, the French were unable to take a strictly financial view of the German crisis. They kept asking, "Why have the Germans brought this condition upon themselves?" Certainly not for economic reasons.

And remember that all this time the reparations debt has been not an economic burden, not a financial burden but a mental burden only. Actual burden it never was, for the simple reason that never yet has Germany paid any reparations. She has made the world pay them for her; she has made her creditors pay themselves.

In the beginning she had resort to the naïve expedient of printing paper marks and selling them all over the world so long as anybody would buy them. And people did buy them in prodigious quantities. The lower they fell the more they bought, saying all the time, "Germany will never repudiate her money; it is unimaginable," and thinking, therefore, it was a fine speculation to buy marks. The buyers of these marks, that were going to be repudiated, and the holders of German bonds receiving interest in those same marks—they paid the first reparations, not Germany. Germany took their money in exchange for her paper marks and handed it over to her creditors. When at last the cost of printing and shipping paper marks in bundles was more than the marks would bring, Germany stopped her printing presses, stopped paying reparations, and announced her total insolvency.

Then the French conceived the grim idea of collecting reparations by force. That was when they went into the Ruhr and seized the very heart of Germany's industrial machine. All they proved was that you can not collect reparations from an unwilling people by force. The Germans would not work their machine to produce tribute for the French. There were strikes and riots and, worse still, threats of wrecking the machine itself or jamming it by sabotage. Imagine it, when the slip of a monkey wrench in the hands of a sullen German workman might cost the French 1,000,000 francs of tribute. That was the French problem in the Ruhr, where they had the industrial organ of Germany in their hands. Suppose they had said: "Very well, we shall take the machine into our own hands and run it." But that would mean bringing workers and technicians from their own country. There would be no profit in that. Besides, if they did it, they would have a starving, idle German population on their hands. The Ruhr party cost the French more than they got out of it. No reparations that way.

At this impasse the nations of Europe joined to call on the United States, saying: "We are emotionally and politically mad. We have only sanity enough left among us to know that we are. We can not think economically. You over there have the vision of distance. Think of a way in which we may go on here in Europe. For unless you can, we shall go to pieces. Bring us a plan." We did. We sent American experts to straighten them out; we gave them the Dawes plan. Germany accepted it, crossed her heart for a policy of fulfillment, and borrowed $200,000,000 gold to get started with.

GERMANY'S SPENDING SPREE

Since the Dawes plan took effect—since 1924, that is to say—Germany's net payments on account of reparations, according to her own figures, have amounted to $2,350,000,000. In the same time, still according to her own statistics, she has borrowed from other countries the incredible sum of $3,750,000,000.

This is to say that since 1924 she has borrowed $1,400,000,000 more than she has paid out on account of reparations. Roughly, two-thirds of this borrowed money came from the United States. The next largest part of it came from Great Britain. The rest of it came from France, Holland, Switzerland, and other lending countries. More than three-quarters of the total came from her former enemies.

Simply to say that Germany borrowed with one hand and paid reparations with the other, or that out of every dollar she borrowed she paid 63 cents in reparations and kept 37 does not tell the whole story. The money had a circular movement. It went one way into Germany, stopped there for 90 days, 6 months, a year or more, to work, and then went out another way, like water turning a mill wheel. It is important to remember this, for it explains many otherwise incomprehensible effects. The money did not just go in and out again; it was detained and put to work. That is what people who talk economics mean when they say that with borrowed money Germany built up her internal economy in order to be able to pay reparations, and then paid them out of the increase of her wealth. She did build up her internal economy amazingly. She knew how to bend that stream of money on the wheel. And that is how it happens that she is to-day the second most powerful industrial nation in the world. The United States is first in the world. Germany is first in Europe.

She spent the borrowed money under three heads—namely, one, for housing of all kinds; two, on her industrial machine, to rebuild it, rationalize it, increase its power; and three, for public works, such as parks, baths, civic and recreation centers, stadiums, exposition buildings, new city halls, new post offices, roads, even monuments. A passion to build possessed them. Under the head of housing they completed in one year, 1929, new dwellings to the number of 330,000; and in 1928 the number was 310,000. The great weight of new housing was for wage workers, state servants, and people of moderate means. Any new housing project in the mass principle is called a settlement. So, workers' settlements, railway employees' settlements, post-office employees' settlements, bachelors' settlements. But settlements also in selected places for the well-to-do. What we should call real-estate developments on a very large scale. The aggregate is prodigious. The only way to see it really is from the air, because one settlement or one series of flat dwellings may be the size of a town. Moreover, you would have to drive an endless distance to see it from the ground. It is in character extensive and in new places. The cities have not been rebuilt. They have not changed so much. These people do not tear down old things to build new ones. For new things new ground. So all this change is in the environs.

The building passion overflowed necessity, became extravagant, experimental, sportive. New time, new materials, new shapes, new measures, new intentions. Churches all of steel and glass. The modernistic extreme in villas, morgues, hotels, schools, skyscrapers, commercial buildings. It was an architects' festival.

Many creditors are scandalized by the signs of Germany's extravagance with borrowed money; the French and the English more than Americans, since they have less understanding of extravagance in principle. The Germans admit it. They may say truthfully that they have been heard to denounce it themselves to one another. All the same, they went on with it. And then, too, great sums were purposefully spent for the future, as for a new fourth bridge across the Rhine at Cologne, now one of the engineering marvels of Europe.

FIXED ASSETS

The French said, "There is no present necessity for this bridge. Why do you build it? You do not pay reparations with a bridge." The Germans said, "We shall sometime need it, and we build it now to keep our people employed."

It was their instinct, or their wisdom, to increase their power and improve their conditions by any means possible, even though it was with creditors' money they did it. And from their own point of view they were right. What they have built they will continue to possess. Gold they may lose; credit they may lose. But machines, factories, power plants, bridges, public buildings, roads, laboratories, better dwellings, parks—these things remain. They can not fly away. What happens to the money seems relatively unimportant. Money is not things. It is merely the token of things. Destroy the token and there are the things still, physically untouched by a financial crisis. You can invent new token to represent them. That has happened before. Less than 10 years ago was not German money wholly destroyed? The things it had represented, they were not destroyed, not even German credit, which was an intangible thing. A new money token was invented in place of the one that had been destroyed, and lo! Germany was in good credit again, the whole world anxious to become her creditor.

Moreover, by what may seem to have been a reckless and extravagant use of borrowed money, Germany has created a great body of social wealth, visible as fine housing, recreational facilities, and other means to human well-being, the existence of which tends to defeat what impulse there may be to communism. If there was any real danger of communism in Germany, which is doubtful, it is greatly lessened by the fact that the German wage workers have much more comfort, well-being, and freedom of ego to defend than ever before.

WAVING THE RED FLAG

The red menace in all political senses is probably seven-tenths conjuration. The Communists are 4,000,000 or 5,000,000 altogether, but they have no leadership. There is not one important mind

among them. There is an idea in Germany that the rulers of Soviet Russia do not want Germany to go red—at least not yet. They are too fearful of the effect it might have on her efficiency and productive power and too anxious for the present to draw upon that efficiency and power for their own needs. Whether this is true or not, the Russians would be very intelligent to take that view and to maintain in Germany merely a tin façade of communism, numerically strong, politically weak.

The well-poised German's view of communism is, first of all, cynical. He says, "It is something to have in the hand." He means that when the German Government is having difficulties with the Reichstag it can rally supporters by waving the red menace or threatening to take support from the Communists; and that when German statesmen are dealing with the outside world, as at the London conference, they can say: "Responsible government has its back to the wall in Germany. Uphold us for your own sake as much as for ours, for if this government falls, we shall all of us have to face communism in Germany." And it works. It has been working ever since the armistice.

None but a German can understand the involutions of German politics, and there is reason to doubt that a German does. Parties beginning at the center and shading right and left, parties within parties, parties left of the right, and parties right of the left, all in a ceaseless way of quarreling not about ideas as such but about the philosophy and theory of ideas. Any new idea has first to be examined from the point of view of party advantage and then, if ever, on its own merits. As you look at this ill-natured monotonous eddy of grumbling disagreement, their whole political mindedness apparently revolving in turgid innocence of the realities, you will say it is hopeless, worse than drifting. How can there be a sense of direction among them? But then when you look at what lies behind them in the last 10 years and at what they have done with their advantages against the world, you can almost imagine that a Machiavellian intelligence has been guiding them. Look again at the great eddy of political confusion, and it may occur to you that here their disagreements cancel one another and all their passion for petty interference is absorbed, so that beyond it in the field of reality their true intelligence, their racial intuition, or whatever it is that leads them, is all the more free to act upon their destiny.

For example, during the July crisis they passed from a republican form of government to a dictatorship and were hardly aware of it. The constitution was suspended in fact; they were governed by decree; their parliament was in a state of self-abnegation; employers were ordered to withhold 50 per cent of wages; scores of newspapers were shut up; a German could not cross the border without paying first a fine of $25; free comment touching the German Chancellor's work at London was verboten lest it interfere with the result—and there was no protest. Under the circumstances a dictatorship was necessary. It could set itself up automatically. No party was responsible for it; therefore no party cared. And the interminable sounds issuing from the eddy were the same as before.

IS THE RED MENACE REALLY RED?

And if Germany did go red in a political sense, it would not be like Russian communism. The Germans have not the heart to destroy their own things. They overthrew a monarchy and destroyed nothing. It never occurred to them to destroy its human symbol, namely, the Kaiser. He was exiled on a pension partly to appease the world; he was unwept, because he had failed. But the Crown Prince was received back and now is active in German politics at the extreme right. Least of all would the Germans destroy their tools—that is to say, their own industrial power—for that is their ground of hope.

Yet notwithstanding the reduction of the red menace, if it was real, and notwithstanding the social improvement in Germany, which is very real, many creditors are still scandalized. They keep saying: "From the German point of view, yes; but it was borrowed money. They spent it for such things as even the lenders can not always afford. They must have known, as they were spending it, that they would be unable to pay it back when it was due."

That is not exactly what they knew. They probably thought very little about it; and, moreover, if they had thought about it, they would not have cared. To understand this it will be necessary to go further with the German point of view. To begin with, most of the money was coming from American lenders, and every German has it in his heart that his country was beaten by America, not by the Allies. But for the vast weight of American resources, first as they were loaned to the Allies and then as they went directly into the war, German victory had been inevitable, according to destiny. American money thwarted that destiny.

Then consider the emotional conviction under which now every process of the German mind takes place. How it was arrived at does not matter as a practical fact. The conviction is that there was a conspiracy to crush Germany. It did not succeed. Yet there will be no justice in the world until the treaty of Versailles is destroyed; and the special infamy of that document is that it contains a confession of guilt extorted from a people reduced to their knees by the power of the whole world.

It follows that they have no sense of debt on account of reparations. Simply, reparations are tribute. It follows also that the secret German language about Germany's principal creditors may be extremely ironical, with some special emphasis toward Americans, from whom it was so easy to borrow money to pay tribute with. How could they be expected to care very much about what happened to the money they borrowed? It was the money of their enemies, and as they were borrowing and spending it to increase their power, they were counting the years the war had lasted—14, 15, 16. And what a stupid world of lenders.

The finality of all fact about the Germans is that they have the feelings, the mentality, and the motives of an injured race. Their sense of injury is obsessional, so deep and so ugly as to seem a national psychosis, as it probably is. Germany against the world is the one thought that will unite them; and that never fails. Self-commiseration is their emotional habit.

THEY THINK THEY ARE POOR

They believe it themselves when they tell you Germany is poor. You must not be deceived by appearances. There is bitter distress just beneath the surface. There is no fat, or, if there is, then it is not good fat. Germany's tissues are white, if you could only see them. Reparations do that. She is helpless; she is at the mercy of her creditors. Her middle class has been destroyed. Can you destroy a middle class without suffering? People come to look. They see Germans eating and bathing and trying to be gay, but this is desperation, the behavior of a people living in fear of deluge. Really it is not so. They are not gay. If the shops are busy, that is because the people are afraid of their own money and spend it in order to hoard things instead. They remember inflation. And if they go out to dine once more in a good way it is because they do not know what will happen to-morrow.

One who had heard this theme too much and was hearing it again from a group of tense, earnest Germans at dinner in Berlin last July tried turning their minds around.

"I imagine myself to be a German," he said. "The year is 1924. I am gazing at the heavens. Do you remember that after the armistice, or, as other people say, after the war, there came a craze for heaven gazing in Germany? That is when you began to build these wonderful planetariums."

"Yes," they said a little bewildered.

SIX YEARS' ACCOMPLISHMENT

"I imagine I was a German in 1924," he continued, "at a planetarium, as everyone else was, and as I sat gazing at the celestial mechanism suddenly I saw the future of Germany clearly, like a dream."

"What was it?" they asked. "What did you see?"

"Wait," he said. "First, do you remember what it was like in 1924? The enemy tarried in the Rhineland, holding it for hostage of good behavior. The French were in the Ruhr, squeezing the heart of Germany. Foreign commissions were seated in Berlin, watching and minding everything, pulling her teeth, and filing her claws. Germany was insolvent. Her money was worthless. A million marks would hardly buy a cold supper."

THE GERMANS GROANED

"Then the vision," he said. "I imagine that as a German I saw what would happen to Germany in the next six years. I saw that in 1930 she would be free of foreign control—the enemy would be out of the Rhineland, the French would be out of the Ruhr. I saw that in 1930 Germany would be the best-equipped nation in Europe, paramount in Europe for industrial power and second in the world only to the United States. I saw that in 1930 she would be the best-housed nation in Europe if not in the world. I saw that in 1930 her exports would pass Great Britain's for the first time, and this had been her lifelong ambition. I saw that in 1930 she would hold the blue ribbon of the sea against England with the two newest and fastest ships on the Atlantic, and that she would have once more a great merchant marine, all new and modern, besides building ships for other nations in successful competition with England's shipbuilding industry. I saw that in 1930 she would be first in aviation among European nations, with the largest landplane in the world, the largest seaplane in the world, the finest airports. I saw that in 1931 she would be strong enough to say no to the French when, as a condition for an international loan, they proposed that Germany disband her weaponless army of steel helmets and stop building battleships. I saw one of the new 10,000-ton battleships and reflected on the folly of Germany's enemies. They thought to limit the strength of her sea weapons with a piece of writing, which says a German warship shall not exceed 10,000 tons. All they did was to stimulate German inventiveness, for under this limitation she had made a sea weapon in 10,000 tons that was probably equal to any 25,000-ton warship in the world. I saw that in 1931 she would be strong enough to dare say officially, 'Reparations are tribute,' which was notice that she was almost strong enough to repudiate them. And I saw that meanwhile during six years she had borrowed much more from her enemies than she had paid them as reparations, which meant that she herself had paid no reparations at all. I saw that in 1931 she would be strong enough, without weapons, to threaten the political peace of Europe and strong enough to threaten the economic rhythm of the world by letting loose the full power of her industries and laboratories. There the vision ended. I imagined I had been asleep. It was a dream. What a fabulous dream! And yet all of it has come true.

LET THE CREDITORS WORRY

"It has come true," said the Germans, with not the slightest rift in their gloom. It was deeper than ever. "Such things as you mention are true," they said. "But you are not a German. You can not imagine what it is like. The situation of Germany is desperate."

What were they thinking of then? Their lost colonies? The French Empire? The new French fortifications? Their isolation? The guilt phrase in the Versailles treaty?

You will never know. It may be they were thinking only of how awkward it was for the stream of American money out of which they had been paying reparations to dry up suddenly. Unless it rises again, they may have to decide whether actually to pay something by way of tribute or repudiate reparations before they are quite ready to risk it.

Still there is the international debt holiday as an American idea for the saving of Germany. She will have nothing to pay until that ends; and it may be that her trapped creditors will yet rescue her from reparations. The world-wide depression is no worse in Germany than elsewhere. German agriculture this year is excellent and times are good.

Mr. GRISWOLD. Mr. Speaker, ladies, and gentlemen, I have listened to much argument on both sides of this question. On both sides distinguished gentlemen, longer in service, abler than myself to decide this matter from the standpoint of government and economics, have spoken for and against this moratorium.

The President also wired me asking my opinion and whether or not I would support the measure. Whether he had passed his word at the time and merely wanted to know whether by my vote I would support him I do not know. He did not give me all the facts in the case I am sure. He could not do so in a short telegram. I wanted to support my President if possible in all laudable undertakings that would inure to the benefit of the Nation.

I know that we were in the midst of trying times. I know that the time demanded heroic measures. The farmers in my district were receiving for domestic home-grown wheat less than 50 cents a bushel. Corn was relatively low. He was being crowded on his mortgages. Thousands of people in the towns were unemployed. Taxes were delinquent. I could not shut my eyes to these things, even though the papers carried each day items called "Bright Spots in Business." The very fact that the "bright spots" were so noticeable that they required front-page comment only served to make the depression more recognizable.

I knew from information received from the Federal Farm Board that at that time the price for German domestic wheat at Hamburg was $1.67 per bushel and for domestic French wheat at Paris $1.90 per bushel; that at Prague domestic wheat was selling at $1.24 per bushel. I therefore wired the President that I was no more in favor of giving a dole to these foreign nations than I was to giving a dole at home to our own citizens, but that if I were convinced that it would give our citizens relief, when all the facts were laid before me, that I would support it.

I have now listened to those facts as presented by both the proponents and the opponents of the measure, and I must decide from those facts.

The facts as I see them are: That while this moratorium is, and has been, to all intents and purposes, in effect since last June, by the President's act, the conditions in the United States have not improved but have in fact grown worse. Seven million men are still unemployed. Mortgages are being foreclosed every day. Farm produce is still selling below the actual cost of production. Taxes are the highest in the history of the Nation, and more taxes delinquent than at any time since the reconstruction days immediately following the Civil War. The people of the Nation have been starving for two years. Almost equal in number to the "Bright Spots in Business" in the newspapers are the items covering those people who prefer death to poverty. The people of this Nation have endured a long monotony of political, governmental, and physical pain. Now you would ask them, by this moratorium, to increase that pain, to take on a further burden, not to protect themselves, not to improve their condition, but to aid Europe.

Each day, by word of mouth and by letter, the cry comes to me that taxes must be reduced. Yet, by this moratorium, we would place an additional tax of more than $2 on every man, woman, and child in the United States. And not for their benefit—not for the benefit of our citizens—but for the use and benefit of Europe; to increase the armed forces of Europe; to increase the armed forces of France—the nation that has the largest per capita gold reserve in the world—a greater per capita gold reserve than our own. France spent last year, according to our War Department, $280,842,884 for its army, $278,079,290 for its navy, $96,828,072 for its air force, a total expenditure for armament of $649,941,747.

The minority report on the bill submits the fact that three nations to whom we are to give a moratorium, the British Empire, France, and Italy, spent on arms an aggregate of $1,424,637,565, while the total amount of which these three nations are being relieved by the suggested moratorium is only $224,227,125 on their indebtedness to us. Who is paying the bill for Europe's armament for future wars?

We are calling a conference at Geneva next year for the reduction of armaments. Many people in this Nation are interested in that conference. They want peace. The people of this Nation all want peace. They want to disarm as an aid to peace. Are not we a bit inconsistent when with our words we suggest arms reductions and at the same time, with a tax levied on our people, relieve these foreign nations of the indebtedness, so that they can devote more money to armament? Let us be consistent for the first time in the past 10 years. Let our actions for once fit our words. We have been promising aid to the farmer and the laborer and we have by our actions aided only the international banker. Let us forget about the international banker for one time and aid the people.

This moratorium means a tax on the Eleventh Congressional District of Indiana, based on its 1930 population of 193,671, of more than $400,000. The farmers, professional men, business men, and laborers of that district will have to pay that tax. Every resident of that district will feel the effect of that tax bill. If they must be taxed to give some one a moratorium, let us give it to these people themselves.

A great American international banker, who admits that billions of dollars of bonds have been floated in this country and sold to the citizens of this country by the international bankers, says that the youth of Europe will not pay these war debts made by a war of their elders, that they will rebel. By the same token, the President of these United States and the Congress of these United States should not endeavor to force upon the youth of this country a debt of Europe that the youth of Europe rebels at paying. This is a debt that no one in the United States contracted. Certainly, the millions of citizens who have reached adult age since the war did not contract this debt of the European countries.

There is but one thing to say regarding the assistance that this moratorium will give Germany. Germany does not owe us one cent of reparations. She only owes us for a small percentage of the cost of maintaining the army of occupation in Germany after the war. The payment due us from Germany this year is only $6,000,000. This is a mere pittance in international finances—less than the cost of a small office building in any big city in Germany or this country. And on December 11, 1931, it was reported in the newspapers that on December 10 Herman Dietrich, Finance Minister of Germany, told the Reichstag budget committee "that hope that the Hoover moratorium would place Germany's finances on a safe basis would be unfilled," and that Germany was "worse off than at the beginning of the moratorium."

The Finance Minister of Germany should know better than all others the condition of his country. He should know best of all how much his nation will profit by our President's moratorium. He says not only will it not benefit Germany but that his nation "is worse off" than at its beginning. I am willing to take the word of Mr. Herman Dietrich on this matter, he being in the best position to know.

There is a town within 25 miles of my home with a population of 32,000, and only one bank. All the others have failed in the past year. The treasurer of the county in which this town is located was forced to take his money to my home town to deposit when he collected taxes, because there was not any place in his county where he could deposit it. Thousands of banks in the Nation have failed. In every

bank failure in Indiana the farmers and other citizens who were depositors have suffered a loss. The State of Indiana had more than its just share of such failures. We have had almost enough bank failures in Indiana to make a panic there. Maybe a moratorium would have saved some of these smaller banks that were engaged in trying to help our citizens instead of floating worthless foreign government bonds. They failed to get a moratorium.

I see no reason why we should discriminate in favor of France, Britain, and Italy against our own.

Give a respite to our landowners, give a respite to agriculture, give work that will bring food to the unemployed, protect our small merchant who is fast perishing, assist our manufacturers to begin again to use their machinery—when we have done these things, I shall be willing to give charity abroad—if that charity is not assistance to increase armaments. Until these things are done, I can not conscientiously vote for a moratorium.

Mr. SHOTT. Mr. Speaker, I was one of those who responded promptly to the inquiry of President Hoover and promised to support his plan for a moratorium for one year on intergovernmental debts. I thought then, and now believe, that it was the most heartening movement since the beginning of the world-wide depression. It matters little what the causes of this depression are, the fact that the business of our own country was stagnated and our citizens were rapidly going to ruin by reason of the locked lines of trade and industry was enough to make me give welcome to any real effort to stay the force of the economic tragedy and to revive courage and restore confidence.

There was so much that was wrong with the world, and those who were looked to as sound business men, farsighted financiers, great industrialists, and eminent economists seemed to be wallowing in a slough of despond, and the sum total of their contribution to recovery was mere wishes and expressions, such as: "We have these things at intervals; this depression will soon be over; revival is just around the corner; such visitations always have ended and this one will." The so-called experts were waiting and muddling as things grew worse, knowing it to be a bad situation, but not doing anything about it, except criticise Congress and abuse the President. When President Hoover undertook to go to the rescue, to do something about it, asked Members of Congress to aid him, I hailed with joy his effort and the opportunity it offered me to be useful to my constituents.

I have always felt that any kind of a mortal can become bewildered and agonized and shed tears, but the man who, when a thing is bad, tries to do something about it—tries to correct it—even though he fail, is a more dependable leader than one who does not try. The moratorium plan has already done more good than anything so far attempted. It encouraged the man in the ditch and the man behind the bank grill; it stirred the hopeless to renewed effort; it built confidence. Without the program of President Hoover business would have been so deep in fear and so far in distress that bankruptcies and suicides of distracted business men would have been multiplied instead of decreased. By the encouragement that an effort to do something gave, banks have gained a surer toe hold, broken ones reopened, failures decreased, and accommodations given to business men and enterprises that will save them for the usefulness that they are capable of when times become normal. The moratorium plan has justified itself in the increased confidence of the people and the increase in all lines of business and enterprise.

The economic plight of the world's nations, nearly all of which are unable to pay—in fact, are in the same situation as millions of our citizens who can not curtail their notes, pay their mortgages, or keep up their interest—has become the concern of the United States. There was a time when foreign conditions would not have affected us. It did not matter to us if they were in financial straits. We had reliance that did not fail in our own resources, our own markets, which made the country prosperous, furnished employment and the opportunity for accumulation by all classes. Our rapid increase in wealth caused the big-eyed and the greedy among our great financiers to seek other worlds to conquer. The peculiar system that made the control of the Nation's wealth possible was unsound from inception, and if it had not been that greed overwhelmed judgment and a few believed that they could suck the blood of the herd and not themselves suffer, such a system would not have been embraced at all. With the chain stores and the chain utilities a pipe line was built from the rural sections and small towns to the great money centers, and the lifeblood of the small communities was siphoned away to the reservoir from which foreign borrowers helped themselves with more ease than small-town banks and business could find help in time of need. Governments and minor civil divisions, municipalities, and the like have issued bonds, it is charged, on the suggestion of agents of the great financial groups of this country, and these groups have flooded the country with them. Many banks were persuaded that they should liquefy their assets by replacing farm and home mortages, which were slow, with foreign bonds, which are only fancy printed promises to pay and are not as good assets as the moral risks to be found among the customers in any of the towns and rural communities of America. When the "idea" of the investment bankers was spread that real-estate security was "old stuff," rural United States was prostrated and the security of the Republic was weakened, for home and farm ownership is this Government's bedrock of safety.

At first the withdrawals by the chain system and the sale of foreign bonds had little effect, and we could have stood one, but not both. The growth of these practices and the shrinkage in values they compelled finally and fatally depleted the agencies of local prosperity. The accumulations of all, from the poor man with only a second shirt to the plutocrat, shriveled and shrunk. There was agonizing and groaning and bewilderment. Then President Hoover called Members of Congress, and made the suggestion that the moratorium would do much to stabilize the world, and the patriotic everywhere were impressed and willing to try it.

Whether time will demonstrate that the plan is sound or not can only be conjectures, but it is a plan, and the only one that appears sound and useful. The many suggestions that flood the country and fill the public prints may be more than froth and mind moss, but none of them so far have seemed worthy of trial. The Hoover plan is before us. It looks like an opportunity—and a chance is the sum total that business men and government can suggest to-day. Therefore, it should be passed and tried out, and the experience gained, even if we must pay for it, as we have paid for all the experience of the years since men first began to trade with each other.

I am opposed to the cancellation of the debts. When we vote for this resolution we vote against the cancellation or reduction of intergovernmental debts, for section 5 makes an emphatic declaration that it is against the policy of Congress to cancel or reduce any of the indebtedness of foreign countries to the United States. We loaned the money to our friends—the Allies. Individuals have the same failing, they lend to their friends and make enemies when they try to collect. It is true that at the time the money was advanced money had a different value; that it was earned when we were on a basis of high wages and high commodity prices.

In paying us back, the task of the foreigner will be greater than that of the people who earned and loaned it. But the same condition exists in connection with every loan to business concerns and individuals in this country and exists in connection with every mortgage made by our own people and all other forms of indebtedness standing over a period of time. The Government bonds of our own country are in similar shape. It is the chance that borrowers take; it is the chance that investors take. Never has this change in money value been an excuse for a debtor to evade making as honest an effort to pay as he is capable of making. And it is less an excuse for the foreign debtors of the United States, for in the readjustment and settlement of the debts they were scaled down and much was forgiven—more than the difference in the buying power of money when the credits were advanced than now.

What will be the effect if the joint resolution providing the moratorium is not passed? It will not only be a rebuke to the President for suggesting the only plan to aid the world in its present distressing condition, but such action will destroy much of the confidence that has already undergone such a frightful strain and plunge business into greater and more disastrous discouragement, just at a time when hope for improvement is highest in the hearts of the people.

Mr. DICKINSON. Mr. Speaker, I desire to make plain my position and present thought on this pending resolution. I voted in the Ways and Means Committee against the favorable report of this joint resolution and against its passage in the House. If it were a mere postponement of payment for one year, when the moratorium was to end and payments thereafter to continue, I would not care so much; but evidently the approval of this moratorium resolution means much more, and will be so considered by the European countries indebted to the United States for moneys borrowed and heretofore scaled down by the World War Foreign Debt Commission and definitely settled by act of Congress with approval of all countries affected to be paid over a long period of years.

I felt that the President of the United States should have called Congress in special session for consideration of his proposal for a moratorium and possible cancellation of over $10,000,000,000 due the United States, for it was not lawful without approval of Congress. It was delayed by the deliberate act of the President, to be taken up when Congress met in December, six months after the President had acted, and to be rushed through Congress and voted upon even before the hearings before the Ways and Means Committee were printed and made available to over 400 Members of the House of Representatives not members of said committee—no such pressure and rush ever before. The postponement or moratorium for one year had become an accomplished fact by the act of the Chief Executive. Shall we by this action here hold out to foreign countries the hope that these debts will be canceled, scaled down again, or readjusted by further investigation as to capacity of these countries to pay their debts to the United States, having heretofore been scaled down by settlements approved by the several governments so indebted? The joint resolution reported from the committee to the House reads as follows:

Resolved, etc., That in the case of each of the following countries: Austria, Belgium, Czechoslovakia, Estonia, Finland, France, Germany, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, and Yugoslavia, the Secretary of the Treasury, with the approval of the President, is authorized to make, on behalf of the United States, an agreement with the government of such country to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such country to the United States in respect of its bonded indebtedness to the United States, except that in the case of Germany the agreement shall relate only to amounts payable by Germany to the United States during such fiscal year in respect of the costs of the army of occupation.

SEC. 2. Each such agreement on behalf of the United States shall provide for the payment of the postponed amounts, with interest at the rate of 4 per cent per annum beginning July 1, 1933, in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and one during each of the nine fiscal years following, each annuity to be payable in one or more installments.

SEC. 3. No such agreement shall be made with the government of any country unless it appears to the satisfaction of the President that such government has made or has given satisfactory assurances of willingness and readiness to make with the government of each of the other countries indebted to such country in respect of war, relief, or reparation debts an agreement in respect of such debt substantially similar to the agreement authorized by this joint resolution to be made with the government of such creditor country on behalf of the United States.

SEC. 4. Each agreement authorized by this joint resolution shall be made so that payments of annuities under such agreement shall unless otherwise provided in the agreement (1) be in accordance with the provisions contained in the agreement made with the government of such country under which the payment to be postponed is payable and (2) be subject to the same terms and conditions as payments under such original agreement.

SEC. 5. It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced; and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying that favorable consideration will be given at any time to a change in the policy hereby declared.

Section 5 was added by the committee to the original resolution, prepared at the instance of the Treasury Department, and evidently said section 5 was not in accord with the proposal of the administration, for the President in his message to Congress asked or suggested, that the Foreign Debt Commission be revived, so as to determine again the capacity of these several foreign countries to pay their indebtedness to the United States; and the fact that 9 out of the 10 Republican members of the Ways and Means Committee voted against said section 5, and the fact that they so voted, evidenced their desire to be in accord with the President and the Secretary of the Treasury, Mr. Mellon, and wanted no declaration against cancellation or reduction of said debts.

No nation had refused to pay, nor asked for a moratorium. I was not in accord with those who desired a moratorium to open the door to cancellation or further scaling down of these debts. I can not get away from the conclusion that the approval of this moratorium leads to cancellation and that it had its birth and origin in the desire to relieve private investments in foreign loans and securities invested abroad, out of the profits exacted from the toiling masses in this country, who by their labor and industry on farm and in factory create the wealth necessary for the life and preservation of our country.

This proposal for a 1-year moratorium seemed to me to open the door for further and longer moratoriums and partial, if not full, cancellation as advocated by private individuals and corporations, who wanted to enhance the value of their private investments by lifting the first mortgage or indebtedness due the United States and transfer this indebtedness to the taxpayers of the United States, who are suffering now from heavy and unusual burdens. This moratorium was conceived and intended to help strengthen Germany in its resistance to payment of reparations, which would help to lead to reduction of all foreign debts due the Government of the United States. The proposal of the President, as stated in his message to Congress, reads as follows:

In June I informed the governments concerned, "The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparation and relief debts, both principal and interest; of course, not including obligations of government held by private parties."

The passage of this moratorium joint resolution lays the foundation for repudiation of all war debts, even though the loans were made after the war. Section 5 was not in accord with the message of the President nor the utterances of Secretary Mellon, was not in the original resolution submitted to Congress, and was voted against by 9 of the 10 Republican members of the Ways and Means Committee, who desired to reflect only the wishes of the administration; and this section will not bind the President in his future conduct, nor will it bind any subsequent Congress. Let governments repudiate their debts to other governments and stability fails and faith between nations will break down, and no more intergovernment loans be made; cancel all European government debts, and only armaments will protect countries not in friendly accord. The sacred honor of these governments was pledged to pay the amounts agreed on after a thorough investigation of capacity to pay, made by the Foreign Debt Commission. I am opposed to reviving that commission for any purpose, even though proposed by President Hoover.

We are refusing now to recognize Russia, because she will not agree to pay debts incurred by prior governments of Russia. Shall we wipe the slate clean and forgive all foreign governmental debts? This moratorium would never have been proposed except for the large private loans made abroad. Why should the taxpayers of the United States bear this additional burden of a war born in Europe? These foreign loans, when repaid, were to be applied to the payment of our Liberty bonds and to reduce our war debt. Why relieve foreign countries and saddle the payment upon the American taxpayers, who purchased these bonds to furnish money to the United States to carry on the war and to make these loans?

Let governments repudiate their debts and the example will be followed in the business world and honesty will disappear and moral degradation will follow.

I could not see my way clear to follow President Hoover after a full and careful consideration of this moratorium proposal, so I voted against it in committee and in the House. I followed the dictates of my own conscience and my intelligence and the facts as they were developed, as best I could, and tried to represent as far as I could the wishes and judgment of those back in State and district who bear now a heavy burden, which I hope may be lifted in a measure when commerce and trade may be restored and just laws be enacted helpful to all alike.

If the United States was not concerned with reparations due by Germany to certain European governments for damages done in the World War, when it lent billions of dollars to our former allies, why should the United States by voluntary action become entangled in European controversies over reparations, which, when repudiated by Germany, will invite other nations indebted to us to ask for further cancellation of their debts due the United States? Why does the President ask now for the re-creation of the Foreign Debt Commission to determine the present capacity of our foreign debtors to pay, knowing that it would be an encouragement to Germany to cease further payment of reparations and an invitation to the other governments to ask for a reduction or cancellation of their debts to us by reason of Germany's refusal to further pay reparations? Has not the President by his moratorium proposal, now by his action an accomplished fact, invited cessation of reparations and further reduction of debts due us by nations who had not asked for this moratorium and, as we are told, were ready to pay their debts to us? Germany's debt to us was only about $6,000,000 and was of no moment in the proposed moratorium.

Has the action of the President been explained to the satisfaction of the people of the United States, who will bear this additional burden if these debts are canceled or further reduced? If these European governments favorably respond to the invitation of the President to open up again these debt settlements, the taxpayers of the United States will bear these additional burdens.

It is charged that the United States furnished Germany the moneys to pay the reparations, and when paid to France and other European countries these moneys were returned to pay what they owed the United States.

German bonds by the millions have been negotiated and sold in this country and are now depreciated in value, and those who hold German and other foreign securities cry aloud for cancellation of intergovernment debts. Turn on the light and let us have all the facts.

Mr. COLE of Maryland. Mr. Speaker, ladies and gentlemen of the House, privileged to extend my remarks in the RECORD upon the moratorium resolution makes it advisable, in my judgment, to set forth briefly the reason for favorable vote by me upon that measure.

On June 22, 1931, President Hoover wired me as follows:

> You no doubt have seen my statement in Sunday's press of the proposals of the American Government in respect to postponement for one year of all international debts. Inasmuch as the proposal is, of course, contingent upon action by Congress and as the matter is one of national interest, having no partisan character in that light, I consulted before action the Senators and Representatives of both parties present in Washington and as many as possible who were accessible in the country. This list of generous support from Members was shown in the public statement referred to above. I regret that difficulties of communication rendered it impossible to contact with all Members of the Senate and House. I do not wish to press any Member for reply as to his views if he preferred not to give them at this time, yet if you are favorable to the proposal in the first paragraph of the statement above mentioned, it would undoubtedly aid in the negotiation now in progress if you could inform me thereof.
>
> HERBERT HOOVER.

Being of the very decided opinion that conditions in this country demanded just as serious attention as those abroad, and because of the President's statement that a suspension in the payment of intergovernmental debts for the fiscal year beginning July 1, 1931, would tend to help conditions abroad, I felt that instead of this vote by telegram, this unofficial action by Congress, and this very unusual way to deal with matters peculiarly belonging to Congress, that it would have been far more helpful if an immediate session of Congress had been called to deal not only with the international situation but also with conditions in the United States. I therefore sent the following telegram:

> Am in favor of postponement for one year of all intergovernmental debts, but at the same time I think some relief to business and the individual in this country, such as changes in taxation policy and very decided and definite, if not almost total, rewriting of recent Republican tariff law, should be accomplished. Assuming your telegram is for purpose of assuring certain and speedy action by Congress in December, in lieu of special session being called, it is my opinion that the subject of your telegram might very properly be coupled with other anticipated action by present Congress along the lines I have suggested and a suffering people, not tariffized business at home, be relieved now instead of permitting such relief to be delayed through the next winter. In other words, if relief abroad can be accomplished without extra session of Congress, but relief at home can not, and the latter must be held up until late during the next session, I think special session of Congress should be called.
>
> WILLIAM P. COLE, Jr.,
> *Second District of Maryland.*

I am glad to find a comfortable majority in the House of Representatives, which is now controlled by the Democrats, approving the moratorium resolution, because it should mean a very liberal attitude by the Democratic Party toward terrible conditions existing in our country to-day. In my judgment much of the unemployment, business depression, bank failures, and condition of mind amongst our people can be directly attributed to the tariff bill passed by the last Republican Congress and to the failure of the present Republican administration to sense the seriousness of the situation which has existed now for over a year and which is steadily growing worse. The Democratic Party has always been the people's party, and if any one thing tends toward the building up of the morale and activity on the part of our people and business, it will undoubtedly be through the instrumentality of the program sponsored, the wisdom displayed, and the votes cast by the Democratic Party now controlling the House of Representatives for the first time in many years.

Mr. IGOE. Mr. Speaker, in the short time allotted it is not possible for me to thoroughly discuss the intricate questions involved in the resolution which we have before us, but I should like to make a few observations. It is my intention to support this resolution for the reason I deem it my duty to keep faith with our President. The questions involved should not be made political in any sense of the word. When I answered the President's telegram last June I wired him as follows:

> Hon. HERBERT HOOVER,
> *President of the United States,*
> *White House, Washington, D. C.:*
>
> Answering your telegram in reference to your proposal to postpone for one year all intergovernmental debts, I am in favor of your proposal and will support same.

It was my intent then, and it is my purport now, to support a 1-year moratorium, believing by so doing I am aiding in a small way to relieve chaotic conditions in Germany, and thereby preventing a very disastrous situation throughout the entire world. I can not emphasize too strongly, however, my opposition to any debt cancellation or further extension of the moratorium over a period of one year.

In voting for this resolution and thereby keeping faith with the President, I am ever mindful of our home conditions and can not refrain from taking this opportunity to urge specific legislation to take care of the present unemployment situation that confronts us. Further, I should like to join with my distinguished colleague from Massachusetts [Mr. CONNERY] in urging that we pass early in this session of the Congress legislation that will, first, provide adequate pensions for the widows and orphans of the veterans of the World War, and, second, authorizing the cash payment in full of the adjusted-service certificates or so-called bonus.

In enacting measures covering these important subjects we will prove to the people of America that their country is not ungrateful to the men who fought her battles, nor is she

unmindful of the interests and needs of her own citizens in so far as their personal welfare is concerned.

Mr. PETTENGILL. Mr. Speaker, if the moratorium were an isolated matter which could not involve us further, and especially if we were prosperous, I would support it as an evidence of international good will and as a friendly gesture to the young German Republic, which we all wish to succeed.

It, however, appears to me to be one of a series of steps in which the welfare of this Nation has been and is being sacrificed to selfish interests both at home and abroad. This series began with the debt-funding agreements of 1925 and will, unless checked, lead us to disaster.

There is no doubt that the measure will be ratified. The Under Secretary of the Treasury has stated that 276 Members of this House and 68 Senators pledged themselves to support it by telegram last June. Neither my voice nor vote will prevent it. Nevertheless, as a protest against the whole tenor and tendency of our relations to Europe, I will cast my vote against it. It will be a minority vote, but I am persuaded that no damage, but only good, can come from a strong minority notice to the world that Congress and the American people have grown tired of being Santa Claus to the universe.

The time is now at hand when we must conserve the resources of America to take care of Americans!

I was in doubt about this proposal when it was first made last June. Nevertheless, so anxious was I to support the President in any constructive measure for the rehabilitation of America that I came here with an open mind, anxious to hear the evidence and to support it if I could. I have heard the evidence, and instead of removing my doubt it has strengthened it. I resolve that doubt in favor of the United States.

I am glad that this resolution has not been made a partisan question. It has been wisely left to the conscience of each Member. The times are too serious for political snipe shooting. We must all put our hands to the wheel. The ship of state is struggling to make headway against one of the two or three greatest hurricanes in our history. The American people will not forgive any member of the crew who plays political poker when all hands are needed on deck.

I have already listened with dismay to too much bickering on both sides of the aisle. And I especially deplore the attack, made by a Republican, on the official and personal integrity of the President of the United States. He may be wrong. He may have listened to wrong advice—the advice of international bankers with selfish interests at stake. I believe he has. But he is not corrupt.

When the President wired me last June I replied as follows:

> Please be assured that I will look at this question as an American and not as a partisan and will be glad to support your proposal in December if my informed judgment at that time leads me to conclude that the interests of this Nation will be promoted and not sacrificed by such action.
>
> It would seem to me, however, that all that was necessary to meet the apparent emergency in Europe would have been your simple statement that you proposed to recommend a moratorium to Congress when it meets in December rather than at this time to ask its Members as separate individuals to commit themselves to a course of action of momentous possibilities without the benefit of complete discussion.
>
> I can only say at this time that I am opposed to the general principle that Europe makes wars and preparations for future wars and that the United States pays for them. A postponement or eventual reduction of debts owed the United States should be made strictly contingent upon a genuine reduction of armament.
>
> It seems to me that such a course would have possibilities of real benefits to us and to the world of immeasurable value as against the brief exhilaration of a temporary breathing spell. As long as Europe squanders huge sums on armament, help from the American taxpayer is less than futile.

I felt then and I feel now that Congress should have been called in special session if the necessities of the situation required emergency action. We could have convened, deliberated, and voted in the same time that the French Chamber took in passing upon it. We have had many other crises in international affairs in our history, but never before—and I have this on the authority of the experts in the Library of Congress—has a President attempted to commit Congress as separate individuals, without the benefit of all the facts, without the views of each other, on a legislative matter. It is a bad precedent. Next July 1st this moratorium will expire. Will it again be renewed without the legal consent of the American people expressed through their representatives? I hope not. Despite all the delays of constitutional government, I still favor it as against government by Western Union.

But this water is over the dam. Whether the President acted wisely and within his constitutional powers is not now the question. We must now decide the question on its merits.

When a proposal arises as to extending time for the payment of a debt these simple questions naturally occur:

First. Why does the debtor ask it?

Second. Is the debtor able to pay?

Third. Has the debtor been living within his means, or has he been spending extravagantly?

Fourth. If the debtor has been spending money foolishly, what assurance does he now give that hereafter he will adjust his mode of living so that an honest debt can be paid?

Fifth. Is the creditor in a position, himself, to wait for payment?

Sixth. Has the creditor in the past been a Shylock, or has he been generous?

Seventh. Will the creditor benefit by waiting?

It is my judgment, after examining all the evidence which it has been permitted us to see—and I here call attention to the fact that this resolution is being rushed to a vote before we have seen the hearings before the Ways and Means Committee—that a satisfactory answer to not a single one of these questions has been made. Let me take them up in order. But first, it is not to be forgotten that this whole proposition is an abandonment of the policy of President Coolidge—not to permit the question of debts due us to be linked with the reparations due our debtors.

The proposal is to "postpone during one year all payments on intergovernmental debts, reparations," and so forth. And as my colleague from Indiana [Mr. WOOD] has said:

> We all know that our debtor nations depend on the payments by Germany to these other countries. If the economic system of Germany had broken down so that they could not pay what they owe, in turn, those who owe us would have the same excuse for not paying us.

We have abandoned, therefore, the policy of President Coolidge, and by linking reparations with debts, we find ourselves once more in central Europe up to our ears.

WHY IS THE EXTENSION ASKED?

This might first be put in this form—who is asking it? I thought last summer that the request came, in the first instance, at least, from Great Britain. We are now amazed to ascertain for the first time that neither England, France, nor Italy had asked for it. The chairman of the Ways and Means Committee, which conducted the hearings, has stated on the floor that—

> It was initiated by the President of the United States, and I do not think there were any other requests.

Instead of the debtor asking the creditor for time, the creditor suggests to the debtor that he need not pay. This is an astonishing proposition. How long would the cashier of a bank hold his job if he extended notes without request before they fell due? How long would the bank remain open?

I do not doubt that our debtor nations were pleased at Mr. Hoover's suggestion, except France, who modified it in her own interest, but the fact remains that none of them had asked it. The fact is that not even Germany had asked for a moratorium. Germany, under the Young plan, had the right by contract with her creditors to ask for a moratorium on her own initiative, but had not done so. It is true that President von Hindenburg had sent a communication to President Hoover, dated June 20—the very day of the proposal, and two days after it was first mentioned to France—but no request had been made by Germany to her principal

creditors. It is also to be noted that all that Germany had to pay this country during the year was the relatively insignificant sum of $6,000,000, on account of the costs of the army of occupation. At this point I attach a schedule of the amounts payable during the fiscal year 1932 by foreign governments on account of their indebtedness to the United States:

Amounts payable during the fiscal year 1932 by foreign governments on account of their indebtedness

Country	Principal	Interest	Total
Austria	$287,556		$287,556
Belgium	4,200,000	$3,750,000	7,950,000
Czechoslovakia	3,000,000		3,000,000
Estonia	108,012	492,360	600,372
Finland	55,000	257,295	312,295
France	11,363,500	38,636,500	50,000,000
Great Britain	28,000,000	131,520,000	159,520,000
Greece	660,000	449,080	1,109,080
Hungary	12,270	57,072	69,342
Italy	12,200,000	2,506,125	14,706,125
Latvia	44,664	205,989	250,653
Lithuania	38,615	185,930	224,545
Poland	1,325,000	6,161,835	7,486,835
Rumania	800,000		800,000
Yugoslavia	250,000		250,000
Total	62,344,617	184,222,186	246,566,803
Germany, army costs	6,000,000		6,000,000
Total	68,344,617	184,222,186	252,566,803

From this it will be seen that we are to postpone payments from 16 foreign governments—none of whom, with the possible exception of Germany, had asked us to do so. It is worth noting also that 7 or 8 of these 16 nations are countries to which Germany is in no way indebted. Our leniency with them, therefore, could in no manner benefit Germany. One of these nations actually had the money here in this country to meet the payments.

WHY, THEN, WAS THE EXTENSION INITIATED?

The answer to this I quote from an article by the distinguished and disinterested historian, Charles A. Beard, in December Harper's:

> The latest form of government interference with "the natural course" of economy is the suspension of payments due the United States from foreign powers on account of lawful debts and the proposal to give public support to "frozen assets." What was the source of inspiration here? American investment bankers having got themselves into a jam in their efforts to make easy money now demand Government assistance. In 1927 one of the most distinguished German economists told the writer of this article that the great game in his country, as in other parts of Europe, was to borrow billions from private bankers in the United States so that it would ultimately be impossible to pay reparations, the debts due the Federal Government, and then the debts owed to private parties. The expected result? American bankers would then force their Government to forego its claims for the benefit of private operators who wanted to make bankers' commissions and 8 or 10 per cent on their money. Well, the game worked. American taxpayers are to be soaked and American bankers are to collect—perhaps.

I also quote the following from Business Week:

> Of all the mountains of debt the public loans can be most easily lifted because the creditors are millions of mute taxpayers instead of a relatively few vocal individual investors and institutions.

It is to be noted that the President's statement of June 20 used these words:

> The American Government proposes the postponement during the year of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest, of course, not including obligations of governments held by private parties.

No, "of course" not.

While public obligations are extended for one year, private debts held by American bankers and investors are to be paid. The international bankers are in favor of extending all debts except the debts due them. The bondholder gets, the taxpayer forgets, or is asked to. The banks have not yet suggested the necessity for the cancellation of the debts due them. Doctor Melchoir, of Switzerland, has recently stated that in the past six months—while the moratorium has been in practical effect—Germany has paid $230,000,000—almost as much as the entire moratorium figure—on short-term credits. In other words, the bankers have collected while we waited.

The next step is another moratorium, more negotiations, further reductions, and then, finally, cancellation. In his message the President disclaims cancellation, but says, "It will be necessary in some cases to make still further temporary adjustments," and advocates the re-creation of the World War Foreign Debt Commission with "authority to examine such problems as may arise in connection with these debts." What problems, may I ask? The debt commission was originally created to pare down the war debts due this Government in accordance with our debtors' "capacity to pay." What function would it serve if we re-created it?

If Europe owes us public debts of $11,000,000,000 and private debts of a like or greater sum and can not pay both, it is to the interest of the private creditors that the public debt be first postponed and then canceled. If Uncle Sam, so to speak, holds a first mortgage on Europe for billions of dollars and our bankers hold a second mortgage of billions more, it is obvious that the second mortgage is improved if the first mortgage is released. It is now admitted by its president that one New York bank alone—the National City—participated in floating more than $1,000,000,000 of private loans to Europe since the war, with profits from the underwriting of $24,000,000. As Mr. Beard said, in the article referred to, "The game worked. American taxpayers are to be soaked and American bankers are to collect—perhaps."

"Perhaps." What a fine thing it would be if after Europe scaled down billions of her public debts in the funding agreements, she then borrowed billions more from our kind-hearted bankers (for a commission, "of course") and then finally refused to pay either public or private obligations!

This money loaned abroad went, of course, to employ foreign labor and to build up foreign industry in competition with our own. We lift ourselves by our bootstraps and get rich by throwing our riches away.

I am not an isolationist, but I fail to see the logic of the argument that we can prosper by loaning money to Europe with which to buy our goods. After settlement is made for the goods, the debt remains unpaid. If we are "isolationists," the fault lies not in insisting upon the payment of debts justly due us, but in erecting trade barriers. It is the Hawley-Smoot tariff and the reprisals it provoked which have isolated us. If we want to help Europe to pay us, let us negotiate reciprocal trade agreements under which goods useful to both and harmful to neither can be exchanged.

One point about this whole matter has not been discussed at any time in the course of debate. I refer to the funding agreements and our subsequent generosity. In the funding agreements of the Coolidge administration in 1924–1926 we scaled down the obligation of our debtors—figured on a 4¼ per cent interest basis, the rate on most of our Liberty bonds by which the money was raised—we scaled down these obligations to the tune of $10,705,618,006.90. This debt was in effect taken off the back of Europe and placed on the backs of the American taxpayers, who must raise the money to redeem the Liberty bonds. (These figures were prepared in 1929 by the Treasury Department at the request of Theodore Burton, of Ohio, a member of the Debt Funding Commission.) We settled with Great Britain—figured on 4¼ per cent interest rate—at 80 cents on the dollar, with France at 47 cents, with Italy at 24 cents, and so forth, giving them 62 years in which to pay.

We canceled these enormous sums on the basis of "capacity to pay." At the same time we were doing this our international bankers were loaning billions of fresh money to Europe. Europe did not have the "capacity to pay" her public debts, but she, in the opinion of our bankers, had the capacity to borrow billions of new obligations. She was a poor risk for Uncle Sam but a good risk for our bankers. Does it not look as if everyone was taken care of except the American taxpayer? I submit that if European industry, railroads, and municipalities were a good risk for private American credit, Europe could have paid her governmental

obligations due the United States Treasury for the reason that by the taxing power the debtor governments could reach every dollar of private assets and earning power, which were the basis of credit for these new private loans.

In an article by Garet Garrett in the Saturday Evening Post of September 26, 1931, it appears that we have loaned Germany more new money than she has paid on her reparations. It is further worth our attention to note that none of our principal European debtors have yet paid us a penny on their war debt out of their own resources. They have simply paid us a small part of what they have collected from Germany. And, as far as Germany is concerned, her budget, according to a recent dispatch from Basle, Switzerland, is $925,000,000 greater than in 1926. The whole process amounts to a substitution of private debts for the debts due Uncle Sam. And now Mr. Albert H. Wiggin, of the Chase National Bank, is, as he says—

firmly convinced that it would be good business for our Government to initiate a reduction of these (public) debts at this time.

In all American history has there ever been such a betrayal of the rights of the plain people as this? They subscribed for Liberty bonds and war savings stamps to loan to our allies "until it hurt." They mortgaged their farms and their homes and future earnings to pay for these bonds. They bought Liberties at 100 and later, driven by necessity, sold them at 85. And now, while private obligations are, "of course," excluded, they are asked in this year of grace 1931 to tax and bond themselves to the tune of $252,566,803 to carry the postponed payments due us from Europe. There are 120,000,000 people in America. The moratorium therefore this year imposes a load on our shoulders of a little more than $2 for every man, woman, and child in this country. There are in my district 368,000 people. Applying this $2 per capita to my district means an expense to it this year, in either fresh taxes or new bonds, of $736,000. I am not aware that I hold any mandate from my constituents to impose this or any other sum on them.

WERE OUR DEBTORS ABLE TO PAY?

From the preceding table it will be seen that the bulk of the postponed amount of $252,566,803 was to have been paid by Great Britain—$159,520,000; France, $50,000,000; and Italy, $14,706,125; a total for the three countries of $224,226,125. With respect to Italy, Mussolini gave out a public statement last summer that Italy was prepared to pay and had not asked for a moratorium. With respect to Great Britain the chairman of the Ways and Means has stated on the floor, "If we had insisted, I believe England would have paid." Only last week Mr. Chamberlain is reported to have assured the House of Commons that all British foreign obligations could be met. The London Telegram has just said:

President Hoover unfolded a melancholy story, showing that the Federal Treasury is in a far worse position than the British Exchequer.

Then we come to France. She was to have paid this year $50,000,000. She is the most prosperous nation in the world to-day. Her gold reserves exceed ours. She has no unemployed to speak of, as against our six or seven millions. She has a balanced budget, as against our indicated deficit for this fiscal year, according to the President's message, of $2,123,000,000. While we are going into the red $6,000,000 a day, France has on deposit to her account in this country enough gold to threaten a run on our own banks. While we were postponing $50,000,000 from France, she voluntarily withdrew during September and October $700,000,000 of gold coin and bullion from the banks of this country, or one-sixth of our entire supply of gold. She has on deposit here at this time a half billion dollars, and yet her payment of one-tenth of that amount is to be postponed and put on the backs of the American people.

I quote at this point a paragraph written by Garet Garrett in the Saturday Evening Post of December 12, 1931, entitled, "Opening the Golden Goose":

OPENING THE GOLDEN GOOSE

To the further education of American credit abroad now enter these autumnal sights and experiences, videlicet:

First. The gold honor of the American dollar impugned in Europe, where our lending of it had been so prodigal. Our credit impugned by our debtors! And for what reason? For the reason that we had been too free with it; precisely for the reason that our debtors knew they had borrowed too much on poor security.

Second. The rationally impossible spectacle of debtor nations raiding the gold reserves of a creditor nation while the creditor is self-bound under an agreement not to collect its debts from them.

Third. The strange experience of a creditor nation finding itself beholden to one of its principal debtors, the debtor undertaking on grounds of generosity and helpfulness to stop raiding the creditor's gold reserves short of the point at which the creditor's gold solvency might seem in jeopardy.

Fourth. The sight of public ovations in this the creditor country to the premier of one of its principal debtors, when he comes to tell us that more of Europe's war debts must be charged to the American taxpayer in a spirit of international friendship; more public ovations as he departs, saying he has our official promise to consider it.

Our obligations to Europe were payable in gold; her obligations to us were payable in depreciated paper, or not at all. The offset of a quarter of a billion which we had was wiped out by Mr. Hoover's generous gesture. While France owes us billions she takes away one-sixth of our gold! And Mr. Hoover, representing the creditor, has to ask Monsieur Laval, representing the debtor, to "stop the flow of gold from New York to France."

I am quite persuaded that if an international exposition of suckers were held that we would take first prize.

Granting our kindness in giving Europe our shirt, we trust we will give no offense if we request the retention of our trousers.

Out of the war we got what we asked for—nothing. France had frightful losses, but in judging her ability to pay it is worth noting that her per capita gold amounts to $57 while ours is $42. From the war she received her lost Provinces, containing 5,600 square miles and a population of 1,700,000 of some of the most highly skilled artisans in Europe; she doubled her ore capacity; she got mines producing 6,000,000 tons of coal and 65,000 tons of crude oil annually; she got potash mines yielding 2,000,000 tons annually, thus breaking the German potash monopoly; her railways carry more people than our own despite our greater mileage; her merchant fleet has grown prodigiously while ours has languished. And still she is not able to pay us $50,000,000!

WILL THE MORATORIUM BENEFIT US?

Has it done so? Let us look at the figures. We are worse off to-day than we were in June, despite the fact that in June we had already gone through 18 months of terrific deflation of values.

Here are corresponding figures for June 24—the date of the President's telegram to the Members of Congress—and the day we are voting to confirm those telegrams, December 18, 1931, of our largest farm crops and some of the best stocks in America:

Stocks, closing prices

[New York Times]

	June 24, 1931	Dec. 18, 1931
A. T. & T.	179¾	121⅛
Gen. Elec.	44⅞	25
Pa. R. R.	50	20
N. Y. C.	95	31½
Ill. Central	50¼	11
U. S. Steel	100	41¾
Studebaker	19⅝	11¼
Average 50 stocks	139.39	75.15
Average 25 railroads	70.36	28.34
Average 25 industrials	208.42	121.96

	June 24, 1931	Dec. 18, 1931
Chicago grain:		
Wheat, December	$0.63⅞	$0.54¾
Corn, December	.50⅝	.36¾
Chicago hogs, average per hundredweight	6.60	4.10
Cotton, mid-upland, pound	.0980	.0635

The current crop of wheat is worth less than it was when the moratorium was proposed by some $45,000,000; the corn in the country is worth about $350,000,000 less; cotton is worth about $240,000,000 less.

The shrinkage in the market value of all securities listed on the New York Stock Exchange is as follows:

July 1, 1931	$96,550,043,334
Dec. 1, 1931	70,617,665,740
	25,932,377,594

The purpose of the moratorium, according to the President, was "to give the forthcoming year to the economic recovery of the world." * * * Has it had that result? Half the year is gone and the holders of American securities are $26,000,000,000 worse off than in June. This has not been due to any uncertainty that the moratorium would be ratified. The telegrams assured its confirmation. Yet the President has guessed wrong by $26,000,000,000 to say nothing of the shrinkage of wheat, corn, cotton, and all other commodities.

Men have said that our condition would have been worse if the moratorium had not been granted. How do they know that? Is their guess any better than Mr. Hoover's? As against the known they place the unknown. They oppose guesses to facts. They indulge in hypotheses and say that they have proved their case.

And when we speak of the "economic recovery of the world" it is worth considering whether its economic recovery can be aided by merely shifting the debt from the backs of those who owe it to the backs of those to whom it is due. The debt remains. It can never be canceled; it can never be lightened, so long as the bonds owing by America to Americans remain to be paid. When men talk about "wiping out the war debt" do they suggest that this Government repudiate the outstanding Liberty bonds?

We are a part of the "world." It might benefit Europe and hurt us to shift the debt from her back to ours, but how will it help the "world"? Will it help the "world" to have the American taxpayers carry the load of Europe's war?

HAVE WE ALREADY BEEN GENEROUS?

I have already touched on this head. Take Germany. We exacted not a dollar of indemnity; we took not a foot of her soil. The only reimbursement which we asked was a partial repayment of the costs of the army of occupation and settlement for damage done to American ships and cargoes by her submarine warfare. We were chivalrous to a brave foe. President Wilson was human and made mistakes, but he prevented the "march to Berlin." It is to his eternal glory that he refused to sacrifice another American boy, to make another gold-star American mother in order to satisfy the blood lust of a war-mad world.

The treaty of Versailles was written in passion and conceived in hate. While it was being deliberated, Lloyd George made a political campaign on the promise to execute the Kaiser by public hanging. It will serve no useful purpose here to discuss the causes of the World War or the relative responsibility of the different European nations. But if injustice is in the treaty, who wrote it in? If Germany is being crushed, who is doing it? If impossible reparations have been exacted, who exacted them?

There is one simple fact about this whole business that we have forgotten. It was not our war in either its roots or its fruits.

Let us see if we have earned the title of Shylock from France. The American Government borrowed money from its own people to lend her at from 3½ to 4¼ per cent interest. To save her we placed 2,000,000 of the finest of our youth upon her shores. For their encampments we paid rent; for their graveyards we paid gold. We got nothing free. I am not complaining about that. It was for us to pay our way. At the end of the war we had $2,000,000,000 worth of supplies in France. We sold them to France for her promise to pay $400,000,000. That sum has been since canceled—"never mind the change." When we settled her war debt to us it amounted to $4,231,000,000. The settlement was equivalent to wiping it out to the last dollar, so far as principal is concerned. In lieu of this vast sum she agreed to pay us interest thereon at 2.17 per cent for 62 years, and then she is through. But this sum cost us more than 2.17 per cent. It cost us 3½ to 4¼ per cent. The interest which we have had to pay and are still paying to carry this debt exceeds by 2 per cent the rate she agreed to pay.

The bonds by which this money was raised to loan to France are still owing by this Government. Since the money was loaned we have paid in interest alone to carry this enormous debt the sum of $1,058,000,000, and France has paid us in all that time $200,000,000, leaving a deficit on interest-carrying charges alone for the American people to pay of $858,000,000, and only six years gone since the settlement was made. And that differential of interest rate in her favor and against us will go on for 62 years, or until our last bond is paid. During this one year of grace it will cost the American taxpayers in interest to carry the debt of France $169,000,000, and she is not even permitted to pay us $50,000,000.

While we are so busy saving the world it is worth while to ask this question: Who is going to balance our budget?

I do not blame France for looking after her interests. But I do insist that it is our business to look after our business.

Is it any wonder we have a deficit in this country? Thus far the American people are out of pocket on account of the French debt the sum of $5,260,000,000. And so on with our other 15 debtors.

HAVE OUR DEBTORS SPENT THEIR MONEY WISELY?

I said in reply to the President's telegram that "a postponement or reduction of debts should be made strictly contingent upon a genuine reduction in armament. * * * As long as Europe squanders huge sums for armament, help from the American taxpayer is less than futile."

Let us look at that for a moment. We gave the moratorium and got nothing for it—absolutely nothing. Here is what these debtors of ours are paying for arms.

What nations spend on arms

[Expenditures for the last fiscal year, figures at rounded par or in a few cases at the average of exchange, as compiled by the World Peace Foundation from the forthcoming League of Nations Armaments Year Book]

Austria	$14,507,320
Belgium	33,303,200
Czechoslovakia	51,189,000
Estonia	5,520,000
Finland	16,457,500
France	466,960,000
Germany	171,923,040
British Empire	726,731,065
Greece	21,340,800
Hungary	20,200,000
Italy	248,946,500
Latvia	7,860,000
Lithuania	5,680,000
Poland	92,072,000
Rumania	53,647,200
Yugoslavia	50,458,000
Total	1,986,799,625

The amount of the postponed debt of England, France, and Italy for this year is $224,227,125. The amount of their military expenditures for the last fiscal year, as shown by this table, is $1,442,637,565. In other words, Mr. Speaker, if our principal debtors reduced their preparations for the next war by 16 per cent they could pay the honest debts they owe us and not know it. The President himself said in his message:

> The burden of taxes to support armament is greater to-day than before the Great War.

We have given and are giving away our money by the millions and billions and obtain no benefit for it. We are taxing ourselves to bankruptcy in order that France and Europe may arm to the teeth. We who got nothing out of the war are paying our war debt and the debts of our allies, and the children of Americans yet unborn will still be struggling to pay them.

Since the funding agreement with Italy was made it has cost us in interest to carry her debt the sum of $538,000,000. How much has she paid during that time? Hold your breath

and grip your chair. She has paid us $38,800,000. That is all. She was to have paid us $14,700,000 this year, but we have asked her not to burden us with it! Italy, when she does pay, pays us interest at the rate of 0.4 of 1 per cent. Is it any wonder that Mussolini makes a showing? The prosperity of France and Italy has in large part been paid for by us. Their capacity to pay exceeds our capacity to cancel.

On all the obligations which our debtors owed us at the end of the war our loss in the differential in interest rate alone will amount at the end of this fiscal year to $2,369,000,000.

In other words, Mr. Speaker, our loss in interest alone would cancel the prospective deficit to our people this year of $2,123,000,000—the greatest peace-time deficit in our history—with a quarter of a billion dollars to spare. As against 3½ per cent to 4¼ per cent interest paid on our Liberty bonds, Greece is paying, when permitted, one-fourth of 1 per cent; Italy, 0.4 of 1 per cent; Yugoslavia, 1.03 per cent; France, 2.17 per cent; and so forth.

The time has come for an American to call a halt. God grant that the civilization of Europe does not crumble into chaos; but if it does, let us try to save our own. It may be that these debts will not be paid. But let us not tear up the notes. So long as they are in our hands we can at least negotiate for disarmament and for world peace. The last war mobilized 60,000,000 men. It sent 10,000,000 soldiers to a soldier's grave. It made 7,000,000 widows and 15,000,000 orphans. It cost $150,000,000,000 at least. Who brought it about? Did we? Who will bring the next war to pass—a war that will probably wipe out such civilization as remains in Europe, if not throughout the world? The nations to which this moratorium applies are spending 65 per cent more for armament than in 1913. And while the race goes on we in the wisdom of Wall Street extend them more credit to buy more guns. Millions of unemployed here in the United States; a deficit of two billions; a mountain of taxes; banks failing by the thousands; farms being foreclosed; wage earners losing their homes; cities bankrupt; people hungry; school-teachers unpaid; insufficient hospitals for our veterans—and we continue to extend credit, public and private, to Europe!

More armament! Let us look to the future. If this ghastly insanity keeps on, the path ahead of us will again be made slippery with the warm red blood of mankind. The guns that Europe is buying with our money may some day be turned toward us. When the world declares a holiday in armament will be time enough to declare a holiday on debts. I know we can not collect our debts if our debtors refuse to pay. It may be that we are chasing rainbows; but if we can not find the pot of gold, let us at least keep the gold we have. Let us at least insist on payment. Let us say "Pay or repudiate." This may lead to disarmament more effectively than all the conferences of a century. If it does, we shall by this apparently hard-boiled and selfish action have done far more for the economic recovery of the world, more for Europe, more for Germany, than by bankrupting ourselves to make the next war possible.

Mr. Speaker, inventory time has come. It may be that the stream of events—the development of commerce, the narrowing of the Atlantic, the radio—has made vain the wisdom of Washington. I do not think so. It is true that we are closer to Europe in time and distance, but we are not closer in language, in traditions, in psychology, in understanding of her age-old quarrels. If anything, we have in these respects moved farther away from Europe than we were in 1776. We have been preoccupied for a century in developing a distinctly American Nation, an American tradition. It is not likely that our statesmen understand Europe nearly so well to-day as the men who wrote the Declaration of Independence—men who owed their allegiance abroad, who were largely educated abroad.

But whether this is right or wrong, before we take the final plunge in European affairs, let us at least reflect once more upon Washington's farewell words:

Let us constantly keep in mind—

He said—

that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under that character; that by such acceptance it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

"Reproached with ingratitude for not giving more." Does not that have a familiar sound?

Then, again:

Europe has a set of primary interests, which to us have none or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concern. Hence, therefore, it must be unwise in us to implicate ourselves by artificial ties in the ordinary vicissitudes of her policies or the ordinary combinations and collusions of her friendships or enmities.

Let the proponents of this moratorium and of all that it may lead to first answer the question of the wisest statesman, the purest patriot in our history—

"WHY QUIT OUR OWN TO STAND ON FOREIGN GROUND?"

We have abandoned the tradition of Washington under which we have grown great, and now under the wisdom of Wall Street and the guidance by greed we are asked to adopt a program under which we are rapidly becoming what George Bernard Shaw says we already are—"boobs."

I, for one, protest. If there are but a handful against this opening wedge toward cancellation, I will be one of the number. It is time for an American who loves his country—his own country—to speak in her behalf.

We have saved the world long enough. Let us save ourselves. The time has come when we must conserve the resources of America to take care of the needs of Americans.

Mr. GILLEN. Mr. Speaker, on June 24 last, I replied to the President's telegram of June 23 as follows:

Judgment is being withheld upon the debt moratorium proposed by you until I can give it careful study. I will be for the plan if I am convinced it will tend without question to relieve present conditions.

It was significant that stock and commodity prices began to go up soon after the proposal was announced. The general trend indicated material gains which would offset the loss of $243,000,000 for the fiscal year 1931–32. The advance in prices was of short duration; and when the wheat and corn harvest began, prices on these grains and other commodities sank to the lowest levels in several decades. There was no other visible evidence of "present conditions" being relieved.

My investigation of the facts showed that the Young plan provided a method for partial relief to Germany whenever she found she could not meet the reparation payments. Germany never asked for the relief afforded by the Young plan. Germany owes us no reparation. In order for us to give relief to Germany, we must first forgive the debts of our debtor nations, so they in turn can forgive Germany her reparation debts to them. The argument is that we will benefit indirectly by giving direct aid to Germany. The moratorium has been in effect for six months, and it is evident that benefits to the United States to date have been temporary only. The campaign cry of 1920, "That America first," meant a restoration to "normalcy" is peculiarly applicable at this time. Senator WATSON is reported to have said recently, in substance: "The trouble with our country is the American people have become European minded." The proposed debt holiday to Germany is evidence supporting the Senator's contention.

It is apparent that a certain group in this country have become "European minded." I refer to the international bankers. Under our economic system, credit is a necessity. For the past several years our basic industry, agriculture, has found the facilities for credit gradually growing less and less, until within the past two years the avenues of credit to the farmer have been closed almost in toto, while credit without stint has been given abroad. On July 3 the German ambassador informed me that the total indebtedness of Germany to private capital in the United States in

the years 1925–1930 amounts to approximately one and one-fourth billion dollars. The indebtedness of German cities and municipalities swells the total in excess of $2,000,000,000. "America first" has meant nothing to this group.

It is evident that our debtor nations have subordinated their international debts to their armament policy. Of the annual debt of $243,000,000 owing to us by foreign countries, Italy, France, and Great Britain together owe $224,226,000. If Italy had diverted 4½ per cent, France 9 per cent, and Great Britain 25 per cent of their armament bidgets to the payment of their debt to us and Germany had scaled down her enormous budget for armament, the supposed necessity for a moratorium would not now be before us. The argument is that these countries did not do this; that we must face conditions as they exist. The necessity for lodging a protest against the enormous foreign expenditures for armaments persists at this time.

Many other facts might be mentioned here, but it is unnecessary, as they have been covered well in the debate to-day. In passing it might be said that the hearings on the moratorium resolution were concluded by the Committee on Ways and Means on yesterday afternoon. All of the evidence is not yet printed. The resolution is now up for passage within 24 hours after it was reported out of committee. No opportunity has been had to study the evidence submitted. The moratorium has been in effect without sanction of Congress for more than six months. Truly the haste can not be so great as to deny the Members of the House an opportunity to study the report of the committee and the facts placed before it.

Will we be asked to grant further extensions; to cancel the debts; to scale them down? All the facts and circumstances justify the prediction that persistent efforts will be made to these ends to the ultimate shifting of these debts to the taxpayers of the United States.

A vote for the moratorium smacks of an approval of internationalism as against nationalism; of putting the stamp of approval on capitalism lending aid abroad while our own industries suffer, of paving the way for cancellation or further scaling down of our international debts. While the moratorium is a controversial question, the best interests of our people prompt me to protest against it and vote in the negative.

Mr. EVANS of Montana. Mr. Speaker, I regret to find myself out of accord with what seems to be a majority of the Congress. I am against this resolution or any moratorium on European indebtedness to the United States. On June 20 last the President called to the White House a dozen or so Members of Congress, and after a secret session with them, gave out a statement from which I quote:

> Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year beginning July 1 next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.

This action could not be effective without the confirmation of Congress. The Congress was not in session, so a frenzied effort was made to secure pledges from a majority of its Members. The mail, telegraph, and telephone were called into action to secure pledges. In reply to the wire with which I was honored, I gave out a statement reading in part as follows:

> The administration passed a tariff bill that dislocated the commerce of the world, put millions of people out of work, and made it impossible for Germany to pay her bills, and we are now asked to postpone the evil day.
>
> To remit Germany's payment is equivalent to taking two or three hundred million out of the United States Treasury, but when we ask for a few million to feed hungry Americans it is characterized a dole that will undermine the self-reliance and stamina of our people. I shall probably vote for this suspension, but not until some steps are taken for our own unemployed.

It was my thought then and my thought now that the Congress should have been called in session to discuss and decide this matter. Believing that I realized the importance of this matter and the conditions then confronting the country, in early July I joined with other Members of Congress asking for an extra session for the following reasons:

First. To modify the tariff and arrange for reciprocal trade agreements with the nations of the world.

Second. To appropriate money to put some of the unemployed to work.

Third. Raise the income tax in the higher brackets, reenact the excess-profits tax, and strengthen the estates tax.

Remarking—

> Delay in legislation along these lines until winter again sets in is fraught with the gravest danger to the nation. The administration does not seem to realize the temper of the people.

No session was called, and now, with only two days' discussion, the matter is to be jammed through the House. I protest against that sort of procedure. If we stand by this sort of thing in the matter of legislation, why do we need a Congress at all? Who cares what a representative body shall do if certain leaders may be taken into the White House in secrecy any night of the year and upon their ipse dixit legislation shall be predicated and legislation passed? Why have a legislative body? Why not abolish it?

I have frequently said and now say to the House: To remit Germany's payment is equivalent to taking $250,000,000 out of the United States Treasury.

So long as we have a deficit in our own Treasury; so long as we have 6,000,000 unemployed men begging for work; so long as we have millions of women and children suffering for want of the necessities of life; so long as our farmers are forced to sell their crops below the cost of production; so long as the property owners of America are having their lands and their homes taxed from under them in order to meet the burden of public improvement—so long as these and other similar conditions prevail in our own country, I can not justify a vote to cancel or postpone the collection of one dollar of these foreign debts.

When gentlemen talk to me of what is transpiring abroad, let me ask them: Where is the biggest deficit to-day in the world? It is in the United States Treasury. Whenever any other country prates about its deficit and the necessity for balancing its budget, let me say that here at home is the biggest task in the world for the balancing of a budget and for the removal of a treasury deficit.

Oh, there is little thought of those upon whom the burden is to be placed. Says the President in a recent message there is a deficit of something over $900,000,000 to be met this year. How is that to be met? It is to be met by the most drastic, peace-time taxes ever exacted of our people. Do we realize that? There is a deficit of nine hundred and some-odd millions of dollars. Two hundred and fifty million dollars is the amount we are asked to give to those who owe us. Practically 25 per cent of the deficit which must be raised and met in this country arises from the fact that you to-day are voting to England, to France, and to Italy $250,000,000. Do you realize that?

Talk of budgets in England and in France. Here is the budget which ought to concern Congress, with a deficit of possibly $2,000,000,000 to face the American people in the near future. Talk of taxes abroad, and the necessity for helping Europe. Here is where taxes must be levied upon men who are already broke financially, men who are holding on to a little equity, hoping that they may pursue their lives again, and may again pick up the thread which seems broken with them. Here is the deficit, and with that deficit facing you, you are giving away $250,000,000 which belongs to your taxpayers, giving it away upon a moratorium which has never been adequately described to you.

So, giving away $250,000,000, you give it away, and then you make your people here in America pay for it. Do you not remember what came out of the war? No spoil was ours. The proudest thing America ever did was to do its duty in a great World War and ask neither reparations nor spoils. Who has the spoil of that war? Great Britain, France, and Italy.

Who had the reparations? Not ourselves or our country at all. Our country refused both the spoil of war and reparations of any kind. These debtors of ours are the

ones who, clinging to the spoil, are seeking to-day to put the very cost of all the war upon the American people, and you to-day are going to assist them to put the cost of all that war upon the American people.

We saved Europe. It seems to me that it is high time for us to save America. For the past 15 years we have been engaged in the business of saving Europe; we have poured billions of dollars into the treasuries of Europe and enabled them to build up their industries and agriculture at the expense of the American people. We are now faced with a $2,000,000,000 deficit in our own Treasury. Seven millions of our fellow citizens are walking the streets in idleness, unable to secure the means of earning a decent livelihood.

Germany owes us little or no money, and we are asking nothing from her. Great Britain, with her high sense of honor and her bulldog determination, did not ask for this moratorium, and at whatever cost stands ready to pay; France the most prosperous nation in Europe, with more gold in her vaults than she ever had, in the language of the street, is "sitting on top of the world"; she could pay and should pay. Italy, I am advised, did not ask for this postponement, and would pay promptly if it is not granted. We, however, with our eyes across the water are in the business of saving Europe. For 15 years we have been in that business; we furnished them men and money to win the war; we furnished them money to rehabilitate themselves after the war; we refused any reparation and canceled their debt to us created by the war, and asked them to pay only what they borrowed after the war. We have played Santa Claus long enough. If they want to renege, let them do so. For years we have been snipe hunting in Europe, and always left holding the bag.

Whence, then, comes the pressure for this moratorium? Outside of administration circles I find no American sentiment except from the international bankers; they have loaned to Europe $7,000,000,000. They, the bankers, want this moratorium and the eventual cancellation of the Government debt, to the end that they may collect their $7,000,000,000. These bankers realize they have made a bad investment and are now willing that the American taxpayers shall lose their $11,000,000,000 if the bankers can save their own investments and reputations. This Capitol has been crowded for the past week with these bankers urging this legislation.

Mr. Speaker, there are a number of needs for this $250,000,000 in America which, I think, come far ahead of the granting of this enormous dole to our foreign debtors.

There are 7,000,000 people unemployed in this country. I would infinitely prefer to vote this $250,000,000 to the unemployed in America rather than give it to European governments with which to raise big armies and build greater navies.

I would much prefer to give it to people in America, many of whom are hungry, many of whom are in want, many of whom have not warm clothes, rather than donate this money to our foreign debtors.

It will be recalled that a year ago, when there was want and destitution in a large section of this country, the President vigorously and successfully opposed aid by Congress to our own destitute people on the ground that such a course would constitute a dole, and said that any assistance given to them should come from private sources.

Mr. Speaker, the administration would do well to withdraw its eyes from Europe and try to visualize the situation in America and look upon the spectacle of hunger, woe, and despair everywhere among our own people. Gaze into the wan faces of men, women, and children who tramp the streets and highways while hunger gnaws at their empty stomachs. Men and women who have lost their courage and fortitude in the depths of despair, yielding up their bodies to a suicide's grave, and then tell us they want to contribute this $250,000,000 to Europe.

Mr. Speaker, I protest.

ELECTION TO A COMMITTEE

Mr. COLLIER. Mr. Speaker, I offer the following resolution, which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 76

Resolved, That the following Members be, and they are hereby, elected members of the Committee on Invalid Pensions: Mr. JAMES F. FULBRIGHT, of Missouri; Mr. EDWARD A. KELLY of Illinois.

The resolution was agreed to.

MISSISSIPPI'S BIRTHDAY

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that a speech delivered by my colleague, Mr. DOXEY, of Mississippi, at the Mississippi Society on the 10th day of the month, being the one hundred and fourteenth anniversary of the entrance of Mississippi into the Union, be extended in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COLLIER. Mr. Speaker, under leave to extend my remarks, I insert an address by my colleague, Hon. WALL DOXEY, delivered at a meeting of the Mississippi State Society, Washington, D. C., December 11, 1931.

The address is as follows:

Mr. President, fellow Mississippians, and guests: Full well do I realize that there is nothing I can tell you this evening but what you already know about the subject which has been assigned to me. Mississippi's wonderful history is a matter of record, and the lives and biographies of her illustrious men and women are well known to us all. However, at this particular time when we celebrate her birthday, I know our very being thrills with pride and we rejoice in the fact that we are Mississippians.

Considering just how I should discuss the subject with you to-night, I was reminded of an incident that occurred back home.

A negro preacher was taking dinner with Brother Jones. Of course, the minister was the guest of honor, and the best was prepared and served him. After he had eaten bountifully, and was being served for a second time with chicken, he felt he should make some comments to his host, so he said: "Brother Jones, dat's as fine a chicken as I ever eat. Whar did you git it?" "Well now, Parson," replied the carver of the chicken, exhibiting great dignity and seriousness, "when you preaches a special good sermon, I never axes you whar you got it. I hope you will show me de same consideration."

So this evening, as is always characteristic of Mississippians, we must be considerate. I know you will be considerate, and I am going to be considerate by just briefly sketching the period of Mississippi's history prior and immediately subsequent to the time our great State was born into the Union, December 10, 1817, 114 years ago.

We know that every great effect must have its cause. We trace a river like the Mississippi back to the lake from whence it rises. Back of every great thing was once a thought. The story of the prodigal son is the Master's thought of a kind-hearted and wonderful father. Our Declaration of Independence is an expression of our forefathers' thought about liberty. The thought of Hamlet made Shakespeare the prince of dramatists. The thought of Paradise Lost made John Milton the poet. Our great inventors think in terms of steam engines, airplanes, radios, automobiles, ships, and other such inventions that have played and will play such a prominent part in our development and civilization.

This Nation has been made rich, powerful, and may I say, happy, because of the thoughts of our men and women—noble thoughts—wise, altruistic, and beautiful thoughts. Such were the thoughts from whence this Nation sprang.

The thoughts that our forefathers put into our constitutional life, and the laws they made and the lives they lived, are all back of this natal day of our great State of Mississippi.

Our State is a translation into a reality of the beautiful dreams that haunted the souls and minds of those men and women who lived within the borders of our State several generations ago.

In our thoughts we marvel at the fact that Tennyson could take a worthless sheet of paper, write a poem on it, and make it worth thousands of dollars. That is genius. Some men can sign a check and make it worth a million dollars. That is capital. A mechanic can take raw material worth $5 and convert it into the finished product that is worth hundreds of dollars. That is skill. Howard Chandler Christy can take a 50-cent piece of canvas, paint a picture, and it is worth hundreds of dollars. That is art. A merchant can take an article worth 50 cents and sell it for $1. That is business.

But when a group of men can take a vast territory, confronted as they were with such complex and perplexing problems, write a constitution and pass the necessary legislation that causes to shine in that bright galaxy of stars of the States a star that answers to the name of Mississippi, and which for the past 114 years has added luster and brilliancy to the firmament of this Republic—that is a combination of many virtues exemplified in unselfish cooperation and labor.

Let us for a short while ring back the curtain and briefly gaze upon the historic setting of this picture that we are pleased to call "Mississippi." The very name is of Indian origin. "Mississippi" really means, so lexicographers tell us, "beyond age," but

it has been generally accepted to mean "Father of Waters." It means "great" as an adjective, "chief" as a noun.

The history of Mississippi as a State began with the Georgia settlement or articles of cession and agreement, which provided "that the Territory thus ceded shall form a State, and be admitted as such into the Union as soon as it shall contain 60,000 free inhabitants, or at an earlier period if Congress shall think it expedient." The census of 1810 showed a population of only 40,000, both free and slave. Nevertheless, the inhabitants were restive under the Territorial status.

In the general assembly of November, 1811, Major Kennedy, of Washington County, introduced a memorial to Congress, which set out in part: "Believing that the people of this Territory are purely American, and of course competent to self-government, we respectfully solicit that the Mississippi Territory, with its present limits, may be admitted into the Federal Union at the present session of Congress, invested with all the rights, privileges, and immunities used and enjoyed by the States of the Union." It was claimed that the immigration was such that the population would be over 60,000 before the organization could be effected; that they were Americans; that the were the legitimate offspring of seventy-six; and that 40,000 were as capable of self-government as 60,000.

But the War of 1812 came on, and the people as well as Congress were so engrossed with this conflict and subsequent developments that it was not until March 31, 1816, that a bill "to enable the Mississippi Territory to form a constitution and State government and for the admission of such State into the Union on an equal footing with the original States" was read and debated.

We were fortunate then to have a Territorial Delegate in Congress, as we have been since as a State to have men who were able, sincere, courageous, and dependable to represent and serve the best interests of the people in Congress and who deservedly made for themselves a place in the front ranks among their colleagues in both the House and the Senate.

After much work and discussion the bill was finally passed by both Houses of Congress and the enabling act was signed by President Madison on March 1, 1817.

In pursuance of this enabling act the convention which formed the first constitution of Mississippi met for that purpose on the first Monday in July, 1817, in the old Methodist church in the little town of Washington, Adams County, which housed the first Methodist congregation of all the Southwest. In a recent issue of the Christian Advocate, published at New Orleans, an article appeared telling of an effort now being made to erect a worthy memorial upon the site of this historic old church.

There were giant intellects in this convention who brought renown to themselves, their State, and their Nation. Judge Poindexter was chairman of the committee appointed by the convention to draft the constitution, and to his brilliant but solid legal attainments the State is no doubt largely indebted for her admirable charter. On August 15, 1817, this convention adopted a constitution and adjourned after having been in session 38 days. The fruits of their labors have been and will continue to be a benediction to their posterity.

The State government, based on the constitution formed by this convention, was divided into three departments—the legislative, executive, and judicial. The right of suffrage was granted, with some limitations, to every adult free, white, male citizen of the State, and certain property qualifications were required of office-holders.

The first session of the legislature was directed to be held at Natchez, beginning on the first Monday in October, 1817, and that afterwards it should meet on the first Monday in November in every year, at such place as the law might direct. However, it so happened that on account of an epidemic in the city of Natchez, the first Legislature of the State of Mississippi met in the town of Washington, Adams County, but on December 6, 1817, it met in Natchez.

When the National Congress met in December, a resolution admitting the State thus organized was passed by the House, December 8. The Senate had passed the resolution on December 3, the day before the arrival of an official copy of the constitution. The resolution was signed by President Monroe, December 10, 1817, and Mississippi was born as the twentieth State of the Union.

The State at that time was entitled to only one Representative in Congress. George Poindexter was elected to fill that office, and immediately took the foremost place in Congress as an orator and debater. The new Senators were Walter Leake and Thomas H. Williams.

David Holmes, who was a member of the State convention and helped draft that wonderful document—our State constitution, and who had filled the office of Territorial governor with such ability, was elected first governor of the State of Mississippi.

An act extending the laws of the United States to the new State originated in the House and was adopted by the Senate, March 30, 1818, and was approved April 3, 1818.

On January 5, 1820, George Poindexter was inaugurated the second Governor of Mississippi at Natchez.

On November 28, 1821, the legislature enacted a law authorizing the establishment of a town as a permanent seat of government of the State, calling it "Jackson" in honor of Maj. Gen. Andrew Jackson, who married in Mississippi, and who had so often led the sons of Mississippi to battle and to victory. Mississippi's capital at Jackson is to-day a glowing tribute to the efforts of her pioneer patriots and statesmen who wrought even better than they knew.

Mississippi's past is a halo of glory. Her history is a romance. Her growth is wonderful. The lives and achievements of her sons and daughters border on the miraculous. In spite of great obstacles, she has made wonderful progress.

To-day, I feel I can with modesty say that as a State she is a giant, although it has not been, comparatively speaking, so very long since she wore infant clothes.

When we think of the history and of the noble sons and daughters of our great State a sense of grandeur and a feeling of glory should touch and thrill the heart of every true Mississippian. To be a Mississippian is the embodiment of honor, manhood, and integrity, which are words that should not be lightly used, for they represent lofty ideals, high purposes, and splendid citizenship.

The prevailing sentiment regarding birthdays should be that they are gift days. On this particular birthday we bring no material gifts and lay them in the lap of the State of our nativity, but let us all by our very thoughts, words, and deeds rededicate to Mississippi our loyalty, patriotism, and best efforts, and to her fair name pledge anew our faith, devotion, and deepest concern, and prove ourselves to be worthy of the honor, privilege, and distinction of being Mississippians.

ORDER OF BUSINESS

Mr. RAINEY. Mr. Speaker, to-morrow the land bank bill will be taken up, and we will vote on it to-morrow.

SENATE BILLS AND RESOLUTION REFERRED

A bill and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table, and under the rule referred as follows:

S. 263. An act to promote the conservation of wild life, fish, and game, and for other purposes; to the Committee on Agriculture.

S. Con. Res. 2. Concurrent resolution to pay Anna Jarvis a sum equal to six months' compensation of the late Grant Jarvis; to the Committee on Accounts.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 40 minutes p. m.) the House adjourned until to-morrow Saturday, December 19, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

309. A letter from the Comptroller General of the United States, transmitting recommendation to the Congress for the enactment of legislation in the matter of the returns, audit, and filing of Federal contracts; to the Committee on Expenditures in the Executive Departments.

310. A letter from the Comptroller General of the United States, transmitting recommendation to the Congress for the enactment of legislation fixing minimum and maximum amounts for fees and expenses payable to agents, attorneys, etc., for service rendered in connection with claims against or payable by the United States; to the Committee on Claims.

311. A letter from the Secretary of the Navy, transmitting a proposed draft of a bill to provide for the reimbursement of certain enlisted men and former enlisted men of the Marine Corps for the value of personal effects lost, damaged, or destroyed by fire at the Marine Barracks, Quantico, Va., on October 5, 1930; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. MAPES: Select Committee on Fiscal Relations Between the United States and the District of Columbia. H. R. 6285. A bill relating to the contributions of the United States toward defraying the expenses of the District of Columbia; without amendment (Rept. No. 10). Referred to the Committee of the Whole House on the state of the Union.

Mr. STEAGALL: Committee on Banking and Currency. H. R. 6172. A bill to amend the Federal farm loan act, as amended, to provide for additional capital for Federal land

banks, and for other purposes; without amendment (Rept. No. 11). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAPES: A bill (H. R. 6285) relating to the contributions of the United States toward the expenses of the District of Columbia; committed to the Committee of the Whole House on the state of the Union.

By Mr. ALMON: A bill (H. R. 6286) granting pensions to certain soldiers, sailors, and marines of the World War, to certain widows, minor children, and helpless children of such soldiers, sailors, and marines, and for other purposes; to the Committee on Pensions.

Also, a bill (H. R. 6287) granting increase of pensions to widows and dependent children of Spanish-American War, Philippine insurrection, and Chinese relief expedition veterans by amending section 364a, title 38, chapter 7, act of May 1, 1926, supplement 2, entitled "War with Spain, Philippine insurrection, and Chinese Boxer rebellion," etc., United States Statutes at Large, volume 44, part 1; to the Committee on Pensions.

By Mr. BOLAND: A bill (H. R. 6288) to repeal the national prohibition act, as amended and supplemented; to the Committee on the Judiciary.

By Mr. BRITTEN: A bill (H. R. 6289) to authorize the building up of the United States Navy to the strength permitted by the Washington and London naval treaties; to the Committee on Naval Affairs.

By Mr. GARRETT: A bill (H. R. 6290) to provide for the appointment of an additional district judge for the southern district of Texas; to the Committee on the Judiciary.

By Mr. HANCOCK of North Carolina: A bill (H. R. 6291) to release Winston-Salem, N. C., from the necessity of furnishing accommodations for holding United States district court; to the Committee on the Judiciary.

By Mr. HARTLEY: A bill (H. R. 6292) to prevent professional prize fighting and to authorize amateur boxing in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KERR: A bill (H. R. 6293) for relief of delinquent farmers and landowners who are indebted to the Federal land banks and joint-stock land banks of the United States; to the Committee on Banking and Currency.

By Mr. REILLY: A bill (H. R. 6294) permitting landowners who have suffered damages on account of prosecution and maintenance of the improvement of the Wisconsin and Fox Rivers, in the State of Wisconsin, to institute action in the Court of Claims or the United States district court for the recovery of such damages; to the Committee on the Judiciary.

By Mr. STEAGALL: A bill (H. R. 6295) to provide for the commemoration of Fort Mitchell, in the State of Alabama; to the Committee on Military Affairs.

By Mr. TINKHAM: A bill (H. R. 6296) making certain matter inadmissible as evidence in the Federal courts, and for other purposes; to the Committee on the Judiciary.

By Mr. WOODRUM: A bill (H. R. 6297) to authorize the Secretary of the Treasury to acquire by condemnation or otherwise such land in the city of Radford, Va., as may be necessary for the location of a post-office building in the said city, and also to construct a suitable building thereon, and making an appropriation therefor; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6298) to authorize the Secretary of the Treasury to acquire by condemnation or otherwise such land in the town of Blacksburg, Montgomery County, Va., as may be necessary for the location of a post-office building in said city, and also to construct a suitable building thereon, and making an appropriation therefor; to the Committee on Public Buildings and Grounds.

By Mr. QUIN (by request of the Treasury Department): A bill (H. R. 6299) to amend the act approved March 3, 1925, providing for the restoration of Fort McHenry, in the State of Maryland, and for other purposes; to the Committee on Military Affairs.

By Mr. CRAIL (by request): A bill (H. R. 6300) authorizing the Secretary of the Interior to reinstate certain applications for oil and gas prospecting permits, provided the same will not be inimical to the public interest and the orderly development of oil and gas on the public domain; to the Committee on the Public Lands.

By Mr. GLOVER: A bill (H. R. 6301) to authorize the creation of game refuges on the Ouachita National Forest in the State of Arkansas; to the Committee on Agriculture.

By Mr. KNUTSON: A bill (H. R. 6302) to establish the boundary lines of the Chippewa Indian territory in the State of Minnesota; to the Committee on Indian Affairs.

By Mr. LEAVITT: A bill (H. R. 6303) to provide for prompt construction of highways by local labor to alleviate unemployment due to drought, flood, or other natural disaster; to the Committee on Roads.

By Mr. MANSFIELD: A bill (H. R. 6304) to transfer Lavaca County from the Houston division to the Victoria division of the southern district of Texas; to the Committee on the Judiciary.

By Mr. BRUNNER: A bill (H. R. 6305) to amend the act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing postal rates to provide for such readjustment, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. FULMER: A bill (H. R. 6306) to provide for the establishment of light buoys along the channel of Lake Murry and adjacent waters, in the State of South Carolina; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6307) granting the Secretary of the Treasury authority to employ a local State resident architect in the construction of Federal buildings; to the Committee on Public Buildings and Grounds.

By Mr. MITCHELL: A bill (H. R. 6308) providing for the purchase of a suitable site and the erection of a public building at Monterey, Tenn.; to the Committee on Public Buildings and Grounds.

By Mr. CONNERY: A bill (H. R. 6309) to provide old-age pensions; to the Committee on Labor.

By Mr. MAAS: A bill (H. R. 6310) to amend section 1709 of the Revised Statutes, as amended by the act of March 3, 1911 (36 Stat. 1083), and section 304 of the Budget and Accounting Act, 1921 (42 Stat. 24); to the Committee on Foreign Affairs.

By Mr. MANLOVE: A bill (H. R. 6311) to amend the retirement act approved May 29, 1930; to the Committee on the Civil Service.

By Mr. VINSON of Georgia: A bill (H. R. 6312) to permit certain warrant officers to count all active service rendered under temporary appointments as warrant or commissioned officers in the Regular Navy or Marine Corps, or as warrant or commissioned officers in the United States Naval Reserve Force or Marine Corps Reserve, or in the National Naval Volunteers, for purpose of promotion to chief warrant rank; to the Committee on Naval Affairs.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 6384) granting pensions to certain soldiers of the Regular Establishment who served on the western frontier during the Indian wars, skirmishes, expeditions, and campaigns for opening new territory for settlements under martial law from 1817 to 1898, inclusive, and for other purposes; to the Committee on Pensions.

By Mr. FREE: A bill (H. R. 6385) to permit an officer or member of the crew of any coastwise vessel to act as the vessel's wireless operator in lieu of the regular operator now required by law; to the Committee on the Merchant Marine and Fisheries.

By Mrs. WINGO: A bill (H. R. 6386) to authorize the creation of a game refuge in the Ouachita National Forest, in the State of Arkansas; to the Committee on Agriculture.

Also, a bill (H. R. 6387) to establish the Ouachita national park in the State of Arkansas; to the Committee on the Public Lands.

By Mr. KELLY of Pennsylvania: A bill (H. R. 6388) to amend the act of May 25, 1926, entitled "An act to provide for the construction of certain public buildings, and for other purposes"; to the Committee on Public Buildings and Grounds.

By Mr. EVANS of Montana: A bill (H. R. 6389) to authorize the distribution of 50,000,000 bushels of surplus wheat for relief purposes; to the Committee on Agriculture.

By Mr. FIESINGER: A bill (H. R. 6390) authorizing certain investigations and surveys of the water resources of the State of Ohio, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. SOMERS of New York: Resolution (H. Res. 72) to investigate the cause and effect of the present depressed value of silver; to the Committee on Rules.

By Mr. GILBERT: Resolution (H. Res. 73) providing for an investigation of the prices of wheat and bread; to the Committee on Rules.

Also, resolution (H. Res. 74) providing for an investigation of the prices of milk, cream, and dairy products; to the Committee on Rules.

Also, a resolution (H. Res. 75) providing for an investigation of the prices of tobacco and tobacco products; to the Committee on Rules.

By Mr. GOSS: Joint resolution (H. J. Res. 148) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. DAVILA: Joint resolution (H. J. Res. 149) to correct the spelling of the name of the island of Porto Rico; to the Committee on Insular Affairs.

By Mr. LEWIS: Joint resolution (H. J. Res. 150) for the establishment of a commission for the construction of a Washington-Lincoln Memorial Gettysburg Boulevard connecting the present Lincoln Memorial in the city of Washington with the battlefield of Gettysburg in the State of Pennsylvania; to the Committee on the Library.

By Mr. LAMNECK: Joint resolution (H. J. Res. 151) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. BLOOM: Joint resolution (H. J. Res. 152) for the improvement of Chevy Chase Circle with a fountain and appropriate landscape treatment; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 6313) for the relief of Lowell I. Broxson; to the Committee on Military Affairs.

By Mr. BACHMANN: A bill (H. R. 6314) granting an increase of pension to Adaline Shuman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6315) granting a pension to Carrie B. Mozingo; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 6316) granting an increase of pension to Jennie M. Jenness; to the Committee on Invalid Pensions.

By Mr. BOLAND: A bill (H. R. 6317) for the relief of Dennis Tighe; to the Committee on Naval Affairs.

By Mr. CANFIELD: A bill (H. R. 6318) making William P. Zickler eligible to receive the benefits of the civil service retirement act; to the Committee on the Civil Service.

By Mr. CARDEN: A bill (H. R. 6319) for the relief of Elbert Johnson; to the Committee on Naval Affairs.

By Mr. COLE of Iowa: A bill (H. R. 6320) granting an increase of pension to Joseph Lang; to the Committee on Pensions.

By Mr. CRISP: A bill (H. R. 6321) granting an increase of pension to Margaret B. Furlow; to the Committee on Pensions.

By Mr. DAVILA (by request): A bill (H. R. 6322) for the relief of Jose M. Alcover; to the Committee on the Post Office and Post Roads.

Also (by request), a bill (H. R. 6323) for the relief of Sucs. De l. Villamil & Co., of San Juan, P. R.; to the Committee on Claims.

By Mr. DICKINSON: A bill (H. R. 6324) granting a pension to Frankie Capps; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6325) granting an increase of pension to Anna S. Younts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6326) granting a pension to Sylvia Holsapple; to the Committee on Invalid Pensions.

By Mr. DRANE: A bill (H. R. 6327) granting an increase of pension to William W. Martin; to the Committee on Pensions.

Also, a bill (H. R. 6328) granting a pension to Mrs. Lu M. Linscott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6329) for the relief of Peter C. Hains, jr.; to the Committee on Military Affairs.

By Mr. EATON of Colorado: A bill (H. R. 6330) granting a pension to Anna M. Noel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6331) granting a pension to Sarah Annie Wright; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 6332) granting a pension to Fred Hensley; to the Committee on Pensions.

By Mr. FITZPATRICK: A bill (H. R. 6333) for the relief of Thomas G. Carlin; to the Committee on Military Affairs.

By Mr. GAMBRILL: A bill (H. R. 6334) for the relief of Lieut. M. A. Sprengel; to the Committee on Naval Affairs.

Also, a bill (H. R. 6335) for the relief of Lieut. Leroy Moyer; to the Committee on Naval Affairs.

Also, a bill (H. R. 6336) for the relief of George W. Steele, jr.; to the Committee on Naval Affairs.

Also, a bill (H. R. 6337) for the relief of Capt. Chester G. Mayo; to the Committee on Naval Affairs.

By Mr. GREENWOOD: A bill (H. R. 6338) granting an increase of pension to Emeline Kinneman; to the Committee on Invalid Pensions.

By Mr. HANCOCK of North Carolina: A bill (H. R. 6339) for the relief of O. R. York; to the Committee on Claims.

By Mr. HOGG of Indiana: A bill (H. R. 6340) granting a pension to Sarah Finton; to the Committee on Invalid Pensions.

By Mr. HOOPER: A bill (H. R. 6341) granting an increase of pension to Rosa De Graff (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 6342) granting a pension to Hettie M. Leach (with accompanying papers); to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 6343) for the relief of George E. Liberty; to the Committee on Naval Affairs.

By Mr. JOHNSON of Illinois: A bill (H. R. 6344) granting a pension to Lizzie May Schaber; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 6345) authorizing the appointment of John Rowland as a warrant officer, United States Army; to the Committee on Military Affairs.

By Mr. LEECH: A bill (H. R. 6346) granting an increase of pension to Annie E. Livingston; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 6347) for the relief of Neal D. Borum; to the Committee on Foreign Affairs.

By Mr. McREYNOLDS: A bill (H. R. 6348) for the relief of Richard M. George; to the Committee on Claims.

By Mr. MANLOVE: A bill (H. R. 6349) granting an increase of pension to Mira A. Murphy; to the Committee on Invalid Pensions.

By Mr. MAJOR: A bill (H. R. 6350) for the relief of James Whelton; to the Committee on Naval Affairs.

By Mr. MEAD: A bill (H. R. 6351) for the relief of Peter S. Klaskala; to the Committee on Naval Affairs.

Also, a bill (H. R. 6352) for the relief of Frank Mackowiak; to the Committee on Military Affairs.

By Mr. NELSON of Maine: A bill (H. R. 6353) granting an increase of pension to Mary E. Adams; to the Committee on Invalid Pensions.

By Mr. NELSON of Missouri: A bill (H. R. 6354) granting an increase of pension to Fannie Branham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6355) granting a pension to Amanda E. Wilson; to the Committee on Invalid Pensions.

By Mr. OLIVER of New York: A bill (H. R. 6356) granting a pension to Fredericka Tuttle; to the Committee on Invalid Pensions.

By Mr. RUTHERFORD: A bill (H. R. 6357) for the relief of Mrs. E. J. McCardle; to the Committee on Claims.

By Mr. SCHAFER: A bill (H. R. 6358) granting a pension to Cora E. Miller; to the Committee on Invalid Pensions.

By Mr. SEIBERLING: A bill (H. R. 6359) granting a pension to Kathryn Brown; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 6360) for the relief of Lincoln Wedel; to the Committee on Claims.

By Mr. STEAGALL: A bill (H. R. 6361) granting a pension to Stephen Swan Ogletree; to the Committee on Pensions.

Also, a bill (H. R. 6362) for the relief of Otto T. Faber; to the Committee on Claims.

Also, a bill (H. R. 6363) granting a pension to Walter M. Wilson; to the Committee on Pensions.

By Mr. TARVER: A bill (H. R. 6364) for the relief of James D. Poteet; to the Committee on Military Affairs.

By Mr. TEMPLE: A bill (H. R. 6365) for the relief of certain claimants for interest arising from delay in the payment of drafts and cable transfers of the American Embassy at Constantinople between December 23, 1915, and April 21, 1917; to the Committee on Foreign Affairs.

By Mr. THURSTON: A bill (H. R. 6366) granting an increase of pension to Lucinda E. Hollopeter; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 6367) for the relief of Robert R. Prann; to the Committee on Claims.

Also, a bill (H. R. 6368) for the retirement of David W. Morgan under the act of May 24, 1928; to the Committee on World War Veterans' Legislation.

By Mr. UNDERWOOD: A bill (H. R. 6369) granting an increase of pension to Mary E. Baker; to the Committee on Invalid Pensions.

By Mr. WELSH of Pennsylvania: A bill (H. R. 6370) for the relief of Joseph Richard Kearney; to the Committee on Naval Affairs.

Also, a bill (H. R. 6371) for the relief of Andrew McGrath; to the Committee on Naval Affairs.

By Mr. WHITE: A bill (H. R. 6372) granting an increase of pension to Mary D. Maloney; to the Committee on Invalid Pensions.

By Mr. WOODRUM: A bill (H. R. 6373) for the relief of the City Developing Corporation, of Roanoke, Va.; to the Committee on Claims.

By Mr. CARTER of California: A bill (H. R. 6374) for the relief of Bertha Ross; to the Committee on Claims.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 6375) granting an increase of pension to Thomas M. Stroud; to the Committee on Pensions.

By Mr. McKEOWN: A bill (H. R. 6376) for the relief of William F. Bourland; to the Committee on Indian Affairs.

By Mr. PRALL: A bill (H. R. 6377) for the relief of New York Harbor Dry Dock Corporation; to the Committee on Claims.

Also, a bill (H. R. 6378) to correct the military record of John P. Birmingham; to the Committee on Military Affairs.

By Mr. SWING: A bill (H. R. 6379) for the relief of Thomas Francis Burke; to the Committee on Naval Affairs.

By Mr. THOMASON: A bill (H. R. 6380) for the relief of William Wehmeyer; to the Committee on Claims.

Also, a bill (H. R. 6381) for the relief of Escha Whittington Casey; to the Committee on Claims.

By Mr. WILLIAMS of Missouri: A bill (H. R. 6382) for the relief of Royce Wells; to the Committee on Claims.

By Mr. YON: A bill (H. R. 6383) granting a pension to Georgia J. Jackson; to the Committee on Invalid Pensions.

By Mr. BLACK: Resolution (H. Res. 71) appointing a special employee in charge of the clerks' document room, House Office Building; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

173. By Mr. BURDICK: Petition of the Italian Republican Club of Newport, R. I., by A. Luistro, president; P. Pascale, vice president; and Felice A. Biello, secretary, urging the repeal of the eighteenth amendment and all laws enacted thereunder; to the Committee on the Judiciary.

174. By Mr. DRANE: Petition of citizens of Florida protesting any change in service of the radio stations of WSUN and WFLA, St. Petersburg and Clearwater, Fla., as contemplated by the Federal Radio Commission; to the Committee on the Merchant Marine and Fisheries.

175. By Mr. HARCOURT J. PRATT: Resolution of the board of supervisors of Columbia County, N. Y., recommending the actual appropriation by Congress of funds heretofore authorized to be appropriated for the purpose of enlarging the Federal post-office building at Hudson, N. Y., so that suffering from unemployment existing in Hudson may be alleviated; to the Committee on Public Buildings and Grounds.

176. By Mr. RAMSEYER: Petitions of sundry voters and taxpayers of the State of Iowa, urging a duty on oil; to the Committee on Ways and Means.

178. By Mr. TARVER: Petition of 37 ex-service men of Catoosa County, Ga., asking the immediate payment of the remainder of the adjusted-service compensation of veterans of the World War; to the Committee on Ways and Means.

SENATE

SATURDAY, DECEMBER 19, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

Almighty God, who willest not that any should perish, but that all should come to repentance, give unto us, Thy children, grace, that we may cast away the works of darkness and put upon us the armor of light, for we wrestle not against flesh and blood but against principalities and powers, against the rulers of the darkness of this world, against spiritual wickedness enthroned in our midst. Raise up, therefore, Thy power and come among us, and with great might succor us, that this Nation may be able to stand strong and steadfast in the face of all adversity, her loins girt about with truth, having on the breastplate of righteousness, her feet shod with the preparation of the gospel of peace—the vesture of Him who at Thy right hand maketh intercession for us. Who then shall separate us from the love of Christ? Shall tribulation or distress or persecution or famine or nakedness or peril or sword? Nay; in all these things we are more than conquerors through Him that loved us. For we are persuaded that neither death nor life nor angels nor principalities nor powers nor things present nor things to come nor height nor depth nor any other creature shall be able to separate us from the love of God which is in Christ Jesus, our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 4), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That a joint committee consisting of three Members of the House of Representatives and three Senators, to be appointed by the Speaker of the House of Representatives and the President of the Senate, respectively, is authorized to make suitable arrangements for a fitting and proper celebration in the House of Representatives on February 22, 1932, of the two hundredth anniversary of the birth of George Washington.

INTERNATIONAL PARLIAMENTARY CONFERENCE ON COMMERCE

The VICE PRESIDENT laid before the Senate a communication from the Secretary of State, transmitting, for the information of the Senate, a copy of a publication in the French language giving a complete report of the session of the Seventeenth Plenary Assembly of the International Parliamentary Conference on Commerce, which, with the accompanying report, was referred to the Committee on Foreign Relations.

DISPOSITION OF USELESS PAPERS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a list of papers, documents, etc., in the files of the Treasury Department which are not needed in the conduct of business and have no permanent value or historical interest, and asking for action looking to their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. SMOOT and Mr. HARRISON members of the committee on the part of the Senate.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adopted by the National Legislation Committee, United Indian War Veterans, United States of America, protesting against the passage of any legislation to force veterans of all wars seeking pensions, compensations, disability allowances, and emergency officers' retirement pay, or the widows and dependents of such veterans seeking pensions, to subscribe to a pauper's oath before being granted such benefits, which was referred to the Committee on Pensions.

He also laid before the Senate a resolution adopted by the district stewards, pastors, and lay leaders of the Meridian district, Mississippi annual conference of the Methodist Episcopal Church South, in session at Meridian, Miss., indorsing the eighteenth amendment to the Constitution and the Volstead Act, and requesting that Congress do all in its power for the maintenance and enforcement of said amendment and act, which was referred to the Committee on the Judiciary.

He also laid before the Senate a resolution adopted at the regular meeting of the Municipal Council of Tolosa, Leyte, P. I., favoring complete independence for the Philippine Islands within a period of 10 years, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate "A memorial and covenant with posterity," submitted by the Founders' Society of the George Washington Free Library and Affiliated Cultural Institutions, of New York City, N. Y., signed by Daniel P. Sullivan, executive officer-volunteer counsel, together with an address entitled "Washington and the Union," delivered in the House of Representatives on February 23, 1931, in commemoration of the birth of George Washington by Hon. JAMES M. BECK, a Representative from Pennsylvania, and calling particular attention to a paragraph contained therein reading:

Eliminating from the calculations large and important public improvements, which, while primarily local in character, are yet of general benefit, and including only direct subsidies from the Federal Treasury to the States for non-Federal purposes, there are six States which draw from the Treasury in such subsidies $2 for every dollar that they pay into the Treasury. Two States draw more than $3 for every one they contribute, while New York, which contributes nearly a third of the public revenues, derives less than 1 cent to every dollar it contributes—

which, with the accompanying papers, was referred to the Committee on the Library.

Mr. BARBOUR presented resolutions adopted by the Rotary Club and the Young Men's Christian Association, both of Madison, N. J., favoring the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

Mr. SHIPSTEAD presented a petition of sundry citizens of Hibbing, Minn., praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. CAPPER presented a resolution adopted by Post No. 1022, Veterans of Foreign Wars, of Coffeyville, Kans., favoring immediate payment of the adjusted-service certificates (bonus) of World War veterans, which was referred to the Committee on Finance.

He also presented a petition of the Woman's Foreign Missionary Society of the Wakefield (Kans.) Methodist Episcopal Church, praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

ECONOMIC CONDITIONS

Mr. NORRIS. Mr. President, I ask unanimous consent to have printed in the RECORD an article by John P. Frey, in the American Federationist, July, 1931, entitled "The Calamity of Prosperity."

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

THE CALAMITY OF PROSPERITY

By John P. Frey, secretary-treasurer, metal trades department, American Federation of Labor

The six years following 1922 were in many respects the most prosperous the United States has experienced. Wealth was created much more rapidly than ever before. Though agriculture did not fare so well, industry, commerce, and banking enjoyed astounding prosperity. The volume and the value of manufactured products increased enormously.

In 1914 the value of our manufactured products was approximately $24,000,000,000. In 1921 it was $44,000,000,000. In 1923 it was $61,000,000,000, while for 1929 it was $69,000,000,000.

It is true that there has been a change in the purchasing power of the dollar between 1914 and 1929, but this change in money value is but a fraction of the difference between the total value of manufactured products in 1914, as compared with those for 1929.

As the great annual increase in the national wealth from 1922 to 1929 was due principally to the wealth created by industry rather than by agriculture, a review of the causes for this increase will assist in a clearer understanding of the principal reason for the depression which began with the fall of 1929.

Unquestionably, agriculture and the wide range of natural resources within continental United States is the foundation upon which our industrial structure is erected. Our country is more self-contained in natural resources than any other. It has a fertile soil and mineral wealth for basic industries which is unparalleled. Coal and oil, iron, copper, and a host of other essential minerals exist in almost unlimited quantity.

These basic advantages have been of utmost value to American industry. In addition to these, and of equally great, if not greater, importance are the methods by which American industry is carried on.

INCREASED PER CAPITA PRODUCTION

It was in the United States that mass production had its origin. It is to this American system of production, made possible through the application of more practical and scientific methods than are to be found elsewhere, that we owe the astounding annual increase in the value of manufactured products during the period under consideration.

New conceptions relative to the methods of manufacturing products began to indicate themselves effectively some 30 years ago. What was termed scientific management began to assert its influence. The chemist, the mechanical, the electrical, and other technically trained engineers began to emerge from the laboratory and enter the workshops for the purpose of directly applying their skill and technical knowledge to every form and method and system of production then in existence.

The mechanic's and the laborer's work was specialized. It was broken down and subdivided, so that each worker performed only a part, and sometimes a most minute one, of the work he had formerly done in connection with production. There was a most rapid development in the invention of automatic and semiautomatic machinery. The use of machinery was greatly increased. The power applied to the operation of machinery per workman

was doubled and trebled. Thirty years ago it was less than 2 horsepower per workman in the manufacturing industries. In 1929 this had increased to 5 horsepower per workman.

In addition to the value added by the workmen themselves to the raw material being converted into manufactured goods there was an additional value created by machinery and by the power which operated these machines. It was the development of mass production, with its increasing use of power and machinery and the subdivision of labor, which made it possible for American workmen to produce such an enormous increase in the annual creation of wealth.

Mass production has been accompanied by a most rapid increase in the per capita volume of production in our industries. Federal statistics indicate that during the eight years ending in 1928 over 925,000 workmen were eliminated from our manufacturing industries, some 800,000 from agriculture, and approximately 250,000 from railway transportation. Yet, with this greatly reduced army of workers, manufacturing, agriculture, and railway transportation were of considerably greater volume than seven years before.

It is this constantly increasing production per wage earner which has made labor costs so low in our country. In a number of our industries the labor cost in the United States has been lower than in other countries, although the dollar-and-cent wage has been considerably higher.

The American freight train hauls several thousand tons more than those in other countries. The American agricultural worker, particularly in the wheat fields, sows and harvests the wheat at a considerably lower labor cost per bushel than in those countries where coolie labor receives 9 and 10 cents per day.

The American coal miner, working under the union wage scale, receives a considerably higher dollar-and-cent wage per day than the coal miners of any other country. But the average output per workman in the American coal mines is well over 4½ tons per day, while in England it is but a slight fraction over 1 ton, and in several of the continental countries of Europe less than 1 ton per capita.

The predominance of American industry in the use of machinery is indicated in the following statistics giving the value of the machinery absorbed per year per capita in certain large countries:

In 1913 the United States absorbed $15 per capita in machinery. This amount had risen to $23 in 1925.

In 1913 Great Britain had absorbed $5 per capita in machinery. This had increased to $10 in 1925.

In 1913 Germany had absorbed $7 per capita in machinery. This had increased to $9 in 1925.

In 1913 the machinery absorbed per capita in India amounted to 10 cents. This had increased to 17 cents in 1925.

In China the amount absorbed per capita for machinery in 1913 was 14 cents. In 1925 this was reduced to 5 cents.

In some of our American industries the per capita production since the war has been increased many hundred per cent. Where automatic machinery has almost wholly replaced hand labor, the output per workman has been increased several thousand times. Even in such an industry as agriculture, so our highest authorities inform us, the agricultural worker's output has been increased approximately 300 per cent since 1900.

Volume and value being taken into consideration, it is found that many American workers have been paid a lower dollar-and-cent wage for the volume of their output than the workmen of a number of the other large industrial countries.

NATIONAL CONDITIONS

Although the Nation had contracted a debt of $25,000,000,000 as a result of the World War, the burden apparently placed no check upon the rapid growth of national wealth. The national income increased to such an extent that Americans, while amply financing our industries and commerce, were able to lend some $17,000,000,000 to foreign individuals and foreign countries, in addition to the national loans to the allied nations.

Although a most serious depression has afflicted us for 18 months, our banks contain more money than ever before, and this is being lent on good securities at the lowest rates of interest in our history. There is no famine of money in the bankers' vaults, although industry is seriously depressed and at least 6,000,000 wage earners are wholly unemployed, with a large army of others employed part time.

From the heights of seeming prosperity, which we reached in the forepart of 1929, the country has passed into one of the most serious depressions in its history. Federal statistics indicate that the present recession has reached a lower point below normal than any previous one, even those disastrous depressions of 1857, 1875, and 1894.

It is with the main reason for this depression that we are interested. Unless we can grasp the principal cause and demonstrate it, we can not intelligently proceed to determine the remedy and adopt those policies which must be carried into effect to secure relief and prevent a recurrence of the present industrial tragedy.

Before attempting to indicate the underlying factor, it may be well to mention some of the recognized conditions which have contributed to the world-wide depression existing at present. Among these are changes in the character of international relations; unsuccessful wars or those which have drained a country of its wealth; overwhelming national debts and crushing taxation; a depreciated currency; a lack of national credit; a serious injury to a nation's basic industries; a succession of bad harvests and overspeculation.

None of these causes, or a combination of them, is the principal reason for the depression in our country. Our international relations are normally friendly. We have not engaged in an unsuccessful war or one which drained the country. Our national debt, though large, has not brought about any crushing taxation. Our currency is sound. Our national wealth is intact. We have not had a succession of bad harvests and never before has money been lent at so low a rate on good securities. We are the wealthiest nation of the world.

It is true that there was overspeculation for several years. This did not affect national wealth, but resulted principally in paper loss, fictitious values, which enabled the master manipulators to fleece the unwary, in the same manner that the master gamblers fleece their confiding and less shrewd victims.

The depression came at a time when the production of wealth in the United States had reached a pinnacle never before attained. The foodstuffs grown were greater in volume than ever before; the banks held more wealth. Even now, with stark poverty facing millions of wage earners, we find our grain elevators bursting with wheat and the bankers' vaults congested with money which they are vainly seeking to invest.

THE BACKGROUND

There are most valid reasons for believing that the present depression was caused by the economically unsound policies which governed the captains of industry and finance during the so-called years of prosperity, 1923–1929. It was their incapacity to understand the economic results which must follow the business policies they were carrying out. It was their lack of understanding or their avaricious desire to acquire fabulous wealth in the shortest time possible, or a combination of these, which brought about the calamity of the depression which now presses so destructive a burden upon at least one-fifth of the Nation's wage earners.

If we are to understand more clearly what was transpiring after 1922, it must be kept in mind that our export business never has supplied a market for the great bulk of our industrial production.

Great Britain's wealth was created and developed largely through her export trade in manufactured goods, which has accounted for from 60 to 65 per cent of her production. It is doubtful if our country has ever exported 10 per cent of the Nation's produce, including our agricultural products.

From the days of the Civil War our total exports, including agricultural as well as manufactured products, averaged approximately 7 per cent of the whole. Our export of manufactured goods was increasing to an encouraging extent before the World War, but the enormous national debts incurred by European countries, their dominions and their colonies, led each to build up their manufactures as rapidly as possible. Most of them hoped, in addition to manufacturing for their own home market, to find in an export business the means of securing wealth with which to pay their debts.

The competition of manufactured goods in the world's markets became more keen. One effect of this world-wide condition has been to handicap our Nation's export business, and this handicap has been increased not a little, as far as our manufacturing industries are concerned, by the establishing of American branch plants in foreign countries and the enormous loans made by Americans privately to build up the business of foreign manufacturers.

This in itself is already an important factor in affecting home industry and may become a still greater one in the near future, but it is not our purpose to examine this problem here. Attention has been called to what has transpired industrially in the international field, so that it may become more apparent that the one great market in which the American producer must sell his goods is the home market. It is the breakdown of this home market which has stilled the wheels of industry and created the condition of unemployment which contains such grave elements of danger.

CONDITIONS IN 1922

As our industries recovered from the depression of 1921, there were some outstanding facts with which our captains of industry and finance were familiar. The American system of industrial labor in mass production had firmly established itself. But it was apparent that the full results of the application of power, machinery, and scientific direction of industry had scarcely accomplished more than to open the doors to the still greater efficiency of methods and processes which would be developed.

The chemists, the metallurgists, the technical and production engineers were constantly improving upon the system of production they had established. This led to that constant elimination of workmen, which has been called technological unemployment. Unless new industries, comparable in a way to the development of the automobile, were created, it would be impossible for a large number of workmen, already displaced and to be displaced in the future, to find employment.

It is true that the production of automobiles created new employments and that larger numbers displaced found work in personal service and professional entertainment. It was equally true that a large number of the skilled workers eliminated from the manufacturing industries and railroads had been unable, even when they did secure other employment, to secure wages equal to those formerly received. The skilled worker eliminated even in early middle life, can not acquire the same degree of skill in some new industry which will bring equally high wages.

There existed another well-established condition vitally affecting American industry—the growing difficulty of increasing our export of manufactured goods. Our business leaders had no reason for believing in 1922 that there would be any material increase in the volume of our exports. It was evident to those having con-

trol of our industries that approximately 95 per cent of our manufactured goods must be sold in the American market. They were also aware that approximately 80 per cent of our population is composed of wage earners and their dependents.

It did not require exceptional intelligence to realize that the capacity of the American wage earners to purchase what was being produced depended upon their real wage, the purchasing capacity of the dollars and cents in the pay envelope. If industry and commerce should fail to pay wages having a sound relation to the wealth being created, then, in addition to injuring the wage earners, industry and commerce itself would be seriously and perhaps dangerously affected.

It was the failure of our captains of industry and finance to be influenced by the evident economic facts, which created the disastrous injury to the market in which their goods must be sold, and which, more than anything else, brought about the depression which overwhelmed the country in the winter of 1929.

The responsibility for our present condition rests upon many shoulders, but principally upon those who dominate our industries, our commerce, and our banks. This is amply demonstrated by a review of what occurred.

There have been periods when our bankers were able to make their business a most profitable one, but never was there such a gathering of profits as during the years which followed 1922. In December of that year the capital of the banks, members of the Federal reserve, was $1,940,000,000. This capital in 1929 had increased to $2,757,000,000. Their surplus at the end of 1922 was $1,625,000,000. At the close of December, 1929, this had increased to $2,864,000,000. Their undivided profits when 1922 closed were $797,000,000. The undivided profits had increased to $1,086,000,000 at the end of 1929.

This financial record indicates the great increase of capital acquired by the member banks of the Federal reserve, who represent approximately 70 per cent of the Nation's banking. This accumulation of reserves was paralleled by the net addition to their profits, which in 1922 amounted to $299,000,000, and in 1929 reached the huge sum of $556,000,000.

This period of rapidly increasing annual profits was accompanied by equally satisfactory dividends to the holders of the banks' stocks. In 1922 the fortunate holders of these stocks were paid $246,000,000 in dividends. Dividend payments increased from year to year, and in 1929 $408,000,000 were paid in dividend checks. The total deposits in these banks in 1922 were $27,288,000,000; in 1929 they had increased to $38,014,000,000.

Unquestionably the bankers were making hay while the sun shone, but quite possibly they were reaping rich harvests under circumstances which materially and injuriously depleted the soil from which their harvests grew.

During the period following 1922 the annual value of manufactured products increased enormously, but not so rapidly as the bankers' profits. The total value of products manufactured in 1923 was $60,529,000,000. In 1927 our manufacturing industries did better, for the total value for that year was $62,718,000,000. This increase in the total value of manufactured products was eclipsed by the two years which followed; years during which rapidly added impetus was given to the causes which are principally responsible for the present depression. In 1929 the total value of manufactured products mounted to $69,417,000,000.

Keeping in mind the fact that the home market was the one upon which our American manufacturers were forced to depend for the sale of 95 per cent of their products, it is interesting to compare the total volume of wages paid in the manufacturing industries with the value of manufactured products.

In 1923 the total wages were $11,007,000,000. Although the value of manufactured products had increased in 1925 more than $2,000,000,000 above 1923, the total volume of wages in the manufacturing industries that year was less than in 1923, and the same is true for 1927. In 1929 there was an increase, for $11,421,000,000 were paid in wages.

Although the total value of manufactured products was practically $9,000,000,000 more in 1929 than in 1923, the total volume of wages paid in these industries in 1929 was but little more than that paid out in 1923.

Unless there had been an enormous increase in the wealth flowing to the agricultural population and a similar great increase in the purchasing capacity of those employed outside of the manufacturing industries, it is evident that the mass of the people were much less able to purchase what was being produced in the United States in 1929 than they had been in 1923.

While the total volume of wages in the manufacturing industries was but a trifle more in 1929 than in 1922, all wages were less in 1929 than in 1926.

How did the owners of stocks, the captains of industry and finance, fare during this period? In 1922 the total of dividends paid by all corporations was $930,648,000; in 1929 $3,478,000,000 were paid in dividends. Bondholders and the banks fared as well, for all corporations paid $2,469,000,000 as interest in 1922, while in 1929 the interest payments amounted to $7,588,000,000.

The failure of industry and commerce to pay wages in proportion to the wealth being created resulted in a serious depression, or lack of consuming power, in the very market in which the manufacturing industries were compelled to depend for the purchase of 95 per cent of their product.

It is true that our American industries were engaged in turning out producers' as well as consumers' goods, but this fact does not change the economic unbalance which resulted through the failure to pay an economically sound wage.

It would not be difficult and it would be well within the truth and perhaps the proprieties to use descriptive terms and phrases more caustic and deserved in referring to what was done to the Nation's prosperity during these years by the majority of the captains of industry and finance than refer to what occurred as an economically unsound distribution of wealth. The temptation to call a spade a spade, to use crisp, blunt, and expressive Anglo-Saxon terms is almost irresistible under the circumstances. But we refrain, for our present purpose is to submit data which presents an indictment more critical and condemnatory than any use of invective.

THE ACCOMPANYING CHARTS

The data made use of relates to millions and billions of dollars, amounts which are difficult for the mind to grasp. It is easier for the eye to catch the trend of statistics through graphic charts than for the mind to carry the picture mathematically. Charts have been included so that the general trend of economic development from 1922 to 1929 can be readily visualized.

CHART NO. 1. WORKERS' PRODUCING AND BUYING POWER

Index numbers 1899=100

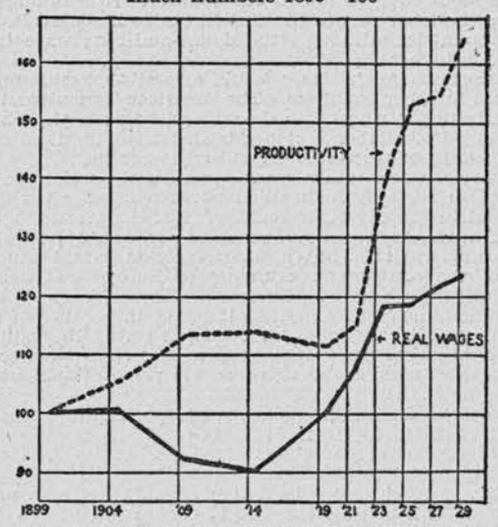


Chart No. 1 covers by index numbers the period from 1899 to 1929. It gives the relationship between the wage earner's increase in productivity and increase in real wage. The critical period discussed in this article began in 1922. A glance at the chart indicates the tremendous rapidity with which productivity increased from that year and the failure of the real wage to increase in proportion.

CHART NO. 2. WAGES AND PRODUCTS OF MANUFACTURING INDUSTRIES

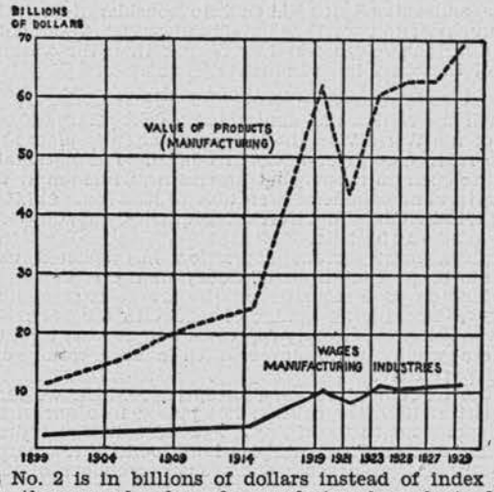


Chart No. 2 is in billions of dollars instead of index numbers. It shows the annual value of manufactured products from 1899 to 1929 and the total volume of dollar-and-cent wages paid in the manufacturing industries. This chart assists in making clear the rapid increase in the annual value of manufactured products and the failure of the dollar-and-cent wage to increase in proportion.

Chart No. 3 covers the period from 1861 to 1929. The solid line shows the advance in the dollar-and-cent wage which began to mount rapidly from 1916. The dotted line indicates the change in the real wage, which, because of the more rapid increase in prices, as the chart indicates, utterly failed to keep pace with the dollar-and-cent wage. The worker's dollar-and-cent wage had a rapidly decreasing purchasing value after 1916.

Chart No. 4 presents the volume of manufactured goods since 1899, and indicates the rapid increase in the volume of manufactured goods produced after 1922. That a comparison may be made, a curve is included which gives the increase in the

CHART NO. 3. HOURLY WAGES OF NONAGRICULTURAL LABOR

Index numbers 1913=100

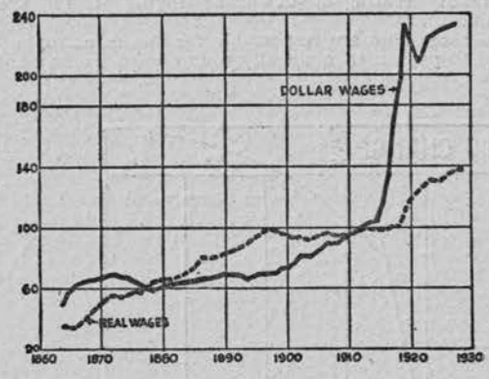
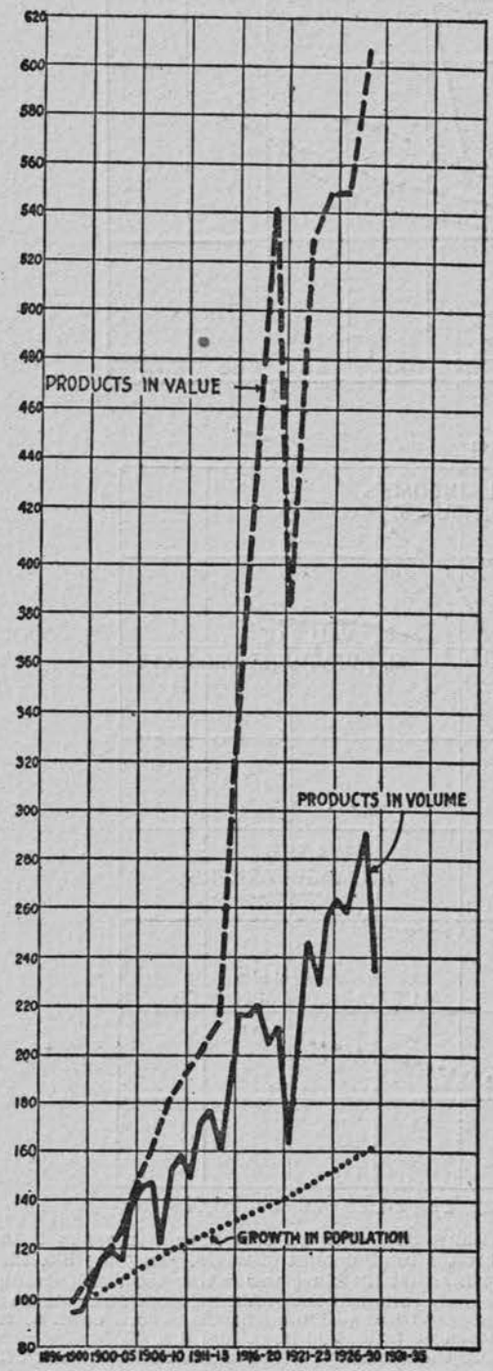


CHART NO. 4. MANUFACTURING-OUTPUT INDEX NUMBERS

Products in volume, 1899–1901=100; products in value, 1899=100; population, 1900=100



value of manufactured goods produced so that volume and value are contrasted. A dotted line presents the national growth in population.

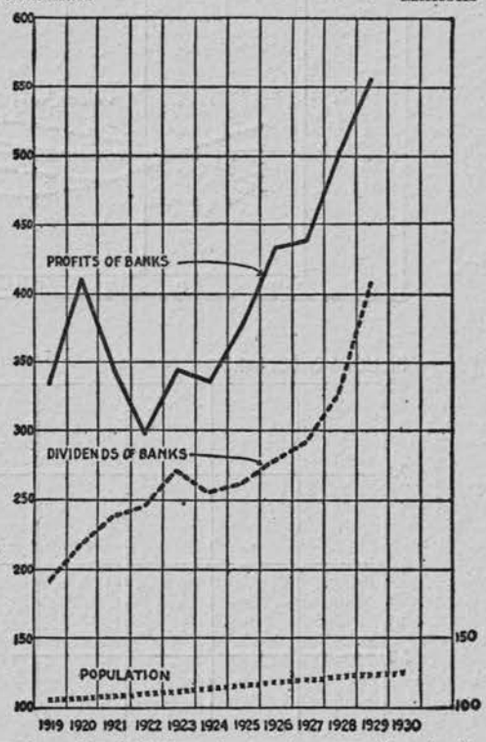
Chart No. 5 gives the index number showing profits made and dividends paid by the banks, members of the Federal reserve. A curve at the foot is used to indicate the increase in the national population. This chart indicates the rapid increase in banking profits as a result of increased national production, and presents visual evidence of the bankers' ability from 1922 to 1929 to make hay while the sun shone.

Chart No. 6 is of particular interest, as it presents a visualization of gross and net bank earnings, bank dividends, and the tremendous rapid increase after 1925 of the dividends paid by industry and railway transportation. If there had been any corresponding increase in the dollar-and-cent wage being paid, we would not have been smothered by the depression which now presses down upon us.

The foregoing charts assist to a better understanding of Chart No. 7, which, in billions of dollars, presents the total national income from all sources, the value of manufactured products, and the total volume of wages and salaries paid in the United States. There are many sources of income in addition to manufactured products. There is our agriculture, our mining, our transportation, and other industries. It will be seen that the total income increased more rapidly after 1923 than the value of manufactured products. It will also be seen that, while salaries did not advance as rapidly as wages previous to 1926, that from then on they increased more rapidly due to two factors—the employment of a

CHART NO. 5. BANK PROFITS AND DIVIDENDS

Millions of dollars Millions of people



larger number of salaried employees in proportion to the number of wage earners, coupled with the rapid increase in the salaries paid to executives.

The most startling feature of Chart No. 7 is the curve showing the volume of wages for all employees, which includes all wage earners in addition to those employed in the manufacturing industries. Here we find that after increasing slightly from 1925, they remained at the same volume for a year and then after 1927 began to go downward, so that, while the total national income and the total value of manufactured products were rapidly increasing, the total volume of wages paid in the United States actually decreased. It is not surprising that, with this reduced capacity to buy, the mass of the people were unable to purchase the goods from which the investors, the banks, and the captains of industry had been reaping such enormous profits.

Chart No. 7, in conjunction with Chart No. 6, helps to visualize the statement recently made by Dr. Julius Klein, Assistant Secretary of Commerce, that real wages increased 13 per cent from 1921 to 1929, but that during this period the return to industrialists grew 72 per cent, while the gain in dividends on industrials and rails increased 256 per cent.

THE CALAMITY

The outstanding economic facts of the so-called period of prosperity from 1922 to the end of 1929 present a depressing picture of economically unsound and destructive business policy. There is little, if anything, in the basic statistics to encourage or create confidence in the future. It is apparent that during this period

the American wage earner was considered almost wholly as a producer of wealth and that he was disregarded as the major consumer of the Nation's products.

In 1922 it was known that we could hope to export little more than 5 per cent of our manufactured products and that the bulk of our manufacturing industries must depend for their market upon the 80 per cent of the population represented by the wage earners and their dependents. Yet a business policy was carried out which could have no other effect than to weaken steadily the consuming market.

There are basically important moral and social questions involved in the just distribution of the annual wealth created, which must be considered in connection with the national welfare, but at present we are attempting to deal only with the economic factors.

The business practices carried out during the period under consideration instead of solidly building up the Nation's prosperity were in reality tearing it down, destroying it, for they were basically unsound.

Many of those who are responsible for the catastrophe because they failed to pay an economically sound wage are now informing the American public that the only hope of recovery is to reduce still further the total amount of wages. They are like the farmer who, believing that his horse was eating too much, gradually reduced the daily ration to the vanishing point, and then remarked to a neighbor, "I had just brought the rations down to the limit when the danged brute laid down and died."

After 1922 the nourishing blood of the national wealth filled the arteries of industry and commerce, but the financial heart instead of pumping it throughout our economic system created conges-

CHART NO. 6

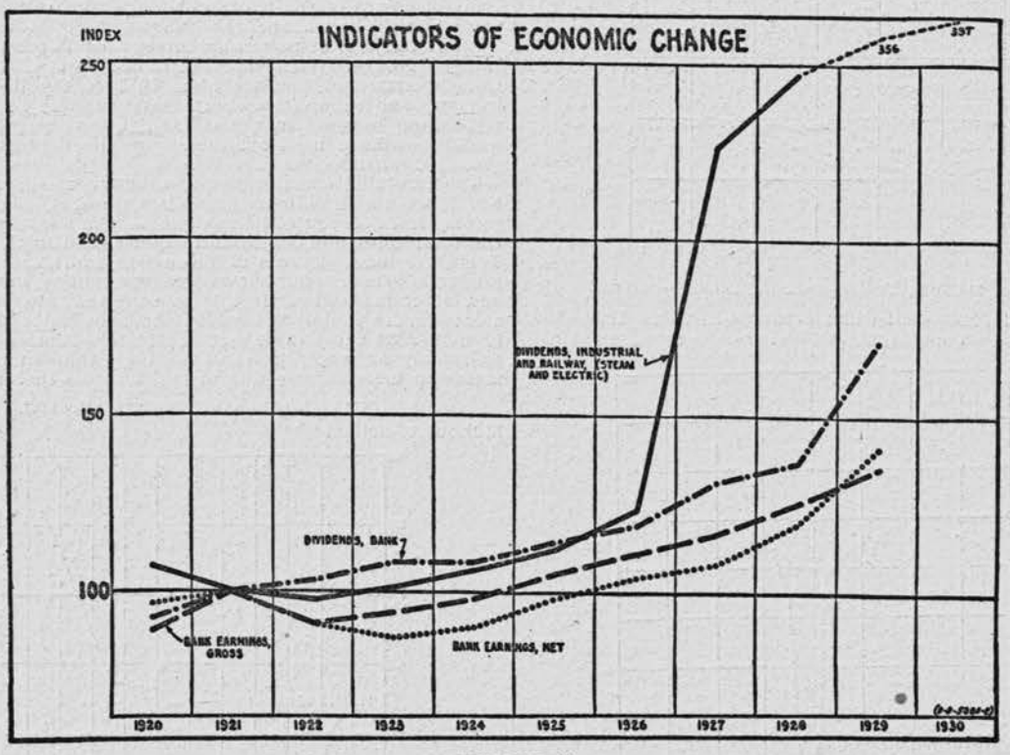
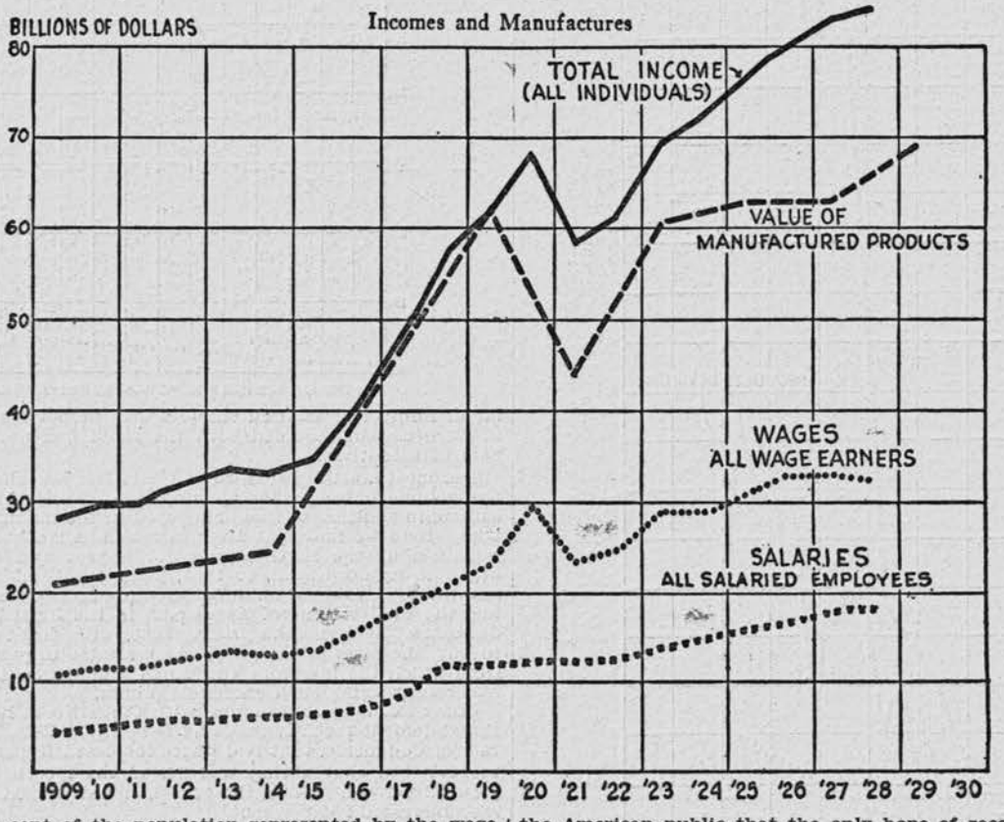


CHART NO. 7



tion. Instead of nourishing the Nation it caused a stoppage, the partial paralysis which we call the depression.

Our captains of industry and finance now find themselves much in the position of Midas, smothered by the hoards of gold they have heaped up. If they alone were the present sufferers because of their economic shortsightedness, there would be a large measure of justice in their situation; but their fatal economic policies have wrought havoc and spread suffering to millions of American wage earners and their dependents.

The period from 1922 was marked by the extension of combinations in finance, industry, and commerce. Mergers, trusts, and holding corporations not only increased rapidly in number but in their wide control. Certainly the period was not one in which sound economic policies guided those in control of the Nation's activities. What occurred bears much more resemblance to the law of the jungle than to the sane management of business by those responsible for its development.

The Nation fervently desires a return to prosperity, but if the improvement, which must come one of these days, is to be featured by the same unsound distribution of wealth which prevailed after 1922, then instead of prosperity we will be entering into another period during which the seeds of future business catastrophe will be sown.

The evidence that those in control of our industry, commerce, and finance are largely responsible for the present depression is overwhelming. The great majority of the leaders, informed as they are, could not avoid the knowledge that the economically unsound distribution of wealth for which they were responsible must result in industrial depression and disaster.

These business leaders had outstanding economists to supply them with information. They were organized and federated together as business men had never been before. They had at their command larger staffs of technically trained men than during any previous period; yet, with all of their knowledge and powerful organizations with their far-reaching influence, they created the economic condition which brought about the depression.

We will not refer to the many alleged reasons they have given for the depression. Some of these are absurd, a few partly true, but all of them carefully avoid reference to the principal cause—the payment of wages so completely out of economic relationship with the wealth being created that these wages actually forced continually lessened sales of manufactured goods in the United States, the one great market for American products.

The statistics presented in this article are a sufficient criticism and reply to all of the alleged reasons, which so many business leaders have been advancing during the year.

The maldistribution of wealth, so manifest from 1922, with the depression which this created, is an evidence that the leaders of American business proved unqualified to be trusted with the unregulated and uncontrolled management of the Nation's industry and commerce, for among other things, assurance of employment had been destroyed.

Earthquakes, floods, and droughts are unpreventable acts of nature for which business men and public officials are not responsible. If they were, there would immediately follow some drastic disciplinary changes. But the existing depression is not due to any acts of nature, it was caused by the failure of those in control of affairs to be governed by sound economic policies, due to their shortsightedness, indifference, and lust for profits.

It is men and not acts of nature which control our economic development. Men are responsible for failure or success. In view of the economic record from 1922, it is evident that those responsible for the direction of industry and commerce must be prevented from again wrecking the mechanism of prosperity if this is humanly possible.

The Nation is at least as interested in the welfare of the mass of the people as it is in the opportunities which may be presented to a few to accumulate millions and billions of dollars. The Nation's economic welfare requires that labor be given a greater voice in the direction of industry and in determining the terms of employment and conditions of labor than it has had in the past.

As wage earners we have a serious concern with the health of industry and commerce. Under the existing industrial system it is through employment as wage earners that the mass of the people must secure their livelihood.

To protect themselves from the exploitation which developed so rapidly after 1922, wage earners must be organized in larger numbers and be made to understand better the part which they must play as citizens and as producers in the Nation's activities.

There must be a larger degree of cooperation between management and labor. This cooperation can not function satisfactorily unless labor is organized, and then insists upon its right to a voice in the conduct of industry in so far as labor is affected. Unfortunately instead of being stimulated cooperation and collective bargaining have been repressed as much as possible by the very men whose unsound business policies resulted in such a disastrous maldistribution of national wealth.

Unless we are to permit the law of the jungle to operate, there are two principal methods to be applied to prevent a recurrence of the catastrophe from which we are now suffering. One is to attempt to regulate business through legislation, a method which, if experience is a safe guide, proves cumbersome and inadequate as well as unsatisfactory. The other is to establish a much larger degree of practical cooperation between those directing the Nation's activities and the wage earners.

Those in control of our industries have certain obligations which they can not set aside without incurring penalties. The manifest duty of industry, as was pointed out at the Portland convention of the American Federation of Labor in 1923, is to correct the maladjustments.

The privilege of carrying on business in the United States carries with it obligations which business can not avoid without injury to itself. Should industry fail to adjust its policies so that future depressions due to the uneconomic distribution of wealth can be prevented, should industry refuse to meet the organized wage earners' chosen representatives for the purpose of establishing thoroughgoing cooperation, then it will not be surprising if the American people insist upon the legislative method.

American wage earners and the American people as a whole are not so indifferent or so stupid as to continue to stand idly by while those in high places permit and carry out economic policies so unsound as to wreck the mechanisms through which the Nation's wealth is created.

Rugged individualism as applied by so many American business men since 1922 can not be permitted to operate in the future as it has in the past. In too many instances rugged individualism has degenerated into ruthless exploitation. Rugged individualism must learn to control itself wisely or the people will be fully justified in regulating it to the interest of the mass instead of the individual.

THE NATIONAL BUDGET

Mr. BARBOUR. Mr. President, I have a letter from Mr. J. W. Oliver, of the Linen Thread Co., of New York City, with reference to the National Budget and legislation relating thereto, which I ask unanimous consent may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter is as follows:

THE LINEN THREAD COMPANY,
New York, December 18, 1931.

Senator W. WARREN BARBOUR,
Room 147, United States Senate,
Washington, D. C.

DEAR SENATOR BARBOUR: No doubt you have already been flooded with letters regarding the National Budget as presented by the Secretary of the Treasury. I am writing you personally to express my views on this, and I am likewise going to my own Congresman.

The Treasury Department has grouped expenditures under the following four main divisions:

First. Public debt, Army, Navy, and veterans.
Second. Legislative, executive, and judicial departments.
Third. Aids to industry, public works, etc.
Fourth. Tax refunds and miscellaneous.

Taking only groups two and three, the expenditures by fiscal years are as follows:

Year	Group 2	Group 3
1929	$360,373,058.24	$485,407,687.74
1930	313,399,290.41	711,489,620.75
1931	371,684,236.01	946,694,801.13
1932	432,355,850.00	1,065,128,250.00
1933	386,819,400.00	722,160,250.00

Even without considering the decrease in the average price of commodities, the increase between 1929 (a boom year) and 1933 is tremendous. Using an average price decline of, say, 12 per cent accentuates the comparison, making it all the more odious.

I know that you must look on these matters from the viewpoint of the business man; hence, I believe you will agree with me that the Federal departments should be no exception to the rule of contraction in difficult times. With all incomes reduced, the increase in Federal expenditures makes the proportionate burden enormously greater.

You will be interested to know that when I attended the national tax conference in Atlanta this fall I found an almost universal feeling that it was not the time to look for new sources of revenue for governmental expenditure, but that the only way to afford relief was to cut Government expenses. Several years ago the Federal department took this attitude, but the State and local governments continued their program of increased expenditure and correspondingly higher taxes on personal incomes as well as business.

The trend of the times to-day indicates that we are in for a long pull of low-price levels, and the average employee is told, when his salary is reduced, that living expenses are coming down so that his burden should not be as great as it appears. So far as groceries and foodstuffs are concerned, this is true; but with rents, taxes, insurance, and interest payments little, if any, relief has been felt and with regard to taxes, the reverse has been the situation. However, the employer is not to blame for this, and he must tell the employee that the burden of forcing these reductions falls upon those receiving the decreased incomes. In other words, the mass of employees must rise and protest against increased taxes, must protest to the landlord, and effect the necessary changes that will enable them to live on smaller incomes. This is exactly what we have had to tell our employees here, and it is precisely what the large banking institutions are telling their employees.

The Treasury Department estimates the current deficit at $2,000,000,000 and the deficit for the fiscal year beginning July 1, 1932, at $1,700,000,000. If foreign governments fail to meet payments on time, or if any other surprises of an unfavorable character appear, the deficit will, of course, be larger. In planning a scale of expenditures which involves deficits for two years or more and bond issues of at least $3,000,000,000, the United States Government will be setting the worst sort of example not only to other governments but to corporations and individuals as well. I believe the least they should do is to make an effort to balance the Budget and leave borrowing available in the event that, due to unforeseen circumstances, actual revenue is less than actual receipts.

With respect to revenue legislation, I believe that making income-tax rates retroactive for a year is a vicious proposal. Business and personal affairs may not be conducted with any confidence unless there is a certain knowledge of the tax levies to be made against income currently realized. The increased rates, and larger ones if necessary, should be made effective from January 1, 1932, only. As far as reducing personal exemptions is concerned, I can see nothing but politics in the opposition to the Treasury plan. Certainly the man with the smaller income should bear his proportion of the burden, and the only way this can be brought about is by a reduction in personal exemptions. However, if the new revenue act is passed with lower personal exemptions, as I think it should be, these should go into effect on January 1, 1932, thus leaving the employee who has had to struggle along the best he could this year to pay no more taxes than is required by the law now in effect. In other words, if a considerable reduction in my own personal exemptions is made effective, I feel that it should not go into effect until next year, so I can plan my own personal budget accordingly. If it is made retroactive from the first of this year, it will mean that my tax burden will be much higher next year, and in the meantime the year is practically over and I have had no warning until the current proposal of a change in the revenue act was published to budget my own expenditures in a way that would permit me to accumulate the necessary money to pay the taxes next March 15.

There is on old saying that two things are certain; namely, death and taxes. However, in the past the amount of the tax burden has been quite uncertain and has been a disturbing factor due to its uncertainty.

I hope you will take this as an appeal from a citizen.

Kindest personal regards.

Very truly yours,

J. W. OLIVER.

THE ECONOMIC DEPRESSION

Mr. WALSH of Massachusetts. Mr. President, following a speech delivered by me in the closing days of the last session outlining what I believed to be some of the chief causes of the economic depression in this country, I received many comments from various groups and individuals who were deeply interested in this subject.

The speech to which I refer put large responsibility for our present previous difficulties upon the orgy of speculation and the prodigious inflation of values which the country witnessed during the years immediately preceding the 1929 stock-market crash.

I have recently received from two prominent citizens of my State illuminating statements in which they enunciate in part the views to which I have given utterance and in which they suggest various remedies. I consider them a real contribution to the solution of the pressing economic problems with which we are confronted.

One statement is by Bernard J. Rothwell, a prominent and successful merchant of Boston. The other is by George W. Anderson, a retired justice of the United States circuit court at Boston.

I ask that both of these statements, which I ask to be treated in the nature of petitions, be referred to the Committee on Finance and be printed in the RECORD.

There being no objection, the statements were referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

MEMORANDUM REGARDING EXISTING DEPRESSION

By Bernard J. Rothwell, of Boston

Setting aside foreign complications, political and economic, and the disastrous decline in commodity prices, big business—frequently beyond human capacity to properly administer—high finance, and almost universal wild speculation, all of which ran riot in 1921–1929, inclusive, are generally conceded to have been responsible for the crash of the latter year and for the deplorable conditions which have since resulted.

The signs of social discontent and of political unrest which have been manifest the past two years, not merely in our own country but throughout the world, need no enumeration. In practically all cases they have had an economic basis.

That basis is the failure of the capitalistic system—or, as termed by President Nicholas Murray Butler, the liberal system—to provide not merely against recurring periods of deceptive prosperity and extreme depression but to protect the masses from the enormous displacement of man power in industry, resulting from the introduction of high-speed, mass-production machinery and the ever-increasing application of science and invention.

The consequent overproduction has led to ruinous prices—far below cost—of every product of soil and mine all over the world, including copper, silver, oil, cotton, wheat, and other grains, potatoes, sugar, rubber, etc., and has correspondingly reduced employment and paralyzed the purchasing power of all engaged in those industries and their dependents.

To these may be added many other contributing causes, among them the development of enormous manufacturing and distributing corporations, the latter exercising the profit-destructive power of concentrated volume buying; high-pressure selling methods, whereby "desires" were proclaimed to be "necessities," thrift and provision for the inevitable "rainy day" declared to be both unwise and unwarranted; a philosophy of practically perpetual prosperity being proclaimed by men in high authority.

This abandonment of reasonable prudence was largely encouraged by the banking interests in freely furnishing ample funds to all classes of borrowers, often without adequate inquiry as to the soundness of the proposition or the fitness of the parties undertaking it.

They also encouraged overbuilding of industrial plants, commercial structures, etc., mergers, consolidations, unwarranted and injudicious increase of capital structures based on refunding upon a low-return basis the extraordinary profits of abnormal years. In many of these they participated in promotions and underwritings.

The securities thus underwritten being, in due course, allotted to smaller corresponding banks throughout the country, resulted in loading them with frozen assets, most of which could only be marketed at severe losses, some not at all.

Hosts of wage earners were lured into incurring debts, the payment of which depended solely upon maintenance of the then current, uncertain family income.

The victims of these circumstances noted: The steady increase of vast aggregations of capital, many of them affiliated.

Splitting up of stocks two, three, or more shares for one; the distribution of stock dividends and the increase of total dividend payments on such multiplications.

The extensive development of holding companies upon an enormous scale; the control—secured usually at exorbitant prices—of great numbers of public utilities by these holding companies and the floating of stock to the public largely in excess of even these unwarranted prices.

The consequent charge of excessive rates to the consumer, based upon earnings providing attractive dividends upon these fictitious valuations.

The recapitalization of such companies upon a gigantic scale, based upon phenomenal and entirely abnormal earnings, figured down to a 5 per cent, 6 per cent, or even lower basis.

The unequal distribution of the abnormal profits of the several years preceding the crash of 1929, these earnings resulting from either unwarrantably higher prices than should have been charged the consumer or lower wages than should have been paid the workers.

The failure to allot a liberal share of these earnings to reserves for the inevitable reaction, with its consequent disastrous unemployment.

The steady, forced appreciation in market value of these depreciated shares based on assumed future prospects and the effort to earn and pay increasing dividends thereon.

The age "dead line" whereby great numbers, at what should be their most productive period, are virtually excluded from employment.

The piling up of great wealth by professional speculators, nonproducers, and their ostentatious parade of extravagance in the face of contemporaneous misery.

Well-nigh universal speculation, pervading every element of society, young and old—porter and preacher, bell boy and bishop, men, women, and adolescents.

The unwillingness of the authorities of the principal stock and commodity exchanges to curb pool operations, frequently amounting in single transactions to 10,000, 50,000, and even 100,000 shares, as well as the abuse of selling "short," with its inevitable effect of demoralizing values and accentuating prevailing depression.

The too frequent defalcation of trusted fiduciary officials—executive and subordinate—almost invariably traceable to speculation in stock or commodity markets, these defalcations sometimes running into hundreds of thousands, and even millions, before being detected.

The enormous gambling in grain, foodstuffs, and other staple commodities, daily transactions in wheat in Chicago alone running as high as 75,000,000 to 100,000,000 bushels in a single session; in one session running over 150,000,000 bushels. The equivalent of the entire wheat crop of the United States being sold in that one market in different years from fifteen to twenty-seven times, whereas Government records over an extended period show hedging constituted only 5 per cent of the total transactions in wheat in that market, 95 per cent being purely speculative.

It is obvious that such conditions as now exist can not long continue without political and social disturbances of the most serious character.

Unless some drastic change is made in policies which have permitted the excesses mentioned, any marked improvement in existing conditions would have no assurance of permanency. Many

men of good judgment predict it would be relatively short lived and would be followed by an even more serious situation than that which now confronts us.

The trouble goes deeper than what appears to be fundamental; it threatens the foundations of the capitalistic system because of its abuses. These latter should preferably be abolished by voluntary, concerted action of industrial and financial leaders rather than by legal process. (See address of President Nicholas Murray Butler, The One and the Many, delivered at Southampton, Long Island, in August, 1930.)

Organized business has constantly maintained that it should be left free to cure its own evils and defects; but during two years of extreme distress and in face of widespread, continuous criticism of its failures, it has neglected to take a single constructive step to remedy conditions. Under these circumstances it is apparent that reforms will be effected only through wise and thoughtful action by the Government itself.

There is likewise increasing dissatisfaction regarding parliamentary government, its tardiness in responding to public sentiment, its waste of time in long-drawn-out discussion, the handicap of senatorial veto and of senatorial and congressional courtesies, vote swapping, logrolling, etc., and, in general, the subserviency to corporate influence and interest.

That essential correctives should be formulated, adopted, and put forward for general adoption by a group of the recognized leaders of industry, finance, labor, economics, and the public is highly important.

This group should devote itself unremittingly and continuously until it can recommend such changes as would tend to weaken communistic propaganda and discourage communistic action.

While the depression now current is world-wide and is based to a large extent upon the same fundamentals, it would be a fatal blunder were the causes responsible for conditions in the United States to be ignored or were the controlling forces to maintain a Bourbon-like attitude—"After us the deluge."

It appears as though among other correctives there will have to be an "unscrambling of the eggs"; that the capital structure of many industries will have to be reorganized by a reversal of the process of the twenties and the issue of 1 share for 2, 3, or more where the increased stock issues of that period did not represent additional capital paid in by the stockholders.

This would result in important economies, would obviate the necessity of undertaking to earn dividends on very many millions of shares of outstanding stock, would permit a proportion of profits to be devoted to the establishment of unemployment or age-retirement reserves, would give stockholders some conception of what proportion of the property their shares really represent, and would lessen the dissatisfaction with which employees now regard the fictitious capital structures which have been erected and the declaration of dividends thereon.

The following suggestions for legislation affecting our international relations and for modification of our present economic structure are by no means complete. These latter are not put forward in any dogmatic spirit, but for open-minded consideration from the viewpoint of the public welfare rather than that of special interest or privilege.

First in order would be world peace. Acceptance by the United States Senate of the protocols now before it, which would constitute membership of the United States in the World Court, is of the highest importance. The recent action of the United States in joining with the Council of the League of Nations in action regarding the Chinese-Japanese conflict clearly indicates that we can no longer isolate ourselves from international affairs. Our entrance into the World Court would no doubt be the strongest possible support to the Kellogg-Briand pact for the settlement of international disputes.

Disarmament. This, naturally, follows upon the foregoing. So long as the United States withholds its adherence to the World Court for the settlement of all international disputes its position in the Kellogg-Briand pact is entirely contradictory and jeopardizes international confidence in our sincerety.

Elimination of unfair and dishonorable competition through modification of the Sherman and Clayton Acts.

Restraint of excessive profits by publicly owned corporations as disclosed through analysis of income-tax returns.

Deflation of corporate capital structure excessively inflated through stock dividends, splitting of shares, etc.

Holding companies to be under jurisdiction of the Interstate Commerce Commission. Rearrangement of capital structure of publicly owned and traded corporations by capitalizing abnormal earnings upon a low-return basis, splitting of shares, etc., to be subject to approval by Federal or State authorities.

Limitation of dividends upon corporate capital employed in public-utility corporations vested with monopolistic privileges, to money actually paid in plus reasonable additions to surplus, charges to be as low as provision for unemployment and pension reserves and equitable return to stockholders will permit, such reserves to be an operating expense, free of taxation.

Same general rules to apply to all companies whose securities are regularly listed upon stock or commodity markets and whose securities are held by the public. Similar unemployment and pension reserves to be established by all employers of 20 or more persons.

Elimination of all trading on margins in stock exchanges and commodity-market "futures," and between brokers and their customers; all transactions to be for cash, necessary accommodation, whether for speculation or investment, being secured from banks; speculative selling "short" in stock or commodity markets to be prohibited. This not to interfere with legitimate hedging.

Lending to "short" sellers stocks bought and held for customers' account to be prohibited.

Trading for their own account by houses soliciting or accepting orders from the public generally to be prohibited.

Suppression of speculative pools and trading in blocks of shares so large as to afford prima facie evidence of not being the result of legitimate supply and demand.

National and State banks to be restricted to their primary function of loaning, investing, and safeguarding deposits, and to be barred from participation in promotions and underwritings. Trust companies to be similarly restricted as to promotions and underwritings.

Preservation of equal individual opportunity, with freedom to determine occupation unrestricted by either Government or group dictation.

Abolish the "dead line"—40 or thereabouts—in hiring and firing employees.

Work to be "staggered" in time of slack business according to necessities of each individual case. Should reduction of number of days, or hours of daily employment be determined, wage or salary to be the proportional part of 6-day, 8-hour scale.

No dole system. Payment to be made only for work done, except in case of physical incapacity.

We are now confronted with problems of the greatest gravity. They must be faced and solved if the existing political, economic, and social system of these United States is to be preserved.

A FEW OBSERVATIONS ON OUR AMERICAN SYSTEM

By George W. Anderson, of Boston

The main purpose of this writing is analysis and description only. No 5-year plan, no 20-year plan, or other cure for our present economic and financal ills is here suggested. This is merely a record of observations on our American system.

For 50 years of adult life I have observed and studied American institutions. Recurrent periods of business depression and business prosperity have marked the whole half century. Our fatalistic economists call these cyclical and inevitable. The present depression has many similarities to prior depressions. I think I observe some possibly significant differences.

I. There is a lack of the general optimism characteristic of the earlier hard times, more conceded bewilderment over both causes and prospects. Many thoughtful people are seriously questioning whether profit seeking, as a dominant force, grounds a just or worth-while civilization. There is more intelligent doubt of the soundness of capitalism, more doubt of the value of competition and the antitrust acts, less faith (perhaps less desire) of success in the fight against big business.

II. There is no general acceptance of the old panacea for most business troubles—reduction of wages. Rather is there a considerable recognition of the fact that only by increasing the purchasing power of the mass of wage earners can any adequate market be made for our large surplus output in every line. This is a new business phenomenon initiated by Henry Ford about 12 years ago. Large production without markets is found fruitless. We have superabundance of food, clothing, fuel, transportation facilities, metals, machinery, everything needed for wholesome human living, but not brains enough to distribute and use them. Our American system is producing ragged bread lines and unmarketable clothing and foodstuffs, a ghastly contrast.

III. No one can conceive of any intelligent man now doing what Andrew Carnegie did in 1886—writing a book and entitling it "Triumphant Democracy." No one now regards democracy as "triumphant," or even successful, in an economic sense. In fact, our American democracy is little less than an unwholesome myth; economically considered, it is a wretched failure. With over 500 individual incomes exceeding a million dollars and 26 exceeding $5,000,000, we have at least 6,000,000 of industrial unemployed, reducing probably 25,000,000 of our citizens to dire poverty, many of them to actual suffering. We must still have 30,000,000 to 40,000,000 people living on our farms; only with optimism can one regard 10 per cent of them as really prosperous. Many of the farmers are badly in debt, and are selling their products at much less than the fair cost of production. "The abolition of poverty" is not a shining success.

Turning to ownership, it is commonly accepted that about 4 per cent of our people own 80 per cent of the country's property. Moreover, comparative analysis of the income-tax returns for a period of years (too lengthy and involved for present statement) seems to show a steady drift toward an increasing concentration both of property and income. Our tendency and achievement, economically considered, are plainly antidemocratic.

It may safely be assumed that equality, either in property or in income, is neither possible nor desirable. But such gross inequality as we now have (and increasingly) is, as Mr. R. H. Tawney has pointed out, "a matter of quality of life." Poverty means narrow, pinched lives, unsanitary physical conditions, high infantile mortality, and lack of economic security. It takes out most of the joy of life. A permanently poor man is rarely self-respecting.

Conceivably political control, through universal suffrage, may yet be transmuted into control of economic tendency. If so, American democracy will not then be accurately characterized as "an unwholesome myth." Whether this arguable potentiality of political control of economic forces can be so used as to stem the present tide toward greater and greater inequality in property

holdings and in incomes is a fair question for solution by such a collection of our very best minds as the United States Chamber of Commerce. If incapable of solution by that body of our very best minds, the characterization may probably stand as true.

Compare the property holdings and incomes in our modern society with like items under the feudal system, when the great bulk of property consisted of land and its rather meager appurtenances. Of course, the whole product now is much larger than in medieval times. But it may well be questioned whether the inequality, both in property holding and in current income, is not relatively as great now as under the feudal system. We have simply substituted modern methods of appropriation of property and absorption of income for the class and feudal methods.

Such democracy as we have had for two generations has been, in the main, grounded on the homestead act of 1862. Under this act settlers were enabled to get at small cost 160 acres of fertile public land. This resulted in millions of independent farmers establishing wholesome homes in the Mississippi Valley. They were the backbone of our democracy. But the machine age has doomed the small, independent farmer, as it long ago doomed the home weavers in our New England farmhouses. Our drift for several decades has been urban and industrial.

The sources of our excessively large fortunes and incomes are mainly:

(1) Urban land values and ground rents, all unearned, socially created.

(2) Subsurface deposits of minerals and metals, also unearned, the rightful property of the whole people.

(3) Profits derived from corporation manipulations, various forms of stock waterings, largely in public utilities (privately owned monopolies), the rates of which are, in essence, taxes. This source probably grounds more unearned incomes and property than the first two sources.

(4) Inheritances, which tend to perpetuate and increase the inequalities, mostly originally derived from one or all of the first three sources.

Urban and subsurface values in land may be buttressed under our Constitutions, Federal and State. Doubtless by taxation a partial recognition of the public right therein might be secured. Corporations and inheritances are plainly subject to legislative change.

I. For land permanently destined to agricultural uses, a fee title to surface rights would plainly be the soundest public policy, if the occupants were, generally, the owners. The great increase in tenant farmers and a rack-renting system comparable to that so long prevailing in Ireland (under which the landlord charged his improving tenant rent on the tenant's own improvements) put this policy in serious question. But the chief defect in this policy is that farming land does not always and everywhere remain farming land. Manhattan Island was once a farming community; when it became a great merchandising and financial city the heirs and grantees of the original landowners acquired huge, unearned, fortunes (like the Astors), all created by the teeming population and their customers. Except in degree this result in New York City is typical of the situation in the whole Nation, now become predominantly urban. Consequential high rents are a substantial contributing cause to the present grossly excessive cost of retail distribution. Henry George a half century ago showed the inevitable results of this theory and propounded his remedy in Progress and Poverty. No effective step has been taken toward asserting the irrefutable public rights to the socially created, unearned, increment in urban lands. Neither the single tax nor any other remedy has been adopted. We resolutely refuse to "render unto Caesar the things that belong to Caesar."

II. Private ownership of subsurface minerals and metals grounded the Rockefeller billionaire fortune, now benevolently, perhaps beneficently, administered by the younger Rockefeller. It also gave us the coal and iron police of Pennsylvania, the inhuman labor conditions in the West Virginia coal fields, and a horde of steel, copper, oil, etc., multimillionaires, many of them highly undesirable citizens. Witness Teapot Dome.

III. Some aspects of corporation manipulation, particularly by our investment bankers, were dealt with by Mr. Louis D. Brandeis (now Mr. Justice Brandeis) 17 years ago in his book entitled "Other People's Money and How the Bankers Use It." All the evils that he there so brilliantly portrayed are, I think, yet in full force and operation. The amounts of money involved are now larger. The code of business ethics is no better; it may be worse. The same system of bankers trading, in effect, with themselves, to the detriment of other people's money, is now fully operative. The attempt to break the "money trust" by prohibiting certain sorts of interlocking directorates has been ineffective.

The Pujo report and the Stanley report, from both of which Mr. Brandeis made many pertinent quotations, and his cogent exposure of the predatory exploitations of our dominant banking groups (not to mention the other innumerable comparable exposures) have, as I think, produced no reform whatsoever.

Bonuses running as high as a million dollars a year to a single executive seem a new device for enriching the insiders at the expense of the powerless small investors in some of our great corporations. Management, of course, is highly important; but not so important as a new machine or process which may greatly increase output or a market for the product, or both. How any of the managers of the Bethlehem Steel Co. can be worth a million, either to their company or to society as a whole, it is impossible to understand. A million a year is about five hundred times the wage of a skilled worker. Is there any such chasm between the fair value of the useful activities of manager and of skilled worker? Or is the bonus system simply another illustration of the gross abuse of financial and corporate power?

The history of the last four years puts in fair question the value of our present leadership in business, economics, banking, and Government. The first two years were marked by a wild and senseless gambling craze—as groundless as the Mississippi bubble—encouraged, even instigated, from high official sources.

The last two years have shown an inevitable reaction, with a bewildered and helpless confusion in all quarters never equaled within the memory of man.

Is any one of our leaders worth $50,000 (more than double the pay of a Supreme Court justice), not to say $100,000 or $150,000, a year as leader? Yet such are the salaries paid by our railroad companies and other public utilities, whose rates are essentially taxes, and which are now seeking to impose higher rates on our impecunious and bankrupt farmers. Testing the leaders of our American system by the results they have achieved, it is plain they are not worth what they are charging us.

Turning to our corporation system, we have 48 States competing for corporation charter fees. Most of them are imitating the New Jersey laws of James B. Dill's day. The quest of these competing sovereignties is to furnish such corporation charters as will facilitate the maneuvers and manipulations of our exploiting classes, particularly our investment bankers. The result is a corporation system probably the worst in the world. The stockholder owners of our huge corporations have been bereft of all power of effective control. Only resort to the courts in cases of glaring frauds remains as a remedy for the victims. It is rarely effective.

Obviously, practically all of these State-chartered corporations have their main activities in the field of interstate commerce. A remedy for the worst of their excesses is not far to seek. Speaking from an unverified memory, it was some 20 years ago that President William H. Taft advocated providing for Federal corporations to be given full control of interstate, and probably foreign, corporate transactions. Plainly, a sound Federal business corporation law would go far toward limiting the present abuses.

Another suggestion possibly worth consideration is that the American Bar Association might prepare and recommend the adoption of a uniform State business corporation law. That association has already done useful work in preparing and securing the adoption by most of our States of the uniform sales act and the uniform negotiable instrument act.

The most important feature of a sound and honest corporation law may be stated in two words—limited liability. A chartered corporation should not exist for the purpose of creating fictitious values or for controlling, irresponsibly, other people's property, much less for acquiring without consideration other people's money. The wholesome and proper function of a corporation charter is to enable investment, without personal liability, beyond the actual amount invested. And the investors (stockholders) should have ultimate controlling power by votes, not be disfranchised as they generally now are by various devices.

The performances of the holding company are now a much-discussed public question. The real trouble with the holding company in the field of public utilities is not that it holds; that function is merely a means of providing (frequently desirable) cooperation or consolidation between interstate public-utility companies. The essential evil of the holding company is security watering. The users of the holding-company device have never been able to resist the temptation to issue more securities than the amount of the original investment in the subsidiaries, or even of the value of the properties thus held and controlled. They pad the rate base and sell the padding to the investing public. That is the gist of the present fight against the power companies, not government ownership or operation.

The fundamental question is not whether a government bureaucracy is more or less inefficient than a corporation bureaucracy. Both are bureaucracies—with all the implications of that word. My experience with government bureaucracies has given me a fairly high opinion of their inefficiency. Witness the performance as to our new Federal building in Boston. But one of the wisest and most experienced business men of my acquaintance tells me that the main distinction between a corporation bureaucracy and a government bureaucracy is that the mistakes of the government bureaucracy are generally exposed and publicly known, whereas in the corporation bureaucracy they are, generally, concealed, and thus unknown; that one is no more efficient than the other. This may be so.

Parenthetically, comparison of the history of the building and management of our rail highways with our experience of the last generation in building a great system of motor roads leaves no doubt that the latter job has been, on the whole, the better and more economical of the two. Built by the States, with some Federal help, in part out of bond issues, but largely out of gasoline taxes, the history of the construction of the motor roads compares favorably with that of the railroads.

But the motor service by three to five times, unneeded, competing, gasoline stations, is as wasteful and uneconomic as the building of thousands of miles (now unremunerative) of unneeded, competitive rail highways, largely in the eighties. Plainly, in some kinds of industry, competition costs more than it is worth. Certainly it does in all public utilities—natural monopolies.

IV. Recognition that the family is the unit of a sound civilized society underlies our laws of inheritance. Some of our States carry this recognition so far as to impose substantial limitations on the statutory right of testamentary disposition. Graduated inheritance taxes are our main reliance for asserting dominant social right in the accumulations of our excessively acquisitive decedents. It ought to be applied more generally and drastically—not abolished, as some of our leading bankers and public officials have recently urged. Few would advocate entire abolition of the right to inherit property.

A fundamental principle—the slogan—of our present ruling classes is "no government in business." They carry this even to the extent of epithetical denunciation of government ownership and operation, or even effective regulation of such natural monopolies as railroad, telegraph, power companies, etc. They are not content with applying this doctrine to the great mass of productive industries in which competition is supposed to furnish incentive for progress as well as prevention of extortionate prices—a theory which our "big business men" are constantly seeking to nullify by combinations in restraint of trade—so-called trusts. Indeed, there is at present a strong agitation for repeal of the antitrust acts, thus giving big business a free hand to combine, control, and extort at will. Such are the outstanding phenomena of our present capitalistic régime.

Curiously and inconsistently, we have the spectacle of the Federal Government, in utter disregard of constitutional limitations, going "into business," through the Farm Board and expending hundreds of millions of dollars in the purchase of wheat and cotton. A cruder, more unintelligent, sporadic form of socialism can not be imagined. To stabilize the wheat market is a far more difficult task than to stabilize the coffee, sugar, or rubber market. Wheat is grown in larger and more widespread portions of the earth than either coffee, sugar, or rubber. Its market is a world market, centered in Liverpool. But for obvious political reasons, the present administration abandoned its fundamental and much-vaunted theory of "no business by government," in order to cater to a supposedly important part of our electorate. The only achievements so far have been: (1) To lose large sums of taxpayers' money, which might have been much better used for other purposes; and (2) to increase the already excessive production of wheat and cotton by inciting to more extensive planting.

But this is but one of innumerable illustrations of our chaotic and planless civilization. State socialism, if a feasible and desirable substitute for our present chaos, must be grounded on some intelligent and logical coordination of productive facilities with markets—consumption. It must have regard to fundamental, public right, in natural resources, like, as already noted, subsurface minerals and metals and urban rights in land, as well as natural monopolies, like railroads, power companies, and other public utilities.

A great experiment of this sort is apparently now being carried on in Russia. Its results are being watched with great interest by most of our intelligent classes—with great fear by the subservient, highly vocal organs of our present chaotic and planless, capitalistic system. It is clear enough that the oligarchy now making this experiment in Russia, faces enormous and perhaps insuperable difficulties in giving their controlling theories a fair trial. With a huge and largely illiterate population—spread over an area larger than the entire United States, and made up of many races, speaking many languages or dialects—the experiment of state socialism would seem, superficially, impossible of success. But, so far as one can now ascertain the facts, this experiment is now no more unsuccessful, mutatis mutandis, than the ongoing of so-called capitalism in Germany, England, or the United States. It would be rash to prophesy ultimate and general success for state socialism under such conditions as obtain in Soviet Russia. Perhaps the docility and malleability of the great mass of the Russian peasants, accruing from centuries of tyranny under the Czaristic régime, may prove a better fundamental factor for success, in a general and far-reaching experiment in socialism, than would a better-educated and more intellectual population, like that of Germany or England. But the experiment is interesting. At present, it contrasts with conditions in capitalistic countries, with their millions of unemployed. Anyway, it is enough to give us a much-needed dose of modesty about our "American capitalistic system."

Present commodity price conditions remind us of the conditions in the nineties, when we had violent hysteria lest we go to a 50-cent dollar. The gold standard won in 1896. We saw the purchasing power of a gold dollar go to 40 cents. Savings in the nineties were halved, or worse, on the gold basis. Within about two years commodity prices have dropped 20 to 30 per cent. This alone might be a sufficient cause for the world-wide depression in agriculture, in manufacturing, and in merchandizing. The gold standard is again under just suspicion. It clearly is not a reliable measure of value. It causes wide and destructive fluctuations in general prices. It thus works intolerable injustice in the relations of debtors and creditors. A stable currency is a fundamental necessity to any sound and honest economic system. The gold standard is only less bad than paper money; it falls far short of being stable.

Great Britain borrowed over four billions of us, taking the loans in war-priced goods and munitions. Later she agreed to repay us, in gold, in full, with a fair interest rate. International debts must mostly be paid, if at all, in goods and services. On present prices, Great Britain is doomed to pay us three to five times the amount of her real debt. But we settled with France and Italy by composition in bankruptcy. Charging our relations many times what we do other folks seems based on what George Eliot once called "a cordial blood-relation's hatred." England's attempt to keep the whole world on the gold standard seems now foolish and futile.

We now see much discussion of an "American plan," apparently to be made by an "economic council" with "a board of strategy and planning to survey productive facilities and consumption capacity."

Assuming such "economic council" and its output of a very wise plan, who could make it operative?

"The best-laid schemes o' mice an' men
Gang aft' a-gley,
An' lea'e us nought but grief an' pain
For promis' joy."

Our present dominant and controlling force is profit seeking. Most of our forceful personalities are vigorously active in getting to themselves the utmost possible of natural resources and other people's earnings. They control our Government and our lawmaking, and much of our law administration. A "plan" without power to effectuate it is words only—futility.

Dr. Nicholas Butler's suggestion that our statesmen and economists might well read and consider Progress and Poverty is the only intimation that I have seen from any responsible, capitalistic source that limiting the opportunities for individual acquisition of socially created property might do something for the hard times. No one else (so far as I have seen) has ventured to suggest that we adopt the policy of "rendering unto Cæsar the things that belong to Cæsar."

The cures for this present depression suggested in the great mass of financial, economic, and banking literature remind one of the incantations of the medicine men of the American Indians. Their remedies are fantastic or at best sterile.

All governments are, on adequate analysis, oligarchies. The United States is no exception; only in form is it democratic—or even republican. Cutting through form to realities, our real rulers are but a few—many of these few not holding political office. A competent observer has recently given a list, I think, of only 64 men, who, this observer thinks, really rule in America. His list may not be correct; but his general proposition of a controlling oligarchy is clearly true. Our Government has, fairly enough, been called an "invisible government." The number of our real rulers may not be more than in Russia or Italy—probably less than in England.

There is not and never has been any such thing as a "government of the people, by the people, for the people" anywhere, at any time. It is a nonexistent trinity. The most to be sought—or even hoped for—is government for the people. Such a government would be in striking contrast with our Government—especially for the last 10 years.

Our Government, by two opposing parties, has not resulted in giving us any approximate, economic, democracy. In fact, during my generation the main reason for being a Democrat has been to avoid being a Republican. This for over 40 years has been an entirely adequate, though not highly satisfactory, reason for voting the Democratic ticket. In general, probably because of its long lease of dominant power, the Republican Party has been far more plutocratic than the Democratic Party. Under our economic system any party given a long period of domination is almost certain to succumb to plutocracy. That is here and everywhere the great enemy of real democracy. To shift the party in power is merely to apply a slight check, possibly some trifling reforms. But neither party has any general program for an intelligently and effectively planned economic civilization. The most that can be said is that one party is now more generally and subserviently committed to the exploiting and plutocratic forces than the other.

Prophecy is in general a risky undertaking, unless one is a statistician and selling his prophecies at a good price. But it seems fairly safe to prophesy that we shall muddle along, possibly "muddle through," whatever that phrase may mean. At any rate, there is no visible sign that we shall substantially limit the present opportunities for predatory wealth, cut down the existing methods of exploitation, both of productive labor and of natural resources. "Individualism," as its proponents really mean it, connotes keeping essentially all of the outstanding methods of heaping up large fortunes and excessive, unearned incomes. Our present planless civilization will remain, for an indefinite period, planless. It is now predatory and aleatory. So it will remain. Our leaders in business and in government are chance takers. They believe in gambling, at least in social and economic relations to natural resources and to the output of others' labor. We absurdly prohibit, by law, lotteries and some other forms of gambling, while resolutely maintaining an industrial organization essentially aleatory and predatory. Probably the Anglo-Saxons and the Irish are the greatest gamblers in the world. Mr. Winston Churchill, when Chancellor of the Exchequer, proposed to tax betting. He apparently found it the most cherished English industry. At any rate, he abandoned the attempt. The very essence of gambling is getting other people's property without returning value. This also is the essence of our so-called "system." In fact, we do not want stability. We prefer our present chaos, slightly and sporadically modified, to any coordinated and stable system.

We have no respect for property rights grounded on productive work only. Gettings—not producing—we regard as sacred under our Constitution. "Normalcy" with us is a predatory and aleatory capitalism.

The above-described methods of getting what does not really belong to the getters are consistent neither with a sound capi-

talism nor a sound socialism. Instead of promoting individualism and personal incentive of an honest and wholesome kind, they discourage it. A "rugged individualism" is not legitimately grounded on gambling chances for acquiring unearned natural resources, properties socially created, or properties produced by others. An economic system in which property rights should be approximately grounded on useful work, not inconsistent with social welfare, might be called either capitalistic or socialistic, but it would be a tolerant organization and infinitely preferable to our present chaotic and grossly unjust American system.

It is clear enough that our "American system" does not work. Evolution to a better system—not revolution—is the desideratum. Revolutions ordinarily are but new forms of chaos and waste; evolution, though frequently slow and disappointing, is generally constructive.

IMPORTATIONS OF COTTON

Mr. SHORTRIDGE. Mr. President, I offer and request that there be printed in the RECORD a resolution adopted by the Chamber of Commerce of Stockton, Calif., in respect to the tariff on long-staple cotton.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Resolution

Whereas it is understood the stocks of imported cotton have been reduced to a point whereby the American producer of staple cotton will soon be able to receive the premiums he is entitled to for his efforts to produce a superior quality of cotton; and

Whereas the Stockton Chamber of Commerce is sympathetic to the interests of agriculture in general and particularly the interests of the cotton growers of the San Joaquin Valley; and

Whereas the San Joaquin Valley cotton growers can and do produce a superior quality of staple cotton of 1⅛ inches and better; and

Whereas the cotton growers of the San Joaquin Valley did at one time receive a premium of from 2 to 4 cents per pound above market quotations due to the quality and staple of their cotton, which for several years past has not been obtainable, due, in a great extent, to the importation of cotton; and

Whereas the effect of the tariff on imported cotton is just now beginning to have its effect in aiding the cotton grower of the San Joaquin Valley to attain a fair premium on his longer staple lengths because of the reduced stocks of imported cotton: Now, therefore, be it

Resolved, That the board of directors of the Stockton Chamber of Commerce, in special session assembled, Thursday, December 3, 1931, working in the interests of agriculture and the cotton growers of the San Joaquin Valley, does hereby urge that the United States Tariff Commission keep in force the import duty of 7 cents per pound on cotton of 1⅛ inches and better; and be it further

Resolved, That a copy of this resolution be spread upon the minutes of the special meeting of the board of directors of the Stockton Chamber of Commerce of Thursday, December 3, 1931, and that copies be sent to the United States Tariff Commission, and all other parties interested.

RALPH W. CARTER, *President*.
A. M. ROBERTSON, *Secretary-Manager*.

This is to certify that this is a true and correct copy of resolution passed by the board of directors of the Stockton Chamber of Commerce in special session assembled, Thursday, December 3, 1931.

A. M. ROBERTSON, *Secretary-Manager*.

PROMOTION OF AGRICULTURAL INTERESTS

Mr. CAPPER. Mr. President, I send to the desk certain resolutions adopted at the thirteenth annual convention of the American Farm Bureau Federation on December 9, 1931, at Chicago. The resolutions set forth the views of this organization on legislation now before the Congress affecting the interests of agriculture. I ask unanimous consent to have the resolutions referred to the Committee on Agriculture and Forestry and printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered:

The resolutions are as follows:

Resolutions adopted by American Farm Bureau Federation voting delegates at annual meeting

NO. 1. THE AGRICULTURAL MARKETING ACT

In enacting the agricultural marketing act Congress recognized the farm problem and gave to American agriculture a national farm policy. In its declaration of policy Congress declared its intention that the act was designed to dispose of surpluses, to stimulate cooperative marketing of farm products, to make the tariff more effective on farm crops, to provide cooperative marketing associations with credit facilities more nearly comparable to those enjoyed by other groups, and to establish a Farm Board to administer the act in ways to accomplish the above purposes.

Time and experience of more than two years in its operation have demonstrated the inadequacy of the act properly to control crop surpluses and to make agricultural tariffs effective. The American Farm Bureau Federation has repeatedly stated, and still believes, to accomplish this purpose the equalization fee must be included in the act. We therefore insist that the present Congress amend the agricultural marketing act by including the equalization fee or some other equally effective method whereby the cost of controlling crop surpluses would be borne by each unit of the commodity benefited.

The American Farm Bureau Federation hereby expresses its willingness to support additional amendments that would give further power and authority to the Farm Board for the more complete carrying out of the policies of the act.

We pledge our continued support to the Federal Farm Board in all efforts put forth to administer the marketing act in such manner as will best serve the American farmer and urge that in the development and administration of cooperative marketing organizations the general farm organizations be properly recognized.

NO. 2. RURAL CREDITS

It is imperative that substantial improvement be made in the existing credit machinery serving agriculture. Joint-stock land banks should be separated from the Federal land-bank system. The intermediate credit bank should be controlled and operated apart from the land bank. The directorates of both should reflect a personnel representing the stockholders of such banks. The privileges of the intermediate credit system should be made available to agricultural cooperative purchasing groups. The debentures of the intermediate credit bank should be made eligible for note issue or collateral for borrowing by banks in the reserve system.

Federal land banks should be furnished additional governmental capital of at least $100,000,000, such capital to be redeemed as operations might justify, and thereafter maintained in a separate revolving fund for the purpose of stabilizing the system when necessary by (a) the acquiring of additional capital stock, and/or (b) the purchase of Federal land-bank bonds. Land-bank bonds should be made eligible for bank-reserve investments. The capital stock of the Federal land banks should be held only by members of such banks and transfer of stock should follow loans.

The credit problem involves organization as well as legislative responsibility. The associational feature of the Federal land-bank system should be preserved in building the agricultural credit structure of the country. To that end we recommend that all State farm bureaus include in their programs (1) the strengthening of existing local farm-loan associations and (2) the organization, wherever necessary, of new local farm-loan associations, local agricultural credit corporations, and credit unions. In order to serve cooperatively and more completely the credit needs of agriculture, we recommend to State farm bureaus that they give consideration to this type of credit and that credit unions be organized and properly integrated into our rural credit structure.

NO. 3. THE MONETARY PROBLEM

The present period of depression and the falling price level have increased the burden of taxes, interest, debts, and other fixed costs on all producers to an intolerable degree. It now requires 45 per cent more of all commodities and 70 per cent more of farm commodities to pay these costs than it did a few years ago. The long-continued deflation is crushing farmers, merchants, transportation agencies, and all manufacturers except a few most favorably situated, and has caused a declining price of property to such an extent that it has largely eliminated equities and is affecting basic securities to such an extent as to seriously impair the stability of our banking and insurance institutions, thereby endangering the welfare of the general public. It is causing a lowering of all wages and salaries, a process which has only started, and which must of necessity lower the standard of living if continued.

The principal cause of this deflation of values is monetary. When the price of any one commodity falls many causes may be responsible. When the average price level of all commodities fall with the rapidity of the last few years the principal cause is a shortage of money and credit in actual use. Commodity prices are expressed in this country in terms of dollars. Every purchase and sale is the exchange of commodities for dollars. When dollars are scarce it takes a larger amount of commodities to get them. In other words, money is at one end of the balance, commodities at the other. Add to the effective supply of money and prices go up. Reduce the effective supply and prices come down. The above statements are justified and supported by the incontrovertible evidence coming from the experience of all former depressions.

The problem divides itself into two parts: First, the restoration of the price level; and, second, the stabilization of the purchasing power of money.

I. RESTORATION OF PRICE LEVEL

Two alternatives face farmers and other business interests at this time: The first is wholesale bankruptcy for farmers, industrialists, transportation agencies, and mercantile establishments and the further deflation of wages and salaries; the second is a rapid rise in the average wholesale commodity price level to a point near that at the beginning of the present deflation, thereby restoring confidence and making it possible for individuals, corporations, and governments to discharge their obligations and to proceed with their undertakings.

All the powers of the Federal reserve system and the executive officials of the Federal Government should be used to bring about the restoration of the price level near the average level at which the present long-time indebtedness was incurred. The most important of these powers are:

1. Open-market purchases of eligible securities.
2. Lowering of rediscount rates.
3. Liberal interpretation of rediscount eligibility rules.

In order to relieve the Federal reserve authorities and other agencies connected therewith from discretionary authority, we recommend and insist that the Federal reserve law be amended so as to make mandatory the exercise of these powers, so far as possible and to the extent necessary, to restore the average wholesale commodity price level to the point indicated.

II. STABILIZATION OF MONEY

Permanent prosperity in this country demands that the dollar be made an accurate measure of value—that its purchasing power be always constant. This means stability of the average wholesale commodity price level instead of alternate periods of inflation and deflation which are the principal causes of business uncertainty and depression. Fluctuation in the purchasing power of the dollar causes serious losses to debtors in periods of deflation and to creditors in periods of inflation, and benefits only the speculator.

We recommend the following action by Congress to stabilize the purchasing power of money:

1. Direct the Federal reserve system to use all its powers, following restoration of price level, to stabilize the purchasing power of money in so far as possible, using for that purpose all its monetary and credit powers, including currency and credit control, open-market operation, and changes in rediscount rates and in rediscount eligibility rules.
2. Empower and direct the Federal Reserve Board to raise or lower reserve requirements of the Federal reserve banks and to raise or lower the price of gold.
3. Broaden the rediscount eligibility provision of the Federal reserve act.

NO. 4. TAXATION

We reaffirm the entire series of resolutions on taxation as amended and approved in the 1930 convention at Boston. We commend the State and local farm bureaus for the leadership they have shown in attacking the problems of taxation in the various States and communities.

The present rapidly mounting delinquency in taxes, increasing destruction of property values by confiscatory State and local taxation, and increasing inadequacy of revenues for necessary public services are due largely to unsound systems of revenue.

Unsound systems of revenue, both Federal and State, are due largely to selfish financial and political motives, which manifest themselves in wholesale exemption of many millions of our population of taxable capacity from any direct contribution to the cost of government, and in almost unrestricted competition instead of cooperation among the States and between the States and the Federal Government in matters of revenue. As a first step in correcting our unsound systems of revenue, we favor an act of Congress providing for appointment of a special national tax commission consisting of representatives of every major national economic group and the foremost authorities on taxation to consider and recommend sound and coordinated systems of taxation adapted to the needs of both Federal and State Governments.

NO. 5. TRANSPORTATION

The resolution of the twelfth annual meeting is reaffirmed.

The earnings of private car lines and other subsidiaries of railroads should be placed under jurisdiction of the Interstate Commerce Commission.

Such consolidation of railroads as will reduce operating expenses and make possible lower freight rates on agricultural products is approved.

The Interstate Commerce Commission is urged to complete as soon as possible its present investigation of such expenditures of the railroads as are not under the supervision of that body as a basis for further action either of legislative or administrative character.

The unfair disadvantage to which the domestic producer is placed in the present system of allowing a lesser rail rate from the seaboard inland on imported than on domestic products should be eliminated.

The Interstate Commerce Commission should be denied the authority of allowing railroads to charge more for a short than for a long haul.

NO. 6. GRAIN FUTURES ACT

The American public is being called upon for a return of confidence and to put forth every effort for the stabilization of American business, industry, and agriculture. One of the greatest hindering influences to efforts being put forth in these directions is the continued system of short selling operating on the grain and other exchanges of the country. We favor such amendment to the grain futures act as is necessary to give the Secretary of Agriculture full power and authority to regulate and, if necessary, to remove any further operations in short selling (except for legitimate hedging purposes) on the grain exchanges of the country.

NO. 7. PHILIPPINE INDEPENDENCE

Our Government since the time of the Spanish-American War, in various presidential and congressional documents, has promised eventual independence to the people of the Philippine Islands. Having protected and educated them in principles of representative government for approximately one-third of a century, it now is logical that inasmuch as the qualified electors of the islands have demonstrated their ability to maintain a stable government under our contacts with them through a Governor General, the time is at hand when our governmental promises should be completely fulfilled. It appears that the Filipinos have progressed to that degree of self-sufficiency as to enable them to maintain a stable government. Continued delay in granting independence to them is the result of large investments of American capital controlled by a few American citizens. Until independence is granted the present situation compels farmers in the United States to meet the unfair competition of Philippine products in our domestic markets.

We insist that independence be granted the Philippine Islands at the earliest possible moment so that the American market can be preserved for the American farmers.

NO. 8. RELATION OF FARM INCOME TO EXPENSE

The prices of farm products have declined in recent years much faster than have the prices on most commodities which farmers must buy. The prices on machinery, tools, and implements, fencing material, burlap, and various other necessary articles, although showing in some instances small declines in prices, are vastly out of line with the prices of farm crops. The board of directors and officials of the American Farm Bureau Federation are authorized and directed to do everything possible to bring farm income and farm expenses into proper relationship.

NO. 9. HOME AND COMMUNITY RECOMMENDATIONS

(a) Federal aid for elementary education: We insist that the time has come when the National Government should contribute a proper share in the expenses of elementary education, doing so, however, without the establishment of any additional Federal machinery or officials.

(b) Maternity and infancy legislation: We recommend the further support of legislation in behalf of the infancy and maternity act.

(c) Copyright design bill: We oppose the passage of the so-called copyright design bill.

(d) Truth in fabrics: To secure the public information which is available in buying most other commodities, it is urged that truth-in-fabrics legislation be enacted by Congress.

NO. 10. TARIFF

The American farmers carry great responsibility for the maintenance of our protective system. If we are to continue this support, tariff schedules must immediately be revised to a basis of equalization as between agriculture and all other industry.

We also insist that such changes be made in the flexible provision of the present law as will enable those responsible for its administration to make it operate effectively in emergencies.

NO. 11. WATERWAY DEVELOPMENT

All inland waterway development now under construction as an aid in completing the transportation system of our Nation should be completed as soon as possible. Particular attention should now be given to the St. Lawrence deep-waterway channel in hastening the adoption of the treaty negotiations with Canada, and by enacting all necessary enabling legislation to make effective the provisions of the treaty.

Other possible waterway projects should be ascertained by a continuation of the surveys now under way by the Chief of Army Engineers.

NO. 12. MUSCLE SHOALS

The operation of Muscle Shoals under the direction of organized agriculture along cooperative lines, distributing the products to the farmers on a cost basis, is the most desirable way to handle this project for the benefit of the entire Nation.

NO. 13. POWER REGULATION

The American public has in former times paid heavily for developments of enterprises which proceeded seemingly without regard to public welfare and frequently in defiance thereto. At the present time the so-called power influence is potent in our Nation and must be brought under control and regulation of Government. The pyramiding of capital costs, the interlocking of directorates in subsidiary or overhead corporations, and the centralized control prevalent within the power group are such as to demand Federal and State legislation in the public welfare. Power sites should not be granted applicants therefor unless financial guarantees of immediate development and penalties for failure to develop are imposed. Power corporations should be compelled to apply, each in its own right, for permits to construct power dams. Transmission lines should be made common carriers of power.

NO. 14. POSTAL RATES

In any efforts to balance the budget of the Post Office Department we oppose increased rates on first and fourth class matter. The deficit in the Post Office Department is caused largely by other classes of mail service. It is unfair to the main body of citizens who use the first and fourth class services of the Post Office Department, in which classes no material deficit is found, to impose on them higher rates in an effort to overcome the deficit created by such other services.

NO. 15. WATER-USERS PROBLEMS

The farmers in at least 12 Western States, many of whom live on irrigation districts either Federal or private, have problems in regard to water supply as troublesome and more costly than are the water troubles of the main body of our farmers who live in areas where rainfall is dependent upon to produce crops.

The irrigation farmer is a part of the national agricultural industry and should have devoted to him and to his business the same careful consideration which is sought to be devoted to agriculture in our Nation as a whole.

Wherever reclamation developments now in operation find themselves in need of additional water to be secured by storage or otherwise, of reconstructed works and equipment which have either become obsolete or have outlived the period of usefulness, of additional credit to refinance on longer terms of payment and lesser annual charges both the original indebtedness on the loan and the annual water-right payment, then the settlers on these projects should have the attention and consideration on the part of Federal and State governments, and of the Nation as a whole, which are necessary and essential to the solution of reclamation problems.

Further, wherever these reclamation projects have been denied by power interests or by utility boards of the development and distribution of the power resources resident within the water used for irrigation purposes, all such denials of privileges to use their own water both for power and irrigation should be removed to the end that the profits from power might be used by the reclamation districts as a valuable aid in payment of amortization, interest, and construction charges on the projects.

Whatever new reclamation projects are thought to be necessary should be analyzed, first, to see their future relationships to the national economy of agriculture; and second, to ascertain whether or not farmers on such new projects would be thrown into direct competition with other farmers on established reclamation areas and elsewhere. In assisting settlers on irrigation and drainage districts to refinance themselves on a more equitable basis than originally was thought necessary, legislation should be enacted to provide a revolving fund for use as loans to extend credit periods into longer lengths of time, thereby enabling the farmers more adequately to meet annual payments.

NO. 16. NATIONAL LAND POLICY

We are unalterably opposed to additional authorization by Congress of any new reclamation projects until consumptive demands meet productive capacity. Upon Congress is urged the immediate adoption of a national land-utilization policy which will provide for the removal from production of large areas of land now generally classed as marginal or submarginal in character. We recognize the impossibility of continuing such lands in production on a profitable basis, and to do so adds to our surplus problems. It is recommended that, in withdrawing these unproductive lands, the public needs for parks, playgrounds, game preserves, future forested areas, and watershed protection be satisfied.

It is further urged that our national land policy include provision for:

The complete inventory of our land resources;

Taxation adjustments, taking into consideration areas taken from production;

Reclamation projects and policies to be integrated with the national land policy through the Department of Agriculture;

The public domain and national forests to be administered jointly by Federal agencies;

Reforestation on the widest possible scale by Federal, State, county, township, and municipal units of the Government jointly and severally.

NO. 17. COMMENDING SECRETARY HYDE

We commend Secretary Hyde for his fearless leadership of official agriculture in our Nation, particularly in regard to the manner in which he has discharged the many regulatory responsibilities which have been placed upon the Department of Agriculture in regard to the packer and stockyards act, the grain futures act, the food and drugs act, and the quarantine control measure.

PRICES OF PORK PRODUCTS

Mr. NORRIS. Mr. President, I would like to make an inquiry of the Senator from Kansas [Mr. CAPPER]. A moment ago he asked to have certain resolutions printed in the RECORD. Were those resolutions entitled "Live hogs and retail pork prices too far apart"?

Mr. CAPPER. No; I sent to the desk resolutions adopted by the American Farm Bureau Federation at its annual convention in Chicago, which include their declaration on various bills pending in Congress. It covers some six or eight different measures.

Mr. NORRIS. That is a different matter than the one I am about to present, then. Mr. President, I ask leave to print in the RECORD a statement given to the press by the Federal Farm Board. I want to read just a sentence or two from that statement, as follows:

The figures quoted were developed by the Bureau of Agricultural Economics in the United States Department of Agriculture. With agencies between the farmer and the consumer making little or no reduction in their margins, practically all the burden of supplying the consuming public with low-priced pork products is being carried by farmers.

I may interpolate that in the earlier part of the bulletin they show how the farmer is getting the same return under the high prices now charged the consumer that he got when the consumer was paying lower prices.

The percentage farmers receive of retail prices of pork products is the smallest on record.

I wish Senators would take notice of this statement, that according to these statistics there has never been a time in the history of the United States when the farmers received retail prices of pork products so small as now.

Current retail prices warrant considerably higher prices for hogs than farmers are receiving.

This statement is issued in the interest of agriculture and business generally, for upon hogs more than any other commodity depends payment of taxes and other bills in a very large section of our country.

Mr. President, I ask that the entire bulletin may be printed in the RECORD at this point and referred to the Committee on Agriculture and Forestry.

The VICE PRESIDENT. Without objection, it is so ordered.

The bulletin is as follows:

LIVE HOG AND RETAIL PORK PRICES TOO FAR APART

The following statement was made to-day—December 17—by Mr. C. B. Denman, member Federal Farm Board:

"Farmers are receiving much less for live hogs than is justified by prices consumers are paying for pork products. On December 15 prices at New York retail markets for good grade pork chops averaged 26 cents a pound, a reduction of 7 cents, or 21 per cent, from the price December 15, 1930; ham, 22 cents a pound, a reduction of 7½ cents, or 25 per cent; sliced bacon, 32 cents a pound, a reduction of 9 cents, or 22 per cent; picnics, 14½ cents a pound, a reduction of 5½ cents, or 27 per cent; and lard, 13½ cents a pound, a reduction of 3 cents, or 18 per cent, from a year ago. Prices of live hogs at Chicago for the week ending December 12 averaged only $4.18 a hundredweight compared to $7.92 for the corresponding week in 1930, a reduction of $3.74, or 47 per cent. The figures quoted were developed by the Bureau of Agricultural Economics of the United States Department of Agriculture.

"With agencies between the farmer and the consumer making little or no reduction in their margins, practically all the burden of supplying the consuming public with low-priced pork products is being carried by farmers. The percentage farmers receive of retail prices of pork products is the smallest on record. Current retail prices warrant considerably higher prices for hogs than farmers are receiving.

"This statement is issued in the interest of agriculture and business generally, for upon hogs more than any other commodity depends payment of taxes and other bills in a very large section of our country."

REPORTS OF THE DISTRICT COMMITTEE

Mr. CAPPER, from the Committee on the District of Columbia, to which was referred the bill (S. 2077) to relieve the Commissioners of the District of Columbia of certain ministerial duties, reported it without amendment and submitted a report (No. 18) thereon.

He also, from the same committee, to which was referred the bill (S. 1306) to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial, reported it with an amendment and submitted a report (No. 19) thereon.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. NYE, from the Committee on Public Lands and Surveys, reported favorably the nomination of Walter C. Mendenhall, of Ohio, to be Director of the Geological Survey, vice George Otis Smith, resigned, and also the nominations of several registers of land offices, which were placed on the Executive Calendar.

Mr. HALE, from the Committee on Naval Affairs, reported favorably the nomination of Rear Admiral Orin G. Murfin to be Judge Advocate General of the Navy, with the rank of rear admiral, for a term of four years, and also the nominations of sundry other officers in the Navy; also the nomination of Col. Frederic L. Bradman to be a brigadier general in the Marine Corps from the 20th day of May, 1931; and

also the nominations of sundry other officers in the Marine Corps, which were placed on the Executive Calendar.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES:

A bill (S. 2312) for the relief of farmers in drought and/or storm stricken areas in the State of Washington; to the Committee on Agriculture and Forestry.

A bill (S. 2313) for the erection of a public building at Anacortes, Wash.;

A bill (S. 2314) for the erection of a public building at Montesano, Wash.; and

A bill (S. 2315) for the erection of a public building at Kennewick, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. NYE:

A bill (S. 2316) to regulate election expenditures; to the Committee on the Judiciary.

By Mr. VANDENBERG:

A bill (S. 2317) granting the consent of Congress to the State of Michigan and Berrien County, or either of them, to construct, maintain, and operate a bridge across the St. Joseph River; to the Committee on Commerce.

By Mr. DALE:

A bill (S. 2318) for the relief of the United Marble Cos., Rutland, Vt.; to the Committee on Claims.

A bill (S. 2319) to provide for the retirement of officers and employees of the legislative branch of the Government, and for other purposes; and

A bill (S. 2320) to amend "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920; to the Committee on Civil Service.

By Mr. BRATTON:

A bill (S. 2321) granting an increase of pension to Sarah E. Roberts; to the Committee on Pensions.

A bill (S. 2322) to authorize amendment of the act of February 25, 1927, for the payment of damages caused by reason of the overflow of the Rio Grande on August 17, 1921; to the Committee on Claims.

By Mr. McGILL:

A bill (S. 2323) granting a pension to Joseph K. Bennett; to the Committee on Pensions.

A bill (S. 2324) to extend the time for allowing suits on insurance contracts under section 19 of the World War veterans' act, 1924, as amended; to the Committee on Finance.

By Mr. KEAN:

A bill (S. 2325) for the relief of the United States Hammered Piston Ring Co.; to the Committee on Claims.

By Mr. ROBINSON of Arkansas:

A bill (S. 2326) to establish fish and game sanctuaries in the national forests; to the Special Committee on Conservation of Wild Life Resources.

By Mr. WHEELER:

A bill (S. 2327) for the relief of Joseph Ford and Henry Ford, half-breed Piegan Indians of the Blackfeet Indian Reservation, Mont., and for other purposes; to the Committee on Indian Affairs.

By Mr. CAPPER:

A bill (S. 2328) to provide for the election of the Board of Education of the District of Columbia, and for other purposes;

A bill (S. 2329) to further regulate banking, banks, trust companies, and building and loan associations in the District of Columbia, and for other purposes;

A bill (S. 2330) to authorize the widening of Thirteenth Street NW., in the District of Columbia, and for other purposes;

A bill (S. 2331) to provide for the care, maintenance, and education of children born out of lawful wedlock; and

A bill (S. 2332) to amend section 115a of an act entitled "An act to establish a code of law for the District of Columbia," as amended; to the Committee on the District of Columbia.

By Mr. COUZENS:

A bill (S. 2333) for the relief of employees of the post office at Detroit, Mich.; to the Committee on Claims.

By Mr. FLETCHER:

A bill (S. 2334) to amend section 3 of the rivers and harbors act, approved June 13, 1902, as amended and supplemented; to the Committee on Commerce.

By Mr. MORRISON:

A bill (S. 2335) for the relief of O. R. York; to the Committee on Claims.

A bill (S. 2336) granting a pension to Mary West; to the Committee on Pensions.

By Mr. HALE:

A bill (S. 2337) for the relief of Percy Harry Thomas; to the Committee on Naval Affairs.

By Mr. STEIWER:

A bill (S. 2338) granting pensions to certain persons who served in the Indian wars from 1817 to 1898; to the Committee on Pensions.

A bill (S. 2339) for the relief of J. A. Tippit, L. P. Hudson, Chester Howe, J. E. Arnold, Joseph W. Gillette, J. S. Bounds, W. N. Vernon, T. B. Sullivan, J. H. Neill, David C. Callib, J. J. Beckham, and John Toles; to the Committee on Claims.

By Mr. NORBECK:

A bill (S. 2340) to provide funds for cooperation with the School Board of Shannon County, S. Dak., in the construction of a consolidated high-school building to be available to both white and Indian children; to the Committee on Indian Affairs.

A bill (S. 2341) granting a pension to John H. Kowalski (with accompanying papers);

A bill (S. 2342) granting an increase of pension to George Nath (with accompanying papers); and

A bill (S. 2343) granting a pension to Martin Erikson (with accompanying papers); to the Committee on Pensions.

By Mr. WATSON:

A joint resolution (S. J. Res. 62) authorizing the payment of salaries of the officers and employees of Congress for December, 1931, on the 22d day of that month; to the Committee on Appropriations.

CHANGES OF REFERENCE

Mr. SMOOT. Mr. President, recently two bills were messaged over from the House, the bill (H. R. 5821) to provide for the taxation of incomes in the District of Columbia, to repeal certain provisions of law relating to the taxation of intangible personal property in the District of Columbia, and for other purposes, and the bill (H. R. 5822) to provide a tax on the transfer of estates of decedents. These bills were referred to the Committee on Finance. I ask unanimous consent that the Committee on Finance may be discharged from the further consideration of the bills and that they may be referred to the Committee on the District of Columbia.

The VICE PRESIDENT. Without objection, that order will be made.

REPORTS ON LAWLESSNESS IN LAW ENFORCEMENT

Mr. CUTTING. Mr. President, I send to the desk a resolution which I would like to have read.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 116) (submitted by Mr. CUTTING, Mr. WALSH of Montana, and Mr. COSTIGAN), as follows:

Resolved, That the President of the United States be, and he is hereby, requested to transmit to the Senate any and all reports prepared by experts of the National Commission on Law Observance and Enforcement under the direction of Judge William S. Kenyon, chairman of the subcommittee on lawlessness in law enforcement, including any that may have been made touching the cases of Thomas J. Mooney and Warren K. Billings.

The VICE PRESIDENT. What disposition does the Senator from New Mexico desire to have made of the resolution?

Mr. CUTTING. I ask that the resolution may lie on the table for the present.

The VICE PRESIDENT. The resolution will lie on the table.

FOREIGN-DEBT MORATORIUM

The joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933, was read twice by its title.

Mr. SMOOT. Mr. President, the Finance Committee has already met and considered the joint resolution and instructed me to submit a report upon it which I now send to the desk (Rept. No. 17). Later in the day I shall ask that the Senate consider the joint resolution.

Mr. JOHNSON. Mr. President, I did not hear the request of the Senator.

Mr. SMOOT. I gave notice that I would call up the moratorium measure later in the day. It was considered by the Finance Committee this morning and ordered to be reported, and I have just submitted the report to the Senate.

Mr. JOHNSON. When the Senator says he will call it up later in the day, does he mean to have it taken up for debate to-day?

Mr. SMOOT. Yes; taken up for debate.

Mr. JOHNSON. So far as I may object to any such procedure I shall do so.

Mr. SMOOT. Of course the Senator can object.

Mr. JOHNSON. Then, it will come up Monday in the regular course.

Mr. SMOOT. Yes; it will come up Monday in the regular course.

Mr. JOHNSON. If I should be absent this afternoon——

Mr. SMOOT. That is sufficient. All the Senator has to do is to say that he would object, and I shall then not call it up until Monday.

Mr. JOHNSON. I should object.

Mr. SMOOT. I would judge so from what the Senator said.

Mr. WALSH of Massachusetts. Mr. President, is it contemplated by the Senator from Utah to make the joint resolution the unfinished business?

Mr. SMOOT. I shall bring it up Monday and hope to have it passed on that day.

Mr. WALSH of Massachusetts. Then, I assume the Senator has waived his intention of bringing it up to-day?

Mr. SMOOT. An objection was made by the Senator from California, and, of course, it has to go over a day.

Mr. BARKLEY. Mr. President, is it the intention of the Senator from Utah to seek to have the joint resolution passed prior to the Christmas recess?

Mr. SMOOT. It is.

Mr. WATSON. Mr. President, as I have just come into the Chamber, I would like to ask the Senator from Utah whether he intends to take up the matter for discussion before the Finance Committee this afternoon?

Mr. SMOOT. The Finance Committee has already passed upon it.

Mr. WATSON. There is no further action required by that committee?

Mr. SMOOT. No; there is not.

Mr. WATSON. I wanted that statement made because several members of the Finance Committee had asked me about it.

Mr. JOHNSON. Mr. President, is it the intention of anyone connected with this particular measure to take it up for discussion at all before it is passed?

Mr. SMOOT. The Senator will have a chance to discuss it Monday.

Mr. JOHNSON. Really! I did not realize that! [Laughter.]

Mr. SMOOT. I think the Senator knew that without asking the question.

The VICE PRESIDENT. On objection, the joint resolution goes over.

PHILIPPINE INDEPENDENCE

Mr. HAWES. Mr. President, despite the fact that in the hearings before the Senate Committee on Territories and Insular Affairs, considering the subject of Philippine independence, the opponents of the bill for independence were unable to give the names of any number of Filipinos who did not favor complete independence. Word-of-mouth propaganda that the substantial Filipino business men did not want independence has been circulated. Now, this is being changed to the statement that they would be satisfied with increased autonomy.

These statements are not correct. Neither the commissioners, Mr. Quezon, General Aguinaldo, or the commission will be satisfied with anything else than independence.

During the past summer General Parker, Chief of the Bureau of Insular Affairs, and myself were guests of the Philippine Chamber of Commerce representing the business men of the Philippine Islands. There were present on that occasion many well-known Filipino business men and financiers. Mr. Isaac Barza, president of this organization, delivered an address which was very vigorously applauded and approved by the audience, showing conclusively that the Filipino business men are for independence.

As the position of the business men on this subject has been called into question I ask permission to insert in the RECORD a resolution adopted by the Philippine Chamber of Commerce, a list of those present at the dinner above referred to, and the address of Mr. Barza, the president of the organization.

The VICE PRESIDENT. Without objection, it is so ordered.

The matters referred to are as follows:

RESOLUTION EXPRESSING THE SENTIMENTS OF THE FILIPINO BUSINESS MEN IN FAVOR OF THE LIBERATION OF THE PHILIPPINES

Whereas it has been repeatedly said that only the politicians clamor for Philippine independence; and

Whereas this is the first time that the Filipino business men, as a body, have the opportunity to express their sentiments regarding this matter: Therefore be it

Resolved to express, as it is hereby expressed, That the Filipino business men in national convention assembled strongly favor the national aspiration for independence and are ready to cooperate in the common task for the liberation of the country.

Adopted unanimously in Manila this the 9th day of February of 1929.

Approved.

TEODORO R. YANGCO, *President.*

Attest:

PEDRO J. OCAMPO, *Secretary.*

LIST OF GUESTS PRESENT AT A DINNER GIVEN BY THE PHILIPPINE CHAMBER OF COMMERCE, AT THE MANILA HOTEL, JUNE 23, 1931

Hon. Honorio Ventura, secretary of the interior; Hon. Jose Abad Santos, secretary of justice; Hon. Rafael Alunan, secretary of agriculture and natural resources; Hon. Filemon Perez, secretary of commerce and communications; Hon. Ramon Avanceña, chief justice, supreme court of the Philippine Islands; Hon. Juan Sumulong, outgoing senator for the fourth district; Hon. Jose G. Generoso, senator for the fourth district; Hon. Juan Nolasco, ingoing senator for the fourth district; Hon. Pedro Gil, outgoing representative for the south district of Manila; Hon. Francisco Varona, representative for the north district of Manila; Hon. Emiliano Tria Tirona, representative for the Province of Cavite; Hon. Thomas Earnshaw, mayor of the city of Manila; Hon. Rafael Palma, president University of the Philippines; Gabino Tabuñar, acting president National University; Dr. Mariano de los Santos, president University of Manila; Dr. Maximo M. Kalaw, dean college of liberal arts, University of the Philippines; Jorge Bocobo, dean college of law, University of the Philippines; Francisco Benitez, dean college of education, University of the Philippines; Vicente Fabella, dean Jose Rizal College; Salvador Lagdameo, insular treasurer of the Philippines; Tomas Confesor, director bureau of commerce and industry; Juan Posadas, jr., collector of internal revenue; Hon. Guillermo Gomez, under secretary of finance and acting insular collector of customs; F. Segado, purchasing agent bureau of supply; Hon. Teodoro M. Kalaw, director National Library; Hon. Manuel V. del Rosario, acting public service commissioner; Hon. Jorge B. Vargas, president Philippine Columbian; Dr. Jose S. Hilario, president Philippine Medical Association; Dr. Felix Jocson, president Club Filipino; Dr. Nicanor Jacinto, president National Rice Growers' Association; Carlos P. Romulo, managing editor TVT publications; Pedro Aunario, editor La Vanguardia; Vicente A. Pacis, editor The Philippines Herald; Antonio M. Abad, editor La Opinion; Vicente Lopez, president Iloilo Chamber of Commerce; Isaac Barza, president Chamber of Commerce of the Philippine Islands; Gonzalo Puyat, vice president Chamber of Commerce of the Philippine Islands; Jose F. Fernandez, ex-president Chamber of Commerce of the Philippine Islands; Leopoldo R. Aguinaldo, ex-president Chamber of Commerce of the Philippine Islands; Marcos L. Roces, president Philippine Livestock Association; Toribio Teodoro, director Chamber of Commerce of the Philippine Islands; Eulogio Rodriguez, director Chamber

of Commerce of the Philippine Islands; Primo Arambulo, director Chamber of Commerce of the Philippine Islands; Vicente Madrigal, ex-president Chamber of Commerce of the Philippine Islands; Hon. Ramon J. Fernandez, ex-president Chamber of Commerce of the Philippine Islands; L. M. Heras, ex-president Chamber of Commerce of the Philippine Islands; Fulgencio Borromeo, president Bank of the Philippine Islands; Miguel Cuaderno, acting manager Philippine National Bank; Jose Paez, general manager Manila Railroad Co.; Jose V. Ramirez, ex-president Chamber of Commerce of the Philippine Islands; Enrique Zobel, general manager Ayala y Cia; Rafael Roces, Comanager Roces & Co.; Antonio Brias Roxas, general manager San Miguel Brewery; Jose Araneta, manager Philippine Land Improvement Co.; Tirso Lizarraga, manager Lizarraga Hermanos; Antonio P. Roxas, manager Viuda de P. Roxas y Hrds. de A. Roxas; Alejandro Roces, jr., general manager, TVT publications; Vicente Arias, general manager Palace Bazaar; Ciriaco Tuason, general manager C. Tuason e Hijos; Benito Razon, manager Sorox y Compañia; Tomas Mapua, architect, director Mapua Institute of Technology; Jose Tiaoqui, manager La Perla (Inc.); J. J. Osorio, vice president Victorias Milling Co. (Inc.); S. M. Jones, vice president North Negros Sugar Co. (Inc.); Ramon Roces, publisher of Liwayway and Graphic publications; Rafael Fernandez, real estate and insurance; Gil Puyat, vice president Gonzalo Puyat & Sons Co. (Inc.); Felix M. Ledda, manager C. Alkan & Co.; Francisco Genato, manager Genato Commercial Corporation; Dominador Ambrosio, life underwriter; and Pedro J. Ocampo, secretary-treasurer Chamber of Commerce of the Philippine Islands.

ADDRESS DELIVERED BY MR. ISAAC BARZA, PRESIDENT OF THE CHAMBER OF COMMERCE OF THE PHILIPPINE ISLANDS, AT THE DINNER ON JUNE 23, 1931

Our distinguished guests, Senator HARRY B. HAWES, Gen. Frank Le J. Parker, and members of the congressional party, gentlemen, in the name of the Chamber of Commerce of the Philippine Islands in particular and of the business sector of the Filipino Nation in general, I wish to extend to you our sincere welcome and greetings. In so doing we are not actuated by mere outward courtesy or empty gesture, but by a feeling of genuine gratitude toward you for the unselfish service you have rendered on behalf of our people. We sincerely consider your company a genuine pleasure, a distinct privilege, and a high honor. We feel that only the highest of motives have prompted you to visit these far-flung possessions of the American Empire, hence we place ourselves at your command to assist you in every possible way to accomplish the purpose of your visit.

May it not be amiss to say at the outset of these brief remarks that the Filipino business men, contrary to concerted efforts of rumor, gossip, and calculated misrepresentation, have always been, and are to this moment, convinced that early and absolute Philippine independence will not only be for their best interest but that it is the only permanent solution to the problems of relationship between the American and the Filipino people. While there may be "Tories" among us who can be located by selfish, vicious, and pernicious parties to serve their personal interests, to assert that the Filipino vested interests are against independence is not only un-American but is untrue.

The business sector of the Filipino Nation has time again and at every opportunity consciously and earnestly shown that it is ready to pay the cost of independence. It has rendered spontaneous and whole-hearted support to all campaigns for liberty, and it has repeatedly pledged its loyalty and expressed its faith in those who are patriotically consecrating their lives to the proposition that the Filipinos are entitled to guide and shape their own destinies. Again, very recently, when the news reached us that the Hawes-Cutting bill had passed the committee, we immediately cabled our approval and our support. In spite of all these, our friendly detractors, in patronizing attitude, tell us that we do not want independence.

Hence, the great dilemma. What a plight, what a puzzle we find ourselves in. Everything that we do is misunderstood! Every word that we utter is given the contrary meaning. If we say we want independence, we are told to our face that we do not understand what it is nor would we be willing to pay the cost. Even our motives are questioned. Of course, it will be the height of folly and it will be suicidal to resort to the method used by the fathers of the American Republic in 1776. Even peaceful non-cooperation and passive resistance will be taken as gross ingratitude and an affront to the sovereign power. Any national or patriotic movement, personal or organized, will be looked upon with suspicion and disfavor. What is there then that can be done to convince the sovereign power that we are in dead earnest for our freedom? Perhaps the American people expect the Filipino people to furnish this modern age a novelty, a new method and a new approach in securing our freedom.

It is, therefore, a source of gratification to all of us who are earnestly seeking the right solution of the Philippine question, that our distinguished guests to-night—men whose voices carry great authority and weight in Congress—have come to our land to be able to feel the pulse and throb of our national heart. We are happy that you are here to see and observe for yourselves that here truly exists a national longing, a burning desire, and a determined struggle for independence. You will convince yourselves that there is here a nationalistic spirit—energetic and powerful, yet controlled by reason and patience, dynamic in potentiality, yet tempered by faith and confidence. Here is something which can not be conveyed in words. It is that, we trust, that our visitors would feel and catch while they are in our midst.

As a natural result of long delays, of seeming evasion, and apparent lack of courage to face our demand for independence, there has developed an atmosphere of uncertainty which is a source of constant suspicion, of irritation, and hushed anxiety. Whatever views one may have, either friendly or unfriendly, to Philippine independence, everyone agrees that the difficulties arising from this atmosphere of uncertainty, are real and actual in all walks of Philippine life, in all phases of national existence. Yes, gentlemen, the evil and pernicious effects of this uncertainty are to be observed not only in our political relationships but even in the other realms that affect, perhaps, more vitally the everyday life, our two peoples. Something should be done to solve these difficulties.

The first important realm that is greatly affected by this political uncertainty is the Philippine-American economic relations. As it is, our national legislature and our leaders in the Filipino participation in the Government are powerless to solve the most important economic problems in the islands, especially when it comes to the problems of tariff and foreign-trade relationships, as these powers are still reserved in the hands of the sovereign government. And when our leaders and our business elements mobilize efforts to utilize the only means within their hands, and when through such laudable efforts as the Economic Katipunan, or the movement for economic protectionism, they attempt to solve the grave economic problems that confront our people, immediately there come accusations of ingratitude and lack of a proper international perspective.

The difficulties, not to speak of the injustices arising from the uncertain status of Filipino-American economic relations, have been so clearly and masterfully discussed by our representatives in the American Congress and by the members of our various missions that an attempt to essay them to-night would be an imposition upon your patience. It should, therefore, suffice to say that from the early dawn of American rule to the present day American economic relations with us have undoubtedly taken a course not so very different from that followed by other empires, not so altruistic in their dealings with their colonies. Congressional measures affecting the economic relations of our two peoples have relegated to the background the best interests of the Filipinos and have been enacted primarily for the benefit of American vested interests. The present tariff legislation, not to mention others, seem to be the most obvious illustration of this fact. The historical pronouncement that the Philippines are "not ours to exploit" but to develop for the benefit of the Filipinos themselves seems to have been but an expression of a pious hope. Even those of us who can not claim thorough knowledge of Philippine tariff relations have been made to realize from recent events that Philippine interests are being served only incidentally when they serve American interests. But we are helpless and our hands are tied. Bold though it may seem, yet in all candor and honesty, and with all our faith and confidence in the motives of America, we might ask the question, What will happen next? In such a situation of uncertainty and of suspense as to the next development, is it little wonder that capital—whether local or foreign—would hesitate to venture into the islands, thus greatly curtailing the profitable and progressive commercial intercourse, as well as the full economic development of the country?

It is not alone in our economic relations where we find the sad and unfortunate effects of this uncertainty of our political status. In the educational field our undefined status has prevented the formulation and execution of plans, adequate and effective, for the development of an indigenous national culture. We have no national educational policy or orientation.

Is it Washington or Rizal who should be held as an example of patriotism? Is the spirit of nationalism, of an admirable love of country, being given its full encouragement, cultivation, and flowering in our public schools? While those at present connected with our school system might, out of loyalty to the work to which they have given the best part of their lives, be inclined to justify the present system, they themselves would admit that there is still so much that can be done that has not yet been done, simply because of the present uncertainty, in our relationship with the American Nation. It must be admitted that, because of this uncertainty, there exists in the public schools, where both American and Filipino teachers are working, a delicate situation, a feeling of caution, of unwholesome secrecy, of a guarded attitude, at times of suspicion between American teachers on one side and the Filipino teachers on the other. Illustrations have been altogether too common in the past few years, revealing this delicate situation existing in the public schools. There have been times when whole schools have gone on strike because of the statements alleged to have been made by this or another American teacher. How can we, in such a situation, hope to develop the ideals of national loyalty and of patriotism; how can we expect the schools to be the fountain of a loyal national citizenry?

This uncertainty of our political situation projects its ugly head to other realms just as vital, especially in the realm of our social relationships, or our international and interracial intercourse. After nearly 30 years of living together, mutual understanding and fellowship is yet to be attained. Our American friends in guarded attitude, due either to a sense of superiority or of sovereignty, have very limited or no social dealings with the Filipinos. In fact, the Filipinos have as great, if not greater, a share of the blame because of their attitude of restraint, of suspicion, and of unwillingness to open the way. Thus a very strained, if not ac-

tually indifferent, state of relationships and feelings exist between the two peoples. Who is the boss, the host, and the guest in this atmosphere of uncertainty? In fact, even in religious circles, where the feeling of fraternity and equality are more to be expected than in other places, these strained relations exist.

Perhaps it is in the government where one finds most evident, though not so apparent, the unwholesome effects of this present uncertain political situation. There is a state of courteous watchful waiting, yet a clear and cautious watchfulness lest one or the other group gets the upper hand. Every new appointment raises the question as to which should be appointed—should it be a Filipino or an American? The appointments of boards of directors of various governmental and quasi-governmental enterprises are guided by the desire of placing either the American or the Filipino membership in the majority. There seems to be an unconscious inclination on the part of each side to be placed in a greater position of power than the other. A more unwholesome atmosphere is unimaginable. Under such undefined, unsettled relationships, it seems difficult to determine as to who are really responsible in the government. One group can as easily escape the responsibility and lay the blame on the other. All of these are results of the present uncertain situation of our political status.

And what is the reason for this uncertainty? Is it because our people have been unwilling to pay the price? Is it because our leaders have been unwilling to put forth the necessary efforts to obtain our coveted goal? Is it because our people have not yet fully shown their intense desire to obtain their national aspirations? Far from it! Our people have been willing to pay the price. Our leaders have not hesitated to go to the full limit of their capabilities and possibilities to bring us nearer the goal. Time and again our people have shown, in actions clear and indubitable, that they are ready and determined to do all that is expected of them to realize their dream.

What is this price that has been paid? It is not in terms of money alone. An estimate has been made of what our campaign in America has cost us in terms of pesos, in which it has been estimated that we have actually spent for our independence missions in the United States the total amount of over two and a half million pesos for the last 15 years since we obtained the Jones law in 1916. We are a poor people, but we have not regretted having spent that much. In fact, we are willing to spend much more. Big commercial concerns are spending proportionately as much, if not much more, every year just for a thorough and adequate publicity for their goods. The returns in greater friendship and understanding, in the formation and establishment of cultural relations, in the winning of more friends such as we have to-night, and many others in the United States, have more than justified the price that has been paid.

But, my friends, it is not in terms of pesos that the greatest price may have to be paid. What is that which may be considered the most costly price that has to be paid? Here in the Pearl of the Orient Seas a whole people, 13,000,000 in number, have been schooled in the spirit of loyalty and confidence, of trust in the altruism of the American Nation, of a child-like faith that the great American people will fulfill the promise they have given of granting the Filipinos their long-coveted freedom. Now, we see all that confidence gradually turning into distrust, that trust being transformed into suspicion, and that child-like faith being replaced by a cold, sour, and bitter cynicism! How sad, how tragic, how heart-rending it is to see such an unwelcome transformation in the spirit and attitude of our people. What a tremendous price to pay! And God grant that the Filipinos will not be forced to pay this price.

But yet there are already indications of a tide of restlessness, of an unescapable feeling of distrust, of an irresistible attitude of suspicion that is gripping our people by the heart. And something must be done before the transformation becomes complete. For over 30 years our people, through their duly constituted authorities and leaders, through their legislatures and through various organizations have by means of peaceful and constitutional methods begged and pleaded for the redemption of the pledge of independence. Mission after mission has been sent to make presentations to the American Congress of the real hope and aspiration of our people. The people are beginning to lose faith not only with respect to American altruism but even, sad to state, with respect to the sincerity of our leaders, through no fault of their own. If our people are to be saved from cynicism and complete disillusionment, this situation must stop. This uncertainty must be solved. The Filipino people desire their independence. This has been promised to them. It is now but meet and proper that such promise should be fulfilled.

That in the solution of this problem, full consideration must be given to its economic consequences, to the actual loss in pesos and centavos that must necessarily come in case of independence, and to the willingness of our people to meet all these consequences with a smile, may be true, but that is beside the point. We are also made to understand, strange as it may seem, that the solution of this Philippine problem is really determined by the struggle between the vested American interests in America and the vested American interests in the Philippines. But that is also beside the point. Only one real issue remains and that is this: Whether in privation or in prosperity, the sincere hope, the earnest wish, and the all-consuming aspiration of the Filipino people is to become immediately and absolutely independent. That has been promised by America. We pray that America will keep her word.

BATTLEFIELDS IN UNITED STATES FOR COMMEMORATIVE PURPOSES

The VICE PRESIDENT laid before the Senate the following message from the President, which was read, and, with the accompanying papers, referred to the Committee on Military Affairs:

To the Congress of the United States:

In accordance with the provisions of the act of Congress approved June 11, 1926, entitled "An act to provide for the study and investigation of battlefields in the United States for commemorative purposes," I am transmitting a communication from the Secretary of War giving a detailed report of progress made under said act, together with his recommendation for further operations.

HERBERT HOOVER.

THE WHITE HOUSE, *December 19, 1931.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Farrell, its enrolling clerk, announced that the House had passed without amendment the joint resolution (S. J. Res. 39) extending the time within which the War Policies Commission is required to submit its final report.

PROPOSED HOLIDAY RECESS

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 5), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Tuesday, December 22, 1931, they stand adjourned until 12 o'clock meridian Monday, January 4, 1932.

Mr. BORAH. Mr. President, is it the intention to bring up to-day the concurrent resolution for a recess?

Mr. McNARY. The intention is to bring it before the Senate for its consideration on Monday.

HOUSE CONCURRENT RESOLUTION REFERRED

The concurrent resolution (H. Con. Res. 5) was referred to the Committee on Appropriations, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Tuesday, December 22, 1931, they stand adjourned until 12 o'clock meridian Monday, January 4, 1932.

AIRWAY BETWEEN PUGET SOUND, WASH., AND MINNEAPOLIS-ST. PAUL, MINN.

Mr. JONES. Mr. President, during the last session of Congress we had an item in an appropriation bill of $20,000 for a survey of an air mail route along the northern part of the United States. That survey has been made. The report has been sent, with a letter from the Department of Commerce, addressed to me as chairman of the Committee on Appropriations. I ask that it may be printed, with illustrations, as a Senate document. There are some photographs with it, but I do not ask that they be printed. When it is printed I want the original documents returned to the Appropriations Committee.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDITIONAL APPROPRIATIONS FOR VETERANS' ADMINISTRATION

Mr. JONES. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the joint resolution (H. J. Res. 141) to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932.

The VICE PRESIDENT. Let the joint resolution be read for the information of the Senate.

The Chief Clerk read the resolution (H. J. Res. 141) to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932, as follows:

Resolved, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Veterans' Administration for the fiscal year ending June 30, 1932, namely:

Adjusted-service certificate fund: For an additional amount necessary under the World War adjusted compensation act (U. S. C., title 38, secs. 591–683; Supp. V, title 38, secs. 612–682), to provide for the payment of the face value of each adjusted-service certificate in 20 years from its date or on the prior death of the

veteran, and to make loans to veterans and repayments to banks, in accordance with section 507 of the act, as amended, $200,000,000, to remain available until expended.

Adjusted-service and dependent pay: For an additional amount for "Adjusted-service and dependent pay, Veterans' Bureau," and for reimbursing the adjusted-service certificate fund the amount of disbursements heretofore made therefrom and properly chargeable to the appropriation "Adjusted-service and dependent pay," $3,925,000, to remain available until expended.

Hospital and domiciliary facilities and services: For carrying out the provisions of the acts entitled "An act to authorize an appropriation to provide additional hospital, domiciliary, and outpatient dispensary facilities for persons entitled to hospitalization under the World War veterans' act, 1924, as amended, and for other purposes," approved March 4, 1931 (46 Stat. 1550); "An act to establish a branch home of the National Home for Disabled Volunteer Soldiers in one of the northwest Pacific States," approved July 3, 1930 (46 Stat. 852); and "An act to provide for the establishment of a branch home of the National Home for Disabled Volunteer Soldiers in one of the Southern States," approved June 21, 1930 (46 Stat. 792), the Administrator of Veterans' Affairs is hereby authorized, subject to the limitations imposed by such acts, to enter into contracts and incur obligations in the full amount of the authorizations provided therein.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. JONES rose.

Mr. REED. Mr. President, will the Senator from Washington explain what this joint resolution proposes to do?

Mr. JONES. I am going to do that. This is an emergency measure. It provides an appropriation of $3,925,000 for adjusted-service and dependent pay. That is the amount estimated by the department as necessary in order to make the required payments up to the 1st day of July.

The joint resolution also provides for the adjusted-service certificate fund an appropriation of $200,000,000, which is necessary under the terms of veterans' bonus legislation.

Mr. REED. Does that appropriation relate to the loans which we were told at the last session would be self-contained credit transactions?

Mr. JONES. It relates to those loans, I will say, and this appropriation will provide necessary funds up to the 1st of July, 1932.

There is also one other provision in the joint resolution. There is under existing law an authorization of $17,877,000 for veterans' hospitals, and so on, which amount has not been appropriated. There is at present no authority for the Veterans' Administration to enter into contracts for the construction of the hospitals. Authority is given in this measure for them to do that. That, in brief, is the purpose of the joint resolution.

Mr. BARKLEY. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Kentucky?

Mr. JONES. I yield.

Mr. BARKLEY. With reference to the amount carried in this joint resolution providing money to be loaned to the ex-service men on their bonus certificates, the Senator will recall that at the last session of Congress, in the day or two in which we had to act upon that measure, it was impossible to offer any amendments in the Senate with any expectation that they might be adopted without endangering the entire bill. So we were compelled to accept the bill as it came from the House.

When the Director of the Veterans' Bureau testified before the Senate Finance Committee he was under the impression that the House bill provided that loans might be made to ex-service men regardless of the date of the bonus certificate, and that it repealed the 2-year provision, so that ex-service men whose certificates were not at least two years old would have the right to borrow money upon them. It turned out subsequently that the director was mistaken; that the House bill did not repeal that section of the original law and, therefore, under the provisions of the bill those who did not rush in immediately to obtain certificates have been penalized for two years because they are denied the right to secure loans upon them.

It strikes me that that is a manifest injustice. The man who was not in a great hurry to get his bonus certificate certainly ought not to be penalized with reference to ability to borrow money upon it. I have introduced a bill to correct that injustice. The bill has been referred to the Committee on Finance. I should like to offer it as an amendment to the pending joint resolution, but I should like first to ask the Senator from Washington whether he would feel constrained to raise a point of order against such an amendment, it being in the nature of legislation on an appropriation bill?

Mr. JONES. After listening to the Senator's statement, I think I am in very hearty sympathy with his proposition. I believe, however, that the proposal should be acted upon by the legislative committee dealing with such matters and that it should not be put on a joint resolution of this character; certainly not upon an emergency appropriation measure. So I would have to raise the point of order against it.

Mr. BARKLEY. May I, without embarrassing the Senator, inquire whether as a member of the Finance Committee, of which he is a very new and a very delightful and valuable addition, we may expect his cooperation in securing action on the bill to which I have referred?

Mr. JONES. As I have said, from the Senator's statement, it strikes me that it is a very deserving proposition which he proposes; and unless something is brought forward which would cause me to change my mind I would certainly be heartily in favor of favorable action. I think the committee ought to take it up very promptly.

Mr. BARKLEY. I thank the Senator.

Mr. FLETCHER. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Florida?

Mr. JONES. I yield.

Mr. FLETCHER. I am very glad to know the Senator from Kentucky [Mr. BARKLEY] has introduced such a bill; I do not know but that it ought to go to the Committee on Military Affairs; but perhaps it is properly before the Finance Committee, and I hope the Senator will press it so that we may get it before the Senate.

Mr. BARKLEY. It is my intention to do so. I will say to the Senator that the Finance Committee has heretofore handled all ex-service veterans' legislation, and I assume that is the proper committee to which the bill should be referred.

Mr. FLETCHER. That is quite satisfactory to me.

The VICE PRESIDENT. The joint resolution is before the Senate and open to amendment.

The joint resolution was ordered to a third reading, read the third time, and passed.

ADDITIONAL APPROPRIATION FOR EMPLOYMENT SERVICE

Mr. JONES. I ask unanimous consent that the Senate proceed to the consideration of the joint resolution (H. J. Res. 142) making an additional appropriation for the employment service, Department of Labor, for the fiscal year ending June 30, 1932.

The VICE PRESIDENT. Let the joint resolution be read for the information of the Senate.

The Chief Clerk read the joint resolution (H. J. Res. 142) making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932, which had been reported from the Committee on Appropriations with an amendment, on page 2, line 2, after the word "organization," to strike out the following provisos:

Provided further, That after January 1, 1932, no salary shall be paid in any field employment office under the Employment Service at a rate in excess of $2,000 per annum: *Provided further*, That this limitation shall not apply to the salary of any State director.

So as to make the joint resolution read:

Resolved, etc., That the sum of $120,000 is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1932, for the Employment Service, Department of Labor, including the same objects and purposes specified under this head in the act making appropriations for the Department of Labor for the fiscal year 1932: *Provided*, That no part of this appropriation shall be expended for the establishment or maintenance of any employment office for which suitable space is not furnished free of rent by State, county, or local authority, or by individuals or organizations.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. JONES. Mr. President, I think I ought to make a brief statement with reference to this measure. The estimate that came down from the Budget Bureau was for $168,000. It is proposed to establish 54 new employment offices. The joint resolution as passed by the House makes an appropriation of $120,000. It is intended, however, that $120,000 shall take care of the 54 employment offices that may be established throughout the country. As the estimate came down, it was to provide for three employees at each of the offices. There are 96 such offices. At the present time at over half of those offices only two employees are provided for. They are supposed to cover the most important localities in the country. So the House took the position that it was not necessary to make an appropriation of $168,000 to provide for three employees at all the offices; but, under the joint resolution as the House passed it, provision will be made for three employees at half of the 54 new offices and two employees at the other half.

It was also estimated that $12,000 for rent, which was included in the $168,000, was not necessary, as the House put in a provision in this joint resolution requiring the different communities to furnish quarters without cost to the National Government.

The committee has proposed an amendment striking out the last two provisos. Those provisos read as follows:

Provided further, That after January 1, 1932, no salary shall be paid in any field employment office under the Employment Service at a rate in excess of $2,000 per annum: *Provided further*, That this limitation shall not apply to the salary of any State director.

That language is very broad. I think it was the general opinion of the Appropriations Committee that it not only applied to the $120,000 appropriated by this joint resolution but also applied to all employees now in the Employment Service and to those who would be appointed hereafter. If that is the correct construction, then, in effect, it starts out on a reduction of salaries. That is a proposition the committee feels we ought not to take up on this deficiency measure. Whatever may be our personal opinion as to whether there should be a cut in the salaries of employees of the Government, whether we favor it or are opposed to it, it is a proposition of great importance and should have careful study and consideration and should not be passed upon on a deficiency measure, the passage of which is very urgent. Furthermore, if it were passed upon here and action taken in accordance with the House provision, that, of course, would be a precedent for the future. So the committee felt that the provisos should be stricken out.

If it was intended merely to apply the limitation to the $120,000 appropriation, and especially to the $2,000 item, I want to call the attention of the Senate to the fact that the Secretary of Labor came before the committee and assured us that no one would be employed under this appropriation at a salary to exceed $2,000. That statement, I think, was given to the House committee also. So these provisos are really not necessary if we want to have the restriction apply to the $120,000 appropriation and the $2,000 restriction as to compensation. As I have said, the Secretary of Labor assured the committee that no one would be employed at exceeding $2,000, and the committee feels that his assurance may be relied upon.

Mr. WALSH of Montana. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Montana?

Mr. JONES. I yield.

Mr. WALSH of Montana. Let me inquire of the Senator what is the salary of the State directors?

Mr. JONES. Some State directors are paid $3,000, some $3,500, and, I think, one or two, possibly, in New York and Chicago, are paid $4,000. My impression is, however, the statement was made that not to exceed $4,000 is paid for State inspectors.

Mr. WALSH of Montana. Is that amount fixed in the discretion of the Secretary?

Mr. JONES. I rather think so.

Mr. WALSH of Montana. What limitations are put upon him under the law?

Mr. JONES. I made inquiry about my State and was told that $3,500 in my State was the highest salary paid. As I have said, some directors are paid $3,000. I think the amount paid to each director is stated in the hearings.

Mr. WALSH of Montana. Are those the hearings before the Senate committee or the House committee?

Mr. JONES. They are the hearings before the House committee, and they are available.

Mr. FLETCHER. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Florida?

Mr. JONES. I yield.

Mr. FLETCHER. I am not sure what the conditions are elsewhere, but I know that at the office in Florida, with headquarters at Jacksonville, the director—and he is a very efficient and capable one—has only one clerk. I think that is insufficient, for he can not accomplish the work that he is intended to accomplish with only one clerk. He has to be out of the office a great deal of the time looking up positions and opportunities for people who are seeking employment, and he has only one clerk at the office to conduct the correspondence, which is very considerable, and to attend to the details in connection with the work. I think in the case of these offices there ought to be provision made for at least two clerks in addition to the director. I do not think they can accomplish a very great deal with a director and one clerk at a central office for the State.

Mr. JONES. May I say to the Senator that the director is for the State.

Mr. FLETCHER. Yes.

Mr. JONES. This will provide for two clerks in the offices at any rate.

Mr. FLETCHER. That is all right. I am referring to the State director. He has only one clerk. I was in his office several times this fall, and he had only one clerk.

Mr. JONES. This does not deal with the State director's office at all.

Mr. FLETCHER. The Senator thinks the State director will have two assistants or clerks?

Mr. JONES. This measure does not deal with that. He probably will have what they find he needs. This measure deals only with the employment offices. It does not deal with the director's office.

Mr. FLETCHER. I understood that the only objection to furnishing this additional help there was that they did not have the money.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. JONES. I yield to the Senator.

Mr. NORRIS. Why does this deficiency appropriation come in here as a joint resolution? That has not been the customary way of dealing with deficiency appropriations, has it?

Mr. JONES. Oh, yes.

Mr. NORRIS. Always?

Mr. JONES. Oh, yes. One body can not make any appropriation except out of its contingent fund by anything except a joint resolution or a bill.

Mr. NORRIS. Yes; I understand that. This, however, according to its heading, is not called an appropriation bill.

Mr. JONES. But it is in effect that. It is a House joint resolution.

Mr. NORRIS. I understand it is in effect that; but that is not the way it has been done in the past, is it?

Mr. JONES. Yes. Where a measure deals with practically one item, or one or two, it is usually called a House joint resolution.

Mr. NORRIS. Why could not this and the other joint resolution have been presented here in the shape of an appropriation bill, called a deficiency bill?

Mr. JONES. They could have been presented in that way, and I see no reason myself why that should not have been done.

Mr. NORRIS. What I am trying to get at is, why this change of procedure? There may be a good reason for it.

Mr. JONES. It is not a change of procedure.

Mr. NORRIS. We have not been doing things in that way in the past.

Mr. JONES. Oh, yes, we have. In the last Congress we passed 10 or 12 House joint resolutions covering one item of appropriation each.

Mr. NORRIS. As I remember, when these deficiency bills come in here they are called deficiency appropriation bills.

Mr. JONES. This is according to the custom. I can not see myself why the measure should not be called a bill, so far as that is concerned.

Mr. NORRIS. Then I should like to ask the Senator what object the House had in view when it put in the two provisos that the Senate committee has stricken out.

Mr. JONES. I have just stated that, and I will try to make it clear.

This provision was offered on the floor of the House. It was not reported by the House Appropriations Committee. As I construe the provision, apparently the intention of it is to see that after the 1st day of January no employee of the employment service, except State directors, shall draw more than $2,000 as salary. In other words, it applies not only to this $120,000 item and those who may be appointed under it, but it applies to all those who are already engaged in the service and to all field employment employees hereafter appointed, as the amendment must be construed as making permanent law.

Mr. NORRIS. Mr. President, in the last Congress we had before us an appropriation bill, or perhaps another joint resolution like this—I think, however, it was an appropriation bill—to which a proviso was added that the Senate committee struck out; and it developed that the opposition to the proviso was simply to keep in office a certain person who had been appointed, and whose duties had been entirely taken care of or were believed to have been taken care of by other provisions. He was simply a political appointee. I am not sure that this is it, but it came in the same way, as I remember.

I did not participate much in the debate, but I remember that my colleague [Mr. HOWELL] did; and he had discovered that the object of putting the proviso in originally was to cut off from the pay roll of the United States Government that person, who, it was conceded by everybody, I think, ought to have been cut off before and never ought to have been appointed. He was put in there particularly for political purposes in order to draw a salary while he was engaged in going over the country, campaigning for or against the various people that it was thought best to defeat or to elect.

Is there anything of that kind here?

Mr. JONES. I will say to the Senator, regardless of the merits of the proposition he has referred to, that there is nothing of that kind in this measure. I think that was in the independent offices appropriation bill.

Mr. NORRIS. Probably it was.

Mr. JONES. But I can assure the Senator that there is nothing of that kind here.

Mr. NORRIS. I have had my colleague [Mr. HOWELL] telephoned for. I should like to have him see this item before the joint resolution is passed. I have no personal knowledge of it myself.

Mr. JONES. I can assure the Senator that there is nothing of that kind in this measure.

Mr. NORRIS. Very well; I accept the Senator's assurance.

Mr. JONES. I should like to put in the RECORD at this point the statement that employment has been furnished directly under the Employment Service to 761,425 persons, and in cooperation with the States and counties and municipalities employment has been furnished to 633,646 persons, or a total of 1,395,071 in seven months.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the committee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution was read the third time and passed.

AIR MAIL CONTRACTS

Mr. McKELLAR. Mr. President, I desire to call up from the table Senate Resolution 53, which asks the Postmaster General for certain information. It was brought up yesterday and objected to by the Senator from Oregon [Mr. McNARY], with the understanding that it would be brought up again to-day.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read Senate Resolution 53, submitted by Mr. McKELLAR on the 9th instant, as follows:

Resolved, That the Postmaster General be, and he is hereby, requested and directed to furnish to the Senate at the earliest practicable moment the following information:

1. A list of the various air mail contracts made for carrying air mail in the United States proper, such list to show the date of the contract, the name of the contractee, the mileage of the contract, the amount of compensation, the route of the contract, and the amounts of mail in pounds of each class carried under each contract. If a space contract has been entered into, give reasons for entering into such space contracts.

2. The same information in reference to all contracts handled by the department for the carriage of mails to foreign countries by air mail.

3. State whether the domestic contracts are uniform and, if so, furnish a copy of the contract entered into. If they differ, point out the differences in such contracts or furnish copies of same.

4. If the contracts for foreign air mail are uniform, furnish a copy of the uniform contracts, and if they differ point out the differences in such contracts.

5. The number and names of the corporations carrying air mail for the Government, the number and names of corporations bidding on contracts and whose bids were rejected, and give copies of all rejected bids.

6. The number of routes and the mileage of each which has been extended since the passage of the Watres Act, and the additional schedules.

7. A map of the United States showing the location and mileage of all routes now being used and showing the main routes and extensions, differentiating the same by markings showing the main routes and extensions on said map separately.

8. Give the names of the officers and the attorneys of each aircraft company carrying mails, together with the names of the board of directors of each company. If any contract is controlled by a holding company or companies, furnish the same information as to holding companies.

9. Finally a tabulated statement concerning all these contracts, showing, among other things, the number of bids received, and the amount of each bid and the reasons for rejecting same, if such bids were rejected, the bid accepted, the changes made in the contract by extension or otherwise, the amounts paid per mile, the amount of space, the number of pounds for the transportation of mail under original contracts, and the changes or extensions, the payments made to the various aircraft carriers and including the method of payment, and the amounts of appropriation and the amount expended out of said appropriation, and finally any other information pertinent to these contracts available in your office.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. BLAINE. Mr. President, I should like to inquire whether the resolution has been reported from a committee.

Mr. McKELLAR. No; it is merely a request for the Postmaster General to furnish certain information in reference to these contracts.

There being no objection, the resolution was considered by the Senate and agreed to.

OCEAN MAIL CONTRACTS

Mr. McKELLAR. Mr. President, I make the same request in regard to a similar resolution, Senate Resolution 85, that it be taken from the table and passed. It relates to ocean mail contracts.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The Chief Clerk read Senate Resolution 85, submitted by Mr. McKELLAR on the 14th instant, as follows:

Resolved, That the Postmaster General be, and he is hereby, requested and directed to furnish to the Senate at the earliest

practicable moment the following information, as of date June 30, 1931:

1. A list of the various ocean mail contracts made under Title IV, merchant marine act, 1928, with steamship companies for carrying ocean mail, such list showing the date of the contract, the name of the contractee, the mileage of the contract, the amount of compensation, the route of the contract, the number of voyages in fact made, the amounts of mail in pounds of each class carried under said contract on each such voyage, and the name of the vessel making each such voyage. If a space contract has been entered into, the amount of space purchased and paid for, and give reasons for entering into such space contracts.

2. The amounts of compensation which would have been paid for transporting such mail, each voyage, had there been no such contract.

3. State whether such contracts are uniform with each mail-ship company; and if so, furnish a copy of the contract entered into. If the several contracts differ, point out the differences in such contracts and furnish copies of each of same, also copies of the advertisements on which the bids were based, with date of first insertion.

4. The number and names of the corporations carrying ocean mail for the Government under such contracts, whether the said companies are organized under a State or national law or organized under the laws of foreign countries. If such companies or any of the same are owned or controlled by aliens or by foreign steamship companies or other holding companies, then give the names of such owning, holding, or controlling company, with the names of the board of directors of each contracting company and of each holding, controlling, and operating company.

5. The name of any other person or company bidding on contracts and the bids of which were rejected; the amounts of such rejected bids, and the reason for rejecting such bids, if such were rejected.

6. An ocean map showing the route and mileage of all such contracts, and showing the name of the company carrying each.

7. Give the names and officers and attorneys of each such contractor, together with the board of directors of each company.

8. Finally, a tabulated statement concerning all these contracts showing, among other things, the number of bids received, the amount of each bid and the reasons for acceptance or rejection of same, the bids accepted, the changes made in the contracts of any steamship company if changes have been made, the amounts paid per mile, the amount of space, the number of pounds for transportation by each steamship under the original contracts and the changes or extensions of contracts, the payments actually made to various mail-carrying ocean carriers, including the method of payment and the amounts of appropriation and the amounts actually expended out of said appropriation, and finally any other information pertinent to these contracts available in your office.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered by the Senate and agreed to.

OVERDUE FEDERAL FARM LOANS

Mr. McKELLAR. Mr. President, Senate Resolution No. 55 is similar to a resolution that has already passed at this session, it being for the same purpose as Senate Resolution 86, already adopted. I ask that Senate Resolution 55 be indefinitely postponed.

The VICE PRESIDENT. Without objection, that order will be made.

ECONOMIC CONDITIONS IN THE UNITED STATES

Mr. KEAN. Mr. President, I ask unanimous consent to address the Senate for a short time on a matter of importance.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from New Jersey is recognized.

Mr. KEAN. Mr. President, Germany, through her action in printing paper marks as legal currency, not only destroyed all the savings of her middle classes but also destroyed the savings of many Germans all over the world, who, in their loyalty to their fatherland, believed that the mark would come back. I personally know of Germans in this country who drew their savings out of the savings banks and invested them in German marks, thereby losing the savings of a lifetime. As soon as any question of her ability to pay the reparation arose, naturally Germans, remembering what had occurred a few years before, seized the opportunity to get any moneys they had into foreign countries. This is one of the troubles with Germany to-day.

France, seeing the success Germany made, started printing francs until they went from 19 cents to 2 cents. They have been stabilized at 4 cents. This has wiped out 80 per cent of the savings of the middle class of Frenchmen, and has reduced the average wage of the French worker by a tremendous amount.

England, staggering under free trade in competition with these countries, with an enormous expenditure for the dole, and with the unwillingness of the labor organizations to meet in wages the competition of the workers of Germany and France, has been forced off the gold basis.

The pound has now gone from $4.86 down to $3.40, which is equivalent to a cut in salaries and wages and the dole of more than 30 per cent. Within a few days Japan has gone off the gold basis. The fall of her exchange will reduce wages in Japan and enable her to compete with other countries in the manufacture of cotton goods to sell to China, India, and other countries. America is practically the only free-gold country left. This means that foreign countries and foreign merchants from all over the world will wish to keep their surplus funds in American banks in our large cities, because they know that they can get their money back when called for without a large depreciation in exchange. This means for American enterprises money at reasonable rates if they can show earnings warranting their getting the money.

But, Mr. President, the earnings of our industries and the earnings of our railroads do not warrant at the present time lending them money. We have seen in the past that when a railroad went into the hands of a receiver it could be financed through receiver's certificates, so that to the people living along the line of the railroad it operated as usual. At present should many of our railroads go into the hands of receivers they will not be able to borrow money to operate the roads. A large section of our country may be left without any transportation facilities, the basis of the investments of the savings of our people, through our banks, our life-insurance companies and our fire-insurance companies, our savings institutions. United States bonds have decreased in value 12 per cent in two months, and if any large quantity should be offered will go off still further and probably ruin thousands of banks which are now solvent, and should United States bonds suffer another decline they will become insolvent. State and municipal bonds are now unsalable at anything like reasonable figures. Boston, whose credit is as high as that of any city in the United States, offered two small lots of bonds three days ago, one at 4½ per cent, which was taken, and the other at 4¼ per cent, for which no bid was received. Four and one-half per cent for a municipal bond, exempt from taxation, is equivalent to 5½ to 5¾ per cent for a taxable bond. Schenectady, in New York State, received no bids for her bonds. Likewise Mercer County, N. J., received no bids for bonds it offered. At the present time it is impossible to find a market for railroad bonds or industrial bonds owing to the fact that surpluses built up in good times have not declined as far or as fast as railroad bonds.

Our people, it has been estimated, have withdrawn currency from our banks to the amount of more than $2,000,000,000 dollars and locked it up in either safe-deposit boxes or hiding places.

How restore the confidence of our people? How make these investments safe for our institutions? These are some of the questions that are facing us and which should have the immediate attention of the Senate at the earliest moment.

As I stated the other day, we have been here since the 7th day of December, and as far as relieving this situation is concerned we have accomplished nothing. There is no Member of the Senate who is more anxious to go home than I, but I appeal to the Senators who have had more experience than I whether there is not some way by which we can do something to show that we realize these conditions and that we are going to do our utmost to relieve them.

NANCY H. ROUSE AND OTHERS

Mr. BARKLEY. Mr. President, I ask unanimous consent for the present consideration of Order of Business No. 9, Senate bill 1357, for the relief of Nancy H. Rouse and others.

The PRESIDING OFFICER (Mr. FESS in the chair). The clerk will read the bill for the information of the Senate.

The legislative clerk read the bill, as follows:

Be it enacted, etc., That Nancy H. Rouse, Clara H. Simmons, W. H. Hays, Hallie H. Hamilton, and Bradford P. Hays, owners of a certain farm consisting of 332 acres, more or less, near Camp Knox, in Hardin County, Ky., are hereby authorized to bring suit against the United States of America to recover damages, if any, for loss or losses which they may have sustained or suffered by reason of the establishment, construction, or maintenance of Camp Knox, in the State of Kentucky. Jurisdiction is hereby conferred upon the Court of Claims of the United States or the District Court of the United States for the Western District of Kentucky to hear, consider, determine, and render judgment for the amount of any such damages, if any, as may be found to have been sustained or suffered by the above owners of said property, with the same right of appeal as in other cases, and notwithstanding any lapse of time or statute of limitations: *Provided*, That such action will be brought within one year from the date that this act shall become effective.

The PRESIDING OFFICER. Is there objection to immediate consideration?

Mr. KING. Mr. President, reserving the right to object, let us have an explanation of the bill.

Mr. BARKLEY. Mr. President, a bill exactly like this one passed the Senate at the last session and went to the House, where it was reported by the committee, but was caught in the jam at the end of the session and did not pass.

This bill would simply allow the owners of a farm in Hardin County, Ky., which lies close to Camp Knox to bring suit in the Court of Claims or in a United States district court for damages which they claim were inflicted on the farm by reason of the operation and maintenance of Camp Knox. It would simply allow them to bring the action and, if there were any damages, to recover.

Mr. KING. Mr. President, I have no objection to the bringing of a suit in the Court of Claims for this purpose, but the matter of allowing such suits to be brought in the district courts is still a matter of debate in committees which have considered this very question. It is still a matter of debate as to whether we ought to confer upon Federal courts, or State courts, for that matter, the right to entertain suits of this character. There is no objection to such a suit being brought in the Court of Claims.

Mr. BARKLEY. The owners of the farm involved are farmers in Kentucky. To require them to come to Washington to bring suit in the Court of Claims would amount to a denial of justice. Certainly a Federal court would not be unfair to the United States in the trial of a suit of this sort. I hope the Senator will not object, and that he will not insist on any amendment, because if the bill should be amended in the way he suggests, it would amount to killing the bill.

If these were people of wealth and influence who could come back and forth between Washington and their homes without inconvenience, I would have no objection, but under the circumstances I think they ought to be allowed to go into a court near their home in order to have this question passed on.

Mr. KING. Mr. President, I may say to the Senator that in most of the cases which are brought in the Court of Claims testimony of witnesses is taken at their homes, by deposition, and I think they suffer no disadvantage whatever by reason of having the suit brought in the Court of Claims. It seems to me that until Congress determines upon a policy we should not violate the rule which has been followed. I do not like to object, but I wish the Senator would confine the bill to the consideration of the case before the Court of Claims.

Mr. BARKLEY. I will say to the Senator that if I have another bill of this sort, I shall endeavor to comply with his request, but not in this case.

The PRESIDING OFFICER. Does the Senator from Utah object?

Mr. KING. I will not object, but I think it is a very bad precedent, which we shall live to rue.

There being no objection, the Senate proceeded to consider the bill, which was ordered to be engrossed for a third reading, read the third time, and passed.

THE CALENDAR

Mr. McNARY. Mr. President, have we concluded the morning business?

The PRESIDING OFFICER. Morning business is completed, and the next order of business is the consideration of bills on the calendar.

Mr. McNARY. A number of Senators are absent to-day, and in view of that fact I ask unanimous consent that the consideration of the calendar be deferred until Monday.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

ELECTION OF PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The next order is the election of a President pro tempore, the unfinished business.

Mr. McNARY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Coolidge	Johnson	Reed
Austin	Costigan	Jones	Robinson, Ind.
Bailey	Couzens	Kean	Schall
Bankhead	Cutting	Kendrick	Sheppard
Barbour	Dale	Keyes	Shipstead
Barkley	Dickinson	King	Shortridge
Bingham	Dill	La Follette	Smith
Black	Fess	Lewis	Steiwer
Blaine	Fletcher	Logan	Thomas, Idaho
Borah	Frazier	McGill	Thomas, Okla.
Bratton	George	McKellar	Townsend
Brookhart	Glass	McNary	Trammell
Broussard	Goldsborough	Metcalf	Vandenberg
Bulkley	Gore	Morrison	Walcott
Bulow	Hale	Moses	Walsh, Mass.
Byrnes	Harris	Neely	Walsh, Mont.
Capper	Hastings	Norbeck	Waterman
Caraway	Hawes	Norris	Watson
Carey	Hayden	Nye	Wheeler
Connally	Hull	Pittman	White

Mr. PITTMAN. Mr. President, I wish to announce that the junior Senator from Nevada [Mr. ODDIE] has suffered a slight injury, and will not be able to be here to-day on that account.

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present. The question before the Senate is the election of a President pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). On this vote I have a pair with the junior Senator from Nevada [Mr. ODDIE]. If present that Senator would vote for Senator MOSES. If permitted to vote, I should vote for Senator PITTMAN.

Mr. NORRIS (when Mr. HOWELL's name was called). My colleague the junior Senator from Nebraska [Mr. HOWELL] is absent on official business. He is paired with the Senator from Montana [Mr. WHEELER]. If my colleague [Mr. HOWELL] were present, he would vote for Senator VANDENBERG, and the Senator from Montana [Mr. WHEELER] would, no doubt, vote for Senator PITTMAN.

Mr. JONES (when his name was called). I understand that the Senator from Virginia [Mr. SWANSON] can not be here this afternoon. I am paired with him. I find that I can transfer that pair to the senior Senator from Utah [Mr. SMOOT], which I do, and vote for Senator VANDENBERG.

Mr. LOGAN (when his name was called). May I inquire if the junior Senator from Pennsylvania [Mr. DAVIS] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. LOGAN. I have a general pair with the junior Senator from Pennsylvania [Mr. DAVIS], who is necessarily absent. Therefore I withhold my vote. If he were present, the junior Senator from Pennsylvania would vote for Senator MOSES, and if I were permitted to vote I would vote for Senator PITTMAN.

Mr. McNARY (when his name was called). On this vote I have a pair with the senior Senator from Mississippi [Mr. HARRISON]. If he were present, he would vote for Senator PITTMAN, and if I were at liberty to vote I would vote for Senator MOSES.

Mr. METCALF (when his name was called). On this vote I have a pair with the senior Senator from Maryland [Mr. TYDINGS]. Were he here he would vote for Senator PITTMAN, and were I permitted to vote I should vote for Senator MOSES.

Mr. MORRISON (when his name was called). I have a general pair with the senior Senator from West Virginia [Mr. HATFIELD], who is necessarily absent. If he were present, he would vote for Senator MOSES. If I were permitted to vote, I would vote for Senator PITTMAN.

Mr. MOSES (when his name was called). I continue to have a pair on this subject with the Senator from Nevada [Mr. PITTMAN], and therefore withhold my vote.

Mr. REED (when his name was called). I have a pair with the senior Senator from Arkansas [Mr. ROBINSON], who, if present, would vote for Senator PITTMAN; and I, if permitted to vote, would vote for Senator MOSES.

Mr. THOMAS of Oklahoma (when his name was called). On this question I have a pair with the senior Senator from Illinois [Mr. GLENN]. Being unable to obtain a transfer of that pair, I withhold my vote. If permitted to vote, I would vote for Senator PITTMAN, and the senior Senator from Illinois would vote for Senator MOSES.

Mr. WHEELER (when his name was called). I have a pair with the junior Senator from Nebraska [Mr. HOWELL]. I am not sure how he would vote on this matter, but if I were permitted to vote, I would vote for Senator PITTMAN.

The roll call was concluded.

Mr. FESS. I desire to announce the following pairs:

The Senator from Rhode Island [Mr. HEBERT] with the Senator from New York [Mr. COPELAND];

The Senator from Indiana [Mr. ROBINSON] with the Senator from Mississippi [Mr. STEPHENS]; and

The Senator from Missouri [Mr. PATTERSON] with the Senator from New York [Mr. WAGNER].

If present, the Senator from Rhode Island [Mr. HEBERT], the Senator from Indiana [Mr. ROBINSON], and the Senator from Missouri [Mr. PATTERSON] would vote for Senator MOSES; the senior Senator from New York [Mr. COPELAND], the junior Senator from Mississippi [Mr. STEPHENS], and the junior Senator from New York [Mr. WAGNER] would vote for Senator PITTMAN.

The Senator from Utah [Mr. SMOOT] is paired by transfer with the Senator from Virginia [Mr. SWANSON]. If present, the Senator from Utah would vote for Senator MOSES and the Senator from Virginia would vote for Senator PITTMAN.

The roll call resulted as follows:

FOR SENATOR PITTMAN—33

Ashurst	Caraway	Harris	Neely
Bailey	Connally	Hawes	Sheppard
Bankhead	Coolidge	Hayden	Smith
Barkley	Costigan	Hull	Trammell
Black	Dill	Kendrick	Walsh, Mass.
Bratton	Fletcher	King	Walsh, Mont.
Broussard	George	Lewis	
Bulkley	Glass	McGill	
Bulow	Gore	McKellar	

FOR SENATOR MOSES—23

Austin	Fess	Keyes	Vandenberg
Barbour	Goldsborough	Norbeck	Walcott
Bingham	Hale	Schall	Waterman
Carey	Hastings	Shortridge	Watson
Dale	Johnson	Steiwer	White
Dickinson	Kean	Townsend	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	La Follette	Thomas, Idaho
Borah	Cutting	Norris	
Brookhart	Frazier	Nye	
Capper	Jones	Shipstead	

The VICE PRESIDENT. On this question 33 votes were cast for Senator PITTMAN, 23 for Senator MOSES, and 13 for Senator VANDENBERG. A total of 69 votes were cast; necessary for a choice, 35. No Senator having received a majority of the votes cast, there is no election, and the clerk will again call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). Again announcing my pair with the junior Senator from Nevada [Mr. ODDIE], I withhold my vote.

Mr. JONES (when his name was called). Making the same announcement as before as to the transfer of my pair, I vote for Senator VANDENBERG.

Mr. LOGAN (when his name was called). For the reason announced on the previous roll call, I withhold my vote.

Mr. McNARY (when his name was called). Again announcing my pair with the senior Senator from Mississippi [Mr. HARRISON], I withhold my vote. If permitted to vote, I would vote for Senator MOSES.

Mr. METCALF (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. MORRISON (when his name was called). I have a pair with the senior Senator from West Virginia [Mr. HATFIELD], If he were present, he would vote for Senator MOSES. If I were permitted to vote, I would vote for Senator PITTMAN.

Mr. MOSES (when his name was called). Repeating the announcement of my pair, I withhold my vote.

Mr. PITTMAN (when his name was called). Reannouncing my pair, I withhold my vote.

Mr. THOMAS of Oklahoma (when his name was called). Making the same statement as formerly, I withhold my vote.

The roll call was concluded.

Mr. REED. I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON]. If present, he would vote for Senator PITTMAN; and if permitted to vote, I would vote for Senator MOSES.

Mr. ROBINSON of Indiana. I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is detained at home on account of illness. In his absence I withhold my vote. If at liberty to vote, I would vote for Senator MOSES.

Mr. FESS. I desire to announce the following pairs:

The Senator from Rhode Island [Mr. HEBERT] with the Senator from New York [Mr. COPELAND];

The Senator from Indiana [Mr. ROBINSON] with the Senator from Mississippi [Mr. STEPHENS]; and

The Senator from Missouri [Mr. PATTERSON] with the Senator from New York [Mr. WAGNER].

The Senator from Utah [Mr. SMOOT] is paired by transfer with the Senator from Virginia [Mr. SWANSON]. If present, the Senator from Utah would vote for Senator MOSES and the Senator from Virginia would vote for Senator PITTMAN.

The roll call resulted as follows:

FOR SENATOR PITTMAN—34

Ashurst	Caraway	Harris	Neely
Bailey	Connally	Hawes	Sheppard
Bankhead	Coolidge	Hayden	Smith
Barkley	Costigan	Hull	Trammell
Black	Dill	Kendrick	Walsh, Mass.
Bratton	Fletcher	King	Walsh, Mont.
Broussard	George	Lewis	Wheeler
Bulkley	Glass	McGill	
Bulow	Gore	McKellar	

FOR SENATOR MOSES—23

Austin	Fess	Keyes	Vandenberg
Barbour	Goldsborough	Norbeck	Walcott
Bingham	Hale	Schall	Waterman
Carey	Hastings	Shortridge	Watson
Dale	Johnson	Steiwer	White
Dickinson	Kean	Townsend	

FOR SENATOR VANDENBERG—14

Blaine	Couzens	Jones	Shipstead
Borah	Cutting	La Follette	Thomas, Idaho
Brookhart	Frazier	Norris	
Capper	Howell	Nye	

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 34 votes; Senator MOSES, 23 votes; Senator VANDENBERG, 14 votes. There have been cast 71 votes; 36 necessary for a choice. No Senator having received a majority of the votes cast, there is no election.

COMMEMORATION OF TWO HUNDREDTH ANNIVERSARY OF GEORGE WASHINGTON'S BIRTH

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution coming over from the House of Representatives, to which he calls the attention of the Senator from Ohio [Mr. FESS]. The resolution will be read.

The Chief Clerk read the resolution (H. Con. Res. 4), as follows:

Resolved by the House of Representatives (the Senate concurring), That a joint committee consisting of three Members of the House of Representatives and three Senators to be appointed by the Speaker of the House of Representatives and the President of the Senate, respectively, is authorized to make suitable arrangements for a fitting and proper celebration in the House of Representatives on February 22, 1932, of the two hundredth anniversary of the birth of George Washington.

Mr. FESS. I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution was considered and agreed to.

SENATOR FROM ALABAMA

Mr. WATSON. I submit a resolution and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Let the resolution be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 117), as follows:

Resolved, That the Select Committee on Senatorial Campaign Expenditures be, and it is hereby, requested to deliver to the Committee on Privileges and Elections all papers, correspondence, documents, and other data in its possession relating to the Heflin-Bankhead senatorial contest for such use as the committee may decide to make of it.

Mr. WATSON. Mr. President, there is no disagreement whatever between the so-called Nye committee and the subcommittee of the Committee on Privileges and Elections having in charge this contest. This resolution is offered by me merely in order to clarify the situation and make plain the authorization of the committee.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. GEORGE. Mr. President, we on this side of the Chamber know the object of the resolution. It merely calls for this information to be turned over to the subcommittee of the Committee on Privileges and Elections for such use as that committee may desire to make of it. I understand that is the purpose of the resolution.

Mr. WATSON. Yes; that is the language of the resolution.

Mr. NYE. Mr. President, in view of the expression by the Senator from Indiana [Mr. WATSON], there is hardly occasion for any further word in the matter, except perhaps this, that the Select Committee on Senatorial Campaign Expenditures has at no time considered the reports made to it by its field investigators as final. A great deal of information involved in these reports represents merely the findings of investigators, which have not been substantiated in any degree by hearings conducted by the committee. So long as the reports and papers do not carry by reason of their surrender any stamp of official approval on the part of the select committee we have no objection to their being surrendered.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

BEGINNING OF SENATORIAL TERM

Mr. PITTMAN. Mr. President, I should like to ask the chairman of the Committee on the Judiciary at what probable date his committee will be able to take up the resolution which I submitted relative to the determination of the question as to when a United States Senator becomes a Member of this body?

Mr. NORRIS. Mr. President, in answer to the Senator, I will say that the committee will meet on Monday, and I presume the resolution will come up at that time.

STABILIZATION OF CREDIT

Mr. SMITH. Mr. President, I should like to ask a member of the Banking and Currency Committee what is the program in regard to the proposed measure appropriating money to reinforce the credit of the Federal land banks, and also the measure providing for a credit corporation? What is being done in reference to those measures?

Mr. WATSON. Mr. President, in the absence of the Senator from North Dakota [Mr. NORBECK], chairman of the Committee on Banking and Currency, I refer the question to the Senator from Connecticut [Mr. WALCOTT].

Mr. WALCOTT. Mr. President, the subcommittee appointed by the chairman of the Committee on Banking and Currency is meeting every day—morning and afternoon—hearing various witnesses representing the institutions affected by the bill to reestablish the finance corporation, namely, the railroads, the banks, the savings banks, and the insurance companies. We plan a series of hearings running through Tuesday afternoon. I hope we may be able to conclude the hearings by next week and that the subcommittee will then be able to report to the entire Committee on Banking and Currency, so that after the Senate reconvenes, following the Christmas recess, the Senate will have before it a bill which may be discussed.

Mr. SMITH. Does the Senator's statement have reference to the hundred million dollars proposed to be appropriated by a bill that is now being considered?

Mr. WALCOTT. No; it does not; that is a separate bill. We thought the other bill should have the right of way because of the emergency and because it was a larger bill with a broader base, providing a capitalization of $500,000,000 and authorizing the issuance, when and as needed, of debentures up to one and a half billion dollars guaranteed by the Federal Government. Does that answer the Senator's question?

Mr. SMITH. I was interested more particularly in the measure proposing to provide $100,000,000, which measure, I understand, the body at the other end of the Capitol is acting on to-day. Has the Senator any knowledge as to what is being done in reference to the fund proposed to reinforce the credit of the land banks?

Mr. WATSON. Mr. President, may I say, in further answer, that the Senator from Wyoming [Mr. CAREY] is chairman of the subcommittee which has that matter in hand? I think they have had a hearing or two. I had a conversation with the Senator from Wyoming a moment ago after my talk with the Senator from South Carolina, in which he evinced his great interest in the subject, and I was informed that the subcommittee was not yet ready to make a report to the full committee, but that some further hearings would be required; that immediately after the reconvening of Congress those hearings would be held, and in a very short time the subcommittee would be ready to report to the full committee its conclusions.

Mr. KING. Mr. President, may I observe that if I understand the position taken by the Senator from Connecticut, as well as that taken by my friend from Indiana, the plan is to issue a billion and a half dollars or more of bonds. Thus we expect to pull ourselves out of this depression by our boot straps. There is no money in the Treasury; we will have to get it by taxation, and we will tax the people of the United States in order to assume the obligations of various corporations in the United States. It seems to me that by practicing economy rather than by issuing more bonds, more tax-exempt securities, we might be rendering a better service to the American people.

ADJOURNMENT

Mr. McNARY. I move that the Senate adjourn, the adjournment being until Monday next at 12 o'clock noon.

The motion was agreed to, and (at 1 o'clock and 30 minutes p. m.) the Senate adjourned until Monday, December 21, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 19, 1931

UNITED STATES CIRCUIT JUDGE

John B. Sanborn, of Minnesota, to be United States Circuit Judge, eighth circuit, to succeed Wilbur F. Booth, retired.

UNITED STATES ATTORNEY

William F. Rampendahl, of Oklahoma, to be United States attorney eastern district of Oklahoma. He is now serving in this position under an appointment by the court.

MEMBER OF THE UNITED STATES TARIFF COMMISSION

Ira M. Ornburn, of Connecticut, to be a member of the United States Tariff Commission for the remainder of the term expiring June 16, 1933, vice Alfred P. Dennis, deceased.

HOUSE OF REPRESENTATIVES

SATURDAY, DECEMBER 19, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Hear us as we look toward Thee, Heavenly Father, and make us men of sturdy codes of morality, of business sagacity, of fidelity, and of noble tenets of religion. Thou whose hands fling back and lift up, from whose fingers slip the stars, be Thou our light and our salvation. Lay restraining fingers upon the lips of unwisdom and hush rash words to silence. Almighty God, may we feel that there is something above us and beneath us that is fundamentally divine. Bless our city and Nation; help them both so that they may become the city and the country of God's love. Let us see Thy leaning face and be satisfied. In the name of Jesus our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following date the President approved and signed a joint resolution of the House of the following title:

On December 19, 1931:

H. J. Res. 72. Joint resolution to permit the temporary entry into the United States under certain conditions of alien participants and officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad to be held in the United States in 1932.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 141. Joint resolution to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932.

The message also announced that the Senate had passed with an amendment, in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 142. Joint resolution making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932.

The message also announced that the Senate had concurred in a concurrent resolution of the House of the following title:

H. Con. Res. 4. Concurrent resolution relative to making arrangement for a proper celebration in the House of Representatives on February 22, 1932, of the two hundredth anniversary of the birth of George Washington.

HOUSE OFFICE BUILDING COMMISSION

The SPEAKER. On the day the House was organized the Chair appointed Mr. POU, of North Carolina, and Mr. BACHARACH, of New Jersey, as members of the House Office Building Commission. In order to make a record of it and inform the House, the Chair will ask the Clerk to read the official designation.

The Clerk read as follows:

Pursuant to the provision of title 40, section 175, United States Code, the Chair appoints as members of the House Office Building Commission, to serve with himself, the following Members of the House of Representatives:

Mr. POU, of North Carolina.

Mr. BACHARACH, of New Jersey.

WAR POLICIES COMMISSION

Mr. BANKHEAD. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S. J. Res. 39) extending the time within which the War Policies Commission is required to submit its final report.

The SPEAKER. The gentleman from Alabama asks unanimous consent for the immediate consideration of a joint resolution, which the Clerk will report.

The Clerk read the Senate joint resolution, as follows:

Senate Joint Resolution 39

Joint resolution extending the time within which the War Policies Commission is required to submit its final report

Resolved, etc., That the time within which the War Policies Commission, created by Public Resolution No. 98, Seventy-first Congress, approved June 27, 1930, was required to submit its final report to the Congress be, and the same is hereby, extended 90 days.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the joint resolution was passed was laid on the table.

WILLIAM TYLER PAGE

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. SNELL]?

There was no objection.

Mr. SNELL. Mr. Speaker, 50 years ago to-day William Tyler Page began his service as a page boy with the House of Representatives. It falls to the lot of very few men to have such a long continued service as Mr. Page has given to this House. As a matter of fact, he has long since ceased to become an employee, but rather a part of the institution itself. He is really a traveling encyclopedia on everything that has taken place during all these years.

I know I express the feelings of the Members on both sides of the aisle when I extend to him our heartiest felicitations, and hope that he will be able to continue to render able, efficient, and intelligent service for many years. [Applause.]

I think we have recognized his services perhaps in a most practical way, and this was done when the gentleman from Illinois, the leader of the majority, offered a resolution recently, which created a permanent position for Mr. Page, and it received the unanimous approval of the Members of this House. We are glad to have had him with us. We recognize that he is an outstanding, loyal American citizen. May he long live. [Applause.]

Mr. LINTHICUM. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. LINTHICUM. Mr. Speaker, ladies and gentlemen of the House of Representatives, I should feel remiss, indeed, if I did not express my appreciation, and that of my State, for the fact that William Tyler Page is a resident and native of the State of Maryland, the great free State.

Mr. William Tyler Page, a descendant of President Tyler and Carter Braxton, a "signer," has been here for 50 years, so long that we scarcely regard him as a member of any particular party or as one allied to any particular State, but as the common possession of the Union and of the citizens thereof. We are proud that he is the author of the American Creed [applause], known to every school child in this great

United States. We are proud that it followed the writing of the Star-Spangled Banner by Francis Scott Key, another native of Maryland and great American citizen.

I am very glad, indeed, that this House has provided a permanent position for Mr. Page. He is deserving of it. No man is better informed in House procedure than he. Some distinguished citizen has jokingly said that when they opened the door of the Capitol one morning Mr. William Tyler Page was found on the doorstep, that he was taken in, and has been here ever since. [Laughter and applause.]

I heard Tyler Page relate that one day late in the afternoon he was sitting in the lobby on one of the long sofas "just thinking," no one around, when along came Champ Clark, the great Speaker and Democrat. When he reached Page he turned suddenly and facing him, said, "Tyler, they tell me you were born in this Capitol." "No," said Tyler Page, "I was not, but I shall do as John Quincy Adams did, I shall die here." John Quincy Adams died in a room of the House of Representatives occupied by Page when Clerk. Everyone knows Page and admires him for his ability, his courtesy, and his friendship.

A speech on William Tyler Page would be incomplete without his American Creed:

I believe in the United States of America as a government of the people, by the people, for the people; whose just powers are derived from the consent of the governed; a democracy in a republic; a sovereign Nation of many sovereign States; a perfect Union, one and inseparable, established upon those principles of freedom, equality, justice, and humanity for which American patriots sacrificed their lives and fortunes.

I therefore believe it is my duty to my country to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it against all enemies.

ILLINOIS COAL ON THE WATERWAY

Mr. ARNOLD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a speech made by my colleague, the Hon. CLAUDE V. PARSONS, before the Mississippi Valley Association, Statler Hotel, St. Louis, Mo., November 24, 1931.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

The speech is as follows:

Mr. Chairman and members of the association, I should like to take advantage of this opportunity on behalf of the Saline River Improvement Association, to thank the officers and members of the Mississippi Valley Association for the many courtesies they have shown our members and the efforts and interest exerted in favor of the canalization of the Saline River in order to place Illinois coal on the waterways. The slogan of this association, "All for one and one for all," exhibits the spirit of men of wealth, power, and influence, located North, South, East, and West, who seek to bring to the Mississippi Valley and its tributaries a development that nature partly denied this great inland empire and place it in fair competition with the remainder of America.

There is an old adage "History repeats itself," and no evolution in any age has proven this statement better than the waterways and railroads. In the discovery, exploration, and colonization of America the rivers furnished the arteries of transportation and the earliest settlements were made along the streams. It was more than 300 years after the discovery of America before many inland settlements were made. After the invention of the steamboat, which antedated the railroads by a generation, immigration and settlement took on a new life in the Middle West. It was the quickest and most convenient mode of travel. Being a monopoly unto itself, steamboat owners sought to fill their coffers at the expense of the pioneer. Necessity, as the mother of invention, brought about the invention of the locomotive, which added a new incentive to the winning of the West, and the battle was on between the steamboats and the railroads. Time and speed were the elements that made railway transportation popular, and as the miles of steel were laid down, first to the Mississippi Valley and later across the mountains to the Pacific, inland towns and cities sprang up by the hundreds. Engineers and men of finance saw in the railroad an unlimited possibility for wealth, and through Government subsidies and land grants a network of tracks covered this Union. History has repeated itself. The railroads, having filled their treasury from the fat of the land, occupy the same position to-day that the steamboat and river transportation occupied three-quarters of a century ago.

My subject, "Put Illinois Coal on the Waterways," is a challenge not only to the people of our great State but also to the peoples in the States north and west of the Mississippi River. Nature endowed that section of land north of the Ohio, east of the Mississippi, and south of the Lakes with what appears to be an unlimited supply of the black diamond. Geologists tell us that it came about because of the great glaciers which inhabited our land in the unknown past. Most of the territory comprising more than 56,000 square miles is underlaid with one or more seams of bituminous coal. Tests that have been conducted in recent years have shown it to be among the very best bituminous coal in the world. There is an area known as the southern Illinois coal field; another, the southwestern; another, the central; and another, the northern Illinois coal field. Wherever you drive over the great hard-road system of Illinois you see dotted on the horizon here and there tipples of this mighty industry.

What I shall say to-day will be in reference to all Illinois coal, but particularly with the section known as the southern Illinois coal field. The counties of Franklin, Williamson, Saline, Gallatin, Hamilton, and White constitute the section that is to be immediately served by the proposed improvement of the Saline River. By referring to the table one will note that in these six counties, located within a radius of 25 miles of the proposed canal, there remains in the bowels of the earth more than 22,000,000,000 tons of coal. This is one and one-fourth times as much bituminous coal as has been mined in the United States in all of the history of America. If all the coal that had been mined in this country could be placed in one mountain and a like amount mined in southern Illinois placed into another mountain there would still remain underground in southern Illinois enough coal, at the rate southern Illinois has been mining in the past, to keep the industry going for another hundred years. The average amount of coal mined in the United States annually during the past 17 years is a little over 500,000,000 tons. There is enough coal in southern Illinois to furnish the supply of America at that rate for almost 50 years. The average amount of coal mined in the entire State of Illinois for the past 17 years is about 64,000,000 tons annually. The supply in southern Illinois is sufficient to last 344 years if the mines in central and northern Illinois did not produce a lump. To estimate it in a financial way, we have enough coal in this section, if mined and sold at the average retail price, to pay off all of the national debts of every civilized nation of the globe, place $50,000,000,000 in the Treasury of the United States, and, in addition, provide sufficient funds to make a 9-foot channel in every stream of America from the Atlantic to the Pacific and from the Great Lakes to the Gulf. Therefore you can readily understand why the people of Illinois desire to put their coal on the waterways.

Tonnage of coal available for mining in southern Illinois

Counties	No. 2 seam	No. 5 seam	No.6 seam	Total
Franklin		2,176,675,200	3,500,098,684	5,676,773,884
Williamson		948,153,600	1,264,135,365	2,212,288,965
Saline	2,039,240,000	1,316,229,691	1,294,542,615	4,650,012,306
Gallatin	2,815,008,000	1,016,522,698	951,552,000	4,783,082,698
Hamilton		1,162,252,800	1,420,531,200	2,582,784,000
White		1,150,924,800	1,437,516,297	2,588,441,097
Total	4,854,248,000	7,770,758,789	9,868,376,161	22,493,382,950

Production of bituminous coal by States

State	1913	1918	1922	1923
Pennsylvania bituminous	173,781,217	178,550,741	113,148,308	171,879,913
West Virginia	71,254,136	89,935,839	80,488,192	107,899,941
Illinois	61,618,744	89,291,105	58,467,736	79,310,075
Kentucky, east	11,098,960	20,813,927	28,400,052	33,887,038
Kentucky, west	8,517,640	10,798,690	13,734,123	10,890,279
Ohio	36,200,527	45,812,943	26,953,791	40,546,443
Indiana	17,165,671	30,678,634	19,132,889	26,229,099
Alabama	17,678,522	19,184,962	18,324,740	20,457,649
Total	396,315,417	484,436,841	358,649,831	491,080,437
All other States	82,119,880	84,948,979	63,618,268	73,484,225
Total bituminous coal, United States	478,435,297	579,385,820	422,268,099	564,564,662

State	1926	1928	1929	1930
Pennsylvania bituminous	153,041,638	131,202,163	143,516,241	122,459,000
West Virginia	143,509,340	132,952,159	138,718,855	120,040,000
Illinois	69,366,923	55,948,199	60,657,641	53,275,000
Kentucky, east	47,460,439	45,583,163	46,025,452	40,497,000
Kentucky, west	15,464,023	16,277,216	14,437,148	10,200,000
Ohio	27,872,488	15,641,225	23,689,477	23,550,000
Indiana	23,186,006	16,378,580	18,344,358	15,840,000
Alabama	21,000,962	17,621,362	17,943,923	15,240,000
Total	500,901,819	431,604,067	463,133,095	401,101,000
All other States	72,435,166	69,140,903	71,855,498	60,529,000
Total bituminous coal, United States	573,366,985	500,744,970	534,988,593	461,630,000

In the period of 17 years which elapsed between 1913 and 1930 the total production of bituminous coal in the United States rose from 478,000,000 tons in 1913 to 579,000,000 tons in 1918 and receded to 461,000,000 tons in 1930. In the same period the total coal production in the State of Illinois rose from 61,000,000 tons to 89,000,000 tons in 1918, and receded to 53,000,000 tons in 1930. The actual reduction in coal in the United States from 1913 to 1930 was 17,000,000 tons. In the same period the production in

Illinois dropped 8,000,000 tons, or more than half of the total reduction in the United States. In the same period West Virginia's coal production rose from 71,000,000 tons in 1913 to 120,000,000 tons in 1930. The Kentucky fields rose from less than 20,000,000 tons in 1913 to more than 50,000,000 tons in 1930. The increased activity and production in these two States are due more or less directly to water rates and a combination of water and rail rates. These figures are significant and reflect the condition of stagnation in the southern Illinois mining field.

I direct your attention to the principal coal fields in the United States: Pennsylvania, West Virginia, Illinois, Kentucky, Ohio, Indiana, and Alabama. These States produce more than five-sixths of all the coal mined in America. At the same time, I direct your attention to a group of States served directly and in close proximity to these coal fields. Twenty-four States of the Union centering in and around these coal fields comprise about one-fourth of the land area in the United States and three-fourths of the population. The 1930 census gives these same 24 States 67.95 per cent of the area, population, and volume of wholesale trade in the States of the Union served by the coal-mining centers east of the Mississippi River.

State	Area	Population	Per cent of trade
New York	49,000	12,588,000	25.41
Illinois	56,000	7,630,000	9.87
Pennsylvania	45,000	9,631,000	6.85
Ohio	41,000	6,646,000	4.45
Massachusetts	8,200	4,249,000	4.44
Michigan	58,000	4,842,000	3.13
Georgia	59,000	2,908,000	1.46
New Jersey	8,220	4,041,000	1.46
Wisconsin	56,000	2,939,000	1.41
Indiana	36,000	3,238,000	1.33
Maryland	12,000	1,631,000	1.07
North Carolina	54,000	3,170,000	1.03
Virginia	42,000	2,421,000	.94
Alabama	52,000	2,646,000	.83
Kentucky	40,500	2,614,000	.77
Connecticut	5,000	1,607,000	.75
Mississippi	47,000	2,010,000	.55
West Virginia	24,000	1,730,000	.50
South Carolina	31,000	1,739,000	.48
Rhode Island	1,248	687,000	.43
Delaware	2,370	238,000	.34
Maine	33,000	798,000	.27
New Hampshire	9,341	465,000	.09
Vermont	9,562	360,000	.08
Total 24 States	779,441	90,826,000	67.95
Other 24 States	2,309,078	31,847,046	32.05
Total 48 States	3,088,519	122,775,046	100.00

Wholesale trade in the United States. These States comprise the territory east of the Mississippi River and the two tiers of States just south of the Mason-Dixon line east to the Atlantic Ocean. The other 24 States comprise three-fourths of the land area of the Nation, only one-fourth of the population, and less than one-third of the wholesale trade of the country. It is safe to say that wherever you find the wealth, industry, manufacturing, and trade you will also find the market and consumption for coal. There are other coal fields west of the Mississippi River but small in comparison to the great undeveloped areas in the State of Illinois. Pennsylvania coal is used east and northeast; West Virginia, Ohio, and Indiana coal is used in the Central West and in the Lake port area as well as some of Illinois coal. The markets for Kentucky coal, by virtue of the fact they lie on or near the waterways, are both south and west. By a glance at the map of the United States it is quite apparent that Illinois can not meet the competition east and northeast, because that market belongs to the fields I have just enumerated. Where, then, are the future markets for Illinois coal? They lie in the North, the West, and the far Northwest. These coal deposits are closer by rail and water than any other of the great coal fields of the Nation. And it is for the purpose of reaching these markets both by rail and water that we are seeking to put Illinois coal on the waterways.

To show the unfair competition because of the discrimination of rates I invite your attention to the map showing the movement of coal from southern Illinois to Minnesota, the Dakotas, Nebraska, Iowa, and Wisconsin.

Movement of coal from southern Illinois to—	1923	1930	Loss
Minnesota	1,792,394	478,262	1,314,132
Dakotas	223,906	134,299	89,607
Nebraska	420,017	350,219	69,798
Iowa	2,569,322	1,982,444	586,878
Wisconsin	1,793,976	758,780	1,035,196
Total	6,799,615	3,704,004	3,095,611

Freight rates on coal from southern Illinois to—	Per ton
St. Louis	$1.30
Chicago	1.90
Davenport	2.34
Kansas City	3.38
Lincoln	3.80
Omaha	$3.62
Sioux City	4.15
St. Paul	3.75

In 1923 we sent into that area almost 7,000,000 tons of coal. In 1930 we sent only 3,704,000 tons, or a loss of more than 3,000,000 tons, or one-third of the total loss of tonnage in the State of Illinois. Our loss in the southern Illinois coal fields in these five States was one-sixth of the entire reduction of mining of bituminous coal in the United States. One of the principal reasons for this loss of market is the discriminatory freight rates which show $1.30 a ton to St. Louis, a rate of $3.38 to Kansas City, $3.62 to Omaha, and $3.75 to the Twin Cities. It is that market and other markets which we hope to regain and which by right belong to the State of Illinois because of its strategic location.

An important event occurred in St. Paul, Minn., October 2, last, when the first shipment of southern Illinois coal arrived by water at the municipal barge terminal in that city. This coal was shipped by rail to East St. Louis, loaded on barges, and towed to St. Paul. Even with the combination water and rail rates the cost of delivery charges were 45 cents per ton less than a straight rail rate. This feat answers fully the question, "What is a 9-foot channel in the upper Mississippi worth to the Twin Cities and the Northwest in general?" It also proves our contention that Illinois coal should be placed on the waterways. If a saving of 45 cents per ton is made on coal by a combination rail and water rate, how much more saving will be realized on a straight water rate?

The following table shows the basis of cost per ton of coal from the southern Illinois coal fields through the proposed Saline River Canal down the Ohio and up the Mississippi to St. Louis, a distance of 327 miles, which is as follows:

One towboat: Cost of carrying charges, insurance, maintenance, and operation, for 30 days or 720 towboat hours	$10,000
Ten barges ($50,000×10=$500,000): Interest 5 per cent, depreciation 5 per cent, insurance and maintenance 3 per cent.	
Cost per month ($\frac{1}{12}$ of 13 per cent on $500)	5,400
Total	15,400

Time of one tow moving 12,000 tons of coal and returning empties, 180 hours.

Coal delivered per month: 720÷180=4, 4×12,000=48,000 tons.

Cost of delivery:	Per ton
Transportation ($13,400÷48,000) per cent	32
Fire and marine insurance on cargo do	3
Loading cents	15
Unloading per cent	10

The present rail rate from the southern Illinois fields to St. Louis is $1.30 per ton. The cost on the waterway at 60 cents per ton makes a saving of 70 cents or a total of $8,400 for every tow of coal transported on the waterways. We would only have to find a new market for 1,200,000 tons of coal to effect a saving of $840,000 annually which in 10 years will amortize not only the cost of equipment but the cost of the canal in its entirety.

But some may say that you are injuring the railroads, taking away from them their revenue and assisting in their destruction. Others will say that you are seeking to take the markets of other coal fields and thereby contribute to the unemployment situation. Gentlemen, my contention is that with the placing of Illinois coal on the waterways you will make the use of coal so cheap that new uses will be discovered for its consumption and that ultimately it will bring about a revolution in the industrial world. Coal is the largest national resource that we have in the Union. No nation has been destroyed until its immediate national resources were exhausted or its people overcome with graft and stagnation through industrial paralysis. I am not a scientist or a chemist, but I fully believe that the greatest field in which chemists may work to-day is the coal industry. Find new uses for the black diamond, shear it of its dust and its dirt and its nonessential elements and you will bring back to the coal industry the greatest period of development and prosperity that it has ever known.

I have no fight with the railroads. I believe in the present stability and the future development of that great artery of transportation that has made the desert blossom as the rose. No one stands more ready than I to enact wise legislation, which will enable them to compete with those agencies that have taken their passenger, mail, and freight traffic, in order to restore the revenue to the railroad so they can carry on. For three-quarters of a century they had a "wide berth" without competition. But the railroads must realize now that they have competition in the field. Every employee, from the local operator to the railway president, must direct their activities to meet competition as the individuals do in other lines of industry. With the completion of the deep waterways we will place at the disposal of the railroad, terminals and distribution centers, which will give them more tonnage to haul throughout the Middle West and the far West than they have ever enjoyed before. No personal ambition or one line of industry can stand in the way of progress. Westward, ever westward, the sway of empire builds its way. I am for the program of the Mississippi Valley Association. I believe the Federal Government should do it and do it now, and with its completion we will not only have an inland waterway, but an island inland water-

way. Put Illinois coal upon this waterway and not only we in Illinois but the States west and northwest, who will secure cheaper and better coal, and the industries that will dot their land will sing the song of Illinois with a new fervor.

"By the rivers' gently flowing,
Illinois, Illinois;
With thy laden commerce floating,
Illinois, Illinois;
To the markets north and west
Goes our coal, the very best,
Bring prosperity to its crest,
Illinois, Illinois;
Waterways provide the test,
Illinois."

EXTENSION OF REMARKS

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a resolution adopted by Bay Council, No. 51, United Commercial Travellers of America, at Bay City, Mich.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks as indicated. Is there objection?

Mr. UNDERHILL. Mr. Speaker, although I am a member of the United Commercial Travellers of America, I shall object to the insertion of this resolution.

FLOOD CONTROL AND NAVIGATION

Mr. DRIVER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting the address made by my colleague, Mr. WILSON, of Louisiana, at the recent meeting of the National Rivers and Harbors Congress on the subject of the relation of navigation to flood control.

The SPEAKER. Is there objection?

There was no objection.

Mr. DRIVER. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address by Hon. RILEY J. WILSON, Representative in Congress from Louisiana, at the Twenty-seventh Annual Convention of the National Rivers and Harbors Congress:

Mr. President, ladies and gentlemen of the National Rivers and Harbors Congress, it is always a genuine pleasure to have the opportunity to participate in the work of this organization. The objects and purposes of those who have planned and worked for the improvement to completion of the rivers and harbors of the Nation have been and are now to provide an adequate and dependable navigable waterway system for the purpose of transportation.

Our waterways—rivers, harbors, lakes, and canals—comprise a great natural asset of inestimable value and potential service to the entire Nation.

The realization of this service depends upon the opportunity to use continuously connected and coordinated channels and harbors. The progress made in the last few years entitles you to the continued cooperation and support of all, be they in official life or engaged in industrial and agricultural activities. I feel that we have reached the point where we should give greater consideration to the relation of flood control to navigation. The people of the Mississippi Valley appreciate the assitance given by the National Rivers and Harbors Congress and other waterway organizations to secure the enactment of legislation for the control of flood waters in the alluvial valley of the Mississippi River. I feel that I can express a like appreciation for those interested in the Sacramento River of California. Practically every inland waterway presenting the problem of improvement for navigation to a certain degree presents the problem of flood control that will aid and secure dependable all-the-year-round navigation of the stream affected.

Take, for instance, the Sacramento River of California, which was embraced in the flood control act of 1917. The work for the control of the floods of that stream, coordinated with that for navigation purposes, has in addition to protecting against floods made possible uninterrupted navigation for a distance of 150 miles, from the mouth of the river to the city of Sacramento.

For the improvement of the Ohio River for navigation from Pittsburgh to Cairo the Federal Government has spent about $150,000,000. On the Allegheny and Monongahela Rivers, which by their confluence at Pittsburgh form the Ohio River, a serious problem in relation to flood control is presented. This problem is such that it sometimes endangers to a large extent the safety of the city of Pittsburgh. In low-water stages the channel of the Ohio River becomes inadequate to handle the prospective tonnage. According to the report of the Flood Commission of Pittsburgh perfect security to that city could be obtained by impounding the floods on the Allegheny and Monongahela which would be released during low-water periods and guarantee uninterrupted navigation all the way to Cairo.

The report and recommendations of the Flood Commission of Pittsburgh has not been adopted and followed for economic reasons. In other words, the cost for the completion of the reservoirs for water storage at the sources of the Allegheny and Monongahela Rivers was too great, but when we consider the possibilities of flood damages to that area and the importance of uninterrupted traffic from Pittsburgh to Cairo and to the Gulf and the markets of the world, I believe a reconsideration of that phase of the problem would be justified.

Take the Mississippi River system as a whole. The mileage of navigable waterways which we have under consideration for improvement for the purposes of navigation, is about 14,000 miles. On practically every tributary as well as the main channel along with the improvement for navigation arises the question of flood control. Wherever this work can be coordinated to secure valuable results that policy should be adopted. The objects and purposes of flood control and navigation are in a general way the same. The declaration of Congress as a basis for the passage of the first flood control act of 1917 was as follows:

"The control of the Mississippi River is a national problem, and the preservation of the depth of its water for the purpose of navigation, the building of levees to maintain the integrity of its channel, and the prevention of the overflow of the land and its consequent devastation, resulting in the interruption of interstate commerce, the disorganization of the mail service, and the enormous loss of life and property, impose an obligation which alone can be discharged by the General Government."

This declaration applies to other streams embraced within our comprehensive plans and policy of improvement for the purposes of navigation, and especially those composing the Mississippi River system—tributaries to the main channel.

Many of the members of this organization, cities, chambers of commerce, boards of trade, and individuals represented and present here to-day are looking forward with the same interest toward improvement for flood control as for the purposes of navigation. According to my judgment, the announced objects and purposes of the National Rivers and Harbors Congress for national service can well be applied to and coordinated with those of flood control. I quote the announcement taken from the proceedings of 1926 in which it is stated that the National Rivers and Harbors Congress has "as its ultimate goal, through the adoption of such a broad and comprehensive policy, the development of a unified, interrelated, and connected national system of waterways, including inland rivers and intracoastal canals which, supplementing and correlated with railways and highways, would provide the foundation for and guarantee the future economic security and supremacy of the United States."

I submit that such a goal can best be achieved and maintained by linking improvements for navigation with the work for the control of flood waters wherever practical. This will prevent devastation and destruction of life and property and at the same time improve and preserve the integrity of channels. The most important work on the greatest problem we have in this connection is on the Mississippi River from Cape Girardeau to the Head of the Passes. I believe that all engineers with experience agree that the work for flood control on this project in the past has been an aid to navigation.

Up until the passage of the flood control act of 1917 the Federal Government had taken and maintained the position that its interest and jurisdiction on the Mississippi River and its alluvial valley was for the purpose of navigation only, and consented to and engaged in the work of flood control only to such an extent as it would be an aid to navigation.

We are familiar with the complaints that were made to the effect that confinement and control of the waters in the channel of the river had caused the bed of the river to rise, and had an adverse effect on navigation, and that such conditions existed on all rivers where like flood-control work had been constructed, especially the Danube and the Po, but investigations made by engineers prove such reports to be unfounded and that on the other hand the channels had been improved, deepened, and the carrying capacity for flood waters increased, as well as preserved more dependable channels for navigation.

In this connection I call attention to the testimony of Maj. J. A. Ockerson, member of the Mississippi River Commission, before the Committee on Commerce of the United States Senate, March 3, 1914. This testimony showed that 41,000 soundings were made between the Arkansas River and Vicksburg, Miss., a distance of 200 miles, and from Vicksburg, Miss., to Donaldsonville, La., a distance of 272 miles, covering a period, as I recall, of about 12 years. I quote from his testimony: "The result of this investigation in a general way was that the capacity of the bed of the stream to carry flood waters was materially increased; that the crest of the bars had been materially lowered. The tendency is toward a bed of more uniform depth and of a larger capacity." Major Ockerson had also made an examination of the Danube and the Po, with like results.

I am glad to know that an examination is now under way under the direction of the Chief of Engineers on the Mississippi River from the Arkansas River to the Head of the Passes to secure additional and more scientific information for an increased carrying capacity of the main channel for flood waters and its improvement for greater safety in navigation. One engineer has described the Mississippi as "a lawless stream," but all agree that it fights for a uniform channel. If it can be found that the enlargement and deepening of this channel can secure a continued enlargement and uniform carrying capacity for its flood waters, it will be a wonderful relief in safety to the people of Arkansas, Mississippi, and Louisiana, and will result in a saving of millions of dollars of expenditures by the Federal Government.

The Atchafalaya River in Louisiana presents a like problem except that it is subject to more rapid change. Reports of our

engineers show that within the past 10 years in certain sections its carrying capacity has increased more than 30 per cent. If the flood waters entering the Atchafalaya could be put under more direct control and a more rapid discharge provided into the Gulf of Mexico, this would open up a way for the perfect improvement for navigation and a substantial and effective relief for devastating floods.

There are many other instances of equal importance, and I appeal to this association that earnest consideration be given to the question of coordinating the work of flood control with that of navigation. I suggest further that if a bond issue is proposed for the execution and completion of projects now approved or hereafter authorized for navigation that like consideration be given to flood control.

ECONOMIC SITUATION

Mr. MOORE of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the address of the senior Senator from Ohio [Senator FESS] before the Republican National Committee last Tuesday.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

Mr. MOORE of Ohio. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following address by Senator FESS, of Ohio, chairman of the Republican National Committee, before the Republican National Committee on Tuesday, December 15, 1931:

ADDRESS OF SENATOR FESS, OF OHIO

The evils of war are never confined to human suffering on the battle front nor within the time of the duration of the conflict. They extend to an economic breakdown which must inevitably follow the contest and will persist over a long period. Mr. Balfour well expressed the inevitable results when he said, "How glad we ought to be that we did not lose since victory is so costly."

Twelve years after the close of the world's most sanguine conflict we record its aftermath in an overturn of governments representing one-half the population of the earth, where the voice of the people has given way to that of the dictator. We have seen well-established monetary systems abandoned, followed by an almost complete breakdown of credit structure. Maximum employment stressed by the necessities of war has given way to the most widespread unemployment known in our modern system of civilization. Statesmen the world over are put to the most supreme test to meet and solve these consequences of war. Fully as high a type of leadership is demanded in this after-war peace period as is required in the arena of military conflict.

In addition to the actual destruction of wealth incident to war there are inevitable dislocations in every avenue of productive activity. These dislocations suspend the economic forces of a prosperous people. While our own country has not suffered in the degree that the peoples of other countries have, the inevitable results denote an interruption of industry with a more or less deranged credit system and consequent large unemployment. Fortunately for this country we still have all the basic elements of a great and prosperous people awaiting coordination into a sound business organization. We have the same resources in agriculture, with our fields just as productive as ever before. We have our transportation system intact, disturbed mainly by an increase of transportation agencies. We have ample bank resources with abundant funds, and the greatest gold supply in the history of the world awaiting an opportunity to be safely employed. We have our manufacturing plants capable of producing, not only our needs but those of the world, embarrassed only by an overexpansion under the stress of war's demands. We have the same industrial and business leadership in the organization of industry that we had before the war. We have the same skilled labor with the ability to produce per unit beyond that of any labor in the world. These elements, the foundation of a great and prosperous people, are all intact awaiting an opportunity for activity.

In every crisis where unemployment and suffering have resulted, no general organized effort was ever undertaken for relief. The charitable agencies in each community were left under their own impulse to take such steps as the demands of humanity would impress upon them. How different is the Hoover method. Back in midsummer, long before acute suffering had overtaken us, he called to his aid one of the outstanding men of business and placed upon his shoulders the task of taking the lead in organizing a nation-wide system of caring for the unemployed. At this time, with the opening of winter, this organization, through its efforts in stimulating human agencies throughout America, has this problem well in hand and is meeting every call of humanity with the largest output of human relief from the American people yet recorded in the history of mankind.

If the President succeeds in nothing more than preventing great suffering during this period of depression, and preventing the advocates of the dole seizing upon it as the occasion to fasten upon our country through their widespread sympathy for the unemployed a system with which England is struggling, that service alone would be found to distinguish him in history. Fortunately he is having support in this effort of vast numbers of organizations, including the American Federation of Labor.

Our President, recognizing the imminence of a breakdown of our purchasing power, which in the last analysis is the best test of the welfare of the people, mobilized at once the forces of the production of wealth, including not only the representatives of labor and capital, but the leadership of special units of industry, and secured an agreement that as far as it was possible the program of betterments and improvements would not be lessened, but if possible increased, and the wage scale sustained. An immediate result of this agreement is the proof of its wisdom in the almost total absence of labor troubles, with a better spirit and feeling between labor and capital than has been displayed in our history.

Supplemental to this proposal, the administration launched upon a constructive program including not only construction under the Federal Government but also under State and municipality. The Federal share of this program shows an increase of construction from $250,000,000 to at least $750,000,000 of public funds. This is well matched by State and municipality in the interest of absorbing the maximum of unemployment.

While our foreign relations have been the very best, with our country not only at peace with all the world but a leader in the resuscitation from the effects of the World War, there has been much concern about the effect upon our own people of forces that are now operating beyond the sea. Our country's efforts to relieve the staggering burdens under which the peoples of the world are suffering are well displayed in what was done in the Washington Conference of 1921 and 1922, the Kellogg peace pact, and the London Naval Conference. This policy is further being extended in such influence as can be rendered in the Geneva Conference looking to further reduction of these burdens.

War's exactions have been so impelling that obligations already entered into may fail, in which case default will result. Such a collapse on the part of any great government in Europe would have an appalling effect upon the people of our own country. The interrelation between governments to-day is so close that a default on the part of one government would be felt among the people of all governments. This would especially be true in the case of a breakdown in Germany, to whom American funds were loaned for purposes of readjustment after the war. A default in meeting these obligations would further disturb our credit system by absorbing much of the liquid assets in our larger banks, which otherwise could be loaned to productive industry. To avoid such a calamity the President sought, with commendable expedition, the approval of the leadership of both political parties to a moratorium, allowing a period for readjustment. The approval of this executive request was not only world-wide but was stupendous in its immediate results.

The steady rise in the price current of commodities on the stock exchange, due largely on the one hand to the abundance of funds available in the land, and on the other to the speculative spirit that was consuming our people, continued its dizzy heights until the limit was reached, when the crash came and the price current precipitately took the downward course. As loans were made during the upward trend on too high a basis of security, these securities in the downward trend went so low that neither could obligations be paid in full, nor renewals be made on the same basis, and a condition of frozen assets throughout the United States found almost every bank in the country heavily loaded with long-time obligations secured by real estate at too high a figure. In time a situation like this forced banks, perfectly sound, with abundant assets, but unrealizable, to close.

In order to meet such a situation, which was an inevitable result of war's inflation, the President secured the cooperation of leaders of finance to form a credit corporation, with a reservoir of a half billion dollars from which funds could be secured to forestall further closings incident to a fright that induced depositors to withdraw their funds. The theory of this proposal was that the mere creation of such a pool would obviate any great demand since the depositor, knowing that the bank could secure necessary funds, would not think of withdrawing his deposits. This theory has been notably demonstrated by the very small call for the subscriptions to the pool, and the very small number of solicitations of banks for aid. It is to be hoped that with this fear removed these funds may be applied to the sound banks that have been closed.

As a further relief of the credit system the President has recommended a home-mortgage bank system to deal with the long-time obligations secured by real estate as the Federal Reserve Board deals with commercial paper. If Congress will speedily react in giving this remedial legislation, there is no doubt that the frozen-asset situation will be substantially relieved at a very early date.

It has been also suggested that there be liberalization of the Federal reserve system so as to enlarge in a degree the eligible paper to be discounted by that system.

One of the great industries of America, the prosperity of which must be the prosperity of the people, is the steam-line transportation, which in the main must remain the chief reliance for this service. The financing of this great enterprise has become a problem. There are other industries that may be in a similar situation.

The President is recommending something like the revival of the War Finance Corporation to operate during the emergency as that corporation operated during the war to supply relief for the time being to these great industries which are temporarily disturbed.

The administration has taken the longest step yet taken in giving governmental relief to agriculture in an effort to place agriculture on an equality with other industries.

While in former crises the President then at the head of the Government was inclined to leave the forces undisturbed to work themselves out, President Hoover has felt that the crisis through

which the world is now passing is so widespread and its menaces are so imminent that drastic treatment is demanded, and he has supplied a type of leadership without precedent in American history. His efforts are as wide as the suffering of his people. His plans are invested with the purpose of relief. Were it not that we are approaching a presidential campaign, Mr. Hoover would be the most widely supported public man in his efforts for relief here, which are no less distinguished than his efforts in Belgium during the war.

It is regrettable that in the exigencies of party politics political leaders are inclined to employ a depression as a basis for utilizing the unthinking disaffected who have been taught to look to the Government for relef. It offers an opportunity on a partisan basis to seize upon the depression as the one chance of riding into office. The great temptation will induce leaders to withhold support which otherwise would be generously given.

An intelligent public opinion must be formed. It is the purpose of this committee to assist in convincing the disaffected that the President is not responsible for the spots on the sun, the storms at sea, the droughts on land, nor the numerous epidemics that frequently sweep sections of the country. Our business is to place Mr. Hoover in the minds of the public where his stupendous efforts and brilliant leadership justify. This stage reached, there will be no doubt about the results of the contest next November.

Seen from the long-distance point of view, our country is riding the waves of an economic storm. It is not unlike the best-built ship overtaken by a storm at sea. The decks are washed by the waves, the furniture of the ship thrown topsy-turvy, the passengers confined to their staterooms, and the crew bewildered as the storm smashes through the portholes. In the midst of the confusion both passengers and crew are aware that on the bridge stands the pilot with a poised brain and steady hand. He is directing the ship in her course. Her speed is somewhat lowered. Her machinery is being tested, but both passengers and crew have confidence that under this leadership the ship will safely reach the port. Such is the leadership of President Hoover, and such will be the confidence of the American people when they fully realize the elements at play through which the ship of state is now passing.

RECESS OVER THE HOLIDAYS

Mr. RAINEY. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The SPEAKER. The gentleman from Illinois offers a resolution, which the Clerk will report.

The Clerk read as follows:

House Concurrent Resolution 5

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Tuesday, December 22, 1931, they stand adjourned until 12 o'clock meridian, Monday, January 4, 1932.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

SOVIET RUSSIA

Mr. FISH. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a radio speech I made against the recognition of Soviet Russia.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by printing a radio speech he made on the subject of Soviet Russia. Is there objection?

There was no objection.

Mr. FISH. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following speech made over radio station WOR, November 22, 1931:

I am opposed to the diplomatic recognition of Soviet Russia, because there is no sound reason for the recognition of any foreign nation unless that nation abides by the principles and accepted practice of international law. I am opposed to the recognition of Soviet Russia by the United States, because such recognition presupposes a friendly government and friendly relationship, which do not and can not exist.

The recognition of the Soviet Government, controlled by the Russian Communist Party, which seeks to sow seeds of class hatred, atheism, and world revolution in every noncommunist country, would be a lie to international law and to official diplomatic relations.

Former Secretary of State Elihu Root summed up the American position in the following able and concise statement: "The recognition of one government by another is not a mere courtesy. It is an act having a definite and specific meaning, and it involves an acceptance by the recognizing government of the principles, purposes, and avowed intentions of the recognized government as being in conformity with the rules which govern the conduct of civilized nations toward each other. For the United States to recognize Russia would be to publicly acknowledge that the avowed purpose of the present Russian Government to overthrow by force our system of government is consistent with international friendship. Of course, that would be a lie."

I accepted the invitation to speak or debate against the recognition of Soviet Russia with considerable reluctance, as I regard the issue merely an academic one, in view of the steadfast and consistent policy of nonrecognition adopted by every administration from that of Woodrow Wilson to that of Herbert Hoover.

There is not a crumb of comfort to the recognitionists in the clear-cut statements made by the various Secretaries of State, beginning with Hon. Bainbridge Colby, when he said, "The existing régime in Russia is based on the negation of every principle of honor and good faith and every usage and convention underlying the whole structure of international law, the negation, in short, of every principle upon which it is possible to base harmonious and trustful relations, whether of nations or of individuals."

Charles Evans Hughes stated in 1923, when he was Secretary of State, "There would seem to be at this time no reason for negotiations. The American Government, as the President said in his message to the Congress, is not proposing to barter away its principles. Most serious is the continued propaganda to overthrow the institutions of this country. This Government can enter no negotiations until these efforts directed from Moscow are abandoned."

It seems to me that there is no room for argument, the American people will not compromise with any attempts of foreign governments to meddle or interfere with our domestic institutions and, of course, will not tolerate the revolutionary activities and the vicious and diseased propaganda of the Communist Internationale, with headquarters at Moscow, directed at our civil liberties, our free institutions, and our republican form of Government.

I decline to argue whether the Soviet Government is strictly responsible for the acts of the Communist Internationale, further than to quote Zinovieff, the former head of the Communist Internationale, who said at the fourth congress of the Internationale regarding its relation to the Soviet Government: "It would be laughable to ask who has the advantages and who is the subject and who is the object. It is the foundation and roof of the same building; one belongs to the other." The Russian Communist Party, the Soviet Government, and the Red Internationale have interlocking directorates, and all three take their orders from the political bureau headed by Stalin and Molitov. Their fundamental aim is world revolution and the establishment of the dictatorship of the proletariat throughout the world by force and violence.

There is an admirable trait that any political party in America can take from the Communist Party, and that is that they always adhere strictly to their party platform. That is one characteristic that we can admire in the Communist Party, as it has stood steadfastly for 15 years for its original principles of world revolution, class hatred, and hatred of God.

The committee appointed by the House of Representatives, of which I had the honor to be chairman, to investigate communist activities and propaganda in the United States, was convinced that the most effective way of combating communism in the United States was to give the fullest possible publicity to the fundamental principles and aims of the communists, which are the same throughout the world, as they are not likely to prove acceptable to any considerable number of American citizens unless camouflaged by extraneous issues, such as unemployment insurance, protection of foreign born, or other current topics that have nothing to do with communism.

Communism is easy to define, as the aims and purposes of the communist in Moscow, Berlin, New York, Los Angeles, and Pekin are the same, and all take their orders from the Communist Internationale, with headquarters in Moscow, and obey them implicitly and are apparently proud of their allegiance to the red flag and the Soviet Union. What is the definition of communism? Communism is a world-wide political organization advocating (1) hatred of God and all forms of religious beliefs; (2) destruction of private property and inheritance; (3) promotion of the bitterest kind of class hatred; (4) use of revolutionary propaganda through the Communist Internationale, stirring up communist activities in foreign countries in order to cause strikes, riots, sabotage, and industrial unrest; (5) destruction of all forms of representative or democratic government, including civil liberties, such as freedom of speech, of the press, of assembly, and trial by jury; (6) the ultimate and final objective is by means of world revolution to establish the dictatorship of the so-called proletariat into a world union of soviet socialist republics, with the world capital at Moscow.

Under the Declaration of Independence, the American people have the acknowledged right to revolution whenever there are sufficient evils, abuses, and injustices under our form of government to warrant such a course. Happily, we have no need to consider such a possibility. We have the right to put on our own little revolution any time we want, but the American people do not propose to have a revolution made to order for us by any foreign power and particularly by Stalin and the Communist International at Moscow.

We do not intend to recognize Soviet Russia, because we do not propose to have the Soviet consulates established in all the industrial cities of the United States to become nests of communist propaganda and class hatred. We are not afraid of such revolutionary propaganda in our midst, but we do not propose to admit it any more than we would leprosy, bubonic plague, or typhus.

We have plenty of preventative hygiene in the United States and many wonderful modern hospitals and able surgeons and could segregate and take care of such dread diseases.

It is a libel against the American people to say that they are afraid of communist propaganda. Why the Regular Army, National Guard, American Legion, and Veterans of Foreign Wars could, using a Russian word, liquidate all the communists in the United States in a few weeks time, in case of any attempt at a communist revolution.

Just because other nations have recognized Soviet Russia for selfish and ulterior reasons is no reason why we should and, besides, most of them have been sorry. France recognized Russia, hoping to settle or adjust the vast pre-war loans made by the French people to Russia; Italy recognized Soviet Russia, because she wants to buy wheat, coal, lumber, and oil cheaply. England did so because of the platform pledges of the Socialist Labor Party, recently repudiated by the English people. Germany did because prior to the World War she did $500,000,000 worth of export trade with Russia and was in dire need to restore such a near-by market for her goods.

The fact is that the United States, which has declined to recognize Soviet Russia, has done four times as much export trade with Russia since the armistice than she did prior to the World War with the czar's régime, and all the other big nations that have recognized Soviet Russia are doing many times less trade with her.

The Soviet 5-year program, which has for its acknowledged ultimate purpose world revolution, is near collapse for want of capital, and unless American capitalists provide funds and extend loans and credit the famous 5-year program will come to a sudden and startling end, and with it all ideas of world revolution.

Lenin was right when he said that the capitalists will commit suicide for temporary profit; that is exactly what selfish and shortsighted American capitalists have done for sake of greed and 30 pieces of silver, to help build up the 5-year program and bring the forced labor of Russia, paid 20 cents a day, in competition with free American labor, paid $3 a day and upward.

I predict that if the 5-year program succeeds, we will lose a billion dollars annually in our export trade to foreign markets in four commodities alone—wheat, oil, lumber, and cotton—within the next few years.

Soviet Russia is intensely anxious for recognition from the United States in order to float loans, without which her gigantic program of world economic competition, capitalistic ruin, and world revolution will collapse and sink into oblivion.

I shall never vote or urge the American people, through diplomatic recognition, to place the stamp of their approval upon the Godless Soviet Government as long as she continues a relentless campaign to persecute and destroy the Christian and Jewish faiths in Russia. I shall never vote in the Congress of the United States to favor recognition as long as the Communist International is merely a torch in the hands of the Russian Communist Party to cause the economic ruin of free labor, to promote class hatred and the destruction of civil liberties and free institutions throughout the world.

There is, and there always will be, an irrepressible conflict between our republican form of government and communism. No loyal American citizen can serve the red flag and the American flag at the same time. The American Federation of Labor has never ceased to expose the autocracy and despotic tyranny of the Soviet Government. In their annual convention in 1927, the following declaration of policy was adopted: "We regard the Soviet régime in Russia as the most unscrupulous, most antisocial, most menacing institution in the world to-day. Between it and our form of political and social organization there can be no compromise of any kind. We repeat the call to American trade unionists to stand true to their faith, to be militant in their defense of the principles of freedom and justice for which our movement stands and upon which our democracy rests its foundation walls."

I will conclude my remarks with the pithy statement of former President Calvin Coolidge: "I do not propose to barter away for the privilege of trade any of the cherished rights of humanity; I do not propose to make merchandise of any American principles. These rights and principles must go wherever the sanctions of our Government go."

No competent person questions the stability of the Soviet dictatorship in Russia or that it is a de facto government, but the American people will never recognize the Soviet Government just as long as it encourages the Communist International to spread vicious revolutionary propaganda and conduct seditious activities to undermine and destroy free governments in noncommunistic countries, including our own. We will never recognize a foreign nation that seeks to interfere with our domestic institutions. I have refrained from mentioning war debts, seizure of private property, and possible debt settlements, as they sink into insignificance compared to the all-important issue of amity, friendly relations, and fair dealing upon which diplomatic recognition must be based or be meaningless and of no value in international law or among civilized nations.

AMENDMENT OF FEDERAL FARM LOAN ACT

Mr. STEAGALL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6172) to amend the Federal farm loan act, as amended, to provide for additional capital for Federal land banks, and for other purposes. Pending that motion I ask unanimous consent that general debate on this bill be limited to two hours, one-half to be controlled by myself and one-half to be controlled by the gentleman from Kansas [Mr. STRONG].

The SPEAKER. The gentleman from Alabama moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6172. Pending that motion he asks unanimous consent that general debate be limited to two hours, one-half to be controlled by himself and one-half by the gentleman from Kansas [Mr. STRONG]. Is there objection?

Mr. HARE. Mr. Speaker, reserving the right to object, I am wondering whether we could not have more than two hours' debate on this bill. I think it is a most important bill, and I am just wondering whether or not it would embarrass the House in any way to extend the time to more than one hour on a side.

Mr. STEAGALL. I hope the gentleman will not insist on that for this reason: In the first place, I do not think it is necessary, and there is not going to be any occasion for long debate on this bill. The bill is short, and there is only one proposition in the bill which I apprehend will provoke any sort of controversy. For that reason I hope we can finish the bill in a couple of hours after general debate, which will enable us to get through with the day's work. I hope the gentleman will agree to limit the debate to two hours.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. LAGUARDIA. Of course, the bill is very short. It contains only three pages; it only appropriates $100,000,000, and there are some rather drastic and fundamental changes with which some of us will be inclined to agree, but what I want to inquire about is whether when we come to the reading of the bill there will be sufficient latitude and time so that we may have an intelligent discussion of the matters before us.

Mr. STEAGALL. I will say to the gentleman that if it is within my power, he shall have that opportunity as well as all other Members.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Alabama.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6172, with Mr. RAYBURN in the chair.

The Clerk read the title of the bill.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. STEAGALL. Mr. Chairman and members of the committee, I should like to have had more time for debate and for consideration of this bill, but we are attempting to go rapidly in order to finish the legislation to-day. We want to give the country an idea of diligence on the part of the committees of the House and the membership of the House in undertaking to meet the serious problems that confront us.

I am not going to take the time at my disposal to review at length the serious situation that affects the agricultural interests of the United States. I am sure all Members of the House, certainly all Members who represent agricultural constituencies, are fully informed of these conditions.

The bill before us undertakes to relieve the difficulties in which the Federal land banks of the country find themselves in the effort to afford the farmers of the country the borrowing facilities intended to be furnished through the Federal farm loan act.

Let me say here that I was one of the members of the Committee on Banking and Currency that framed the orig-

inal Federal farm loan act. I have always thought, and other Members have always thought, and we see clearly now, that there were some mistakes made in the provisions of that law. The act undertook to set up a loan system that would work automatically. The Government subscribed the initial capital stock of the Federal land banks, each bank having issued to the Treasury $750,000 of stock certificates covering the initial capital stock of these banks. This was automatically reimbursed to the Treasury Department, and I may say that substantially all of it has been reimbursed.

The capital stock owned by the Government, under the provisions of the Federal farm loan act, was absorbed by the borrowers, who, under the law, were required to take 5 per cent of loans in the form of capital stock. There was no provision for the immediate accumulation of reserves in the Federal land banks. Of course, every banking institution or corporation should have proper machinery for the accumulation of reserves. The failure to take care of this at the outset was a mistake and has resulted in embarrassment to the banks.

It was undertaken to put this system to working automatically, and we have found a mistake was made. The banks came upon a situation during the unusual conditions that have prevailed for some time, when they were unable to realize on their mortgages and found themselves without the proper reserves to protect their obligations. The banks can not serve the farmers unless they can obtain necessary funds, and to do that they must sell bonds.

The law requires that the banks maintain solvent mortgages to secure their bonds, because it is only through these bonds that they obtain funds from the investing public with which to supply loans to the farmers of the country, and to function beneficially they must command the confidence of the public who buy the bonds.

And this is the situation: When a mortgage falls due the law contemplates that the safeguards in the matter of security were sufficient that there would be no considerable defaults in the payment of the installments on mortgages, and so there was no machinery. So no adequate machinery was set up in the law by which the officials of the banks could deal with mortgages that had become delinquent in a way to utilize them in their operations. Unless the banks had sufficient reserves with which to supply a substitute form of security back of their bonds, embarrassment of credit was unavoidable; and the banks have not been able, out of their reserves, to afford the necessary security in the form of land bank bonds, Government bonds, or cash.

So to meet the situation they would have widespread mortgage foreclosures that have proved most unfortunate in the midst of the depression and stress through which we are passing. This has resulted in the sacrifice of farm lands throughout many sections of the country at prices that are absolutely destructive to agriculture and have had a most demoralizing effect not only upon land values but upon the entire business structure of the agricultural sections of the country and, in turn, an unfortunate effect, in my judgment, upon the entire economic machinery of the Nation.

During the last session of the Congress, in view of this situation, I introduced a bill providing for the advancement by the Treasury of the United States of the sum of $60,000,000 to the 12 Federal land banks, and in that measure the purpose expressed was "to enable the banks to grant extensions to borrowers in cases where it was to the best interests of the banks and the borrowers to grant such extensions." The Committee on Banking and Currency held extended hearings on that bill during the last session of Congress. It was discussed at great length by Members of the House, by some Members who were not on the Committee on Banking and Currency, and by members of the Federal Farm Loan Board, who went over the whole field with respect to the declaration of policy embodied in the bill.

These hearings are now available for Members of the House. I will say to gentlemen who may be interested that they will find in these hearings the best review of the facts in this matter that are to be obtained, and as good as could be obtained if we had before us the recent hearings that we held in the present week.

Let me say that it was the work done in the last Congress by our committee, in consideration of the bill I had the honor to introduce at that time, which blazed the way and did the preliminary work that made it possible for your committee to report so soon the measure now before you—if, I hope I may be pardoned for saying this, I think all will agree that we have done this work with unusual expedition—due to the fact that the bill before us is in substance and in purpose the same measure as the one introduced by me during the last session of Congress and on which the Banking and Currency Committee held hearings, as I have stated.

The bill before us provides for the advancement of $100,000,000 by the Treasury Department, to constitute a revolving fund, which may be drawn upon by any Federal land bank upon application of the officials of the bank approved by the Federal Farm Loan Board.

Any advancement in that connection is to be covered by subscriptions to the capital stock of the Federal land banks obtaining the advancement, the subscriptions to be issued to the Treasury of the United States.

That capital stock is to be absorbed in part by the borrowers under the provisions of the farm loan act, which provides that 5 per cent of loans are correctly subscriptions to capital stock.

Provision is further made in the bill for repayment in cash of any of these sums to the Treasury in case any bank finds itself in position to repay the Treasury sooner than would be possible through the cancellation of its stock as the borrowers take it.

This advancement by the Treasury is to be without interest charges against the banks.

Mr. LANKFORD of Virginia. Will the gentleman yield?

Mr. STEAGALL. I beg the gentleman's pardon, but if the gentleman will let me finish then I shall gladly yield to any gentleman for a question.

Sections 2 and 3 of the bill deal with the matter of accumulation of reserves by the banks. I take it for granted there will be no controversy over the provisions.

Section 2 requires each bank to set aside in reserve 50 per cent of net earnings before dividends are paid, until the reserves equal the amount of the capital stock. After that the bank is required to set aside 10 per cent semiannually.

There is a similar provision which deals with the accumulation of reserves by the farm loan associations. I will simply state in that connection that, so far as I am informed, nobody questions the wisdom of these two provisions which are intended to set up proper machinery by which the banks in their own right can under normal operations accumulate proper reserves. Now, I have outlined briefly what is in this bill, except one additional section. I refer to section 4.

I will say that this section has been discussed quite thoroughly in the committee, both at this session of Congress and in the former session of Congress, not only by Members of the House and members of the committee, but by members of the Farm Loan Board, the Secretary of the Treasury at one time, and others interested in the legislation.

During the last session of Congress we had a number of bills and resolutions before the Banking and Currency Committee touching the matter of the policy of the banks in handling of foreclosures of their mortgages. There were various and numerous suggestions and plans offered which were designed to effectuate a more lenient administration of the banks in connection with their foreclosures. The bill before us has a provision at that point which might be called the result of a working out of differences of opinion which, as it is presented to the House, embodies the combined judgment of the committee. It does not express my views, nor perhaps the individual judgment or preference of any single member of the committee. We thought best to take what we could get and be sure of the final passage and approval of the legislation—the main thing is the money—$100,000,000. The officials of the Federal Farm Loan Board and the Secretary of the Treasury opposed all

this legislation during the last session of Congress upon the ground, first, as they insisted, that there was no need for legislation to afford financial aid to the banks, and they also opposed every plan that sought to liberalize the policy of the officials of the banks in the matter of the foreclosure of their mortgages. The bill before us has a provision on that question in section 4, in this language:

> Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period.

The bill does not declare nor seek to declare in this provision a general moratorium as to installments upon mortgages. It confers upon the officials of the banks and the Federal Farm Loan Board the authority to deal with each particular case upon its merits and in a common-sense way and to attempt to administer the banks in connection with their foreclosures, I might say, just as all other banking institutions of which I have any knowledge have always done, which is the practice with all credit institutions.

Mr. LANKFORD of Georgia. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. In a moment. Without this machinery when a mortgage becomes due, there is one of two courses left the officials of the bank. One is to foreclose and let the farmer start over and the bank take whatever loss may be incurred through the practice of that policy. The other plan, and the only other plan, that is open to the officials of the bank under the machinery of the Federal farm loan act as it now exists is to carry a delinquent mortgage in the suspense account, and that means that such a mortgage, however favorably regarded by the officials of the bank. no matter how valid the security, no matter how many payments have been made, can not be treated in the true sense of the word as an asset, nor carried as security for bonds issued, but must stand suspended in mid-air—unavailable to the bank in the practical conduct of its business. This situation might arise, for illustration:

A borrower might have met 15 installment payments on his mortgage. He might have been born on the farm in question; he might have reared his family there, with all that a home from childhood means to a citizen. There might be only five payments to be made; the bank officers might regard it as among their best mortgage securities, but under existing law there is no power to treat such a mortgage as valid security; they are required to sell that man's home and farm and turn him and his wife and children out, as has been unfortunately done in many instances, involving the losses to the citizen and to the bank with consequent injury and demoralization to the community. Either that, or they must put it in the suspense account, where it it of no value to the bank—and thereby leave the bonds unprotected to the extent of such a mortgage. The provisions of section 4 provide a common-sense way to deal with such a case by spreading the delinquent installments over a period of five years. This helps both the borrower and the bank.

Mr. LANKFORD of Georgia. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes; I am glad to yield.

Mr. LANKFORD of Georgia. Did the gentleman or his committee secure any assurances from any of the officials of the Federal land bank that there would be fewer foreclosures after the passage of this act than heretofore?

Mr. STEAGALL. I have not been in accord with the policies of the Federal Farm Loan Board in so far as they have expressed themselves to our committee.

Mr. LANKFORD of Georgia. I have not either.

Mr. STEAGALL. But it is unquestionably true that under the provisions of this bill the board will have the necessary funds, unless we are mistaken as to the amount required, and if we are mistaken the Congress will have an opportunity to supply that deficiency and furnish the necessary funds, since Congress will be in session for several months; and, if this provision of this bill, section 4, is enacted they will have the necessary machinery to enable them to administer the banks in a common sense way. I think it is fair to the board to say that they recognize that any advancement in the form of financial relief would necessarily be reflected in benefits to the farmers and members of the Farm Loan Board assured our committee this would be done. It would naturally follow that a more sympathetic administration of foreclosures would be had, and in addition to that we will help to revive the market for bonds issued by the banks. I did not go into the matter, but the banks have not been able in three years to float a long-time issue of bonds, such as was contemplated would be done, out of which to get necessary funds for the operation of the system. We are hopeful that the provisions of this bill, with the funds provided and the machinery set up, will bring about a more sympathetic administration of these banks in connection with their foreclosures.

Mr. LANKFORD of Georgia. Did any member of the Farm Loan Board come before the committee and give expression to what they intended to do in the future with respect to foreclosures?

Mr. STEAGALL. I think I have answered the gentleman; that the Federal Farm Loan Board expect this to bring about a more sympathetic administration of the banks in connection with their foreclosures. I know the gentleman's interest and I share it with him. However, I must hurry, that I may save time for other Members to express their views.

Mr. MORTON D. HULL. Mr. Chairman, will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. MORTON D. HULL. On the question of the interpretation of section 4, whether the directors have a right to grant an extension or not; but if they do grant an extension, that extension must be for five years, with the option on the part of the farmer or the borrower to pay in less than five years. Is that the way it is to be interpreted?

Mr. STEAGALL. No. That language is so plain that I think if the gentleman will give it a moment's thought he will agree with me that what we have done is to confer on the banks power to extend installments that become delinquent, and they may extend for five years or less time.

This is not a temporary, emergency measure. It puts the necessary machinery into the law permanently which has been embodied in the original farm loan act.

Mr. MORTON D. HULL. I am trying to be clear as to the meaning of section 4. "The directors have a right to extend, in whole or in part, any installment," but as I read it, that extension must be for five years.

Mr. STEAGALL. Or less. The language is "five years or less."

Mr. MORTON D. HULL. No. Now, that is just where I think we do not agree on the interpretation. But, the option is given to the borrower to pay in less than five years.

Mr. STEAGALL. I do not agree with the gentleman in that construction. I hardly think he will find many Members of the House who do. This provision merely sets up necessary machinery to give enlarged authority in handling these matters in a common-sense way.

Mr. STEVENSON. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. STEVENSON. The intention of that language, as plainly covered by the language itself and as put in there, was that they could not extend it for more than five years; but, they can extend it for one year, they can extend it for two years, or three years, or four years, or five years; but the limitation is on the power of the board to extend it for more than five years.

Mr. STEAGALL. That is correct.

Now, I have gone over the bill hurriedly, but I think in a way that makes its meaning clear. The bill is not all I should like to see passed, but it is the best we can get. Above all, it furnishes $100,000,000 for the relief of the banks, and that is the main thing desired. [Applause.]

Mr. LUCE. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, it is by reason of the very grave importance of this matter that I have asked the attention of the House.

This is the first of a group of measures recommended to Congress at the opening of the session by the President for the purpose of relieving, as far as this Congress can so do, the distress now prevalent in our country. It will be speedily followed by the rest of the group, I am very sure, coming from the Committee on Banking and Currency, to which committee falls the chief burden of responsibility in this juncture.

I need not take time to repeat the reasons why the President in his annual message gave the foremost place to this group of measures, but simply once more impress upon the House, if I can, the extreme importance of the earliest treatment possible of these recommendations.

In this matter there is not a trace of partisanship. In the 12 years I have been a member of the Committee on Banking and Currency I can not recall ever hearing a word uttered or seeing a vote cast from any partisan motive, and I am sure that the committee this year will continue that record of unbiased, unprejudiced attempt to serve the country.

This particular bill is for the most part in the shape submitted by the administration through that part of it concerned with the farm-loan system. I have always been in the fullest sympathy with this system, because it embodies the cooperative idea, the idea to which I look for the greatest contribution that the coming generation will make to the welfare of this land. The farm-loan system has been the first great attempt in our country to help our citizens to help themselves. Because it is cooperative, I seek in every way possible within my own power to help its success, to advance its welfare, in order that this example may in due time be imitated in other lines of social activity and we may thereby make some headway in lessening the great waste now brought about through our distributive processes. To be sure, this particular field of activity concerns itself with production chiefly, but it may serve as an example that will aid other helps to our citizens in the way of cooperative action, the working together that has been the chief fruit of civilization.

This bill would restore to the farm-loan system the capital with which the country supplied it at the beginning. That capital had been repaid, practically all of it, in the ordinary development of the system, but with this unexpected, this unprecedented financial depression, the working capital of the system has been found insufficient, and therefore it is proposed to start the system afresh, with new capital, in larger quantity, to be sure, but evidently called for by the needs of the moment.

I need not go beyond that in the discussion of the bill as a whole, but rather would call to your attention the one point in which there were differences of opinion in the committee. It is found in section 4. This section was inspired by generous sympathy with the unfortunate farmers who can not pay their installments, a sympathy with which I am in complete accord. I admire it, and I would, if I could, approve its expression in this form; but, in my judgment, this form of extending aid to the farmers has an element of grave danger. Unless this language be modified in another branch, it may prove disastrous to the system. It may kill the goose that lays the golden egg, or, to change the metaphor, the farmer may jump out of the frying pan into the fire.

It must be remembered that in all transactions of this type there are two parties concerned, namely, the lender and the borrower. At this moment the lenders of the country are unwilling to furnish the funds necessary for the system to function. If you make it less attractive for the lenders to furnish funds, you may find the bonds of this system going still further down in market value. You may find the system itself ruined.

I call attention to this in order that before the measure becomes law it may in another branch have the adequate scrutiny that we have been unable to give it in our committee. It has been inadequate by reason of our desire to tell the country at the earliest possible moment that we mean to do what the President has advised us to do, in order to melt the frozen credit of the land, which must be the first step toward the return of prosperity.

Mr. BANKHEAD. Will the gentleman yield?

Mr. LUCE. With pleasure.

Mr. BANKHEAD. The gentleman states that he sees some element of danger in section 4, in that it might ultimately jeopardize the security of the entire bond structure of the system.

I think the gentleman from Massachusetts will candidly admit that every power given inferentially in this new section is already vested in the Federal Farm Board—is not that true?

Mr. LUCE. Some power is already granted, but there is a difference of opinion as to whether every power is granted.

Mr. BANKHEAD. As I see it, the main value from the standpoint of the debtor to the system under this is that it may be in the nature of a mere congressional suggestion to the Farm Board that they exercise more liberality in the future in the extension of these installments than they have in the past.

Mr. LUCE. With the consent of the gentleman from Alabama, I will tell him that another member of the committee will dwell with greater particularity upon this one phase of the question, and I want to go on to another phase of the matter.

Mr. STEAGALL. If the gentleman will permit, my very able colleague is in error as to the provisions of this section. The section does set up additional machinery for dealing with foreclosures. It enables the officials of the banks to take delinquent payments and spread them over one year or five years in equal amounts instead of having to foreclose or transfer the mortgage to a suspense account where they can not count it among their assets.

Mr. RAMSEYER. Will the gentleman yield?

Mr. LUCE. Certainly.

Mr. RAMSEYER. The giving of $100,000,000 to the 12 land banks as capital will furnish the basis of how much increased loaning capacity of the banks?

Mr. LUCE. I could not tell the gentleman offhand.

Mr. RAMSEYER. Has the committee any estimate of that at all?

Mr. LUCE. Possibly the gentleman from Alabama, when he has time again, may be able to answer that question.

Mr. RAMSEYER. What is the committee's opinion as to the effect this will have on the market price of the outstanding bonds?

Mr. LUCE. The committee differs in judgment on that particular.

Mr. RAMSEYER. Unless the market price of the bonds is brought up to near par, how are you going to float the bonds?

Mr. LUCE. Another member of the committee later on will doubtless convey to the committee the judgment of the Farm Board in that particular. I desire now to go to another phase of the question.

Mr. ADKINS. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. ADKINS. I can understand that a man would prefer to take a 5 per cent bond, and then if he buys other bonds he can not turn those bonds in as payment on his mortgage. Why can he not turn those bonds back if he chooses to do so?

Mr. LUCE. That is a phase of the mechanics of the bill to which I would rather not give any time at the moment.

I want to take this opportunity to remind the committee that in every commercial transaction involving the transfer of money there is a lender as well as a borrower, and also to bring to the attention of the committee that when it fixes its eyes only on the wealthy lenders of this country it ignores the great mass of those whose welfare will suffer if we here enact legislation endangering the fruits of their labors.

To this end I would inform the committee that there are in this country 53,000,000 savings depositors. There are less than 30,000,000 families—about 25,000,000, I presume—so that, allowing for duplicate deposits to the utmost prob-

able degree, when you touch the savings of the country you are affecting the welfare of at least 9 out of 10 families. It happens that I am a director in one of the smaller life insurance companies. My only profit therefrom comes from the occasional fee I receive for attending a directors' meeting. We have something more than $3,000,000 invested in securities scattered among 300 different activities. That $3,000,000 is mainly the property of wage earners for whom we are the trustees, wage earners who are paying in 10, 15, and 25 cents a week in order that they may provide enough money to pay for burial or with which to pay doctors' bills after the last illness. When you endanger the bonds we hold for those people you are endangering the welfare of wage earners, those who make up the great masses of the people of the country. You are not throwing any effective club at the multimillionaire but a club that may come back like a boomerang to strike your neighbor or yourself. Do not allow yourselves to forget that a great part of the wealth of this country is owned by the masses of its inhabitants.

The CHAIRMAN. The gentleman from Massachusetts has used 15 minutes.

Mr. LUCE. Mr. Chairman, I yield myself three more minutes.

I am also a member of the corporation conducting a mutual savings bank in my town. As such I do not get even a fee for attendance. We hold ten or fifteen million dollars as trustees, mainly for the wage earners of my city, the wage earners for whose welfare I here plead your recognition.

Did you realize that there are more than $28,000,000,000 in the savings accounts of the people of the land; more than $28,000,000,000 invested by the banks, for the most part, for those in humble circumstances, those in the walks of life that are to-day in the most distress? You may pass some taxation measure that will deprive the wealthy of some degree of luxury, but they will still be able to live in comfort and ease. When, however, you pass a measure that threatens the savings of the people, then you are adding to the calamity through which we are now passing; you are increasing human misery. Therefore I trust that this measure, when it becomes a law, will be in such shape that it will not endanger the savings of the people. [Applause.]

Mr. STEAGALL. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, my distinguished friend from Massachusetts [Mr. LUCE] made an appeal for the people who own the bonds of the farm loan system. I am not going into the general economics of the world but just what this bill concerns.

There are $1,174,000,000 of farm-land bonds outstanding. To-day they are not sufficiently covered because there are many mortgages in default which are not eligible to be kept in their assets as security. You know when a paper is in default it becomes stale, and it has to be taken out of the registry of the bonds that are eligible to be put up as collateral for the bonds. They are $48,000,000 short, so Mr. Bestor told the committee the other day, of enough security to cover the bonds that are outstanding, in so far as the farm bonds are concerned.

Now, what does this bill propose to do? It proposes to do two things: First, to make absolutely sure that every bond that is outstanding is an A No. 1 or gilt-edged security, and, second, to enable the Farm Loan Board, if it will, to extend a little measure of leniency to borrowers who are admittedly unable to pay their installments, although their security is good.

The statement was made before the committee by Mr. Bestor that the price of farm products was such that it was impossible in the cotton country, the wheat country, and the corn country for any considerable percentage of the farmers, who depend on the sale of their products to pay their installments, to pay them.

Now, what do we do for the bondholders? We put $100,000,000 there and take it in stock, and that is an asset which goes right behind the bonds and, if next week the whole business was put into the hands of a receiver, the bondholders would be $100,000,000 better off than they are now, although that is not the principal object of the bill.

Mr. PARSONS. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. PARSONS. Who are the bondholders?

Mr. STEVENSON. The bondholders are everybody who has investments, as the gentleman from Massachusetts said a while ago.

Mr. CHIPERFIELD. Will the gentleman yield for a brief question?

Mr. STEVENSON. Yes.

Mr. CHIPERFIELD. In many instances these bondholders have bought up the bonds at 40 or 50 or 60 cents on the dollar. Would they have the benefit of having the bonds which they have so bought brought up to par?

Mr. STEVENSON. I think the gentleman is in error about that.

Mr. CHIPERFIELD. I am very sure I am not in error about these bonds, in many instances, having been bought at much lower than par.

Mr. STEVENSON. I do not think the Federal land-bank bonds have ever gone that low.

Mr. STEAGALL. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. STEAGALL. The gentleman from Illinois [Mr. CHIPERFIELD], whose judgment I respect very much, is in error, unquestionably. The gentleman has confused bonds of the joint-stock land banks with Federal land-bank bonds.

Mr. STEVENSON. Yes.

Mr. STEAGALL. Federal land-bank bonds have never gone lower than 76 or 77 or something like that.

Mr. CHIPERFIELD. I think the gentleman is right.

Mr. STEAGALL. And I will say, in addition, that the Federal land-bank bonds have made a great record for standing up, when all the others in this country were going down.

Mr. CHIPERFIELD. The gentleman is correct about that and I was confusing the two issues of bonds; but even so, take the case of the man who bought the bonds at 76——

Mr. STEVENSON. I do not yield further.

Mr. HARE. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. HARE. I just want to ask the gentleman, who is a member of the committee, whether or not the committee contemplates further legislation whereby it will require the Federal land banks and the joint-stock land banks to accept their own bonds in lieu of amortization payments or in satisfaction of mortgages?

Mr. STEVENSON. There are measures pending before the committee looking to those two things, but I will call the gentleman's attention to the fact that it is not necessary in case of Federal land banks, because that provision is already in the law. Section 25 provides that when a mortgage is in default for 30 days the association through which it came can be called upon to pay the default, and it may do so either by payment of the amount due thereon in cash or by the substitution of an equal amount of Federal farm loan bonds with all unmatured coupons attached. So there is no legislation needed for that purpose in so far as the Federal land banks with which we are dealing now are concerned; but as to the joint-stock land banks, that is a crying need.

The second purpose of this measure is to relieve, as far as may be judicious, the condition of the landowner who has good security, who has a good farm, who is a good risk, and yet to-day, because of the distressful conditions growing out of the low price of farm products, can not pay his installments.

Now, what do we propose to do? We do not propose to say to the board that it shall do so-and-so. I am a conservative man. I think everybody in this House who knows me knows that. I would not undertake to say to the board that it must extend every man's debt because he can not pay, because that would mean that everybody would stop paying, or that many would stop paying. We have got to leave this to the discretion of the board, and therefore we

have put a provision in this bill which, in my judgment, is ample security for the board and preserves every right they have and yet will do two things. It is giving them the authority to renew paper which they have not got now, and giving them the intimation of the mind of Congress that where they have got a man worthy of credit and indulgence under distressing circumstances, to give him a reasonable extension not to exceed five years.

Mr. BURTNESS. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. BURTNESS. This is a very important provision and I want to ask the gentleman this question: Does this in any way contemplate that it is the only and exclusive remedy existing? What I am getting at is this: Assume that a loan has been cut down from $10,000 to $5,000 by payments; if the situation of the borrower is such that his interest would be preserved by renewing his loan and making a new loan, would this stop his doing it?

Mr. STEVENSON. No. This does not take any right away that the board has now. It does not subtract a thing from the right of the board, but gives the board additional right; and instead of its letting the paper become stale and ineligible as paper to secure bonds it gives the bank authority to renew and amortize it from one to five years.

It gives the board authority to protect the paper, to get the man out of his trouble that he is in, without his fault in many instances. It keeps the paper alive, instead of filling the banks with dead paper—dead mortgages that they can not use as collateral.

Mr. DIES. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. DIES. Is there any method of bringing about the distribution of this money?

Mr. STEVENSON. We can not control the discretion of the Federal Farm Board.

Mr. TUCKER. Will the gentleman yield?

Mr. STEVENSON. I yield to the gentleman from Virginia.

Mr. TUCKER. What legal connection has the Federal Farm Board with the land banks?

Mr. STEVENSON. The Federal Farm Loan Board controls the directors of the land banks. Their rules and regulations have to be carried out by the land banks. They govern the land banks much as the Federal Reserve Board governs the Federal reserve banks.

Mr. TUCKER. Then the land banks are in mighty bad company.

Mr. STEVENSON. The gentleman refers to the Federal Farm Board, which has absolutely no connection with the Federal land banks.

Mr. DIES. What assurance have we that this money will be loaned to the farmers?

Mr. STEVENSON. We have no assurance, except that that is the only thing that they can do with it. They are not authorized to do anything else. We must certainly assume that the Farm Loan Board will favor the farm interests in this country. They are not going to take the $100,000,000 and walk off with it and put it into Wall Street. [Laughter].

Now, this amendment was unanimously adopted by the committee. It reads as follows:

> Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period.

They can allow him a period of 5 years in which to pay, or they can make it 1 year, but they can not make it more than 5 years. For instance, the first proposition in the committee was to make it 10 years or more. We cut it down to 5, which shows the intention of the committee, and the intention of the language, that 5 years is the limit put on the board, and that is the only discretion interfered with in this whole proposition. When that is done the paper is current, it is eligible to go up for bonds, and it is paper that will be regarded as current paper in the world of commerce.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. LUCE. Mr. Chairman, I yield three minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON of New Jersey. Mr. Chairman and members of the committee, I rise simply to obtain information from the leaders in this great committee upon two or three vital points. First, is it proposed to bring here any legislation devised to restore value to and stabilize the bonds of the joint-stock banks that are now helping to impair the capital of banks and insurance companies throughout this eastern country? Second, are you going to bring here any proposal to merge these various instrumentalities for putting the farmers into debt into one great efficient and economically sound institution that will help avert the most dangerous and difficult problem we have to-day, namely, the foreclosure of mortgages on homes. I am not especially interested in the mechanics of society. I believe that our institutions, financial and political, exist for the making of men, and I have been afraid that these organizations that we have created here from time to time have not succeeded very well in safeguarding the greatest man-making institution in the world—the farm—where a good many of us were born and brought up and learned to work, which latter is not done much nowadays. I hope my desire for information will be satisfied by the gentlemen in charge of this bill.

Mr. LUCE. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. RAMSEYER].

Mr. RAMSEYER. Mr. Chairman, ladies and gentlemen of the committee, I am deeply interested in this bill now pending before us to provide an additional $100,000,000 for the Federal land banks of the United States. This is one step in the President's 12-point recovery program. Yesterday the leaders of both parties of this House were called to the White House to discuss with the President needed legislation. The President, according to press reports, urged getting three bills through Congress at the earliest possible date. The first bill mentioned was the one that passed the House yesterday; the second bill is the one that is now before the House and which, it is hoped, will be passed before we adjourn to-day; the other bill is the one for the establishment of the Reconstruction Finance Corporation, on which the Committee on Banking and Currency is now holding hearings. This proposal is patterned after the War Finance Corporation which was established during the war and revived to aid in the emergency of 1921–22.

These bills, enacted into law, will tend to liquidate frozen assets and turn the tide of deflation. There is no question but that the outstanding cause of our present economic difficulties is the fall in commodity prices. Unless we find a way to elevate the commodity price level we are in for a long period of hard times and possibly great social changes.

The situation that confronts the country and the world is such that we should forget politics and get down to a nonpartisan consideration of the problems that confront us. The country expects us to do that and I believe the Members of this House are getting more and more in the mood to consider legislation from a nonpartisan standpoint. Some of the most important relief measures will have to be considered by the Committee on Banking and Currency. The bill (H. R. 5060) for the establishment of the Reconstruction Finance Corporation with a capital stock of $500,000,000 should receive prompt consideration by Congress. The proponents of the bill express great confidence that if that corporation is established it will have much to do in turning the "tide of deflation and starting the country upon the road to recovery." Eugene Meyer, the governor of the Federal Reserve Board, was before the House Banking Committee yesterday and, testifying for the establishment of this corporation, stated "that the very knowledge of its existence would do more to reassure people in fear than any one other thing." Mr. Meyer, without wishing to make any prediction, did express the hope that the passage of this

piece of legislation would result in a higher price level for commodities. Further, a newspaper giving an account of his testimony stated, "He referred to the fact that there was a rise in price level during the period of activity of the War Finance Corporation, after which the present corporation is modeled."

The three great farm organizations, the Grange, the Farmers' Union, and the Farm Bureau, are more united this year on a program of relief for agriculture than they have ever been before in the history of the country. One thing they are all agreed on is that a way must be found to restore the commodity price level to the predepression basis.

There are before the Committee on Banking and Currency four money bills to restore and stabilize the commodity price level, introduced by the following Members of the House, to wit: Mr. GOLDSBOROUGH, of Maryland; Mr. BURTNESS, of North Dakota; Mr. STRONG, of Kansas, and myself [Mr. RAMSEYER, of Iowa]. I am reliably informed that immediately following the holiday recess representatives of these three national farm organizations are going to be in Washington and will appear before the Banking Committee of the House to urge prompt congressional action to restore and stabilize the commodity price level.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. STEVENSON. There is also a bill by the gentleman from Illinois, Mr. SABATH, very much on the same line.

Mr. RAMSEYER. I am glad the gentleman has called my attention to that. I did not know that Mr. SABATH had introduced a bill on this subject. These bills point the way to raise the level of commodity prices and then to stabilize such prices so as to restore debt-paying and purchasing power to the farmers and other producers. That is the fundamental economic problem before the country to-day. Unless commodity prices are restored and stabilized on a higher price level, other remedies will afford at best but temporary and partial relief.

Most of the debts, taxes, and other fixed charges now burdening farmers and other producers were assumed on the commodity price level of several years ago. On the present low commodity price level payments of these obligations simply can not be met. Banks which have extended credit to farmers and other producers can not collect, and that is the cause for a large number of the bank failures. During the last year and one-half I have devoted much of my time to this problem of restoring and stabilizing the commodity price level. I have served on two committees, each of which has made reports. On this subject I have delivered a number of addresses before farm and other organizations, and I have received letters from all parts of the country urging immediate action. This morning I received two letters from my district which are typical—one, from a farmer, says:

> Hope you will be successful in stabilizing the dollar.

The other one, from a business man, reads:

> I am convinced that there should be some change in our currency system such as you have advocated. I can see no real reason for this depressive depression except the high-priced dollar.

[Here the gavel fell.]

Mr. LUCE. I yield to the gentleman from Iowa two additional minutes.

Mr. RAMSEYER. If the commodity price level of the last two years had been where it was in 1926 or the average for the years 1922 to 1928, we would have had very few bank failures during the last year. I now earnestly urge every member of the Committee on Banking and Currency and every Member of the House to study the problem of restoring and stabilizing the price level. As I have stated before, the three great national farm organizations will be here as soon as Congress reconvenes the first of the year, and I believe they will present a united front before the Banking Committee on this fundamental problem.

Mr. EATON of New Jersey. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. EATON of New Jersey. Does the gentleman believe that we can elevate the commodity price level by legislation?

Mr. RAMSEYER. Congress has the power to coin money, and to regulate the value thereof. According to my views, and the views of many others, including leading economists and well-known financiers, the Federal reserve system has the power to restore and stabilize the commodity price level. My bill directs the Federal Reserve Board and the Federal reserve banks to use all their powers to restore the level of commodity prices to that for the calendar year 1926, and thereafter to use all their powers to maintain such level.

Mr. O'CONNOR. Will the gentleman yield?

Mr. RAMSEYER. I yield.

Mr. O'CONNOR. Is the gentleman also aware—I am sure that he is—that the level of the purchasing power of the consumer has also been lowered? What is the gentleman going to do about that?

Mr. RAMSEYER. The first step we must take to turn the tide of deflation is to restore the purchasing power of the farmers and other producers. If the purchasing power of the farmers is restored, they will begin to buy commodities that will be produced in factories that are now idle; that will employ labor now unemployed. Agriculture is the basic industry. To restore the commodity price level for agriculture is fundamental. Without the restoration of the commodity price level so as to give farmers debt-paying and purchasing power, unemployment will continue and recovery will be delayed.

Mr. Chairman, with leave to extend my remarks I submit for printing in the RECORD my bill (H. R. 128) to restore and maintain the level of wholsesale commodity prices, which reads as follows:

> *Be it enacted, etc.*, That the Federal reserve act is amended by adding at the end thereof a new section to read as follows:
> "SEC. 21. The Federal Reserve Board and the Federal reserve banks are hereby directed to use all their powers to restore the level of wholesale commodity prices to that for the calendar year 1926 and thereafter to use all their powers to maintain such level. In the exercise of such powers the Federal Reserve Board and Federal reserve banks shall, so far as possible, use as a basis for their computations the same statistics and data utilized by the Bureau of Labor Statistics of the Department of Labor in the computation of its index number of wholesale all-commodity prices."

Mr. LUCE. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. STRONG].

Mr. STRONG of Kansas. Mr. Chairman, ladies and gentlemen of the committee, I am very glad that my friend [Mr. RAMSEYER] spoke on this proposition of stabilization of the purchasing power of money. Everything he says is absolutely true. For six years I have been trying to urge upon the country, and upon Congress, that when a government creates a monetary system it ought to stabilize the purchasing power of the unit of value, and not let the dollar that you borrow, lend, work for, or spend have a purchasing power of 50 cents in one decade and 100 or 75 cents in the next decade. It is unfair to everybody but the speculator.

I have been proposing to correct that situation, and Mr. RAMSEYER and others are now coming in to help. Our plan being to regulate the supply and demand of money through the Federal reserve system, which they have the power to do.

I am glad that the American Farm Bureau Federation, and the other farm organizations, have taken up this proposition. The American Federation of Labor has already indorsed it before our Committee on Banking and Currency. We had long hearings upon this proposition. We had the best economists in this country and in Europe appear before the committee, and I think without exception all the economists who were not in the employ of some great financial institution or some Government agency favored the proposition. Therefore, I want you ladies and gentlemen to think about and study this proposition, and see whether or not it is not time for the American Congress to use the instrumentality which it has, the Federal reserve system,

by directing it to use the powers which it now has to stabilize the purchasing power of the dollar.

Now, I want to speak about the bill (H. R. 6172), which is now before the committee. It is part of the national program to build a financial defense against disaster. That is what we are doing. We all know that all summer and fall it was feared there would be a crash in Europe that would affect our institutions, or a greater crash here, so we are offering constructive defenses all along the line. This is to strengthen the Federal land banks. They are perfectly sound. There is no question of their soundness.

Mortgages upon the best farm lands in this Nation are behind every bond issued. They are as good as gold, but in the present situation, with everybody afraid to invest, with all kinds of bonds sinking in their market value, the bonds of the farm-land banks have been affected, and when the bonds of the farm-land banks are below par it is hard to sell new issues. When the Federal land banks can not sell their bonds they have no money to loan to the farmers.

The purpose of this bill is to have the Government, if the directors of the several banks desire, buy any part of $100,000,000 of stock to strengthen the banks, to give them money that the bondholders may know that those banks are sound and good and that they need not have any fear of them. They have been about the best bonds on the market up to this time, and we want to keep them that way. The Government has owned stock in these banks before, and the farmers themselves under the system have paid back every dollar of over $200,000,000 but about $200,000. Now, we propose in this time of stress to put $100,000,000 back into those banks.

Remember that this is not intended to be in any sense a moratorium to the farmers who have borrowed from the farm-land banks, for unless they pay their interest to the banks the banks in turn can not pay the interest they owe on their bonds, and the whole farm-land bank system will fail. This bill is intended to provide needed capital for the banks through having the Government invest $100,000,000 if necessary in the capital stock of the 12 Federal land banks.

Because of the present depression the outstanding bonds of these banks are listed on the market at 73, which though higher than most other bonds does not permit the sale of more bonds to get money to loan to farmers, so the Government under this bill will furnish if necessary $100,000,000 new capital and take stock until the banks can retire the same.

This is one of the propositions submitted by the administration, indorsed by the Farm Loan Board, and introduced by Mr. STEAGALL as a part of the administration's financial program, but there is one exception. Section 4 was not in the bill when presented to Mr. STEAGALL. It is a proposition proposed by him and indorsed by a majority of the committee. The Farm Loan Board has some doubts about it. However, after considerable discussion and thought the committee agreed to it. Let me read it to you.

> Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period.

Now, what does that mean? It simply means that if a farmer who has been making his payments regularly—a good farmer, a man who takes care of his farm and knows how to manage it—finds himself in difficulty because of some condition that has arisen, such as hail, grasshoppers, or drought, and he can not meet his payment due on his mortgage to the land bank, he can go to the directors of the bank and say, "Here is my situation. I ask you to give me deferment for this year's payment and let me meet it in five divided annual payments."

Mr. LEAVITT. Beginning when?

Mr. STRONG of Kansas. Beginning from that year.

Mr. LANKFORD of Georgia. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. LANKFORD of Georgia. Did any of the officials of the Federal land banks ask for section 4 to go in the bill?

Mr. STRONG of Kansas. They did not.

Mr. LANKFORD of Georgia. If they are not sympathetic with section 4 and do not want it in the bill, does the gentleman think they will give it sympathetic administration so as to prevent the present orgy of foreclosures going forward?

Mr. STRONG of Kansas. This will be left to the directors of each of the 12 farm-loan banks, and I have confidence that they will carry out the purpose of the legislation.

Mr. LANKFORD of Georgia. But those directors have not asked that it go in.

Mr. STRONG of Kansas. No; they have not asked that it go in. They have not been consulted.

My friends, there has been presented to the Committee on Banking and Currency, by some of the Members who will probably address you, conditions in their districts which show a need for deferred payments. Now, we can not pass a moratorium on this proposition, which will extend the payments due the banks. If we did, it would ruin the farm-loan system, because perhaps a majority would ask not to pay their interest; and, if they did, the farm-loan banks could not pay the interest on their bonds and the system would fail. This does not grant a moratorium or defer payments to all the farmers who have given mortgages on their farms. This is solely for the purpose of making it possible to take care of farmers who can not pay their annual installments in an emergency and, in the judgment of the directors of the land banks, are nevertheless good security for their loans.

Mr. McKEOWN. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. McKEOWN. Why did you not provide for a moratorium?

Mr. STRONG of Kansas. Because, as I just explained, it would destroy the system. If there is an emergency, and if there should come a time when some farmer or a dozen farmers or a hundred or more farmers can not meet their payments, why should the farm-loan bank officials foreclose the mortgages, take the men off the farms, and sell them to some other farmers who may not do as well?

So this provision was written into the bill by the committee, and it simply gives the directors of the bank the right, if they think conditions justify, to extend the amount due on the loan for one year and spread it over the next five years; and I can not see how it will hurt any of the banks, bondholders, or anybody else.

Mr. PURNELL. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. PURNELL. What is the practice under present conditions in the event of a default in payments?

Mr. STRONG of Kansas. Well, various Congressmen report various results in their districts. I have had very little complaint in my district, but I have had a few cases in which I think the president of the bank was rather hard-boiled.

Mr. PURNELL. The statement has been made in the cloakroom, if not on the floor, that the directors already have the authority granted by section 4, and I merely want the gentleman's interpretation of it.

Mr. STRONG of Kansas. Well, they do have the authority, but the trouble is that if they suspend payments, the mortgage goes into a file where it is in suspense and can no longer be held as security for the bank's outstanding bonds, although the security behind the mortgage may be good.

By the method provided by section 4—if in the judgment of the directors of the bank conditions justify it—the amount due in whole or in part by any borrower for any one year may be extended over the next five years. The bank is protected by the judgment of its board of directors as in all affairs of the bank. This section may make them some additional work but does not impair the stability of the bank if the directors look properly to the value of the security of the loans as I believe they will and should do.

[Here the gavel fell.]

Mr. LUCE. Mr. Chairman, I yield five minutes to the gentleman from Michigan [Mr. HOOPER].

Mr. HOOPER. Mr. Chairman and gentlemen of the committee, I have no intention of making a speech upon this question this afternoon but merely wish to express my hope that this bill will pass. The Banking and Currency Committee has examined this bill, as it does all bills, in a perfectly nonpartisan manner.

I am not optimistic enough to believe that the bill which is before us here will bring about farm relief or that it will greatly change conditions in the country; but it may be, possibly will be, one of those contributing factors which will help to restore confidence throughout the country. There are so many things which contribute to the condition in which we find ourselves to-day that whatever may reasonably promise relief is desirable, at least as an experiment, and I am one of those who believe that the bill we are about to pass, or which I hope we are about to pass, is an experiment and an experiment in the right direction.

However much confidence the people of the country may have lost in private institutions they still have thorough confidence, I believe, in the Government of the United States; and with the Government of the United States in this manner making it more possible for farmers to retain their farms, foreclosures, generally speaking, will be less likely.

I have strong hope that this bill will meet the purposes for which it was designed. Therefore I intend to vote for it, with the idea that it will, in a measure at least, give relief to agriculture in this country. So I hope the membership of this House will see that this bill goes to speedy passage.

Mr. CABLE. Will the gentleman yield?

Mr. HOOPER. Yes.

Mr. CABLE. Can the gentleman tell us how many foreclosures there have been under all the banks?

Mr. HOOPER. No; I am unable to state that to the gentleman from Ohio at this time.

Mr. STEAGALL. I yield five minutes to the gentleman from Mississippi [Mr. BUSBY].

Mr. BUSBY. Mr. Chairman and gentlemen of the committee, the purpose of this measure is to give the Federal land banks the power to do what any practical business man or banker would do under like circumstances. In this unusual period through which we are passing, the Federal land bank finds a number of its borrowers, with splendid farms, with security which in normal times would be entirely sufficient to cover the loans they have obtained—but the unusual times which are upon us makes it impossible for such farmer to carry on and meet his taxes and meet his expenses, as he has to meet them. In many instances his entire farm products and all of the resources he controls will not meet the annual payment that he must raise or else become delinquent. If he is to be sold out at any time, he becomes delinquent and the land banks have no money with which to take care of the bond obligations and the interest on the obligations; this creates a very bad situation.

I take it there is no more fundamental, basic occupation in this country than that of farming, and that the farm must be preserved at all hazards if the Nation is to stand. If we destroy the farm, we destroy the source from which we obtain our food and our clothing. If we drive the farmer out of his home and take over these farms through an organization like the Federal farm land bank, it can not handle them as well as the man who has his home on the farm and has his heart set on making it go, if it can possibly be done.

Mr. CABLE. Will the gentleman yield?

Mr. BUSBY. I beg the gentleman's pardon, but I can not yield. I want to proceed in an orderly way to give the House my views pertinent to this legislation and related questions.

The President has called our attention to the necessary program, as he views it, to finance and encourage home building in the cities. Unless we do something to keep the homes of the people on the farms and to help them maintain their homes on the farms, we are going to drive great numbers out and make many homeless people where now they are well situated and well settled.

It is true that the depression in which we are now engulfed is the cause of the shrinkage of the assets of the farmer and the cause of the failure of banks in the rural sections of the country. No bank ever fails until the community around it fails, because as long as the community stands up the assets are good and the bank is solvent.

The shrinkage of assets in this country has been tremendous. Mr. Parker Willis suggested that our national wealth was $400,000,000,000 two years ago. To-day its market value is not more than $200,000,000,000. The securities listed on the New York Stock Exchange have shrunk from $136,000,000,000 on September 1, 1929, to $46,000,000,000 to-day, a shrinkage of $90,000,000,000, which is one and one-half times the amount of all the assets in all the banks of the United States. This is the extent to which the people's purchasing power has gone down, and the only thing that will ever help us meet our obligations is to inflate commodity values and purchasing power back to a point where it has some reasonable comparison with the obligations we made when we contracted to pay bonds and to meet notes and other fixed obligations two or three years ago. But I will discuss these questions more at length shortly. We are providing in this bill $100,000,000 to be used by the Federal Land Bank so they can meet their bond and interest obligations without having to sell the homes of our farmers who can not possibly pay their loan installments. We must save the farms in the crisis through which we are passing.

Regardless of what issues may be proposed for the consideration of this Congress, nothing can divert its attention from a program of legislation looking forward for some degree of financial relief from distressing conditions that have affected every person and every business. During the past two years the entire world has suffered from the greatest collapse in values which it has known since the Napoleonic wars. When we shall have passed through this awful depression and have reached better times, we shall describe this period as having been the most dismal in the mercantile, investment, and financial history ever known. We will look back and recount how trade and industry were stricken and prostrated as never before; how business activities in every land dwindled almost to the point of absolute stoppage; how the security markets reached a condition of true collapse; and how the farmer passed through a period of extreme distress because of the shrinkage in the market values of his products. We will recount how the largest and wealthiest business institutions in normal times, such as the great steel and copper industries, the great telegraph and carrier systems, as well as the others, reached the point where their very solvency was threatened; how failures of banks, large and small, were spread throughout the country, so numerous as to become appalling; and how every type and character of business were so affected that they were discontinued and millions of workers were turned out of employment to walk the streets, beg for work which could not be found, and how their families, in destitution, hungry, and suffering, were cared for by public charity. Indeed, we will look back on this day and time as one filled with horror.

This condition has been brought about, undoubtedly, by many causes working together, no one of which would have been sufficient, taken by itself, to account for so severe a depression.

In order to understand something of the time in which we find ourselves and the causes and conditions that have worked together to bring about the unusual situation, it is necessary for us to take a survey, to some degree, of the field and the causes responsible. A satisfactory explanation can not be offered until we have examined the causes. In the early part of 1929, apparent prosperity was in evidence on every hand. All property was advancing in value. Stocks, bonds, and securities were selling at fabulous prices. We were told that the sunshine of prosperity was about us, and that was the condition of the business mind everywhere.

Wealth is a somewhat varying term. It must be considered in relation to physical properties and the general desire by those who have the means to own and possess them. The peak of wealth in the United States was reached in 1920, when it was placed at $494,000,000,000. By 1929 this wealth had dropped to $373,000,000,000, and to $340,000,000,000 in 1930. Mr. H. Parker Willis in his recent book estimated that the wealth of the Nation was $410,000,000,000 and that about 37 per cent, or $150,000,000,000, of the national wealth of the United States is represented by securities. The New York Stock Exchange reports that on September 1, 1929, the total market value of all stocks and bonds listed on that exchange reached the amazing figure of $136,409,000,000. A large portion of these were of foreign origin. In 1920 the value of farm properties was placed at $78,000,000. I might recount every type and kind of property for the purpose of showing a comparison between its value then and now, and a similar result would be obtained. There is no way of telling the market value of the national wealth of to-day. Some have estimated that it is as low as 40 per cent of what it was in 1929. But we can very definitely determine the market value of the securities listed on the New York Stock Exchange. From $136,000,000,000 in 1929 they have dropped to not more than $46,000,000,000 to-day, a clear loss in market value of $90,000,000,000.

After the deflation and depression period of 1921 had subsided, this country was launched into a period of commercial inflation such as had never been known before. The method of salesmanship practiced by the Federal Government in placing the Liberty loan bonds and other Government securities in the hands of people were adopted by the larger commercial organizations and banking institutions as a security-selling plan. These methods were applied in whole or in part from the largest automobile manufacturers down to the smallest type of business institution. Partial-payment plans were devised to suit every commodity and every class of trade. We were taught that nothing need be paid for in full; that we should buy by making partial payments on our purchases from the most trivial commodity to the most expensive investment. This was a new scheme whereby the purchaser could make his funds extend further and gather unto himself a greater number of the things desired without the necessity for immediate concern about the full payment of the purchase price.

INDUSTRIAL INFLATION

This also became the age of overindustrial extension; businesses were established, factories built, enterprises launched by crafty and designing persons who were interested only in the development of the project, the flotation of its bonds and securities, and the sale of them through some underwriting syndicate or security affiliate to the public. Many of these industrial projects never had the slightest possibility of being able to earn dividends on the investment. Their securities and "promises to pay" had been issued and sold by the millions through high-powered underwriting syndicates to the public.

Expensive building projects were constructed in every large city and on these were placed first, second, and third mortgages, securing "gold bonds," which bonds were sold to the public in exchange for life-savings. The public, in turn, saw those savings wiped out by a foreclosure of a trust deed on a first mortgage, and often the first-mortgage holders found the forced-sale price was not sufficient to repay even the notes they held. It is interesting to turn to more authentic sources for information regarding the rapidity of the development of listable securities covering a portion of the recent industrial inflation.

On January 1, 1926, there was listed on the New York Stock Exchange "listable shares" to the number of 491,615,837, of a total value of $27,072,000,000. When the stock-market crash came in September, 1929, shares listed on the New York Stock Exchange amounted to 1,127,682,468, an increase in three and a half years of 636,000,000 shares, or more than 115 per cent.

MARKET VALUE OF SECURITIES

On January 1, 1925, the total market value of all stocks and bonds listed on the New York Stock Exchange was $60,684,000,000. With industrial inflation a rapid increase of these listings began about that time. In 1926 their market value was $70,000,000,000; in 1927, $75,500,000,000; in 1928, $86,500,000,000. January 1, 1929, they were $115,000,000,000, and nine months later, September 1, 1929, when the market price reached its peak, they were $136,409,000,000, an increase within four and two-thirds years from $60,884,000,000 to $136,409,000,000, a clear increase of $75,525,000,000, or 125 per cent for the original shares and bonds and those that had been added to the listings during that time.

SECURITIES AGENTS

This is the measure of the amount of savings, investments, property, and obligations that had been paid or assumed by the purchasers of securities. So well had the field of investment been worked that every nook and corner of the country had become interested in stocks, bonds, and investments. In every one of the 25,000 banks in the United States was to be found lists of stocks and bonds recommended by the metropolitan banks as splendid investment securities. Small banks were urged to sell stocks and bonds to customers who might have money on deposit. Thousands of agents selling stocks and bonds daily plied their trade on streets, or from door to door and from office to office, soliciting purchases and urging people to part with their savings for what was described as gilt-edge, high-interest-bearing securities. The security vendor was in evidence everywhere. It is believed that at the time the stock-market crash came in 1929 that as many as 20,000,000 people, or one out of every five in the United States, had become a buyer and seller of securities. Almost in every instance securities were traded in on margin, or, if bought outright, were placed with banks as security for loans with which to meet the purchase price. The entire country had assumed tremendous obligations, scarcely any property was clear of some mortgage, partial-payment balance, or marginal obligation, the holder of title having only a claim to whatever equity there might be above the indebtedness. It may be noted that a portion of the $136,000,000,000 at which securities were selling on the New York Stock Exchange when the stock-market crash came was paper profits, or appreciation in the hands of the original holders. That was no doubt true in some instances, but for the most part people who had accumulated some wealth or had savings accounts at low rates of interest converted these into stocks and bonds at the high prices prevailing during the spring and summer of 1929. To-day all the stocks and bonds listed on the New York Stock Exchange do not have a market value of more than $46,000,000,000. If the market continues to decline, it will soon be much less. This is a loss of $90,000,000,000 from the peak of prices, an average amount equal to $750 for each man, woman, and child in the United States.

This amount is equal to five times our national debt, seven times the bonded war debt due our country, almost four times as much as the amount of the war debt and the loans made by our private bankers to foreign countries; eight times the value of all the gold in the world; two-thirds the ad valorem assessment of all the property in the United States, and an amount equal to two years' national income. And this is the basic cause of the financial depression in which we now find ourselves engulfed.

THE NATIONAL ANNUAL INCOME

The annual national income of the United States for 1928 and 1929, that is, the amount of income earned in each of those years by all the people, amounted to about $90,000,000,000. The national income for 1931 undoubtedly will be less than $50,000,000,000, a reduction in round figures of $40,000,000,000, equal to an average amount of $400 for every man, woman, and child. This loss of annual income has fallen principally on those who labor for their daily bread and who were dependent on their employment for funds to feed and clothe their families. The calamity has

been so great that if everyone of the 25,000 banking institutions in this country, with their $60,000,000,000 resources, had closed their doors, and if every dollar of those resources had been destroyed in toto, the loss would still be $30,000,000,000 less than the depreciation in the market value in stocks and bonds borne by the people during the last two years. Of course, the difference in destroying market value of listed shares and securities and in destroying all the banks and their assets would be that with the bank assets would go the credit machinery of the country, while the destruction of security values would carry with it no such consequence to the credit machinery, but the loss is visited upon individuals from the smallest to the greatest.

BANKING

Banking in former times was an entirely different business from what it is now and was conducted by entirely different rules. It involved no such wild-eyed schemes of get-rich-quick organizations as we find attached to every big banking institution to-day. One of the principal arguments urged by the big banking fraternity by its members who appeared before the House Committee on Banking and Currency last year against the smaller banks—and any bank with less than a capital of $250,000 was classed by them as a small bank—was that the small bank could not have the advantage of operating its security affiliate, its stock-trading department, and of employing its expert adviser on investments.

INFLATION BEGINS

Beginning about 1925 the biggest banks of the country combined with other banks to make still more monstrous banking institutions. Of the $60,000,000,000 assets of the 25,000 banks in this country, it was announced in May, 1930, that 12 banks owned $20,000,000,000 of those bank assets and credits. About the same time it was also stated by Mr. James W. Gerard, former United States ambassador to Germany, that 59 financial lords "ruled the United States." Mr. Gerard was close to Wall Street and was able to pick men who really ran the financial, industrial, and political shows of this country. He first gives a list of 15 men whom he classes as being outstanding figures in finance, the real kings among them all, and while he places John D. Rockefeller, jr., as No. 1, strange to say No. 2 is that great commoner and lover of the common people, Andrew W. Mellon, Secretary of the Treasury of the United States. Then come "steel barons," "railroad magnates," "bosses of the wires," and "moguls of the newspaper world."

INFLATION METHODS

I want to be more specific regarding the methods used by the gigantic banking houses to reach the resources of the country and siphon out the savings out of every city, town, and hamlet in the land.

All down through the ages, until recent years, mankind was able to make a saving of its surplus capital only in the form of concrete tangibles, such as lands, houses, food, cattle, jewels, and gold and silver. All such forms of savings are now represented by stocks, bonds, life insurance, bank accounts, and so forth, which are a development of modern times. In the United States and other nations with modern financial set-ups a large part of the people use banks and no longer continue their habit of hoarding property and hard money, as in other times. We have, by legislation, enacted so many schemes for supplying credit that it makes it easy, I might say, inviting, for mortgages and other currency-raising instruments to be fastened upon our tangible property, so that there is practically nothing owned or desired by man but what can be readily converted into liquid assets. Perhaps this is an evil in our system. This is the general condition of property to-day, and this makes it all the more easy for the dealer in stocks and securities to reach the savings of the masses.

WATERED STOCKS

Watered stocks have played no little part in despoiling values in the past. When the elder Morgan put together an array of corporations to form the United States Steel Corporation, he headed a syndicate which underwrote the new securities sold by it to the public. For this service the syndicate received the sum of $62,500,000 in cash. Mr. Morgan's firm alone received $12,500,000 of this. Mr. Brandeis, now Supreme Court justice, quoted Herbert Knox Smith, commissioner of corporations, who said:

More than $150,000,000 of the stock of the United States Steel Corporation was issued directly or indirectly for mere promotion or underwriting services.

The Pujo committee investigation of the House of Representatives disclosed the fact that through very small investments in common stocks the Morgan firm had gotten control of the funds of three large insurance companies and 38 banks and trust companies, with total resources of $3,000,000,000. Dillon, Read & Co. received a fee of $15,000,000 for reorganizing Dodge Bros. a few years ago. Hundreds of other like instances could be pointed out, calling attention to stock-watering operations practiced by promoting and investment banking concerns. On April 15, 1930, during the hearings had by the House Committee on Banking and Currency, Mr. E. W. Decker, president of the Norwest Bancorporation, Minneapolis, Minn., described one of the stock-issuing performances of his corporation. He told us how the Bancorporation had been authorized to issue $300,000,000 of its stocks, how only $80,000,000 had been subscribed for and issued, leaving an authority to issue $220,000,000 additional stocks whenever the directors of this bank holding company deemed it advisable. He told us how 144,000 shares of its stock, then selling at 85 on the market, were offered to the shareholders at $72.50 per share. He said:

However, before that stock was offered to the shareholders, I had it underwritten, I think, by 75 different houses scattered all over the country, who were invited to join in the underwriting (syndicate) at $70 a share, because I thought it was good business.

He tells us how later the stock of the Norwest Bancorporation dropped in the market from $85 to $50 a share. Then, he said, he called upon the underwriting syndicate to pay into the treasury of the Norwest Bancorporation the difference between $70 and $50 a share on the 144,000 shares it had underwritten, which could not be sold to the public or to the original shareholders by the syndicate, because of the drop in price. I then asked Mr. Decker (Hearings, p. 874):

The way things turned out, your organization made $3,000,000 on that adventure, between the price at which it proposed to repossess them (the 144,000 shares) and that at which the stock was sold to the syndicate?

Mr. Decker, in a nonchalant manner, replied: "We added $2,800,000 to our surplus." I said:

You outguess the other fellow?
Mr. DECKER. We thought we did a good piece of merchandising.

And then the record shows "laughter."

Mr. BUSBY. That is the situation all over the country with banks that have large banking organizations and that have these subsidiaries?
Mr. DECKER. Yes, sir.
Mr. BUSBY. They are engaged largely in the merchandising or guessing game as to which one is going to get the better of the securities operation when it is finally sold out?
Mr. DECKER. Yes, sir.
Mr. BUSBY. Do you not think that that situation has largely inflated bonds and stocks on the markets of the country?
Mr. DECKER. Undoubtedly.

I then asked Mr. Decker:

Do you not think that the credits required by the business of the country are much less than the amount of credits that has been extended by operations just described and by bank loans and call loans?

Mr. Decker replied:

At the inflated period, prior to the crash, yes; to-day, no.

This big Norwest banker little dreamed at that time that we were just entering the period of business stagnation which we find on every hand to-day. I might tell you that this same Mr. Decker is one of the 12 men recently appointed by President Hoover to head the proposed $500,000,000 national credit corporation.

BANK OF ITALY

Perhaps the most extensive holding company that has operated in this country was the Transamerica Corporation,

organized in October, 1928, for the purpose of taking over the Bank of Italy properties and for the further purpose of establishing, literally, a department store for operations in big financial transactions. It has the authorized capitalization of 50,000,000 shares, 23,000,000 of which had been issued by May 7, 1930, the day that Mr. Bacigalupi appeared before our committee. This holding company owned all of the stock of many national banks, practically all of the stock of two Federal joint-stock land banks. It owned and operated insurance companies, real estate, banking, in fact, almost all forms of credit institutions, to the number of 525. It owned security affiliates, stock trading and investment companies, and was interested as a stockholder in many kinds of big business. It bought 7 per cent of the stock of General Foods. It owned 300 State banks and branches in California. Its stocks were owned in every part of the world, in 40 foreign countries. It had banks in Italy and other European countries and had representatives and agents throughout the world. When Mr. Bacigalupi was before the Banking and Currency Committee, I called his attention to the wide scope of operations, commonly termed "department-store banking," in which the Transamerica Corporation was engaged, and then asked Mr. Bacigalupi if he could foretell the extent to which the operations of this company would reach. He replied—

I have already stated, Mr. Busby, that we are in the business, and we intend to continue in the legitimate pursuit of it; yes, sir.

He told us that day that the assets of the Transamerica were worth $1,176,000,000. At that time its shares were selling for $45 on the market. To-day their market value stands at about $2.50, a clear loss of $1,120,000,000, or 95 per cent of their market value within one and a half years. This was a great dream by big bankers who thought they could harness the resources of the world through artificially constructed and uneconomic arrangements to control the credits of this Nation as well as, in part, of the world. Friends had faith in the project, invested and lost millions. California, the home of the Bank of Italy, with its 300 branches and other allied financial institutions, has indeed been a great sufferer because of the collapse of this gigantic financial bubble.

Other like instances could be added in great numbers to these, but what I have called attention to illustrate the course taken to develop industrial credits and operate a type of financial trickery, legitimate, it is true, under our present banking laws, but wholly demoralizing in effect on well-meaning legitimate business. Great combinations in public utilities, steel ownership, copper, foods, milk, tobacco, railroads, chain stores, mail-order houses, power, and in every other financial activity became the order of the day. Forming holding companies to own, operate, and control big business was the method used to flood the country with stocks and bonds. How did all this affect the country district, the small merchant, and the rural bank? By reason of high interest rates paid for money in New York loaned to traders on the stock exchange, banks from the other parts of the country kept large sums on deposit and loan in New York. The smaller banks were advised by their big brothers in the city to "keep their assets liquid" by investing the funds of the people on deposit in large amounts in securities recommended by the security affiliate of the metropolitan bank. A favorite form of security even recommended to the small bank for purchase were the bonds of South American countries and of other small countries, which bonds usually carry a promise to pay an unreasonable rate of interest, and which bonds, when the truth was known, were found to have been underwritten at from two-thirds to three-fourths their par value by the security affiliate recommending them. In this way, time deposits and other savings in the most remote banks were reached, for the smaller banker in turn was induced to recommend for "investment" purposes the purchase of these bonds by its customer. The small bank knew who had available funds, because they were already in the hands of the bank as deposits. By selling these bonds to its customer the rural bank secured also a small rake-off or commission for passing the bonds through its hands to the people. So, through this process, the security affiliates of the large banking houses siphoned the stored up and hoarded credits and savings out of every city and hamlet in the country. They believed they were doing "a good piece of merchandising" when they exchanged through this process almost worthless paper for the life savings of the people. They were but building a house of cards which was to fall upon their heads later.

The rich were laying deep plans, as they were permitted to do under our banking laws and the credit machinery of the country, for the destruction, first, of the outlying districts, then the larger centers, and ultimately, to a great extent, their own well-being. The large banking fraternity of this country, with its security affiliate operations, forcing through high-powered salesmanship methods the overindustrial development during the past five years, and by the described method of gathering up the savings and withdrawing assets out of business everywhere, has been the direct cause of the failures of most of the country banks which have gone down during the last few years. The New York Stock Exchange and the other exchanges have received great blame for the collapse of business. The methods used in trading on these are partly to blame, but for the most part the stock exchange has been simply the vehicle through which the institutions that control the credit of the country have operated to bring about the ends they sought to accomplish. When the stock-market crash came in October, 1929, it was simply a sound of alarm to the world that American and international banking barons had accomplished the ruin of the world, and our country in particular, by their methods of manipulating and dealing in credits. Factories began to shut down, business curtailed expenses, labor was turned out of employment. As this increased, people ceased to consume, because they had not the means with which to purchase. Then we began to hear of an overproduction of this and that; then other business activities slowed up and other mills and factories reduced forces or suspended operations. This in turn deprived more people of employment, and that further curtailed their purchasing power. This process has continued for two years, until almost 10,000,000 persons, able, willing, and anxious to work, to earn the comforts and necessities of life, are without jobs and without means with which to keep themselves and their families from hunger and want. The sources at which wealth is produced have dried up.

Economists tell us that only from the mine, the farm, and by labor is wealth produced. When these were stopped the communities in which they were found were first affected. The local merchant, business institution, and bank were next affected. Then the larger operators on down the stream, and finally the instigators of this awful plot have felt the evil sown by themselves to the financial world return on their own heads. The big banking fraternity in America and the international banks find themselves face to face with great losses. They have loaned heavily to European, South American, and other countries, and now have little hope of making immediate collection. These bankers are, of course, interested in a moratorium on debts due our Government or the people; they are in favor of and have been urging a cancellation of our war debt. Why? Because whatever assets these bankrupt creditors may possess could then be applied to the exorbitant claims of international bankers. I do not desire to discuss this phase of our trouble, for I have not the time to go into it now. But to return to the original thought: What was believed to be beyond question gilt-edge securities, infallible in value, and continuous in dividend possibilities, were relied on heavily by the big banking institutions. I call your attention to one such corporation—General Motors. Its stock sold at a high of 91¾ in 1929. At that rate, its 43,500,000 shares would bring $3,991,125,000. That same stock sold this week at $21 a share. At that rate, all the shares would be worth $913,500,000, a net loss in market value of $3,077,626,000, or 77 per cent. Perhaps a more notable example of one of the favorites in big financial circles is United States Steel. It reached a high of 261¾ on September 3, 1929. At this market value, its 8,000,000 shares would be

worth $2,094,000,000. To-day it is under $40 a share, and the total market value of these same shares is less than $320,000,000, a total loss of $1,770,000,000, or 85 per cent of its high market value. I have already called your attention to the collapse of the great world-wide holding corporation—Transamerica—which a year and a half ago claimed to be worth $1,176,000,000, but the market value of which to-day is not more than $60,000,000, a net loss of about $1,115,000,000, or 95 per cent.

So the uneconomic structure builded by the big credit institutions not only robbed and ruined many small holders of wealth, many who had but meager savings, but in the end they have done themselves no good. So I say again that, while our condition has been brought about undoubtedly by a conflux of causes, no one of which would have been sufficient, taken by itself, to account for severe depression, the prime offender, the one thing that has contributed most to this, has been the hand at the throttle of the credit machinery while driving to financial destruction.

As I have stated, one of our foremost banking economists, Mr. N. Parker Willis, placed our national wealth at $410,000,000,000 in 1929. Thirty-seven per cent of this was represented by stocks and bonds listed on the New York Stock Exchange. If the market value of these—$136,000,000,000—has depreciated to $46,000,000,000 or less, the other 63 per cent of our national wealth represented by more tangible things than securities has surely greatly depreciated also. In 1920 farm properties were valued at $78,000,000,000. Their market value to-day would perhaps not be more than one-half of that amount. Farm commodities are worth only a fraction of the price they were two years ago. Take cotton, for example, in 1929, which was not a good price year, the crop sold for $1,245,000,000, in 1930 for $656,000,000, and in 1931 it is estimated to bring $432,000,000, although it is the second largest crop that has been produced. Lack of power to buy and consume by the masses is the explanation.

IMPROVEMENT BONDS

During the apparently prosperous years from 1925 to 1929 improvement bonds were issued by municipalities, districts, counties, and States for a long period of years, placing fixed charges of principal and interest upon the people. Regardless of the price of commodities these charges remain the same in dollars. Gross State expenditures increased from $1,242,000,000 in 1923 to $1,826,000,000, or 47 per cent, in 1928. Municipal, district, and county expenses during the same time increased 32 per cent. State and local bonded indebtedness in 1922 was $7,153,000,000; in 1928 it was $12,608,000,000; an increase of 76 per cent, or from $65 to $105 per capita. State and local tax collections were $4,015,000,000 in 1923. By 1928 they had jumped to $6,464,000,000, an increase from $36.54 to $53.19 per capita. Improvement-bond obligations and taxes are fixed charges which are not affected by commodity prices. They operate in most cases as liens against any and every kind of property. If these obligations are not met when due, people are sold out of house and home. So to-day, to add to the financial consternation, taxes with which to meet governmental expenses and bond obligations are the problem that seems to be beyond solution. If the bondholders, through the process of law, should foreclose their bond mortgages and acquire title to the properties securing them, they would but cancel their claims against their debtors and become the subject for ad valorem tax burdens now so heavily resting upon others. What is the solution? Sales under trust deeds and mortgages securing bonds and like instruments will not solve the question. We must look for a more equitable tax system than the ad valorem method. We must devise new credit machinery and a new method for stabilizing the purchase power of the dollar—not in relation to the fluctuating value of gold but in relation to the index number of commodity values. After all, the chief purpose of money should be to furnish a systematic method to facilitate the exchange of commodities and values.

Almost everyone you meet has some theory as to the cause and the remedy for the depression. Some contend that the Hawley-Smoot high tariff bill was the chief contributing cause of the world financial disturbance. There can be no doubt that the psychology of the move to force such a tariff measure upon the statute books was the cause of much economic disturbance. In this country and throughout the world the administration in power continually asserted that we were enjoying great prosperity and that business was gathering returns as it never had before. Then the hearings were begun on the Hawley-Smoot tariff bill. I saw big business men with economic experts in every line of manufacturing, business activity, and commercial endeavor appear before the Ways and Means Committee and tell their tale of woe. They came in great hoards and by the hundreds, until, all told, more than 1,000 witnesses appeared before the Ways and Means Committee of the House, demanding a tariff on each and every schedule as it was read. In order that these messengers of ill luck might be accorded a tariff on the several schedules, they and their experts told pitiful tales of the miserable condition in which the business of the Nation was groveling. They not only convinced the Republican membership of the Ways and Means Committee—who, by the way, were the only ones permitted to have anything at all to do with writing the tariff bill—that business was in a deplorable condition but they convinced the country that business was bad. Resentment toward our tariff act was felt throughout the world, retaliation, and boycotting to a degree, was our reward. Our total foreign trade for the years 1925 to 1929, inclusive, was $24,953,000,000. Our purchases abroad were $21,333,000,000, leaving a favorable trade balance to us for the five years of $3,620,000,000. None of these amounts is very imposing when compared with the shrinkage of $40,000,000,000 a year in our national income and $90,000,000,000 in two years in the securities listed on the New York stock exchange. But it is absolutely necessary for us to develop foreign trade if we are to prosper as a producer Nation.

SILVER QUESTION

The savings of two-thirds of the people of the world have been represented by hoarded silver. China, the most populous nation, India, Mexico, and many other countries have used silver as the basis for their currency. It represented their wealth as well as their purchasing power. Shortly after the World War silver, as a commodity, sold in the market as high as $1.60 an ounce. Within recent weeks it has sold as low as 26 cents an ounce. The great fall in the price of silver brought a corresponding fall in the purchasing power of two-thirds of the people of the world. Not having the power to purchase imported commodities, they ceased to be consumers of imported goods.

GOLD STANDARD

Our statutory credit and banking plan is based on the gold standard. The gold standard is declared by statute. It is simply this: "The dollar consisting of 25.8 grains of gold nine-tenths fine shall be the standard unit of value, and of forms of money issued or coined by the United States shall be maintained at a parity of value with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such parity." That is, the price of gold is fixed at $20.67 an ounce. By the gold standard our Government agrees to buy all the gold from every source at the price specified, and it agrees also to sell all the gold demanded of it by any nation or nations without restraint or hindrance at the same price. Theoretically, a country on gold standard must keep on hand a stock of monetary metal sufficient to supply at all times any demands which may appear for the redemption in gold of paper money, silver, bank deposits, foreign exchange, and balances. Every private contract in a gold-standard country is payable in gold. Every bank deposit is repayable in gold. The wide scope of responsibility that the gold standard assumes will be appreciated when we recall that the bank clearances of our State and national banks reached the figure of $702,533,000,000 in 1929. Each dollar of these clearances in theory could have been demanded in gold. Yet the Federal reserve bank placed the total amount of the world's monetary gold at $11,300,000,000. This would make a cube, if formed together into one solid block, not more than 31 feet for each dimen-

sion. Eleven billion three hundred million dollars worth of gold must form the basis for the currencies of all countries whose moneys are based on a gold standard.

The gold standard is the kind of a currency basis that is favored by the banking systems of the world. A close check is kept on the movements of gold. Every day information may be had as to the exact amount of gold held by each country in the world. The movements of gold can be, and are, controlled by the big world bankers. When we consider that 12 banks in the United States two years ago had resources of over $20,000,000,000, which is practically twice the amount of the world's supply of monetary gold, it is very apparent that the movements of gold will be directed in accordance with profitable business for the banking systems. Big bankers will always insist that gold is the only proper basis on which to found the currency of any country. They will always insist that a currency based on any other value than that of gold will be a failure. Gold should not be discarded for use in connection with our money or exchange system. Its purchasing power should be fixed and regulated in relation to the commodity index price of the things most commonly used in trade. If this is not done, there will be a constant fluctuation and change in commodity prices because of the maladministration of gold.

Gold flows so easily from a debtor nation to a creditor nation, or is so easily manipulated by a method of piling up credits by a nation which is on the gold-exchange standard, that rapid changes can be caused to take place in gold holdings. The United States and France, having only 162,000,000 of 2,000,000,000,000 people in the world, possess two-thirds of the world's monetary supply of gold. A legal gold reserve for the almost $5,000,000,000 of currency in this country would perhaps be about $2,000,000,000. Certainly $3,000,000,000 in gold would be sufficient, yet within recent months we reached the peak of $5,015,000,000 in gold holdings. Certainly we did not need more than half of that amount to stabilize our currency.

The other half was locked up in our vaults, and the world was deprived by us of the use of one-fourth the world's gold supply, when we had no immediate use for it, according to the theory of the gold standard. France, which needs only $1,062,500,000 to properly stabilize her circulating medium, held gold to the amount of $2,484,250,000, a surplus of $1,421,000,000. England holds only 4½ per cent of the world's gold supply, Germany 2½ per cent, Russia 2½ per cent, or these three great nations hold less than 10 per cent of the world's gold supply, while the United States and France hold more than 65 per cent of it. By the method of manipulating, or the maladministration of gold so as to virtually retire from use one-third of the world's gold supply for currency-stabilizing purposes, the price of gold has been boosted to such a point that it is practically impossible to buy it with commodities.

What will be the effect on the gold-standard system prevailing in the United States and France if these two countries acquire possession of so much gold that the other nations find it impossible to aspire to a return of the gold standard? If only two countries can use the gold standard for their money, must all other countries continue to meet their international obligations and pay their unfavorable trade balances in gold? Great Britain and Canada and the major countries of Latin America do business on a nongold basis. Japan, China, India, in fact, every government in Asia does business on a nongold basis, most of them having a silver currency. The only European countries using the gold basis are France, the Netherlands, Switzerland, Belgium, Italy, Poland, and Rumania, and in these the finance ministers are authorized to issue exchange restrictions. The United Kingdom, Norway, Finland, Denmark, and Sweden are counted completely off of the gold basis. Mexico, Brazil, Chili, and Argentina have resorted to a managed currency, which is not backed by a gold standard in any sense. The currency systems throughout the world are in deplorable confusion because of the methods of credit control exercised by American and international bankers whose only yardstick of value is gold. These international-credit vendors have arranged loans and placed contractual burdens to pay bonds and bank obligations in gold until a solution of the dilemma is impossible if these bonds and these promises to pay gold are to remain. Ask yourself the question: What are the outstanding promises of all the governments of the world—the kind of promises we call the "national debt"?

I have seen them estimated at more than $200,000,000,000, yet in theory and according to the contracts practically all of this is payable in gold, when there is little more than $10,000,000,000 of monetary gold in all the world. The vaunted utility and stability of the gold standard is contradicted by the physical facts. The contracts to pay in gold to the extent of $100,000,000,000 or more are impossible of performance. Gold has become so dear in price that commodities sufficient in number can not be produced and exchanged for money in a sufficient amount to meet the taxes, mortgage obligations, and money requirements of the people, which money our law says shall be kept on a parity with gold. A great impediment stands in the way of the enactment of adequate credit machinery which would enable the laborer to labor and the producer to sell his commodities. The Secretary of the Treasury, Mr. Andrew W. Mellon, shares the views of those who would perpetuate the system that has brought the great evil. He has directed the financial policies in cooperation with the big banking interests of this and foreign countries for the past 10 years. He is accredited with being one of the richest and one of the most influential men in the financial world. He has been accounted a wizard in finance. He and those with whom he has advised are undoubtedly responsible for the deplorable condition, not only in our land but largely throughout the civilized world. They have year in and year out continued to kill the golden goose until the task has been completely accomplished. They are now waking up to the fact that prosperity is not with us, that it is not even "just around the corner," that its shadow has entirely vanished. Woe unto the people because of such financial wisdom!

While the laborer finds no employment, the farmer, who has produced an abundant supply of crops of every kind, because of the high price of gold, can not sell his crops for enough to meet his obligations. On the one hand we see laborers by the millions destitute, hungry, and unemployed; on the other hand, in the same community, we see abundant harvests of foodstuffs and farm products needed by those without jobs. Yet the two can not come together and strike a bargain, because our monetary system and credit machinery have fallen short in meeting this emergency. A fundamental revision of the purchasing power of the dollar must be made so as to fix the buying power of the dollar in relation to the price of commodities, debts, and financial obligations.

One of Mr. Mellon's coworkers, Mr. J. W. Pole, is Comptroller of the Currency. He incessantly goes up and down the country crying out for bigger banking institutions—the bigger the better they suit him. He also wants them to have innumerable branches operating "within the trade territory." The United States can never recover with such men directing the credit policies of our country. They are in accord with that policy which drives the small banker, the small merchant, the individual operator in every field out of business.

LEGISLATIVE REMEDIES

Various legislative remedies have been proposed to put us back on the road to prosperity. It has been suggested that $1,500,000,000 be raised by floating bonds with which to pay off in cash the soldiers' bonus certificates. It has been suggested that $5,000,000,000 worth of Government bonds be sold and the proceeds of them used to build public roads and do other work so as to give employment to some of the unemployed. We now have before the House for consideration a proposal to place in the hands of the Federal land banks $100,000,000 so the banks can defer selling many people out of house and home on their farm loans. Many other remedies for relief have been proposed. When we get sick physically we all turn doctors and seek out a remedy for our malady. The financial malady with which this country and

the world is now obsessed is indeed great, and there are many doctors prescribing remedies. Yet I tell you that these are salves on the symptoms of our trouble.

What are these amounts when compared to the loss in investments alone, which have shrunk from $136,000,000,000 to less than $46,000,000,000 in the short period of two years? What are these amounts when compared to the $40,000,000,000 loss in annual income and the diminished values in real estate and other properties? Our Government ran at a deficit of almost $1,000,000,000 last year. The remedy must be more fundamental than has been suggested. It is my view that a broader basis for our currency must be adopted. A world conference on silver should be arranged by the leading nations of the world, because silver would supply an admirable addition to the base in broadening and reviving the purchasing power of money. We have already, by statute, authorized the participation of the United States in a world silver conference. It is my deliberate judgment that such a conference would have been arranged and the money of two-thirds of the people of the world would have been saved but for the fact that monetary gold is small in amount and easily managed, and but for the fact that one of the managers of gold, Andrew W. Mellon, is and has been for 11 years Secretary of the Treasury of the United States. When we revive the purchasing power of the countries whose currencies are on a silver basis we make it possible for them to buy the products of our factories and farms.

THE PURCHASING POWER OF THE DOLLAR

I repeat again that the purchasing power of the dollar should be stabilized in relation to the value of commodity prices along the line of the plan proposed by Prof. Irving Fisher, of Yale. That is the only complete solution of the money question. The purpose of currency is to facilitate the exchange of commodities between man and man, country and country, and that should be the working result of any monetary system. I would not advocate any monetary system which overlooks providing a means of savings in hard-money silver, as well as gold, for there are classes of people that require such medium for the encouragement of thrift and through which to hoard savings against the emergencies of life. We are tied down, hungry and starving, by a broken down, inadequate money and currency system in a land of plenty. Our credits and obligations have been so managed by "wizards of finance" that no solution seems possible to our dilemma.

THERE IS NO OVERPRODUCTION

There is no overproduction, as we have been told. There can never be an overproduction of the necessities of life until every man, woman, and child has been provided with sufficient food, clothing, and comforts of life. There may be, and there is to-day, great underconsumption because of the 10,000,000 people unemployed who can find no jobs; but there is no overproduction.

GREAT NATURAL RESOURCES

We live in a land of great natural resources. It has the finest soils, the most wonderful climate, forests, rivers, harbors, coal, gases, and oils. It is filled with modern factories, manned by scientifically trained men as no other country in the world. Our ability to do things and accomplish results in this country is indeed great. But those factories are idle, mines are not working, forests are left to grow, shipping is stagnant, and business is sick everywhere. The welfare of the American people has been sacrificed by its selfish managers. They have not been faithful to the trust imposed upon them, as the fruits of their administration testify. While hopeless as our situation seems, and as much as we know that those who have been entrusted for the last 10 years and more with the destinies of our people have miserably failed, we are consoled that the productivity of the land remains. Rivers continue to flow and the sun continues to shine just as if the Republican Party had never come into power.

Mr. LUCE. Mr. Chairman, I yield so much of my remaining time as he may desire to the gentleman from Maine [Mr. BEEDY].

Mr. BEEDY. Mr. Chairman, ladies and gentlemen of the committee, there are many borrowers of our Federal land banks who, in recent times, have deserved more liberal treatment than they have received in extension of overdue paper. I shall vote for this bill which is before us. But there is a feature of the bill concerning which those who are administering the system have a great deal of misgiving. It is my hope, at least, that I may enlighten the House somewhat as to the apprehensions which have risen with regard to the bill in its present form.

The immediate necessity for this legislation unquestionably is that in some districts of the country borrowers who are in extremis have not had such sympathetic consideration as should have been given under all the circumstances. Generally speaking, the 12 land banks have been very considerate.

To make the situation clear, let me give you these figures. On November 30, 1931, there were 408,000 outstanding loans in the 12 banks of the system. Of the total number, 83,230 were delinquents, and of the eighty-three thousand and odd delinquents only 3,848 are under foreclosure to-day. Of the total net mortgage loans of the system, which amount to $1,171,000,000, the unpaid principal of defaulted loans amounts to a little over 1 per cent, or $15,670,000.

In isolated instances it has been alleged by gentlemen who are much more familiar with the situation than I—such as the gentleman from Alabama, for whose judgment in these matters I have great respect—that very little leniency had been shown by local land banks to delinquent debtors.

Through no fault of the gentleman from Alabama or any other person than myself, I was unable to be present at the meeting of the Banking and Currency Committee when section 4 was written into the bill. On the day that this provision was inserted in the bill the price of farm-loan bonds went down 2 points. I do not say to the House that the introduction of the amendment caused that drop. Possibly the drop would have occurred anyway, but it is said by men intimately associated with the administration of the system that the insertion of the section in question strongly contributed to this drop in prices of the bonds.

Yesterday the best bid which could be had on the Federal land bank 4½ percent bonds, maturing in 1953, was 75. The bonds of the system carry from 4 to 5 per cent on the average. The present market price of the 4½ per cents affords the investor 6.29 per cent on his money.

On that basis these bonds are not attractive enough to the average investor to stimulate a great demand and result in an increased bid.

Now, let us see about this provision that is written into the law. It is not mandatory; it leaves it to the discretion of the boards of directors of the land banks to determine whether under the circumstances of each case they will grant an extension. Let us say they grant an extension of only three years. They decide that such an extension is all the facts in the particular case will justify. At the end of three years the debtor in question is still unable to meet his obligations. Further extension is refused and foreclosure proceedings are instituted. In such a case, if the law contained no reference to a definite term for extension, the case would be closed. But if section 4 is retained, the borrower will insist that he has a right to a 5-year extension.

The foreclosure comes before the justice or the judge in that district, and that judge or justice is human. He looks with natural sympathy toward the borrower, and when urged in equity to issue a foreclosure decree, his inquiry naturally is as to what has been done to save the borrower. The moment it appears that the full extension of five years has not been granted there is going to be a great unwillingness to issue foreclosure decrees until the full 5-year extension has been granted in every individual instance.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. BEEDY. Not now.

Mr. BURTNESS. Right on that point.

Mr. BEEDY. If the Chair will warn me when I have consumed 15 minutes, then I shall endeavor to yield first to

the gentleman from Alabama [Mr. STEAGALL] and then to the gentleman from North Dakota [Mr. BURTNESS]. The result is going to be a continually increasing pressure on the part of all these borrowers to get a definite 5-year extension. That necessarily would result in a continual increase of the frozen credits of the system. When such extensions become general the securities behind these bonds are depreciated in the sight of the investing public. They become less and less attractive as an investment. In such a situation what can the system resort to? The interest rate on these land-bank bonds must be increased in order to make them more attractive to the average investor. If the present rate of from 4 to 5 per cent is increased to 6 per cent, who must ultimately pay that increased rate of interest? The borrower himself. So that if you trace the operation of this section in its administration to its conclusion, you will see why there is a very grave and well-founded apprehension that this section will result in doing the very thing the system seeks most to accomplish, namely, to extend the farmer credit at a low cost.

In order that the RECORD may be clear, I have made this statement. I sincerely trust that those who now entertain the grave apprehensions I have outlined will find themselves to be in error. We can not defeat this measure on the floor and no one of us would take the responsibility of opposing it lest we lose that large measure of relief which we desire for borrowers from our Federal land banks. I now yield to the gentleman from Alabama.

Mr. STEAGALL. The gentleman has answered what I had in mind.

Mr. BEEDY. I now yield to the gentleman from North Dakota [Mr. BURTNESS].

Mr. BURTNESS. I heard with interest the remarks made by the gentleman as to what the courts would do. I am not familiar with any proceeding in any State where the court would have anything to do with that at all. The court would simply determine whether or not there was a default under the contract, and if there is a default under the contract, the court would be compelled to file its decree of foreclosure. Of course, in equity, a court would have certain powers in the States, in the exercise of its discretion in granting time in which the individual debtor might make good the default.

Mr. BEEDY. That is the point.

Mr. BURTNESS. That would be a default under the practice. In most States it is statutory.

Mr. BEEDY. The gentleman has stated the point in the closing part of his question.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. BEEDY. Yes.

Mr. STEVENSON. The gentleman says that this will probably cause the raising of the rate to the farmer.

Mr. BEEDY. Let us not put it that way. There is a fear that it might result. I do not care to predict that it will.

Mr. STEVENSON. I am going to put that over against the actuality. If a note falls due and is in default, automatically the rate of interest rises to 8 per cent under the statute unless they have the right and do extend the note as we propose to do, and we are directly taking care to the extent of 2 per cent of the man who is in default, because he is not automatically penalized with 2 per cent additional to his interest when it is in default. They have the right when they extend this to make out a new paper.

Mr. BEEDY. The gentleman is right in so far as he goes. That rate of 8 per cent would obtain if the default occurred and the note is suspended right where it is. But the point I make is of broader application.

Mr. STEVENSON. The gentleman does not say that the board at present has the right to waive that 2 per cent additional interest?

Mr. BEEDY. No.

Mr. STEVENSON. Will you give them the right to fix that?

Mr. BEEDY. The gentleman has now made himself clear to me. There is no right to suspend that penalty, but that increased rate of interest affects only those who having borrowed and having failed to meet their obligations must pay the penalty provided in such cases. As I have stated, there are only 3,848 defaulted loans.

I am talking about the general rate of interest which must be paid by all the hundreds of thousands of future borrowers from the system in the first instance.

Mr. STEVENSON. I understand the difference entirely, but we are going to look a little bit after the fellow that is in the ditch with a mule on top of him.

Mr. BEEDY. Yes; and that is why this legislation is here. Members on both sides of the House who are interested in this legislation are inspired by the highest motives. I take this opportunity to say that, speaking as a plain citizen, I am proud of the attitude that has been manifested by the Democratic Party in all stages of the legislation which has come before the present Congress. I think there is unquestionably an honest purpose on the part of the Democratic Members to give to the people of the country, irrespective of the source from which the legislation originates, whatever wholesome, constructive legislation is deemed necessary. [Applause.]

Mr. LEAVITT. Mr. Chairman, will the gentleman yield?

Mr. BEEDY. Yes.

Mr. LEAVITT. I am not clear on one statement that the gentleman from Maine has made to the effect that section 4 might result in a general demand for a postponement for five years. Section 4, as I read it, does not result in any general postponement for five years at all. It gives a period of five years over which back payments might be spread.

Mr. BEEDY. That is right.

Mr. LEAVITT. And one-fifth of it would be paid in one year?

Mr. BEEDY. Yes. The back payments would be averaged over the five years. Every payment as it accrues would be increased by the amount of one-fifth of the overdue payments for the next five years. Within the discretion of the individual bank, these extensions may be made as the circumstances justify. If the extension is for three years, the defaulted payments are prorated over a period of three years only.

But the question is, Will these debtors feel that they have been used fairly if foreclosure proceedings are brought against them at any time within the limit of five years? Will they not continually demand a full 5-year extension?

Now, I yield to the gentleman from Illinois.

Mr. MORTON D. HULL. May the extension granted by the directors be for a less time than five years?

Mr. BEEDY. Yes; it may be and unquestionably will be in many instances. Where it is granted for less than the five years I have just been raising the question as to whether we are not going to have the same fault finding that we are now having—that the bank has been hard-boiled and unsympathetic unless a full 5-year extension is granted. The period for extension should be wholly within the discretion of the various directorates of the 12 banks.

Mr. MORTON D. HULL. My criticism goes to the former paragraph, that the power to extend does not indicate the length of time. The length of time comes in here in connection with the right to pay. The phraseology is plain.

Mr. BEEDY. The Farm Loan Board is opposed to this section as it is now written. I am therefore calling the attention of the House to the serious problem presented by the wording of this section. We hope that it will not in any way impair the efficiency of the system, but I myself do not see how it can fail to do so.

Mr. BURTNESS. Will the gentleman yield?

Mr. BEEDY. I yield.

Mr. BURTNESS. Assuming that section 4 were not in this bill, then the only recourse in the case of default would be foreclosure, would it not?

Mr. BEEDY. No. The board still has discretion, if the facts and circumstances justify it, to make extensions.

Mr. BURTNESS. To let them run as past due?

Mr. BEEDY. The proof of it is that while there are 83,000 delinquents out of more than 800,000 loans, the num-

ber of foreclosures is only 3,848. There are only 5.7 per cent of the delinquents listed in the 12 banks which to-day are in process of foreclosure.

Mr. BURTNESS. But how many of those have made preliminary demands, threatening foreclosure unless they were paid within a few days?

Mr. BEEDY. Of course I can not tell the gentleman about that.

Mr. BURTNESS. I am sure the gentleman will find there are a great many of them.

Mr. BEEDY. They are holding in extension thousands of these defaulted cases.

Mr. BURTNESS. Exactly; until this legislation can be enacted. Many of them are held in suspense.

Mr. BEEDY. That may be true, but the management of the system is sympathetic, as a whole, with the debtors whose payments are overdue. They want to extend loans just as long as it seems wise under the facts and circumstances. The various banks are, of course, anxious to do everything possible to meet the interest payments on their bond issues.

Mr. BURTNESS. Will the gentleman say that from experience the foreclosure of these mortgages has brought in any money with which to pay interest on the bonds, or whether more harm has been done to the system in being deprived of money with which to pay the interest on the bonds than would have otherwise have been the case if they could have adopted such a policy as is embodied in section 4?

Mr. BEEDY. The system recognizes that, and I think that is why about 80,000 of these defaulted loans are being held in the 80,000 individual instances. That is the real reason for their being held in suspension and not the outcome of this legislation. They are nursing these cases along and doing everything they can to prevent foreclosure in order to insure meeting interest payments on the bonds as they fall due.

Mr. BURTNESS. I would like to ask a question with reference to the market price of these bonds.

Mr. BEEDY. If the gentleman will excuse me, the gentleman from Virginia [Mr. TUCKER] has been on his feet a long time. He is one of our esteemed colleagues of long service, and I desire to yield to him. My time has about expired.

Mr. TUCKER. My friend is a member of the committee that framed this bill. I am not enthusiastic about the bill.

Mr. BEEDY. Neither am I, as I have been pointing out.

Mr. TUCKER. I would like the gentleman to explain the first section to me. In the first section I find the following:

> It shall be the duty of the Secretary of the Treasury on behalf of the United States, upon the request of the board of directors of any Federal land bank made with the approval of the Federal Farm Loan Board, to subscribe from time to time for capital stock of such bank in an amount or amounts specified in such approval or approvals.

"From time to time"—from time to eternity.

Mr. BEEDY. As long as the system endures.

Mr. TUCKER. Have we the power? Are we taking away by that provision the right, the duty of the Congress alone to appropriate money, and give it to the whim of the Farm Loan Board?

Mr. BEEDY. Well, that raises an interesting question that some day may have to be settled by the Supreme Court.

Mr. TUCKER. No, sir. It is our duty to settle it here.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I yield five minutes to the gentleman from North Carolina [Mr. HANCOCK].

Mr. HANCOCK of North Carolina. Mr. Chairman, ladies and gentlemen of the committee, you will of course appreciate the utter impossibility of discussing as fully as I would like to the essential features of House Resolution 6172 in the short time allotted to me by the distinguished chairman of our Committee on Banking and Currency. Personally, I think it a very happy hour we have reached in this Congress when we can direct our best thought and attention toward the consideration of plans which are designed to bring about domestic relief and assist our own people. On yesterday we passed a resolution which the administration represented to Members of Congress to be necessary to avert a calamity in Europe. The favorable passage of that resolution was, according to information furnished us by our President, essential if we were to maintain the national integrity of our country. Its primary purpose, as represented to us by those in authority, was to avert a calamity in Europe which would inevitably adversely affect the welfare of every American citizen. It is my candid opinion that with the enactment of this legislation which we are now facing, we will to a certain extent avert a calamity in our own land. Though the present bill does not go as far in relieving the indebted and perhaps bankrupt farmer as I think his situation deserves, nevertheless in the circumstances, which can be corroborated by reference to the hearings before our committee, it is about the best bill we could hope to have favorably acted upon by the Congress.

It is needless to state that there is no situation so acute and quite so distressing and alarming to-day as that involving the wholesale foreclosure of farm-land mortgages. Legislation which will assist in stopping immediately this unwholesome condition, with its inevitable devastation and wreckage of homes, is perhaps as important at this juncture as any other of a similar character which will engage the attention of this Congress. As a new Member last session, I tried to the utmost of my capacity to secure some remedial legislation in this direction. But my efforts were of no avail. In keeping with the original purposes of the act of 1926, creating the Federal Farm Loan Board, according to the statement of Mr. Bestor, commissioner of land banks, who appeared before our committee in advocacy of this legislation, this bill is primarily intended to insure the maintenance of the Federal land bank system, to stabilize the bonds, and to provide operating capital with which to further the making of loans to farmers. These purposes are undoubtedly worthy ones, and the carrying out of the same will unquestionably have a generally beneficial effect. However, I was one among other members of the committee who felt that the present situation demanded that some form of legislation be immediately enacted into the law which would insure during these abnormal times, a more definite policy by the Federal Farm Loan Board toward leniency and consideration for the thousands of distressed borrowers.

I further felt that this bill should include authorization to the directors of the various land banks to effectuate practical plans whereby mortgagors who have lost their homes and property could by liberal terms in keeping with the present situation redeem their lost properties when the same was still in the hands of the land bank or its agents. I furthermore felt that, if practical and constitutional, some provision should be made to give preference in the extension of credit to bona fide owners of farms who lived thereon and actually cultivated the land. Though there are many farmers throughout my district who are indebted to Federal and joint-stock land banks, there are other reasons why I am extremely interested in legislation of this kind. We all know that the test of the success in government depends largely upon the degree that it is able to insure security and happiness in the home. I therefore plead with each of you, irrespective of party lines, that we turn this evening our minds and faces homeward and as far as possible visualize the plight of those who are living in fear of the sheriff's hammer. Personally, I believe as a rule in following the true and tried paths of finance. But we all are agreed that under extraordinary circumstances and in emergencies like these which we now face ordinary measures prove inadequate. Of course I would not be interested in adopting merely palliative measures which were fundamentally unsound and, though perhaps temporarily pleasing, would in the end cause greater hardship and suffering than the deplorable condition which they undertook to remedy.

This bill, as I understand it, is the initial step in the program of our President in his effort to bring about economic restoration and adjustment of economic dislocations. At this point, may I say, as one who differs with our President in many ways and who is unable to indorse his policies

and concur in his judgment in normal times, that it will be my purpose throughout this crisis and until we emerge from this valley of depression and despair to go with him in his program as far as I can conscientiously and consistently do so. Believing that he is sincere in his efforts to carry us forward to better times, I shall, to the extent of my ability, try and share with him the great responsibilities and burdens which are daily bearing heavily on his heart and shoulders. Without intending to sacrifice any of the great and glorious principles of the Democratic Party, to which I belong, it is my intention and desire to act during this Congress as an American citizen first and then as a member of my great party.

Mr. ABERNETHY. Will the gentleman yield for a brief question?

Mr. HANCOCK of North Carolina. I gladly yield.

Mr. ABERNETHY. Do I understand from the gentleman's statement that it is the wish and intent of the Banking and Currency Committee that the people who have the administration of that law shall be lenient as possible to the owners who are in distress at this particular time?

Mr. HANCOCK of North Carolina. Section 4 of the bill was designed to insure that accomplismment.

Mr. ABERNETHY. And that is the real intent of Congress in passing this legislation; is not that so?

Mr. HANCOCK of North Carolina. Yes; I think you are entirely correct in that conclusion. I might say in this connection for the committee that all of us were interested in working out a bill that would be practical and sound in principle; yet we were, because of present conditions, particularly interested in providing relief to the distressed borrower and insuring for him from those in authority the greatest consideration. All of us recognize that it would be unwise to take any excursions into new and untried fields of legislation, unsound in principle and impracticable in application, and we, of course, had to be mindful and careful not to do anything which would affect the soundness of the land bank's financial structure. All of us well know that it is impossible to lay down any absolute rule for the administration of a measure of this character. In the last analysis, we appreciate the fact that its success is largely dependent upon the attitude, method, and manner in which it is approached and administered by those in charge.

Though Mr. Bestor would not commit the Federal Farm Loan Board to a policy of greater consideration to the borrower, he stated emphatically that the board had done and would continue to do everything reasonable and in keeping with humane and common-sense principles to aid the mortgagors in meeting their payments and preventing foreclosures.

Any contention regarding the passage of this bill will, of course, be directed toward section 4. Some members of the committee felt that under the present act the board had authority not only to defer foreclosures after default but to grant extensions. To be able to answer questions on this point, I spent a large portion of last night studying the original act with its amendments and reviewing carefully the testimony of the hearings before the committee last year regarding a similar bill which the distinguished chairman of our committee sought to have enacted into law. The result of my study last night convinced me that no such provision now exists under the present law.

Mr. STEAGALL. Mr. Chairman, I yield the gentleman one additional minute.

Mr. HANCOCK of North Carolina. In conclusion, may I say that in my judgment section 4 of the present bill gives to the board the authority which it is necessary that it shall have if the perhaps main purpose of this legislation, and that is to aid the distressed borrower, is put into effect. In the Federal land bank system there are 12 per cent of the land mortgages of this country. On all sides efforts are being made by our Government to provide a way to thaw out or handle sound but frozen assets in our financial institutions.

Section 4 of this bill merely gives the board, in its discretion and where conditions justify, the right to assist borrowers to renew their obligations in the same way that debtors to other financial institutions will be able to renew and extend their obligations if our President's program calling for the enactment of the Reconstruction Finance Corporation is carried out by this Congress. It must be a matter of common knowledge to all of us that as a practical business proposition it is far better to renew the note of a deserving debtor and keep it alive by the payment of interest than it is to force him to sacrifice his property during these times when there is no value on or market for the property. I was particularly pleased to hear our distinguished floor leader announce to the House yesterday morning that the President had conveyed to him a message assuring Congress that with the passage of this measure and the establishment of the Reconstruction Finance Corporation, backed by the Government with a fund of $2,000,000,000, joint stock land banks, though not specifically designated in the bill for assistance, would be adequately taken care of by way of loans under rules and regulations prescribed by the new emergency corporation's board of directors. Of course, these organizations are akin to each other, but since joint-stock land banks are, like national banks, privately owned, the only means by which the Government can aid them will be by loans rather than the provision of capital, as will be done with respect to Federal land banks if this bill is enacted into law.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman and members of the committee, I want to thank the distinguished gentleman from Maine for his magnanimity and his generous comments on the efforts put forth on the Democratic side of the House so far during the present session of Congress. I will say to the gentleman that all Members on this side expect hereafter and at all times to work hard and industriously in the effort to solve any of the problems which confront the country.

In connection with this particular bill I will remind the gentleman that the only thing that has made it possible for this House to pass the measure at this time is the work that was done during the last session of Congress in connection with a bill introduced by a Democrat from Alabama, which bill was referred to the Banking and Currency Committee and upon which hearings were held during the last session of Congress. [Applause.] That bill was substantially the same in its provisions and purposes as the present measure before us, except that we make the appropriation in this instance $100,000,000 instead of $60,000,000, as provided in the bill last year. The accentuation of the distress throughout the country has made it necessary to enlarge the amount accordingly.

Mr. BEEDY. Will the gentleman yield?

Mr. STEAGALL. Yes.

Mr. BEEDY. The gentleman wrote me this summer asking me to help him get his bill out of committee when the Congress convened at a time before we knew which side would control, did he not, and did not I say I would help him?

Mr. STEAGALL. The gentleman did, and I thank him. I thank the gentleman and I thank the entire administration for having gone along as well as they have in connection with this legislation.

The gentleman from Virginia [Mr. TUCKER], a great lawyer, and one we all honor, love, and revere, evidently has not given his usual close attention to the provisions of this bill. There is not a thing in this measure which authorizes the Federal land bank and the Federal Farm Loan Board to make drafts at their own pleasure upon the Treasury of the United States from time to time. We simply authorize in this bill the appropriation of $100,000,000 out of the Treasury, which goes into a revolving fund, and which may be drawn upon in limited amounts by any land bank from time to time upon the request of the bank officials, with the approval of the Federal Farm Loan Board.

I want to say in this connection it is not thought that the Treasury of the United States will ever lose one dollar advanced to these land banks. They have securities now

which under any ordinary circumstances ever known in the memory of any Member of this House would enable them to float their bonds with the investing public, and take care of all their requirements without any resort to the Treasury of the United States for aid.

Mr. BRIGGS. Will the gentleman yield?

Mr. STEAGALL. I yield.

Mr. BRIGGS. I simply want to tell the gentleman that I strongly favor this measure and I would like to ask him with reference to section 4 if it is the intention of the committee that this section providing for extensions shall be liberally construed by the board in the exercise of its discretion.

Mr. STEAGALL. I can not say what will be done by the Federal Farm Board under its own rules and regulations. We have their assurance and that of the President in his message to Congress their purpose is to aid the farmers of the country.

Mr. BRIGGS. Let me ask the gentleman just this question: I notice it was stated by one of the banks that all borrowers and officers of farm-loan associations should understand that it is a waste of time to ask for extensions. Is not this very section put in here so it will not be a waste of time to ask for an extension when an emergency exists?

Mr. STEAGALL. That is one of the purposes of this bill and one of the particular things sought to be accomplished by the particular section to which the gentleman refers.

Mr. BRIGGS. I am very pleased to hear the gentleman say that because I thought that was the purpose of the section.

Mr. STEAGALL. With respect to the bonds let me say now that there are many bonds carried by the banks and the investment public in this country which can not be realized upon simply because of the unusual conditions and because of the economic situation in which we are involved at this time. The Federal land-bank bonds have stood up remarkably well under all the circumstances, and with all deference to everyone, and I certainly would not speak otherwise, I do not think any gentleman would insist that legislation advancing $100,000,000 to the Federal land banks could fail to stimulate the market for its bonds. Any other contention would be utterly without foundation.

[Here the gavel fell.]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 5 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, secs. 691–697), is amended by adding at the end thereof a new paragraph, as follows:

"It shall be the duty of the Secretary of the Treasury on behalf of the United States, upon the request of the board of directors of any Federal land bank made with the approval of the Federal Farm Loan Board, to subscribe from time to time for capital stock of such bank in an amount or amounts specified in such approval or approvals, such subscriptions to be subject to call in whole or in part by the board of directors of said bank upon 30 days' notice with the approval of the Federal Farm Loan Board. The Secretary of the Treasury is hereby authorized and directed to take out and pay for shares having an aggregate par value equal to the amounts so called; and to enable the Secretary of the Treasury to pay for stock issued hereunder there is hereby authorized to be appropriated the sum of $100,000,000. Shares of stock issued pursuant to this paragraph shall be paid off at par and retired in the same manner as the original capital stock of said bank after said original stock outstanding, if any, has been paid off and retired: *Provided, however*, That stock issued from time to time pursuant to this paragraph may, in the discretion of the directors and with the approval of the Federal Farm Loan Board, be paid off at par and retired in whole or in part; and that said board may require such stock to be paid off at par and retired in whole or in part out of available resources of said bank. The proceeds of all repayments on account of stock issued pursuant to this paragraph shall be held in the Treasury of the United States and shall be available for the purpose of paying for other stock thereafter issued pursuant to this paragraph."

Mr. HILL of Alabama. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, ladies and gentlemen of the committee, I believe the passage of the pending bill is the best Christmas present that the House of Representatives could give the farmers of the country.

It is estimated that in one county in the State of Alabama 62 per cent of the farms are under farm land-bank mortgages, and I am informed that one weekly newspaper in a small county in Alabama, in one issue, carried 49 notices of foreclosure under land-bank mortgages.

The bill makes available $100,000,000 for the land banks, and if it is enacted into law and is properly administered, it should mean that in large measure there will be an end of these foreclosures; that the awful fear will be lifted from the hearts of thousands of men, women, and children, and that they will have the sweet assurance that in this time of economic distress they will not be driven out of their homes.

As the present distinguished chairman of the Banking and Currency Committee has said, many of us under his leadership sought to secure at the last session of Congress a favorable report on the pending bill, or one of similar nature, from the Banking and Currency Committee, but that report was denied.

The present Banking and Currency Committee was elected on Tuesday of this week. Within 48 hours of its election, it had favorably reported the pending bill, and to-dav, within the remarkably short time of four days, it brings to this House for action the pending bill.

I feel the committee and its chairman, who has given to it direction and leadership, deserve the thanks of the House and of the country.

Of the far-reaching and important legislation which must be enacted in this crisis in our country's history, the greater part must come from the Committee on Banking and Currency, and this committee takes a place second to none in this House. The committee in this hour is most fortunate to have as its chairman the distinguished gentleman from Alabama, my colleague [Mr. STEAGALL] [applause], whose fine ability, integrity of purpose, devotion to the public welfare, and sympathetic understanding of the people and their problems command the esteem and the confidence of the House. [Applause.] Alabama is proud to claim him as her own. [Applause.]

[Here the gavel fell.]

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word. Mr. Chairman and ladies and gentlemen of the committee, I had hoped that you would be relieved of hearing anything from me for at least one or two months of this session. But the bill that has been brought out from the Banking and Currency Committee is the one ray of hope, the one real sign, that looks toward the amelioration of the condition of the people of my section of the country, who, by the foreclosures of their homes and farms, are being put out into the streets and highways.

I was one of the 100 who voted against the moratorium of the President of the United States as a protest—not because I was unwilling to help Germany in her disturbed condition, not because I was unwilling to help the international bankers who have been so improvident as to lend Germany $15,000,000,000, but when the President of the United States wired me to give my approval to the proposed moratorium my answer was that if he would give the same moratorium to the distressed debtors of America by Federal owned and controlled institutions I would vote for it.

I have a great deal of respect for a former Member of the House, Ogden Mills. I think he is one of the great financiers in the country. I have respect for the ability of the Secretary of the Treasury, Mr. Mellon; I have respect for the President of the United States. I know him personally, I like him, I appreciate his difficulties, disagreeing with him in politics and in many things. I am not approaching this matter in a partisan way, but the passage of this bill will serve notice on the men who have the enforcement of these governmental agencies that they must understand that there should be the same sympathetic consideration for the people of this country that has been proposed here for Germany and foreign nations.

In my district a few days ago one little bank owed the Federal reserve $12,000 and had $56,000 in securities. The local bank asked for an extension of the notes and the Federal reserve declined and the bank closed its doors.

I favor this legislation, and I want the men who enforce it to understand that it is the intent of this Congress to see that relief is granted to the downtrodden people of America as well as to those in foreign lands. [Applause.]

Mr. BURTNESS. Mr. Chairman and members of the committee, perhaps there is not much to add to this debate. This bill, to all appearances, will be approved by a large majority of the membership of the House.

I think, however, it might be well to emphasize one or two features in view of some of the objections that have been raised by our overconservative friends. The Federal land-bank system was established not for a temporary emergency but as a permanent institution to take care of the long-term credit needs of agriculture. In normal times no particular help was contemplated from the Treasury. It was expected to stand on its own feet. Having that in mind, anyone who is not simply a demagogue or wanting to raise trouble of some sort must concede that one of the fundamental things for the management of land banks always to have in mind is to maintain the solvency of the institution as a whole, to the extent that the interest upon its obligations may be met promptly, which, in turn, means that securities can be floated at low rates to provide money for the farm mortgages, and any other practice would simply wipe out the system as a permanent agency.

Admitting that theory, I have, however, sometimes felt that the management of the Federal land-bank system, the Federal board, and possibly some of the local banks have leaned backward too far, have disregarded practical conditions confronting them, that they have been so set upon making an excellent showing to the extent that every due installment is paid and in their coffers when it is due that they have in many cases forgotten the true interest of the farmer-borrower and the real purpose of the law.

If there is any word I want to send out here this afternoon to those responsible to the management as well as to the farmers, it is that it must not be forgotten in the administration of this act that the interest of the land bank itself and the interest of the farmer borrowers are in each and every case mutual. The bank must be able to sell its securities; the farmers must, however, be able to crop the land properly to pay their installments. I think that should be particularly borne in mind in connection with the administration of section 4 of this bill, which should provide some relief to people who are in default in one or more installments.

I wish that section would have been more liberal. True, defaults can, under its terms, be extended one year and paid in the five next installments, but I would have been better pleased if they could simply have been stepped up in the nature of a ladder in the same way that President Hoover would have preferred the installments on the intergovernmental debts to be stepped up. I mean, of course, discretion to let the installment with interest be paid at the end of the loan, or before that time as agreed on. I think that would have been better, but as France objected to that, in connection with the moratorium, so apparently some one has objected to allowing that discretion in this bill.

Some relief will be obtained by amortizing for a period of five years all installments in default. That will help some, but other methods should be used in proper cases. I was very glad to get the answer which the gentleman from South Carolina [Mr. STEVENSON] gave when, in response to my question, he told that this is not an exclusive remedy, but that the bank and its managers will still have the same discretion which they had heretofore, the same rights and privileges. What I have in mind is this: We all know what has happened with reference to the returns of agriculture in the last decade. We know that many of these loans were made at a time when, if conditions remained as they were at that time, there would have been no difficulty in paying the semiannual payments provided for in the loan, as well as taxes; and, in fact, in good times many of those loans were cut down substantially. Some have been paid down now to a basis where the principal is but 50 or 60 per cent of the original loan, but the installments are made on the old-loan basis, and the farmers can not meet them except with the greatest difficulty. Sometimes they go without needed improvements to do so, which hamper them in their operations. With the lower prices on farm products, the farmer, even though the loan relatively is not a big one, is unable to pay the entire installment that becomes due in any one year and the taxes and other expenses in connection with his farming operations. Therefore, it seems to me that the best interest of the land-bank system and the best interests of the borrower under such circumstances require that that loan that is down to a reasonable basis under the existing value of the land should be written on a new amortization basis. The result then would be that the annual and semiannual payments will be cut proportionately so that the farmer can meet them.

Even under section 4 I fear that the Members of the House are going to hear from that again, because under the present prices of farm products, when a farmer, because of drought, because of the destruction of his crops by grasshoppers, or for other reasons, has gotten into default, not only with reference to one or two installments on the loan but with reference to his taxes, he will the next year be unable to pay all of the taxes as to which he is in default, to pay the current year's amortization payments, and also one-fifth of the installments already in default when the extension is granted. I do not want to take up the time of the House further on this, except to say that the discretion granted here will not cure all the difficulties by any means. It will help some. I am thankful for that. But I wish the committee might have gone further.

I hope and believe that the management of the various banks will exercise that discretion reasonably well. I entertain no such fears as the gentleman from Maine [Mr. BEEDY] entertains, and I suggest to those who think these lank-bank bonds have gone down solely because of lack of confidence in the system, that while lack of confidence has been a factor, the current interest rates have also been a very great factor. If you figure the current prices on these bonds down to an interest-rate basis, even on the low prices now prevailing in the market, you will find they would yield but little more than 6 per cent. This system is not going to the demnition bow-wows at all. It is a fairly sound system, it has succeeded reasonably well, but an unprecedented depression has brought serious problems, and now it needs this $100,000,000 additional provided in this bill, so that it may function satisfactorily for the best interests of all the people of the Nation.

This bill does not embody my views, but it goes a long way in that direction. We must accept it in good faith, and whether it is improved or not by amendments it deserves the support of all of you. In order to show some of the collection methods that have been maintained in one of the banks, which I have openly criticized, and more particularly my views with reference to rewriting loans and amortizing them as new loans, I ask unanimous consent that I may extend my remarks by including certain correspondence which I have had with the President of the Federal Land Bank of St. Paul upon these subjects.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BURTNESS. My letter dated October 16, 1931, deals in a general way with the need of rewriting the loans and also with the practice adopted by some collectors to force farmers to give security on the following year's crop to cover past due and current installments. I also urged that no foreclosures be started where the farmers were doing their best and willing to carry on.

GRAND FORKS, N. DAK., *October 16, 1931.*

Hon. F. H. KLAWON,
President Federal Land Bank, St. Paul, Minn.

DEAR MR. KLAWON: Please permit me to transmit herewith a letter just received from Mr. J. J. Erlendson, of Hensel, N. Dak., secretary-treasurer of the Crystal Federal Land Bank Association, and which is self-explanatory.

I assume that you and your associates have heretofore given consideration to the proposal which he makes to rewrite loans that have been running for a number of years upon which a substantial amount of principal has been paid, thus putting them

into the same shape as if a new loan would be made, including any amount that they may be in default in the principal of the new loan.

This strikes me as a practical suggestion, and I hope that it may receive sympathetic consideration. I realize that upon lower existing values some of such loans may be a little higher than would be granted if there were no prior loan and a new application would be made. On the other hand, it strikes me that the bank would not be the loser, but would by this method get the paper into better shape and would make it that much easier for the borrower to carry on. While we all hope for a change for the better in agriculture, I feel most of us agree that the change will be slow and that it will be difficult for any farmer to pay up accumulated debts of the past two or three years. In other words, the proposal would amount simply to an amortization of his present defaults.

I have at no time criticized the policy of the land bank in asking for further security with reference to unpaid installments and have not advised borrowers, as I understand some officials have, to refuse to give security for past-due installments upon subsequent crops or upon chattels. I do, however, feel that there are many practical objections to doing so both from the viewpoint of the farmer borrower and the viewpoint of the bank. The interests of the borrowers and the land banks are mutual. Unless the borrower can succeed, the bank will have to take on a large amount of real estate, which it certainly does not want. If the land bank ties up all of the available security which a borrower possesses, the latter becomes so embarrassed that he can not possibly farm the land in the way that it should be farmed. This year, more than ever before, the farmers are short of feed and will have to buy it. They have no money and naturally need to use any reserve security they might have either in the form of chattels or of crops. Laborers no longer work as they did 20 or 30 years ago, by the season, and wait for their money until fall, when they could, of course, file a labor lien for their protection. They now demand that their money be paid at least every month, if not every week, and the right to file a labor lien is limited to the laborer who performs the work and is not granted to the person who may lend the farmer money with which to pay his labor. In fact, there is getting to be less and less men hired by the season, and farmers now generally hire only temporary help by the day, who must be paid as the work is done. The same situation is true with reference to feed for his work stock, oil and fuel for tractors, etc.

The point I am making is simply this, that if the farmer has no security to offer during the season to take care of his farming expenses, the land bank itself will suffer, because the land will not be properly farmed and much of it may lie idle.

In this State we are suffering from almost complete crop failure in all but three or four counties. On my farms in Grand Forks County I have gone out and purchased thousands of bushels of grain for the feeding of our cattle, hogs, and sheep. I could not have done this if my income were limited to the income from the farms. Frankly, I do not see how the average farmer can possibly pay his taxes and his installments on his real-estate loans, to say nothing of his indebtedness to the intermediate credit bank or elsewhere upon his chattels. I am just as anxious as anyone that the Federal land bank be in a position to pay the interest on its bonds and continue to receive money, so that it may function for the best interests of agriculture. We are, however, confronted with a serious situation, and I feel that we must not forget what I have already stated in this letter, that in the long run the interests of the borrowers and the bank are mutual. I had personally intended to introduce legislation in the coming session of Congress for relief along the lines proposed by President Hoover. I am very glad that he has taken the initiative in that respect and I hope that we can work out something that will be practical. In the meantime I hope that no foreclosures will be started against farmers who are willing to do their best and who are anxious to continue with their farming operations. Naturally, I am not urging the cessation of foreclosures upon farms where the borrower has thrown up his hands and is either unable or unwilling to proceed further.

Trusting that these suggestions may be given your sympathetic consideration and if need be submitted to the Federal Farm Loan Board, I remain,

Very truly yours,

O. B. BURTNESS.

P. S.—I have taken the liberty of reading the foregoing to Mr. O. P. N. Anderson, president of the Starkweather Association, who dropped in for a visit, and he authorized me to say that my suggestions have his hearty approval, that he regards them as practical, and that he hopes you will give them careful consideration.

O. B. B.

Mr. Klawon, president of the bank, replied under date of October 30, 1931:

THE FEDERAL LAND BANK OF ST. PAUL,
St. Paul, Minn., October 30, 1931.

Hon. O. B. BURTNESS,
Member of Congress, Grand Forks, N. Dak.

DEAR MR. BURTNESS: Your letter of October 16, inclosing letter sent you by Mr. J. J. Erlendson, of Hensel, N. Dak., came to my office during my absence from the city.

The suggestion made by Mr. Erlendson is entirely practical in those cases where the amount of the loan needed by a farmer to refinance his present obligations is of such an amount that under present-day valuations the loan would be one that would come within the requirements of the Federal farm-loan system. We have in a great many instances during the past few years refinanced men who already had loans with this bank under such an arrangement and in these cases the loans have been handled just the same as applications for entirely new loans.

I know from the discussions that we have had with you and as you indicate in your present letter that you agree with us that under existing conditions unusual discrimination is necessary in the selection of first-mortgage farm loans and that necessarily current appraisal values must be upon a reasonably conservative basis. We endeavor in this connection to determine as nearly as we can what farm lands offered as security should be worth based upon the income that they might produce over a period of years in the hands of an average farmer, realizing that, with prices as low as they are to-day, under ordinary conditions a good farmer should be able to produce more income from his land than he was able to this last year.

There can be no question but what the long-term amortization repayment plan of Federal land-bank loans is the logical one for all farmers to use in financing their land holdings. I think that we are all agreed that there never has been a lot of money made over a period of years just from the operation of a farm and that in years gone by a good many of the large accumulations of profit that were apparent in the farming business were the result of increased market prices for farm land.

We are glad to have you say that you are in accord with our general collection policy and practice, and in this connection I wish to reiterate, what we have heretofore told you, that we want to give careful individual consideration to all of the circumstances surrounding each individual loan that we have upon our books. We endeavor to have our field men and association officers furnish us with detailed reports that will make it possible for us to give these cases this necessary consideration, and in those cases where it is apparent that the borrower is doing everything that he can and really wants to carry on and work out of his difficulties and his financial position, his method of operation and the attitude of his other creditors are such that it seems reasonably certain that he is going to be able to do this under ordinary conditions, we are granting reasonable indulgence. We are in practically all of these cases asking that the borrower give us a crop mortgage on crops that he expects to produce during the next growing season and in some cases, personal-property security as well.

It should be entirely fair that the income from land securing a first-mortgage loan should be used, first, to pay taxes and interest upon such loans in order that the farm may be preserved for the owner, not only as a home but for the purpose of producing the necessary income for him to meet all of his outstanding obligations. From this viewpoint it is just as essential to his other creditors that this be done as it is for this bank and the National Farm Loan Association, through which his loan was made. We endeavor to make this practice just as fair to the borrower as it is to the association and this bank. There are cases, of course, where, as you state in your letter, borrowers have given up or are hopelessly insolvent, and in such cases foreclosure is naturally the only logical procedure.

We recognize the fact that a great many farmers in North Dakota this year are finding it unusually difficult on account of crop conditions that existed during the past season, and in considering delinquencies that we have in that State, we are giving due regard to this condition.

President Hoover's suggestion for added capital for the Federal land banks is, I believe, a very sound one, and a plan, if carefully worked out and administered, that will be especially helpful in enlarging the activities of the Federal farm-loan system. It should have the effect of stabilizing the Federal land-bank-bond market upon a favorable interest basis, and if this is done, of course, the banks will be able to procure the necessary funds for making first-mortgage loans to farmers at reasonable rates of interest.

At the present time the interest and tax burdens of our farmers present the most difficult problems that they have to contend with, and anything that can be done to bring about a reduction in these items of cost to the farmer will not only be helpful to agriculture generally but to our country as a whole.

I appreciate your having written us as fully as you did in this case, and note that you discussed your letter with Mr. O. P. N. Anderson, president of the Starkweather National Farm Loan Association, with whom I had the pleasure of visiting at some length in my office a short time ago.

I hope that before you leave for Washington for the next session of Congress you will find it convenient to drop into the bank in order that we may discuss these vital questions with you further. If at any time you have any specific cases brought to your attention, I shall be glad to have you write me concerning them, and will be glad to have your further suggestions from time to time.

Thanking you, I am very truly yours,

F. H. KLAWON, *President.*

Before the foregoing letter arrived many protests had come to me as to collection methods adopted by the bank. While agreeing with much of what Mr. Klawon stated in his letter, I could not agree with him in all his conclusions, so I wrote him again on November 2, 1931.

GRAND FORKS, N. DAK., *November 2, 1931.*

Mr. F. H. KLAWON,
President Federal Land Bank, St. Paul, Minn.

DEAR MR. KLAWON: I appreciate your favor of October 30, which I have read with interest.

I am also in receipt of copy of letter written Mr. Torgerson, county auditor of Ward County, which has been forwarded from Washington.

While I am glad to note your assurances that the case of each borrower will be handled on its own merits and while I feel justified to believe that each individual case actually reviewed by yourself or other officers of the bank will receive fair treatment, I am not as confident as I was a few weeks ago that the borrowers will as a rule be treated with the leniency which seems vitally necessary at this time. In other words, I fear that your men in the field and your collection department are more interested in making a showing than they are in making it possible for the farmer to carry on, even though the latter should be of almost as great importance to the bank as to the borrower himself.

I agree that the income from land should be first used to pay taxes and interest upon the mortgage indebtedness and thus preserve the farm for the owner. It must, however, be borne in mind that most of the farmers have no credit and, therefore, must pay cash for items such as twine, threshing costs, repairs to machinery, etc. Fortunately most of them sell enough cream to take care of their grocery bills. Seed and feed, however, must be bought if the Federal land bank insists on a full accounting where the 1931 crop was mortgaged to secure past installments.

As intimated in a former letter, I shall personally be glad to give active support to the proposal to furnish added capital for the Federal land banks from the Treasury. In fact, I am willing to vote to furnish public money for the purpose of segregating land that has been foreclosed, as well as to carry unpaid installments.

Your letter is general and I am not attempting to raise any issue with any of the statements made by you with the exception of making some additional comment on the second paragraph thereof. You state that the refinancing of present obligations is practical in those cases where the sum unpaid "is of such an amount that under present-day valuations the loan would be one that would come within the requirements of the Federal farm-loan system." By implication you hold that if the unpaid amount is greater than would be approved as a new loan, the suggestion is not worthy of consideration.

I can not see it in that light. The land bank is in no different position from what a private individual or corporation would be in if confronted with a similar state of facts. The money is already invested in the land. Defaults have already accumulated to such an extent that with the small earnings of agriculture it does not seem possible that the borrower can catch up for years to come. Amortizing the defaults in a new loan would ordinarily reduce each installment slightly and would give the farmer a few more years in which to retire the entire debt. The land bank would be in no worse condition than it is to-day. In fact, putting the debt into a new form which would seem, and which would be, much easier for the farmer would inspire him with new hope and courage. Within a year or two it might make it possible for him to improve further his farm with fencing and other equipment so vitally necessary in the diversification program which must come throughout this country if our system of agriculture is to become a properly balanced one. Interest would be paid upon the amount in default, and unless our country goes to the damnation bow-wows entirely, the chances for retirement of the entire debt would be very good. If the bank should lose out by adopting that method, it seems certain that it would lose more by taking title to the land and holding it until a buyer can be found.

I hope these suggestions, together with what I stated in my letter of October 30, will receive your continued consideration.

I appreciate your invitation to visit you at the bank before returning to Washington. I shall try to arrange my affairs so as to see you when I go through St. Paul.

Very sincerely yours,

O. B. BURTNESS.

Mr. Klawon's reply of November 5, 1931 was more satisfactory, at least in assuring consideration for each case upon its merits.

THE FEDERAL LAND BANK OF ST. PAUL,
St. Paul, Minn., November 5, 1931.

Hon. O. B. BURTNESS,
Member of Congress, Grank Forks, N. Dak.

DEAR MR. BURTNESS: This will acknowledge receipt of your letter of November 2 referring to our letter of October 30.

I presume that Mr. Torgerson, county auditor of Ward County, has sent you a copy of the resolution adopted by the Ward County board under date of October 30 following a conference which our Mr. Thwing had with them.

You may be assured, Mr. Burtness, that all delinquent loans receive careful study and consideration by the senior officers of this institution, who are members of our executive committee, before they are placed in foreclosure. Necessarily, before this is done, our collection department is asked to exhaust every possible effort in either making collections and placing the loan in good standing or obtaining full information regarding the borrower's circumstances in order that we may fairly determine whether or not we would be justified in deferring foreclosure. Under existing conditions, of course, there are a good many cases in which there may be an honest difference of opinion as to the advisability of which is the proper course to pursue. It is only natural that we must be guided to a considerable degree by the bank's past experience in such cases.

In cases where we have a mortgage upon 1931 crops we have tried to cooperate with borrowers in providing for seed and feed for next year's operations. Of course, where some of this crop is going to be used to feed livestock that is to be marketed, and such livestock is mortgaged to some other creditor, we feel that the value of such feed should be released from the sale proceeds of such livestock and applied upon the indebtedness due this bank. This we believe is not only fair, but will ultimately benefit the other borrowers' creditors also. Where borrowers find it necessary to make Federal feed and seed loans we are, of course, willing to give consideration to the matter of signing the necessary waivers. We feel that in these cases we should have full information setting out the need for such feed and seed loans.

In connection with the refinancing of present mortgages for a sufficiently increased amount to take care of current delinquencies, the bank is, of course, limited under the provisions of the Federal farm loan act in the making of loans to loans that do not exceed 50 per cent of the appraised value of land mortgaged plus 20 per cent of the appraised value of the permanent insured improvements thereon. In making appraisals the value of land for agricultural purposes is the basis of appraisal and the earning power of said land must be a principal factor. In this respect, of course, the loaning activities of the Federal land bank must be carried on somewhat differently than those of a private individual or corporation. In a general way, of course, the majority of such cases as are meritorious can be worked out under our policy of permitting a temporary deferment of foreclosure and giving the borrower an opportunity to work out of his difficulties.

I am hopeful that you will find time to call at the bank, as you have indicated in your letter, on your way through St. Paul, so that I may have an opportunity of discussing this with you. The thought occurs to me that possibly you will be going through St. Paul either before or after business hours; and if this is the case and your time here is limited, I will appreciate having you wire me in advance in order that I may arrange to meet you.

Thanking you, I am, yours very truly.

F. H. KLAWON, *President.*

Without in any way casting aspersions upon any individual, I feel justified in including my letter of October 30, 1931, which comments upon the drastic collection policy pursued in September and October of this year, but which fortunately has now been much moderated. Names are omitted from the letter in this extension:

GRAND FORKS, N. DAK., *October 30, 1931.*

Hon. F. H. KLAWON,
President Federal Land Bank, St. Paul, Minn.

DEAR MR. KLAWON: I hesitate to write you again before receiving a reply to my letter of the 16th instant, but understand you have been in Washington, so I realize that you are more than busy.

I can not help but wonder whether you men in the bank realize the tremendous criticism that is being made, not only by your borrowers, but by people generally, including our most conservative business men, against the collection methods employed by the bank. Some indication thereof is shown in the resolutions that are now commencing to be passed in various counties of the State, but they amount to little or nothing as showing the intense feeling which exists.

I feel that I have been judicial in my viewpoint with reference to the bank; at least, I have tried to be. I have realized full well that its permanent operation of necessity depends upon the bank's ability to collect upon its mortgages and that it is vitally important to pay promptly, not only the interest but the principal, of the securities issued by the bank.

On the other hand, I am also interested in the welfare of the farmer-borrower. I do not believe that it will help these agricultural States to substitute another set of farmers for the ones who are already on the land and who are willing to do their best to carry on. I want to repeat what I stressed in my former letter that the interests of the borrowers and the bank are mutual.

Since writing you, Mr. ——— ———, secretary-treasurer of the farm-loan association, operating around ——— in ——— County, brought in some files of correspondence which I have had the opportunity to examine. I want to say frankly that I am very much disappointed in the attitude taken by some of the men representing the bank as disclosed by such correspondence. This is particularly true of one ——— ———, representing the collection department. I don't know Mr. ———. He is doubtless an able individual and probably a very fine fellow. I understand that he was employed by the bank on the theory that he is a good collector. If being unreasonable, unsympathetic, and hard-boiled constitutes ability as a collector, I believe he is entitled to the very highest possible rating. If the attitude assumed by him in the correspondence which I have examined is to become the policy of the land-bank system, I am convinced that no loaning agency which ever did business in this territory has ever found itself in such ill repute as the Federal land bank will be within a comparatively short time.

But so much for that. I picked at random three cases from Mr. ——— file, and I am going to take the liberty of referring to each of them, for I have tried to analyze them fairly. The comments I make are upon the assumption that the facts stated by

Mr. ——— in the letters to the bank are correct, for I have always found him absolutely truthful, and I consider his judgment good.

——— ———, LOAN 14,499, ——— ———

This land seems to be in good shape for next year's crop. The amount of the original loan has been cut down almost $1,000. If he sells all his wheat, he will realize approximately $55 above harvesting and threshing costs. A seed lien of $100 is unpaid. The amount of oats and barley raised during the year is obviously insufficient for feed to working horses and other stock. No mention need be made of necessary living expenses. In spite of these facts the bank demands retirement of amortization installment of $162.50, payment of the 1927 taxes, and a crop mortgage to cover, not only taxes and installments past due, but also the installments that will become due in 1932. That I regard such requirement unreasonable is putting the matter mildly, for no consideration seems to be given to the almost total crop failure existing there this year. The worst thing that could happen to ——— ——— and his creditors, including the Federal land bank, would be for him to sell his feed grain and apply the small proceeds that would be realized therefrom upon the installments due your bank. It would cripple his farming operations so that a reasonable income can not be expected next year. Statements contained in the treasurer's letter of September 23 would indicate that the demand is greater than might otherwise be the case for the reason that ——— ——— bank holds a subsequent lien upon the property. A similar thought prevails in other cases. I am personally astounded at these suggestions. Representatives of your bank in substance are demanding that the local bank supply the funds.

If Mr. ——— ——— does so, he is not only a poorer business man than I think he is, but I would unhesitatingly say that he would be treating the creditors of the bank most unfairly. His first obligation is to his depositors, and I regard it unjust for representatives of the Federal land bank to make demands which, if met, would unquestionably result in the closing of more of our local banks in this State and thus add to the present distress, as well as to make more difficult the ultimate collection of the money due you. The proposal to include installments not yet due in the chattel mortgage security has also seemed to me unfair. I do not criticize a request for security upon installments or taxes which are past due. If those can be paid out of next year's crop, not only the borrower but the bank would be doing very well in getting the loan back in pretty good shape.

On the whole, it strikes me that this is a loan as to which earnest consideration should be given to the suggestion to rewrite it on a new basis, including past-due installments in a new principal, thus amortizing it. The profit available in farming in one year can not possibly be sufficient to take care of several years' taxes and installments. Foreclosing the mortgage will not bring in funds with which to pay interest on the bonds but will add to the difficulties of your management.

——— ———, LOAN 18,615–D, ——— ———

In this case the methods which we expect to find in a cheap, irresponsible collection agency with no standing are employed, as shown by the 7-day notice in the letter of October 14. The first unpaid instalment matured December 27, 1930. Two years' taxes are unpaid. While a smaller proportion of the original loan has been retired than in the case immediately preceding, the land has been considerably improved since it was purchased and is in good shape for next year. The owner is conservative, not even owning a car. Wheat raised on the farm would probably not amount to $100 after the threshing and twine bill is paid. The buildings secured with you naturally require protection against loss by fire, and the premium will amount to $26. Your bank suggests that he pay up defaults amounting to $381.54. How can he possibly obtain any such amount unless he goes out and steals it? Here, too, the bank is fully as much interested in retaining the feed on the farm as is the borrower. Any requirement that he pay more than one installment or the past-due taxes seems impossible of performance unless you expect the Adams bank to advance the money and thus prejudice the rights of its depositors. This would fully account for the proceeds of the wheat raised on the farm, but I presume he could locate seed wheat somewhere else.

——— ———, LOAN 16,662–D, ——— ———

Here again your competent and efficient collector suggests that the sale of the wheat, "together with the oats and barley," raised on this farm would retire the September 13, 1930, installment and make a substantial payment on the 1928 taxes. Possibly he has never seen a farm so that he may not know that the horses required to operate it next year will need considerably more than 200 bushels of oats and 200 bushels of barley if they are to do the work required in taking care of next year's crop. An arbitrary demand that feed in this amount be sold is positively asinine unless you want the farm to lie idle next year and take title at the earliest possible opportunity. With a farmer willing to carry on, would you not be in a much better position next year by accepting the proceeds that will be realized on the sale of the wheat and apply them either to past due installments or to taxes as you prefer, and thus insure that the land be properly farmed? The same comment as made in one of the former cases to a similar situation applies to the proposal that the crop mortgage next year include taxes and installments that aren't as yet due.

I concede that my ire has become aroused over these cases, which are simply typical of others that have been called to my attention, not only in the Adams Association but elsewhere as well. I am not attempting to run a bluff. I believe I am as earnestly interested in the success of the land-bank system as any person employed in it. I am not taking the matter up with the board at Washington or anyone else. I do, however, want you to know that unless some sympathetic consideration is given to cases of this sort I intend to do so. In fact, I will go further. As soon as Congress convenes I shall ask for sufficient time to discuss the matter on the floor of the House and let the country judge the facts. I don't want to do this, and I hope it will be unnecessary.

Since my last letter I have discussed these questions with men who are conservative and in whose business judgment I have confidence. I have become more and more convinced that the best plan of all would be to renew many of the loans and thus amortize them on a new basis. This is often done in the case of building and loan associations and works out very well. Of course, I do not intend that this procedure should be adopted in all cases or in any case where there is no greater amount in default than what the borrower can reasonably be expected to retire in the event of a good crop. Indiscriminate foreclosures will dry up your income more surely than any other method that I can think of, to say nothing about the hardships that will accrue to the borrowers and their families.

Very respectfully yours,

O. B. BURTNESS.

It is a pleasure to report that I had an interview with Mr. Klawon, president of the St. Paul bank; Mr. Rask, one of its board of directors; and with Mr. Madison, a member of the Federal Land Bank Board at St. Paul, on my way to Washington. I left that interview well satisfied. I was convinced a more liberal treatment would be extended to needy borrowers in default.

Mr. Madison, Mr. Klawon, and others had spent several days in the field. It was refreshing to note a board member coming from Washington was sufficiently interested to do this. I found him sympathetic and practical. There is no question that the policy of the board here in Washington has been much moderated. This has permitted the officials of the local banks to use their discretion more wisely, something which I doubted they were permitted to do some months ago.

The system has been controlled too much from above. Local bank officials know more about the conditions in their territory than the board in Washington. I am hopeful that the recent liberalization will inure to the benefit of all concerned.

Instead of numerous complaints in the mail some weeks ago, I have recently received letters from local secretary-treasurers and others indicating approval of settlements now being made. I, therefore, commend every official who has had any part in bringing this about.

This result is in harmony with the desire of the President of the United States who, I know, is anxious that no family be forced to leave its farm home under foreclosure of mortgage where the borrower does the best he can to carry on.

Mr. HARE. I congratulate the Committee on Banking and Currency in presenting this bill. I congratulate the administration upon its change of mind during the past 12 months; for, as the chairman of the committee has said, an effort was made last year to present a bill similar to this. I might go further and say that an effort was made two years ago, when I introduced a similar bill for the benefit of the farm mortgagors of this country. At that time we were unable to secure the indorsement and approval of the Secretary of the Treasury or the Federal Farm Loan Board, but we are glad there has been a change of mind on the part of the administration leaders. However, I am not misled in the belief that this bill is going to be of much value to the farmers, for it has been my observation that whenever Congress passes a law leaving its execution within the "discretion" of some governmental agency very little if anything is ever done. I have some apprehension about those charged with the responsibility of enforcing this law doing anything different from what they have done in the past. In other words, if the Farm Board, if the Secretary of the Treasury, has had the right and authority heretofore to extend the time of amortization installments or to extend the time for payment of farm mortgages, and they have refused to do it, how can we expect them to be more considerate in the future than they have in the past?

Some will say that the Federal land banks could not extend the time heretofore because it was necessary to have

money to pay the interest on the bonds. They say now, "We are going to appropriate $100,000,000 for this purpose." I take the position that that authority exists and has existed all these years the Federal land bank system has been in operation. Section 32 of the original act not only gives authority to the Secretary of the Treasury, but he is directed to make loans to the directors of any Federal land bank upon request sufficient to pay the interest on outstanding bonds where the interest on the mortgages has not been paid. What more does this bill contain? Let me read section 32:

> The Secretary of the Treasury is authorized, in his discretion, upon the request of the Federal Farm Loan Board, to make deposit for the temporary use of any Federal land bank out of any money in the Treasury not otherwise appropriated.

It provides further that—

> The aggregate of all sums so deposited by the Secretary of the Treasury shall not exceed the sum of $6,000,000.

Heretofore if the president of any Federal land bank found himself in a position where it was necessary to extend the amortization payment on mortgages held by that bank, and would ask the Secretary for money with which to pay the interest on those bonds, the Secretary, within his discretion, had a right to do it. Has he done it? No. Will he do it in the future? I say no. I judge a tree by its fruits, and I judge a man's actions in the future by those of the past.

Mr. LEAVITT. Will the gentleman yield?

Mr. HARE. I yield.

Mr. LEAVITT. Is there not a difference in the two authorities? As I understood the reading of this section of the existing law, there is authority there for the Secretary of the Treasury to make deposits in those banks. In the proposed act now under consideration the Secretary of the Treasury is to be authorized and directed to take out and pay for shares having an aggregate par value of so much.

Mr. HARE. I am glad the gentleman asked that question, because it raises the one suspicion I have about this bill. The $100,000,000 authorized will be taken in stock, and it will be used largely in making the outstanding bonds more secure and will give but little consideration to those who may want to obtain loans, or in extending the time for payment of installments of those who have already obtained loans.

Mr. LEAVITT. But it is a different procedure.

[Here the gavel fell.]

Mr. HARE. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. There is this difference. The $100,000,000 called for in this bill is nothing more in effect than that provided for in section 32 of the original act. In that act it says "Aggregate sums so deposited by the Secretary of the Treasury shall not exceed the sum of $6,000,000." This $6,000,000 may be used in paying the interest on outstanding bonds. The $6,000,000 is simply the interest on $100,000,000. So, if we take the $100,000,000, and the most of it is used to increase the capital of the banks, it will be no more than that provided under the existing law to meet the interest on outstanding bonds issued by such banks.

You will understand I am going to support this bill, but the execution of it is left too much to the discretion of the Farm Loan Board to expect the farmers to get that consideration I feel they are entitled to. You will observe that the suspension of payments that may be due by farmers is wholly within the discretion of the directors, which means that it will be in the discretion of the Farm Loan Board and the Secretary of the Treasury; and when you leave it to those three to exercise separate discretions I see but very little help for the farmers of the country in this bill, but it is the only thing the committee has seen fit to bring us, and I am going to support it, hoping that those charged with the responsibility of executing the law will exercise that discretion in favor of agriculture.

Mr. LEAVITT. Will the gentleman yield for a further question on that same point?

Mr. HARE. Yes.

Mr. LEAVITT. As I understand the gentleman, he says that under the existing law they could deposit $6,000,000. Under this act the Secretary of the Treasury is to be authorized to take out and pay for shares having an aggregate par value of $100,000,000. In the one case the banks would have $6,000,000 to use and in the other case they would have $100,000,000 to use. There is at least that much difference, is there not, between the two bills?

Mr. HARE. They will have whatever amount is necessary to pay the outstanding bonds.

Mr. LEAVITT. The difference between $6,000,000 and $100,000,000 is very considerable in meeting the present situation.

Mr. HARE. That is right; but if the directors use the $100,000,000 to increase their capital stock, and it is wholly within their discretion, where will the delinquent farmers get any help out of this bill?

In so far as the amount of money involved in the original act and the proposed law, there is a decided difference, but in so far as applying these funds to alleviate the distress among farmers who have borrowed money from the land banks there is but little or no difference, because the original act gives the Secretary of the Treasury, the Farm Loan Board, and the banks the right and authority, within their "discretion," to suspend payments of the amortization installments, and that is all this bill does in so far as assisting the borrower who may be unable to meet his installments.

The CHAIRMAN. The time of the gentleman from South Carolina has again expired.

Mr. ARENTZ. Mr. Chairman, I move to strike out the last two words.

On the passage of this bill, ladies and gentlemen, the Members of this House who have said they are going back home pleased to tell the farmers in their communities how much Congress has done for them, can go and tell their farmer constituents that under the provisions of this bill, if they make default to-day, their payment due to-day will be added to the interest and principal due a year hence, for both will then be due and payable unless the officials of the bank show them special consideration and split the defaulted payment into five equal payments at 8 per cent interest.

They can tell those farmers that next year they will pay the amount then due and on top of that they will pay either the full amount that they failed to pay this year, or one-fifth, or one-third, or one-fourth of it, in the discretion of the officials. Personally, I do not believe your farmers and mine want such a suspension as is contemplated in this bill. The load is lifted from their shoulders to-day and a double load placed on their backs next year. I am against such a performance. If we intend to help them in this bill, let us do so in a real tangible way, in a helpful way.

Most men who represent farmers in this House believe this bill will apply to all that is due next year, and in addition to that, possibly all that was due this year; and, if the ordinary farmer counts that a suspension, and if the ordinary Member of Congress figures that the farmers are being helped by this bill, I will say they are going to be mightily disappointed. This bill is a bankers' bill. This bill is to make the bonds worth 100 cents on the dollar. This bill is a sop to the American farmer in its present form, absolutely a sop, and nothing more.

If you want to help the farmers, protect them against foreclosure. And how can you do that? You can place at the end of the amortization period this defaulted payment. If the amortization period is 32 years and he has paid in 17, it will mean that at the end of 15 years more he will have to pay one more installment; the installment he failed to pay this year or next year, instead of doubling up both payments the next due date. Is anybody going to be hurt by that? Will not the bonds be protected equally as well as under this plan? I say they will.

We hear gentlemen on both sides talking about the suffering of the farmers now in the way of foreclosures, but

those gentlemen in many cases refer to the joint-stock land banks and not to the farmers who have mortgaged their farms under the legislation here under consideration, and under this bill they will get no relief whatsoever. We have got to bring in another bill, a bill having to do with joint-stock land banks, and if the bill that is brought in by the Banking and Currency Committee for the joint-stock land banks is no better than this bill, then a great many farmers will have to cool their heels outside the poorhouses in the United States within the next five years.

Mr. BLANTON. Will the gentleman yield?

Mr. ARENTZ. Yes.

Mr. BLANTON. This is all the President will give us. He will not sign anything else.

Mr. ARENTZ. How do we know what the President intends to do when an amended bill comes before him? I am here to legislate for the people. We are the legislators here, not rubber stamps. I will stand with any group of men who will offer to give the farmer something under this bill, regardless of whether the President wants it or not. The Members are saying that this is all we can get. Let some Member offer amendments and see how many will back him up. Do we have to let it go over to the Senate to have this bill put in proper shape? Often the Senate has its ear closer to the ground than Members of the House, yet in reality we too have soft hearts for those in distress and the folks back on the farms of America whom we are supposed to help to-day should receive our profoundest consideration. Let us fix up the bill here and now so the Senate will find it unnecessary to change a word.

Mr. Chairman, I ask unanimous consent to extend my remarks by inserting in the RECORD a letter from the Joint Stock Land Bank of San Francisco.

The CHAIRMAN. The gentleman from Nevada asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

(The letter referred to follows:)

PACIFIC COAST JOINT-STOCK LAND BANK OF SAN FRANCISCO,
San Francisco, Calif., December 14, 1931.

Hon. SAMUEL S. ARENTZ,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN ARENTZ: With the existing deplorable condition of agriculture throughout the country many bills looking toward an immediate improvement in this situation will undoubtedly be introduced when Congress convenes. As an investor in stocks of a number of joint-stock land banks, I am vitally interested in the future welfare of these institutions and all legislation affecting farm conditions generally. My experience in operating these banks has proven conclusively that many farmers who have devoted their lives to agriculture can not possibly hope to meet mortgage interest and taxes with existing prices for farm commodities. Since these prices are affected by world conditions, it is my judgment that we must reduce the interest and tax burden of the farmers and amortize the principal portion of their existing loans over a longer period of years if their present condition is to be improved.

My plan is to have the Government organize a Federal merger bank, take over all of the assets of all Federal and joint-stock land banks, and issue 50-year bonds guaranteed by the Government bearing interest at the rate of 3 per cent in exchange for all bonds now outstanding of either Federal or joint-stock land banks. This new merger bank can then rewrite all existing mortgages payable to Federal and joint-stock land banks on a 50-year amortization plan with a 4½ per cent interest rate. This will reduce the existing amortization payments from $86.52 per $1,000 per annum on present 20-year plan to $51.92 per $1,000 per annum on 50-year plan, thus saving to the farmer $34.60 per $1,000 per annum. This saving will pay all the taxes of the average farmer. It will also give a spread of 1½ per cent as an operating profit for a new bank and would be sufficient to create necessary reserves and afford a very satisfactory profit on capital investment.

Reports issued by the Farm Loan Board indicate that both Federal and joint-stock land banks are foreclosing on an increasingly large number of farmers each 3-month period. Many farmers, who have been successful in their respective localities for years, can not under existing conditions meet their amortization payments and are faced with almost certain foreclosure unless some relief is provided promptly. It is my opinion that a long-term amortization loan at a lower rate of interest will save the homes of many of these deserving farmers.

Foreclosed properties could be retained by the merger bank until improved commodity prices justified placing additional lands on the market and marginal lands could likewise be kept off production by leasing for grazing or reforestation purposes.

Short-term farm loans, now frozen in country banks throughout the United States, could likewise be refunded under this 50-year plan and new Government obligations issued to provide funds for such loans.

When bonds of Federal and joint-stock land banks were sold to the public they were sold as instrumentalities of the Government of the United States and as such millions of dollars worth were placed in the hands of widows and guardians of orphans throughout the land. It is these same widows and orphans who are to-day taking the losses on bonds that are of necessity sold at present depressed prices. If the merger-bank plan should be enacted into law the Government would be assuming an actual responsibility for the bonds, for which it now already has at least a strong moral obligation, and the holders of these bonds would be immediately assured of at least an ultimate return of their principal investment.

If the merger bank is put into effect new funds would become immediately available for loaning purposes throughout the country.

Briefly such a bill—

Will afford constructive and beneficial relief to the farmer;

Will protect the unfortunate bondholders who purchased their bonds under a misapprehension and in many cases misrepresentation of the real facts;

Will save the stockholders who now stand to lose double the amount of their original investment;

Will enable the Government to come forth and assume the responsibility of its tax-exempt instrumentalities that made possible the present plight of the farmer, the bondholder, and the stockholder.

If my own experience or that of my organization can be utilized by yourself in any way in connection with the solution of the present farm problems, I want you to know that I am ready to cooperate with you in every possible manner.

Very sincerely yours,

A. O. STEWART, *President.*

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, ladies and gentlemen of the committee, I rise principally to caution my side of the House as to this constant reiteration from the Republican side about "cooperation" and "nonpartisanship." I believe that history will record that the party on the other side of the aisle have only "cooperated" or talked about nonpartisanship when they were in the minority. [Applause.] If this bill is an example of "cooperation," then it is "in reverse," because this particular bill, when the other side was in the majority, could not be pried out of committee. Now, however, when the "only party fit to rule" is out of power it suggests we cooperate. In this particular instance we do not happen to need their cooperation in bringing out a distinctly Democratic measure which they smothered for a year.

Only the other day we voted $120,000 for Federal employment agencies, based on a plan and a system identical with the Wagner bill which the President stuffed in his pocket and vetoed at the close of the last session. Oh, there has been quite a turnabout of events!

Let us at least be fair, sincere about cooperation, and nonpartisanship, if you really want any of it. If "cooperation" is necessary, you on the Republican side must cooperate. I am one of those from the great industrial East who have been pleased to vote for every farm-relief measure which has come before this House for many years. We voted for the McNary-Haugen bill and many other measures to relieve the farmer.

I rose to-day and asked the gentleman from Iowa [Mr. RAMSEYER], who was then talking about the low level of commodity prices, if he did not realize that the level of the purchasing power of the consumer had also fallen. For every farmer in this country there are thousands of consumers. The consumer does not want low prices. We realize that a return of prosperity must necessarily be accompanied by higher commodity prices. In the disastrous days of 1892 to 1896 prosperity returned only when the level of commodity prices had raised so that the producers could make a fair profit.

The consumer is perfectly willing to pay fair prices if his earnings will permit it. But the truth is that in 1929 the average mechanic was getting $40 or $50 a week when now millions are anxious to get some sort of employment even at $2 a day. Through necessity alone he must be furnished with lower prices. If you will give back to the people their wage scale, they will willingly buy your commodities and pay a fair price, and a price that will mean a profit to everybody.

This bill provides relief with respect to mortgages on farms, and we of the cities are for that. Everyone who has spoken here to-day has called it a "farm-relief" measure. Nobody here has spoken to-day about the consumer. We have wept over the mortgage on the farm, but the people in the great industrial centers have to live in houses, too. They have to have homes, and for every mortgage being foreclosed on a farm I will wager there are four or five being foreclosed on the homes of the men who go out at 7 o'clock into a factory and come to their little homes at night.

This is a situation not to be overlooked. I understand part of the program of this Congress will include some measure of relief in this respect as to relief to owners of homes other than farmers, and I hope there will be just as enthusiastic support of such a measure as I am giving in support of this farm-relief measure. [Applause.]

I did not want the impression to be created, because of my colloquy with the gentleman from Iowa, that I was concerned only with the interests of the consumer. We have millions of people out of employment. We have hundreds of thousands of homes being foreclosed. We know the large centers of population have struggled for years to get the Republican Party to look at the Nation at large. As I have said before on this floor, they have for years catered to the rural Republican strongholds only—this when there were such places. There are few of them left now. [Laughter.] If the Republican Party could have acquired a national complex, our country would not be in the position it is to-day.

Let me give credit to the Democratic side of the House that you have been concerned, as you have evidenced in the relief bills of last year, about the interests of the people of the entire Nation. We from the East only ask that the Republican side of the House "cooperate" with the millions of wage earners of America. [Applause.]

Mr. WILLIAMSON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, this bill (H. R. 6172), of course, has two purposes. First, it is intended to give relief to the farmers who are in default by reason of inability to meet their installment payments; and, second, to bring the Federal land-bank bonds back to par. Everybody must recognize that when the bonds are selling below par the land banks can not continue to make loans or grant extensions, as the banks are not authorized to dispose of bonds below par. Such bonds have been below par for some time, with the result that the banks have found it impossible to carry out the purpose for which they were created. In order to make the bonds marketable at par, the interest rate would have to be increased to a point which would make the rate to farmer-borrowers prohibitive.

I think one of the fundamental errors in the bill is that section 4 does not go as far as it ought to go in extending relief to the American farmer.

It must not be forgotten that perhaps nine-tenths of those who need relief are farmers who have already carried their loans for anywhere from five to a dozen years, and who have met their installments every year. This means that their loans to-day are in very much better condition as to security than when originally made. I think relief should be granted at least to the extent of permitting the installment upon which an extension is asked to go over to the tail end of the loan period, and that the farmer should be required only to pay the interest thereon annually in connection with his annual installments upon the remaining deferred payments. If this were done, it would be real relief to the farmers. This will not jeopardize the loan in the least degree because, even if it were done, the loan would still remain smaller in amount than when it was made in the first instance.

The difficulty with the provision carried in section 4 is that the farmer will have to begin to make up the extended installment payment the year following the extension, when conditions may not be any better than they were when extension was made, and he may find himself in a position where it is utterly impossible to protect his farm, whereas if the installments upon which an extension is asked could be extended to the end of the loan period and made a part of the principal for all practical purposes, so far as payment is concerned, with only interest upon the installment to be paid annually, then the farmer would secure relief that would be worth something to him.

This is all I care to say about this provision. I realize that no amendment I might offer or that may be offered by anyone else upon the floor will have any chance of going through unless sanctioned by members of the committee in charge of the bill, but I do hope the bill will be amended in line with my suggestion before it becomes law.

If I may now have the attention of the distinguished and able gentleman who has recently become chairman of the committee, I would like to ask him one question with reference to section 4 of the bill.

Section 4 allows the extension of payments for repayment by installments spread over a 5-year period. Do such extended payments carry the delinquent rate on the deferred installments or the rate provided for in the original mortgage?

Mr. STEAGALL. The regular rate provided for in the original mortgage.

Mr. JONES. Mr. Chairman and gentlemen of the House, I have taken the floor to ask information. I am not going to try to make a Saturday afternoon speech. What is the total aggregate amount of the delinquency in the farm loan system at the present time?

Mr. STEVENSON. The actual delinquency from one day to two years amounts to 22 per cent of the loans. The actual delinquency that are over 30 days' delinquency amount to 11 per cent.

Mr. JONES. I am not talking about percentages. I want to know the total aggregate amount in dollars.

Mr. STEVENSON. One billion one hundred and seventy-four million dollars is the amount of the loans.

Mr. JONES. Yes; but all those are not delinquent and are not due. Many of them run for a considerable period of years. I want to know the total amount necessary to expend to take care of all delinquents. I am informed that about $84,000,000 represents the annual installments being paid at the present time, or rather half that amount twice per year.

Mr. STEVENSON. As I understand it, there are only about $40,000,000 in semiannual installments.

Mr. PATTERSON. I had a letter from the Federal Farm Loan Board a few days ago saying that the total amount of the installments due annually is approximately $84,000,000.

Mr. JONES. That is the total amount per year and there is a delinquency of about 22 per cent of that of the semiannual payments?

Mr. STEVENSON. Yes.

Mr. JONES. Then there is about $10,000,000 of delinquency.

Mr. STEVENSON. That is right.

Mr. JONES. And if the same percentage should become delinquent in the January payments that would not increase it more than $5,000,000?

Mr. STEVENSON. That is a matter of arithmetic.

Mr. JONES. If we are going to appropriate $100,000,000 for these banks, and all of us have the main purpose of taking care of the present foreclosures on these home owners, does not the gentleman think that we could allocate, say, 20 per cent of the moneys that we are advancing to these banks, and say to them, "You shall extend these payments"? [Applause.] It seems to me that if we are going to take $100,000,000 out of the Treasury and advance it to these banks, we could make this general provision that covers past-due installments, and make them cover the January 1 installments, because it will probably be that time before this act becomes effective, and direct each official of the farm-loan bank to extend these installments—in other words, use one-fifth of the fund to either put these delinquencies over to the end of the other installments or spread them over five years, to save these American homes from foreclosure.

I do not believe much in this character of legislation generally, but this is an extraordinary emergency. Of course, this is a temporary matter. Our troubles lie deeper than this. Ultimately the purchasing power of agriculture must be restored if the Nation is to prosper. In other words, the discriminations against agriculture must be removed.

Mr. STRONG of Kansas. How would the banks pay the interest on the bonds, if they do not collect interest from the farmers?

Mr. JONES. It seems to me that if they are advanced $80,000,000, and still can not pay the interest on the bonds, they are in pretty bad shape.

Mr. STRONG of Kansas. This is going to be capital stock

Mr. JONES. I understand, but it is going to be fresh money and should certainly assist them in handling their affairs. Otherwise why appropriate it? Besides, I am endeavoring to use a portion of these funds for such installments.

Mr. LAGUARDIA. Following the suggestion of the gentleman from Kansas, how can you use your capital stock to pay past interest?

Mr. JONES. I am advocating that a portion of the fund be allocated to these payments and the balance of it used as capital stock. I believe the best way is the plan which several others, including myself, introduced to authorize an independent appropriation through another department to take up these installments and place them behind these loans, thus letting the Federal land banks get their money and the farmers save their homes.

Mr. LANKFORD of Georgia. Mr. Chairman, will the gentleman yield?

Mr. JONES. Yes.

Mr. LANKFORD of Georgia. If $20,000,000 is loaned by the system for the farmers to use in paying the interest back to the system, why would not the system get the $20,000,000 to use in the payment of interest on bonds?

Mr. JONES. This will be paid back, and all these sums will be paid back, if the system succeeds as I think it will.

Mr. PARSONS. Has it been brought out here how many million dollars worth of farm lands have been foreclosed on and are now in the hands of the Government or under process of liquidation?

Mr. JONES. I will refer that question to some member of the committee. I would rather the gentleman asked some member of the committee.

Mr. PARSONS. I wanted the gentleman to ask that inasmuch as he was already getting information.

Mr. JONES. I would be glad if any member of the committee would furnish that information. Undoubtedly, there have been foreclosures.

I would like to have this further information. That is the only reason I asked for an extension of my time. I would like to ask if this amendment which you have placed on the bill providing for extensions, in the discretion of the banks, was submitted to the members of the Farm Board, and did they show a sympathetic attitude toward the administration of it?

Mr. STEAGALL. I may say that various provisions which have tended to accomplish what we seek to accomplish by section 4 of this bill were under consideration at various times in the committee and members of the Farm Loan Board discussed that last year in connection with a bill that I introduced at that time. And they discussed it again in connection with the bill before the House at this time. But, to answer the gentleman specifically, the Federal Farm Loan Board does not want any additional provisions in the Federal farm loan act dealing with the matter of foreclosures.

Mr. JONES. That is what I suspected. Will they sympathetically administer the proposal if we put it in there, making it purely discretionary?

Mr. STEAGALL. The gentleman has as much knowledge about that as I have. They say they have been administering it sympathetically all the time. I can hardly agree to that. I wish to be moderate in my language, but I have not thought that they did.

Mr. JONES. I appreciate the fine work which the gentleman and the members of the committee have done. They have a delicate situation to handle. I appreciate also the difficulties of the board. But the farmer, too, is having his difficulties.

[Here the gavel fell.]

Mr. SUMMERS of Washington. Mr. Chairman, ladies, and gentlemen, this bill to liberalize the Federal land bank law is a valuable piece of legislation. I want to commend the chairman and members of the committee for bringing it before us at this time. However, it does not wholly meet the situation.

There will be an amendment offered later, and I want now to invite your attention to that amendment. What does section 4, as it appears in the bill, propose to do? It proposes to relieve the farmer of payment for one year, but it also says that next year the farmer must make his regular payment and 20 per cent more; that is, 20 per cent of the delayed payment in addition to the regular annual payment then due.

Mr. STEVENSON. Will the gentleman yield?

Mr. SUMMERS of Washington. I yield.

Mr. STEVENSON. It does not say that they shall not extend his payment if he is unable to pay it next year. It does not say that they shall not extend that. They have the same power. It is a permanent provision which gives them power to extend any payment at any time where the conditions justify it.

Mr. SUMMERS of Washington. But I think in practical effect it will mean what I have said. We all know, with the present outlook of agriculture, that this bill will not provide the necessary relief. While we are trying to meet a serious situation we ought to meet it in a more effectual way than we are doing under section 4.

THE REAL CONDITIONS

What is the situation? There are hundreds of thousands of farmers that this bill will affect who are questioning at this joyous Christmas time whether they will be able to make their payments or whether they will lose their homes. It will also affect investors in these bonds. Is it better that we help the man who owns the farm, who has an interest in the farm, who has been there perhaps 15 or 25 years? Is it better to leave him on the farm, understanding the land as he does and knowing how to manage it to best advantage, there to work out his salvation and make the payments to the Federal land bank, or is it better to foreclose and force that man and his family out among the unemployed and put some one else, who knows nothing about that particular farm, on the land? That is the practical question that we face to-day. So when the amendment is offered later to section 4 by the gentleman from Nevada [Mr. ARENTZ] I hope you Members from East and West will give it very, very careful consideration. I appreciate that the interest on these bonds must be paid. I am interested in the entire system. I am interested in the farmer, in the man who puts his money in the bonds, and in the perpetuity of the land-bank system.

I believe every man should pay his honest debts. But I also believe the honest old farmer should have a chance to get his breath and save his home.

Section 4 now reads:

> Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period.

That will help some. However, there is a better way of working out the problem. One that will be more advantageous to the farmer and will not injure the holder of the land-bank bonds and will not suspend public works of any kind. The Arentz amendment, which I am advocating, would transfer the amount due this year to the end of the obligation and thus give the real relief the farmer needs.

Even on the foreign moratorium, which you gentlemen voted yesterday, you gave 10 years, without question. Here

you are giving at most five years and perhaps less, with a question always hanging over the farmer as to whether he has the full five years or whether he may have to pay before five years. Certainly we can not do less for our own people to-day than you did for the people of foreign nations yesterday.

I did not vote for the moratorium. I coupled with my sanction of it last summer the distinct and definite provision that a limitation of armaments should go along with it. No reductions in armaments have been made. I kept faith with the President, with myself, and with my constituents in voting against it. But you who did vote for it voted to give foreign peoples the distribution of this year's debt over 10 years unquestionably. Here you are giving our own farmer at most five years, and we find a broadax hanging over his neck at all times. There is a better way to solve this problem. I want you to think seriously when the amendment is offered and I want you to give it the favorable action to which in your hearts you know it is entitled.

If we can not secure the adoption of this amendment in the House, then I shall hope to secure its adoption in the Senate.

The homes of thousands of hard-working farmers are in jeopardy. Many in their declining years are losing the farms on which they have lived and reared their families. Let us amend this bill and make it a real farm relief measure. Now that we are providing for the holders of these bonds, let us also lift the farmers' burden at least for one year from those who need it.

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. Is a motion to close debate in order at this time?

The CHAIRMAN. It is.

Mr. DYER. Of course, I will not offer such a motion.

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto shall close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama [Mr. STEAGALL]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. DAVIS].

Mr. DAVIS. Mr. Chairman, ladies and gentlemen of the committee, apparently I am in the attitude of many other Members. I shall vote for this bill if I do not get an opportunity to vote for a better bill. I am not satisfied with this bill by any means. However, I shall vote for it under the hope that it holds out some promise of relief to the farmers in their distress.

I want to observe that it comes in poor grace, as it seems to me, for Members on the Republican side to criticize this bill because it is not liberal enough to the farmers, in view of the fact that when they were in power they refused to give consideration to any measure along this line. [Applause.] During the last Congress many of us advocated a measure designed to grant an extension to the farmers holding loans in the Federal land banks.

Mr. STEVENSON. Will the gentleman yield?

Mr. DAVIS. Yes.

Mr. STEVENSON. I want to give the gentleman the information he asked me about a while ago which I did not have at the time, and that was the amount of real estate which had been foreclosed upon and was now owned by the banks. Twenty-eight million two hundred and seventy-four thousand six hundred and one dollars is the amount of real estate that has been foreclosed upon, on mortgage loans of $1,177,521,000.

Mr. DAVIS. I am glad to get that information. I wish to further observe that if a measure even of this character had been enacted during the last Congress when many of us, including the present chairman of the Banking and Currency Committee, advocated such a measure, it would have rendered infinitely more relief than it can render now, because since that time farms throughout the country have been foreclosed upon. In my section the Federal land banks have been more relentless than have the private companies holding mortgages on farms. They have sold farm after farm, the best farms in the country and owned by some of the best people, after they had gone through the worst drought in history and after they had gone through more than a year of the worst financial depression in history. So they would have certainly been better off and those who are still hanging on would have been relieved to a very much greater extent a year ago than they will now, when they are, in most instances, in such shape that the very small relief afforded in this measure will not save a vast number of them, even if this bill is generously and sympathetically administered. In view of the attitude of the board in the past, I want to say that I have but little hope that they will in the future manifest anything like a sympathetic attitude.

I know that there are on the Banking and Currency Committee some genuine friends of the farmers, and I regret that they yielded their opinion in a spirit of compromise. I wish they had brought upon this floor a measure that would afford real relief and let the Members in this House and at the other end of the Capitol who want to do so vote against it and let the President veto it if he wants to do so. [Applause.] I believe there are enough Members in the Congress who are really sympathetic with the distressful condition of agriculture who would vote to pass a real farm relief measure over a presidential veto when they have shown such a generous attitude toward everybody else in the world, both here and abroad. Congress has just passed a resolution authorizing the postponement of $252,000,000 payable to the United States from foreign governments in the form of interest on loans extended to them and authorizing the repayment over a 10-year period, beginning July 1, 1933. I voted against this bill, as I think it is high time for the United States to quit playing Santa Claus to foreign nations and to do more for the relief of our own citizens. However, the moratorium resolution passed both branches of Congress by an overwhelming majority. It is difficult to conceive that these same Members would refuse to pass a bill over a presidential veto, which is sufficiently specific to insure an extension for at least a year of farm loans made through the Federal land banks in order to prevent the foreclosure of such loans, in view of the deplorable and distressful condition of those engaged in agriculture.

We Members should do our duty by passing a bill that will really be effective. The pending bill merely authorizes a brief and partial extension of loans. In view of the fact that the Federal Farm Loan Board insists, as I am advised, that they have been showing a lenient attitude, and in view of the expressed attitude of the officials of the Federal land banks, I very much fear that the bill in its present form will provide but little, if any, relief.

In my opinion, this bill should be so amended as to direct the Federal land banks to extend loans where it appears that the borrowers are unable to pay. Some of my colleagues have prepared amendments along this line, which I shall cheerfully support.

Furthermore, this bill should also be amended so as to provide for an extension of such loans for a period of one year beyond the date of the last regular installment payable under such mortgage, and I have prepared and shall offer an amendment to that effect. This would give the borrower a year's breathing spell. The bill in its present form only authorizes the extension of an installment or installments, in whole or in part, to be paid in equal amounts during a period of five years or less thereafter.

The Prime Minister of the government of Ontario has demonstrated that where there is a will there is a way to help the people in distress. The Prime Minister has directed the provincial agricultural development board not to foreclose on farm mortgages under any circumstances. He also urged all private mortgage companies to take similar action and has warned them that if they fail to do so he would ask for the necessary legislation to enforce such action.

The President has made recommendations designed to relieve the banks, the railroads, and other industries in their distress. Let us do simple justice to those engaged in agri-

culture. It would be doing but little to pass a bill that would really insure a year's moratorium upon farm loans in the Federal land banks.

[Here the gavel fell.]

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, the banks have taken over so many farms by foreclosure that they are now advertising them for sale by printed advertisements. I ask permission to attach to my remarks a copy of one of those advertisements offering foreclosed farms for sale.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

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BUY NOW

The Federal Land Bank of Houston and several of the national farm loan associations have on hand a number of farms in various parts of Texas for sale at attractive prices and terms. These farms have been acquired because some borrowers could not pay and a change of ownership was necessary to protect the interests of the bank and the association.

We are now selling an average of one farm every other day, and more inquiries from prospective buyers are reaching the bank each day.

There is every reason to believe that land prices have now reached the bottom. This is a good time for the careful investor to buy farms.

If you want to purchase additional farm land, answer the questions on the reverse side and return to us. If you have a son or daughter whom you want to assist in purchasing a farm home, fill out and return the questionnaire. If you have a neighbor, friend, or relative whom you think will buy, fill out the questionnaire and return. We will give it careful attention and forward full information.

We thank you in advance for this cooperation.

* * * * * * *

DID YOU EVER STOP TO THINK

that the farmer who has conserved soil and water by terracing his farm and has practiced crop rotation and has milk cows, pigs, poultry, garden, and orchard, makes his payments promptly and is seldom in financial distress?

If you have not terraced, why not start your farm prosperity program by terracing your farm now?

THE FEDERAL LAND BANK OF HOUSTON.

Mr. BLANTON. In the last session of this Congress numerous Members, including myself, had resolutions and bills before this same committee to grant some relief to farmers, especially in areas where there had been three successive drought failures. We could get no relief whatever. When we first presented that matter to the Banking and Currency Committee every member of the committee was sympathetic toward such legislation until the administration sent its emissaries there and cooked the goose of that legislation, stopped it, and nothing was done.

I am in favor of adopting the amendment suggested by my colleague from Texas [Mr. JONES], which will require and making it mandatory that at least $25,000,000 of this money shall be used to grant relief to farmers whose farms are being foreclosed. I had in my resolution last year, and I have in my present resolution before this committee, a provision to redeem farms that have already been foreclosed, farms that have been taken away from the farmers, in some instances because of the nonpayment of amounts which did not represent over one-tenth or one-fifteenth of the actual value of the farm. Under such conditions those farms have been taken away from the farmers and sold under foreclosure proceedings. We ought to make some provision for the redemption of those farms.

Mr. Chairman, in connection with my remarks I ask unanimous consent to insert a copy of the resolution I have introduced and which is now pending before this committee.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks as indicated. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, I do not want to take up any more time, but I do hope there will be a mandatory amendment placed on this bill and I shall support it. The copy of my resolution (H. J. Res. 79), which on December 8, 1931, I introduced in the House, and which was ordered printed and referred to the Committee on Banking and Currency, is as follows:

Joint resolution authorizing and directing Federal land banks to suspend and withhold foreclosure of mortgages until December 31, 1932, where farmers are unable to make payment of interest or principal due, and to provide for redemption of any such lands foreclosed since April 1, 1930

Whereas it was the intent and purpose of Congress when passing the Federal farm loan act in July, 1916, to aid and protect farmers in times of distress and not to ruin and rob them of their farms; and

Whereas when creating Federal land banks Congress provided that if the initial $750,000 capital required for every Federal land bank was not subscribed within 30 days the Secretary of the Treasury should subscribe for it on behalf of the United States; that all salaries and expenses of the Federal Farm Loan Board supervising such banks be paid annually by the Government; that such banks be national depositaries; that the capital, reserve, surplus, and income of every Federal land bank be exempt from all taxes, Federal, State, municipal, and local; that the mortgages and bonds of said banks shall be deemed and held to be instrumentalities of the Government of the United States; that the bonds of said banks shall be a lawful investment for all fiduciary and trust funds, and may be accepted as security for all public deposits; and other subsidies were extended to said Federal land banks by the Government to enable them to grant special aid and protection to distressed farmers; and

Whereas certain portions of the agricultural sections of the United States have been inflicted with prolonged and continued droughts, and with unprecedented low prices for farm products, making it impossible for certain farmers who are borrowers from the Federal land banks to meet the interest and other maturities on their loans; and

Whereas the Federal land banks have harshly adopted the policy of granting no extensions regardless of circumstances, and illustrative of such policy the Federal Land Bank of Houston, Tex., one of the 12 such banks authorized and created by Congress, in its booklet distributed to its 56,767 farmers who have borrowed $151,600,000, entitled "Why the Federal Land Bank Can Grant No Extensions," has cold-bloodedly announced:

"All borrowers should understand that it is a waste of time to ask for extensions. If one can not pay, then he should sell his farm to one who can and will";

and asserting further in such booklet that the Federal land bank is not a Government institution, and that this bank at Houston had then already foreclosed 124 farms, and that its associations had then already foreclosed 320 other farms in Texas; and

Whereas said Houston bank in August, 1930, notified Effie May Wilson, of Rotan, Tex., a poor woman with an invalid husband, who had suffered three successive crop failures, that unless her interest payment of $68 was paid immediately with 8 per cent penalty interest foreclosure of her farm would ensue, thus forcing her to sacrifice her work stock, family milch cows, and laying hens at one-third their value; and said bank notified Mrs. O. A. Roberson, a poor widow of Caps, Tex., that she must pay her $101 interest at once, "even though it becomes necessary that you sell your place to get the money," or her 121-acre farm would be foreclosed, and her work stock and milch cows were already mortgaged to a local bank for supplies, and she was thus threatened with the loss of her farm, worth over twice the amount of the mortgage against it, but which could not be sold because of said general depression; and that when these specific cases were brought to the attention of said bank, President Gossett replied that it was his intention to foreclose against the 11,666 farms in the drought area of Texas if interest payments were not made promptly; and

Whereas Congress alone can stop this wholesale foreclosure of farms, and without appropriate action these distressed farmers and their wives and little hungry children will be turned out into the cold and lose their homes: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That until December 31, 1932, all Federal land banks are directed (1) to withhold and suspend suits on and foreclosure of any mortgage securing a loan made by such bank on farm lands situated in the drought area of the United States, or in territory devastated by hail, floods, or tornado, where the borrower is financially unable to make the payments due; and (2) to extend the time for the payment of any such indebtedness to become due during 1931 and 1932 until December 31, 1932.

SEC. 2. The Secretary of the Treasury is directed to advance to any such bank, out of any money in the Treasury not otherwise appropriated, or that Congress may appropriate, a sum sufficient to cover the amount of the interest payable by such bank during the period mentioned in section 1 hereof, on any Federal farm-loan bond issued by it to the extent of maturities thus extended. The sums so advanced shall be used exclusively for the purpose of making such interest payments, and the Federal land bank receiving any such advance shall repay the same to the United States without interest in such manner and under such terms and conditions as the Secretary of the Treasury and the Federal Farm Loan Board, acting jointly, shall prescribe.

SEC. 3. Any Federal land bank which has acquired, during a period of 18 months preceding the date of approval of this act, the land of any borrower from such bank upon foreclosure of a mortgage securing a loan made by the bank to such borrower is directed, if the bank still holds title to such land, to permit such borrower to redeem his interest in the land so acquired by the bank. Such redemption shall be permitted upon the payment by December 31, 1932, of all installments due under the terms of such mortgage to the time of such redemption. In the event of any such redemption the mortgage shall be revived and continued as security for all subsequent installments payable under the terms of the mortgage.

The Clerk read as follows:

SEC. 2. Section 23 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, secs. 901, 902), is amended by adding at the end thereof a new paragraph, as follows:

"Effective beginning with the first full semiannual period ending June 30 or December 31, following the enactment of this paragraph, every Federal land bank shall carry to reserve account semiannually a sum not less than 50 per cent of its net earnings until said reserve account shall show a credit balance equal to the outstanding capital stock of said land bank. After said reserve shows a credit balance equal to the outstanding capital stock, 10 per cent of the net earnings shall be added thereto semiannually. Whenever said reserve shall have been impaired it shall be fully restored before any dividends are paid. No Federal land bank shall declare or pay a dividend or dividends to shareholders unless approved by the Federal Farm Loan Board. Stock owned by the Government of the United States in Federal land banks shall receive no dividends. In the case of Federal land banks, the requirements of this paragraph shall be in lieu of the requirements of the first three sentences of this section and of the requirements as to percentages of reserves stated in the second paragraph of this section. This paragraph shall not be applicable to joint-stock land banks."

Mr. LAGUARDIA. Mr. Chairman, I move to strike out the last word.

I do not desire to be critical in any way or to spoil this party of mutual admiration, but permit me to say, in all kindness, if the committee really wanted to render real service to the farmer it could have brought out a bill that would have been of some direct benefit to the farmers.

Just look at this bill, gentlemen. The Government will furnish money without interest to do what? To give to the bank for their stock, so that the banks can take up outstanding bonds. Well, in the name of the farmer, if the Government is going to furnish money without interest to benefit bondholders, why not lend it direct to the farmer? [Applause.] It does not seem to me to be a very involved question or very difficult to see that. Now, what is the situation? Section 4 of the bill provides for extension of time for interest and installment payments, and as soon as section 4 goes into effect the Government money goes out to the banks so that they may retire bonds, and then the farm-loan banks will be in a position where they will not be able to find money for new bonds. The present bondholders will cash in under the generous provisions of this bill for their benefit and the farmer will be little better off than he is now. So, really, as I see it, the only ones who will benefit directly by this measure will be the holders of the present outstanding bonds, and I do not believe that many farmers own these bonds. I venture that many speculators are just watching this legislation to buy up the bonds at their present low rate and dump them back on the banks now bolstered with $100,000,000 to take care of bonds.

With respect to section 4, where you provide for an extension of time and give the directors authority to extend the time, I believe they have that right now by mutual consent. Surely the borrower wants the time, and if the lender is willing to give him the time, I do not believe the mild provision in the law as expressed helps the farmer very much.

I would make section 4 more elastic, with more clear and direct aid to the farmer. I would give the borrower greater rights in the matter. I understand several amendments have already been prepared and will be offered by gentlemen having the interest of the farmer in mind.

At first blush, as the title of the bill and the $100,000,000 authorization is read, one might easily get the impression that something real, big, generous, and beneficial is being legislated for the farmer in distress, but I seriously doubt that the farmer will get much out of all of this talk and this particular bill.

Mr. SANDLIN. If the gentleman will permit, I am afraid the gentleman is exactly right.

Mr. LAGUARDIA. I know I am right. There is no doubt about it.

If the poor farmer ever had a thousand-dollar bond of any farm loan bank, I venture to say that the bond has long since been sold or put up as collateral for a loan.

Gentlemen, you are not granting much relief to the farmer if you force more loans on him. The only way to grant him permanent relief is to give him money to replace existing loans at a lower rate of interest than he is now paying. Give the farmer a chance to get out of debt. If the Government can give $100,000,000 without interest to take care of the banks and their bonds, let us instead appropriate $100,000,000 to lend direct to the farmers. And this comes from a city man. [Applause.]

Mr. SUMNERS of Texas. Mr. Chairman, I rise in opposition to the pro forma amendment.

I do not want to throw a discordant note into this discussion, but I believe it is about time that we take stock and ascertain where we are headed.

In this country practically all the sources of credit have been frozen up except the Federal Government, and we are in process of freezing up the Federal Government. It is pretty difficult for an American to appreciate the fact that if we continue as we are going, one of these days we are going to wake up and find the bonds of the Federal Government considerably depreciated.

The other day we relieved some of our creditors who put money, ordinarily, into the Federal Treasury from the necessity of doing it. I refer to the moratorium. In this connection I do not criticize the act. To-day we propose to take some more money out of the Federal Treasury, and it seems a public necessity. Thus we go on with revenue reducing and appropriations increasing. It is time we began to have in mind what is going to happen if we continue to do this.

Farms have depreciated in this country probably 50 per cent. These bonds have depreciated 25 per cent, and all other bonds have depreciated. The plan seems to be to have the Federal Government take over all frozen assets. We are pouring water in the top of the pipe frozen up at the bottom.

As I stated a moment ago, I do not want to throw a monkey wrench into this machinery or to try to do it. I could not do it, anyway. In some shape we all know this bill is going to pass this afternoon. What I want to express is this one thought, gentlemen: Republicans and Democrats alike, we have got to put it out on the table and examine it. We have entirely exaggerated the efficacy of credit in America. You do not pay a debt by borrowing more money. We have these enormous public and private debts in this country. The big proposition is how we can pay them with the present commodity values. It can not be done. These commodity values have got to go up. The debts have got to be decreased proportionately or we are headed for a smash. There is not a bit of use of anybody who has got any sense failing to recognize that one of these three things confronts us, and we are not going to solve this problem by borrowing some more money or lending somebody some more money. Debts can not be paid by increasing debts. [Applause.]

We have got to tackle the proposition of getting these commodity values up. If we can not do that, then we have got to try to scale these debts down, and if we can not do that we might just as well get in condition for the inevitable.

This is not a panic, it is not a depression; it is a paralysis of the economic circulatory system of this country. It began with the paralysis of the buying power of the producers of exportable agricultural surpluses. They cultivate eighty-odd per cent of our agricultural acreage. This is a historical fact.

It is not possible for so important a part of our industries to be unable to buy, especially a basic industry, and avoid that paralysis extending on and on into other parts of the economic body. At this time I am not going to discuss the failure of the last Congress intelligently to deal

with this situation. The necessity for this legislation grows out of that failure. We must treat this disease at the place where the disease begins, and not hypo the situation by borrowing more money, loaning more money to people already in debt.

I am not saying anything in reference to this bill. The bill is going to pass and everybody knows it. What I want to impress upon you, my fellow legislators in the House of Representatives, is that we have got a real job before us. One may bridge over a crisis, but let us not deceive ourselves. We can not solve our problems by loaning somebody some more money. The more money you loan the more interest you will have to pay, and the worse broke you will be when the crash comes. There is no use for anybody getting nervous. This is a real job of the first magnitude.

We have got to put our heads together, Democrats and Republicans alike. Credit in its proper place is all right, but let us not deceive ourselves. It is not a panacea. The ability of the Federal Government to make larger and larger loans and larger and larger appropriations out of constantly decreasing revenue is a thing which has its limits. The Federal Treasury is the last reserve. It is the last line of defense.

Democrats and Republicans, we have got to go deeper and think more constructively than how to get money from the Federal Treasury. It has its limits. Credit and more and more credit is the soothing potion which may lull us at a time when we ought to be wide awake to the real challenge involved in our circumstances, and meeting that challenge as only clear-thinking, comprehending, resolute people can do, making whatever sacrifice and paying whatever price is necessary. [Applause.]

[Here the gavel fell.]

Mr. SWING. Mr. Chairman, I move to strike out the last word. Mr. Chairman and Members of the House, I would agree with a good deal the distinguished gentleman from Texas [Mr. SUMNERS] has said if we could agree that conditions to-day were normal. If they were, liquidation down to what I consider subnormal would be necessary. But I am not willing to agree that present conditions must go on or that we are to remain down to present levels. I think this bill comes at an opportune time to help out the temporary agricultural depression.

I wish the language of section 4 was more direct and specific so as to declare more directly the policy of Congress in the passing of this legislation and that the generous purpose of giving $100,000,000 was primarily prompted by a desire to aid the farmers.

I can not agree with the gentlemen from Maine and Massachusetts who spoke of fear of section 4. I myself would like to have it go further. I hope the Federal Farm Board and the directors of the farm banks will read this debate that has taken place here on this bill and will see that only 2 Members have spoken against section 4, while about 15 have referred to it favorably. That, I think, represents the fair sentiment of the Members of the House.

The solvency of the farmers is the necessary and only basis for maintaining the value of the bonds of these farm banks. Wholesale foreclosures with the resultant bankruptcy of the mortgagors and the land being turned over to the banks or other persons who can not handle it in any better way than the original owner will not benefit the bonds or help the bondholders. It is my hope that this generous act on the part of Congress will be recognized by the Federal Farm Loan Board and the directors of the bank as being intended primarily for the benefit of the farmers and that section 4 expresses the wish of Congress as a guiding yardstick for the directors to follow in their dealings with the farmers during the present depression.

Mr. LANKFORD of Georgia. Mr. Chairman, ladies and gentlemen of the committee, I wish to thank the Committee on Banking and Currency for bringing this bill up for consideration at this time. I wish the bill went further along the line of legislation to stop the orgy of loan foreclosures that is now taking place under this system. I realize that the bill as brought here gives the system and the officials of the system the power to stop the foreclosures that are now taking place, but I understand from the committee and from members of the Federal Farm Loan Board that they are not in sympathy with the provision to decrease the number of foreclosures as contained in the bill, all of which must mean only one thing. If they are not in sympathy with the provision, they will not carry the provision into effect when it is left to their discretion. Yesterday, when I found that this bill was coming up for consideration to-day, I went to the Federal Farm Loan Board in Washington, and after a conference with the Farm Loan commissioner, Mr. Bestor, I came away from there convinced that the Federal Farm Loan Board in Washington is not at all in sympathy with section 4. I held a long conference with him. I did my best to get him to say something which I could construe into a promise on his part, so far as possible, to stop the foreclosures which are now taking place, but I failed. I came back to my office and sent a telegram to the Federal farm-loan banks at Columbia, S. C., New Orleans, La., and at Houston, Tex., and asked them the specific question as to what would be the policy of those banks in reference to the loan foreclosures now taking place. I received a reply from Columbia and a reply from the bank at Houston, Tex. Both of those replies absolutely ignored my question as to what would be the future policy and only claimed that in the past they have exercised discretion in these loan foreclosures, saying that in the future they would exercise the same discretion.

Mr. RUTHERFORD. Does the gentleman not think this law should direct them what to do and not leave it to their discretion?

Mr. LANKFORD of Georgia. I think so absolutely. The failure to do so means that section 4 will be of no value to the farmers of the country. I ask unanimous consent to insert in the RECORD the telegrams that I sent to the Federal land banks and the replies that I received.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LANKFORD of Georgia. This bill will give the Federal land banks an opportunity to render great service to the farmers of the country. I believe under the law, and under this bill if passed, they can take $25,000,000 or whatever is necessary to loan to those farmers who are delinquent, and let the farmers pay the identical money back to them on the interest due by the farmers. Thus they will recapture the money and then can apply it on the bonds. If they can do this they would be rendering a great service. Then, again, ladies and gentlemen of the committee, I understand from the chairman of the Committee on Banking and Currency that these farm-loan banks can, if they will, resell to the original owner the land where foreclosures have taken place, then take a new loan, thus renewing the old loan, and give the man a chance to get back the land which has already been taken by loan foreclosure.

I certainly hope that this bill will be amended, either this afternoon or when it reaches the Senate, so as to require this Federal loan system to stop the foreclosure stampede that is now taking place.

I feel that the farmers of the country would have been infinitely better off if this farm-loan system had never been brought into existence. By it Congress invited the farmers to place these loans on their farms, with the belief that special consideration would be shown them in time of a financial depression. Now the farmers are finding that it would have been better for them if they had gone along as best they could without securing these loans.

I am frank to say that I have had better success getting extensions on long-term loans held by old-line life-insurance companies or other long-term loan concerns.

If by any chance this bill should finally become law without some provision stopping this orgy of foreclosure, I trust that the officials intrusted with the administration of this act will sense the will of this House and be much more liberal in the future than they have been in the past.

If they do not carry into effect the will of Congress as expressed here by debate at the time of the consideration of

this measure, regardless of whether that will is expressed in definite provision in the bill or only by a kindly provision giving them the power to do so, I for one—and I am not by myself in this matter—believe that the Federal farm loan act should be repealed and proper steps taken to safeguard the rights of the farmers, bondholders, and other interested parties.

This bill as now worded is not in behalf of the farmers. It is clearly for the interest of the bondholders. I have no objections to legislation for the bondholders. It is the duty of Congress to protect those people that have helped the farmers of the country by the purchase of these bonds. I shall vote for the bill. I do hope, though, that it will be finally amended so as to become not only a bankers' and bondholders' bill but a farmers' bill as well.

Under the unanimous-consent agreement of the committee, I here insert the telegram sent by me to the president of the Federal Land Bank of Columbia, S. C., as follows:

DECEMBER 18, 1931.

FRANK H. DANIEL,
President Columbia Federal Land Bank, Columbia, S. C.:

House bill 6172 is pending in Congress to amend Federal farm loan act, as amended, so as to provide for $100,000,000 additional capital for Federal land banks. In order to keep record clear, I desire you wire me collect at once for insertion in CONGRESSIONAL RECORD answers to following questions:

Give number and total amount foreclosures of Columbia Federal Land Bank during last 12 months, also number and amount foreclosures now pending. If bill passes, will all or any foreclosures now pending be stopped? Tell in detail what effect passage of present bill will have on pending foreclosures and future policy of bank as to foreclosures. What officials determine whether or not foreclosure takes place and what has been done with lands heretofore taken over by foreclosure.

W. C. LANKFORD.

Mr. Chairman, I sent an identical telegram to the president of the Federal land banks at New Orleans, La., and Houston, Tex., and also to the general counsel of each of the three banks.

I have received no reply from the New Orleans bank, but am sure I will later in the day. If the reply from this bank expresses a more liberal attitude on the foreclosure question than that expressed in the telegrams from Columbia and Houston, I shall gladly have it inserted in the RECORD the first of next week.

The reply received from the Federal land bank at Columbia is as follows:

COLUMBIA, S. C., *December 18, 1931.*

Hon. W. C. LANKFORD,
House of Representatives, Washington, D. C.

Reference your day letter advising House bill 6172 pending in Congress for consideration to-morrow to amend Federal farm loan act as amended so as to provide for one hundred million additional capital for Federal land banks. There were in force on January 1, 1931, 29,252 loans. For the 11-month period ended November 30, 1931, 1,033 foreclosure cases were completed, including foreclosure cases commenced in prior years. There are 834 loans now in process of foreclosure. Would require much time to furnish amount involved in connection with completed foreclosures and loans in process of foreclosure referred to above. Four executive officers of bank determine action regarding disposition delinquent loans, authorizing foreclosure only after full consideration of all facts in hand, including reports rendered by responsible field representatives and secretary-treasurers of associations, when concurred in by junior executive officers of bank actively engaged in handling this phase of bank's work. Lands acquired by bank rented to responsible farmers to best possible advantage wherever not resold on terms which afford reasonable protection to bank to farmers believed to be dependable. In our opinion, passage present bill for mutual interest banks and borrowers.

F. H. DANIEL,
President.
HARRY D. REED,
General Counsel, Federal Land Bank of Columbia.

The reply received by me from the Federal Land Bank at Houston, Tex., is as follows:

HOUSTON, TEX., *December 18, 1931.*

W. C. LANKFORD,
Member of Congress, House Office Building, Washington, D. C.:

Re telegram would suggest that you can secure from the Farm Loan Bureau, Washington, the record of the Federal Land Bank of Houston in the matter of foreclosures and any other data desired. As to policy of the bank in the matter of foreclosures I could not speak, this being determined by the board of directors. The executive committee, after consideration of each case on its merits, determines questions of foreclosure. I feel it would be to the interest of the banks to pass the bill.

LEWIS ROGERS,
General Counsel, Federal Land Bank of Houston.

Mr. Chairman, many of the big daily papers are carrying big headlines in which this bill as now written is hailed as a moratorium for the farmers of the Nation. This is very erroneous. It is not a moratorium, but I hope it may become such, in practical effect, before it goes to the President for his approval.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. GARBER. Mr. Chairman and members of the committee, I take advantage of this opportunity to express especially and directly my appreciation of the action taken by the distinguished chairman of the Banking and Currency Committee and to each of the members thereof in giving consideration to this, one of the primary numbers on the constructive program of the President, but I do not believe the committee has given that degree of consideration necessary for intelligent legislation upon this great question. Neither have you afforded to the members of this committee the opportunity or the information to act intelligently in passing upon a measure of this importance. That is not said in criticism, so far as it might be construed as purposely done, but because you are making haste at a time when you should proceed slowly, in order to give that degree of consideration to a broad national piece of legislation directly affecting the basic industry of our country. I have often thought since I have been in Washington that the people living in the atmosphere of the Capital, where a vast army of employees is steadily employed at fair wages, where millions and millions of dollars have been spent in construction, being so far removed from the unparalleled depression in the places from whence we come, that there seldom is a proper and adequate consideration or appreciation of the degree of depression in which agriculture and industry now find themselves. I do not believe there is. Why, you are in the lap of luxurious prosperity here as compared with every other section of the country. As suggested by the distinguished gentleman from Texas [Mr. SUMNERS], the bill does not afford a solution of the depression.

No one contends that it does. It is only one of the five numbers of the constructive programs of the President that deals with one of the major sources of depression.

As stated by the gentleman from Texas, it is a credit paralysis that is affecting this country. Since 1929 there has been a diminution or decrease of credit in this country exceeding six and one-half billion dollars. The purpose of this proposal is to relieve the deplorable situation of the farmers of this country in order that the family may continue to live on the farm. That is an essential consideration in the restoration of prosperity. You must protect, you must keep that family on the farm before you can recover from the existing depression.

Now, let us look at this bill. The primary purpose of the bill is to strengthen the Federal land banks, to restore credit, to bring the bonds to par, to create a dependable market for them, to restore confidence in the investment. That is the primary purpose of this bill, and so far as it goes, it is commendable.

To restore confidence in the investment is necessary to create a market for the bonds without the sale of which money can not be obtained to make the loans and without the ability to make the loans the system itself would be defeated of the very purposes for which it was created.

The second purpose of the bill is to administer the loans to the farmers in distress, to those who have been unable to pay their installments and are confronted with foreclosure proceedings, and this purpose can only be effected through administration.

Section 4 of the bill provides:

Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or in-

stallments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period.

It will be observed that this section leaves discretionary with the bank to extend in whole or in part any loan and it is in the exercise of this discretionary power that bad administration ensues and failure to carry out the purpose and spirit and intention of Congress.

Instead of being simply authorized the land banks should be directed to extend in whole or in part any installment or installments upon any mortgage that may be unpaid when it is shown that the security is sufficient and the extension meritorious. This is the primary purpose of the legislation. For this we authorize an appropriation of $100,000,000. We want to see and make sure that the money is advanced to protect the mortgagor, the family on the farm. In addition to that the farmer should be given an additional year in which to pay past-due installments. The present depression has exhausted his resources. With wheat at 25 cents per bushel, oats 15 cents per bushel, and the price of other farm products in proportion, he has been unable to pay his taxes and living expenses.

This little moratorium to the farmer of one year with good security is nothing compared to the moratorium extending the payment of the interest due from foreign countries on their indebtedness without any security. On yesterday, by a vote of 317 to 100, such a moratorium was extended. Those who were so willing to grant such an extension to foreign countries should now be willing to grant an extension of one year to our own farmers. [Applause.]

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section and all amendments thereto be now closed.

The motion was agreed to.

Mr. BURTNESS. Mr. Chairman, I withdraw the amendment which I offered. It was in the nature of a pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

There was no objection.

The Clerk read as follows:

SEC. 3. The first three paragraphs of section 24 of the Federal farm loan act, as amended (U. S. C., title 12, ch. 7, secs. 911–913), are amended, effective beginning with the first full semiannual period, ending June 30 or December 31, following the enactment of this act, to read as follows:

"That every national farm loan association shall, out of its net earnings, carry to reserve account semiannually a sum not less than 20 per cent of such net earnings until said reserve account shall show a credit balance equal to the outstanding capital stock of said association. After said reserve shows a credit balance equal to the outstanding capital stock 5 per cent of the net earnings shall be added thereto semiannually.

"Whenever said reserve shall have been impaired it shall be fully restored before any dividends are paid.

"After deducting 20 per cent or the 5 per cent hereinbefore directed to be credited to reserve account, said association may at its discretion declare a dividend to shareholders of the whole or any part of the balance of said net earnings."

Mr. KETCHAM. Mr. Chairman, I move to strike out the last word.

I only want to take a minute or two to call to the attention of the committee two things that I think have been slightly overlooked in the run of the debate. The first is the statement that there is at the present time approximately $28,000,000 in mortgage default. I think that is the figure given by the gentleman from South Carolina.

Mr. STEVENSON. Will the gentleman yield?

Mr. KETCHAM. I yield.

Mr. STEVENSON. That was the amount of land owned. The delinquents are not anything like that. I can give the gentleman the amounts exactly in a moment.

Mr. KETCHAM. I would like to have the exact figures.

Mr. STEVENSON. Delinquent less than 30 days, $2,125,000; delinquent 30 days to 60 days, $1,132,000; delinquent 60 days to 90 days, $1,755,000; delinquent over 90 days, $7,028,000; making a total of $12,042,584. That is all the delinquents. The 28,000,000 is the amount of land which the system now owns.

Mr. KETCHAM. That is the very point to which I wish to direct the attention of the committee. It seems to me that in the discussion the impression has been left that there is nothing to show at all for the $28,000,000 worth of land now in the hands of the Federal farm loan banks, and I think it deserves just a moment's time to emphasize the fact that that land, whatever its value may be ultimately when it shall be sold, is still to the credit of the farm loan banks.

Mr. STEVENSON. If the gentleman will permit, that, however, is not available as security for the bonds.

Mr. KETCHAM. That is correct. It is my understanding that when the foreclosures have been made those particular parcels of land upon which foreclosures have been made are absolutely taken out of the account of the bank and placed in another envelope, so to speak, and if anything is realized from it, well and good; but it should not be forgotten that that still remains as an asset.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. KETCHAM. I yield briefly.

Mr. LAGUARDIA. That $28,000,000 worth of land which is an asset to the bank is of very little comfort to the previous owners of that land.

Mr. KETCHAM. That is true.

Mr. LAGUARDIA. We are trying to help the farmers.

Mr. KETCHAM. But I thought the impression might have been prevalent that there was nothing to show at all for the $28,000,000 of mortgaged lands defaulted.

In the second place, I want to take a moment to call attention to the advantage of this legislation to another group which has not been mentioned. All the discussion has gone to the point of relief for the men who have already borrowed and who are looking for an extension of their loans. As far as my correspondence goes, about half of it or more comes from those who are interested in negotiating new farm-loan bank loans, and the reason that new loans are not capable of being negotiated is that no bonds can be sold. Therefore I am strongly for this legislation, for I believe it will afford the farm-land banks just exactly the opportunity which they need and which they have desired to secure the necessary funds whereby loans may be made to the people who are in very dire distress by reason of the pressure that is being brought to bear upon them from other sources. So for that reason I am for it.

May I just call the attention of the committee to the suggestion that has been offered this afternoon, that I think has in it some very far-reaching consequences, and I hope the committee at some future time will give some careful consideration to it?

That is the suggestion which comes from the gentleman from North Dakota, namely, that a very fine service could be rendered to these men who, for instance, may have negotiated a loan for $10,000 and who have paid 50 per cent of it and who are now faced by reason of the situation with a foreclosure. Why can not a provision be written into the law by way of an amendment providing that that may be refunded—providing that the $5,000 be refunded upon the same terms as originally, and thereby not only retain the land as an asset of the Federal farm-loan bank but, more than anything else, reduce the payment which the farmer has to meet upon the amount which he now has to make, which was upon the original loan of $10,000. Reduce it by practically 50 per cent and so give aid all along the line.

[Here the gavel fell.]

Mr. KETCHAM. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. KETCHAM. In this one minute—and I appreciate the courtesy of the committee in listening to me—I want to add a word which I think ought to be added by way of appreciation to the committee for the very prompt manner in which this legislation has been reported. As one who has always had a great interest in agriculture I want to extend to the chairman and to those on the majority side of the aisle, as my good friend from New York suggested we

should, my own appreciation as one from the minority side for the very fine and constructive leadership shown in reporting so promptly this very fine piece of legislation, and I am for it. [Applause.]

Mr. BURTNESS. Mr. Chairman, I move to strike out the last two words. I do this solely for the purpose of asking some questions about sections 2 and 3 of the members of the committee handling the legislation.

I have followed the debate very closely, and little or nothing has been said about either of those sections. Some rather active members of farm organizations have told me to-day that the farm organizations are not in favor of sections 2 and 3. Of course, these sections are new provisions added to the present provisions of the law with reference to the building up of reserves, first, in the Federal land banks, with which the second section deals, and, secondly, with the reserves of local associations with which section 3 deals. Will some one tell me what reserves we now have in the present land banks?

Mr. STEVENSON. I can tell the gentleman, if he will yield.

Mr. BURTNESS. The only reason I rose was to get information for the RECORD.

Mr. STEVENSON. The reserves that are now carried by the land banks are legal reserves of $13,200,111.35.

Mr. BURTNESS. About what percentage is that of the capital stock?

Mr. STEVENSON. That is not all. There are other reserves—that is, reserves against certain other contingencies—of $97,921. The total reserves are $13,298,000.

Mr. BURTNESS. What percentage is that of the capital stock?

Mr. STEVENSON. The capital stock is $65,000,000, in round numbers, I believe.

Mr. BURTNESS. Then the reserve has already been built up to aproximately 20 per cent?

Mr. STEVENSON. Yes; as 13 is to 65.

Mr. BURTNESS. The present law has been complied with. The present purpose seems to be to build that reserve up to 100 per cent, but in order to do that you are going to insist that the present stockholders contribute each year twice as much as they have been contributing during the time they have done very good work and built up the reserve to 20 per cent.

Mr. STEVENSON. My recollection is that section 23, which we are amending, calls for 25 per cent.

Mr. BURTNESS. It calls for 25 per cent of the actual savings to be turned over to the reserve, to be in turn built up each year until the total of 20 per cent of the capital stock has been reached. The present bill calls for 50 per cent of savings to be contributed each year until 100 per cent of the capital is reached, and then even after the 100 per cent is reached to continue on, resulting, of course, in this, that even though these farmers have paid for their stock, have gone through this distressing period and paid off their loans, yet they are compelled to contribute to this large surplus, all of which will go to the benefit of future borrowers rather than themselves.

I am not so sure that these provisions are quite fair to the present borrowers. I wish hearings had gone into the matter carefully. I recognize, of course, that the provisions will tend to build up a stronger system. In any event I wanted to get the facts into the RECORD, and the matter can be given further consideration by the Senate committee. There are probably two sides to it.

Could the gentleman tell me anything with reference to section 3, as to what the status is with reference to the reserves, generally speaking, in the local farm-loan associations?

Mr. STEVENSON. I have not those figures.

Mr. BURTNESS. I assume that most of those are in rather bad shape and have not reached the maximum set out in the present law.

Mr. STEVENSON. There are a good many of those all over the United States, and the board could not furnish us with those figures. We do not have the figures as to the amount of the reserves in those associations, but many of them have reserves, although many of them have lost their reserves by reason of injudicious investments, so I do not think there is very much in most of them.

Mr. BURTNESS. The same argument as to building up of reserves in the land banks applies to reserves in the local associations. The interests of the stockholders—an opportunity to get a return on the stock held by the farmer borrowers—should be given fair consideration as well as the necessity to build up a strong, safe institution for the future.

[Here the gavel fell.]

The pro forma amendment was withdrawn.

The Clerk read as follows:

SEC. 4. That section 25 of the Federal farm loan act (U. S. C., title 12, ch. 7, sec. 921) is amended by adding at the end thereof a new paragraph to read as follows:

"Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period."

Mr. OLIVER of Alabama. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. OLIVER of Alabama: Page 5, line 8, after the word "period," strike out the period, insert a semicolon, and add the following:

"*Provided*, That in the granting of extensions, preference shall be given to farmers who own, live on, and cultivate the land on which the Federal land bank holds a lien."

Mr. STEVENSON. Mr. Chairman, the principle that is embodied in this amendment is, of course, a good principle, but it involves the principle of saying thou shalt extend aid to one class in preference to another. The bill as it stands means that the board shall exercise its discretion in all cases, and it is not to be determined by the place where the man who applies for it resides. We assume that the board will carry out the purpose of the act, which prescribes that a man shall live on the property or shall show the reason why. If they make him a loan where he does not live on the land, we submit that he will have convinced them that he was justified in living somewhere else, and we do not think it is proper to introduce a mandatory provision here which will necessarily discriminate against one class of borrowers. We think all that had better be left to the discretion of the board of directors.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. OLIVER].

The amendment was rejected.

Mr. McKEOWN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 5, after the word "bank," in line 1, insert the following: "Is directed for the period of one year to extend upon application in whole or in part any installment or installments upon any mortgage that may be unpaid," so as to read:

"Each Federal land bank is directed for the period of one year to extend upon application in whole or in part any installment or installments upon any mortgage that may be unpaid and thereafter, when in the judgment of the directors conditions justify it, to extend in whole or in part any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period."

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, I do not want to come in here and vote for a bill and have it heralded to the country, which would be justified, that I voted for a bill to put $100,000,000 in the Federal land banks of this country and sent it out as a sop to the farmers who are having their homes taken from them every day by the Federal land banks of this country.

They say they will have a sympathetic attitude under this bill. I know a story that is told down in my State. We

had a very fine banker down there, but, unfortunately, he had a glass eye. He was very proud of the fact that he had procured a glass eye that nobody could tell from his natural eye. A fellow went into the bank one day to borrow $100 from him, and he thought he would have a little fun out of the fellow, and he said: "I will tell you what I will do with you. If you will tell me which eye is an artificial eye, I will lend you the $100." The fellow looked at him and said, "I believe it is your right eye." This banker said, "You are right; but I do not see how you were able to tell it. I have had hundreds of people guess and they have not been able to guess right. How could you tell it?" He said, "I thought I saw a little gleam of sympathy out of your right eye." [Laughter.]

That is the kind of sympathetic administration you are going to get. Now, why does this Congress come here and turn over $100,000,000 to the bankers to take care of their mortgages and refuse to say we will stop foreclosures for one year?

Oh, they say it is unconstitutional. I know one eminent lawyer of this body that will never say that it is unconstitutional. I refer to the gentleman from Virginia [Mr. TUCKER].

They are giving this money to the officers to pay their salaries, and you tell me that you can not tell these men what to do with it. My friend from Virginia will tell you that it is not unconstitutional. It is mere camouflage.

Now, what does this amendment do? It says that one year you shall not foreclose a mortgage for unpaid debt, and after that you can exercise your discretion and carry on your sympathetic administration of the bill. You have plenty of time to do it. That is, when the conditions are ripe, they say, and I say right now the conditions are ripe to extend the farm loan mortgages.

We came in here yesterday and I voted to extend for one year a moratorium for the German people. Now, I want to give an extension to the farmers of this country.

Oh, they say it is not good banking. The truth about it is in this country the big business men have said all the time that Congress ought not to be in session; that it ought to adjourn; that it was hurting business. That has been their cry all the time. If the Congress could get the country in a worse mess than they have I do not see how it could be done. [Laughter and applause.]

Big business got the country into this shape, and now when they want $100,000,000 they say they want it to aid the farmers of the country. If you want to do something for the farmers, vote for my amendment. [Applause.]

[Here the gavel fell.]

Mr. GREEN. Mr. Chairman, I offer the following substitute for the amendment offered by the gentleman from Oklahoma.

The Clerk read as follows:

Strike out all of section 4 and insert in lieu thereof the following:

"That the time for the payment of any installment due and payable to any Federal land bank prior to one year after the enactment of this act, under the terms of any mortgage securing a loan made by such bank, may, at the request of the person from whom such installment is due, be extended by such bank for a period of not more than two years; except that this act shall not be construed to authorize extension of the time for payment of any installment under a mortgage in respect of which a foreclosure proceeding has been instituted.

"The Secretary of the Treasury is authorized and directed to make advances, within the limits of appropriations hereafter made for such purpose, to Federal land banks of amounts equal to installments in respect of which extensions of time have been granted as herein authorized. The bank to which any such advance is made shall repay the same to the United States, without interest, within such time, in such manner, and under such terms and conditions as the Secretary of the Treasury and the Federal Farm Loan Board, acting jointly, may prescribe. Amounts so repaid shall be covered into the Treasury as miscellaneous receipts."

Mr. GREEN. Mr. Chairman, ladies, and gentlemen, I shall not consume much time in discussing this amendment. There have been a number of my colleagues who are desirous of putting into effect a moratorium on these loans and giving specific directions to the Federal land banks. I favor the bill in its present form if it is the best bill that we can get. I shall vote for it, but it surely should be amended as suggested in my proposed amendment. This amendment gives specific direction to the land banks to extend time of payment of Federal land-bank mortgage notes if the debtor is unable to pay and requests extension. I have faith in the officers of the land banks, but somehow I fear that many of our constituents may be unable to obtain extensions on their loans unless my amendment is adopted.

On December 31, 1930, there were 511,050 loans to the value of $1,778,943,342.45 outstanding for Federal and joint-stock land banks. More than $6,000,000 of this is owned by farmers. Florida is one of the smaller farm States it is true, but our people are in need of extension of time on their loans.

A total of 650,976 farms, with loans totaling $2,587,075,678.30, have been foreclosed. This was the number up until September 30, 1931. The percentage of foreclosures is increasing. For the first nine months of 1930 foreclosures aggregating $4,471,988.45 were made, while the first nine months of 1931 had $4,918,304.77 worth of land mortgages foreclosed by the Federal land and joint-stock banks. Thus, you will see, my colleagues, that we must pass remedial legislation; therefore, we must pass the bill before us now, but let us amend it by making it definite that we are extending to these debtors at least one year's moratorium.

Now, on yesterday the House passed a bill granting a moratorium to America's foreign debtors. Now, will you not to-day be at least as generous to our own American farmers, who are making their last stand, with their backs to the wall, fighting for their sole economic existence? As for me, I am far more concerned about the welfare of the American people than I am about the welfare of Germany and other foreign debtors, and I hope you will join with me in voting for the amendment.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. GREEN. I am sorry; I have not sufficient time.

The farm population represents nearly one-third of our Nation's population. They have seen their fortunes dwindle until the farm wealth of the Nation to-day is only about half of that of 10 years ago. By passage of this bill as amended—if my amendment is adopted—it is hoped that many of their farms will be saved for them. Our farmers are the most noble of all our citizenship; they work from dawn until twilight beneath the blue canopy of heaven, and there wring their honest living by the sweat of their brow from the plenteous breast of mother earth. I challenge you to show me a citizenship more noble or courageous. [Applause.]

The CHAIRMAN. The question is on the substitute offered by the gentleman from Florida for the amendment offered by the gentleman from Oklahoma.

The substitute was rejected.

Mr. WRIGHT. Mr. Chairman, I offer the following as a substitute for the amendment offered by the gentleman from Oklahoma, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WRIGHT as a substitute for the amendment offered by Mr. MCKEOWN: Strike out the paragraph on page 5, lines 1 to 8, inclusive, and insert in lieu thereof the following:

"Each Federal land bank is required upon the application of any borrower to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid and to accept payment of such unpaid installment or installments during the period of five years, or less, thereafter, to be paid in equal amounts, in addition to the regular installments to become due during such period."

Mr. WRIGHT. Mr. Chairman, I have very great respect for the eminent ability of the gentlemen composing the Committee on Banking and Currency. I wondered, however, why they inserted section 4 in this bill. It is absolutely meaningless. It confers no authority upon the Federal land banks which they do not already have. It simply provides that the Federal land banks are authorized to make these extensions, whenever in the judgment of the board of directors it is proper to do so. You are conferring no authority upon the Federal land banks or boards of directors other than that which they now enjoy. Why put that language

in the bill? It is not binding upon anybody. The Federal land banks and boards of directors can ignore it absolutely, and yet in the debate here to-day it has been spoken of by some Members as a provision in favor of the farmer, which insures to the farmer a right to renew his loans. There is absolutely nothing in it. The amendment I have offered follows the language of the amendment inserted by the Banking and Currency Committee in section 4, but instead of making it discretionary, instead of being a useless thing, it requires that these Federal land banks shall accept payment for these unpaid installments by renewing them over a period of over five years.

Mr. MOUSER. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. MOUSER. In the amendment suggested by the gentleman he says that the Federal land bank is required upon application to lend "in whole or in part."

Mr. WRIGHT. Yes.

Mr. MOUSER. I take it that that means that it is a mandatory direction.

Mr. WRIGHT. That means it is mandatory.

Mr. MOUSER. How about the words "in whole or in part"?

Mr. WRIGHT. It means that where a borrower makes application for an extension of the whole of an unpaid installment or a part of it he shall get the extension.

Mr. MOUSER. Whatever he applies for, either part of it or the whole of it, they must grant it.

Mr. WRIGHT. That gives them the absolute right to receive these benefits if they make application. Just a word now about the bill. I am going to support it. I think the Banking and Currency Committee brought out about the best bill that they could under the circumstances, but it is a bill essentially in the interest of the bondholders of these land banks.

Mr. LAGUARDIA. And without the gentleman's amendment it would be worthless?

Mr. WRIGHT. Yes; except that it does help the bondholders, and I think they are entitled to some sympathy, because most of them bought the bonds with the idea that they were Government bonds.

Mr. LAGUARDIA. Does not the gentleman believe that the bill ought to go back to the committee unless something is done really for the farmer?

Mr. WRIGHT. I do. They ought to get some relief. They talk about foreclosures. It is about the speediest and shortest foreclosure that you can imagine. They do not have to go into court, where a six months' period is required, as it usually is. There is a provision in these mortgages which gives them the power of sale, and all they do is to advertise the farmer's land for 30 days.

Mr. SIMMONS. That does not apply in my State; it may in the gentleman's.

Mr. WRIGHT. It does in mine.

Mr. STEVENSON. That is where the State law allows it.

Mr. WRIGHT. I am speaking about Georgia; I do not know about the other State laws.

Mr. STEVENSON. You would have to amend your State laws.

Mr. WRIGHT. I am not complaining about the State laws.

The farmer does not know whether to pitch his crop or not. They can foreclose during the growing season. The usual result is that the land does not bring anything near the amount of the mortgage and interest, and the farm-loan bank buys it in and pays taxes on it, because no one is willing to rent it unless they are aided in making a crop.

Something was said about the relentless manner in which these banks proceeded. An instance of that kind came to my attention recently. The farmer had procured one of these feed, seed, and fertilizer loans, and, of course, had obligated himself to use that money only for this purpose. A field man from one of these banks came out and said if he did not pay a part of this money, they would foreclose on him.

[Here the gavel fell.]

Mr. STEAGALL. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto shall now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. ARENTZ. Mr. Chairman, I object.

Mr. STEAGALL. Mr. Chairman, I move that all debate on this section and all amendments thereto be now closed.

The question was taken; and on a division (demanded by Mr. ARENTZ) there were—ayes 171, noes 47.

So the motion was agreed to.

Mr. JEFFERS. Mr. Chairman, I ask that the substitute amendment be again reported.

The CHAIRMAN. The Clerk will again report the substitute amendment offered to the amendment offered by the gentleman from Oklahoma.

The Clerk again reported the substitute amendment.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent that the amendment offered by the gentleman from Oklahoma be now reported.

The CHAIRMAN. Without objection, the amendment offered by the gentleman from Oklahoma [Mr. MCKEOWN] will again be reported.

There was no objection.

The Clerk again reported the amendment offered by Mr. MCKEOWN.

The CHAIRMAN. The question is on the adoption of the substitute amendment to the amendment offered by the gentleman from Oklahoma.

The substitute amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. MCKEOWN].

The question was taken; and on a division (demanded by Mr. QUIN) there were—ayes 90, noes 133.

So the amendment was rejected.

Mr. DAVIS. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read the amendment as follows:

Amendment offered by Mr. DAVIS: On page 5, line 4, after the word "unpaid," insert "for a period of one year beyond the date of the last regular installment payable under such mortgage"; and after the word "installment," in line 5, strike out the remainder of the section.

Mr. DAVIS. Mr. Chairman, in view of the fact that debate is closed I ask that the Clerk read the section as it would read with the amendment I have offered.

The CHAIRMAN. Without objection, the Clerk will read the section as amended by the amendment offered by the gentleman from Tennessee.

There was no objection.

The Clerk read the section as amended, as follows:

Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend in whole or in part any installment or installments upon any mortgage that may be unpaid for a period of one year beyond the date of the last regular installment payable under such mortgage and to accept payment of such unpaid installment or installments.

The question was taken; and on a division (demanded by Mr. DAVIS) there were—ayes 69, noes 118.

So the amendment was rejected.

Mr. ARENTZ. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. ARENTZ: On page 5, line 5, after the word "installments," strike out the balance of the section and insert "on or before or at the end of the amortization period with the rate of interest per annum on such unpaid installment as is specified in the mortgage."

Mr. ARENTZ. Mr. Chairman, I ask unanimous consent that we may discuss the matter for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Nevada?

Mr. RAINEY. Mr. Chairman, I object.

Mr. BURTNESS. Mr. Chairman, I ask unanimous consent that the section may be read in the way it would appear with the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from North Dakota?

Mr. PARKS. Mr. Chairman, I object.

The question was taken; and on a division (demanded by Mr. ARENTZ) there were—ayes 45, noes 96.

So the amendment was rejected.

Mr. HARE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HARE: On page 5, at the end of line 8, add a new paragraph, to read as follows:

"That wherever a foreclosure has been made and the mortgaged lands are still in the possession of the bank the mortgagor shall have the right to redeem and repossess said lands upon payment of all costs incident to foreclosure and all delinquent installments."

The question was taken; and on a division (demanded by Mr. HARE) there were—ayes 79, noes 114.

So the amendment was rejected.

Mr. BARBOUR. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BARBOUR: On page 5, line 1, after the word "bank," strike out the words "is authorized" and insert in lieu thereof the word "shall."

In line 2, after the word "it," strike out the word "to."

In line 4, after the word "and," strike out the word "to," so that section 4 shall read:

"Each Federal land bank shall, when in the judgment of the directors conditions justify it, extend in whole or in part any installment or installments upon any mortgage that may be unpaid and accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period."

The question was taken; and on a division (demanded by Mr. BARBOUR) there were—ayes 87, noes 111.

Mr. PATTERSON. Mr. Chairman, I demand tellers.

The question was taken, and tellers were refused.

So the amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. STEAGALL. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. RAYBURN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 6172) to amend the Federal farm loan act as amended and to provide for additional capital for Federal land banks, and for other purposes, and had directed him to report the same back to the House with the recommendation that it do pass.

Mr. STEAGALL. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. McKEOWN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. McKEOWN. I am.

The SPEAKER. Is there any member of the committee opposed to the bill who wishes to make a motion to recommit? [After a pause.] The gentleman from Oklahoma offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. McKEOWN moves to recommit the bill to the Committee on Banking and Currency with instructions to that committee to report the same back to the House forthwith with the following amendment:

On page 5, line 1, after the word "bank" insert the following: "is directed for the period of one year to extend in whole or in part any installment or installments upon any mortgage that may be unpaid."

The SPEAKER. The question is on the motion to recommit.

Mr. McKEOWN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 165, nays 192, not voting 76, as follows:

[Roll No. 6]

YEAS—165

Abernethy	Disney	Kerr	Quin
Allgood	Dominick	Kvale	Ragon
Amlie	Doughton	LaGuardia	Ramspeck
Arnold	Douglass, Mass.	Lambertson	Rankin
Ayres	Doxey	Lambeth	Rayburn
Bankhead	Drane	Lamneck	Romjue
Bland	Driver	Lanham	Rutherford
Blanton	Eslick	Lankford, Ga.	Sanders, Tex.
Bolleau	Fernandez	Larrabee	Sandlin
Boland	Fiesinger	Larsen	Schneider
Brand, Ga.	Fishburne	Linthicum	Selvig
Briggs	Flannagan	Lozier	Shallenberger
Browning	Fulbright	Ludlow	Shannon
Buchanan	Fuller	McClintic, Okla.	Sinclair
Bulwinkle	Fulmer	McDuffie	Smith, Idaho
Burch	Gambrill	McKeown	Smith, Va.
Busby	Garber	McMillan	Somers, N. Y.
Byrns	Garrett	McReynolds	Sparks
Campbell, Iowa	Gasque	McSwain	Spence
Canfield	Gilbert	Major	Smmers, Wash.
Cannon	Gilchrist	Mansfield	Sumners, Tex.
Carden	Glover	May	Swank
Cartwright	Green	Miller	Tarver
Cary	Greenwood	Mitchell	Taylor, Colo.
Chapman	Gregory	Montet	Thomason
Chavez	Griswold	Moore, Ky.	Tucker
Christgau	Haines	Morehead	Underwood
Clark, N. C.	Hall, Miss.	Nelson, Mo.	Vinson, Ga.
Cochran, Mo.	Hare	Norton Nebr.	Vinson, Ky.
Cole, Md.	Hart	Norton, N. J.	West
Collier	Hill, Wash.	O'Connor	Whittington
Collins	Hornor	Oliver, Ala.	Williams, Tex.
Cooper, Tenn.	Howard	Overton	Wilson
Cox	Huddleston	Owen	Wingo
Crisp	Jacobsen	Parker, Ga.	Withrow
Cross	Jeffers	Parks	Wood, Ga.
Crump	Johnson, Mo.	Parsons	Woodrum
Davis	Johnson, Okla.	Patman	Wright
DeRouen	Johnson Tex.	Patterson	Yon
Dickinson	Jones	Pittenger	
Dies	Karch	Polk	
Dieterich	Keller	Pou	

NAYS—192

Adkins	Curry	Horr	Person
Aldrich	Dallinger	Houston, Del.	Pettengill
Andresen	Darrow	Hull, Morton D.	Prall
Andrew, Mass.	Davenport	James	Purnell
Andrews, N. Y.	Delaney	Jenkins	Rainey
Arentz	De Priest	Johnson, Ill.	Ramseyer
Auf der Heide	Douglas, Ariz.	Johnson, Wash.	Ransley
Bacharach	Dyer	Kahn	Reed, N. Y.
Bachmann	Eaton, N. J.	Kelly, Ill.	Reilly
Bacon	Englebright	Kelly, Pa.	Robinson
Baldridge	Erk	Kemp	Rogers
Barbour	Finley	Ketcham	Rudd
Barton	Fish	Kinzer	Sanders, N. Y.
Beedy	Fitzpatrick	Kurtz	Seger
Beers	Foss	Lankford, Va.	Seiberling
Black	Frear	Lehlbach	Shott
Bloom	Freeman	Lewis	Simmons
Boehne	French	Lichtenwalner	Snell
Bohn	Gavagan	Lindsay	Snow
Bolton	Gibson	Lonergan	Stafford
Bowman	Gifford	Loofbourow	Stalker
Brand, Ohio	Gillen	Lovette	Steagall
Britten	Golder	Luce	Stevenson
Brunner	Goldsborough	McClintock, Ohio	Stewart
Burdick	Goodwin	McCormack	Strong, Kans.
Burtness	Goss	McGugin	Strong, Pa.
Butler	Griffin	McLaughlin	Sutphin
Cable	Guyer	McLeod	Swanson
Campbell, Pa.	Hadley	Magrady	Sweeney
Carter, Calif.	Hall, N. Dak.	Maloney	Swing
Carter, Wyo.	Hancock, N. Y.	Manlove	Taber
Cavicchia	Hancock, N. C.	Mapes	Temple
Chindblom	Hardy	Martin, Mass.	Thatcher
Christopherson	Harlan	Martin, Oreg.	Tierney
Clague	Hartley	Michener	Tilson
Clancy	Hastings	Millard	Timberlake
Clarke, N. Y.	Hawley	Montague	Treadway
Cole, Iowa	Hess	Mouser	Turpin
Colton	Hill, Ala.	Murphy	Vestal
Condon	Hoch	Nelson, Me.	Wason
Connery	Hogg, Ind.	Nelson, Wis.	Welch, Calif.
Cooke	Hogg, W. Va.	Niedringhaus	White
Corning	Holaday	Nolan	Wigglesworth
Coyle	Hollister	Oliver, N. Y.	Williams, Mo.
Crosser	Holmes	Palmisano	Williamson
Crowe	Hooper	Parker, N. Y.	Wolcott
Crowther	Hope	Partridge	Wolverton
Culkin	Hopkins	Perkins	Woodruff

NOT VOTING—75

Allen	Beck	Buckbee	Chase
Almon	Boylan	Carley	Chiperfield
Beam	Brumm	Celler	Cochran, Pa.

Connolly	Haugen	Mead	Sullivan, Pa.
Cooper, Ohio	Hull, William E.	Milligan	Swick
Crail	Igoe	Moore, Ohio	Thurston
Cullen	Johnson, S. Dak.	Peavey	Tinkham
Dickstein	Kading	Pratt, Harcourt J.	Underhill
Doutrich	Kendall	Pratt, Ruth	Warren
Dowell	Kennedy	Reid, Ill.	Watson
Drewry	Kleberg	Rich	Weaver
Eaton, Colo.	Kniffin	Sabath	Weeks
Estep	Knutson	Schafer	Welsh, Pa.
Evans, Calif.	Kopp	Schuetz	Whitley
Evans, Mont.	Lea	Shreve	Wolfenden
Free	Leavitt	Sirovich	Wood, Ind.
Granata	Leech	Smith, W. Va.	Wyant
Granfield	McFadden	Stokes	Yates
Hall, Ill.	Maas	Sullivan, N. Y.	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Warren (for) with Mr. Shreve (against).
Mr. Milligan (for) with Mr. Cooper of Ohio (against).

Until further notice:

Mr. Cullen with Mr. Allen.
Mr. Weaver with Mr. Pratt, Harcourt J.
Mr. Evans of Montana with Mr. Rich.
Mr. Mead with Mr. Buckbee.
Mr. Almon with Mr. Dowell.
Mr. Boylan with Mr. Crail.
Mr. Granfield with Mr. Connolly.
Mr. Drewry with Mr. Reid of Illinois.
Mr. Carley with Mr. Swick.
Mr. Lea with Mr. Free.
Mr. Celler with Mr. Johnson of South Dakota.
Mr. Igoe with Mr. Wyant.
Mr. Kennedy with Mr. Kading.
Mr. Beam with Mr. Kopp.
Mr. Sullivan of New York with Mr. Welsh of Pennsylvania.
Mr. Kniffin with Mr. Beck.
Mr. Sirovich with Mr. Eaton of Colorado.
Mr. Sabath with Mr. Hull, William E.
Mr. Kleberg with Mr. Kendall.
Mr. Schuetz with Mr. Yates.
Mr. Dickstein with Mr. Knutson.
Mr. Smith of West Virginia with Mr. Watson.
Mr. Evans of California with Mr. Granata.
Mr. Moore of Ohio with Mr. Peavey.

Mr. NELSON of Wisconsin. Mr. Speaker, my colleague the gentleman from Wisconsin [Mr. KADING] had to leave the Chamber before the vote. If present, he would have voted in favor of the motion to recommit.

Mr. McCORMACK. Mr. Speaker, the gentleman from Massachusetts [Mr. GRANFIELD] is unavoidably absent. If present, he would vote "no."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the bill was passed.

On motion of Mr. STEAGALL, a motion to reconsider the vote by which the bill was passed was laid on the table.

The SPEAKER laid before the House the following designations, which were read by the Clerk, as follows:

CELEBRATION OF THE TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF GEORGE WASHINGTON

Pursuant to the provisions of House concurrent resolution (H. Con. Res. 4) the Chair appoints on the committee for the celebration of the two hundredth anniversary of the birth of George Washington the following Members of the House: Mr. WOODRUM, Mr. BYRNS, and Mr. TILSON.

MIGRATORY BIRD COMMISSION

Under the authority of the act of February 18, 1929 (45 Stat. p. 1222), the Chair appoints as members of the Migratory Bird Conservation Commission the following Members of the House: Mr. McREYNOLDS and Mr. ANDRESEN.

PUBLIC BUILDINGS COMMISSION

Pursuant to the provisions of title 40, section 1, United States Code, the Chair appoints to fill the vacancy on the Public Buildings Commission the gentleman from Tennessee [Mr. TAYLOR].

COLUMBIA INSTITUTE FOR THE DEAF

Pursuant to the provision of title 24, section 236, United States Code, the Chair appoints as Directors of the Columbia Institute for the Deaf the following Members of the House of Representatives: Mr. BLOOM and Mr. SMITH of Idaho.

WILLIAM TYLER PAGE

The SPEAKER laid before the House the following communication from William Tyler Page, which was read by the Clerk, as follows:

WASHINGTON, D. C., *December 19, 1931.*

Hon. JOHN N. GARNER,
Speaker of the House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: I am conscious of a great debt of gratitude that I owe the House of Representatives and each of its Members. For the recent action of the House continuing me in its service I am deeply appreciative and thankful.

And on to-day, the fiftieth anniversary of my official connection with the House, further happy evidence was manifested in the remarks of the minority leader, Mr. SNELL, and of the gentleman from Maryland, Mr. LINTHICUM, of the generous and kindly attitude of the House toward me. For these very handsome tributes, and for the uniform courtesy accorded me by the Members of this and of preceding Congresses during the last 50 years, I feel a sense of thankfulness in my heart which can not find expression in words.

To serve the House of Representatives is a great privilege. But the opportunities for service here are not alone to the House itself but to the people as well, and I may be pardoned in saying that I have endeavored to embrace and make the best of the opportunities offered me.

It is my very earnest wish and prayer that every Member of the House may enter into the spirit and enjoy the blessings of peace and happiness of the Christmastide, and that the new year, which will mark the two hundredth anniversary of the birth of Gen. George Washington, will bring to them and to our beloved country contentment, which in itself is great riches.

To you, Mr. Speaker, the tenth Speaker under whom I have served, I desire personally to express my thanks for the many kindnesses you have bestowed upon me during the 30 years of your own distinguished service in the House, and to felicitate you upon being called to your present high office, the duties of which you will discharge impartially, and with fidelity to the best traditions of the House, and with great ability born of experience.

With assurances of both my esteem and my gratitude to you and to the Members of the House of Representatives, whom I am proud to regard as my friends, I am

Very sincerely,

WM. TYLER PAGE.

MESSAGE FROM THE PRESIDENT—INVESTIGATION OF BATTLEFIELDS IN THE UNITED STATES

The SPEAKER laid before the House the following message from the President, which was read, and with the accompanying papers, referred to the Committee on Military Affairs.

To the Congress of the United States:

In accordance with the provisions of the act of Congress approved June 11, 1926, entitled "An act to provide for the study and investigation of battlefields in the United States for commemorative purposes," I am transmitting a communication from the Secretary of War giving a detailed report of progress made under said act, together with his recommendation for further operations.

HERBERT HOOVER.

THE WHITE HOUSE, *December 19, 1931.*

EMPLOYMENT SERVICE, DEPARTMENT OF LABOR

Mr. BYRNS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 142, with a Senate amendment.

The Cleark read the title of the joint resolution, as follows:

House Joint Resolution 142

Making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, strike out the language "*Provided further*, That after January 1, 1932, no salary shall be paid in any field employment office under the Employment Service at a rate in excess of $2,000 per annum. *Provided further*, That this limitation shall not apply to the salary of any State director."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BYRNS. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

That the House agree to the amendment of the Senate to the House joint resolution with the following amendment:

"In lieu of the matter stricken out insert the following:

"*Provided further*, That no salary shall be paid under this appropriation at a rate in excess of $2,000 per annum."

Mr. LAGUARDIA. As I understood the proposition it would dislocate the administration of the entire service. A great many employees get over $2,100. What the Secretary fears is that this will establish a reduction in the standard of wages.

Mr. BYRNS. Quite the contrary, I will say. The provision adopted by the House might have been so construed. But the gentleman will recall that that applied not only to the appropriation of $120,000 but also to the appropriation for the current year under which 96 offices have been established. The Senate struck that provision out. This amendment simply provides that no salary paid under this particular appropriation shall exceed $2,000, which is entirely acceptable and in accordance with the statement made by the Secretary of Labor before both the House and the Senate committee.

Mr. SNELL. This is more generous than that provision which passed the House.

Mr. LAGUARDIA. If the Secretary wants a $2,100 man, this amendment proposes that he shall not pay in excess of $2,000.

Mr. BYRNS. The Secretary of Labor does not propose to pay in excess of $2,000 in any of the offices established under this appropriation. This simply puts into language the statement of the Secretary of Labor that not more than $2,000 will be paid for any position under this particular appropriation of $120,000. This does not relate to the appropriation of $833,000 in the current law.

Mr. LAGUARDIA. The gentleman states the Secretary of Labor stated that he did not intend to pay any new officer under this appropriation over $2,000.

Mr. BYRNS. The Secretary of Labor was asked what he proposed to do with the money if he received it, and he said that there were to be three in the office—a manager, an assistant manager, and a stenographer-clerk.

That they were to be paid $2,000, $1,800, and $1,440, respectively. The Committee on Appropriations recommended that the appropriation be reduced to $120,000, giving only 2 employees in about 27 offices, and giving him discretion to use 3 employees in the other offices. It left the question of salaries to him, having received his assurance in the hearings as to the maximum which would be paid. But the House, when the resolution was under consideration on the floor, adopted the amendment, with which the gentleman is familiar, restricting the Secretary of Labor in all the offices, those now in existence and those to be established.

Mr. CONNERY. Why did the committee cut down on certain offices and leave other offices with more help? Is there any particular reason for that? As I understand it, the committee cut down the estimate, which was $168,000.

Mr. BYRNS. Yes.

Mr. CONNERY. The committee cut it down to $120,000.

Mr. BYRNS. Yes. Out of these 96 offices there are 60 offices now which have only two employees.

Mr. CONNERY. The gentleman is satisfied that the Secretary of Labor is satisfied with this proposition?

Mr. BYRNS. It is exactly in line with his statement. I do not know whether he wants it written into the law or not.

Mr. SNELL. If it is in line with his statement, he ought to be satisfied.

Mr. BYRNS. Yes.

Mr. SUMMERS of Washington. In a good many of these offices there is only one employee in charge?

Mr. BYRNS. Yes.

Mr. KELLER. Mr. Chairman, will the gentleman yield?

Mr. BYRNS. Yes.

Mr. KELLER. Yesterday I happened to be in the Labor Office, as I frequently am, when this question came up, and the Assistant Secretary said to me that if this passed as it was with the amendment, it would affect services over in another part, already established, that ought not to be affected, and they were much wrought up over it. Unless there is some excellent reason for this amendment, it seems to me that the amendment ought to be left out, and the resolution as passed by the Senate ought to be concurred in.

Mr. BYRNS. The House by a very large vote adopted the amendment which would have done just what the gentleman has said. The amendment which I propose does not affect those offices now established, which amount to 96. This amendment applies only to those offices which will be established under this new appropriation of $120,000 and which are to continue only until July 1.

Mr. OLIVER of Alabama. And the Secretary stated to the committee, as the gentleman stated to the House, that $2,000 and $1,800 and $1,440 would be the maximum pay.

Mr. BYRNS. Yes; for the personnel under these new offices.

Mr. SNELL. I would like to get the appointment of all of those jobs at those figures.

Mr. CONNERY. I do not want this to be the camel's nose under the tent, to reduce the Federal salaries.

Mr. BYRNS. This has no application to employees now on the roll. It applies simply to the new employees who will be put in under this appropriation of $120,000.

The SPEAKER. The question is on the motion of the gentleman from Tennessee to concur in the Senate amendment with an amendment.

The motion was agreed to.

FEDERAL CONTRIBUTION TO DISTRICT OF COLUMBIA

Mr. MAPES. Mr. Speaker, I call up H. R. 6285, relating to the contributions of the United States toward defraying expenses of the District of Columbia, and ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Michigan calls up a bill, which the Clerk will report, and asks unanimous consent that it be considered in the House as in Committee of the Whole.

The Clerk reported the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That so much of the District of Columbia appropriation act for the fiscal year ending June 30, 1923, approved June 29, 1922, as reads as follows: "That, annually, from and after July 1, 1922, 60 per cent of such expenses of the District of Columbia as Congress may appropriate for shall be paid out of the revenues of the District of Columbia derived from taxation and privileges, and the remaining 40 per cent by the United States, excepting such items of expense as Congress may direct shall be paid on another basis; and" (D. C. Code, title 20, sec. 670a), is repealed; and hereafter such expenses of the District of Columbia as Congress may appropriate for shall be paid out of the revenues of the District of Columbia, except that the United States shall make such contributions toward defraying such expenses as may be provided in the acts making appropriations therefor.

Mr. MAPES. Mr. Speaker, the so-called 60–40 law has been inoperative for several years; it is practically a dead letter. The Committee on Appropriations has been appropriating a lump contribution for the Federal Government for the expenses of the District government for some years. However, the 60–40 proportion is still the substantive law, and while the lump-sum provision has been held in order, it is thought it might be argued at any time that it is subject to the point of order. Therefore, we are asking to have the law repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed; and a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDMENT OF FEDERAL FARM LOAN ACT

Mr. RAINEY. Mr. Speaker, I ask unanimous consent that all Members speaking on the land bank bill to-day be permitted to extend their own remarks in the RECORD for the next five legislative days.

The SPEAKER. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker and gentlemen of the House, again we find the House passing legislation advocated by the President of the United States which has been heralded to the country as a relief measure for farmers indebted to the Federal land banks. But in reality this bill proposes direct relief to the holders of Federal land-bank bonds. I voted when the bill was up for consideration for every amendment offered by various Members proposing to amend section 4 of the bill so that farmers who are unable to pay their installments, due to no fault of theirs, would have further time; but every amendment was promptly voted down. I also voted, as the RECORD will show, for the amendment of my good friend and colleague, Mr. MCKEOWN, which reads as follows:

On page 5, line 1, after the word "bank," insert the following: "It is directed for the period of one year to extend in whole or in part any installment or installments upon any mortgage that may be unpaid."

This amendment would have compelled the Federal land banks to extend payments to farmers, but it was also voted down, to the tune of 192 to 165. Under section 4 we have the following language:

Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period.

This, as you see, simply leaves it optional with the land banks and gives them no more power than they have now, under the original act. Knowing the policy of the Federal land banks under the rules and regulations of the Federal land bank board in the past, I venture the assertion that not 1 farmer out of 10 will receive any consideration under this section.

I am sure that every Member who voted for this legislation understands that there is not a line or a word in the bill that would force any land bank to extend farmers' payments. Let me quote from a speech of one of my colleagues:

I favor this legislation and want the men who enforce it to understand that it is the intent of Congress to see that relief is granted to the downtrodden farmers.

May I state that it was the intention of Congress that the marketing act and the Federal Farm Board, whose duty it was to enforce this act, give to the downtrodden farmers relief, but it has been so enforced under rules and regulations promulgated by the Federal Farm Board that, instead of giving farmers relief, farmers have been relieved of what little they had.

I am one Member of Congress who believes, from 10 years' experience it is getting time that the Congress write into legislation some of the rules and regulations governing same. In other words, put in the words, "Thou shalt," especially so when we find out of past experience in practically every instance when the President appoints the members of these Federal boards he appoints men who are a part of and interested in highly organized groups, that are able to dictate the interpreting of the law and the policy governing same. Listen to this statement I am quoting from the speech of my good friend and colleague [Mr. STEAGALL], chairman of the Banking and Currency Committee (the committee reporting this bill):

Mr. BRIGGS. Will the gentleman yield?
Mr. STEAGALL. I yield.
Mr. BRIGGS. I would like to ask the gentleman, in reference to section 4, if it is the intention of the committee [Banking and Currency] that this section providing for extension shall be liberally construed by the Federal Land Bank Board in the exercise of its discretion.

In other words, Mr. BRIGGS wants to know if it will be mandatory on the part of the board to grant extensions to farmers. Listen to the answer.

Mr. STEAGALL. I can not say what will be done by the Federal Land Bank Board under its rules and regulations.

I want to quote further from Mr. STEAGALL'S speech, which I am sure will be sufficient to prove my contention as to whom this bill will relieve.

Mr. STEAGALL. In respect to the bonds [land-bank bonds] let me say now that there are many bonds carried by the banks and the investment public in this country which can not be realized upon simply because of the unusual conditions and because of the economic situation in which we are involved at this time.

May I state that my farmers during this year with but little assistance and in thousands of cases without any assistance from banks, but with a bountiful supply of sunshine and rain given to them by the One who deals fairly with all classes, produced good crops of cotton and corn, but they have had to sacrifice this good crop of cotton for 5 and 6 cents per pound and their corn for 30 cents per bushel.

In the meantime all that they have received at the hands of their Government and the Federal Farm Board is sympathy and the advice that they should plow up every third row of cotton. Certainly the President, international bankers, holders of these bonds, and Members of Congress should know that the staying of foreign debts, the relieving of international bankers and bondholders will not bring back normal prosperity.

I contend that we are simply soothing the pains of one limb of the body, so to speak, rather than perform the major operation whereby we may be able to bring real relief and a real cure for the serious economic situation that exists to-day. To my mind, the only way we will be able to restore normal prosperity will be to put the millions of unemployed to work at a fair wage and pass legislation establishing a new and up-to-date marketing and distributing system whereby thousands of middlemen that are sapping the very lifeblood out of farmers and consumers would be eliminated, and give the farmers a fair price for that which they produce. This will enable them to pay their honest obligations as well as restore the purchasing power of these people.

When we go back home for the Christmas holidays and our farmer constituents ask eagerly and hopefully, "Have you done anything to give us a fair price for our cotton and did you pass a bill requiring the Federal land banks to give us a little more time so that we may save the dear old home place?" let us tell them the real truth.

We will have to tell them that we passed legislation giving foreign countries 12 months and then 10 years to pay their present obligations due our Government, as well as a bill authorizing $100,000,000 appropriation for the relief of holders of Federal land-bank bonds now in the hands of banks and the investing public.

Mr. FULLER. Mr. Speaker, ladies, and gentlemen, this entire bill, with the exception of section 4, was drawn by friends of the administration to carry out the recommendation of the President, and seeks to amend the Federal farm loan act only for the purpose of advancing $100,000,000 for the purpose of buying shares of stock in the Federal land banks. It is contended that by the Secretary of the Treasury advancing this money it will increase the value of the bonds now outstanding and place the banks in a more substantial financial condition.

As a matter of fact, all the bonds outstanding are amply secured and will be paid at maturity, and no defaults have been made in the payment of any interest. It is true that these bonds are selling below par, but that is true of almost all bonds, including some of the United States Treasury certificates. The stock in these Federal land banks is owned principally by persons who have mortgaged their lands and have been required to use 5 per cent of their loan in buying stock. This money is being loaned by the Government to these banks without interest and is to be repaid only as loans are made to farmers and stock is sold, the money thus realized from the sale of stock to pay back the Government loan. This is no relief to the farmers, as those who are in dire need are those who already have land-bank mortgages upon their lands and are unable to meet their payments. The contention that this bill will help the farmers is simply a camouflage. If we want to help the farmers as we should, why not give them some direct legislation instead of giving the greater benefit of this loan to these land banks? No one is being hurt because these bonds are below par. The bonds are owned, to a great extent, by those who sought investment for the interest they collect and are assured of

their interest and principal at maturity by the 12 banks in the Federal land-bank system. The bonds pass as par as assets for depositories and in banks all over the country. This legislation is simply in the interest of big business and for the express purpose of using the Government's money to increase in value the outstanding bonds.

There is nothing in the measure that could help the depression.

Since the bill was originally drawn and introduced the committee to which it was referred has added, as an amendment, section 4, which provides:

> Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period.

This amendment was inserted by the Democratic members of the committee, together with one Republican member, with all the other Republican members of the committee voting against it. This amendment, however, is already the law. The directors of these banks now have the authority to do exactly what this amendment provides, and in many instances the banks are pursuing this course where they can get additional security on crops, livestock, and so forth. It is claimed by the friends of the bill that the money so obtained from the Treasury will be loaned to the farmers. As a matter of fact, we all know, or at least believe, that is not the purpose of these land banks. Most of those who have been able to borrow from these land banks are suffering from the depression and unable to meet their payments. The farmers who are suffering from the depression and are able to live are not clamoring for an opportunity to borrow on their farms. The value of their farms has so depreciated no one wants such an investment, and the large banks refuse to carry as assets or security on loans mortgages on real estate. What we need to do is to grant relief to those who are entitled to and seeking relief, instead of giving an opportunity for others to borrow and get in the same condition.

We have given to the European countries an extension of time for the payment of their war debts to us in the form of a moratorium. Why not give this same relief to the farmers of this country, especially those who are unable to meet their payment to the Federal land banks?

While we are passing a law under the claim of helping the farmers, why not give them direct aid and pass a law that has some teeth in it, instead of passing a law leaving it to the directors of these land banks to do what they are now permitted to do. Section 4 of the bill should be so amended as to direct the Federal land banks, for a period of one year, to extend in whole or in part any installment or installments upon any mortgage that may be unpaid. There are now only approximately $12,000,000 of installment payments delinquent, and many of these will be paid. Even if we were to use $25,000,000 of this money for granting extensions of time to the farmers who are unable to meet their installment payments, we would still have $75,000,000 left for the purpose of increasing the price of the outstanding bonds. We would then be granting relief where relief is really needed. Simply to pass a law to increase the value of bonds would mean that those who have purchased these bonds from 75 to 90 cents on the dollar would reap a handsome profit. The farmers, for whose benefit this law was originally passed, would reap none of the benefits and get no relief. It was never the intention of the administration and its friends to enact a law for the direct relief of the farmers; their only purpose is to benefit big business. When the farmers fail to prosper, those in the cities feel the effects of hard times.

Farm-land mortgages are being foreclosed every day and will continue to be unless we grant some relief. Under the terms of this bill, unless an amendment is adopted to section 4, no relief will be granted or extended to those deserving of and seeking relief. The president of these 12 Federal farm-loan banks is not only opposed to section 4 as contained in this bill but is opposed to any amendment, as we ascertain from the expression of his friends on the other side of the aisle, many of whom are momentarily conferring with him. His action is indicative of the fact that this money is not being obtained for the real aid and relief of the farmers but for the benefit of the banks and to increase the value of their bonds. It is claimed that he states that these bonds will be met at maturity, and we know this is true, because they have sufficient mortgages with which to pay them, in addition to the 28,000,000 acres of land that these banks own by reason of foreclosures.

Due to the influence of this administration, Europe was granted relief from the payment of this year's war debt and asked to make the payment in future installments over a period of 10 years. Why not a moratorium for these farmers for one year?

The committee claims the bill is the best it could agree upon. Such an agreement is a confession of lack of leadership. How can one explain to a farmer needing relief on his past-due mortgage why he should not be granted a breathing spell when such relief is given to big business and to Europe?

It will be interesting to note those who vote against amending this bill so as to afford some real relief. It will be more interesting to hear their explanations to the despondent and depressed farmers.

The worst assets for these banks are lands on which they must pay taxes and other expenses. Add to this the depreciation from nonhome occupancy, waste, and injury to improvements, all resulting from foreclosure. On the other hand relief for 1-year payments and the owners' occupancy means better morale for the community, better business for the trading centers, and tends to a building up rather than a tearing down. Give the depressed farmer a chance to make good and thus instill faith and ambition to assist in overcoming this great panic, rather than throw him and his loved ones in the public road, adding to the millions of unemployed. His home is dear to him and, if given a chance such as this administration gives to Europe and big business, he will make good.

Why do the Federal land banks' officials and their Republican spokesmen oppose this weak section 4, inserted by the committee? Simply because they do not intend to make extensions. Then why not amend this section to make it mandatory?

They are seeking the entire relief for their bondholders and intend to grant no relief to the delinquent farmers.

This bill is exactly as recommended by President Hoover and drawn by his "yes men." The reactionary Republicans are for it to a man. It does not seek to cure the sore but treats the symptoms rather than the disease. Experience should teach us to study well the administration's pet measures and to take no chances without safeguards. Are the measures workable and in the interest of big business, or for those needing relief? Unless relief is demanded in the law it will be administered like the Farm Board, where $250,000,000 of the Government's money has been squandered and lost in the name of farm relief, and where officials draw salaries as high as $75,000 annually. What a shame. It is no worse in principal than this measure.

If breakfasts at the White House for committees, telegrams, letters, and personal influence are going to result in such legislation, those who favor relief for the masses as against special powerful interests might as well go home and let the Republican minority in the House carry on the Hoover program. In the light of the past, it is reasonable to conclude it will not be for the unemployed, the farmer, laborer, veterans, small banker, or business man, but the international bankers, bondholders, and highly protected interests will not be overlooked.

I realize one who disagrees with a committee's recommendation and demands direct relief for the oppressed farmer is considered radical or to be practicing demagoguery, but the world knows it takes radical measures to extricate us from the present financial depravity.

I can not believe the Senate will permit the taxpayers' money to be used to boost the bond prices of favored banks

without demanding direct relief to the delinquent farm borrower.

PAY OF EMPLOYEES

Mr. LaGUARDIA. Mr. Speaker, I ask unanimous consent for the present consideration of a resolution which would permit the employees of the House to be paid upon the 21st day of December, before the Christmas holidays, instead of at the end of the year, which would follow the custom of a great many years.

Mr. RAINEY. Mr. Speaker, reserving the right to object, I call the attention of my friend to the fact that we had an election recently resulting in a change in the control of this House.

These patronage employees here are rapidly leaving their places. That is the fortune of politics. They go along with the election. It might happen that somebody would be appointed in their place, and they would be out and get a vacation anyway, but the man who was appointed might serve several days without any pay.

Mr. LaGUARDIA. Not at all, if the gentleman please.

Mr. RAINEY. Why not?

Mr. LaGUARDIA. Suppose they are dropped a few days before the first of the month, and are given a few days' pay; that certainly is little enough consolation for going out in the cold world in these times of depression, and of course the new employee will be paid.

Mr. RAINEY. There will be a lot more going out in the cold world after the elections next fall, so they might as well get used to it.

Mr. SIMMONS. These same ones will be going out again.

Mr. LaGUARDIA. The employees have all made their arrangements and planned on this, and it will be a hardship for some of them if they are not paid. Some of them will not be able to go home.

Mr. RAINEY. Mr. Speaker, I am sorry, but I must object.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, may I interrogate the gentleman from Illinois as to the order of business on next Monday? As I understand, there is nothing coming up on Monday or Tuesday except noncontroversial matters—some one desiring to address the House?

Mr. RAINEY. The gentleman is right about that. There is nothing controversial to be taken up. We will undoubtedly go into Committee of the Whole House on the state of the Union for the further consideration of the President's message, and simply have speeches on Monday and Tuesday.

OIL MONOPOLY—TARIFF

Mr. McGUGIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the oil tariff.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. McGUGIN. Mr. Speaker, ladies and gentlemen of the House, the independent oil industry for nearly two years has been begging the Congress for protection from free imported oil. The independent oil industry has been telling the Congress and the country that four great oil companies, Standard Oil of Indiana, Standard Oil of New Jersey, Gulf, and Shell, were deliberately wrecking the American oil industry and driving the American oil industry into bankruptcy.

The Congress and the country have been prone to believe that the interests of the country were on the side of imported oil and that the true interests of the Nation as a whole were not in common with the interests of the independent oil industry. The independent oil industry in vain has been trying to tell the Congress and the people that the oil industry was being monopolized and that all independent competition was being driven out of business. The few monopolistic oil companies have not only welcomed but have been forcing the present bankruptcy of the oil industry. These companies are taking advantage of the situation in order to buy up the oil industry of this country at bankrupt prices. In actual practice, they are doing little less than stealing the oil industry of the country from individual citizens of the Nation. The importation of foreign oil in competition with the American oil is making it possible to bring about this bankrupt condition. Common experience teaches us that when the oil industry is completely controlled and monopolized by a few companies, the gasoline-consuming public will be bled white.

Congress and the people in the non-oil-producing States have not been inclined to accept this fair warning from those of us of the independent oil industry. The Congress and the people have depreciated our honest pleas with the thought that we were only serving our own selfish interests. Certainly the Congress and the people of the country are willing to accept a plea of guilty on the part of these monopolistic companies that they are at this time deliberately taking advantage of the distressed condition in the oil industry and buying up their independent competition.

According to an article in the New York Times of to-day, December 18, 1931, the Gulf Oil Co., one of the four great importers, enters its plea of guilty to carrying on a campaign of piracy to destroy the great independent oil industry. The article in the Times is as follows:

SPECIAL TO THE NEW YORK TIMES

PITTSBURGH, PA., December 18.—The Gulf Oil Corporation has taken advantage of the depression to increase its extensive holdings by buying additional oil lands and refineries at bargain prices, an official of the company said to-day in explaining omission of the dividend on its capital stock. He said the passing of the dividend was a difficult step to take, but he predicted that it would be recognized as the most desirable policy for the stockholders from a long-range viewpoint. The Mellon family has large holdings in the company.

Gulf's large surplus, accumulated through years of big profits and small dividends, is represented by new oil wells, new pipe lines, new refineries, and new distributing units and not by cash. It is shown that Gulf is not only completing expansion started in the last year, but is taking advantage of the demoralized condition of the industry and is picking up distressed properties that will have great value when overproduction is ended.

Purchases being made by Gulf are not confined to any particular phase of the oil industry. They are in the distributing as well as the producing end of the business. Every acquisition is being made in considering the future and not the immediate return.

No estimate of the results of Gulf Oil for the present year can be made at this time. Reports must be received from Mexico, Venezuela, various parts of Europe, and the Far East before earnings can be known.

The New York Times is a free-trade paper; it is an international paper rather than a national paper. It has always opposed a tariff on oil; therefore, I take it that no one will question the validity of this article since it appeared in the New York Times. This brazen, defiant statement of the Gulf Co. is in perfect keeping with the public advertisement on March 13, 1931, of the Republic Shares Corporation, of Chicago, Ill. This corporation was interested in Standard Oil stocks. To prove to prospective stockholders that Standard Oil stock would be profitable, it stated that the Standard Oil companies were fast grabbing up the oil industry in this country. That advertisement was as follows:

THE OIL SITUATION

The time to push our Standard Oil Trust is now. Papers refer to the present situation as a "crisis in the oil business." Do not let yourself be disturbed by that. It is just when these cries do occur that Standard Oil gets the benefit of its dominating position.

We want you to bear in mind that the crisis is not for the Standard Oil companies, but rather for the independent producers and also for numerous of the good-sized concerns—the latter being concerns whose activities do not cover every angle of the oil business, such as is the case with the Standard Oil Co.

The so-called "crisis" is brought about by reason of the fact that for years the independents and those concerns who confine themselves to producing oil, have gone hog-wild in driving more wells and bringing in more oil than the world could consume. When these independents and other producers heretofore could not get a good market for their oil, they always turned for an outlet to Standard Oil Co. because of its millions of cash reserves and because of its storage facilities. Therefore, when the price got sufficiently low to interest the Standard Oil, it would step into the market and buy, and later on, as the market improved, it would sell.

This, therefore, is the time to push our Standard Oil Trust and to make valuable friends while so doing.

In the light of these two public statements this Congress and the people of the United States can not permit this ses-

sion of Congress to adjourn without protecting the American market for the American oil industry unless this Congress and the people of the United States are perfectly willing to permit one of the four largest of American industries to be owned and controlled by a few monopolistic companies. If the American oil industry is monopolized, it will be more powerful than the Government. It will be powerful enough to rob the people, and it will be powerful enough to control and dominate government. Through the medium of spreading false propaganda the four great importing companies are now almost large enough to control and dominate government; at least, they are large enough to mislead the people and to mislead the Congress and thereby to attain their will.

THE OIL TARIFF

Mr. DISNEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the oil tariff and to insert two short articles.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DISNEY. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following articles published in the Washington Post December 19, 1931, entitled "Oil Output Slash Expected at Once," and in the New York Times December 18, 1931, entitled "Gulf Oils Dividend Put Into Bargains":

[From the Washington Post, December 19, 1931]

OIL OUTPUT SLASH EXPECTED AT ONCE—ACTION TO BALANCE MARKET IS DUE FOLLOWING PARLEY OF TRADE LEADERS

ST. LOUIS, December 18 (A. P.).—Reduction in production of crude oil to bring operations in the industry in line with consumption, and thus prevent further price reductions and general demoralization, is expected immediately as a result of the 2-day meeting of the directors of the American Petroleum Institute, which ended late to-day.

No general agreement was made, it was announced, nor was the problem, said by leaders to be the most acute the industry ever faced, approached with that in view, because such an agreement would violate the antitrust laws. Leading companies, however, announced individually they would shut down Sundays in the flush fields, principally in Texas, with a view to reducing production 1,400,000 barrels a week. This will be necessary to stave off a further reduction after the first of the year of about 40 cents a barrel in the mid-continent area, leaders said.

The Humble Oil & Refining Co., with about 100,000 barrels production a day, and one of the largest in Texas, together with the Sun Oil Co., took the lead in announcing the Sunday shut-down policy, effective at once. The Ohio Oil Co., which operates in Texas, Oklahoma, Kansas, and other States; the Phillips Petroleum Co.; and the Sinclair Consolidated Oil Corporation followed suit with similar announcements.

[From the New York Times, December 18, 1931]

GULF OIL'S DIVIDENDS PUT INTO BARGAINS—COMPANY OMITTED PAYMENT TO PICK UP PROPERTIES AT LOW PRICES, OFFICIAL SAYS

PITTSBURGH, December 18.—The Gulf Oil Corporation has taken advantage of the depression to increase its extensive holdings by buying additional oil lands and refineries at bargain prices, an official of the company said to-day in explaining omission of the dividend on its capital stock. He said the passing of the dividend was a difficult step to take, but he predicted that it would be recognized as the most desirable policy for the stockholders from a long-range viewpoint. The Mellon family has large holdings in the company.

Gulf's large surplus, accumulated through years of big profits and small dividends, is represented by new oil wells, new pipe lines, new refineries, and new distributing units and not by cash.

It is shown that Gulf is not only completing expansion started in the last year but is taking advantage of the demoralized condition of the industry and is picking up distressed properties that will have great value when overproduction is ended.

Purchases being made by Gulf are not confined to any particular phase of the oil industry. They are in the distributing as well as the producing end of the business. Every acquisition is being made in considering the future and not the immediate return.

The annual dividend requirements on 4,525,221 shares of Gulf Oil capital stock outstanding amounted to $6,787,831, at the rate of $1.50 a share, when payment was discontinued at the last meeting of directors. The directors felt it would be better to take advantage of the bargains in properties than to pay this money out to stockholders in 1932. The policy of Gulf Oil during its entire existence has been to consider the development of the organization as a matter of greater importance than current dividend payments.

No estimate of the results of Gulf Oil for the present year can be made at this time. Reports must be received from Mexico, Venezuela, various parts of Europe, and the Far East before earnings can be known. It is generally believed, however, that profits will be smaller than dividends paid for the year.

THE PHILIPPINE PROBLEM A MAJOR AMERICAN PROBLEM

Mr. OSIAS. Mr. Speaker, I ask unanimous consent to extend my remarks on the Philippine problem.

The SPEAKER. Is there objection to the request of the Delegate from the Philippine Islands?

There was no objection.

Mr. OSIAS. Mr. Speaker, under leave to extend my remarks in the RECORD, I insert the following address delivered by me on the opening day of the Progressive Conference, held at Washington, D. C., March 11, 1931:

When the Resident Commissioners from the Philippine Islands received the kind invitation of Senators NORRIS, COSTIGAN, LA FOLLETTE, WHEELER, and CUTTING to this conference, we accepted it with alacrity, and I wish now to take the opportunity to express on behalf of the people whom we represent our gratitude. We did not hesitate to accept the invitation, because we felt that our inclusion in the list of those who were honored with invitations was prompted by the conviction that the Philippine question has a direct bearing on the problems presented for consideration. The early solution of American-Philippine relations, indeed, is wrapped up with the question of tariff, agricultural relief, unemployment, and industrial stabilization, and even the question on return to representative government. The Philippine problem should be considered a major American problem.

The very able address on the tariff by Senator COSTIGAN, to which we have just listened, made reference to the Philippines in relation to the tariff on sugar. During the past few years the beet and cane sugar interests of the United States have been pressing the claim that Philippine sugar is a menace to their interests. From the sugar States emanated the proposal to limit the importation of Philippine sugar duty free to the United States. Later the agitation became widespread and took the form of limiting or taxing sugar, coconut oil, and other products from the Philippine Islands. All these conclusively prove how intimately connected the Philippine question is with the tariff problem.

More recently the dairy interests, especially in connection with the legislative measure amendatory to the old oleomargarine act, have come to realize that Philippine coconut oil competes wth the dairy products of this country. Those interested in vegetable oil and cottonseed oil likewise have come to look upon the Philippines as a serious competitor. The National Grange, the Farm Bureau Federation, the milk and dairy-products associations, and other agricultural interests of this country have come out in favor of granting independence to the Philippine Islands as a means of relief to American agriculture. I wish to assure them that my people rejoice in their stand for Philippine freedom. Let there be no mistake about the position of my people. We value freedom more than tariff protection. We, of course, object most strenuously to the imposition of duty on the products of the Philippine Islands while they are retained under the American flag and while all American products enter the Philippine market free of duty and without limit.

I desire to invite attention to the fact that the solving of the Philippine problem would be an effective means of partially bringing relief to American labor and solve once for all the question of immigration from the Philippines to the United States without resorting to the obnoxious proposals of effecting Filipino exclusion and Filipino restriction while the Philippines remains under the United States.

The Philippine problem, furthermore, is not only intimately linked with the problem of the tariff, the problem of American agriculture, and with your problems of labor and immigration, but it is very vitally related to the problem of unemployment. By turning us loose this country could save from one source the amount of four to ten million dollars annually, an amount which would go a long way toward relieving unemployment in this country. The Secretary of War has admitted a saving of over $4,000,000 a year for military garrisons should the Philippines be granted independence.

I would like to remind you also that the petition of the Filipino people for independence is in thorough accord with the Republican policy enunciated from McKinley to Coolidge; it is in accord with the platform of the Democratic Party, which in 1924 included in its plank the following pronouncement:

"The Filipino people have succeeded in maintaining a stable government and have thus fulfilled the only condition laid down by Congress as prerequisite to the granting of independence. We declare that it is now our liberty and our duty to keep our promise to these people by granting them immediately the independence which they so honorably covet."

I wish particularly to remind the men and women of this conference that the Progressive Party, under the leadership of the great La Follette who has gone to the Great Beyond, that stalwart defender of freedom and friend of the poor and the oppressed, definitely approved the declaration couched in these words:

"*Resolved*, That we favor the immediate and complete independence of the Philippine Islands, in accordance with the pledges of official representatives of the American people."

For 15 long years no positive, constructive legislation has been enacted definitely to solve the Philippine problem. I plead for

definite action on the Philippine question. High moral considerations require it; the labor interests demand it; agricultural organizations need it; those interested in the tariff want it. All the American political parties are pledged to grant us our independence. We have for years been pleading, petitioning, praying and laboring for a definite settlement of the Philippine problem. Why this apathy? Why delay? I ask you on behalf of my people to do what you can to help bring the Philippine question to the fore and secure appropriate action. I earnestly hope that the members of this conference, composed as it is of men and women progressive and liberal minded, will not join the disciples of inaction but become apostles of salvation.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and under the rule referred as follows:

S. 655. An act declaring December 26, 1931, and January 2, 1932, to be legal holidays in the District of Columbia; to the Committee on the District of Columbia.

ENROLLED JOINT RESOLUTION SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 141. A joint resolution to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Thereupon (at 5 o'clock and 57 minutes p. m.) the House adjourned until Monday, December 21, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

312. A letter from the Secretary of the Navy, transmitting draft of a proposed bill "To provide for the reimbursement of certain civilian employees of the naval operating base, Hampton Roads, Va., for the value of tools lost in a fire on Pier 7, at the naval operating base, on May 4, 1930"; to the Committee on Claims.

313. A letter from the Secretary of the Navy, transmitting draft of a proposed bill "For the relief of the Western Electric Co. (Inc.)"; to the Committee on Claims.

314. A letter from the Secretary of the Navy, transmitting draft of a proposed bill "For the relief of Dr. M. M. Brayshaw"; to the Committee on Claims.

315. A letter from the Secretary of the Navy, transmitting proposed draft of a bill "For the relief of Jasper D'Aleo"; to the Committee on Claims.

316. A letter from the Secretary of the Navy, transmitting draft of a bill to amend the act entitled "An act to authorize the construction and procurement of aircraft and aircraft equipment in the Navy and Marine Corps, and to adjust and define the status of the operating personnel in connection therewith, approved June 24, 1926, with reference to the number of enlisted pilots in the Navy"; to the Committee on Naval Affairs.

317. A letter from the Secretary of the Navy, transmitting draft of a bill "To authorize the appointment of a board of arbitrators to determine royalties on torpedoes"; to the Committee on Naval Affairs.

318. A letter from the Secretary of War, transmitting draft of a bill to regulate the conduct and administration of military arsenals, Air Corps depots, and other War Department activities and property, and for other purposes; to the Committee on Military Affairs.

319. A letter from the Secretary of the Treasury, transmitting report of an accumulation of papers which are not needed in the transaction of public business and have no permanent value or historical interest; to the Committee on the Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DALLINGER: Committee on Expenditures in the Executive Departments. H. R. 927. A bill for the relief of the estate of Franklin D. Clark; without amendment (Rept. No. 12). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CRISP: A bill (H. R. 6391) to provide for the collection of customs duties on certain articles coming from the Philippines, and to provide that the duties collected shall be turned over to the Philippines; to the Committee on Ways and Means.

By Mr. FREE: A bill (H. R. 6392) to provide for the free transmission in the United States mails of manuscript in raised characters transcribed by blind persons, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. HASTINGS: A bill (H. R. 6393) authorizing and directing that 5 per cent of any amount or amounts hereafter appropriated to pay judgment or judgments in favor of the Cherokee Indians by the Court of Claims be paid to Frank J. Boudinot in full for his services and expenses for and on behalf of said Indians, prior to July 19, 1923, and for other purposes; to the Committee on Indian Affairs.

By Mr. HOGG of West Virginia: A bill (H. R. 6394) amending an act entitled "An act authorizing the State of West Virginia by and through the State Bridge Commission of West Virginia, or the successors of said commission, to acquire, purchase, construct, improve, maintain, and operate bridges across the streams and rivers within said State, and/or across boundary-line streams or rivers of said State," approved March 3, 1931; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of South Dakota: A bill (H. R. 6395) to grant compensation, disability allowance, or pension to enlisted men retired from the Army, Navy, Marine Corps, Coast Guard, and transferred members of the Fleet Naval and Marine Corps Reserve; to the Committee on Military Affairs.

Also, a bill (H. R. 6396) to grant equality in domiciliary care to retired enlisted men of the Army, Navy, Marine Corps, Coast Guard, and enlisted men transferred to the Fleet Naval and Marine Corps Reserve; to the Committee on Military Affairs.

By Mr. SWANK: A bill (H. R. 6397) to provide for the acceptance of a donation of land on the campus of the University of Oklahoma, and the construction thereon of suitable buildings and appurtenances for an institution for higher education of American Indians and their descendants, and for other purposes; to the Commitee on Indian Affairs.

By Mr. BURCH: A bill (H. R. 6398) providing for a site and public building for a post office at Galax, Va.; to the Committee on Public Buildings and Grounds.

By Mr. DAVILA: A bill (H. R. 6399) to extend to Porto Rico the benefits of the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes, approved July 11, 1916"; to the Committee on Roads.

By Mr. GOLDSBOROUGH: A bill (H. R. 6400) to restrict chain and branch banking, to amend the national bank act and the Federal reserve act, and for other purposes; to the Committee on Banking and Currency.

By Mrs. NORTON of New Jersey: A bill (H. R. 6401) to amend section 8 of the act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes, approved March 4, 1913; to the Committee on the District of Columbia.

Also, a bill (H. R. 6402) to further regulate banking, banks, trust companies, and building and loan associations in the

District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CROWE: A bill (H. R. 6403) to assure that preference be given in Government employment to disabled service-connected veterans; to the Committee on the Civil Service.

By Mr. HARLAN: A bill (H. R. 6404) to amend section 10 of the act of May 29, 1928 (45 Stat. 1008; U. S. C. Supp.—title 1, sec. 59); to the Committee on Revision of the Laws.

By Mr. VINSON of Georgia: A bill (H. R. 6405) to provide for the payment of allowances and gratuties to naval prisoners; to the Committee on Naval Affairs.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 6406) to extend the time within which suits may be brought on yearly renewable term insurance; to the Committee on World War Veterans' Legislation.

By Mr. McCLINTOCK of Ohio: Joint resolution (H. J. Res. 153) authorizing the distribution of Government-owned wheat to States or organizations for relief of people in distress; to the Committee on Agriculture.

By Mrs. NORTON of New Jersey: Joint resolution (H. J. Res. 154) to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. BARTON: Joint resolution (H. J. Res. 155) for the relief of farmers by extending the time for payment of loans made under S. J. Res. 211 of the Seventy-first Congress; to the Committee on Agriculture.

By Mr. McLEOD: Joint resolution (H. J. Res. 156) to amend section 113, title 39, of the United States Code; to the Committee on the Post Office and Post Roads.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

By Mr. AMLIE: Memorial of the Legislature of the State of Wisconsin, urging Congress to float a $5,000,000,000 bond issue in aid of the unemployed; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AMLIE: A bill (H. R. 6407) granting an increase of pension to Sarah J. Crichfield; to the Committee on Invalid Pensions.

By Mr. BLACK: A bill (H. R. 6408) for the relief of Harry Hewston; to the Committee on Claims.

By Mr. BLAND: A bill (H. R. 6409) for the relief of William Joseph La Carte; to the Committee on Naval Affairs.

By Mr. BOLAND: A bill (H. R. 6410) for the relief of Nell Mullen; to the Committee on Claims.

By Mr. BRAND of Ohio: A bill (H. R. 6411) granting an increase of pension to Elizabeth Patton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6412) granting an increase of pension to Sarah A. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6413) granting an increase of pension to Isadora S. Crane; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6414) granting a pension to Frederika Bushong; to the Committee on Invalid Pensions.

By Mr. BROWNING: A bill (H. R. 6415) granting a pension to Sarah E. Nolen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6416) for the relief of Elmer Eugene Derryberry; to the Committee on Military Affairs.

Also, a bill (H. R. 6417) for the relief of Jack Brooks Clay; to the Committee on Military Affairs.

Also, a bill (H. R. 6418) granting a pension to Lue A. Yarbrough; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6419) to correct the record of Howard Lowery; to the Committee on Military Affairs.

Also, a bill (H. R. 6420) granting an increase of pension to Edward Eason; to the Committee on Pensions.

Also, a bill (H. R. 6421) to declare Margaretha Vandenbrook the beneficiary of John J. Vandenbrook; to the Committee on Pensions.

Also, a bill (H. R. 6422) granting an increase of pension to Mary E. Cole; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 6423) granting an increase of pension to Minnie M. Davis; to the Committee on Invalid Pensions.

By Mr. CHINDBLOM: A bill (H. R. 6424) granting jurisdiction to the Court of Claims to hear the case of David A. Wright; to the Committee on War Claims.

By Mr. COCHRAN of Missouri: A bill (H. R. 6425) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Edward F. Goltra against the United States arising out of the taking of certain vessels and unloading apparatus; to the Committee on the Judiciary.

By Mr. CONNERY: A bill (H. R. 6426) to award the distinguished-flying cross to John L. Polando and Russell N. Boardman; to the Committee on Military Affairs.

By Mr. CRAIL: A bill (H. R. 6427) for the relief of Charles Mullikin; to the Committee on Military Affairs.

By Mr. CROWE: A bill (H. R. 6428) granting a pension to George E. Hilgert; to the Committee on Invalid Pensions.

By Mr. CULKIN: A bill (H. R. 6429) granting an increase of pension to Mary Hillman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6430) granting a pension to Delila Bowman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6431) granting an increase of pension to Mary Coombs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6432) granting an increase of pension to Emogene Allen; to the Committee on Invalid Pensions.

By Mr. DOUGHTON: A bill (H. R. 6433) granting an increase of pension to Mollie E. Greer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6434) granting a pension to Minnie Phillips; to the Committee on Pensions.

Also, a bill (H. R. 6435) authorizing the relief of the McNeill-Allman Construction Co. (Inc.), of W. E. McNeill, Lee Allman, and John Allman, stockholders of the McNeill-Allman Construction Co. (Inc.), and W. E. McNeill, dissolution agent of McNeill-Allman Construction Co., to sue in the United States Court of Claims; to the Committee on Claims.

By Mr. EATON of Colorado: A bill (H. R. 6436) to authorize the issuance of patent for certain lands in the State of Colorado to Ernst Koch; to the Committee on the Public Lands.

Also, a bill (H. R. 6437) to authorize the issuance of patents for certain lands in the State of Colorado to certain persons; to the Committee on the Public Lands.

By Mr. FINLEY: A bill (H. R. 6438) for the relief of William F. Catching; to the Committee on Military Affairs.

By Mr. GARBER: A bill (H. R. 6439) for the relief of Bernard Reams; to the Committee on Military Affairs.

By Mr. GILLEN: A bill (H. R. 6440) granting an increase of pension to Virgil O. Adams (with accompanying papers); to the Committee on Pensions.

By Mr. GOLDSBOROUGH: A bill (H. R. 6441) providing for an examination and survey of the Chesapeake & Delaware Canal at Chesapeake City, Md., with a view to providing a commercial and general anchorage basin; to the Committee on Rivers and Harbors.

By Mr. HART: A bill (H. R. 6442) for the relief of Frank B. Conklin; to the Committee on Military Affairs.

Also, a bill (H. R. 6443) for the relief of Hobert B. Alcorn; to the Committee on Military Affairs.

By Mr. HILL of Alabama: A bill (H. R. 6444) authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Alabama Society of Fine Arts the silver service presented to the United States for the U. S. S. *Montgomery;* to the Committee on Naval Affairs.

By Mr. HOGG of West Virginia: A bill (H. R. 6445) granting a pension to Harriett Lounsbery; to the Committee on Pensions.

Also, a bill (H. R. 6446) for the relief of Willie G. Chapman; to the Committee on Military Affairs.

Also, a bill (H. R. 6447) granting an increase of pension to Malinda J. Jacobs (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 6448) granting a pension to Nancy Gillespie (with accompanying papers); to the Committee on Invalid Pensions.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 6449) for the relief of Lettie Leverett; to the Committee on Claims.

By Mrs. KAHN: A bill (H. R. 6450) for the relief of Thaddeus C. Knight; to the Committee on Military Affairs.

By Mr. KETCHAM: A bill (H. R. 6451) granting the consent of Congress to the State of Michigan and Berrien County, or either of them, to construct, maintain, and operate a bridge across the St. Joseph River; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 6452) granting an increase of pension to Mary J. Welch; to the Committee on Invalid Pensions.

By Mr. KVALE: A bill (H. R. 6453) granting a pension to Trina H. Anderson; to the Committee on Invalid Pensions.

By Mr. LAMNECK: A bill (H. R. 6454) for the relief of Ribble Johnson; to the Committee on Claims.

By Mr. LAMBERTSON: A bill (H. R. 6455) for the relief of Charles W. Peppers; to the Committee on Claims.

By Mr. LAMBETH: A bill (H. R. 6456) to release the city of Rockingham, N. C., from the obligation of providing at its own expense a place for holding United States district court; to the Committee on the Judiciary.

By Mr. LEWIS: A bill (H. R. 6457) to give status of an enlisted man in the Navy of the United States and an honorable discharge therefrom to John Peter Jens Duhn, an operative in naval intelligence of the Navy Department from December 1, 1916, to March 1, 1919, and for hospitalization and medical treatment and to place him on the emergency officers' retired list; to the Committee on Naval Affairs.

By Mr. LONERGAN: A bill (H. R. 6458) to pay certain claims heretofore reported to Congress by the Secretary of War arising from the explosions and fire at the plant of the T. A. Gillespie Loading Co., at Morgan, N. J., October 4 and 5, 1918; to the Committee on War Claims.

By Mr. McCLINTOCK of Ohio: A bill (H. R. 6459) granting an increase of pension to Hannah Johnston; to the Committee on Invalid Pensions.

By Mr. McSWAIN: A bill (H. R. 6460) for the relief of Claude Cyril Langley; to the Committee on Military Affairs.

Also, a bill (H. R. 6461) for the relief of Frank D. Whitfield; to the Committee on Military Affairs.

By Mr. MAJOR: A bill (H. R. 6462) for the relief of Martin Wolf; to the Committee on Claims.

Also, a bill (H. R. 6463) granting an increase of pension to Mary A. Graham; to the Committee on Invalid Pensions.

By Mr. NELSON of Missouri: A bill (H. R. 6464) granting a pension to Frederick Boller; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 6465) granting an increase of pension to Dora Nosler; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 6466) to authorize the appointment and retirement of Evelyn Briggs Baldwin in the grade of captain in the Navy in recognition of his patriotic and scientific services, and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 6467) granting a pension to Kate C. Fore; to the Committee on Invalid Pensions.

By Mr. SOMERS of New York: A bill (H. R. 6468) for the relief of the Union Shipping & Trading Co. (Ltd.); to the Committee on War Claims.

By Mr. SUMNERS of Texas: A bill (H. R. 6469) for the relief of W. M. Winn; to the Committee on Claims.

By Mr. SWING: A bill (H. R. 6470) for the relief of John Gustav Baisch; to the Committee on Naval Affairs.

By Mr. WHITE: A bill (H. R. 6471) granting an increase of pension to Margaret Welsh; to the Committee on Invalid Pensions.

By Mr. WHITLEY: A bill (H. R. 6472) granting a pension to Emma Grannis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6473) granting an increase of pension to Fannie H. Hadley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6474) granting an increase of pension to Rosalia M. Burroughs; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Missouri: A bill (H. R. 6475) to correct the military record of Alexander Surrell; to the Committee on Military Affairs.

By Mr. WYANT: A bill (H. R. 6476) granting an increase of pension to Sibbie McClarran; to the Committee on Invalid Pensions.

By Mr. UNDERWOOD: Resolution (H. Res. 77) providing for an additional assistant clerk and two expert stenographers to the Committee on Invalid Pensions; to the Committee on Accounts.

By Mr. POLK: Resolution (H. Res. 78) to pay Mrs. David L. Thomas, widow of David L. Thomas, late an employee of the House, a sum equal to six months' salary and an additional sum of $250 for funeral expenses; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

179. By Mr. GREENWOOD: Petition of Charles F. Pectol and 101 other citizens of Owen County, Ind., for the passage of a bill that the Federal Government guarantee all funds, private, State, or funds of any kind that are on deposit in any Federal bank, trust company, or any Federal banking institution against any loss in any way to the individual, company, State, or anyone else having funds on deposit in any of the said institutions under Federal control; to the Committee on Banking and Currency.

180. By Mr. HOGG of West Virginia: Petition of the Business Men's Club of Rainelle and Meadow Bluff district, recommending the plan for forming a system of mortgage-discount banks; to the Committee on Banking and Currency.

SENATE

MONDAY, DECEMBER 21, 1931

The Chaplain, Rev. ZeBarney T. Phillips, D. D., offered the following prayer:

O Thou who at sundry times and in divers manners didst speak unto the fathers by the prophets and who in the fullness of time hath spoken unto us through Thine own Son, reveal to our weakness and distress the power and grace of life betokened by His coming to a weary, waiting world.

Renew in us the purity and innocence of childhood, the flaming zeal of youth, the patient temper of life's riper years, that we, rejoicing in the light that shines about our pathway from the cradle to the grave, may brighten sadness, cheer the faint, raise the fallen, and make happiness abound. Enable us to carry hence the inward peace and strength that now are ours, that by walking in Thy presence here a while we may learn to walk more patiently with man. We ask it in the name of Him who hath walked this way before, Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of Saturday last, when, on request of Mr. FESS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6172. An act to amend the Federal farm loan act, as amended, to provide for additional capital for Federal land banks, and for other purposes; and

H. R. 6285. An act relating to the contributions of the United States toward defraying the expenses of the District of Columbia.

The message also announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 142) making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled joint resolutions, and they were signed by the Vice President:

S. J. Res. 39. Joint resolution extending the time within which the War Policies Commission is required to submit its final report; and

H. J. Res. 141. Joint resolution to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932.

CLAUDE G. BOWERS ON THE MORATORIUM

Mr. LOGAN. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial by Claude G. Bowers, which appeared in the Washington Times of December 19, entitled "A Piece of Outrageous Effrontery."

The VICE PRESIDENT. Without objection, it is so ordered.

The editorial is as follows:

[From the Washington Times of December 19, 1931]

A PIECE OF OUTRAGEOUS EFFRONTERY

By Claude G. Bowers

That was a remarkable scene in the House at Washington when the erstwhile Republican chairman of the Committee on Banking, Mr. MCFADDEN, of Pennsylvania, made a slashing attack upon the President. The purport of his attack was that the President had betrayed or "sold" his country in the interest of the international bankers, and that the price of the betrayal was the support of these bankers in the campaign of 1928.

Of course, the speaker was right in insisting that the international bankers, having made bad loans in Europe, want the billions in debts transferred from the backs of the Europeans to the backs of the American taxpayers to make easier the collection of the private loans. But the charge that this was part of a bargain entered into in 1928 implies the most appalling corruption and should not have been made without positive proof. For, if true, there is a clear case for impeachment.

The excitement during the incident must have turned on this specific charge, for certainly no Member of the House doubts that the pressure of the bankers is responsible for the thoroughly organized propaganda in favor of making the American taxpayers pay the war debts of the world. That is common knowledge and has been said a million times.

The extreme charge of MCFADDEN does not alter the fact that this is precisely the fight that is being waged to-day.

SENATOR REED'S STATEMENT

Mr. MCFADDEN is a traditional foe of Mr. Mellon, but Senator REED, of Pennsylvania, is his traditional friend and a warm supporter of the administration in the past. He is a corporation lawyer of distinction and can not be accused either of making loose statements or of playing to "the mob."

And on the day MCFADDEN was making his speech in the House REED was saying in the Senate:

"There is the other kind of propaganda coming from our own citizens who are interested chiefly in their own pocketbooks and in profits they will get from cancellation of debts due our Government. I refer principally to those bankers and bond houses who since the armistice and debt settlement have put out so-called private loans to European nations, which they now would like to see paid by means of cancellation."

Thus far Senator REED takes precisely the same position that MCFADDEN took. There is no occasion for excitement or "indignation" about the statement, for everyone knows it to be true.

And then Senator REED continues:

"They [the loans] were made by American bankers with eyes wide open to the situation of the debtor countries, with full knowledge of the prior existence of this Government's claim and the difficulty that the debtors would have in meeting both public and private debts. Now, to ask that those private claims of some American citizens should be given priority over the intergovernmental claims, which are the claims of all American citizens, seems to me to be a piece of outrageous effrontery."

"Outrageous effrontery." That is language almost as strong as MCFADDEN used.

AND WHO ASKS THE REVIVAL?

True it is that Senator REED does not accuse the President of "outrageous effrontery" in words; but he does by implication. For when he was asked if he favors the revival of the War Debts Commission he replied:

"I do not. It can have but one result, and that is a further reduction of the amounts due the United States. Nobody suggests that we shall review those debts with a view to finding an increased capacity to pay on the part of any debtor."

Thus he says that the manifest purpose in reviving the War Debts Commission is to scale down the debts and transfer the amount "forgiven" to the backs of the taxpayers of the United States.

And who asks the revival? President Hoover.

Thus by indirection, but none the less clearly, he says that the President's proposal about the revival of the commission is a "piece of outrageous effrontery."

MUCH MORE INVOLVED

To old-fashioned Americans there is much more involved in the manifest plan of the administration than the loss of billions to the American people to be made up by the taxation of the American people by billions to pay the debts of other nations. This is wicked enough in view of our condition, with our economic collapse, with our enormous deficit in the Treasury, with the appalling increases in taxation to meet this deficit. But there is a more serious theory of Government involved. Are private interests, in a hole, to be permitted to use the instrumentalities of Government to save their investments without the loss of a penny to themselves by going into the pockets of all the American people by law? Is the American Government a subordinate agency of high finance, or its property?

Through no fault of their own there are almost 7,000,000 breadwinners out of work and in need, but the Government can do nothing for them. There are many millions of women and children without enough to eat or wear, but the Government can not go into the Treasury for them.

To take money from the pockets of all the people by way of the Treasury for these victims of an economic collapse for which they are not responsible is denounced with deep feeling as a "vicious dole."

Many are wondering by what sophistry it becomes a beneficent dole to go into the pockets of the people to the tune of billions to make good the investments for handsome profit of the international bankers.

A MOST GLARING ILLUSTRATION

And unlike the millions who are victims of the stupidities of economic policies, for which they are not responsible, these international bankers knew precisely what they were about. As Senator REED well says, these bankers went into these loans they want made good through the transfer of the war debts of the world to the American taxpayers, with eyes wide open to the conditions.

They gambled with their money on the possibilities of repayment; and the public generally is wondering if in their calculation on the possibilities they counted confidently on their capacity to use the Government of the United States to guarantee their profits; the very Government which makes a virtue of its refusal to guarantee bread to hungry women and children.

For 50 years and more private interests have used Government in America to increase profits by law out of the pockets of the people; but here is a most glaring illustration, and the effect on the public or mass mind is doing no good to the international bankers.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Sheppard
Austin	Cutting	Johnson	Shipstead
Bailey	Dale	Jones	Shortridge
Bankhead	Davis	Kean	Smith
Barbour	Dickinson	Kendrick	Smoot
Barkley	Dill	Keyes	Steiwer
Bingham	Fess	King	Swanson
Black	Fletcher	La Follette	Thomas, Idaho
Blaine	Frazier	Lewis	Thomas, Okla.
Borah	George	Logan	Townsend
Bratton	Glass	McGill	Trammell
Brookhart	Goldsborough	McKellar	Tydings
Broussard	Gore	McNary	Vandenberg
Bulkley	Hale	Morrison	Wagner
Bulow	Harris	Moses	Walcott
Byrnes	Harrison	Norbeck	Walsh, Mass.
Capper	Hastings	Norris	Walsh, Mont.
Caraway	Hatfield	Nye	Waterman
Carey	Hawes	Patterson	Watson
Connally	Hayden	Reed	Wheeler
Coolidge	Hebert	Robinson, Ind.	White
Costigan	Howell	Schall	

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.

APPROPRIATION FOR EMPLOYMENT SERVICE, DEPARTMENT OF LABOR

The VICE PRESIDENT laid before the Senate the action of the House of Representatives on House Joint Resolution 142, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES,
December 19, 1931.

Resolved, That the House agree to the amendment of the Senate to the joint resolution (H. J. Res. 142) making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932, with an amendment as follows:

In lieu of the matter stricken out by such Senate amendment insert the following:

": *Provided further,* That no salary shall be paid under this appropriation at a rate in excess of $2,000 per annum."

Mr. JONES. Mr. President, as I stated on the floor the other day, the Secretary of Labor assured the members of the House committee and also the Senate committee that he would not pay any salary of more than $2,000 under the $120,000 appropriation. The House committee in reporting its bill apparently acted on that theory, because it made no limit. The House did add a limitation. We struck it out. The House now inserts a limitation applying only to the money carried by this bill. This might be considered a doubt on the part of the House of the word of the Secretary of Labor. I can hardly think the House intended it as such. However, as the amendment simply carries out what the Secretary of Labor assured us would be done, and as it is urgent that we get action on this bill and as the Secretary is anxious for prompt action, I move that the Senate concur in the amendment of the House to the Senate amendment.

The amendment of the House to the amendment of the Senate was concurred in.

CELEBRATION OF THE TWO HUNDREDTH ANNIVERSARY OF THE BIRTH OF GEORGE WASHINGTON

The VICE PRESIDENT. In accordance with the provisions of House Concurrent Resolution No. 4, the Chair appoints the Senator from Ohio [Mr. FESS], the Senator from Kansas [Mr. CAPPER], and the Senator from Virginia [Mr. GLASS] as the members on the part of the Senate of the joint committee to make arrangements for a celebration in the House of Representatives on February 22, 1932, of the two hundredth anniversary of the birth of George Washington.

PETITION

Mr. DAVIS presented a petition of sundry citizens, being ex-service men, of Philadelphia County, Pa., praying for the full cash payment of adjusted-compensation certificates (bonus), which was referred to the Committee on Finance and ordered to be printed in the RECORD in full, as follows:

PHILADELPHIA VETERANS

Hon. JAMES J. DAVIS AND MEMBERS OF THE SEVENTY-SECOND CONGRESS:

Resolved, We, the undersigned citizens of Philadelphia County, Pa., and veterans of the World War, do hereby petition the United States Senate of the Seventy-second Congress. Due to the widespread unemployment conditions among the ex-service men, we do hereby request the immediate passage of bill H. R. No. 1, for full cash payment of the adjusted-compensation certificates.

William O'Brien, Howard W. Raines, Paul M. Schell, Martin Rettig, David Morris, Joseph Collins, Harland H. Humphrey, Jacob Ludwig, Morris L. Ehrlich, Salvatore Forni, Oscar Reiser, Sam B. Fivel, Tony Lanatto, William C. Hayes, Nicola Pellicciotti, John Orris, Paul M. Myers, Tony Lapinski, Rodny S. Jones, Gerald E. Connelly, George Welch, Oliver W. Milson, Stanley Knowles, Sam Weiss.

REPORT OF SELECT COMMITTEE ON SENATORIAL CAMPAIGN EXPENDITURES

Mr. NYE. Mr. President, from the Select Committee on Senatorial Campaign Expenditures, pursuant to Senate Resolution 215 of the last Congress, I submit a report (No. 20), which I send to the desk. I ask that it may be printed and placed upon the desk of each Senator to-morrow morning, and also that it may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The report is as follows:

[Senate Report No. 20, Seventy-second Congress, first session]

SENATORIAL CAMPAIGN EXPENDITURES, 1930

Mr. NYE, from the Select Committee on Senatorial Campaign Expenditures, submitted the following final report (pursuant to S. Res. 215):

The Select Committee on Senatorial Campaign Expenditures has previously submitted reports covering certain of the specific investigations which it has conducted in accordance with the provisions of Senate Resolution 215. In this report it is dealing only with the findings of the committee as a result of its more complete investigation and without regard to specific contests.

It is recognized that the primary purpose of the resolutions which authorized these investigations was that of affording possible legislative remedies for the evils which may have developed by reason of the use of money in elections. The purpose of the present report is, therefore, primarily to submit our recommendations for constructive legislation.

The committee finds, as a result of its investigations and examination of the incomplete returns filed under existing law, that there was expended in connection with the election of United States Senators in 1930 a total of $5,505,712.

The excessive character of these expenditures will be evident when it is understood that the annual salaries of all the Senators elected in this campaign would amount to only $350,000. The expenditures were thus more than fifteen times the amount of the annual salaries of the offices sought.

A considerable part of these expenditures, it is true, were made in behalf of tickets upon which other candidates were running, both in the primary and in the general election. Nevertheless, as many witnesses testified, it is doubtful if the total expenditures would have been greatly reduced if the senatorial candidates had been running alone.

This is more than offset by the fact that in 15 States, in which 17 Senators were elected, the expenditures, as reported, were small or moderate in size. The bulk of the expenditures, aggregating $4,898,121, was therefore concentrated in 18 States, in which the amounts expended ranged from $63,375 to $2,005,033.

Without going further into detail as regards either the amount or the character of these campaign expenditures, it would appear that in a majority of the States they were excessive, when measured by any reasonable standard. The use of such large sums is incompatible with a free and uncontrolled expression of the will of the people and with the maintenance of even a semblance of that equality of opportunity for citizens to seek public office, which is the very foundation of genuine democracy.

EXTENT AND CHARACTER OF INVESTIGATIONS

The investigations of the Select Committee on Senatorial Campaign Expenditures indicate clearly that while this situation is due in part to the increasingly complex and expensive character of political campaigns in the United States, it is even more largely the result of the defective character of the existing law, which imposes substantially no limitation upon expenditures and does not even provide effective publicity as to the source of contributions or the amount and character of expenditures as now reported under existing law.

These investigations of the committee covered 18 States, in which 408 witnesses were publicly examined, while several hundred more were privately interviewed by the committee's representatives. They included almost every section of the country, and examined, with equal impartiality and freedom from partisan bias, all substantial charges preferred in accordance with the terms of Senate Resolutions 215 and 403, creating the committee and defining its purposes.

The committee, therefore, has had an adequate opportunity to examine the operation of the present law and ascertain its defects. In addition, in a special series of public hearings held after its field investigations had been concluded, the committee heard the testimony of a number of the leading authorities in American universities on political science and the law of elections and received their recommendations. Although they differed upon minor points, they were in harmony in declaring that the present law is defective and that the practically uncontrolled expenditures which it permits constitute a serious menace to representative government in the United States.

DEFECTS OF EXISTING LAW

Some of the principal defects in the existing law—the Federal corrupt practices act of 1925—as revealed by the committee's investigations are:

1. It makes no attempt to limit or to provide publicity for expenditures in primary elections.

In more than half the States and congressional districts the nomination is equivalent to election. In nearly every State, moreover, the contest for the nomination is likely to be as bitterly fought and to involve as large expenditures as the general election.

2. It fails to place any effective limitation upon campaign contributions and expenditures even in the general election.

3. It does not fix responsibility clearly either for improper expenditures or for failure to file reports, and thus makes effective enforcement extremely difficult.

4. Its provisions regarding the reporting of contributions and expenditures are confusing and provide many opportunities for evasion.

5. It fails to provide effective publicity even for the reports filed in accordance with its provisions.

6. It does not reach large numbers of national and local organizations, which, while not directly supporting particular candidates, frequently exercise a controlling influence over elections.

7. It is ineffective both in controlling and requiring adequate publicity of the expenditures made in presidential elections.

8. It provides no adequate means either of checking the reports that are made or of enforcing the penalties prescribed for its violation.

RECOMMENDATIONS OF THE COMMITTEE

In order to remedy these defects in the existing law and provide in future not only effective publicity for campaign contributions and expenditures but also a reasonable measure of control over their amount and character, the committee, in accordance with the provisions of Senate Resolution 215, submits herewith its recommendations in the form of a bill, together with a statement of the considerations underlying its principal provisions.

The bill submitted herewith is based upon a draft prepared at the request of the chairman by Prof. James K. Pollock, of the University of Michigan. It embodies, in its revised form, suggestions made by Prof. Charles E. Merriam, of the University of Chicago; Prof. Earl R. Sikes, of Dartmouth College; Prof. Charles E. Beard, formerly of Columbia University; Prof. Louise Overacker, of Wellesley College; and other leading authorities upon the law of elections, as well as many features based upon investigations conducted during the past year by the committee.

The work of digesting and analyzing the evidence before the committee and of preparing the bill in the form in which it is submitted has been directed by Mr. Basil Manly, former joint chairman, with Chief Justice William Howard Taft, of the National War Labor Board.

This draft includes the principal recommendations contained in the reports of former Senators William S. Kenyon and James A. Reed and Senators WILLIAM E. BORAH and FREDERICK STEIWER, as chairmen of the several select committees on campaign expenditures which have been authorized by the Senate during the past 10 years.

A thorough study has likewise been made of all the bills dealing with corrupt practices and campaign expenditures that have been introduced in the Senate and House of Representatives during the past quarter of a century and the results are incorporated in the present revised draft.

The purpose of the bill as drafted is primarily to fix responsibility for campaign expenditures and to require the filing of complete and accurate reports of the contributions received and expenditures made on behalf of every candidate for Federal office.

CONTROL OF NOMINATIONS AND ELECTIONS

The bill attempts, without conflicting directly with the decision of the Supreme Court in the Newberry case, to establish proper limitations upon the expenditures that may be made in campaigns for nomination and election by candidates for President and Vice President of the United States as well as by Senators and Representatives, Delegates, and Resident Commissioners in Congress.

This purpose, it is believed, may be achieved by the application of the following principles:

1. The election process, from the time a candidate announces his candidacy or takes any other step looking toward his ultimate election, is a single process, regardless of the method which may be used in any State to determine the will of the electors.

The corruption of any part of this process is a corruption of the whole. This principle was enunciated by Justices Pitney, Brandeis, and Clark in their dissenting opinion in the Newberry case in the following language:

"It seems to me too clear for discussion that primary elections and nominating conventions are so closely related to the final election, and their proper regulation so essential to effective regulation of the latter, so vital to representative government, that power to regulate them is within the general authority of Congress.

"An election is the choosing of a person by vote to fill a public office. In the nature of things it is a complex process, involving some examination of the qualifications of those by whom it is to be made; some opportunity for the electors to consider and canvass the claims of the eligibles; and some method of narrowing the choice by eliminating candidates until one finally secures a majority, or at least a plurality, of the votes. For the process of elimination, instead of tentative elections participated in by all the electors, nominations by parties or groups of citizens have obtained in the United States from an early period. Latterly the processes of nomination have been regulated by law in many of the States through the establishment of official primary elections. But in the essential sense, a sense that fairly comports with the object and purpose of a Constitution such as ours, which deals in broad outline with matters of substance and is remarkable for succinct and pithy modes of expression, all of the various processes above indicated fall fairly within the definition of 'the manner of holding elections.' This is not giving to the word 'elections' a significance different from that which it bore when the Constitution was adopted, but is simply recognizing a content that of necessity always inhered in it. The nature of that instrument required, as Chief Justice Marshall pointed out in McCulloch *v.* Maryland (4 Wheat. 316, 407), 'that only its great outlines should be marked, its important objects designated, and the minor ingredients which compose those objects be deduced from the nature of the objects themselves.'"

Chief Justice White, in a separate dissenting opinion, also strongly emphasized the essential unity of the entire election process and the necessity for protecting it from possible corruption at every point. He said:

"In view, then, of the plain text of the Constitution, of the power exerted under it from the beginning, of the action of Congress in its legislation, and of the amendment to the Constitution, as well as of the legislative action of substantially the larger portion of the States, I can see no reason for now denying the power of Congress to regulate a subject which from its very nature inheres in and is concerned with the election of Senators of the United States as provided by the Constitution."

"Corruption in elections," as John Adams said, "is the great enemy of freedom." To permit any part of the election process to remain subject to corruption or to the effect of excessive expenditure of money is to subject the essential structure of the Federal Government to dangerous and subversive influences which will in the course of time destroy it.

Article I, section 4, of the Constitution, providing that the Congress shall regulate the times, places, and manner of holding elections for Senators and Representatives, if given the broad and liberal interpretation which the Supreme Court has almost uniformly given to those clauses which relate to the structure of the Federal Government and the powers of its coordinate branches, must be held to confer upon Congress the power of protecting the entire election process for these offices from corruption and merely the casting and counting of the ballots at the general election. So likewise, as is pointed out below, it must be held that the Congress has all the power necessary to protect the offices of President and Vice President of the United States from becoming the objects of barter and sale, in order that the chief executive office of the Nation may not be corrupted or procured by the expenditure of excessive sums of money.

2. The draft of the bill incorporates also the suggestion contained in the recent decision of Federal Judge Munger in the case of United States *v.* Victor Seymour to the effect that it would be within the constitutional power of Congress to provide that no candidate shall be entitled to have his name appear upon the official ballot in the general election, unless such candidate shall have complied with such reasonable regulations as may be made by the Congress limiting the amount of money to be expended in the primary election and prescribing the statements of expenditures that shall be filed.

After reviewing all the principal Federal decisions relating to the control of elections, including the Newberry case, Judge Munger declared:

"In view of these decisions, it is not perceived why Congress may not enact valid legislation providing that the manner of elections for Senators and Representatives shall be by the use of a printed official ballot, that upon such ballot there shall be printed the names of those nominees only for such offices as shall have duly made and filed with some public officer a sworn statement of all contributions and expenditures which have been made by or for the benefit of such candidate, to his knowledge, in obtaining the nomination for such office, and the names of those contributing and of those to whom money was paid, also requiring, as a prerequisite to the printing of such nominee's name upon the ballot, that the officers of a campaign committee acting on behalf of such candidate should file a similar statement. As has been indicated, such legislation would be in harmony with the legislation of many States and with other statutory restrictions as to names of candidates upon the printed ballots. (See 9 Rul. Cas. Law, pp. 1054, 1055, 1056.) It would relate directly to the manner of holding the elections for Senators and Representatives."

ELECTION OF PRESIDENT AND VICE PRESIDENT

Before entering into a detailed discussion of the provisions of the present bill, it may be well to discuss briefly the principle underlying the sections dealing with the expenditures that may be made on behalf of candidates for President and Vice President of the United States.

Previous legislation has been directed toward the control of expenditures made in connection with the choice of presidential electors. The present bill proceeds on the theory that the offices of President and Vice President of the United States are Federal offices, the protection of which from the taint of corruption is of supreme importance to the welfare of the Nation. Inasmuch as the final choice of the President and Vice President of the United States is reposed by the Constitution in the Congress, which must certify to their election, and, under certain circumstances, actually designate the successful candidates for these offices, it would appear that the Congress must possess the power to enact appropriate legislation to prevent the entire process leading up to such election from contamination by the evils of corruption and excessive campaign expenditures and to require such reports from candidates and committees as may be necessary for its information.

THE FICTION OF THE ELECTORAL COLLEGE

It is true that in the general election the votes are cast nominally for the presidential electors nominated by the several parties. Nevertheless, it is a fact, as every student of American politics acknowledges, that the Electoral College has become a mere fiction. The votes are in reality cast for the candidates for President and Vice President to whom these electors are understood to be committed. In some States, indeed, the names of the presidential electors do not appear on the official ballot, only the names of the presidential and vice presidential candidates being shown. (Testimony of Professor Pollock, hearings on remedial legislation, p. 57.)

Chief Justice White in his opinion in the Newberry case referred to the contrast between the original constitutional plan for the election of the President and the actual process as developed by custom as follows:

"The election of President offers an illustration of the filching of actual power away from the electors in whom it is vested by law. When James Russell Lowell, a Republican elector for Massachusetts in 1876, was urged to exercise his independence and vote for Tilden, he declined, saying that 'Whatever the first intent of the Consti-

tution was, usage had made the presidential electors strictly the instruments of the party which chose them.' The Constitution remains unchanged, yet presidential electors recognize that they have been stripped of all discretion."

While the election of President and Vice President is not completed until the Senate and House of Representatives in joint session canvass the results of the vote cast by the Electoral College, the election process actually begins when the candidates for President and Vice President take the first steps to secure their nominations by the national conventions of the major political parties. Even in the case of independent candidates for President substantially the same situation exists, as such candidates become serious contenders only after they have received the nomination of some form of convention.

The present bill seeks, therefore, to establish proper limitations upon the amounts which may be expended by or on behalf of presidential and vice presidential candidates from the time that their candidacy is initiated, either by public announcement or by some other act, until the votes of the Electoral College are canvassed by the Senate and House of Representatives in joint session. Throughout the period of the presidential candidacy for nomination and election, provision is made for the filing at proper intervals of reports of contributions and expenditures made by or on behalf of such candidates. Generous, but strict, limitations are prescribed for the amounts which may be expended on behalf of such candidates in seeking the nomination and in attempting to procure the choice of electors who are committed to cast their votes for such candidates in the Electoral College.

NOT A GENERAL ELECTIONS LAW

No attempt is made in the present bill to regulate elections in the several States except by the provision of proper limitations upon the amounts which may be expended by the candidates for Federal offices and by the requirement of reports with reference to their expenditures. While the investigations of the Select Committee on Senatorial Campaign Expenditures have revealed widespread frauds and corruption and gross laxity in the conduct of elections in certain States, nevertheless it is believed that it would be unwise for the Federal Government to attempt to assert the extent and character of control over the conduct of elections in the several States which would be necessary to establish an effective curb upon such corrupt practices. Such a centralization of control over Federal elections might in the course of time result in the intrenchment of a national political machine inimical to the welfare of the Nation.

CENTRALIZATION OF REPORTS

The bill substitutes for the present practice of requiring reports of expenditures to be filed with the President of the Senate and the Clerk of the House of Representatives provisions for the creation of a joint committee on elections representatives of the two Houses of Congress, with which all such reports shall be deposited. This plan will avoid the confusion which now exists because of the two places in which reports are required to be filed. It is also in complete harmony with the provision of the Constitution making each House the judge of the elections and qualifications of its Members. All matters relating to Federal elections are thus kept under control of the membership of the two Houses of Congress. The procedure suggested will enable each House to be fully informed regarding expenditures made in connection with the election of its Members, and both Houses to be jointly advised of the facts relative to the election of the President and Vice President of the United States.

The creation of such a joint committee on elections is in conformity with the established practice of the House and Senate. It requires no new and elaborate machinery and involves no question of delegated powers. The detailed provisions of this section insure proper representation of the majority and minority parties and should result in effective scrutiny and widespread publicity of campaign expenditures of all candidates and committees.

Prompt local publicity is secured by providing for the filing of duplicate copies of the reports of expenditures with the clerk of the United States court of the district in which the candidate is located.

NECESSITY FOR FIXING RESPONSIBILITY

The most important departure in principle from the corrupt practices act of 1925 lies in the fact that the present bill seeks to center the responsibility for campaign expenditures upon such candidate or his agent and prohibits all those who are not properly authorized by the candidate or his agent from receiving contributions or making expenditures.

Under this plan the candidate becomes legally responsible for the expenditures of all persons and committees whom he or his agents has authorized to act in his behalf, while all unauthorized persons and committees receiving contributions or making campaign expenditures become subject to the penalties provided in the bill. This will effectively curb the growing activities of "political racketeers" who use the names of popular candidates to enrich themselves.

It is only through such a plan, it is believed, that it will be possible to establish any effective restraint upon political expenditures. Under present conditions it is necessary in practice for prosecuting officers to prove that the candidate had knowledge of all excessive or improper expenditures made in his behalf. This is difficult, if not impossible, in most cases. Under the proposed plan, on the other hand, each candidate becomes responsible for the activities and expenditures of the persons and committees which he has authorized, but he is relieved of responsibility for the acts of all other persons and committees. At the same time all unauthorized persons and committees become subject to severe penalties if they attempt to collect campaign contributions or influence an election by the expenditure of money.

The early passage of this bill or some other adequate revision of the present Federal corrupt practices act is necessary if the presidential and congressional campaigns of 1932 are to be free from the flagrant abuses which the investigations of this and other committees have revealed in connection with previous elections.

GERALD P. NYE, *Chairman*,
PORTER H. DALE,
C. C. DILL,
ROBERT F. WAGNER,
Committee.

Mr. NYE. Mr. President, in that connection since the report of the committee relates to a bill which has been introduced in the Senate by me, Senate bill 2316, I ask that the text of the bill be incorporated in the RECORD following the report of the committee.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill (S. 2316) to regulate election expenditures (introduced by Mr. NYE on December 19, 1931, and referred to the Committee on the Judiciary), is as follows:

Be it enacted, etc., That this act may be cited as the "Election expenditures act."

SEC. 2. When used in this act—

(a) The term "election" shall mean and include any part of the election process in which there is submitted to a popular vote, or to a vote in a caucus or convention, the name of any person for nomination or election to the office of President or Vice President of the United States, United States Senator or Representatives or Delegate or Resident Commissioner in Congress, or at which delegates are chosen to any convention at which such candidates are to be chosen, indorsed, or nominated.

The election process with respect to any candidate within the meaning of this act shall be construed to begin with the announcement of his candidacy by public declaration or with the commission of any act by the candidate or by any person acting in his behalf designed to procure or influence his ultimate election, whichever is earlier in time.

(b) The term "candidate" shall mean every candidate for nomination or election to the office of President or Vice President of the United States, United States Senator or Representative or Delegate or Resident Commissioner in Congress, or any other position of profit or trust in the Government of the United States at an election as defined in paragraph (a) at which a United States Senator or Representative in Congress is to be voted for.

(c) The term "political committee" as used herein shall include the National and State committees of all political parties, and the congressional and senatorial campaign committees of all political parties, and all other committees, associations, or organizations which shall influence or attempt to influence, directly or indirectly, the nomination or election of any candidate as defined herein at an election at which Senators or Representatives in Congress of the United States are to be nominated or elected or which shall influence or attempt to influence, directly or indirectly, congressional legislation.

(d) The term "official ballot" as used herein shall include any and all printed or written forms upon which appear the names of candidates for use at an election as defined in paragraph (a) of this section, whether or not such ballots shall be printed or issued in more than one part or section.

(e) The term "contribution" includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution.

(f) The term "expenditure" includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

(g) The term "person" includes an individual, partnership, committee, association, club, corporation, and any other organization or group of persons.

(h) The term "agent" shall mean any person or committee designated by a candidate or by a group of candidates to solicit and/or receive contributions, incur obligations and/or make expenditures in connection with any election as defined in paragraph (a).

(i) The term "Joint Committee on Elections" shall mean the joint committee of Congress, composed of equal numbers of Senators and Representatives in Congress, the creation of which is authorized herein, which shall be authorized and directed to receive, examine, audit, and have custody of all reports, statements, and other documents required to be filed under the terms of this act.

SEC. 3 (a) There is hereby established a joint congressional committee to be known as the Joint Committee on Elections (hereinafter in this section referred to as the joint committee) and to be composed of 10 members, as follows:

1. Five members who are members of the Committee on Privileges and Elections of the Senate, three from the majority and two from the minority party, to be chosen by such committee; and

2. Five members who are members of the Committee on Election of President, Vice President, and Representatives in Congress of the House of Representatives; three from the majority and two from the minority party, to be chosen by such committee.

(b) No person shall continue to serve as a member of the joint committee after he has ceased to be a member of the committee by which he was chosen, except that the members chosen by the Committee on Election of President, Vice President, and Representatives in Congress who have been reelected to the House of Representatives may continue to serve as members of the joint committee notwithstanding the expiration of the Congress. A vacancy in the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee and shall be filled in the same manner as the original selection except that (1) in case of a vacancy during an adjournment or recess of Congress for a period of more than two weeks the members of the joint committee who are members of the committee entitled to fill such vacancy may designate a member of such committee to serve until his successor is chosen by such committee, and (2) in the case of a vacancy after the expiration of a Congress which would be filled by the Committee on Election of President, Vice President, and Representatives in Congress; the members of such committee who are continuing to serve as members of the joint committee may designate a person who, immediately prior to such expiration, was a member of such committee and who is reelected to the House of Representatives to serve until his successor is chosen by such committee.

(c) It shall be the duty of the joint committee—

1. To receive, examine, audit, and have custody of all reports, statements, and other documents required to be filed with it under the terms of this act.

2. To prepare and publish, as provided herein, summaries of the reports of contributions and expenditures filed under the terms of this act.

3. To report to the Senate and House of Representatives, respectively, all violations of this act affecting the election of members. To report to the two Houses, jointly, all violations affecting the election of other candidates.

4. To prepare such printed forms and make such regulations as may be necessary to carry out the purposes of this act.

(d) The joint committee shall meet and organize as soon as practicable after at least a majority of the members have been chosen, and shall elect a chairman and vice chairman from among its members and shall have power to appoint and fix the compensation of a secretary and such experts and clerical, stenographic, and other assistants as it deems advisable.

(e) The committee shall appoint a majority clerk to be designated by the majority members and a minority clerk to be designated by the minority members. The majority and minority clerks shall receive equal compensation and shall have access to all reports, statements, and other documents filed with the joint committee.

(f) The expenses of the joint committee shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman or vice chairman.

(j) The term "State" includes the Territories and possessions of the United States.

SEC. 4. (a) It shall be unlawful for any expenses to be incurred or for any expenditures to be made for the purpose of promoting or influencing the nomination or election of any candidate within the scope of this act, except by the persons authorized under the provisions of this section and by the committees provided for in section 17. Any person or persons making expenditures in violation of this provision shall be subject to the penalties set forth in sections 36 and 37.

(b) Every candidate, before making or authorizing any expenditures in connection with his candidacy for the nomination, and, if he nominated, also immediately after his nomination, shall appoint an agent who, except as hereinafter provided, shall thereafter be the only person authorized to solicit or receive contributions or incur expenses or disburse money for the purpose of promoting or influencing the nomination or election of such candidate.

(c) A candidate may name himself or some other person as agent, or he may designate a political committee to act as his agent. In case a committee is designated, only its treasurer may solicit or receive contributions or incur expenses or disburse money, except as provided by paragraph (d) of this section.

(d) It shall be unlawful for any person except the agent of a candidate to solicit or receive contributions or incur any expenses or disburse money in promoting or procuring either directly or indirectly the nomination or election of any candidate, unless he is authorized in writing by the agent, which authorization shall state the maximum amount to be received and/or expended: *Provided*, That this shall not be interpreted to prohibit any individual citizen from expending his own funds to pay his own individual expenses in connection with a political campaign or to prohibit any individual from expending his own funds to express his views regarding any candidate or any political issue, each such individual being held responsible, however, for reporting such expenditures in accordance with the provisions of section 10 of this act.

(e) Any contributions or expenditures authorized as aforesaid by the agent shall be duly returned as a part of the candidate's receipts or expenditures and are included within the limitations set forth in this act.

(f) In case a candidate appoints as his agent an agent or a committee which is also acting in behalf of another candidate or other candidates for any public office, either within or without the scope of this act, said agent or committee shall make a return of the aggregate contributions and expenditures for all candidates in whose behalf said agent or committee acts, and for each candidate within the terms of this act shall allocate as accurately as possible the joint expenditures to the account of each candidate, in addition to listing the receipts and expenditures which are individual to each candidate. The method or rule of apportionment for joint expenditures as between candidates shall be stated in each candidate's or committee's report as hereinafter provided. In no case shall the joint expenditures made by said agent or committee on behalf of a group of candidates exceed twice the aggregate amount allowed by this act for the candidates for the office of United States Senator, Representative, Delegate, or Resident Commissioner in Congress included within such group.

SEC. 5. (a) The agent of every candidate for Senator or Representative or Delegate or Resident Commissioner shall file with the joint committee on elections between 10 and 15 days before the nomination and within 15 days after the nomination, and between 10 and 15 days before the election and within 15 days after the election of such candidate, a complete and true statement containing—

1. A list showing the name and address and date of authorization of every individual who has been authorized to solicit or receive contributions and/or incur obligations or make expenditures for, or in behalf of, said candidate and the official designation and address and date of authorization of every committee which has been so authorized, together with the name and address of the chairman and treasurer of each such committee. The above statement shall show for each person and committee the maximum amount authorized to be received and/or expended.

2. A correct and itemized account of each contribution received by him or by any person for him with his knowledge or consent from any source, in aid or support of the nomination or election of the candidate or candidates whom he represents, or for the purpose of influencing the results of the nomination or election, together with the name and address of the person who has made such contribution, and the date and amount of the contribution.

3. A correct and itemized account of each expenditure made by him or by any person for him with his knowledge, consent, or authorization, in aid or support of his candidate's nomination or election, together with the name and address of the person to whom such expenditure was made, the date, the amount, and the purpose of such expenditure, the statement to be in such detail as may be necessary to disclose the amount and character of the goods and/or services covered by such payment.

4. A correct and itemized account showing for each loan or advance secured for the benefit of the candidate or candidates the date, the amount, the name and address of the person or persons making such loan or advance, the indorser or indorsers, the rate of interest, the security therefor, and the dates and amounts of all repayments or curtailments, together with the total sum of all such loans or advances received during the period for which the account is filed.

5. The name and address of each person to whom remains unpaid any loan, bill, or other obligation on the date of filing such statement and the amount and nature thereof, together with the total sum of all such outstanding loans, bills, and other obligations.

(b) It shall be unlawful for an agent or committee or other person to solicit or receive any contributions after the eleventh day before the election.

(c) Every expenditure exceeding $10 made by an agent, committee, or other person on behalf of any candidate or candidates shall be evidenced by a receipted bill stating the particulars of the expenditure, and every such receipt shall be preserved by the agent or the treasurer of the committee for a period of three years from the date of the filing of such statement containing such items.

(d) Such statement shall be attested under oath or affirmation by the agent or, in the case of a committee, by the treasurer, and shall be accompanied by certificates attested by oath or affirmation of the candidate and the chairman of said committee that such statement is complete and accurate to the best of his knowledge and belief.

(e) If an agent ascertains by proper inquiry that a duly organized committee, which has been authorized by him to receive contributions and make expenditures for or in behalf of the candidate whom he represents, has made or will make separate reports to the joint committee on elections, as provided herein, said agent's report need not include the receipts and expenditures of such committee, provided that the agent's report shall show clearly the name and address of each committee filing such separate reports and the total amount expended.

SEC. 6. The agent of every candidate for President or Vice President of the United States shall file with the joint committee on elections the following statements:

(a) Between 10 and 15 days before the date of the election in each State in which delegates to the national convention are to be chosen, a statement in the form and covering the items provided for in section 5 in so far as such items relate to the election or appointment of such delegates. A duplicate copy of such statement shall at the same time be filed with the clerk of the United States court of the judicial district in which the capital of said State is located.

(b) On the fifth day preceding the national convention of the political party or organization from which said candidate is seeking the nomination, a statement in the form and covering the items provided for in section 5 as to all contributions received by all persons and committees acting in behalf of said candidate and all expenditures made by said candidate and his agent and any persons or committees acting in his behalf. A duplicate copy of said statement shall be filed with the secretary of the convention of the political party or organization from which the candidate is seeking the nomination, upon the first day of the convention, and shall be kept in the office of the secretary and shall be open to public inspection.

(c) On the 1st day of September and between 10 and 15 days next preceding an election at which presidential electors are to be chosen, statements in the form and covering the items provided for in section 5 as to all contributions received by and all expenditures made by each person and committee authorized to solicit or receive contributions or make expenditures in the interest of said candidate.

(d) Within 40 days after every general election at which presidential electors are chosen, a statement in the form and covering the items provided for in section 5 as to all contributions and all expenditures made by each person and committee authorized to solicit or receive contributions or make expenditures in the interest of said candidate.

(e) The statements required by paragraphs (c) and (d) shall be cumulative.

SEC. 7. (a) Every political committee shall have a chairman and a treasurer. No contributions shall be accepted and no expenditures made by or on behalf of a political committee for the purpose of influencing an election until such chairman and treasurer have been chosen.

(b) It shall be the duty of the treasurer of a political committee to keep a detailed and exact account of—

1. All contributions made to or for such committee.

2. The name and address of every person making such contribution and the date thereof.

3. All expenditures made by or on behalf of such committees.

4. The name and address of every person to whom any such expenditure is made, and the date and purpose thereof.

(c) It shall be the duty of the treasurer to obtain and keep a receipted bill, stating all particulars, for every expenditure by or on behalf of a political committee exceeding $10 in amount. The treasurer shall preserve all receipted bills and accounts required to be kept by this section for a period of at least three years from the date of the filing of the statement containing such items.

SEC. 8. Every person who receives a contribution for a political committee shall, on demand of the treasurer, and in any event within five days after the receipt of such contribution, render to the treasurer a detailed account thereof, including the name and address of the person making such contribution and the date on which received.

SEC. 9. (a) The treasurer of every political committee within the scope of his act shall file with the joint committee on elections on the 1st day of January, April, July, and October, in each year, and also on the 15th day and on the fifth day next preceding the day on which a general election is to be held at which candidates are to be elected in two or more States, a complete and accurate statement containing for the period intervening since the preceding filing date—

1. The name and address of each person who has made a contribution to or for such committee of $25 or more, together with the amount and date of each such contribution, and the total sum of all such contributions.

2. The name and address of each person to whom an expenditure of $10 or more has been made by or on behalf of such committee and the amount, date, and purposes of such expenditure, together with the total sum of all such expenditures; the above statement to be in such detail as may be necessary to disclose the amount and character of the goods and/or services covered by such payments.

3. The name and address of each person from whom any advance or loan has been received, together with the date and amount of such loan or advance, the indorser or indorsers, the rate of interest, the security therefor, the date and amount of each repayment or curtailment and the total sum of all such loans and advances.

4. The name and address of each person to whom remains unpaid any loan, bill, or other obligation on the day of filing such statement, the amount and nature thereof, and the total sum of all such unpaid obligations.

5. The official designation and address of each subsidiary committee receiving contributions or making expenditures, together with the name and address of the chairman and treasurer of each subsidiary committee. If such subsidiary committees are known to be filing separate reports that fact shall be stated together with a statement of the total amount of receipts and expenditures of each subsidiary. If no separate report is to be filed by any subsidiary committee, the treasurer of the principal committee shall include with his report a statement for such subsidiary itemized in accordance with the provisions of this section.

(b) The statements required to be filed April 1, July 1, and October 1 shall be cumulative for the calendar year to which they relate.

(c) The statement required to be filed on January 1 shall be cumulative and cover the preceding calendar year.

(d) It shall be unlawful for an agent or committee or other person to solicit or receive any contributions after the eleventh day before an election.

(e) The reports specified in this section shall be filed by every committee seeking to influence an election as defined herein or to influence congressional legislation, regardless of whether the activities of such committee involve support of or opposition to any particular candidate or candidates.

(f) Every such statement shall be attested under oath by the treasurer of the committee and shall be accompanied by a sworn certificate by the chairman of said committee that the statement is complete and accurate to the best of his knowledge and belief.

SEC. 10. Every person who makes a contribution or an expenditure in one or more items, aggregating $100 or more within a calendar year or a single expenditure exceeding $25, for the purpose of influencing the election of candidates within the meaning of this act, shall file with the joint committee on elections an itemized detailed statement of such contribution or expenditure in the same manner as required of the treasurer of a political committee by section 9. It shall be the duty of every person receiving such contribution or contributions to advise the contributor of his obligation to file such report. All contributions shall be made and reported in the name of the actual contributor. Any person who shall make any contribution without disclosing the name of the person from whom the same in fact comes or who shall falsely report the name of the real contributor, and any officer or representative of any committee who shall knowingly enter upon the books, records, or reports of a committee any contribution as received from anyone other than the real contributor shall be guilty of a violation of this act.

SEC. 11. The statements required by this act to be filed by an agent or by a treasurer of a political committee with the joint committee on elections, as the case may be—

(a) Shall be verified by the oath or affirmation of the person filing such statement, taken before any officer authorized to administer oaths, and shall be accompanied by the sworn certificate of the candidate or chairman of a political committee, as the case may be, as hereinbefore provided.

(b) Shall be deemed properly filed when deposited in an established post office within the prescribed time, duly stamped, registered, and directed to the Joint Committee on Elections, United States Congress, Washington, D. C., but in the event it is not received within 10 days after the date prescribed for filing, a sworn and certified duplicate of such statement shall be promptly filed upon notice by the secretary of the joint committee on elections of its nonreceipt.

(c) Shall be properly indexed and preserved by the joint committee on elections for a period of three years from the date of filing, and shall be open to public inspection and shall be produced upon proper demand before any Federal or State grand jury or any Federal or State court of competent jurisdiction or before any properly authorized committee of the Senate or House of Representatives.

SEC. 12. Duplicate copies, properly sworn and certified, of statements required by this act shall be filed with the clerk of the Federal district court of the judicial district in which the candidate on whose behalf the statement is filed resides or in which the political committee has its headquarters. Such statements shall be preserved by the clerk for a period of three years from date of filing and shall be open to public inspection and shall be produced upon proper demand before any Federal or State grand jury or before any Federal or State court of competent jurisdiction. Such duplicate copies shall have the same evidentiary value before any court as the original statements filed with the joint committee on elections.

SEC. 13. It shall be the duty of the secretary of the joint committee on elections to check the receipt of the reports and statements required by this act, and, in case any report or statement has not been received within 10 days after the date upon which it is required to be filed, it shall be the duty of the said secretary to notify the delinquent person of the nonreceipt of such report or statement, and, if a sworn and certified duplicate is not received within 15 days thereafter, it shall be the further duty of said secretary to certify such failure to file to the district attorney of the proper judicial district, and it shall be the duty of the said district attorney to present the facts relating to such violation of this act before the Federal grand jury at the earliest opportunity.

SEC. 14. Printed forms for all statements required by this act shall be prepared by the joint committee on elections and copies thereof, together with a copy of this act, shall be furnished by the secretary of the joint committee on elections to the treasurer of every political committee and to every candidate or his agent. Every candidate, upon the announcement of his candidacy, is hereby required to file with the joint committee on elections his name and address and the name and address of his agent, and every political committee is required to include in every report filed with the joint committee on elections its official title and address, the names and addresses of its chairman and treasurer, and the name and address of its financial depositary or depositaries.

SEC. 15. (a) The manner of election at every election at which United States Senators and Representatives in Congress are to be chosen shall be by the use of official printed ballots which shall be supplied by the secretary of state or such other official or officials of each State as may be designated by the legislature thereof, and it shall be unlawful for the name of any candidate to be printed or otherwise appear upon the official ballot if, in his campaign for nomination, he and/or his agent and/or any person or persons acting in his behalf shall have made aggregate expenditures in excess of an amount equal to 4 cents per vote if

a candidate for the House of Representatives, or in excess of an amount equal to 2 cents per vote if a candidate for the Senate, for every vote cast for all candidates for the office in question at the last preceding election: *Provided*, That in any case it shall be unlawful for a candidate for the Senate and/or his agent and/or any person or persons acting in his behalf separately or jointly to expend in excess of $50,000 or for a candidate for the House of Representatives and/or his agent and/or any person or persons acting in his behalf separately or jointly to expend a sum in excess of $10,000: *And provided further*, That in no case shall the expenditures in behalf of a candidate for the House of Representatives be restricted to less than $2,000, and that in no case shall the expenditures in behalf of a candidate for the Senate be restricted to less than $5,000. If a candidate for the House of Representatives has his whole State as his district, then he shall be entitled to have expended in his behalf a sum equal to one-half the sum allowed to a candidate for the Senate.

(b) It shall be unlawful for any candidate for Senator or Representative in Congress in his campaign for election to make or permit his agent and/or any person or persons acting in his behalf to make aggregate expenditures in excess of the amount above specified for his campaign for nomination: *Provided*, That in cases where an agent or a political committee represents two or more candidates, the expenditures permitted shall be as provided in section 4, paragraph (f).

(c) The limitations above specified shall not be construed to limit or affect the right of any candidate to make reasonable expenditures for his own personal traveling expenses: *Provided*, That such traveling expenses shall not exceed $500, and for proper legal expenses in contesting the results of an election. All expenditures, whether limited or not, shall be included in the accounts which are required by this act to be filed.

(d) Any candidate for the House of Representatives or for the Senate shall, subject to regulations of the Postmaster General, be entitled to send free of any charge for postage to each registered voter of the State or district in which he is seeking nomination or election one postal communication containing matter relating to the election only and not exceeding 2 ounces in weight.

SEC. 16. It shall be unlawful for any candidate for President of the United States and/or his agent and/or any other person or persons and/or committee or committees acting in his behalf to make or permit to be made aggregate expenditures in excess of $250,000 to procure or influence the nomination of any political party or other organization in favor of such candidate. It shall be unlawful for any candidate for President of the United States and/or his agent and/or any person or persons and/or committee or committees acting in his behalf or in behalf of any candidate for Vice President of the United States to make or permit to be made aggregate expenditures in excess of $5,000,000 in seeking to secure for or in behalf of such candidate or candidates the appointment or election of presidential electors pledged or favorable to the ultimate election of said candidate or candidates. In determining the aggregate amount of such expenditures there shall be included all sums expended by the presidential and vice presidential candidates and their agents and all sums expended by the National and State committees of the political party or parties which they represent and all sums expended by every other person or committee acting in their behalf, and it shall be unlawful for any person or committee to solicit or receive contributions or make expenditures to influence the election of any candidate for President or Vice President of the United States unless such person or committee is authorized in writing so to do by the said candidates or their agents and a duplicate copy of such authorization shall in each case be filed with the joint committee on elections within five days after it is issued.

All sums transferred from or loaned by any National or State committees to any subordinate or affiliated committee or to any person shall be regarded as expenditures in determining the aggregate amount of the expenditures made in behalf of said candidate.

It shall be unlawful for the names of any presidential or vice presidential candidate, or for the names of any presidential electors pledged to or representing the political party of such candidates, to be placed upon the official ballot in any State if the aggregate expenditures made on behalf of the presidential and/or vice presidential candidates of the political party or organization with which said electors are affiliated shall exceed the limitations above set forth or if the said presidential and vice presidential candidates and their agents and all persons and committees authorized to act in their behalf shall not have filed complete and accurate statements of expenditures in the form and manner herein provided.

On or before the day fixed by statute for the counting of the votes cast for President and Vice President of the United States by the electors of the several States the joint committee on elections shall lay before the Senate and House of Representatives its final report of the aggregate expenditures made by or in behalf of each of the said candidates for President and Vice President and, if the aggregate amounts expended by or on behalf of any of such candidates shall exceed the limitation fixed herein, then such candidate shall be declared ineligible for election, and the Senate and House of Representatives shall proceed in the manner set forth by the Constitution to choose the President and Vice President of the United States.

SEC. 17. (a) The following-named committees of each political party shall be entitled to make expenditures not to exceed the amounts herein provided: *Provided*, That it shall be unlawful for the chairman or treasurer of any such committee to make or permit the expenditure of any of the funds of said committee to influence in any way the result of a nomination to an office within the scope of this act. A national committee shall not make during any calendar year expenditures in excess of an amount equal to 3 cents per vote for the total number of votes cast for all candidates for President at the last preceding presidential election; a congressional committee shall not make expenditures during any calendar year in excess of an amount equal to 1 cent per vote for the total number of votes cast for all candidates for Congress at the last preceding presidential election; and a senatorial committee shall not make expenditures in excess of an amount equal to 1 cent per vote for the total number of votes cast for all candidates for the Senate at the last preceding presidential election: *Provided*, That none of the above-named committees shall expend more than 10 per cent of its funds to influence or attempt to influence the result of an election in any one State. It shall be unlawful for the chairman or treasurer of the above-named committees to make or permit expenditures in excess of the amounts above specified.

(b) The expenditures above authorized for the general political activities of the above-specified committees are in addition to those authorized in the preceding section to be expended by agents of political committees representing particular candidates. But when any part of such expenditures are used to influence or attempt to influence the election of one or more candidates, either in promotion of or opposition to such candidate or candidates, such expenditures shall be included in the limitations set forth in the preceding section.

(c) Other political committees within the scope of this act may make expenditures in behalf of a candidate only when authorized in writing to do so by the candidate or by his agent or by one of the committees named above in this section, and when such expenditures are made they must be returned in the accounts required by this act to be filed with the joint committee on elections and such expenditures are included in the limitations set down in this and the preceding sections.

SEC. 18. (a) Every political committee shall keep in the name of the treasurer and every agent shall keep in his own name as agent a bank account in a bank authorized by national law, the name and address of which shall be reported in every statement filed as hereinbefore provided. Not more than one such depositary shall be permitted in any one State, and the name and address of each shall be reported as provided above. No expenditure may be authorized unless sufficient money is on deposit in said account to meet the same and no money shall be expended for any purpose by said committee or agent exceeding $10 in amount except by a check duly drawn against said account. The canceled checks drawn upon such account or accounts and the stubs thereof shall be preserved by the treasurer or agent for a period of three years and shall be produced upon the demand of any duly authorized committee of the Senate or House of Representatives or any State or Federal court of competent jurisdiction.

(b) If a loan or any other obligation is unpaid when the final statement of an agent or treasurer of a political committee is filed with the joint committee on elections after an election, such loan or obligation shall be considered as a contribution in respect to the limits heretofore prescribed.

SEC. 19. It shall be unlawful for a candidate or agent or chairman or treasurer of a political committee to make or permit to be made any expenditures from the funds under their respective control except for the following purposes and under the following conditions:

First. Necessary traveling expenses;

Second. The payment of fees or charges fixed by law;

Third. The hire of clerks, stenographers, and messengers, and the cost of addressing, preparing, and distributing campaign literature or educative matter;

Fourth. The salary of the agent and assistants, and in the case of a political committee, the salary of the chairman, secretary, and treasurer and assistants;

Fifth. Telegraph, telephone, and radio tolls, postage, freight, and express charges;

Sixth. Printing and stationery;

Seventh. Producing and formulating lists of voters;

Eighth. Headquarters or office expenses, including rent, heat, light, equipment, and supplies;

Ninth. Newspaper and other advertising;

Tenth. The rental of halls and other places for public meetings, and the expenses incidental thereto; and

Eleventh. Loud-speaking apparatus and traveling vans used for the dissemination of campaign material and for speaking purposes.

SEC. 20. Within 10 days after the date of filing each of the reports and statements herein provided for, the joint committee on elections shall prepare and make public a summary in clear and understandable form of all the reports and statements which are required to be filed with said committee. Said summary shall be and is hereby authorized to be printed as a public document and sent to every candidate, agent, and treasurer of a political committee.

SEC. 21. Within 40 days after every general election the joint committee on elections shall prepare and make public a summary in clear and understandable form of all the reports and statements which have been filed with said committee relating to the nominations and elections in that campaign. Said summary shall be printed in the CONGRESSIONAL RECORD the day it is made public, and shall be laid, together with all the accompanying accounts and papers, before each House. These reports and documents shall be referred in due course to such standing or select committees as may be designated from time to time. These committees shall forthwith scrutinize the accounts and shall have

the power to summon all persons and papers necessary to enable them to investigate every phase of the use of money in the election to which the accounts relate. Said committee shall render to their respective Houses of Congress reports of their investigations.

SEC. 22. It shall be the duty of the majority and minority clerks of the joint committee on elections to inspect carefully every account to ascertain if it complies with the law in every respect, and in case either of said majority or minority clerks finds evidence of a violation of law it shall be his duty to report the same at once to the joint committee on elections, which shall take such action as it shall deem advisable in the premises. On or before the first legislative day of January of each year the joint committee on elections shall report to the Senate all cases of violation of this act which have occurred in connection with the election of Senators during the preceding calendar year and to the House of Representatives all cases of violation of this act which have occurred in connection with the election of Members of that House, and shall report to both Houses jointly all cases of violation of this act which shall have occurred in connection with the nomination and election of all other candidates within the meaning of this act which have occurred in connection with an election at which Senators and Representatives in Congress have been elected, together with a list of all candidates, agents, and officers of political committees who have failed to file any of the reports or statements required of them by this statute.

SEC. 23. No candidate for the office of United States Senator or Representative, Delegate, or Resident Commissioner in Congress, or any other elective position of profit or trust provided for in the Constitution of the United States or the Federal statutes shall be permitted to have his or her name appear upon the official ballot at any election at which any Senator or Representative, Delegate, or Resident Commissioner in Congress is to be elected unless the agent of such candidate and all persons and committees acting in his behalf shall have filed with the joint committee on elections and with the clerk of the United States court of the proper judicial district, as provided above, the duly sworn and certified statements relating to the expenditures in connection with the nomination of such candidate required by this statute. Any officer of elections charged with the preparation of official ballots who permits the name of any candidate to appear thereon without having received from said candidate a statement, duly attested by oath or affirmation, that the above conditions have been fulfilled shall be deemed to have violated this act and shall be subject to the penalties herein provided.

SEC. 24. Jurisdiction over all violations of this act is hereby conferred upon any district court of the United States held in the Federal district in which the congressional district or the State, as the case may be, or any part of the congresisonal district or State in which the accused resides, is situate. In case of violations alleged to have been committed by the treasurer or other officer or employee of a political committee operating in two or more States or having members in two or more States, jurisdiction shall lie either in the district court as above defined or in the Supreme Court of the District of Columbia.

SEC. 25. Within 30 days after a nomination or an election, any 500 electors of the State or of the congressional district for which the election was held, may present a petition to the United States court of proper jurisdiction, praying for an examination of any account or statement filed under the provisions of this act. Thereupon the court shall direct the person with whom such account has been filed to certify the same to the court for examination and may in its discretion require reasonable security to be entered for costs. The court may in its discretion appoint an auditor to audit such account. The court shall fix a date as early as may be convenient for the hearing of the petition. If the court shall decide, upon the hearing, that any person, whether a candidate or not, has accepted contributions or incurred expenses or has expended or disbursed money in contravention of this act or in excess of the limitations herein set forth or has otherwise violated any of the provisions of this act, it shall certify its decision to the United States attorney of that judicial district and it shall thereupon be the duty of the United States attorney to institute criminal proceedings against such person or persons. The decision of the court shall also be certified to the Joint Committee on Elections.

SEC. 26. It is unlawful for any national bank or any corporation organized by authority of any laws of Congress to make, either directly or indirectly, a contribution in connection with any election to any political office. It shall also be unlawful for any corporation whatever to make a contribution, either directly or indirectly, in connection with any election at which presidential or vice presidential electors or a Senator or Representative in Congress is to be voted for. It is unlawful for any corporation to reimburse or compensate any officer, director, employee, or other person for contributions or expenditures made in connection with any election as defined herein. Every corporation which shall make any contribution or reimbursement in violation of the foregoing provisions shall be subject to a fine not exceeding $5,000; and every officer or director of any corporation who shall consent to any contribution or reimbursement by the corporation in violation of the foregoing provisions shall, upon conviction, be punished by a fine of not exceeding $1,000, or by imprisonment for a term of not more than one year, or both such fine and imprisonment, in the discretion of the court.

SEC. 27. It is unlawful for any candidate, directly or indirectly, to promise or pledge the appointment, or the use of his influence or support for the appointment, of any person to any public or private position or employment for the purpose of procuring support in his candidacy.

SEC. 28. It is unlawful for any person to make or offer to make an expenditure, or to cause an expenditure to be made or offered, to any person, either to vote or withhold his vote, or to vote for or against any candidate, and it is unlawful for any person to solicit, accept, or receive any such expenditure in consideration of his vote or the withholding of his vote.

SEC. 29. It is unlawful for any person to make or offer to make an expenditure, or to cause an expenditure to be made or offered, to any person, with the intent of inducing such person to become a candidate or to refrain from becoming a candidate or to withdraw his candidacy, and it is unlawful for any person to solicit, accept, or receive such expenditure in consideration of filing, withholding, or withdrawing his candidacy.

SEC. 30. It is unlawful for any candidate, agent, or political committee to borrow or to have outstanding at any one time loans in excess of 10 per cent of the aggregate amount of expenditures authorized herein to be made within any calendar year by such candidate, agent, or committee. It is unlawful for any national bank or other corporation authorized by the laws of the United States to make any loan or advances to any candidate or agent or political committee as defined by this act.

SEC. 31. It is unlawful for any person to transmit funds from one State to another State for the purpose of influencing or attempting to influence, in a State of which such person is not a citizen or resident, the result of an election at which a United States Senator or Representative in Congress is to be elected: *Provided*, That a national political committee shall be permitted to expend its funds in the several States under the terms and within the limitations provided in this act.

SEC. 32. It is unlawful for a Senator or Representative or Delegate or Resident Commissioner in Congress, or any candidate for, or individual elected as Senator, Representative, Delegate, or Resident Commissioner, or any official or employee of the United States, or any person receiving any salary or compensation for services from money derived from the Treasury of the United States, directly or indirectly, to solicit, receive, or be in any manner concerned in soliciting or receiving, any assessment, subscription, or contribution for any political purpose whatever from any such officer, employee, or person.

SEC. 33. Every person who shall have been appointed to fill a vacancy in the Senate shall file with the Joint Committee on Elections a sworn statement setting forth the amount of every contribution, gift, loan, or promise which he has made subsequent to the creation of the vacancy which he is appointed to fill to any political committee or to any officer of the State from which he is appointed or to any person, if such contribution, gift, loan, or promise has been made in connection with procuring, inducing, or otherwise influencing his appointment.

SEC. 34. In the event any candidate for the office of Senator, Representative, or Delegate or Resident Commissioner in the Congress of the United States shall knowingly violate, or permit to be violated, any of the provisions of this act, and such candidate is elected by reason of such unlawful practice, and a notice of intention to contest his or her election is filed, as required by law, within 30 days after the result of such election shall have been determined by the officers or board authorized to determine the same, each House of Congress is hereby authorized to forfeit his or her said office as Senator or Representative or Delegate or Resident Commissioner in Congress, as the case may be, each House judging the elections, returns, and qualifications of its own Members.

SEC. 35. It shall be unlawful for any person charged with the custody of the ballots, poll lists, and registration lists used in connection with the nomination or election of any Senator or Representative, Delegate or Resident Commissioner in Congress to destroy or permit the destruction of such records until after the twelfth month following such nomination or election or until after any contest which may have been filed in connection with the election of such Senator or Representative, Delegate or Resident Commissioner in Congress shall have been decided.

SEC. 36. This act shall not be construed to annul or vitiate the laws of any State not directly in conflict herewith relating to the nomination or election of candidates for the offices embraced herein, or to exempt any such candidate from complying with such State laws, but nothing in the laws of any State shall be held to authorize any act hereby forbidden or to excuse the performance of any act hereby enjoined.

SEC. 37. If any provisions of this act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the act and of the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 38. Any person who violates any of the foregoing provisions of this act, except those for which a specific penalty is otherwise herein provided, shall be incapable of holding any public or judicial office under the authority of the United States for a period of five years from the date of his conviction, and shall be fined not more than $5,000 or imprisoned not more than one year, or both.

SEC. 39. Any person who willfully violates any of the foregoing provisions of this act, except those for which a specific penalty is imposed, shall be incapable of holding any public or judicial office under the authority of the United States for a period of 10 years from the date of his conviction, and shall be fined not more than $10,000 or imprisoned not more than two years, or both.

SEC. 40. Each candidate and his agent shall be held jointly responsible for compliance with the provisions of this act in respect to the expenditures on behalf of such candidate and the reporting thereof and the chairman and treasurer of every political committee shall be held jointly responsible for the expenditures of such committee and the reporting thereof.

SEC. 41. The following act is hereby repealed: Title III of Public Law No. 506, Sixty-eighth Congress, entitled "Federal corrupt practices act, 1925."

SEC. 42. This act shall take effect 30 days after its enactment.

DISTRIBUTION OF GOVERNMENT-OWNED WHEAT

Mr. CAPPER. Mr. President, from the Committee on Agriculture and Forestry the Senator from Montana [Mr. WHEELER] and I report back with amendments the joint resolution (S. J. Res. 60) authorizing the distribution of Government-owned wheat to States or organizations for relief of people in distress and submit a report (No. 22) thereon. The joint resolution authorizes the distribution of wheat owned by the Federal Farm Board. We are directed by the committee to ask immediate consideration of the joint resolution.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

Mr. KING. Mr. President, let the joint resolution go to the calendar.

The VICE PRESIDENT. The Senator from Utah objects. The joint resolution will be placed on the calendar.

REPORT OF THE INTERSTATE COMMERCE COMMITTEE

Mr. DILL, from the Committee on Interstate Commerce, to which was referred the bill (S. 1037) to amend the radio act of 1927, approved February 23, 1927, and for other purposes, reported it without amendment and submitted a report (No. 23) thereon.

EXECUTIVE REPORTS OF COMMITTEE

As in executive session,

Mr. HEBERT, from the Committee on the Judiciary, reported favorably the nomination of Roy St. Lewis, of Oklahoma, to be Assistant Attorney General, to succeed George R. Farnum, resigned, which was placed on the Executive Calendar.

Mr. HASTINGS, from the Committee on the Judiciary, reported favorably the nomination of James Alger Fee, of Oregon, to be United States district judge, district of Oregon, to succeed Robert S. Bean, deceased, which was placed on the Executive Calendar.

Mr. KING, from the Committee on the Judiciary, reported favorably the nomination of John T. Barrett, of Massachusetts, to be reappointed marshal of the Canal Zone, under the provisions of the Panama Canal act, approved August 24, 1912, which was placed on the Executive Calendar.

Mr. COUZENS, from the Committee on Interstate Commerce, reported favorably the nomination of John Williams, of California, to be a member of the Board of Mediation for a term expiring five years after January 1, 1932 (reappointment), which was placed on the Executive Calendar.

He also, from the same committee, reported favorably the nomination of William E. Lee, of Idaho, to be an interstate commerce commissioner for the term expiring December 31, 1938 (reappointment), and of Balthasar H. Meyer, of Wisconsin, to be an interstate commerce commissioner for the term expiring December 31, 1938 (reappointment), which were placed on the Executive Calendar.

EMPLOYMENT OF ATTORNEY BY POWER COMMISSION

Mr. NORRIS. Mr. President, before the Senate leaves the order of reports of committees, I should like to make a statement, so that when later in the day I call up the matter I have in mind, Senators will understand what the Judiciary Committee is trying to do.

The VICE PRESIDENT. Is there objection to the statement of the Senator from Nebraska being made at this time? The Chair hears none, and the Senator will proceed.

Mr. NORRIS. I do not wish now to report the bill I have in mind, but am waiting for some information to be received later in the day which is being prepared. I shall ask the Senate for unanimous consent at that time for the consideration of the bill which the Judiciary Committee has directed me to report. The report will be unanimous.

The facts are that the Power Commission are desirous of employing an attorney and the Department of Justice desire that the attorney they select shall be appointed. He is an attorney in general practice, and has some cases pending against the United States, with no relation whatever to the matter in dispute in the case where it is desired to appoint him as special attorney, yet his appointment would be a violation of the statute that we have enacted. We desire to follow the same procedure and the committee have directed me to report a measure providing the same procedure as was taken when the Senate authorized the selection of Mr. Roberts, now a justice of the Supreme Court, in the case in which he represented the Senate. The matter involved is one of considerable importance because the litigation is now pending, and the immediate attention of the attorney is absolutely necessary. We shall have to pass a joint resolution or a bill—it will be a bill, I think—to-day in order to transmit it to the House so that they may act on it to-morrow.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PATTERSON:

A bill (S. 2344) conferring jurisdiction upon the Court of Claims of the United States to hear, consider, and render judgment on the claims of Edward F. Goltra against the United States arising out of the taking of certain vessels and unloading apparatus; to the Committee on Claims.

A bill (S. 2345) granting a pension to Oscar J. Callier (with accompanying papers); and

A bill (S. 2346) granting an increase of pension to Waldo A. Chapman; to the Committee on Pensions.

By Mr. BAILEY:

A bill (S. 2347) for the relief of Lueco R. Gooch; and

A bill (S. 2348) for the relief of J. R. Collie and Eleanor Y. Collie; to the Committee on Claims.

By Mr. KEAN.

A bill (S. 2349) for the relief of the First Camden National Bank & Trust Co., of Camden, N. J.; to the Committee on Claims.

By Mr. DILL:

A bill (S. 2351) to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof, approved July 3, 1926, and May 29, 1930; to the Committee on Civil Service.

By Mr. THOMAS of Oklahoma:

A bill (S. 2352) amending the act entitled "An act authorizing the Court of Claims to hear, determine, and render judgment in the Civilization Fund Claim of the Osage Nation of Indians against the United States," approved February 6, 1921 (41 Stat. 1097); to the Committee on Indian Affairs.

By Mr. CAPPER:

A bill (S. 2353) for the relief of Percy C. Wright (with accompanying papers); to the Committee on Military Affairs.

By Mr. BLAINE:

A bill (S. 2354) to abolish capital punishment in the District of Columbia; and

A bill (S. 2355) to define, regulate, and license real-estate brokers and real-estate salesmen, to create a real-estate commission in the District of Columbia, to protect the public against fraud in real-estate transactions, and for other purposes; to the Committee on the District of Columbia.

By Mr. GLENN:

A bill (S. 2356) for the relief of Martin Wolf; to the Committee on Claims.

A bill (S. 2357) to extend the times for commencing and completing the construction of a bridge across the Ohio River at Mound City, Ill.; to the Committee on Commerce.

By Mr. SWANSON:

A bill (S. 2358) providing for a site and public building for a post office at Galax, Va.; to the Committee on Public Buildings and Grounds.

By Mr. DAVIS:

A bill (S. 2359) for the relief of L. Ton Evans, General Missionary, and family, Haiti Mission, and proposed American Christian Industrial Tuskegee; to the Committee on Claims.

By Mr. REED:

A bill (S. 2360) for the relief of Mary Ellen Tiefenthaler; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 2361) for the relief of Bud P. Matthews; and

A bill (S. 2362) for the relief of J. A. Perry; to the Committee on Claims.

By Mr. FRAZIER:

A bill (S. 2363) regulating Indian allotments disposed of by will; to the Committee on Indian Affairs.

By Mr. SWANSON:

A joint resolution (S. J. Res. 64) to repeal the act approved August 23, 1894 (28 Stat. 494), as amended; to the Committee on the District of Columbia.

By Mr. SCHALL:

A bill (S. 2364) to authorize the Secretary of the Interior to extend or renew the contracts of employment of the attorneys employed to represent the Chippewa Indians of Minnesota in litigation arising in the Court of Claims under the act of May 14, 1926 (44 Stat. 555); to the Committee on Indian Affairs.

By Mr. BARKLEY:

A bill (S. 2365) for the relief of the estate of Martin Preston, deceased; to the Committee on Claims.

A bill (S. 2366) granting a pension to Nancy V. Shipley;

A bill (S. 2367) granting an increase of pension to Pemelia Brannon; and

A bill (S. 2368) granting an increase of pension to Nancy Brown; to the Committee on Pensions.

By Mr. SHEPPARD:

A joint resolution (S. J. Res. 63) authorizing investigation of certain operations on cotton exchanges; to the Committee on Agriculture and Forestry.

CHANGE IN MONETARY SYSTEMS

Mr. JONES. Mr. President, the pulp industry in my State has been developing in the last few years very greatly, but the change in the monetary system of British Columbia is having a very detrimental effect upon that industry and it is threatened with bankruptcy. Very likely many other products of our country are threatened along the same lines.

I have prepared a bill which, I hope, may take care of the situation. It proposes to empower the Tariff Commission to ascertain the value of imports prior to changes in monetary standards and subsequent thereto, and to levy additional duties.

It may be contended that that involves a delegation of legislative power, but I lay down a very concrete, definite, and fixed rule to control and govern the Tariff Commission, so that I think that objection is met by the terms of the bill itself. I ask that the bill may be read and referred to the Committee on Finance.

The VICE PRESIDENT. Is there objection to reading the bill?

There being no objection, the bill (S. 2350) to stabilize the value of imports from countries changing their monetary standards, and for other purposes, was read the first time by its title, the second time at length, and referred to the Committee on Finance, as follows:

Be it enacted, etc., That the United States Tariff Commission be, and it is hereby, authorized and directed, with the approval of the President, to levy upon all products, whether now on the free or dutiable list, imported from a country, including its dependencies, that has changed its monetary standard within two years prior to the passage of this act, or may hereafter make such change, an additional tariff duty approximately equal to the difference between the value, as defined in section 402 of the tariff act of 1930 (46 Stat. L. 708) of such imports prior to such change in monetary standard and such value of such imports after such change in monetary standard: *Provided*, That upon the expiration of three months from the time when any country returns to its original monetary standard such additional tariff shall cease upon articles imported from such country.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated below:

H. R. 6172. An act to amend the Federal farm loan act, as amended, to provide for additional capital for Federal land banks, and for other purposes; to the Committee on Banking and Currency.

H. R. 6285. An act relating to the contributions of the United States toward defraying the expenses of the District of Columbia; to the Committee on the District of Columbia.

CHANGES OF REFERENCE

On motion of Mr. SHEPPARD, the Committee on Military Affairs was discharged from the further consideration of the bill (S. 2278) authorizing the Secretary of War to reduce the penalty of the bond of the Brazos River and Harbor navigation district, of Brazoria County, Tex., furnished as surety for its doing certain work on the improvement of Freeport Harbor, Tex., and it was referred to the Committee on Commerce.

Mr. DILL. Mr. President, a few days ago—on December 14—I introduced Senate bill 1637, a bill to create a United States monetary conference committee, to prescribe the duties thereof, and for other purposes, and asked that it be referred to the Committee on Finance. Since it has to do with an international body, it has seemed to me more appropriate that it should go to the Foreign Relations Committee. I have talked with the Senator from Utah [Mr. SMOOT], the chairman of the Finance Committee, and he has no objection. I therefore ask that it may be rereferred to the Foreign Relations Committee.

The PRESIDING OFFICER. The Senator from Washington asks unanimous consent that the Committee on Finance be discharged from the further consideration of the bill referred to by him, and that it be referred to the Committee on Foreign Relations. Without objection, it is so ordered.

PROPOSED HOLIDAY RECESS—AMENDMENT

Mr. BORAH. Mr. President, I offer an amendment to House Concurrent Resolution No. 5, fixing the time of adjournment of Congress for Christmas holidays, to strike out "January 4, 1932," and insert "December 28, 1931." I understand the concurrent resolution for the holiday adjournment has been referred to the Committee on Appropriations, so I ask that the amendment be referred also to that committee.

The VICE PRESIDENT. The proposed amendment will be referred to the Committee on Appropriations.

AMENDMENT OF FEDERAL FARM LOAN ACT

Mr. JONES submitted an amendment intended to be proposed by him to the bill (H. R. 6172) to amend the Federal farm loan act, as amended, to provide for additional capital for Federal land banks, and for other purposes, which was referred to the Committee on Banking and Currency and ordered to be printed.

PROPOSED INVESTIGATION OF CAUSES OF DEPRESSION

Mr. WALSH of Montana. I submit a concurrent resolution and ask that it may be read.

The VICE PRESIDENT. The concurrent resolution will be read.

The Chief Clerk read the concurrent resolution (S. Con. Res. 5), as follows:

Whereas the country is suffering from the most profound industrial depression in its history, entailing enormous losses and widespread unemployment; and

Whereas many different causes have been assigned by economists, financiers, and other students of business and public affairs for the condition to which reference has been made; and

Whereas the condition referred to became generally evident after and was greatly intensified by the debacle on the New York Stock Exchange in the month of October, 1929; and

Whereas the sudden collapse of prices of securities dealt in on the said exchange was preceded by an extraordinary inflation in the prices of such securities and of loans through which transactions therein were effected, was accompanied by a tremendous contrac-

tion in bank credits and was followed by a rapid and continuing fall in the prices of commodities generally and particularly of agricultural products; and

Whereas measures to avert the recurrence of similar catastrophes, and to alleviate the disastrous results of the existing crisis can be predicated only upon an accurate knowledge and appreciation of the causes giving rise to the same: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That a joint committee, consisting of five Members of the Senate and five Members of the House of Representatives, be appointed, the House Members by the Speaker thereof and the Senate Members by the Vice President, and that the said committee be, and it hereby is, authorized to inquire into the causes of the depression so existing, and particularly the relation of the collapse of prices of securities dealt in on the said stock exchange, to hear and take testimony concerning the means that should be employed and the legislation that should be enacted either to prevent a recurrence of such periods of depression or to lessen or reduce the malign effects thereof.

The said committee is hereby authorized to sit and perform its duties at such times and places as it deems necessary or proper and to require the attendance of witnesses by subpœnas or otherwise; to require the production of books, papers, and documents; and to employ stenographers, at a cost not exceeding 25 cents per hundred words. The chairman of the committee, or any member thereof, may administer oaths to and sign subpœnas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee, or appears and refuses to answer questions pertinent to said investigation, shall be punished as prescribed by law. The expenses of the committee, which shall not exceed $20,000, shall be paid the one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

The VICE PRESIDENT. The concurrent resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. HARRISON. Mr. President, may I ask the Senator from Montana a question?

Mr. WALSH of Montana. Certainly.

Mr. HARRISON. I did not hear the first part of the resolution read. Is it proposed that the Senate Finance Committee shall conduct the investigation?

Mr. WALSH of Montana. The resolution provides that a joint committee of the House and Senate shall be appointed to conduct the investigation, the members of the committee on the part of the House to be appointed by the Speaker of that body and the members of the committee on the part of the Senate to be appointed by the Vice President.

Mr. HARRISON. I had been under the impression that an investigation, in large part touching some of the matters covered by the Senator's resolution, was under way by the Banking and Currency Committee of the Senate. I merely wondered, if that is true, in order to avoid any overlapping of work—and all the committees are pretty much at work—the Senator would not be willing, so far as the Senate is concerned, to let the Banking and Currency Committee conduct the investigation. I know that committee has had a number of witnesses before it and has been carrying on quite a considerable investigation regarding the subject matter referred to in the concurrent resolution.

Mr. WALSH of Montana. Mr. President, there are a number of committees engaged in specific investigations within the scope of this concurrent resolution, but none of them undertake to make such a comprehensive survey as is contemplated by it. The Committee on Manufactures has been prosecuting some very valuable inquiries that might easily fall within the scope of the concurrent resolution presented by me. I imagine very likely that if a joint committee were appointed it would avail itself of whatever facts were disclosed by any other committee and would, of course, endeavor to avoid duplication of effort. I should have no objection whatever to having the investigation carried on by the Finance Committee, but it did not seem to me that it fell particularly within the scope of the work of that committee any more than half a dozen other committees.

Mr. HARRISON. May I say to the Senator that all I know about the resolution was that I read in the morning newspapers about the Senator's proposed resolution and that he would ask that it be referred to the Finance Committee. I had very much hoped that he would not do that, because the Finance Committee has got to consider taxation measures and many other questions of importance that are coming up. So I had thought that the Banking and Currency Committee, because of the fact that it had been carrying on such an investigation for some time, at least covering some of the major propositions the Senator seeks to have investigated, would be a more appropriate committee to conduct the proposed investigation.

Mr. SMOOT. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Utah?

Mr. WALSH of Montana. I yield.

Mr. SMOOT. I quite agree with the statement made by the Senator from Mississippi [Mr. HARRISON]. The Finance Committee has about all it can handle. To conduct the investigation proposed by the resolution of the Senator from Montana will take a great deal of time if it is carried to the end the Senator desires.

Mr. WALSH of Montana. I trust, Mr. President, the Senate will not give too much significance or importance to anything that may have appeared in the newspapers about this matter. How the newspapers discovered that I had it in mind to submit a resolution of this character is a mystery to me; I have no idea about it. So I say to the Senate there was not very much basis or authority for the information that appeared in the newspapers.

Mr. HARRISON. I see now from the concurrent resolution itself that perhaps the newspapers were mistaken.

PROPOSED REPRESENTATION OF CANADA ON FEDERAL RESERVE BOARD—STABILIZATION OF CURRENCY

Mr. KEAN. Mr. President, I submit a resolution, which I ask may be read.

The resolution (S. Res. 118) was read, as follows:

Resolved, That the President of the United States is requested to enter into negotiations with the Government of the Dominion of Canada with a view to the conclusion of a treaty with that Government, under the terms of which (1) a representative of the Government of Canada, appointed by the Governor General, with the consent of the Canadian Parliament, shall be a member of the Federal Reserve Board of the United States, and (2) provision shall be made for the stabilization of the currency of Canada at a parity of value with the similar standard currency of the United States, and for the maintenance of such parity.

The VICE PRESIDENT. The resolution will be referred to the Committee on Banking and Currency.

Mr. BORAH subsequently said:

Mr. President, as I understand, the resolution submitted by the Senator from New Jersey [Mr. KEAN] was referred to the Committee on Banking and Currency.

The VICE PRESIDENT. That was the reference made.

Mr. BORAH. Does not the Chair think that that resolution ought to be referred to the Foreign Relations Committee? By the terms of the resolution the President of the United States is requested to enter into negotiations and to negotiate a treaty.

The VICE PRESIDENT. The Chair did not notice that provision of the resolution. That being the case, without objection, the reference will be changed and the resolution will be referred to the Committee on Foreign Relations instead of to the Committee on Banking and Currency.

ADDITIONAL ASSISTANT CLERK TO THE PATENTS COMMITTEE

Mr. HEBERT submitted the following resolution (S. Res. 119), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Patents is hereby authorized to employ an additional assistant clerk during the first session of the Seventy-second Congress, he to be paid at the rate of $4,800 per annum out of the contingent fund of the Senate.

REPORT ON LAWLESSNESS IN LAW ENFORCEMENT

The VICE PRESIDENT. If there are no resolutions coming over from a preceding day, the calendar under Rule VIII is in order.

Mr. CUTTING. Mr. President, on Saturday last I submitted Senate Resolution 116 which I meant to have go over until to-day. It does not appear in any form on the printed calendar. I ask unanimous consent that the resolution may be considered as having gone over under the rule.

The VICE PRESIDENT. Let it be read for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 116) submitted by Mr. CUTTING, Mr. WALSH of Montana, and Mr. COSTIGAN on the 19th instant, as follows:

Resolved, That the President of the United States be, and he is hereby, requested to transmit to the Senate any and all reports prepared by experts of the National Commission on Law Observance and Enforcement under the direction of Judge William S. Kenyon, chairman of the subcommittee on lawlessness in law enforcement, including any that may have been made touching the cases of Thomas J. Mooney and Warren K. Billings.

The VICE PRESIDENT. Is there objection to the request of the Senator that the resolution be considered as having been introduced and gone over under the rule for one day? If not, the resolution comes up as coming over from a previous day.

Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered by the Senate and agreed to.

The VICE PRESIDENT. The calendar is in order.

PROPOSED HOLIDAY RECESS

Mr. HARRISON. Mr. President, I desire to ask the Senator from Indiana [Mr. WATSON] a question, if I may get his ear.

I understand that the House has passed a concurrent resolution to recess for the holidays and that it is in the Senate. Is that true?

Mr. WATSON. It is.

The VICE PRESIDENT. The Chair desires to state that the concurrent resolution was referred to the Committee on Appropriations.

Mr. HARRISON. Has the Committee on Appropriations made any report of the resolution?

Mr. WATSON. Not yet.

Mr. HARRISON. The concurrent resolution carries a recess beginning to-morrow, I believe, and running over until the 4th of January. There seems to be a great deal of difference of opinion as to the wisdom of a prolonged recess. The Senator from Idaho [Mr. BORAH] has just offered an amendment, I believe, to curtail it to December 28. Of course, Members are making their plans to leave or to stay, according to the action of the House and the Senate.

In order to settle the question, so that Representatives and Senators may make their arrangements, why would it not be a better plan for us to take up and fight out the question as to whether we are going to adjourn until January 4 or until December 28, and settle the question, so that Senators will know what to do?

Personally, I am very much opposed to a long recess of Congress at this particular time.

Mr. BORAH. Mr. President, I have understood that a precedent has been established to the effect that this concurrent resolution, when offered, will not be debatable. Is that the parliamentary situation in case it should be brought up here?

Mr. WATSON. That is my understanding.

Mr. BORAH. I think a resolution of this kind is debatable, Mr. President.

The VICE PRESIDENT. A resolution to adjourn is not debatable.

Mr. WATSON. It is a resolution to fix the time of adjournment. It is not debatable under our rules.

Mr. BORAH. Then let us debate it before it comes in.

Mr. WATSON. I am ready.

Mr. HARRISON. May I ask the Senator when he intends to bring it up?

Mr. WATSON. Mr. President, I desire to be entirely frank so far as I am individually concerned.

I have been hoping that decently and in order we might pass the moratorium measure through the Senate. I have believed, however, that it is a matter of such importance now, because of the situation respecting it in foreign countries, and the misunderstanding regarding it that seems to prevail in those countries, that we should stay here until we pass it.

I have been accused of threatening Members. I have made no threats, and anything that I have said has carried nothing in the nature of a threat. It was expressing a hope, backed by a large number of Senators, 68 of whom have acquiesced in the support of this proposition, that we might pass it before we leave here, and clear the decks of it for action immediately after the holidays on other measures that I believe now are of very great importance.

The Senator knows very well—he and I have discussed the matter privately—that the House has passed this concurrent resolution to adjourn. He knows that probably four-fifths of the Members of the House have gone home now, because they had understood that no other business would be transacted. He understands, without quoting anybody on the other side, what those in the leadership over there think about this proposition.

I do not want the Senator to get the idea that I am standing in the way. I am entirely willing to remain here every day, so far as that is concerned, adjourning only for Christmas and New Year's. But when the House Members are away, and so many Senators are getting ready to go away—and we had to ask some to come back to-day—the Senator knows as well as I do that even if we remain here it is very doubtful whether anything will be accomplished.

The Senator was at the White House this morning. He is fully aware of the fact that as far as the men there could agree, it was agreed that immediately upon the reassembling of Congress the credit corporation bill should be taken up. That is as far as anybody could go, because the subcommittee of the Committee on Banking and Currency are considering it every day, holding hearings every day. They can do no more. It is humanly possible to do no more. Therefore, until that subcommittee can report to the full committee and the full committee can give the measure consideration, it can not be reported to the Senate. In my judgment, however, if there be a concurrence of opinion on the question, it can be reported very shortly after the reconvening of Congress.

The same thing is true of the land-bank measures that are before the Committee on Banking and Currency. I think they can be reported in a very short space of time.

If there be the opinion among us that the whole fabric will crumble in four days if we do not get back here, then I am entirely willing to come back and stay here, and I think every other Senator would be. So far as I am concerned, I have not been able to see why an adjournment on the 22d of December to the 4th of January would endanger the business or the financial structure of the country. If I am wrong in that, I am ready, of course, to yield, but always with the situation confronting us so far as the House is concerned, which we must remember. The Senator has been in the House, and so have I.

Mr. HARRISON. May I say to the Senator that I appreciate the difficulty of the task of curtailing the recess. I have always voted for long recesses at Christmas time; but there is an extraordinary situation confronting the country at this particular time. I do not think anybody ought to play politics with it. I am perfectly willing to abide by whatever the sense of the Senate and the House is; but the very reasons that are proposed by the Senator from Indiana as to the difficult task ahead of us are the reasons that prompt me to ask the question now, so that we can settle the question of recess.

If we are not going to recess to-morrow night, well and good. If we are, then of course Members can make their arrangements to go away.

Mr. BARKLEY. Mr. President, is all this discussion based upon the assumption that the moratorium measure will be enacted before we adjourn for the holidays?

Mr. HARRISON. No; I think there are other questions that are confronting the Senate which are of just as much moment as the moratorium, or more so, really, because, generally speaking, I think we all recognize that the moratorium is going to pass.

Mr. BARKLEY. Those questions, however, do not happen to be before us just now, and the moratorium is before us.

My understanding yesterday was that it was expected that we would vote on the moratorium before taking a recess.

Personally, while the other day, in agreement with the Democratic leader on this side, the Senator from Arkansas [Mr. ROBINSON], I advocated a recess from the 22d until the 4th, in view of the fact that the moratorium joint resolution is now before us—it was not out of the committee at that time—I certainly should vote against adjourning to-morrow night if we have not acted upon it by that time.

Mr. BORAH. Mr. President, it must be perfectly apparent to everyone that if the Senate adjourns, the committees will not continue their work. The committee members will not be here; and therefore we will come back here on the 4th of January with no progress whatever upon the part of the committees.

Mr. President, the moratorium is now before us. I favor the moratorium; but there is no reason why the moratorium should be shoved through here under the lash, and then we should adjourn for two weeks and leave matters undetermined which, in my judgment, under the peculiar conditions which exist at this time, are far more important in the matter of time than the moratorium itself. Therefore it seems to me that we ought to stay here, and it is my belief that the great majority of the Senate want to stay here.

I am not asking for continuation of our sessions beyond to-morrow night, but, when we do adjourn to-morrow, that we come back here upon the 28th of December, which is a week hence.

Mr. DILL. Mr. President, will the Senator yield?

Mr. BORAH. I yield.

Mr. DILL. Does the Senator think it is possible to bring the debate or discussion of the moratorium to a close by to-morrow night?

Mr. BORAH. I do not know whether it is or not; but there has been talk about all-night sessions, and so forth. There is no justification for that sort of thing and then adjourning for two weeks.

Mr. DILL. There is no justification for an all-night session anyhow, is there?

Mr. BORAH. Mr. President, we ought to proceed in an orderly way in the consideration of all these matters, but stay here for the purpose of considering them. We have now on the verge of being reported some three or four measures which undoubtedly would be reported out beginning next Monday; and we would be in the course of considering them, and some of them would be disposed of long before the 4th day of January. I feel that we ought to stay here.

Mr. JOHNSON. Mr. President, I am equally interested in this question with the Senators who have preceded me. Unfortunately, due to an unavoidable engagement, I was not present at the White House breakfast this morning, and I am unable, therefore, to say just what program there was agreed to, as has been indicated by the Senator from Indiana.

Mr. WATSON. Mr. President, may I interrupt the Senator long enough to say that the moratorium was not mentioned.

Mr. JOHNSON. It was not mentioned?

Mr. WATSON. It was not mentioned.

Mr. JOHNSON. Well, somebody showed a wise discretion, then. [Laughter.]

Mr. President, I am ready to stay here continuously, so far as I am concerned. I will stay here to-morrow, the next day, the next day, Christmas Day if you wish, Sunday if you desire, and every other day that may be suggested. There is one thing, though, to which I take exception—I do not like to read, as I read yesterday in every newspaper in this country, that to-day, when for the first time a measure comes before us that is going to put upon the backs of American taxpayers $250,000,000, we are to be held all night here in session, continuously, until we pass it. We are to be lashed by those who desire to take Europe's debt and put it on America—we are to be lashed into submission by the mere inability physically to present our case.

That I object to. I will remain here every day; but I want the orderly processes of the Senate observed and the right of those who desire to debate the moratorium to debate it before the Senate, and debate it legitimately and just as they desire.

No filibuster do I wish. None would I indulge; but I do insist that I shall not be kept here all night long at the behest of somebody within or without this Chamber; and on a question that is of extraordinary and transcendent importance, not only in its present aspects but in what in its future aspects may be implied, I insist, sir, that we shall be permitted to be heard—heard legitimately only, but heard upon this floor in the fashion that the Senate hears an important matter, and that we shall not be put to the physical test that has been advertised in every paper in this land.

That is all that I ask for. I do not care a rap whether I am the one man who is here against this measure or not. I want to present—not here, perhaps, except, of course, I love to talk to my fellows—but I want to present to the men out in the Middle West who are losing their homes; I want to present to the men who are tramping the streets with wasted bodies, begging for bread; I want to present to those people in this country who already are tax-ridden and tax-burdened—I want to present the facts that here in the United States Senate we are going to put upon them $250,000,000 more, owed to us by countries admittedly able to pay the amount of $250,000,000; and then, sir, having presented as best I can to the people of this Nation what this thing means, let them determine ultimately.

Oh, you who sit here in Washington, I think, have little conception of what is going on in this land to-day. We here, surrounded as we are with these tasks which are almost beyond our limitations to perform, have little idea of what is permeating the great body of the American people now, seeping down in this depression, brought home to them by the very fact that they have been deprived of almost all they have; in want; asking only the opportunity to go forward in any legitimate enterprise, and to live in a fashion commensurate with that in which Americans should live. All over this land are these people of ours crying to us for aid, and we, forsooth, will sit all night long for the nations of Europe! We, forsooth, at the first hearing of a moratorium, will sit in continuous session for the purpose of putting upon the backs of these people of ours $250,000,000 owed to us by foreign nations.

This I want to prevent if I can. I recognize the difficulties in the way of the presentation of the reasons against this action, but we have the right to the presentation of them in orderly fashion; to go on by the clock, if this matter shall come before us, until the usual time of adjournment; then to go ahead to-morrow in the usual fashion, permitting every man who desires to be heard to present his views to the Nation and to the Senate, and when those views have been presented, then vote upon the particular matter.

This thing resolves itself into a desire to do one particular thing. Sit here every day, I repeat, if you wish; I do not care how long. I object, however, to the threat which has been uttered all over the land, that we have to sit here in continuous session on this one proposition of taxing to the tune of $250,000,000 the American people because Europe will not pay her just debts.

Mr. JONES. Mr. President, the adjournment resolution has been referred to the Committee on Appropriations, and I am prepared to call the committee together at any time to consider that resolution, when it is deemed advisable to do so. In conferring with some of the leaders on the floor, they have expressed the hope that the resolution would not be acted upon for a while, or until it is more definitely determined what business is to be acted upon.

I entertain the same attitude in regard to adjournment as that held by the Senator from Idaho [Mr. BORAH]. If the Senate adjourns, the committees will adjourn. The membership of the committees will be going home, so that the committees will not be here to prepare the legislation we want to pass until we come back after the close of the holidays.

Of course, I do not know what the Committee on Appropriations may report to the Senate; but personally I am op-

posed to a resolution providing for an adjournment beyond Monday of next week.

Mr. WATSON. Mr. President, as is well known, agreements regarding adjournments over the holidays are always made by the House and the Senate. Following the usual custom, I entered into that kind of an agreement with the Speaker of the House of Representatives, who at that time stated that it was desired in the House that Congress adjourn from the 22d of December to the 4th of January. Later on, in a subsequent conversation with the senior Senator from Arkansas [Mr. ROBINSON], the minority leader in the Senate, and Speaker GARNER, the arrangement was renewed.

Subsequently, I made the statement that, inasmuch as the House had passed a resolution to adjourn and had sent it to the Senate, and inasmuch as the moratorium joint resolution was here, I thought it essential that if humanly possible we should pass that joint resolution before we adjourned. That was the sum and substance of my threat.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Tennessee?

Mr. WATSON. I yield.

Mr. McKELLAR. Is it intended by the Senator from Indiana, as the leader of the majority, to hold the Senate in session all night for the purpose of passing this joint resolution putting $250,000,000 of debts upon the backs of the American taxpayers?

Mr. WATSON. Mr. President, I am not going to argue the moratorium now.

Mr. McKELLAR. What I want to know is whether it is the Senator's proposal that the Senate shall remain in continuous session until this joint resolution is passed?

Mr. WATSON. I can not answer that. I have no power to hold the Senate here if Senators want to go home, but I do think that we should stay here and determine whether or not we can pass the moratorium resolution to-day or to-morrow, because the resolution is here. It is not a new question, as my good friend from California states. It is a question which has been argued over and over again, and the public are thoroughly familiar with it.

Mr. JOHNSON. Mr. President, if the Senator will permit me, I deny that statement. The public is not familiar with it. The message of the President of the United States did not state all the facts. The men who signed their telegrams on the 20th day of last June signed them upon a state of facts which was not consummated by the moratorium at all.

Mr. WATSON. Mr. President, I disagree entirely with the Senator from California, and I think I shall be able to show that I am right, if we get into the debate. But it is not necessary that he and I should air our personal differences here about this question.

This matter has been in the public mind for months. The Members of the House of Representatives are not a lot of dull people. They went into this thing thoroughly. They had it before their committee for days and days. They voted on it, and it was carried by an overwhelming majority. Are we to assume they did not know what they were doing when they did that? I am assuming that they were thoroughly familiar with the whole subject, and that when they sent the joint resolution to the Senate they sent it here with full knowledge as to what the situation was, and all of its implications and involvements. At all events, it is here before us. It is here for our consideration. Sixty-eight Senators have agreed to support the proposition, and I am assuming that when they agreed to support it, they had some knowledge of what it was.

Mr. JOHNSON. When was the roll of the 68 Senators called?

Mr. WATSON. The roll was called when the President of the United States sent out the telegrams to those Senators, and got their favorable responses. That is when the roll was called.

Let me say to my good friend from California this about staying here all night. I recall vividly that under his leadership I stayed here several nights and several days in order to put through a proposition in which he was interested. In order to help afford him a quorum we stayed here through the long hours day after day, and I was entirely willing to help him, because I thought his was a just and meritorious cause. But, important as it was, it pales into insignificance compared with the proportions of the great question which confronts and perplexes us to-day.

My views on international questions usually are so nearly in accord with those of the Senator from California that I am loath to find myself in opposition to him on this matter. It has not a thing in the world to do with debt cancellation, with debt reduction, with debt postponement, with future moratoriums, or with any other question relating to our international relations. It is a plain, open proposition, one with which I assume the country is familiar, one which I insist the House knew about when it voted for the joint resolution and sent it here.

If we can in orderly fashion stay here to test whether or not we can pass the joint resolution to-night or to-morrow, I am in favor of doing it. If we can not, we must govern ourselves accordingly, and adjourn, as the situation shall force us to adjourn. But we will have to call the Members of the House back here if we do. The Senator understands just as well as I do exactly what a task that would be.

Mr. BORAH. Mr. President, will the Senator yield?

Mr. WATSON. I yield to the Senator from Idaho.

Mr. BORAH. It seems to me extraordinary that we are to be held here by reason of the fact that we assume that Senators and Members of the House both will not do their duty.

Mr. WATSON. Mr. President, I am not going to debate with my friend about that. He has been here a long time, and in the two Houses I have been here a longer time. I know how it is when adjournment time comes, when we get ready to go home to the wife and the babies and other folks back home, and the holiday season comes on. I am perfectly familiar with that, and so is the Senator.

Mr. BORAH. We have been at home for nine months, and the wife and babies are tired of us. [Laughter.]

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Washington?

Mr. WATSON. I yield.

Mr. DILL. In the light of the fact that the President, who is more anxious about the moratorium than anyone else, did not call Congress together in time, when Congress could have acted on it as it should have been acted on, before the date set for the payments, why should we get so excited that we should sit up all night in order to get the measure through a day or two earlier?

Mr. WATSON. I do not think anybody has to be excited to sit up all night.

Mr. DILL. At least it would look as if we were excited.

Mr. WATSON. The point is that that is behind us. Whether the President acted wisely or unwisely does not enter into this question. We are right now confronted with a situation. It is a condition which confronts us, as Cleveland said on another occasion, and not a theory, and the question now is whether or not we intend to try to pass this moratorium in orderly fashion and in a decent way, or whether we are going to refuse to adjourn and compel the Members of the House to come back after they have gone to their respective homes.

I insist that we shall stay here long enough to-night to find out what there is to this debate, and how much of it there is going to be. If Senators want to talk, nobody has any desire to cut them off from all the debate they want to indulge in. I would not for the world miss hearing my genial and eloquent friend from California on this or any other question, as long as he may desire to address the Senate. The same is true of the Senator from Tennessee [Mr. McKELLAR], whom I see facing me here. Evidently there was some trepidation lest he be cut off in his desire to debate the proposition. There is no desire on my part, or on the part of any other man who knows anything about this

question, to throttle debate or to shut off conversation on the subject.

That is all I care to say about it.

Mr. NORRIS. Mr. President, it seems to me that a man may be opposed to a long recess, such as has been proposed, and likewise be opposed to trying to pass this moratorium joint resolution before adjournment without being inconsistent. I have not in my mind coupled them together. I have always been opposed to the long holiday recesses we have taken, and I am opposed to the one proposed now. But I am confronted with what seems to me to be almost a threat that we are to stay in continuous session until the moratorium joint resolution shall be passed. I do not believe that would be orderly procedure. I do not believe the case merits an attempt to rush the joint resolution through by the methods which are evidently going to be adopted.

Personally, I do not believe we ought to take the recess which is provided for in the resolution which passed the House, although it may be that even if we do not we will find ourselves without a quorum and unable to do business. But some time or other we must take the step of not agreeing to these long adjournments for the holiday recess. I am in favor of taking that step at this time. But I do not want it understood that I favor taking up the moratorium and holding the Senate in continuous session until it is disposed of.

The Senator from Indiana knows that the importance of the question is sufficient to warrant giving it the ordinary and usual procedure followed by the Senate in the consideration of questions which are so important. I think it is unnecessary and would be an outrage for us to be compelled to stay in continuous session night and day to dispose of the moratorium. I do not care to debate it at length. If it could be disposed of in a day, I would have no objection, but, on the other hand, it seems to me quite evident that if Senators ask for more time for its consideration, more time to investigate it, it is not unreasonable to grant their request. The country and the world will go along just the same. The moratorium now is an accomplished fact. This is an ex post facto proposition with which we are dealing. The moratorium has been granted—unconstitutionally and illegally, but granted nevertheless; and whether we put our stamp of approval upon it to-day or to-morrow or six weeks from now is, as I look at it, quite immaterial.

I do not like to be put in the attitude of voting contrary to my convictions on the adjournment proposal, but I fear that I am going to be, because I can tell from the discussion that has gone on that it is the intention of the Senator from Indiana [Mr. WATSON] and those who are behind the resolution to keep the Senate in continuous session night and day until we dispose of it.

Mr. WATSON. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Indiana?

Mr. NORRIS. I yield.

Mr. WATSON. I disclaim to my good friend any such intention.

Mr. NORRIS. I am very glad to have that disclaimer.

Mr. WATSON. I think we ought to stay here until along in the night sometime and find out what the situation is. I do not mean all night.

Mr. NORRIS. Oh, no; say just along about 4 o'clock in the morning?

Mr. WATSON. It might be that 3.30 a. m. would be sufficient. [Laughter.]

Mr. NORRIS. Oh, yes!

Mr. WATSON. But seriously now——

Mr. NORRIS. Should we not adjourn about 5 o'clock this afternoon, as we have been doing from day to day?

Mr. WATSON. I do not think so.

Mr. NORRIS. Will the Senator fix a time in his estimate of orderly procedure?

Mr. WATSON. I want to find out about the usual course of debate. Let us find out how the debate proceeds and be governed by circumstances.

Mr. NORRIS. The Senator is going to run along probably until nearly morning before he determines that question.

Mr. WATSON. We shall all be here.

Mr. NORRIS. I say to the Senator in all good faith, and to his colleagues here who by following him have demonstrated, on the election of a President pro tempore at least, that they follow him blindly, follow him to the limit, that he dictates what they shall do to such an extent that he has on this great, big, broad shoulders a terrible responsibility. In the matter now before us why will not the Senator say to us at this time how long he expects to remain in session to-night?

Mr. WATSON. If the Senator from Nebraska follows me as faithfully in this matter as he has in voting for a President pro tempore, it seems to me we are going to adjourn pretty early this afternoon.

Mr. NORRIS. If I were to follow the Senator so faithfully in that matter as others seem to be willing and glad to follow him, I probably would change a course of action which I have followed in my career, and that the Senator does not expect.

Mr. WATSON. No; the Senator is entirely right about it. I do not expect it.

Mr. NORRIS. Will the Senator tell us how long, in his judgment, we are going to remain here to-night?

Mr. WATSON. I have not the slightest idea in the world, but I think I can sit down with the Senator from Nebraska when the time comes and agree upon a time to adjourn.

Mr. NORRIS. I think probably there would not be much difficulty about that.

Mr. WATSON. We nearly always agree. [Laughter.]

Mr. NORRIS. But I do not want to have to vote on the adjournment proposition with what I believe to be a threat hanging over my head in the interest of some legislation to which I am opposed.

Mr. WATSON. Mr. President, will the Senator yield further?

Mr. NORRIS. Certainly.

Mr. WATSON. The Senator knows that in the course of senatorial debate time and time without number Senators in charge of measures have risen on the floor of the Senate and said, "I intend to ask that the Senate shall remain in session to-night until we conclude this proposition."

Mr. NORRIS. Certainly. I have done it myself.

Mr. WATSON. Yes; the Senator has done it himself.

Mr. NORRIS. The Senator referred to the case of the Senator from California [Mr. JOHNSON], where he stayed here all night with the Senator from California and the rest of us, but he does not tell Senators that that was after days and days and days had been spent in debating the particular question then before us. It was not a new matter coming out of a clear sky like this moratorium question.

Mr. WATSON. Does the Senator say this is a new matter?

Mr. NORRIS. Yes; it is a new matter.

Mr. WATSON. He and I sharply disagree about that.

Mr. NORRIS. The Senator goes on the theory that Senators here have pledged themselves to vote for this measure. That is another disagreeable thing to me, to have the Senator say, as the representatives of the President have said publicly and before committees of Congress, "We have your signatures, 68 of you. Now come across. Come over, you fellows. We will expose you if you do not." That is the only inference that can be drawn from the situation. "We have you signed up. We have you on the list, and we are sure you will not be missing."

That is the kind of doctrine the Senator now presents and says, "Why, the President has the signatures of 68 of us, so what is the use of debating it?" That may be right, but if it is right then we ought to change the Constitution of the United States. If that is right, then we do not have a democracy in America any longer. If it is right, we ought to have a Mussolini on the throne, because he could issue his decrees and everybody would have to obey. This is a little different route that is taken this time; but if sending out, as the Senator said, and polling the

Members of Congress by the President is the way to legislate, then our forefathers made a mistake when they thought they had provided for a legislative branch and an executive branch of the Government that should be independent of each other.

Mr. President, when that kind of an attempt is made to control Congress I am not in favor of permitting it to be done without a protest. I believe that it is wrong; I believe that it is illegal. I am not in favor of just saying, "Now, we will take our medicine. We will go without food or drink and stay here night and day until we are called to the time when we shall vote." I am not in favor of that kind of method of legislating.

Mr. FLETCHER. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Florida?

Mr. NORRIS. I yield.

Mr. FLETCHER. I quite agree with the Senator that we ought to take the time to allow all who wish to discuss the subject to do so. Are we quite right in assuming that it is going to take a longer time than we will have in the orderly ordinary hours of sessions of the Senate?

Mr. NORRIS. Perhaps not.

Mr. FLETCHER. Has the Senator any idea about the length of time that would be required?

Mr. NORRIS. I do not know about that. I thank the Senator for calling me back to the orderly procedure, because the Senator from Indiana [Mr. WATSON] has referred to it. We all know what orderly procedure is. When a bill or a measure comes before the Senate, we start out to debate it, as the Senator from Indiana said, to see how the debate is going to continue and whether any coercive measures may ultimately be necessary to bring it to a vote. I have never yet known in a matter of this importance where anyone suggested while we were doing that that we should work here a way into the night to find out about that matter. We do not do that way. We never have done that way. But when we go on in orderly procedure and adjourn at the usual hour for a day or two or three and it becomes evident that somebody wants to filibuster or kill time, then is sufficient time to talk about staying all night and adopting urgent measures to reach a conclusion. But we have not yet reached that stage in connection with this matter. The joint resolution has not even been read yet. It is really not before us yet.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield.

Mr. McKELLAR. The ordinary procedure, as every one of us knows, is that the leaders make inquiries on both sides as to who are going to speak on an important matter of this kind, and then they make their estimates of the time when a vote shall be had after considering the number of speeches that are to be made, the length of them, and matters of that sort. To my mind this is one of the most important questions that has ever come before the American people, and yet before the debate actually starts it is announced in the newspapers that we are going to be required to remain in continuous session until the measure is disposed of.

Mr. NORRIS. And we pretty nearly get that idea when we hear the leader on this side of the aisle speak. He says it may not be all right. No; probably we will wear everybody out before that time comes, so it will not be necessary to remain here all night.

Mr. COSTIGAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from Colorado?

Mr. NORRIS. I yield the floor.

Mr. COSTIGAN. If the Senator from Nebraska will incorporate his position in motions, both with respect to a short adjournment and reasonable opportunity for debate, there will be at least some support on this side of the Chamber of the views of the Senator.

Mr. WALSH of Montana. Mr. President, it seems to me we are consuming time with very little profit in discussing the question of adjournment at this time. I wish respectfully to suggest to the leader on the other side and those who are particularly interested in the pending resolution in relation to a moratorium that there does not seem to be any reason for undue haste about the matter or that the question of holiday adjournment should hang upon the question of whether the resolution is passed before the Christmas recess or thereafter.

The time within which the payments were to have been made is now past and gone. The executive department has given assurances which were accepted as satisfactory and the payments have not been made. What is the difference whether the approbation of the Congress with respect to that matter comes before the Christmas holidays or after the Christmas holidays.

I do not always pay very much attention to what is said to be the purposes of the leader upon the other side of the Chamber. I do not care to pry into what his purposes are with respect to keeping this body in session all night. When the hour of 5 or 5.30 p. m. is reached, some one can make a motion to adjourn and then the vote of the Senate will be taken upon that motion and we will adjourn or remain in session all night as the majority of the Senate determines. For my part I can see no reason whatever why we should remain in session all night or any considerable part of the night on this particular legislation, which, as I said, might just as well go over until after the Christmas holidays as to be disposed of now.

Mr. President, something was said with respect to the question of whether the motion to adjourn for the Christmas holidays is debatable or not. I, of course, recognize the principle asserted by the Presiding Officer that a motion to adjourn is not debatable, but this is not an ordinary motion to adjourn. This is a motion to adjourn to a time certain. Obviously, it seems to me, there would be no question that it is subject to amendment, and if it is subject to amendment to change the date from January 4 to December 28 it would certainly be open to debate as to whether that is an advisable change to make or not. The point I make is that we ought to dispose of the question to adjourn for the holidays when that matter comes before us. It has not yet had the consideration even of the Committee on Appropriations.

While I am on my feet I want to advert to a reason possibly intimated by the Senator from Indiana [Mr. WATSON] why we ought not to disagree to the House resolution to adjourn. The House has passed a resolution to adjourn until the 4th of January. It is understood that the leaders in the Senate, the leader on the Republican side and the leader on the Democratic side, have at least tentatively assented to that proposition. I myself am not a little apprehensive as to what the effect on the country would be just now if it was considered that possibly the situation throughout the land is of such a critical character at this time as to require the Senate to remain in continuous session during the holidays and not take the usual holiday recess. I am afraid that much more harm would result from a disagreement to the House resolution than benefit could possibly accrue by disagreeing to it. At least I think that consideration ought to have the careful attention of Senators in voting upon the motion to fix the date when we shall reconvene after the holiday recess.

Mr. WALSH of Massachusetts. Mr. President, with much that the Senator from Montana [Mr. WALSH] and the Senator from Nebraska [Mr. NORRIS] have said I am in accord. The moratorium, whether of benefit or otherwise for the world, is an accomplished fact. Whether we vote upon it to-day or three weeks from to-day is of little consequence so far as the moratorium is concerned, but there is a factor in connection with this subject to which we should give serious consideration, for we can not disassociate the need of action upon this question from other questions that are pending before Congress.

In my judgment, we should dispose of this matter speedily in order that we may give our undivided and immediate attention to every possible measure that has been or will be proposed to relieve present economic conditions in this country. Up to this time, if there is blame or responsibility for present depressed economic conditions and the failure to provide adequate remedies for relief, it is not with Congress; it is clearly on the shoulders of another branch of the Government. If the Congress now delays, if we fail to consider promptly all relief proposals, if we fail the people, the burden of responsibility will shift rightly and properly to Congress.

With many banks closing in my State, with $75,000,000 of deposits, on the eve of Christmas, removed temporarily at least from the poor people of Massachusetts, and millions from depositors in other States, I do not propose to delay one hour in giving attention and consideration to any reasonable proposal, whether from President, Senator, or Representative, that will relieve the threatened panicky condition that now overshadows the Nation.

I fear we do not realize fully the awful alarm that prevails among the American people; and, rightly, we shall be held chargeable if we dillydally, postpone, or fail to grapple with every and all proposals seeking to give relief to our shaken financial structure. We must restore confidence to our people, and seek to relieve the misery and suffering and poverty now prevailing throughout the country. Let us not allow the people's faith in their Government to vanish through our indifference or inaction.

Therefore I repeat action upon the moratorium is important to the extent that we get it out of the way, clear the decks of legislation that is not urgent, and turn our minds, our hearts, and our souls to the remedial measures that will seek to bolster up the tottering financial institutions of the country, that may give employment to more of our people, and that will restore hope and confidence in our capacity to serve and help them, and thereby remove the clouds of despair that now hang more heavily than ever before in the history of our country over our Republic.

I hope Senators will act speedily and hastily, taking only the time actually necessary for reasonable debate, and proceed immediately to the consideration of the questions of economic relief to our suffering people here in America.

H. E. HURLEY

The VICE PRESIDENT. The Secretary will state the first bill on the calendar.

The first bill on the calendar was the bill (S. 258) authorizing adjustment of the claim of H. E. Hurley, which was read, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of H. E. Hurley, trading as J. E. Hurley, for damages resulting from the failure of the Government to execute and perform a contract in accordance with his proposal accepted June 27, 1928, for the installation of an ash bin in the State, War, and Navy Building, Washington, D. C., and to allow in full and final settlement of said claim the sum of not to exceed $553.50. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $553.50, or so much thereof as may be necessary, for payment of the claim.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. KING. I should like to ask the Senator having the bill in charge if the bill does not command payment of the entire amount?

Mr. McNARY. Mr. President, the Senator from Nebraska [Mr. HOWELL], the chairman of the Committee on Claims, is absent. I have sent for him, and I think he will be here in a few moments. I suggest that the bill be passed over for the time being.

Mr. KING. Let the bill be passed over for the moment.

The VICE PRESIDENT. The bill will be passed over.

BLANCH BROOMFIELD

The Senate proceeded to consider the bill (S. 551) for the relief of Blanch Broomfield, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Blanch Broomfield, widow of Florus Broomfield, the sum of $5,000, as compensation for the death of such Florus Broomfield on May 5, 1926, while employed as a teacher in the Indian Service at Rosebud Reservation, Rosebud Agency, S. Dak.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BENJAMIN BRAZNELL

The Senate proceeded to consider the bill (S. 468) for the relief of the estate of Benjamin Braznell, which was read, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue be, and he is hereby, authorized and directed to reopen and allow the claim of the Braddock Trust Co., executor of the estate of Benjamin Braznell, late of Pittsburgh, Pa., and refund the sum of $2,323.47, the balance of taxes illegally collected, under existing laws and decisions.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

THIRTY-FOURTH ANNUAL REPORT, NATIONAL SOCIETY OF THE DAUGHTERS OF THE AMERICAN REVOLUTION (S. DOC. NO. 25)

The resolution (S. Res. 104) was considered and agreed to, as follows:

Resolved, That the Thirty-fourth Annual Report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1931, be printed, with illustrations, as a Senate document.

INVESTIGATION OF RAILROAD PROBLEMS

The concurrent resolution (S. Con. Res. 3) establishing a joint congressional committee to make a general investigation and study of railroad problems was announced as next in order.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection to the immediate consideration of the concurrent resolution?

Mr. KING. Mr. President, I inquire if that is a resolution submitted by the Senator from Michigan [Mr. COUZENS].

Mr. LA FOLLETTE. It is.

Mr. KING. And it is desired that the resolution shall be adopted?

Mr. LA FOLLETTE. Yes; he is very anxious, as I understand, to have the resolution adopted.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Interstate Commerce with amendments, on page 2, line 10, after the word "represented" to insert, "*Provided, however*, That the chairman of the Committee on Interstate Commerce of the Senate and the chairman of the Committee on Interstate and Foreign Commerce of the House of Representatives shall be authorized to fill any vacancies in said joint congressional committee by appointing some other member or members of their respective committees from the same political party as the member whose position is thus filled"; and on page 4, line 7, after the word "exceed," to strike out "$10,000," and insert "$1,000," so as to make the concurrent resolution read:

Whereas many railroads are involved in grave financial difficulties, and all the railroads have sought a 15 per cent increase in freight rates; and

Whereas there is a movement now in progress to reduce the wages of all railway employees although it appears that approximately 500,000 normally necessary railway employees are now unemployed, and many thousands of others have only part-time employment, and that the present earnings of a large percentage of the employed railway workers are less than the amount necessary for a decent livelihood; and

Whereas responsible representatives of the railroads have indicated that financial assistance of the Federal Government will be sought in order to maintain the operations of many railroads, and to avoid further impairment of transportation service and further deferment of necessary maintenance with the resulting increase of unemployment; and

Whereas an emergency exists requiring that a coordinated program be developed immediately to preserve continuous and efficient railroad transportation and to avoid the imposition of intolerable burdens upon either the necessary investment or the necessary labor required to maintain this essential public service; and

Whereas there is no single agency of the Government authorized to develop such a program, or charged with full responsibility for determining the extent to which Government aid can and should be extended to meet all the needs of the present emergency: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be composed of the chairman, the ranking majority member, the ranking minority member, and the next ranking minority member of the Committee on Interstate Commerce of the Senate, and the chairman, the ranking majority member, the ranking minority member, and the next ranking minority member of the Committee on Interstate and Foreign Commerce of the House of Representatives: *Provided, however*, That the chairman of the Committee on Interstate Commerce of the Senate and the chairman of the Committee on Interstate and Foreign Commerce of the House of Representatives shall be authorized to fill any vacancies in said joint congressional committee by appointing some other member or members of their respective committees from the same political party as the member whose position is thus filled. The committee is authorized and directed to make a general investigation and study of all matters affecting the operations of common carriers by railroad subject to the interstate commerce act, with a particular view to determining to what extent the Federal Government can aid during the present emergency in preserving continuous and efficient transportation service by railroad, in alleviating the financial difficulties in which many such carriers are involved, in relieving the distress of the unemployed railroad workers, and in preventing further unemployment among such workers. The committee shall report to the Congress from time to time during the first session of the Seventy-second Congress the results of such investigation and study, together with its recommendations for necessary remedial legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit, and act at such times and places during the first session of the Seventy-second Congress, to employ such experts, and clerical, stenographic, and other assistants, to require by subpœna or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $1,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

The amendments were agreed to.

The concurrent resolution as amended was agreed to.

The preamble was agreed to.

Mr. TYDINGS subsequently said: Mr. President, the senior Senator from New York [Mr. COPELAND] is absent to-day. His office asked if I would not object in his name to the consideration of Senate Concurrent Resolution 3, establishing a joint congressional committee to make a general investigation and study of railroad problems, if it should be reached. Unfortunately, while Senators were at lunch, without a quorum being called, the matter was taken up and the concurrent resolution was agreed to. I personally have no particular objection to it at this time, but inasmuch as the Senator from New York is absent, and asked me to make objection, I ask that the vote by which the concurrent resolution was agreed to be reconsidered. I understand the Senator from New York will be here to-morrow morning.

Mr. COUZENS. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the vote by which the concurrent resolution was agreed to is reconsidered, and the concurrent resolution will go back to the calendar.

DEPORTATION OF CERTAIN ALIEN SEAMEN

The bill (S. 7) to provide for the deportation of certain alien seamen, and for other purposes, was announced as next in order.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

Mr. BINGHAM. Mr. President, this is a bill which has been before the Senate at various sessions. Some years ago some hearings were held on it, but no hearings were held on during the last Congress or at this session. As Senators will remember, at the last session I was very much opposed to this bill, believing that it was not in the interest of the merchant marine. Mr. President, I am going to ask the chairman of the committee if he will not be willing to have the bill rereferred either to his committee or to the Committee on Commerce in order that hearings may be held, particularly on the part of those who believe that its enactment would seriously hamper the merchant marine?

Mr. HATFIELD. Mr. President, I have no objection to having the bill recommitted to the Committee on Immigration. However, there was no objection made to the bill, and there was a very full attendance of the Committee on Immigration when the bill was considered. There being no objection, and no one requesting to be heard, there was little left for the committee to do other than report the bill.

Mr. KING. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from West Virginia yield to the Senator from Utah?

Mr. HATFIELD. I yield.

Mr. KING. Mr. President, this bill in one form or another has been before the Senate for a number of years. A similar measure was offered to an important bill in the House a number of years ago as an amendment, but it was held not to be germane to the bill which was then under consideration, and, though there was considerable testimony taken, as I recall, the measure was not taken up in the House. Subsequently this bill was offered in the Senate—I have forgotten the exact time, but I think in the Sixty-seventh or Sixty-eighth Congress—and extensive hearings were had in that Congress and in two succeeding Congresses, testimony both for and some testimony which could be construed to be against the bill. So hearings were had upon three separate occasions. All that could be stated against the bill, I submit respectfully, was offered in those hearings, while not all that could be said in favor of the bill was offered in those hearings.

I would not be willing as a member of the committee, Mr. President, to have the bill recommitted to the Committee on Immigration, and certainly I should object to its reference to the Committee on Commerce. The Committee on Immigration has had jurisdiction of this measure for three or four Congresses. In the House of Representatives the Committee on Immigration has had jurisdiction of the same subject.

I have no objection to giving my friend from Connecticut full opportunity to debate it and to present any facts that he may have and that he may deem relevant and pertinent. I shall not ask to have the bill considered at this time, in view of the desire to take up the moratorium measure; but, as I have stated, I shall be very glad to afford the Senator, so far as I have a voice in the matter, full opportunity to present any facts to the Senate and to discuss the bill to his heart's content.

Mr. BINGHAM. Mr. President, I submit to my friend from Utah, who is always fair-minded in such matters, that it is a little bit unusual to have the bill reported without any opportunity for hearings being given at this time. There were no hearings held during the last Congress. Those who are most immediately concerned in what they believe will be a very serious damage done to their business are anxious to present facts, many of them new facts, before the committee. They understood that there would be no action on this bill before the Christmas holidays, and they supposed that an opportunity would be given for a hearing. They have asked that a hearing be given by the committee; and in all fairness, Mr. President, it seems to me that no harm can come to the Senator's bill by having the bill rereferred to the committee, with an opportunity for those most immediately concerned to be heard. If what the Senator says and what I believe to be true is so, that the committee is largely of the opinion that it is a good bill, the bill can then be reported back to the Senate after hearings. However, it does seem to me, Mr. President, that it is not in accordance with good legislative procedure to rush the bill which has been fought for years out of the committee without any opportunity for a hearing, and when the first request comes for a hearing to have it denied and merely be told, instead of being able to present witnesses before the committee and get their opinion in a public record which can be used, that, forsooth, I may have an opportunity to debate the measure at length on the floor of the Senate.

The PRESIDING OFFICER (Mr. FESS in the chair). Is there objection to the immediate consideration of the bill?

Mr. McKELLAR. Mr. President, the senior Senator from New York [Mr. COPELAND] is very greatly interested in this bill. He asked me to request that it go over for to-day, and I hope that course will be taken because of the request of the Senator from New York.

The PRESIDING OFFICER. The bill will go over.

S. F. STACHER

The bill (S. 243) for the relief of S. F. Stacher was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the General Accounting Office is hereby authorized and directed to credit the accounts of S. F. Stacher, superintendent and special disbursing agent, Eastern Navajo Indian Agency, Crown Point, N. Mex., in the sum of $3,004.17, representing an expenditure of that sum in the appropriation for Indian school buildings, over and above the $37,000 authorized for construction and equipment of a heating and power plant at Eastern Navajo School, fiscal year 1929.

JEFF DAVIS CAPERTON AND LUCY VIRGINIA CAPERTON

The bill (S. 194) for the relief of Jeff Davis Caperton and Lucy Virginia Caperton was considered, ordered, to engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That sections 17 and 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended, are hereby waived in favor of Jeff Davis Caperton and Lucy Virginia Caperton, parents of J. P. Caperton, who was killed August 24, 1918, at Nitro, W. Va., when a freight train backed into the ambulance he was driving while in the performance of his duties.

DONALD K. WARNER

The bill (S. 241) for the relief of Donald K. Warner was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, and in full settlement against the Government, to Donald K. Warner, postmaster at Oakdale, Nebr., the sum of $869.17, being the amount of stamps and postal funds lost in the burglary of the post office on the night of December 13, 1928.

R. B. MILLER

The Senate proceeded to consider the bill (S. 159) for the relief of R. B. Miller, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the words "sum of," to strike out "$9,407.54, said amount representing the principal sum of $6,336.38 overpayments in freight on" and to insert "$2,500, in full and final settlement of all claims or demands of whatsoever nature, kind, or character against the Government, on account of the shipment of," and on page 2, line 5, after the word "law," to strike out "and the interest on said sum from the respective dates of shipment to April 1, 1926"; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay to R. B. Miller, out of any money in the Treasury not otherwise appropriated, the sum of $2,500, in full and final settlement of all claims or demands of whatsoever nature, kind, or character against the Government, on account of the shipment of 75 carloads of manganese ore shipped over the Norfolk & Western Railroad from Suter, Va., Rocky Gap, Va., and Graham, Va., to Reading, Pa., Harrisburg, Pa., and Birmingham, Ala., during the period that said railroad was operated by the Director General of Railroads, and which said amount was in excess of the regular freight rates published and allowed by law.

Mr. KING. Let the bill go over, unless there is an explanation of it.

The PRESIDING OFFICER. The bill will be passed over.

C. M. WILLIAMSON AND OTHERS

The bill (S. 458) for the relief of C. M. Williamson, Mrs. C. E. Liljenquist, administratrix, Lottie Redman, and H. N. Smith was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

MILBURN KNAPP

The bill (S. 971) for the relief of Milburn Knapp was announced as next in order.

Mr. KING and Mr. WHEELER. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

ELIZABETH B. EDDY

The Senate proceeded to consider the bill (S. 1214) to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy, which had been reported from the Committee on Claims with an amendment, on page 1, line 9, after the word "act," to insert:

Provided, That no part of the amount appropriated in this act in excess of 20 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 20 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined in any sum not exceeding $1,000.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to the legal representative of the estate of Elizabeth B. Eddy, widow of Charles G. Eddy, of New York, N. Y., the sum of $602.92, and the said sum is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purposes of this act: *Provided*, That no part of the amount appropriated in this act in excess of 20 per cent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 20 per cent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933, was announced as next in order.

Mr. JOHNSON. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

DISTRICT OF COLUMBIA COMMISSION, GEORGE WASHINGTON BICENTENNIAL

The Senate proceeded to consider the bill (S. 1306) to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial, which had been reported from the Committee on the District of Columbia with an amendment, on page 2, line 10, after the word "prescribed," to insert "subject to the supervision of the Commissioners of the District of Columbia or subject to the supervision of the Director of Public Buildings and Public Parks, as the case may be," so as to make the bill read:

Be it enacted, etc., That during the year 1932 the two hundredth anniversary of the birth of George Washington will be celebrated in the District of Columbia, and for the purpose of preparing, sponsoring, and encouraging suitable programs, entertainments, and demonstrations Cloyd H. Marvin, William W. Everett, John Poole, Mrs. Philip Sidney Smith, Clarence A. Aspinwall, George F. Bowerman, William W. Bride, Thomas E. Campbell, John H. Cowles, Harrison H. Dodge, Robert V. Fleming, Isaac Gans, Edwin C. Graham, Gilbert H. Grosvenor, John Hays Hammond, George C. Havenner, J. Leo Kolb, David Lawrence, Charles Moore, George Richards, A. K. Shipe, Ernest N. Smith, Edgar C. Snyder, Mrs. Virginia White Speel, Anton Stephan, Merle Thorpe, Joseph P. Tumulty, Charles Stanley White, and Lloyd B. Wilson are hereby created a body corporate and politic to be known as the District of Columbia Commission, George Washington Bicentennial, and within the limits hereinafter prescribed, subject to the supervision of the Commissioners of the District of Columbia or subject to the supervision of the Director of Public Buildings and Public Parks, as the case may be, the said corporation is hereby authorized—

(a) To purchase, acquire by lease, or construct such structures, platforms, and stands for the conduct of the programs, entertainments, and demonstrations as may be deemed necessary by said corporation.

(b) To manufacture, purchase, or otherwise acquire such paraphernalia, flags, posters, stationery, badges, programs and other printed matter, and lighting facilities as may be deemed necessary by the corporation for the purposes of said celebration.

(c) To erect or contract to be erected such structures, platforms, or stands on public space in the District of Columbia as may be deemed necessary by said corporation for the purposes hereof, and the Commissioners of the District of Columbia and the Director of Public Buildings and Public Parks are hereby authorized to grant such permit or permits as may be necessary for the occupation of public space in the District of Columbia under their immediate jurisdiction: *Provided*, That no structure, platform, or stand shall be erected as aforesaid unless the plans thereof be approved by the Commissioners of the District of Columbia where the same are intended to be erected on public space within their jurisdiction, or the Office of Public Buildings and Public Parks where the same are intended to be erected on public space within the jurisdiction of that office.

(d) To contract for the leasing and subleasing of such structures, platforms, and stands as may be erected by said corporation to such individuals, partnerships, or corporations and to grant such concessions as may be desirable in connection with such celebration.

(e) Adopt a seal, which said seal shall be the seal of the corporation.

(f) To do all other acts and things which may be necessary and proper to carry into effect the provisions of this act.

SEC. 2. That the corporation herein formed shall cease and determine upon the filing of its final report with the Commissioners of the District of Columbia.

SEC. 3. That Congress hereby reserves to itself the right to alter, amend, and repeal this act or any provisions thereof.

Mr. WALSH of Massachusetts. Mr. President, will the Senator in charge of the bill explain to the Senate the purpose of the bill?

Mr. CAPPER. Mr. President, the bill proposes to give the District commission in charge of the bicentennial celebration authority to erect a stand which will provide seats.

Mr. WALSH of Massachusetts. Why does the commission have to be incorporated?

Mr. CAPPER. That was the opinion of the corporation counsel. The corporation counsel came to the meeting of the committee and supported the legislation.

Mr. WALSH of Massachusetts. The committees of the several States have not been incorporated.

Mr. CAPPER. This, of course, applies only to the District of Columbia.

Mr. WALSH of Massachusetts. The reason for the proposed legislation is because the legal department of the District requested it?

Mr. CAPPER. That is the situation.

Mr. WALSH of Massachusetts. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF DISTRICT COMMISSIONERS OF MINISTERIAL DUTIES

The bill (S. 2077) to relieve the Commissioners of the District of Columbia of certain ministerial duties was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That on and after the passage of this act it shall be lawful for the secretary of the Board of Commissioners of the District of Columbia, or in his absence or upon his inability to act, such person as said commissioners may designate, when so directed by said commissioners, to execute in the name of the District of Columbia or of said board by attaching thereto his signature as such secretary and affixing, when requisite, the seal of said District, any deed, contract, pleading, lease, release, regulation, notice, or other paper, which heretofore said commissioners were required to execute by subscribing thereto their respective signatures: *Provided*, That prior to such signing, and sealing if requisite, said deed, contract, pleading, lease, release, regulation, notice, or other paper shall first have been considered and approved by said board of commissioners, or a majority of them, sitting as a board, and evidence of such consideration and approval shall be reduced to writing and recorded in the minutes of said board of commissioners, which minutes shall thereafter be signed by the members of said board of commissioners, or a majority thereof.

H. E. HURLEY

The PRESIDING OFFICER. That completes the calendar.

Mr. McNARY. Mr. President, we have not completed the calendar. When the first bill came up a question was asked, and I requested that it go over until the return to the Chamber of the Senator from Nebraska [Mr. HOWELL], who is here at this time.

The PRESIDING OFFICER. The bill will be read.

The bill (S. 258) authorizing adjustment of the claim of H. E. Hurley was considered by the Senate and was read, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to adjust and settle the claim of H. E. Hurley, trading as J. E. Hurley, for damages resulting from the failure of the Government to execute and perform a contract in accordance with his proposal accepted June 27, 1928, for the installation of an ash bin in the State, War, and Navy Building, Washington, D. C., and to allow in full and final settlement of said claim the sum of not to exceed $553.50. There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $553.50, or so much thereof as may be necessary, for payment of the claim.

Mr. KING. Mr. President, I should like to have an explanation of this bill.

Mr. HOWELL. Mr. President, a contract was entered into for the construction of an ash bin for the War and Navy Departments right over a bin that had already been constructed. Certain work has been done. Then it was decided to substitute oil for coal, and the work was discontinued. A claim was put in by the contractor for the expenditures he had made; and, after audit by the Comptroller General, the Comptroller General recommended that the claim be allowed for the amount stated here. As a consequence, the Committee on Claims recommended the passage of this bill at the last session, and it was passed by the Senate, and I think was favorably recommended by the House committee.

Mr. KING. May I ask the Senator whether the department for which the work was done recommends the passage of this measure?

Mr. HOWELL. I do not know that the department did.

I do know, however, that a contract was entered into for the work, that the work was not completed, and that a claim was made and went to the Comptroller General, who investigated the matter and recommended the passage of a bill for the relief of Hurley. I do not recall, however, whether or not the department made any recommendation in reference thereto.

Mr. KING. Did the Senator's committee make any investigation as to the validity of the claim and its righteousness?

Mr. HOWELL. We made no investigation except that we accepted the report of the Comptroller General.

Mr. KING. Does the Senator recall the date of the contract and the breach of it, if there was a breach, by the Government?

Mr. HOWELL. Yes; the work was begun——

Mr. KING. In what year?

Mr. HOWELL. In 1928—May 24, 1928.

Mr. KING. I withdraw any objection.

Mr. HOWELL. The contract was let and the work was begun.

The PRESIDING OFFICER. The Senator from Utah withdraws his objection.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. That completes the calendar.

FOREIGN-DEBT MORATORIUM

Mr. SMOOT. Mr. President, I move that the Senate proceed to the consideration of House Joint Resolution 147, to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

Mr. JOHNSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Sheppard
Austin	Cutting	Johnson	Shipstead
Bailey	Dale	Jones	Shortridge
Bankhead	Davis	Kean	Smith
Barbour	Dickinson	Kendrick	Smoot
Barkley	Dill	Keyes	Steiwer
Bingham	Fess	King	Swanson
Black	Fletcher	La Follette	Thomas, Idaho
Blaine	Frazier	Lewis	Thomas, Okla.
Borah	George	Logan	Townsend
Bratton	Glass	McGill	Trammell
Brookhart	Goldsborough	McKellar	Tydings
Broussard	Gore	McNary	Vandenberg
Bulkley	Hale	Morrison	Wagner
Bulow	Harris	Moses	Walcott
Byrnes	Harrison	Norbeck	Walsh, Mass.
Capper	Hastings	Norris	Walsh, Mont.
Caraway	Hatfield	Nye	Waterman
Carey	Hawes	Patterson	Watson
Connally	Hayden	Reed	Wheeler
Coolidge	Hebert	Robinson, Ind.	White
Costigan	Howell	Schall	

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. NORRIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NORRIS. If the motion of the Senator from Utah shall be agreed to, it now being but 10 minutes to 2 o'clock, will the joint resolution be laid aside at 2 o'clock?

The PRESIDING OFFICER. The unfinished business will be laid before the Senate at 2 o'clock.

The motion of the Senator from Utah is not debatable, and the question is on agreeing to his motion.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933, which was read, as follows:

Resolved, etc., That in the case of each of the following countries, Austria, Belgium, Czechoslovakia, Estonia, Finland, France, Germany, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, and Yugoslavia, the Secretary of the Treasury, with the approval of the President, is authorized to make, on behalf of the United States, an agreement with the Government of such country to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such country to the United States in respect of its bonded indebtedness to the United States, except that in the case of Germany the agreement shall relate only to amounts payable by Germany to the United States during such fiscal year in respect of the costs of the army of occupation.

SEC. 2. Each such agreement on behalf of the United States shall provide for the payment of the postponed amounts, with interest at the rate of 4 per cent per annum beginning July 1, 1933, in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and one during each of the nine fiscal years following, each annuity to be payable in one or more installments.

SEC. 3. No such agreement shall be made with the Government of any country unless it appears to the satisfaction of the President that such Government has made, or has given, satisfactory assurances of willingness and readiness to make, with the Government of each of the other countries indebted to such country in respect of war, relief, or reparation debts, an agreement in respect of such debt substantially similar to the agreement authorized by this joint resolution to be made with the Government of such creditor country on behalf of the United States.

SEC. 4. Each agreement authorized by this joint resolution shall be made so that payments of annuities under such agreement shall, unless otherwise provided in the agreement (1) be in accordance with the provisions contained in the agreement made with the government of such country under which the payment to be postponed is payable, and (2) be subject to the same terms and conditions as payments under such original agreement.

SEC. 5. It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced; and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying that favorable consideration will be given at any time to a change in the policy hereby declared.

Mr. SMOOT. Mr. President, I take it for granted that every Senator knows exactly what this joint resolution provides. It has been discussed in the press for months past. It passed the House of Representatives by a great majority, I think three-fourths of the Members of the House having voted for it, as a matter of fact.

Hearings were held by the Ways and Means Committee of the House before the joint resolution was passed in the House, and a hearing was held by the Finance Committee after it reached the Senate. I can not do better than to call attention to the report of the House committee, which I adopted as a report of the Finance Committee, to the Senate upon the joint resolution.

The subject has been before the country for months; and I have no doubt but that every Senator has read the report of the House Committee on Ways and Means, which I ask now to have incorporated as a part of my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[Senate Report No. 17, Seventy-second Congress, first session]

FOREIGN-DEBT MORATORIUM

Mr SMOOT, from the Committee on Finance, submitted the following report (to accompany H. J. Res. 147):

The Committee on Finance, to whom was referred the joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933, having had the same under consideration, report it back to the Senate without amendment and recommend that the resolution do pass.

Following is a copy of the House report, which is appended hereto and made a part of this report.

[House Report No. 9, Seventy-second Congress, first session]

The Committee on Ways and Means, to whom was referred the joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933, having had the same under consideration, report it back to the House without amendment and recommend that the resolution do pass.

Your committee was very desirous of obtaining all information available as to the economic situation in Germany and Europe and the necessity for the moratorium. With that end in view, it was announced that public hearings would be had. The chairman, through the press and otherwise, invited any interested parties to appear and testify before the committee. The Treasury Department was represented at the hearing by Hon. Ogden L. Mills, the Under Secretary of the Treasury, and the State Department in the person of the Secretary of State, Hon. Henry L. Stimson. Both these witnesses made full statements as to the economic conditions in Europe, and they were interrogated by the committee.

The London protocol, the agreement entered into by the interested nations agreeing to the terms of the moratorium, was before the committee and is a part of the record, as is the agreement between France and the United States, known as the Franco-American agreement. Three of the Members of the House of Representatives appeared before the committee. From time to time it was suggested to the committee that either the Treasury Department or the State Department had information that was very material to the issues involved in this bill and that such information had been withheld from the committee. Your committee, without exception, took the necessary steps to obtain such information if it existed. With this end in view, the Under Secretary of the Treasury was several times invited again before the committee and interrogated about these matters and the same was true as to the Secretary of State. In each instance the committee found nothing to substantiate these statements.

Some of the witnesses appearing before the committee opposing the bill laid particular stress on a newspaper article to the effect that some of the nations indebted to the United States had deposited the necessary funds with their fiscal agents in the United States to pay the amounts due on December 15. Your committee diligently sought to ascertain whether or not this was true. The correspondent who wrote the article was invited to appear before the committee, which he cheerfully did, but claimed his privilege and did not advise the committee from whom he obtained the information, the basis of the article above referred to. Your committee then ascertained from the Treasury Department that it understood that J. P. Morgan & Co. was the fiscal agent of some of the countries involved. Therefore the committee requested a representative from that firm to appear before the committee. Mr. Henry P. Davison, of the firm of J. P. Morgan & Co., appeared and advised the committee that his firm represented as fiscal agents in the United States Great Britain and France. Mr. Davison positively stated to the committee that these Governments had not deposited any funds to pay their installments due the United States on December 15, nor had they communicated with them on the subject. The Under Secretary of the Treasury stated that the payments made to the United States by these three countries in 1929 and 1930 were made for Great Britain and France by Morgan & Co. through the Federal reserve bank in New York.

With greatest respect, your committee is of the opinion that this is an extraneous matter and has no bearing on the case whatever.

On the last day of the hearing, in the forenoon, after hearing two witnesses, no one else appeared. The chairman then stated that he had given ample notice through the press and through the members of the hearings and that opportunity would be given to anyone to appear. After stating this, the chairman then announced to the public that he would be glad to hear anyone present. Having no response, the committee went into executive session.

It seems highly significant to your committee that, despite the widespread publicity of this matter since the President's announcement of June 20, 1931, no individual or representative of any group appeared or sought an opportunity to be heard in opposition to the resolution with the exception of the three Members of the House above referred to, who were given a full hearing.

Objections have been made to the word "reparations" as it appears in the resolutions on the ground that it links the United States to the whole reparations question. This term is merely intended as a description of one of the class of debts which must be postponed by the recipient countries in order for such countries as are indebted to the United States to participate under the President's proposal of June 20. This resolution in no way whatever links the United States with the payment of German reparations to the Allies, nor does it in any way make the payment due the United States by the Allies dependent upon receiving reparations from Germany. In fact, if the terms of the resolution were changed in this respect, the United States would be put in the position of postponing a debt due it from a country without such country being obligated to postpone what in many cases is the most important item of the amounts due such foreign countries, namely, the reparation payments. The committee is firmly of the opinion that nothing in the resolution can in any manner be construed as indicating a policy of debt cancellation or reduction, or as committing the United States or Congress to such a policy. In view, however, of repeated statements by opponents of the resolution the committee feels it desirable to set the matter at rest by the insertion of section 5.

The testimony given before the committee indicated that adverse economic developments in Europe had, by the beginning of 1931, placed the national economies of certain countries, particularly of central Europe, under severe strain. By June it was evident that events were rapidly shaping toward major crises the repercussions of which would seriously affect economic conditions throughout the world and which could not but react adversely upon conditions in this country.

It had become apparent early in the year that economic conditions in Germany were deteriorating at a fairly rapid pace. In Austria the disclosure of the unsound condition of the country's largest credit institution precipitated a crisis in that country in the latter part of May which necessitated the extending of ouside financial assistance and became so serious as to accentuate increasing apprehension regarding the economic and budgetary situation of Germany.

It became evident by the 1st of June that a slow run had begun upon German banks, in fact, upon the central institution, the Reichsbank. Subsequently this run assumed major proportions. Between the end of May and June 20, the outflow of funds from Germany resulted in a reduction of 1,000,000,000 Reichsmarks, or approximately $250,000,000, in the Reichsbank holdings of gold and foreign exchange. This represented approximately two-fifths of the bank's total reserves. On Friday, June 19, and Saturday, June 20, the withdrawals were so heavy that the reserves of the Reichsbank reached the legal minimum and it was obvious that unless some action was taken at once to change public sentiment and check the withdrawal of funds from Germany the Reichsbank would be obliged to suspend its reserve requirements and in all probability go off the gold basis with consequences most serious not only in Germany but throughout the world.

To meet the impending crisis and to avoid the inevitable adverse effects of the impending catastrophe upon conditions in the United States as well as in Europe, the President proposed, subject to confirmation by Congress, the postponement during one year from July 1, 1931, to June 30, 1932, of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest. This proposal was made in the belief, which subsequent events seem to justify, that timely action should contribute to relieve the pressure of adverse forces operating in foreign countries and should assist in the reestablishment of confidence. The announcement of the proposal on June 20 resulted in the immediate termination of withdrawals of funds from Germany and increased prices of commodities and securities in world markets. Although these benefits were not entirely retained, the impending catastrophe was averted.

The resolution under consideration authorizes the Secretary of the Treasury, with the approval of the President, to conclude agreements with our debtor governments which have accepted the President's proposal of June 20, 1931, and have made or have given satisfactory assurances of their willingness and readiness to make with each of their debtor governments an agreement on substantially similar terms as the agreements proposed to be made with our debtors.

Section 2 of the resolution authorizes the amounts postponed to be repaid over a period of 10 years beginning July 1, 1933, with interest at the rate of 4 per cent per annum. In July, 1931, the principal creditor governments met in London for the purpose of putting into effect the President's proposal, at which conference it was agreed that the amounts postponed should be repaid on the same conditions as specified in the resolution except that the interest rate was 3 per cent. In view of the fact that conditions have changed since that meeting in July and that the obligations of the United States Government are now selling on the market at a rate to yield about 4 per cent, it is felt that a 4 per cent rate is justified.

The agreements to be made under this resolution should, so far as possible, be subject to the same terms and conditions as the payments to be made under the original debt-funding agreements, except that there is to be no right of further postponement in respect of the payments in question, and except that payments should be made in cash. There may be a possible exception to the right of postponement in the case of Austria. It will be recalled that Austria has relief debts owing to nine different creditor governments. The conditions under which this indebtedness was created make it necessary that the postponed payments be subject to uniform terms and conditions of repayment for all creditors. Under the agreements now existing the trustees of the League of Nations' reconstruction loan have the right to object in any year to the payments being made during that year. Depending upon the action to be taken by all the creditor governments, it may be necessary to continue this right of postponement. In the case of Greece, part of its indebtedness is serviced through the International Financial Commission and it is advisable, if possible, to continue this arrangement with respect to the postponed payments on account of this indebtedness.

The provisions of section 4 are necessarily broad in order to cover the cases of Austria and Greece, but the committee has the pledge of the Treasury that exceptions to the terms of existing agreements will be confined to the above-mentioned points.

A copy of the President's statement of June 20, 1931, and a statement showing the amounts due the United States from foreign governments during the fiscal year 1932 which are affected by the President's proposal follow:

"The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest, of course, not including obligations of governments held by private parties. Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year beginning July 1 next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.

"This course of action has been approved by the following Senators: Henry F. Ashurst, Hiram Bingham, William E. Borah, James F. Byrnes, Arthur Capper, Simeon D. Fess, Duncan U. Fletcher, Carter Glass, William J. Harris, Pat Harrison, Cordell Hull, William H. King, Dwight W. Morrow, George H. Moses, David A. Reed, Claude A. Swanson, Arthur Vandenberg, Robert F. Wagner, David I. Walsh, Thomas J. Walsh, James E. Watson; and by the following Representatives: Isaac Bacharach, Joseph W. Byrns, Carl R. Chindblom, Frank Crowther, James W. Collier, Charles R. Crisp, Thomas H. Cullen, George P. Darrow, Harry A. Estep, Willis C. Hawley, Carl E. Mapes, J. C. McLaughlin, Earl C. Michener, C. William Ramseyer, Bertrand H. Snell, John Q. Tilson, Allen T. Treadway, and Will R. Wood. It has been approved by Ambassador Charles G. Dawes and Mr. Owen D. Young.

"The purpose of this action is to give the forthcoming year to the economic recovery of the world and to help free the recuperative forces already in motion in the United States from retarding influences from abroad.

"The world-wide depression has affected the countries of Europe more severely than our own. Some of these countries are feeling to a serious extent the drain of this depression on national economy. The fabric of intergovernmental debts, supportable in normal times, weighs heavily in the midst of this depression.

"From a variety of causes arising out of the depression, such as the fall in the price of foreign commodities and the lack of confidence in economic and political stability abroad, there is an abnormal movement of gold into the United States, which is lowering the credit stability of many foreign countries. These and the other difficulties abroad diminish buying power for our exports and in a measure are the cause of our continued unemployment and continued lower prices to our farmers.

"Wise and timely action should contribute to relieve the pressure of these adverse forces in foreign countries and should assist in the reestablishment of confidence, thus forwarding political peace and economic stability in the world.

"Authority of the President to deal with this problem is limited, as this action must be supported by the Congress. It has been assured the cordial support of leading members of both parties in the Senate and the House. The essence of this proposition is to give time to permit debtor governments to recover their national prosperity. I am suggesting to the American people that they be wise creditors in their own interest and be good neighbors.

"I wish to take this occasion also to frankly state my views upon our relations to German reparations and the debts owed to us by the allied governments of Europe. Our Government has not been a party to or exerted any voice in determination of reparation obligations. We purposely did not participate in either general reparations or the division of colonies or property. The repayment of debts due to us from the Allies for the advance for war and reconstruction were settled upon a basis not contingent upon German reparations or related thereto. Therefore reparations is necessarily wholly a European problem with which we have no relation.

"I do not approve in any remote sense of the cancellation of the debts to us. World confidence would not be enhanced by such action. None of our debtor nations has ever suggested it. But as the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world. I am sure the American people have no desire to attempt to extract any sum beyond the capacity of any debtor to pay, and it is our view that

broad vision requires that our Government should recognize the situation as it exists.

"This course of action is entirely consistent with the policy which we have hitherto pursued. We are not involved in the discussion of strictly European problems, of which the payment of German reparations is one. It represents our willingness to make a contribution to the early restoration of world prosperity, in which our own people have so deep an interest.

"I wish further to add that while this action has no bearing on the conference for limitation of land armaments to be held next February, inasmuch as the burden of competitive armaments has contributed to bring about this depression, we trust that by this evidence of our desire to assist we shall have contributed to the good will which is so necessary in the solution of this major question.

Amounts payable during the fiscal year 1932 by foreign governments on account of their indebtedness

Country	Principal	Interest	Total
Austria	$287,556		$287,556
Belgium	4,200,000	$3,750,000	7,950,000
Czechoslovakia	3,000,000		3,000,000
Estonia	108,012	492,360	600,372
Finland	55,000	257,295	312,295
France	11,363,500	38,636,500	50,000,000
Great Britain	28,000,000	131,520,000	159,520,000
Greece	660,000	449,080	1,109,080
Hungary	12,270	57,072	69,342
Italy	12,200,000	2,506,125	14,706,125
Latvia	44,664	205,989	250,653
Lithuania	38,615	185,930	224,545
Poland	1,325,000	6,161,835	7,486,835
Rumania	800,000		800,000
Yugoslavia	250,000		250,000
Total	62,344,617	184,222,186	246,566,803
Germany, army costs	6,000,000		6,000,000
Total	68,344,617	184,222,186	252,566,803

VIEWS OF THE MINORITY

We, a minority of the Ways and Means Committee, to whom was referred House Joint Resolution No. 147, "To authorize the postponement of the amounts to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933," respectfully dissent from the views of the majority for the following reasons, to wit:

CONSTITUTION IGNORED

The President of the United States did not have the constitutional right to take the action which he did in June of this year with respect to the moratorium. Under the Constitution of the United States, this was a matter to be determined by Congress in session, with proper communication thereon by the President of the United States, together with full facts of existent circumstances The President did not regard this matter of sufficient moment to call Congress into special session to consider same.

The conclusion of the President was reached after several weeks of investigation and consideration. No reason has been shown to excuse the usual constitutional procedure for the consideration of a matter of this importance.

NO NECESSITY FOR MORATORIUM

The necessity for the deferring of the payments of the intergovernmental debts to the United States by the 16 foreign powers affected by this resolution was not proved to the satisfaction of those subscribing to this minority report.

The selfsame arguments heard upon the consideration of the debt settlements advocated by the administration were heard anew. Generalities in respect of the financial structure of Germany was given voice. Germany was said to be unable to pay her reparations to seven or eight of these foreign countries affected by this measure. The other seven or eight countries affected by this resolution do not receive any sum from Germany in reparations (the names of these nations are not set forth herein, because of the fact that the hearings in which they were to be inserted are not available to us at this time).

Thus, this resolution would defer the payment of moneys to this country from seven or eight nations for value received, even though nothing is payable to them from Germany.

Germany is the nation to be helped. The sum of $6,000,000 is the only sum due by Germany to this country. No one even suggested that England, France, and Italy were not ready, willing, and able to pay their obligations to us on the due date. These three countries would pay to us during the fiscal year 1932 the sum of $224,227,125. The total amount of the payments deferred, including Germany's $6,000,000, is $252,566,803. Upon Thursday, December 10, 1931, Mr. Chamberlain, chancellor of the exchequer, is reported to have assured the House of Commons that all British foreign obligations could be and would be met.

No evidence was adduced before us that any of the foreign nations affected were financially unable and unwilling to make these payments. On the other hand, the nations affected by this resolution expended approximately $2,000,000,000 for armaments and war preparations within the last fiscal year.

We quote from the New York Times dated Sunday, August 2, 1931:

What nations spend on arms

[Expenditures for the last fiscal year, figured at rounded par or in a few cases at the average of exchange, as compiled by the World Peace Foundation from the forthcoming League of Nations Armaments Yearbook]

Austria	$14,507,320
Belgium	33,303,200
Czechoslovakia	51,189,000
Estonia	5,520,000
Finland	16,457,500
France	466,960,000
Germany	171,923,040
British Empire	726,731,065
Greece	21,340,800
Hungary	20,200,000
Italy	248,946,500
Latvia	7,860,000
Lithuania	5,680,000
Poland	92,072,000
Rumania	53,647,200
Yugoslavia	50,458,000
Total	1,986,799,625

It is very interesting to note that when the sums so expended within one year by the British Empire, France, and Italy on arms are segregated from this list the total makes the startling sum of $1,424,637,565. It is peculiarly pertinent when we again remind the House that these three nations would only pay within the present fiscal year the sum of $224,227,125 upon their indebtedness to us.

THE PRESIDENTIAL ACTION WAS A STEP TOWARD FURTHER CONCESSION TO FOREIGN DEBTORS

This is a forerunner and a curtain raiser to debt cancellation or another moratorium. Be not deceived. Read the President's message. Read this resolution and read the hearings.

The President in his message to the present Congress recommended the re-creation of the World War Debt Commission.

Mr. Mellon, Secretary of the Treasury, in what is reported to be a statement clarifying President Hoover's recommendations to Congress, on December 11, gave forth a public statement which is quoted in full as follows:

MR. MELLON DEFINES NATION'S POSITION ON DEBT CANCELLATION

"There should be no misinterpretation as to the administration's recommendations to Congress relating to the debts due us from foreign governments and the re-creation of the World War Foreign Debt Commission. The administration is opposed to cancellation. No recommendation made carries any such implication.

"It is, however, the duty of those in authority to deal with realities, and there is no escaping the fact that some of our debtors can not meet in full the payments due us until there has been a substantial measure of economic recovery and that the position of others is so changed as to call for consideration of their present situation in the light of existing circumstances.

"Our debt settlements were effected on the basis of the capacity of the debtors to pay. As the President said in his statement of June 20, 'As the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world.'

"Take the case of Great Britain, our best customer, which even in the depression year 1930 took $678,000,000 worth of American agricultural and industrial products. The economic and financial changes of the past year have immensely increased the difficulty of her payments to us. The series of events through which Great Britain was forced off the gold standard are too recent to require enumeration.

"To-day the pound sterling is selling at $3.315 to the pound, which is a 32 per cent discount as compared with last year when it stood at tariff parity or $4.866. All debts to Great Britain from foreign governments, except reparation payments, which are not being collected at all this year, and are not likely to be collected in full next year, are payable in sterling. Her debt to us is payable in gold dollars. The combined effect of these unfavorable factors results in an enormously increased burden for the people of Great Britain.

"Payments during the present fiscal year will serve to exemplify the magnitude of the additional burden.

"With the pound sterling at par, the British Treasury needs 32,800,000 pounds in order to pay us $159,500,000. With the pound sterling at the rate at which it sold on December 10, 1931, it would take 48,100,000 pounds, or an increase of 15,300,000 pounds, or 47 per cent. Or, in other words, the burden on the British taxpayer is increased by almost one-half.

"When the British debt settlement was made it was estimated that its present value at 4¼ per cent was 80 per cent of the total amount due prior to funding. If the amount to be raised in pound sterling to meet the obligation to us in dollars is increased by 47 per cent, it becomes apparent that from the standpoint of the British taxpayer he is asked to meet not the obligation as established by our debt commission but an amount considerably in excess of such obligation.

"Nothing could more forcibly illustrate the changed situation which places on the executive as well as the legislative branch of Government the duty of reexamining the obligations of our

debtors and their ability to meet them during a period of world-wide economic depression.

"Does anyone believe that Austria or Hungary should be asked to pay the installments due from them in view of the extraordinarily straitened circumstances in which the people of those two countries find themselves and great difficulty which they experience in obtaining foreign exchange for the purpose of carrying on even the minimum of effectual commerce with the rest of the world?

"Does anyone believe that Germany should be asked by the United States Government to meet her payments on the costs of the army of occupation when such a demand by us must be inevitably followed by demands of other creditors to pay her reparations in full?

"These instances should suffice to demonstrate that to stand on the letter of our bond and to refuse to investigate or to consider the facts, is to fail in our responsibility to the American people whom we represent and to the debtors whose capacity to pay we ourselves undertook to determine.

"What intelligent business man or banker would blindly refuse to investigate or to consider the altered circumstances of a debtor whose unsecured obligation he held? The situation of our debtors has been immensely altered during the course of the last two years. New questions in relation to these debts are bound to arise in the course of the next few months. The Congress should be in a position, through a commission created by it and composed in part of its own Members, to ascertain what the facts actually are and to deal with these new problems as they arise.

"It is with such thoughts as these in mind that the President recommended the re-creation of the World War Foreign Debt Commission. I am confident that upon mature consideration this recommendation will commend itself to the Congress."

The administration bill was introduced by Mr. COLLIER, chairman of the Ways and Means Committee, by request of the Treasury. This is the formal way of presenting the views of the Executive without in any manner binding the gentleman who would introduce it. It was the bill upon which the hearings were held. It is House Joint Resolution No. 123. We print it in full, as follows:

[House Joint Resolution 123, Seventy-second Congress, first session]

Joint resolution to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933

"*Resolved, etc.*, That in the case of each of the following countries: Austria, Belgium, Czechoslovakia, Estonia, Finland, France, Germany, Great Britain, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Rumania, and Yugoslavia, the Secretary of the Treasury, with the approval of the President, is authorized to make, on behalf of the United States, an agreement with the government of such country to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such country to the United States in respect of its bonded indebtedness to the United States, except that in the case of Germany the agreement shall relate only to amounts payable by Germany to the United States during such fiscal year in respect of the costs of the army of occupation.

"SEC. 2. Each such agreement on behalf of the United States shall provide for the payment of the postponed amounts, with interest at the rate of 4 per cent per annum beginning July 1, 1933, in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and one during each of the nine fiscal years following, each annuity to be payable in one or more installments.

"SEC. 3. No such agreement shall be made with the Government of any country unless it appears to the satisfaction of the President that such Government has made, or has given satisfactory assurances of willingness and readiness to make, with the government of each of the other countries indebted to such country in respect of war, relief, or reparation debts, an agreement in respect of such debt substantially similar to the agreement authorized by this joint resolution to be made with the Government of such creditor country on behalf of the United States.

"SEC. 4. Each agreement authorized by this joint resolution shall be made so that payments of annuities under such agreement shall, unless otherwise provided in the agreement, (1) be in accordance with the provisions contained in the agreement made with the Government of such country under which the payment to be postponed is payable, and (2) be subject to the same terms and conditions as payments under such original agreement."

It will be noted that what appears as section 5 in the resolution under discussion (probably) was not included in the administration measure.

This section reads as follows:

"SEC. 5. It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying favorable consideration at any time to a change in the policy hereby declared."

It may be that, with the knowledge of the sentiment in Congress and throughout the country against favoring foreign nations over our own country, the administration at this late date decides that moratoriums, debt reductions, and debt cancellations, at the expense of the American taxpayer, are not particularly popular. In any event, Congress is given the opportunity to give expression to its policy in this regard. We heartily concur in this amendment to the administration bill.

THE TIME ELEMENT

It was stated to us that the President reached his conclusion to initiate the moratorium on the 17th or 18th of June, 1931. His statement relative thereto was given publication on June 20, 1931. The wires to the Members receiving them were dated June 23, 1931. As we have noted, more than five and one-half months elapsed before Congress convened. No special session was called to consider this measure. Congress assembled Monday, December 7, 1931, and the Democratic members of the Ways and Means Committee were duly elected on that date. The administration measure was forwarded to Chairman Collier and immediately introduced by him on Monday, December 14. The hearings begun on the 15th were had in the mornings and afternoons of the 15th, 16th, and 17th. The bill was reported out, introduced in the House a few minutes before its adjournment on this date, December 17. It will be printed to-night and will be made available with the reports thereon to the Members to-morrow.

The hearings, while not so extensive in the testimony of the witnesses appearing before the committee, are not available at this time to the members of the committee nor to the Members of the House. There were considerable references made to documentary evidence which was agreed to be filed as a part of the evidence in support of this measure. These were not made available to the committee, and we are completely at a loss to know their contents.

We are in hearty accord with the dispatch of business. We have no criticism whatever of the manner in which the distinguished chairman of this committee has conducted the hearings, but we do submit that the membership of the committee should have had time to read the evidence and the documents called for by the evidence before preparing the reports, and the membership of the House should have had the opportunity to read the record and to digest it before being called on to vote on this momentous question.

CHANGE IN TERMS OF PROPOSAL

The final agreement reached on July 6, 1931, differed materially from that announced by President Hoover on June 20, 1931.

The initial proposal of the President, concerning which he sought the position of Members of Congress subsequent to the time when he had reached his conclusion, provided "postponement for one year of all intergovernmental debts."

It is patent that the postponement sought in this legislation is not for one year. It is true that the legislation treats of the payment of the debts for a 1-year period, but this deferred payment is strung out over a period of 10 years. It was admitted by the spokesman for the administration, Mr. Mills, that the President did not have in mind on June 20, 1931, the payment over a 10-year period of the indebtedness due for this fiscal year.

Further, as evidenced by the above quotation, the postponement was to be "of all intergovernmental debts." In the agreement finally reached France refused to accede to that proposal. All unconditional reparations due France from Germany are to be paid. There can be no doubt but that such condition is a deviation from the President's proposal. France is given a decided advantage in this respect.

In conclusion, we desire to call the attention of the Members of the House to the fact that our revenues amount to only about one-half the amount of the expenditures of the Government; that we have a large deficit and it is growing by leaps and bounds and to withhold the collection of this $252,000,000 means that it must be raised in taxation from the people of the United States, amounting to more than $2 for every man, woman, and child in the United States. We commend the equitable maxim known to every lawyer—we should be just to the American people before we are generous to the peoples of Europe.

Respectfully submitted.

MORGAN G. SANDERS.
E. E. ESLICK.
FRED M. VINSON.

Mr. SMOOT. Mr. President, the hearing before the Committee on Finance on the moratorium was very brief. In fact, Hon. Ogden Mills was the only witness who appeared before the committee, and his testimony was virtually the same as the testimony he gave in the hearings before the Ways and Means Committee of the House.

I express the hope that the joint resolution will be acted upon favorably by the Senate. I have every reason to believe that a great majority of Senators are in favor of its enactment, and I think it ought to be acted upon before the resolution for an adjournment over the holidays is agreed to.

Mr. JOHNSON. Mr. President, will the Senator yield to me?

Mr. SMOOT. I yield.

Mr. JOHNSON. The Senator spoke of the testimony of Mr. Ogden Mills taken before the Finance Committee. Has that been printed?

Mr. SMOOT. It has not been printed, but I say to the Senator that it was virtually the same as the testimony Mr. Mills gave before the Ways and Means Committee of the House.

Mr. JOHNSON. Is it in the hands of the printer at the present time?

Mr. SMOOT. It is.

Mr. JOHNSON. We will get it after we pass the moratorium?

Mr. SMOOT. I do not know whether it will be printed by to-morrow morning or not, but I have asked that it be printed at as early a date as possible.

I repeat, the testimony of Mr. Mills before the Finance Committee was virtually the same as that he gave before the Ways and Means Committee of the House. The only reason for calling him before the Finance Committee was to allow members of that committee to ask any questions of Mr. Mills they desired to propound. He presented the matter so clearly and so succinctly that hardly a question was asked him.

I close by saying that, in my opinion, and I think it is the opinion of the other members of the committee, with the possible exception of one, this legislation is of vital importance, and the joint resolution should be passed before any holiday recess is taken. I trust that will be the case.

Mr. President, I ask that at 2 o'clock the unfinished business be temporarily laid aside.

The VICE PRESIDENT. Is there objection to the request of the Senator from Utah? The Chair hears none, and it is so ordered.

THE ROCHDALE COOPERATIVE SYSTEM

Mr. BROOKHART. Mr. President, this 21st day of December is the natal day of economic cooperation. It was on this date that the first economic society operating under what is known as cooperation was born. On the shortest, darkest day of the year, in 1844, 87 years ago to-day, at Toad Lane, in the little town of Rochdale, was opened the first genuine cooperative store known to history.

Mr. President, the history of this movement presents a picture particularly contrasting to present conditions throughout the world. The society was composed of 28 poor flannel weavers. For a year and a half they had saved their pennies until they had accumulated a pound each, and with that little capital of about $140 they opened up a little store. It was considered a joke and was the butt of ridicule at the time. The boys made sport of it as they passed, but it persisted. It had among its members one man at least of particular genius.

It succeeded upon three new, simple, and yet world-wide economic principles. The first of those principles is that in a cooperative enterprise one man shall have one vote. Capital does not vote. We in our country hear a great deal about individualism or individuality. But, Mr. President, under the competitive economic system, under the corporation system as organized in the United States, there is no such thing as individuality. We must go back to the cooperative idea to find genuine individuality, where one man has one vote. In the American corporation a man has no vote at all. In the American corporation capital alone votes and capital rules, and the thing miscalled "individuality" under the competitive system is in fact a capital autocracy.

These 28 flannel weavers set that principle aside and made man supreme in the management of economic affairs as we have done in the matter of political affairs in the United States. I want to say in passing that one of the 28 was a woman, Anne Tweedale, and this was the first time in the history of economics that I know of where women were recognized on equal terms with men in business affairs as they are now recognized on equal terms in political affairs in the United States.

Mr. President, the second principle was a limit upon the earnings of capital. Capital should be given a definite and a fixed wage the same as men are given definite and fixed wages. Under the competitive system capital is able to beat down the wages of men and take all the profits and earnings of the enterprise. There is no part of our competitive organization that is so destructive of prosperity as is that principle.

The third principle these weavers announced was that the earnings of the enterprise over and above the wages of men and the wages of capital should be distributed about like this: Twenty-five per cent of them should be kept in the enterprise so it would have a surplus to meet losses and so it would grow and become stronger. I think, perhaps, it was this provision that accounts for the success of cooperation as organized 87 years ago to-day. Then the balance of the earnings of the enterprise, over and above the amount retained for surplus, was to be distributed back to the members in proportion to the amount of business each member transacted with the enterprise.

Mr. President, I have stated but three little economic principles, and yet those three principles would mean an economic revolution throughout the world if they should be adopted and followed everywhere. They are growing. They are growing everywhere in the world. From that little beginning in Great Britain they have grown to be the greatest enterprise in all the Empire. There is no other single enterprise to compare to that growth and development. Those principles recognize men above property. They recognize democracy in business as well as democracy in government. In fact, democracy in government becomes a mockery when a financial autocracy rules over it, which is the direction of our drift in the United States up to date.

Now, what about the competitive system that has always ruled the world without challenge up until the organization of the Rochdale cooperatives, the equitable pioneers of 1844? Mr. President, there has been no stability in competitive business at any time. I placed in the RECORD of the Senate during the last session a chart, which I had on the wall of the Chamber of the Senate for some days, showing the condition during the last 50 years of American business. In the 50 years there were eight major depressions, and seven little ones thrown in for good measure. During the 50 years we spent about half of our time going into and getting out of depressions. On the authority of a former distinguished Member of this body I showed that 92 per cent of American business ultimately failed. I fear that before the present great depression, the greatest of all of them, shall have subsided that percentage will be increased rather than diminished.

Some have said to us that the present depression is caused by the war. The present depression in the United States could not have been caused by the war. That might be true and is generally true as applied to the rest of the world, but the United States was a profiteer out of the war. We owed foreign countries at the beginning of the war $5,000,000,000 or $6,000,000,000. We were a debtor nation. In a very short time out of war profits we paid it all. We went into the war and we levied taxes upon war profits. We realized the enormous sum of $10,000,000,000 or $11,000,000,000 directly and indirectly by the taxation of war profits and of the profits resulting from the war after the war was over, and we loaned foreign countries that vast sum. Then private business out of war profits accumulated vast sums and loaned in foreign countries sums which I have seen estimated as high as $15,000,000,000 or $16,000,000,000 more. Our national debt was reduced to $16,000,000,000 mainly by taxes on war profits.

So any way we figure the situation in this country, the war was not the cause of our depression. The cause of it was competitive economics. It was the competitive economic system under which we—I was going to say "lived," but I had better say strived. Under our system we find this state of facts: The American people as a whole produce about 4 per cent a year of new wealth. That is all there is in the American pool of production in a series of years. That is all there has ever been in it from the time of the Declaration of Independence down to the present day. There have been some variations due to variations in the competitive system; but when it simmers down to a series of years, all the labor and all the capital and all the increase of property values, everything that goes to measure wealth production of our country, is measured by that little 4 per cent.

But, Mr. President, notwithstanding the fact that 4 per cent is our economic possibility under the competitive system, we organize many great corporations and great combinations. We send them out to fight for 5¾ per cent for the railroads, for instance, and that upon an enormously inflated valuation. Others go out fighting for 10 per cent and 40 per cent and 100 per cent. That organization puts us in a constant state of economic warfare. The result of that warfare is that a few win, a few succeed, and many go down in defeat and disaster. Those that succeed are usually the giants, usually the great corporations and the great combinations. Those that fail, of course, are the ordinary organizations, much greater in number. It is for this reason that 92 per cent or more of American enterprises ultimately fail.

Mr. President, we hear it said that the Government ought to stay out of business, and yet I have been on committees of the Senate the past few days where the great institutions of the country are now asking that the Government come into business and take them out of the deplorable conditions which this system of competitive economics has brought to our country. Here are the railroads, first before the Interstate Commerce Commission and now before the Committee on Banking and Currency, demanding first a 15 per cent increase in rates and now that a great giant governmental corporation be organized to finance them through their difficulties. Then comes the competitive banking system asking for a similar kind of relief. But, Mr. President, while I discuss the demands of the great competitive banking systems of the country, I have a different story to tell of a cooperative banking system in the United States whose representatives just at the noon hour appeared before the Committee on Banking and Currency.

The Association of Mutual Savings Banks, a cooperative system of banks with many billions of dollars of deposits, with many billions of dollars of investment, came before our committee just now and said, "We are in a more prosperous condition than when the depression began. Our deposits have increased enormously. Our securities are sound. We need no relief from the Government of the United States." That is the one bright spot that has appeared in the Banking and Currency Committee up to date during the course of the hearings on the measure to authorize a $2,000,000,000 governmental corporation in the effort to relieve competitive economics from present disastrous conditions.

Mr. President, the situation as to the mutual or cooperative banks in the United States is only parallel with the development of cooperation all over the world. In Great Britain they were hit a hundred times harder by the war than were we in the United States; they were enormous losers; their tax burden is many times our tax burden in the United States; yet to-day they have less unemployment in proportion than have we; their business is in better condition than is ours, and the great cooperative business that grew out of the little store started by these 28 flannel weavers 87 years ago to-day is one of the most prosperous in this world at this moment. It has gone through all this calamitous era relying upon those principles just as the mutual banks of New York have gone through the present situation in the United States. With that little store as a beginning, development has been so great that there are now 6,000 and more of those stores in Great Britain.

They have at Newcastle upon Tyne a wholesale establishment as big as Marshall Field's; they have one bigger at Glasgow, and they have one three and one-half times as big as that at Manchester, doing business all around the world. They have 6,000 little cooperative banks as branches, usually in these cooperative stores, and in the wholesale department they have a great reserve cooperative bank with a turnover of more than $4,000,000,000 a year. That giant system, now the largest individual business in all the British Empire, founded upon these three simple principles, takes competition out of business by giving one man one vote in business and by limiting the earnings of capital to a reasonable wage.

But it is said, "You can not limit the earnings of capital in a country; that is socialistic or bolshevistic or something similar." Well, this same cooperative system, after the soviet revolution, went into Russia; in fact, it had been there before. The Soviet Government confiscated it, as it did all other business in the beginning, and converted it into a state enterprise, but it did not work so well. Then they turned it back, and even the last message of Nicolai Lenin himself to the soviet congress recommended that they restore cooperation and support and encourage it, even as they did communism itself.

So, Mr. President, communism called in cooperative economics to steady its course and to stabilize its success, and I believe a great part of the success that is now evident in Russian development is due to that change in economic policy. We have heard competitive economics say that when they put in piecework or a little private store or something of that kind that they had retreated, but some of us have never heard perhaps that they returned to cooperation, and that cooperation is building their success.

The collective farms in Russia about which we have read—and about 60 per cent of them now are reorganized in that way—are all cooperative organizations. There have been a few state farms organized, but the great majority are cooperative.

In the United States we have launched upon the policy of cooperation. We created a Federal Farm Board and we gave it $500,000,000 to stabilize the surplus and to assist in the organization of cooperatives. Have they done it? No. They have organized some, but they went out in competition with others, and their big, giant organizations are corporations under the laws of Delaware; they are not cooperative at all.

Mr. President, every time there has been an attempt to short-circuit these three Rochdale cooperative principles, every time there has been an attempt to organize something called cooperation on any other basis, it has failed, whereas there is no record of failure where they have been truly organized and efficiently managed upon those principles.

In this English system they organized their little store; after it succeeded others were organized. There were several hundred of them. Then they met and decided to organize a wholesale department. The stores took all the capital of the wholesale department; no individual subscribed for any capital, and the same three principles were adopted. Each store had votes for its control according to its membership.

The capital earning was limited the same as in the individual stores; of the trade dividend 25 per cent was retained for the wholesale department, so it might grow and become stronger and more successful; and the balance of the earnings were distributed to the stores in proportion to the business that they had with the wholesale. Those profits then were distributed on down to the membership in their own trade dividends. The wholesale succeeded at once. By and by it was noticed that many of their stores failed as ours do. They did not meet their notes at the bank and the sheriff sold them out. So they said, "We would do better if we had our own banking system." Then they put in the cooperative banking system about which I have spoken.

But what has the American system done to our cooperative banks? I say to you that the great bankers who rule over our banking system in this country, who have brought it to its present plight and have brought this country to the lowest depth of depression in all our history, have persistently fought cooperative laws all over these United States. They persistently kept out of the cooperative laws of all the States provision for a cooperative banking system, until a few years ago I succeeded in getting such a statute in the laws of the State of Iowa, which, however, had some jokers in it, so that there can not be organized as yet a reserve bank. However, it was the great bankers of this country who looked after these laws. I know that, because when I first came to Congress they "looked after" me. They came to me and said, "Lay off the cooperative banks; the big banks are in favor of it, but if you start anything on cooper-

ative banking you will turn them against it." That was the approach they made; but I understood the system and, of course, I listened to no such sophistry as that. One of the persistent fights I have been making all the time is to present to the Senate and the Congress a comprehensive cooperative banking system and to show how the Rochdale system has succeeded not only in England but in other countries. I visited 15 different countries and saw it in operation, and in those countries, in spite of war, in spite of revolutions, and in spite of depression, it is a success to-day; but I say to you, Mr. President, that cooperation had not succeeded in any of those countries until they established a cooperative banking system, a system of credit as a foundation and basis upon which the cooperative system itself must stand.

Mr. President, I want to close my remarks to-day by asking unanimous consent to insert in the RECORD the names of the men who organized this first cooperative association. Let me say that the only economic shrine in this world, the only place on this big round earth where people go at the present time and have gone for years just because of what was done there of purely an economic nature, and for no other reason, is this little building where the Rochdale store started in 1844. It has now been taken over by the Rochdale system, and every year there is a pilgrimage to that store, like many of the religious pilgrimages of the world; and the people who go there go because those three principles of cooperation are the principles of the golden rule and of the Sermon on the Mount itself in business.

Here, Mr. President, are the names of the 28 humble people who established this system which will mean in the near future the economic revolution of this world. I ask that the names may be printed in the RECORD.

The VICE PRESIDENT. Without objection, the names will be printed in the RECORD.

The names referred to are as follows:

James Smithies, Charles Howarth, William Cooper, David Brooks, John Collier, Samuel Ashworth, Miles Ashworth, William Mallalieu, George Healey, James Daly, James Tweedale, Samuel Tweedale, John Kershaw, James Maden, John Scrowcroft, John Hill, John Holt, James Standring, James Manock, Joseph Smith, William Taylor, Robert Taylor, Benjamin Rudman, James Wilkinson, John Garside, John Bent, Ann Tweedale, and James Bamford.

EMPLOYMENT OF ATTORNEY BY POWER COMMISSION

Mr. NORRIS. Mr. President, earlier in the day I explained to the Senate that I would later want to ask unanimous consent to submit a report from the Judiciary Committee and ask unanimous consent for the consideration of the bill thus reported. From the Committee on the Judiciary I now ask unanimous consent to report favorably, with amendments, the bill (S. 930) to amend section 109 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, and for other purposes, and I submit a report (No. 21) thereon. I likewise ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. Without objection, the report will be received. Is there objection to the present consideration of the bill?

Mr. WALSH of Montana. Mr. President, I may say to the Senator from Nebraska that the Senator from Michigan [Mr. COUZENS] spoke to me about that matter.

Mr. NORRIS. Yes; he also spoke to me, but he is quite willing that I should have the bill taken up in his absence.

Mr. SMOOT. Mr. President, I have no objection to the consideration of the bill if it shall not lead to any discussion.

Mr. NORRIS. I do not think it will.

Mr. SMOOT. Then I have no objection to its consideration.

Mr. McNARY. Is the measure reported by the Senator a bill or resolution?

Mr. NORRIS. It is a bill recommended by the Committee on the Judiciary.

The VICE PRESIDENT. Let the bill be reported for the information of the Senate.

Mr. NORRIS. I suggest in order to save time that the secretary read the substitute bill which the committee has reported.

Mr. WALSH of Montana. Let me say that the reading of the bill will really give the Senate no real information concerning it. Will not the Senator from Nebraska state instead the general character of the bill?

Mr. NORRIS. I shall be glad to do that, although I think I explained the bill this morning.

The VICE PRESIDENT. Without objection, the Senator will proceed.

Mr. NORRIS. Mr. President, the Power Commission is engaged in the consideration of an application for a license known as the New River case. For reasons that are quite obvious, I think, to those who know about it, the Power Commission desires to employ an attorney. The Department of Justice is making no objection; in fact, the Department of Justice drew the original bill, which the committee has amended. It is another case exactly like that presented to the Senate when we authorized the employment of Mr. Roberts, now an Associate Justice of the Supreme Court. Under the law the Power Commission can not employ this attorney unless he will give up all business that he may have against the United States during the pendency of the suit in connection with which he represents the United States. The attorney has other cases, some of them cases against the United States, none of them, however, having any relation to the subject matter of the litigation here. In order to relieve him from that penalty the bill is brought before the Senate; and its importance will be more fully recognized when I tell the Senate that the work of the attorney is immediate, and it will be necessary for him to go to work at once before Congress shall reconvene after the holiday recess.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. McNARY. Did the report of the bill have the unanimous approval of the Committee on the Judiciary?

Mr. NORRIS. Yes.

Mr. McNARY. I have no objection to immediate consideration.

Mr. NORRIS. Huston Thompson is the attorney they have employed. He is a former member of the Federal Trade Commission. I think most Senators are acquainted with him.

The VICE PRESIDENT. Is there objection to the present consideration of the bill? The Chair hears none.

The Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and to insert:

That nothing in sections 109 and 113 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended (U. S. C., title 18, secs. 198 and 203), or of any other act of Congress forbidding any person in the employ of the United States or acting in any official capacity under them from acting as agent or attorney for another before any department or branch of the Government or from receiving pay for so acting shall be deemed to apply to counsel serving in the case of the Appalachian Electric Power Co. *v.* George Otis Smith et al., now pending in the District Court of the United States for the Western District of Virginia.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill limiting the operation of sections 109 and 113 of the Criminal Code with respect to counsel in the case of the Appalachian Electric Power Co. *v.* George Otis Smith et al."

Mr. NORRIS. Mr. President, I ask that the Presiding Officer, if he can do such a thing, instruct the clerks at the desk to transmit this bill to the House of Representatives as soon as possible, because it will be of no avail unless it is passed by that body to-day.

The VICE PRESIDENT. That instruction will be given.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 142) making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932, and it was signed by the Vice President.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Latta, one of his secretaries.

BATTLEFIELDS IN UNITED STATES FOR COMMEMORATIVE PURPOSES (S. DOC. NO. 27)

Mr. REED. Mr. President, from the Committee on Military Affairs, I send to the desk a message from the President of the United States, which was laid before the Senate and referred to the Military Committee on the 19th instant, and ask that it may be printed as a Senate document, with illustrations. This is the annual report on the survey of battlefields, and we have taken similar action in former years.

The PRESIDENT pro tempore. Without objection, it is so ordered.

GENERAL DISARMAMENT CONFERENCE AT GENEVA (S. DOC. NO. 26)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

In my message on foreign affairs which was communicated to the Congress on the 10th day of this month, I spoke of the invitation which this Government has accepted to participate in the General Disarmament Conference which is to meet at Geneva on February 2, 1932. I spoke also in that message of the interest of this Government in supporting the efforts of this conference in accordance with the traditional policy of the American Nation to meet with the other nations of the world and to offer its cooperation in any endeavor which has in view the reduction of the huge burdens which result from unnecessarily heavy and costly armaments.

I am transmitting herewith and I commend to the favorable consideration of the Congress a report on the subject from the Secretary of State in which he requests that authorization be made for an appropriation to defray the expenses of sending an American delegation to Geneva for the purpose of representing the United States at the conference.

HERBERT HOOVER.

THE WHITE HOUSE, *December 21, 1931.*

FOREIGN-DEBT MORATORIUM

The Senate resumed the consideration of the joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

Mr. HOWELL obtained the floor.

Mr. JOHNSON. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. JOHNSON. I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator yield for that purpose?

Mr. HOWELL. I do.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Broussard	Cutting	Gore
Austin	Bulkley	Dale	Hale
Bailey	Bulow	Davis	Harris
Bankhead	Byrnes	Dickinson	Harrison
Barbour	Capper	Dill	Hastings
Bingham	Caraway	Fess	Hatfield
Black	Carey	Fletcher	Hawes
Blaine	Connally	Frazier	Hayden
Borah	Coolidge	George	Hebert
Bratton	Costigan	Glass	Howell
Brookhart	Couzens	Goldsborough	Hull
Johnson	McNary	Shipstead	Vandenberg
Jones	Morrison	Shortridge	Wagner
Kean	Moses	Smith	Walcott
Kendrick	Norbeck	Smoot	Walsh, Mass.
Keyes	Norris	Steiwer	Walsh, Mont.
King	Nye	Swanson	Waterman
La Follette	Patterson	Thomas, Idaho	Watson
Lewis	Reed	Thomas, Okla.	Wheeler
Logan	Robinson, Ind.	Townsend	White
McGill	Schall	Trammell	
McKellar	Sheppard	Tydings	

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

Mr. HOWELL. Mr. President, we have treated our European debtors with such generosity that there is no parallel in history for our action; and yet what we have done is not appreciated—certainly not in Europe—and, unfortunately, not by our own people.

The reason for this is that there has been great confusion in the minds of a large proportion of our population as to the final disposition that has been made of the debts due us. This confusion is quite understandable. Not only are the sums involved so enormous that they are hardly comprehendible—totaling, as they do, $12,091,000,000—but the statements in reference thereto as to what we are to receive made by responsible officials have often been involved, if not contradictory.

Furthermore, what we have done for our European debtors is not appreciated by many of our people because the annual payments we have had and are to receive have not been clearly placed in juxtaposition with the annual interest we are paying on the money we borrowed to loan our European debtors—interest that has averaged for the past 6 years $500,000,000 per annum.

It is one thing to loan from your surplus. Quite another to borrow money from a bank to loan your friend in need. If he does not pay, you are not released. You must meet your interest payments though he fail you. If he does not pay it is "dead horse" for you, and every time you pay interest at the bank there is another funeral.

What the American people have been suffering from is the failure of our European debtors to shoulder their obligations to us. As a consequence, we have not only had to shoulder the principal sums of their debts but, in addition thereto, deficits in interest; that is, the difference between the totals of the debtors' payments made us each year and the interest we must pay upon the money we have borrowed to loan them.

The only way to bring home the meaning of this is to consider some particular debt, as, for instance, the French debt:

When we settled with France as of June 30, 1925, there was due us from the French people in round numbers $4,231,000,000—a sum almost too great for the average mind to comprehend. Since then France has paid six annual installments, all that we will receive up to July 1, 1932, if this moratorium is approved.

What was the meaning of the settlement we made with France

On June 19, 1929, the Senate went on record to the effect that our settlement with France was equivalent to the cancellation of the principal sum of that debt, totaling $4,231,000,000, and that France in lieu thereof was to pay us but 2⅛ per cent thereon annually for a period of 62 years, and then France was to be through; she need pay us no more. But, Mr. President, for the last six years the average annual interest we have paid to carry this debt is nearly double this 2⅛ per cent, which France is to pay, or 4⅛ per cent.

Even this statement does not convey to the mind the unparalleled treatment we have afforded France. Not only have we canceled her debt of $4,231,000,000, but during the 6-year period ending July 1, 1930, we paid out in interest to carry this debt of $4,231,000,000 the sum of $1,058,000,000, while during that same period France paid us only $200,000,000, leaving a deficit for the American people to shoulder of $858,000,000 in interest alone—yet only 6 years of the 62 years have been tolled off.

In short, our generosity to France during the war cost us $4,231,000,000—the canceled principal sum of her debt. Then during the past six years it has cost us $1,058,000,000 more in interest to carry the debt, and during all that time France has helped us in this gigantic task by contributing but $200,000,000 all told.

Mr. President, our interest loss alone, due to this French debt, has totaled $858,000,000 during the last six years; and if this proposed moratorium is approved, this interest loss to the American people will rise to $1,027,000,000 by the first day of July 1932.

Is it not about time for us to give consideration to the American people and not wholly to the welfare of the rank and file of the French?

France is not an indigent. She has more gold in her Treasury per inhabitant than has the United States. France was to pay us an additional $50,000,000 this year; but if this proposed moratorium is approved by Congress, France will be relieved of her obligation to make this additional $50,000,000 contribution. But how much will it cost us in interest this proposed-moratorium year to carry her debt? It will cost the American people in round numbers $169,000,000 in interest alone.

This is an example of the meaning of our European-debt settlements and what will result from this moratorium. Now, when we are confronted, as we are, with a Treasury deficit of $1,800,000,000, which may reach $2,500,000,000 before the end of this fiscal year, a nation—aided in an extremity by us through loans the interest on which will cost us $169,000,000 this proposed-moratorium year—is to be relieved of helping us out to the extent of $50,000,000, and all of the $169,000,000 of interest is to be left for the backs of the American people.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. WHITE in the chair). Does the Senator from Nebraska yield to the Senator from Montana?

Mr. HOWELL. I yield.

Mr. WALSH of Montana. I feel very confident that a great majority of the Members of the Senate will feel as the Senator from Nebraska does, that we have been, in a way, overgenerous with these European debtors in connection with the settlements made with them. I do not believe that anyone feels like making any further concessions by reason of any regard we have for their situation, or other considerations of like character. Quite a good many, however, including myself, acceded to the desire of the President that we should extend this moratorium because of repercussions in this country growing out of the situation arising in Europe. I presume the Senator will address himself to that phase of the controversy later.

Mr. HOWELL. It is my intention to do so.

Now, at the risk of occupying the time of the Senate unnecessarily, I shall attempt to illustrate further the meaning of the French debt and the part which France is playing as a debtor.

I shall do this by reducing the sums involved by dividing by 1,000,000. The French debt of $4,231,000,000 is equivalent to 1,000,000,000 mortgages of $4,231 each. Because of the money we borrowed to loan France, we will pay in interest this year $169 to carry one of these mortgages. France, as a debtor, has agreed to pay us this year $50 on account of this mortgage; but if this moratorium is approved, she will pay us nothing, although up to the present time—and it is now 1931—France has paid, all told, on one of these mortgages but a total of $200. Notwithstanding this fact, France seeks a further avoidance of her debt, if not complete forgiveness.

Mr. SHORTRIDGE. Mr. President, may I ask the Senator a question?

Mr. HOWELL. I yield.

Mr. SHORTRIDGE. This moratorium proposition does not involve any cancellation of interest or principal. Is there any inference to be drawn from its language that it means cancellation, or scaling down, or anything of that sort? Does it not provide merely an extension of the time within which to pay? Is not that all there is to it?

Mr. HOWELL. Mr. President, I assume the Senator was not in the Chamber when I began. I prefaced my remarks by calling attention to the great generosity we have shown to France.

Mr. SHORTRIDGE. Very great, indeed; and to all other debtor nations.

Mr. HOWELL. I attempted to convey some idea of the meaning of this enormous debt and its cancellation.

I will now answer the question of the able Senator from California by calling his attention to business transactions. It has been my experience that if I ever prevailed on a judgment-proof debtor to agree, after I had made great concessions, to make certain payments, and, in the vernacular of the street, he "crossed his heart and hoped to die" that he would make those payments, I have found that the only way for me to get that money was to be on his doorstep at the hour when each payment was due, and that if I ever let such a payment go by the chances were I would never get it. I think that is the general experience in private business. I do not regard public business as different from private business. The same principles are involved. The same experience may be expected in public affairs as in private affairs and the nations with which we are dealing are judgment proof.

Mr. SHORTRIDGE. Mr. President, if the Senator will permit me to add a word, I do not want the Senator from Nebraska or any other person in the United States or in any other country of the world to misunderstand my position. I indicated that I would vote in favor of extending these payments, but at the same time, in language as positive and definite as I could make use of, I expressed the position I then held—and it is the position I now hold—namely, that I was and I am opposed to cancellation of any of these foreign nations' debts. I was—I am—opposed to opening up those agreements, which were entered into after due consideration and the utmost generosity on our part.

I believe these foreign nations should observe those contracts and carry out their legal and moral obligations. So, with great deference to many Senators with whose views I agree in so many ways, it has occurred to me that we ought to take the word of the President of the United States to this effect—that he is opposed to cancellation of these or any of these debts. I may add that by this action we are not expressing any willingness or any intention on our part further to extend the payment due this year or to cancel or modify the agreements constitutionally entered into between us and foreign nations. Wherefore I say that it seems to me the only question is, Shall we extend the date of payment and, instead of the money due being paid this year, let its payment run over a period of 10 years, as set forth in the joint resolution?

I wanted to say that here and now lest I be misunderstood on account of the question I put to the Senator a moment ago.

Mr. HOWELL. Mr. President, Congress has the power to do as it deems wise and best. In business transactions it is supreme. The President may make a disposition respecting some business matter and may have overlooked something in connection therewith. Under such circumstances it would be perfectly proper, if discovered by the Congress, that the Congress should correct the oversight. There should be no resentment. There should be no feeling. He did propose a moratorium. In what I am now going to say will be found a further answer to the question of the Senator from California.

The President proposed that it should not merely be a moratorium, for which we were to be the "goat," but that other nations should be "goats" also, if there were any intergovernmental debts due them. He expected to be seconded in that position. But France said: "No; we will not agree. There are certain unconditional reparations due us from Germany. They amount to $125,000,000 per annum. They must be excepted." So France is to escape being the

"goat" so far as this $125,000,000 is concerned. But it will be said that France has agreed to loan this money to Germany. True; but how?

The other day the president of the National City Bank, of New York, and the National City Co., of New York, was before the Finance Committee of the Senate. When the question was put to him as to whether it was not strange that the American people and others would loan Germany on its bonds $500,000,000, $208,000,000 of which were distributed in this country, in view of the fact that recently Germany had practically wiped out every creditor of that nation by the inflation of her currency, what was the answer? The answer was, "No; there is a way to take care of that," and the way it was taken care of in this case was that certain of Germany's resources were earmarked for the payment of those bonds. Therefore he, as president of the National City Co. and the National City Bank, had no hesitation in distributing those bonds to the people of the United States.

That is exactly what France will do when she loans this $125,000,000. Certain German resources must be earmarked or they can not borrow this $125,000,000. If that is fair for France, why would it not be fair for the United States to say: "You are doing this, Premier Laval. Why should we not provide for safety in the same way? You pay us the $50,000,000 and we will loan it to you just as you have loaned it to Germany, but you must earmark some of the resources of France as a guaranty of the repayment of this loan."

Mr. SHORTRIDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from California?

Mr. HOWELL. I yield.

Mr. SHORTRIDGE. Will the Senator permit me to read one sentence from the statement which the President issued as of June 20, 1931? I hope it will be printed in big type that all of us may remember it and those absent may read it:

> I do not approve in any remote sense of the cancellation of the debts to us.

I referred to that a moment ago. That was his position then. It has been his position ever since, and, so far as I know, is the President's position now.

Mr. HOWELL. In his message to Congress respecting this matter, the President suggested the re-creation of the Debt Funding Commission and he also suggested that it might be necessary to reduce the payments in connection with some of these debts. He had in mind France. Premier Laval had been here shortly before. He has announced that there could be no reduction in German reparations unless we would reduce the payments that were to come from France to the Government of the United States. The purpose of the suggestion that we reestablish the War Debt Commission was not for revising the debts upward. That must be evident. The purpose was to revise them downward. We have already canceled the principal sums. Every dollar we reduce the annual payments due from France to us to help us pay interest on the huge sums of borrowed money that we have outstanding, every dollar we reduce is a further cancellation, pure and simple.

Mr. SHORTRIDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield further to the Senator from California?

Mr. HOWELL. Certainly.

Mr. SHORTRIDGE. The Senator does not favor reduction of the debt, does he? Does the Senator from Nebraska favor scaling down the indebtedness?

Mr. HOWELL. Indeed I do not.

Mr. SHORTRIDGE. I fully agree with the Senator.

Mr. HOWELL. But I am pointing out that the President evidently does.

Mr. SHORTRIDGE. The Senator may draw that inference; I do not.

Mr. HOWELL. I draw that inference from his message, and I think it is a perfectly proper inference to draw. I have respect for President Hoover's views, but I do not agree with all of them. I certainly do not agree with him so far as the proposed treatment of this indebtedness is concerned.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. HOWELL. I yield.

Mr. SMOOT. I do not know whether the Senator knows exactly what this means in the way of dollars and cents. I do not know whether the Senator is going to bring that out or not. But I want to say that the moratorium for one year simply means that there shall be delayed for one year the payment of $184,000,000 interest—interest, mind you—and $68,000,000 of principal. That is what the 1-year moratorium means so far as money is concerned to the United States.

Mr. HOWELL. Mr. President, I realize that the total amount to be postponed if the moratorium is approved is $247,000,000, in round numbers.

Mr. SMOOT. No; it is $252,000,000.

Mr. HOWELL. I have it from the Treasury Department as $247,000,000; but if it is $252,000,000, I thank the Senator for the correction.

Mr. JOHNSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from California?

Mr. HOWELL. Certainly.

Mr. JOHNSON. If the Treasury Department is only $5,000,000 out of the way, please do not say anything about the Treasury Department, because that is the smallest mistake it ever made.

Mr. SMOOT. There is no mistake about it. The difference is about $6,000,000, and that $6,000,000 is for the German-occupation debt. The Senator from Nebraska has not included that $6,000,000. The difference is that $6,000,000.

Mr. JOHNSON. What is $6,000,000 when the Senator is going to put it on the American people anyway? It is of no consequence.

Mr. SMOOT. The Senator thought, of course, the Treasury of the United States was mistaken, and that a mistake of $5,000,000 does not amount to anything.

Mr. JOHNSON. We will admit even the omnipotence of the Secretary of the Treasury, if the Senator desires, because we want to hurry this debate.

Mr. SMOOT. Yes; that is what I want to do.

Mr. JOHNSON. I thought the Senator was delaying it.

Mr. SMOOT. Oh, yes; I know what the Senator thought.

Mr. HOWELL. Mr. President, the Senator from Utah is right. I have not considered the amount which was allotted to us from Germany under the Young plan. I am merely considering the debts of the 15 nations that are indebted to us for loans and advances made out of the United States Treasury.

I might say this, and I want to say it right here, inasmuch as the matter has been referred to: The $250,000,000 that was allowed us for expenses of our troops during the German occupation does not equal the total sum spent by any means. I want to say further that Germany made appropriations to pay the costs of occupation and we stood back and let the other nations get all the money. If it had been a private transaction, those responsible would have been called upon the carpet, but those responsible seem to have acquired the notion, from the way we loaned money after the war, that we wanted to be Santa Claus to Europe, and so if there was any money about to be paid us and anybody else wanted it, we were to stand aside and let them have it. That is what we did in connection with the appropriations for the costs of the German occupation, and that is the reason why now this item appears.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. HOWELL. I yield.

Mr. SHIPSTEAD. The Senator mentioned that part of the President's message where the suggestion is made about re-creating the Debt Commission, implying that that sugges-

tion meant revision of the debts, a revision downward. I want to call to the attention of the Senator an extension of that idea in the President's message. I find that it reads like this:

> But as the basis of the settlement of those debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world.

He said further:

> I am sure the American people have no desire to attempt to extract any sum beyond the capacity of any debtor to pay and it is our view that broad vision requires that our Government should recognize the situation as it exists.

There is one condition that exists that I think we should recognize, and that is that the capacity of nations owing us money to-day has not as yet been tested.

The Senator referred to payments made by France, I think, of $50,000,000. As a matter of fact, France has never paid the Government of the United States one cent by efforts of its own people; neither has Great Britain. Every cent that has been paid to the United States Government on account of interest on these loans has been collected from Germany, and most of it was borrowed here.

If the Senator will permit me for another moment, the President says:

> We are not involved in the discussion of strictly European problems, of which the payment of German reparations is one.

Well, if we are not concerned with the payment of reparations, which Germany can not pay anyway, then the question is confined to governments that owe us, and the President implies that they are not able to pay.

I want to call attention to the fact that their ability to pay has not yet been tested; they have not denied that they are able to pay.

Mr. HOWELL. Mr. President, I think that is attested by the fact that this moratorium was volunteered by the President. In the various debt-settlement agreements there is either a general or a specific clause providing for postponement of payments, but the Treasury Department will state that it has no such request. This moratorium, as stated, is volunteered. Seven nations that do not get a dollar from German reparations are to be beneficiaries, and one nation is to benefit thereby that secured a loan from the United States as late as 1929. I am speaking of Greece.

ITALIAN DEBT

Mr. President, what we have done for France, the sacrifices that our people will have to make in years to come for France, are only exceeded by the sacrifices they are to make in behalf of Italy. Italy owes us, or did owe us at the time of the debt settlement, just about half of what France owed us. She is only to pay us one-fourth as much as France is to pay. That was one of the most absurd settlements that was reported to the Senate and the House of Representatives. The time will come when historians reviewing these settlements will wonder what was the matter with the American people or with the statesmen who represented them; and I believe that the action taken will ultimately be charged to an inferiority complex.

Mr. President, the negotiators from Europe who came here knew all about what interest meant; they were thoroughly informed. They realized that in the case of a short-time loan the principal sum is the all-important thing, but that in the case of a long-time obligation interest is the all-important thing. I can imagine now how they sat around the table and the debtors said: "In these negotiations we accept in principle that we must pay the principal sums of these debts, but, of course, gentlemen, you will be easy in the matter of interest." What was the result? They knew what the result would be. In the case of France they knew that it meant the total cancellation of the principal sum of $4,231,000,000, and in lieu thereof the payment of 2⅛ per cent annually on the face of that debt for 62 years, and then France is to be through, the commission taking the position that they could judge and determine then that France would not be able to pay another 2⅛ per cent during the sixty-third year. The commission assumed to be so accurate in its determinations of ability to pay that they could say positively that France could make 62 payments of 2⅛ per cent and no more.

It may be said, "Would you keep them paying forever?" That is what Britain has been doing in connection with her national debt. It was the policy of Britain not to pay, and it has also been the policy of France from 1815 down to the present time.

Italy owed the United States $2,150,000,000 at the time of the settlement of 1925, and about one-third was due to borrowings after, not during, the war. During the six years which have elapsed since 1925, the American people have been paying interest on that $2,150,000,000, because the United States Government borrowed it and still owes it, and the bonds which represent that sum bear interest; and the total interest paid during the last six years on the securities representing the Italian debt, amounts to $537,500,000.

Stop, Mr. President and Senators, and think for a moment what that means! Here is a debt that Italy owes us; the money which we loaned Italy was borrowed from our people; we are still paying interest thereon, and during the last six years the interest paid amounts, in round numbers, to $538,000,000. Do you know, Mr. President, how much Italy has paid us during that time? Hold your breath! She has paid us $38,800,000. That is all. She was to have paid us $14,700,000 this year; but if we adopt this moratorium proposal, of course, none of that will be paid. By the end of the present fiscal year the net cost to the American people of carrying this Italian debt, over and above everything Italy has paid us, will amount to $584,000,000.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. McKELLAR. The Senator will recall, however, in fairness, that Mr. Mussolini gave out a public statement last summer when this matter first came up saying that Italy was prepared and perfectly willing to pay that which she had promised to pay, and that she had not asked for a moratorium.

Mr. HOWELL. Mr. President, I thank the Senator from Tennessee for that information. Certainly, in the state of our finances, if there is some debtor willing to pay us, does not the Senator think that we should allow him to do so—even ask him to do so?

Mr. McKELLAR. Indeed I do. With a Treasury that has a deficit of seventeen or eighteen hundred million dollars, I think it is exceedingly foolish to remit debts that are honestly, fairly, and justly due us, and put the taxation upon the American people, rather than let the debtors who want to pay their debts pay them.

Mr. HOWELL. Mr. President, for the information of the Senator from Tennessee, I will state that not only, as he has informed the Senate, is Italy ready and willing to pay, but at least one payment has been made by one nation and that payment is in the hands of the Treasury, and the Treasury is holding it in abeyance so that, when this moratorium shall have been adopted, the payment can be returned.

Mr. McKELLAR. What nation is that.

Mr. HOWELL. That nation is Greece.

Allow me again to say that public business in no wise differs from private business; and I think you will agree with me that if any merchant had on his books an account against a judgment-proof debtor who came in and said, "I am ready to make payment when that account is due," and the merchant refused the offer, his associates or his family would be asking for a conservator. They would ask the courts to intervene; but, some way or somehow, it seems that the United States Government can violate every principle that is recognized in private business and still survive. At least so far as these debts are concerned, Mr. President, our sins have overtaken us. We are now confronted with a huge deficit.

I only regret that I am unable to bring home more clearly to the mind of everyone within reach of my voice the meaning of these debts, what the cancellations have amounted to, and what burdens have been transferred to bend the backs of the American people.

Let us consider all the debts taken together. They amount to a total of $12,090,700,000. Let us call it $12,000,000,000 in round numbers. That is what these debts amounted to at the time of settlement. From time to time you will notice in the papers statements to the effect that these debts total anywhere from $10,000,000,000 to $11,000,000,000. There was an initial cancellation in the case of every one of these debts.

In other words, our representatives sitting around the table said: "Yes; we will throw that off, and that and that. Never mind the change." Finally, the total of the debts was reduced before the agreements were approved to $11,565,000,000. That is, about a half billion was thrown off for the sake of good-fellowship before they really got down to business. They started from this new taw in each case and then completed their settlements. But taking all the debts together, they were actually twelve billions and some ninety-one millions.

Every debt was canceled upon the agreement of the nations to pay in lieu thereof, taken all together, 2⅝ per cent on this $12,091,000,000 annually for 62 years. Then they are through. They are never to pay us another dollar; and for the last six years the interest that we have paid upon those debts has exceeded $500,000,000 annually. Last year all we received from these countries in toto was $235,000,000. Subtract that from $500,000,000 and it will be noted that we lost $265,000,000 on account of interest alone.

In other words, the burden of these debts has been increasing $265,000,000 a year. It will increase about $235,000,000 this year, whether we have a moratorium or not; and if we have a moratorium it will increase about $483,000,000—transferred from the shoulders of the people of Europe to our people.

You might properly ask, "How much has the interest deficit on account of these twelve billions of debts amounted to since their settlement?"

Mr. President, I trust I may be able to make myself clear. During the last six years we have paid an average of $500,000,000 a year in interest on these twelve billions; but so little have the European nations paid us since their debt settlements that our loss on account of interest alone, should the moratorium be ratified, will amount to $2,369,000,000 by the end of the present fiscal year; and we have just begun. That is the burden that our international bankers and those who favor Europe over America have been willing to shoulder upon the people of this country.

Mr. GORE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Oklahoma?

Mr. HOWELL. I yield.

Mr. GORE. That amount would have met the yawning deficit in the Treasury.

Mr. HOWELL. It would more than have met the deficit in the Treasury. By the end of this fiscal year it would have met the total deficit we are expecting and we would then have had a substantial balance left. For that reason I have unhesitatingly stated time and again that the deficit in our Treasury to-day is due to the fact that Europe has not shouldered its own debts but has saddled them on the American people, and we must pay; yes, and just the other day Secretary Mellon notified us that it was probable the national debt would be increased by $3,000,000,000!

Mr. President, the policies that have been adopted and are now being urged with relation to these debts are certain to bend the backs of children yet unborn.

I have already stated that this proposed moratorium was volunteered by the President of the United States; that all of these debt agreements have in them provisions of one kind or another for the postponement of debt payments; and that there are no requests under these agreements for any such postponements on file with the Treasury Department. Why, then, in the face of a growing Treasury deficit, did the President suggest that a moratorium be granted each one and all of our European debtors? Why was such action taken?

Mr. President, I believe it will generally be admitted that this proposal of a moratorium was an attempt to stabilize the economic situation in Europe and indirectly throughout the world, to the end of assuring the continuance of peace, because all know that war is not an unusual result of untoward economic conditions. That was the purpose of the President's action; however, a little thought must render it evident that the proposed moratorium can prove but a symptomatic treatment, that it will not and can not reach the seat of the disorder.

What is threatening the peace of Europe—and of the world, for that matter? Why the persistent tension? Why the brooding uncertainty? There is just one answer—the treaty of Versailles.

Mr. President, France and Germany are two great military nations. Each has a brilliant background of martial successes. One marked difference between them is that France, so far as population is concerned, is static, whereas the Germans have shown great fecundity. As a consequence, Germany's man power is greater than that of France; and it undoubtedly will be admitted that if the recent war had been between Germany and France alone, France probably would have gone down in defeat. Because of the action of other European powers, however, and finally because of our participation, France was able to triumph. Germany is disarmed. France is armed to the teeth. Germany is paying reparations. France is collecting more than one-half. Germany has been stripped of her colonies. France is enjoying part of these spoils.

Yet, potentially, so far as man power is concerned, it is acknowledged that Germany is superior to France. Moreover, anyone acquainted with German character knows that just as France thought of "revanche" after 1870 so do the Germans again think of "der Tag"; and I believe if each one here present would ask his inner self whether or no the last military act of the great drama involving France and Germany has taken place, each would say "No," because all realize the high tension that persists between the two Nations. It is a tension that permeates the world. It is the cause of the unstable equilibrium of which all the world is conscious. France is keenly alive to this reality and as a consequence has been and will continue seeking guaranties for her safety by other nations. It must be admitted that unless France disarms—and she can not under the circumstances—there will be no disarmament for Europe.

There can be no disarmament until this international tension is relieved—until there is no longer reason for a "der Tag." So when I say that this moratorium gesture by the President was and is inadequate so far as peace is concerned, and constitutes merely a treatment of a symptom, it must be admitted that I am right.

Mr. President, I have pointed out to the Senate what we have done for France and also what we have done for our other European debtors taken together. I have endeavored to make it plain that our generosity has been unparalleled; that it means great sacrifices now, and into the next—yes, on into the second generation, for us; that not only have we done our share for peace but far more than our share.

Therefore, Mr. President, I ask Senators whether they do not think it is high time that if more sacrifices are to be made that there should be such cooperation by our European debtors as to assure that what we may do further will reach the cause of the situation instead of merely palliating the symptom or symptoms which President Hoover has sought and is seeking to treat. I do—and to that end I offer an amendment to the pending joint resolution which I now send to the desk.

The PRESIDENT pro tempore. Does the Senator from Nebraska desire to have the amendment read?

Mr. HOWELL. I would like to have it read.

The PRESIDENT pro tempore. The amendment will be read.

The LEGISLATIVE CLERK. The Senator from Nebraska moves, on page 2, line 25, after the words "United States," to insert a semicolon and the following:

nor shall such agreement be made with any government until it shall have effectively assented, in a form and manner satisfactory to the President, to the reformation of the Versailles

treaty, including the return to the German Government of its former but now mandated colonies.

Mr. HOWELL. Mr. President, I ask for the immediate consideration of this amendment.

The PRESIDENT pro tempore. The question is upon agreeing to the amendment.

Mr. SMOOT. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Johnson	Sheppard
Austin	Cutting	Jones	Shipstead
Bailey	Dale	Kean	Shortridge
Bankhead	Davis	Kendrick	Smith
Barbour	Dickinson	Keyes	Smoot
Barkley	Dill	King	Steiwer
Bingham	Fess	La Follette	Swanson
Black	Fletcher	Lewis	Thomas, Idaho
Blaine	Frazier	Logan	Thomas, Okla.
Borah	George	McGill	Townsend
Bratton	Glass	McKellar	Trammell
Brookhart	Goldsborough	McNary	Tydings
Broussard	Gore	Morrison	Vandenberg
Bulkley	Hale	Moses	Wagner
Bulow	Harrison	Norbeck	Walcott
Byrnes	Hastings	Norris	Walsh, Mass.
Capper	Hatfield	Nye	Walsh, Mont.
Caraway	Hawes	Patterson	Waterman
Carey	Hayden	Pittman	Watson
Connally	Hebert	Reed	Wheeler
Coolidge	Howell	Robinson, Ind.	White
Costigan	Hull	Schall	

Mr. GEORGE. I desire to announce that my colleague the Senator from Georgia [Mr. HARRIS] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present.

Mr. WATSON. Mr. President, I desire to have printed in the RECORD an interview with the senior Senator from Pennsylvania [Mr. REED] by Mr. William Hard, on the subject of our foreign debts, which appeared in the Washington Star on last Saturday.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REED, OF PENNSYLVANIA, ANALYZES THE FOREIGN-DEBT SITUATION IN FRANK TERMS

By William Hard

Senator DAVID A. REED, of Pennsylvania, has furnished the most spectacular political incident of this Congress so far. This writer queried him upon it, as follows:

"President Hoover and Secretary of State Stimson and Secretary of the Treasury Mellon, your dear Pittsburgh friend, don't think so much of your speech against any further reducing right now of European governmental indebtedness to the United States Treasury. Why did you break with them?"

The Senator looked as disgusted as he often looks. He queried in return:

"Can't anybody think that a man can differ with another man without breaking with him? I'm not attacking anybody. I'm just explaining my own vote."

"Won't you explain it further? Do you deny that Europe needs further 'relief' from the United States?"

"There are two things I think about it," said the Senator. "In the first place, the importance of the debts in the general economic relationships between Europe and the United States is greatly exaggerated. In the second place, the amount of so-called 'relief' that the United States at this moment is extending to Europe is far from sufficiently realized."

"Permit me to make notes on the first thing: The importance of the debts."

"Very well," said the Senator. "I will refer you to an authoritative source.

"The International Chamber of Commerce met here in Washington a few months ago. It had a lot of big reports presented to it by joint committees of Europeans and Americans. Among them was a report on the trade relationships between Europe and the United States. It dealt with payments by Europe to the United States and payments by the United States to Europe.

"We pay Europe for imported goods. We pay Europe for American freight and American passengers carried on European ships. We pay Europe large sums of cash in expenditures by American tourists in European countries. We pay Europe other large sums of cash in remittances to Europe by European immigrants now resident in the United States. We also pay Europe on European investments in the United States. And so on.

"Contrariwise, of course, Europe is each year paying us. Europe pays us for American goods imported into Europe. It pays us interest on American private investments in Europe. It pays us royalties on American films shown in Europe. And so on.

"Now note the conclusion of the committee of the International Chamber of Commerce on the exchanges of goods and services between Europe and our country. They say:

"'Payments under the debt settlements represent only about 5½ per cent of the total estimated annual payments due from Europe to the United States.'

"The same committee calculated the international 'world trade' of the European Continent at $35,000,000,000 in a normal year. The debt settlements are running at the rate now of along about $250,000,000 a year. We have to look at these things in their true proportions."

"But, Senator, you are talking about the European Continent as a whole. What about the individual cases of the individual debtor governments?"

"Well, take France. France owes us for the year 1932 the total sum of $50,000,000. The population of France is more than 40,000,000 persons. Call it 40,000,000. That's $1.25 for each of them to pay. We never have had any slightest shred of proof from the French Government to the effect that it couldn't be done."

"However, Senator, the general European situation might constitute an emergency and might indicate the desirability of American assistance."

"That's my second point. We hear nowadays about 'relief.' We hear about 'assistance.' I am not very strong for those words; but let's see what we've done lately in a financial way about Europe.

"Last summer our Federal reserve system extended a credit of $125,000,000 to the Bank of England and of $25,000,000 to the Central Bank of Germany. That's a total of $150,000,000.

"Almost simultaneously our private bankers lent $200,000,000 to the treasury of the British Government. That brings the total to $350,000,000.

"Our private bankers are additionally permitting German institutions and British institutions to retain some $600,000,000 of overdue short-term credits. That brings the total to $950,000,000.

"Then the United States Government this year is postponing the payments of the European governmental debts to the United States Government, and thus granting to those governments the use at this time of some $250,000,000. That brings the total to $1,200,000,000.

"But, further, we should include the debt payments which would have been due if we had not reduced the European governmental debts to us in the course of making the debt settlements. The reduction has been calculated by almost all responsible economists at approximately 50 per cent. If we were collecting the debts on the original promised basis, we would be getting this year not only the $250,000,000 which we have postponed but $250,000,000 more. We are letting Europe have that $250,000,000 for nothing. That brings our total of 'assistance' in Europe just now to $1,450,000,000.

"We also have put $75,000,000 this year of new money into Europe into long-term investments. That brings our total to $1,525,000,000.

"Finally, we have maintained a free gold market and Europe has been able to withdraw gold from the United States at will. That withdrawing has been done on a large scale. Europe took from us last summer some $700,000,000 of gold. She took it just as we got it—through trading and banking operations. We do not complain. Still, since we were charged with 'hoarding' it, we perhaps can legitimately observe that, instead of 'hoarding' it, we were engaged, even during our own immense depression and distress, in holding it instantly available to world demand. The $700,000,000 of gold that we thus supplied to Europe might accordingly be added to our total of present 'assistance' to Europe. It would bring that total to $2,225,000,000."

"They should be grateful. Or should they not?"

"They should not," responded the Senator with great emphasis. "I mean, we ought not to say that they should be and we ought not to expect that they will be. George Washington observed, after much experience in dealing with enemies and in dealing with allies in international affairs, that it is vain to expect gratitude from nation to nation. That observation remains accurate to-day, and there is no indication that it will ever cease to be accurate. No nation ever exhibits gratitude for loaning done to it or for fighting done on its behalf or for any other service. It would be wise if in international affairs we could get rid of such words as 'assistance' and 'generosity' and 'gratitude.' They do not correspond to any past, present, or prospective realities."

Thus the Senator, and his remarks are here presented not only because they come from a most distinguished political "regular" but because they represent the views, it would seem to-day, of a strong majority of all Senators and Representatives in the Congress, whether "regular" or "insurgent." The consequences in Europe, it is believed here, may be profound and immediate.

Europe, in the matter of debts, has been approaching us indirectly through publicists and propagandists. It may now approach us directly through notes from governments. It may now directly flatly say, "We can't pay." That seems likely to be the next era in the debt question.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. SMOOT. I ask for the yeas and nays on the amendment.

Mr. HOWELL. I ask that the amendment may go over.

The PRESIDENT pro tempore. The Chair understood the Senator from Nebraska to ask for the immediate consideration of the amendment.

Mr. HOWELL. I ask that it may go over.

The PRESIDENT pro tempore. In accordance with the wish of the author of the amendment, it will be printed and lie on the table.

Mr. GORE. Mr. President, I send an amendment to the desk, which I ask to have read, printed, and lie on the table.

The PRESIDENT pro tempore. Without objection, the amendment will be read, printed, and lie upon the table.

The LEGISLATIVE CLERK. The Senator from Oklahoma offers the following amendment: On page 2, line 1, after the words "payment of," to insert the words "80 per cent of," and on the same page, at the end of line 7, to strike out the period and add the words:

Provided, That the partial payment herein required shall be held as a special fund to be used for the relief of the unemployed.

Mr. JOHNSON. Mr. President, for various reasons it had been my intention to go on to-morrow in the discussion of the pending joint resolution, but unfortunately I find the situation such that, without due preparation, I am compelled now to present in rather rambling fashion the views which are mine upon this matter.

Mr. President, there is one song which has been shudderingly heard all over the land during the last couple of years. It is a song with which Americans in business, who have had small competencies, those who felt that in the twilight of their lives they had the comforts so gratifying to declining years, never expected to hear, but the bankers all over the land in the last couple of years have sung again, again, and again to faltering Americans, "I am calling you." It has become so familiar with those whom I know and whom I love in the State of California that while they have responded to the dread tune "I am calling you" to-day nearly every one of the men with whom I have associated for 40 years or more, nearly every one, just a leap ahead of the sheriff, notwithstanding the tones spell ruin, is holding his head high, smiling as he goes on—smiling, yet facing in his later years, and in the end of his life, catastrophe and ruin. Never in our lives have our people in the same degree been required to face such disaster.

Mr. President, we had a mass disaster once in the city from which I come. We learned what it was to have a cataclysm that ruined nearly all our people. There was a singular and a strange psychological reflex we found in that mass disaster, a singular reflex, sir, that we find to-day in what has come in the matter of loss of property, of income, and of that for which men have struggled all during their lives.

In San Francisco, after the fire and the earthquake, when men and women whose homes were burned, when men who had little businesses that they had built up by a lifetime of industry and endeavor had seen those businesses go up in smoke and in the roar and in the dreadful fall of buildings we saw them marching along smiling, never whining, meeting mass disaster, meeting it in that spirit which is the spirit of the West, meeting it with never a bit of repining, but starting at once rebuilding for the future.

The only people who whined, the only people who cried, the only people who had little courage and slunk about prating of their losses were those who had $10,000,000 or $15,000,000, $20,000,000 or $25,000,000, $30,000,000 or $40,000,000, as the case might be, and found themselves after the disaster with only $5,000,000 or $6,000,000, $8,000,000, or $10,000,000. They did all the whining during that period.

I see the same psychological reflex in the United States to-day. I see those with whom I have had a lifetime of friendship and of affectionate intimacy, without repining, striving to build again in the few years that are left to them, but never whining, thanking God they have lived their lives and have had the little things that have made life comfortable, that have made life worth living, carrying on and looking forward to the end, looking forward to a different and more circumscribed life with their heads up and smiling. The only people who are crying and whining and howling and raising Cain to-day and endeavoring to justify themselves by prating of their own extraordinary acuteness and talents are those who may have had $100,000,000 or $200,000,000, $50,000,000 or $60,000,000, $20,000,000 or $30,000,000, and find themselves with only $1,000,000 or $2,000,000 left now upon which to subsist.

As I have listened to distinguished bankers who testified before the Finance Committee and as I heard their statements—statements uttered with a prescience of wisdom that it is impossible for me to describe, uttered when we sat at their feet to drink in their words as if they were inspired—I looked at those gentlemen and I thought that this day, this time, this hour, we are liquidating something else than the debts which Europe owes us. We liquidated at the treaty of Versailles the statesmanship of the world. The statesmanship of the world in the making of the treaty of Versailles showed itself to be absolutely bankrupt. It left us this horrid legacy which during the years since that treaty was executed has led to many difficulties, and that statesmanship of which we used to boast wrote for the world not a treaty of peace but an irritant for war.

Since October, 1929, we have been liquidating the wisdom and the omniscience of our great banking institutions and of those masters of finance who were supposed to be supermen before that time and who have been shown since that time to be very, very common clay.

We have been liquidating not only their unwisdom but we have demonstrated beyond the possibility of a doubt that those men who were thought to be financiers who by the slightest legerdemain could conjure up success and who could guide any movement wherein there were dollars were, after all, just as astute as we are and no more so, and we, some of us, belong to the debtor class still. They have demonstrated that there are no supermen financially in the United States; no supermen who could deal with great financial problems and solve them for a people.

To-day, realizing that we have liquidated our statesmanship in the treaty of Versailles and find it to be bankrupt, realizing that we are liquidating now the astuteness and the wisdom and the omniscience of our great financial giants, and finding them to be bankrupt, we may understand that we are dealing here with something that is not alone a sort of academic question respecting a moratorium, but we are dealing with something far more important affecting our future.

The reason I take the interest in this question that I do is not alone because of its immediate effect, not wholly because it has been entered into illegally and unconstitutionally, not solely because the resolution which is presented is upon its face a fraud, not entirely, sir, because it happens that this particular matter is a wrong and an injustice to the American people—although all of those reasons would be sufficient and ample to have any man of my views object to the resolution before us; but I am interested also in it because of the effect it will have upon the future, because, sir, to-day, or whenever this resolution shall be voted upon, we will determine in reality what is the future course of the United States in dealing financially with those countries across the seas.

For 15 years we have been departing from the old doctrine and the old tradition of the American Republic. For 12 years we have been departing from the doctrine of the Republican Party that gave it success and power in the United States. For 12 to 15 years we have been bending our eyes, not to our own and not to America, but we have been looking beyond the sea; and we have our lesson now. We have before us the effects of that which we have done and we understand that dealing as we have with the nations across the sea redounds only to the detriment of America and in loss to American citizens. If we do nothing else than to arouse our people in this contest, arousing them so they may return to the old traditional policy that was ours before our drunken European orgy, we will have served a very useful purpose and our effort will not have been wholly in vain.

Mr. President, the peculiar situation which presents itself to us now is one that I have seldom seen in the Senate. To-day we stand here with another branch of the Government shaking in the faces of the Members of the United States Senate their pledges—68 in number, says a representative of the administration. Sixty-eight in number have signed upon the dotted line "and we have no doubt," says he, "of the result in this body." That may be true. I do not know and I do not care. The only thing I do know—and that relates to me alone, just as your attitude and what you have done relates to you alone—is that I have done no such thing. I neither criticize nor do I indulge in animadversions concerning what you have done. I only know that one man would not sign his name upon the dotted line on the 20th day of June, 1931, and pledge himself concerning something about which he knew nothing and then continue to believe that he was bound by a pledge that was not consummated in fact and the consummation of which was of something very different from that to which he pledged himself. I propose first to demonstrate to this body, so there may be no mistake upon that subject, exactly what has transpired, exactly what the original pledge was that was made by those 68 in number who signed the original agreement to carry out the President's wish.

It was the fateful 20th day of June that our leaders met in the White House in secret session with the President of the United States—not the Congress of the United States, not you nor you nor you nor me, but your leaders and mine—not the men that were chosen in the districts that were far away, but the men who were the leaders of the Democratic Party, of the Republican Party, and forsooth of the Progressive wing of the Republican Party. Those leaders, meeting on the 20th day of June, 1931, agreed with the President of the United States upon a specific and a particular course. What was it? What was it, I ask you? Let us see as we progress whether those who then met agreed to what was ultimately consummated by the President, and let us see whether what is written in this resolution is what those leaders of ours agreed upon on June 20, 1931, at that fateful meeting at the White House.

On the 20th day of June, 1931, the President gave forth this statement:

> The American Government proposes the postponement during one year of all payments of intergovernmental debts, reparations, and relief debts, both principal and interest, of course not including obligations of governments held by private parties.

Of course I recognize that the Government could not violate the contracts of private parties, but the thought has ever been present with me: If you are to take from all the people of this land that which is theirs, at least in precatory fashion you might invite a few of the people of this land who had their private obligations to forego them as well. But that is not our system to-day, Mr. President, and so nothing of the sort was attempted.

> Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year beginning July 1, next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.

There is not any mistake as to the English of this paragraph. Indeed there is not any mistake as to the intention of the parties when this document was given forth to the people of this land and to those of other lands as well. It is perfectly obvious, sir, that the intent of those who then agreed was to agree, as the statement reads, that payment on all intergovernmental debts should be postponed for a period of a year, and that that postponement should relate to every kind of intergovernmental debt among any of the parties.

> The purpose of this action—

This particular statement proceeds—

> is to give the forthcoming year to the economic recovery of the world and to help free the recuperative forces already in motion in the United States from retarding influences from abroad.

How we Americans love phrases, do we not? How we love to mouth certain phrases, and then having mouthed those phrases, reap our reward in the moronic applause of those who listen to us. To-day any man may be a wise statesman if he simply weeps tears that are big enough and cries that he is for peace, as if everybody did not want peace! To-day any man may be a great statesman if he stands up and, with his fist raised, yells in stentorian tones, "I demand economy," as if any man in office ever dared preach extravagance! To-day if we do certain other things of like character, and mouth certain other phrases, how great we are; and how our audiences say, as they listen to us and as they weep with us, "What a marvelous statesman is this; he is for peace and he is for economy"; and when you have convinced your audience that you are for peace and for economy, then your way is smooth. Do not ever roughen it, sir. Let me give to my younger friends who are upon this side and the younger Members of this body on the other side a little advice: Do not roughen the way by any independence, by any thought of your people, by standing, if need be, alone in behalf of your own, and fighting for them. Do not do it; the other is the easier path. It is the path of preferment. Mediocrity never yet was able to reach political preferment except by these common and these easy paths, by persistent and conventional regularity. So beware, my friends; beware of stepping across the line and getting upon the rougher road, the road of independence. A glorious road it is, even if you walk it alone; it is a glorious thing to have walked your whole life along that rough path, and walked it just as God gave you the light to see and to walk it, fearing no man, no matter where he is, and no party, whatever that party may be. It is a glorious thing; and if you can write as the epitaph of any man who has been in public life, "He walked the road of independence and dared to do what he thought was right when all his fellows were against him," then you have written for him an epitaph that is more glorious than all the epitaphs that could be carved by the most renowned of artistic genius. So walk the easy path, and go not down this rougher road, my friends who are new in this game and new in our political life. Walk the easy way, and it will be a splendid thing, because you will have little or no political difficulties.

We read in this communication that—

> The purpose of this action is to give the forthcoming year to the economic recovery of the world.

It sounds as if somebody were writing satire, does it not?

> And to help free the recuperative forces already in motion in the United States from retarding influences from abroad.

"Recuperative forces" in the United States! What are these "recuperative forces" in the United States? I know what they are. I have felt them during the nine months I have been in that city from which I come and which I love. I have seen these recuperative forces, with every bank there calling loans and every man who had a bit of collateral being sold out and sent out to begin life all over again. I have seen these "recuperative forces" for the past six months, and I know and you know, Mr. President, that, although this letter was written on the 20th day of last June, Germany is to-day in a worse condition than Germany then was.

However, sir, let me proceed with this affecting communication to which so many of our brethren gave their acquiescence and consent:

> The world-wide depression has affected the countries of Europe more severely than our own.

I deny it. I recognize all that has happened over in Europe; I recognize the difference relatively in conditions which exist there and which exist here, but I deny that they are in any worse fix than are we. Our farmers can not pay the mortgages upon their farms; their homes are being daily taken from them. Our merchants can scarcely keep their businesses alive. We have a deficit that is appalling and taxes are sought to be enacted more severe than any ever levied in peace time. Our people, to the number of 7,000,000, are walking the streets; there is to-day the tramp, tramp, tramp of men begging for work.

Conditions in this country are such that we hear with little patience we are so much better off than is Europe, and,

then using this as a predicate that we are better off than Europe, who can blame our people, so sorely pressed, for resenting the effort of their Government, soon to be successful, alas, to take from them $250,000,000 belonging to them and give it to Europe.

The fabric of intergovernmental debts—

The statement proceeds—

supportable in normal times, weighs heavily in the midst of this depression.

From a variety of causes arising out of the depression, such as the fall in the price of foreign commodities and the lack of confidence in economic and political stability abroad, there is an abnormal movement of gold into the United States which is lowering the credit stability of many foreign countries. These and the other difficulties abroad diminish buying power for our exports and, in a measure, are the cause of our continued unemployment and continued lower prices to our farmers.

Oh, you Senators who represent the farming districts, who know conditions there, who have been out in the Dakotas, in Nebraska, in Iowa, in Minnesota, and in other States where farmers have found themselves not only depressed but ruined, note with sympathetic interest the statement here concerning the lower prices the farmers have received because of the debts due to us from Europe. Take your comfort out of it, because the implication is plain—relieve Europe of her debts and immediately the farmers of the United States will have increased prices and again prosperity will be theirs.

The statement proceeds—

Wise and timely action action should contribute to relieve the pressure of these adverse forces in foreign countries and should assist in the reestablishment of confidence, thus forwarding political peace and economic stability in the world.

Authority of the President to deal with this problem is limited, as this action must be supported by the Congress. It has been assured the cordial support of leading Members of both parties in the Senate and the House.

Abolish the Senate! If we stand by this sort of thing in the matter of legislation, why do we need a representative body at all? Who cares what a representative body shall do if certain leaders may be taken into the White House in secrecy any night of the year, and upon their ipse dixit legislation shall be predicated and legislation passed? Why have a legislative body? Why not abolish it? I know many good people in this country who believe in a dictatorship, who insist that what we need now at the helm is one of the strongest of humankind, who will have the power of disposition not only of men's lives but of their property. I recognize there are many of that sort. From them I dissent, but this is the sort of thing that makes dictatorships, and this is the sort of thing that arouses revolution.

Look at your history, Mr. President, and study it. Go back and see what happened in the great World War. See then statesmanship at Paris bankrupt in the formulation of the treaty of Versailles. See now the great captains of finance finally stripped bare until they show themselves of little or no consequence. These are the symptoms that always precede upheavals of peoples; and you may look forward in the near or far future, if things do not change in some degree, to some of the upheavals with which history teems, among ourselves.

Recently we saw a peculiar sort of "hunger strike" with which you, Mr. President, and others of us probably had little sympathy, marching down to the Capitol. The significance of that march was not in those men and those women who were out in the Capitol grounds; the significance of it was that there was any such thing at all in a free government. It was not a pretty sight; and not only was it not a pretty sight but it was not a healthy sight.

I resume reading further from this marvelous document:

Wise and timely action should contribute to relieve the pressure of these adverse forces in foreign countries and should assist in the reestablishment of confidence, thus forwarding political peace and economic stability in the world.

Authority of the President to deal with this problem is limited, as this action must be supported by the Congress. It has been assured the cordial support of leading Members of both parties in the Senate and the House.

Perhaps he should have said "three parties."

The essence of this proposition is to give time to permit debtor governments to recover their national prosperity.

"Debtor governments to recover their national prosperity!"

What debtor governments? Not France, because France sits upon the top of the world to-day; not Britain, because Britain, with the dogged persistence which she has, and which is her most admirable trait, is fighting her own battle and is asking no odds at all; not the eight countries that have nothing to do with Germany or with reparations but which, for good measure, were included in this bill—not them I am sure. So it is only Germany to which he refers, and as to her the events of the past six months have shown us that the moratorium is worth literally nothing.

I wish to take this occasion also to frankly state my views upon our relations to German reparations and the debts owed to us by the allied governments of Europe. Our Government has not been a party to, or exerted any voice in determination of reparation obligations. We purposely did not participate in either general reparations or the division of colonies or property. The repayment of debts due to us from the Allies for the advance for war and reconstruction was settled upon a basis not contingent upon German reparations or related thereto. Therefore, reparations is necessarily wholly a European problem with which we have no relation.

That, my friends, is, to say the least, an unwittingly disingenuous statement. It is perfectly absurd; and men who have heads upon their shoulders that the Lord put there for some other purpose than mere ornament can understand that when we deal with German reparations and say that those reparations shall not be paid to France in return for our forgiving France a debt, why, of course, so inextricably commingled are reparations and debts that we never can unravel them; and after this moratorium it is perfect nonsense to say that reparations and debts have no connection whatsoever. We gave them a connection when we subscribed to the moratorium, and we gave them such an intimate connection that the doctrine we have so long proclaimed is set wholly at naught.

And then follow these words:

I do not approve in any remote sense of the cancellation of the debts to us.

I am coming to that in a moment, when I take up the message.

World confidence would not be enhanced by such action.

"World confidence would not be enhanced by such action!"

None of our debtor nations have ever suggested it.

I can not fathom what is meant by a statement of that sort, when there is not a responsible statesman in Europe to-day who has not publicly declared in favor of cancellation of the indebtedness that is due to our country. I have at some place here—and before I conclude I will read them—the very few remarks that were made by Ramsay MacDonald when he spoke to his constituency at Seaham during his campaign, in which he said, in substance, "The moratorium now ends forever the debts that are due to the United States."

The President says:

But as the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world. I am sure the American people have no desire to attempt to extract any sum beyond the capacity of any debtor to pay, and it is our view that broad vision requires that our Government should recognize the situation as it exists.

If that is not a brief for scaling down debts, I am unable to understand the English language. If it is not a statement in so many words that we should stop and consider and do what is essential in the matter of scaling debts, it has no meaning at all and no place in this document. Here it is, as plain as plain can be, what was in the mind of the writer of this particular statement, and it is perfectly plain to-day

what is in the minds of those in power in this Government who are demanding of us this moratorium.

This course of action—

He says—

is entirely consistent with the policy which we have hitherto pursued. We are not involved in the discussion of strictly European problems, of which the payment of German reparations is one. It represents our willingness to make a contribution to the early restoration of world prosperity in which our own people have so deep an interest.

I wish further to add that while this action has no bearing on the conference for limitation of land armaments to be held next February, inasmuch as the burden of competitive armaments has contributed to bring about this depression, we trust that by this evidence of our desire to assist we shall have contributed to the good will which is so necessary in the solution of this major question.

I have read this statement of the President of June 20 last because it is necessary to a full understanding of what has transpired and what has been done; to a full understanding of this peculiar joint resolution which has been presented; and it is necessary, too, in order that intelligently we may act upon this question which thus comes before us.

You have heard here to-day discussed upon this floor the necessity for haste, and how it was absolutely essential, absolutely necessary, that we should pass immediately this particular moratorium. So necessary was it that the Finance Committee met and reported what came from the House before it ever had it; and the message from the House came over here while the report from the Senate Finance Committee was in the hands of the chairman, ready to present. I complain not of that mode of doing business; but haste is so necessary! This was only Saturday last—do you realize that, just Saturday last, the very last legislative day?—when this thing was reported; and then on Monday it is absolutely necessary that we sit here all night, if we can believe these gentlemen—sit here all night, and then vote in the early hours of the morning upon this moratorium. "Haste! Haste! Haste!" they say.

I will tell you why they want so much haste. Now, over in Switzerland the representative of the United States is sitting there with the representatives of three neutral countries and those of France, Germany, and Great Britain. They are determining over there what ought to be done in the future. Already, from the press dispatches, they have decided that two years more moratorium must be granted. Already, according to the press, they have determined it; and these gentlemen do not want this discussion of their moratorium here when that report becomes public, and do not wish you to know you are up against two years more of moratorium or scaling down these debts. That is the haste.

Haste? Haste? Why haste when six months have elapsed since the moratorium substantially was declared? Mind you, the dates:

June 20, 1931, the moratorium was practically declared, when our leaders met—the leaders of the Republican Party, the leaders of the Democratic Party, the leaders of the Progressive Party—when they all met and determined that they would agree to a moratorium, a moratorium of all intergovernmental debts. That was June 20. The haste was so necessary then that it was impossible to follow the Constitution, and it was utterly impossible to have the orderly processes of our Government and the spirit of our laws followed, so that we could act upon it in Congress. Haste! Haste! And what happened then?

Immediately the matter was taken up with France. Haste, you say? So much haste that you could not call the Congress of the United States in session; and yet the Government of the United States dickered with the Government of France from the 20th day of June to the 6th day of July, a period of 16 days!

Why, within four days after this moratorium was given to the world Congress could have been called in session, and would have acted. It could then have determined exactly what it would do; but mind you, now, the fact: France would not agree that all intergovernmental debts should be accorded a moratorium. Get that in your minds, please, you gentlemen who constitute the brave galaxy of 68 that Mr. Mills prates about and shakes in the faces of the House and in the faces of the Members of the Senate. Remember June 20–July 6. France would not consent; she declined absolutely and unequivocally to consent to the moratorium that was proposed by Mr. Hoover; and then what happened?

Then the United States Government and France practically entered into a treaty. It was an agreement in writing concerning the moratorium. They entered into an agreement in writing. After you had agreed to one kind of moratorium, France and Mr. Hoover agreed to another kind.

How many of you were advised who signed as the 68—how many of you were told, after you had sent back your wire and said that you would agree to the moratorium—how many of you were told, "This is held up by France, and the moratorium that we are about to agree to is a different thing from the moratorium you consented to by telegram"? How many? Who knew it?

Maybe our leaders knew it. I do not know. Maybe our leaders were called into another conference at the White House and told. But we, sir, who have not reached yet the stature of leadership; we, sir, who constitute only the hoi polloi of the Congress of the United States—none of us was notified at all; and none of us knew, and I doubt if even our leaders knew, that France entered into an entirely different arrangement from that which we were told was entered into and that to which you assented.

What was it that France agreed to?

The following is the text of the agreement reached by American and French negotiators at Paris, France, June 6, 1931.

You could not call the Congress of the United States in session, though you had 16 days, my friends. You could not do that. "The representatives of the people of the United States be damned! We do not need them. They will not be called in consultation in this matter"; but for 16 days the Government of the United States permitted France to determine what should be done and finally agreed to France's terms.

Upon what theory, upon what rational conception of official duty, is it that you may take 16 days to deal with France, and you can deal with the United States Senate only by a Western Union Telegraph blank? Upon what theory is it that France may alter as she sees fit a moratorium to which you agree, and you—you, you, just Senators of the United States who are not leaders—shall not be consulted at all, and this in the very teeth of the Constitution of the United States, that gives the power and indeed makes it the duty of the President of the United States in emergency or crisis to call the Congress together?

But France and the United States agreed after an exchange of views:

The French Government states that it is in agreement with the United States on the essential principle of President Hoover's proposal and on the following propositions, which may be expressed thus.

I do not know whether you gentlemen remember all that we used to hear about diplomatic exchanges. I recall during the great arms conference here in Washington how whenever a foreign nation desired to express itself with such ambiguity that it could do anything in the future it would say that it agreed "in principle" with what was advanced and would subsequently fix the details.

Always the language of diplomacy is, "We believe in principle with what is suggested, but we will agree on the details hereafter." So France agreed in principle with what was suggested by the American Government.

But on the following proposition, which may be expressed thus—I am reading the text of the agreement now—

The payment of intergovernmental debts is postponed from July 1, 1931, to June 30, 1932.

There is a perfectly plain statement. None can misunderstand it.

2. However, the Reich—

That is, the German Government—

will pay the amount of the unconditional annuity. The French Government agrees, in so far as it is concerned, that the payments thus made by the Reich shall be placed in the B. I. S.—

That is, the Bank for International Settlements—

in guaranteed bonds by the German railways.

3. All suspended payments shall be subject to interest in accordance with the conditions suggested by the American Government.

There are two kinds of reparations which are received by France. I take it all Senators know these facts. One class is called conditional reparations. Senators have the Young plan, I presume, and from it they can see the details, and, following me, tell whether or not I am accurate in what I say. The others are called the unconditional payments.

France stipulated—not that all intergovernmental debts should have a moratorium—but France stipulated, "You have to pay the unconditional reparations." It is true France said, "We will deposit them in the Bank for International Settlements, and we will lend them to your railroad, but upon the security of your railroad backed by your Government." That was the moratorium to which France agreed. France was thus made a preferred creditor. That was a very different thing from what originally was proposed.

Do not Senators recall, or are our memories exhausted by a short six months, all that was said during the time after June 20, when the Government of the United States was dickering with the Government of France? Can you not remember when the administration was asking the Government of France to join in the moratorium and our Government expressed its displeasure that it did not do it? Again and again we saw the items published as to how all the psychological effect of the moratorium was being lost by France's action and France was preventing the recovery of the world.

Finally, the administration had to accept in order to get anything, and in order to justify our 68 subscribers of the 20th of June they had to agree to France's terms and let France take the unconditional reparations.

Mind you, now, that is not all. It was in August that the rest of the nations met and met over in London. I have forgotten the date, but I think it was August 4, although it may have been a little later than that. They all agreed to the "protocol" which existed between the United States and France in relation to the moratorium.

Just think of the position we are in here in Congress. Here was a moratorium concerning which Congress should have been consulted. No one denies that, so far as I am able to understand. There was ample time to call the Congress in special session and have the Congress act. No man denies that, so far as I know. Then there was substantially a treaty entered into between France and the United States concerning the moratorium and concerning the reparations to be paid by Germany. Nobody denies that. Then the nations of the earth which were interested met in London and they subscribed to the protocol which was executed between France and the United States, all this being done upon the faith, we are assured, of various telegrams which had been sent by Members of the United States Senate and the House of Representatives agreeing to a moratorium expressed as of June 20, relating to all intergovernmental debts, and a moratorium was finally agreed to July 6 by the administration and France which was of vastly different character from that which had been stated on June 20.

Mr. CUTTING. Mr. President, will the Senator yield?

Mr. JOHNSON. I yield.

Mr. CUTTING. Can the Senator from California inform me as to whether the 68 Senators agreed to a moratorium "in principle" or to the details?

Mr. JOHNSON. If they possessed the diplomatic skill which I think is possessed by some of my brethren here—and I say that in complimentary fashion—they would have agreed in principle and not in detail. But it is assumed that they agreed in detail; and assuming that they agreed in detail, the moratorium has gone on.

Mr. President, now I am going to move that we adjourn until 12 o'clock to-morrow. It will take me about an hour to conclude.

Mr. SMOOT. Mr. President, would the Senator agree to a unanimous consent that the Senate——

Mr. JOHNSON. I can not agree to unanimous consent. I have said to those who were interested in this matter that this debate was going on legitimately. It will be concluded, in my opinion, to-morrow or the following day; but I can not do more than express an opinion, and I can not agree to a particular hour.

Mr. SMOOT. It is not 5 o'clock yet.

Mr. JOHNSON. It is 10 minutes to 5, and I move that we adjourn until 12 o'clock to-morrow.

Mr. WALSH of Montana. Mr. President, will the Senator withhold that motion for a moment, until we inquire whether there is anybody else who wants to talk this afternoon?

Mr. McKELLAR. Mr. President, I do not want to speak this afternoon; I am not prepared to at this time; but I do want to address the Senate to-morrow for a short time.

Mr. WALSH of Montana. It does seem that gentlemen who want to speak upon this matter ought to be prepared. As far as I am concerned, I would like very much to accommodate the Senator from California, who has been talking now for quite a while, but if the Senator is not prepared to go on, I should think that somebody who wants to speak upon this subject could take the floor, for a while, at least.

Mr. JOHNSON. If it is necessary, I will go on; but I say to the Senator from Montana: No; I ask no favors. If I have to go on, I will go on; but I would like to have the Senate adjourn.

Mr. SMOOT. I wanted to ask the Senator how many Senators are going to speak.

Mr. JOHNSON. I think but three; but I do not know. I made no effort to ascertain until after lunch to-day. I think there are three or four on this side who are going to speak, and then the Senator from Tennessee [Mr. McKELLAR] is going to speak.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. JOHNSON. I yield.

Mr. COUZENS. Would the Senator mind amending his motion to have the Senate meet to-morrow at 11 o'clock?

Mr. JOHNSON. I do not care; I would not object to that.

Mr. COUZENS. That will be just as good as going on another hour now; in fact, it would be better.

Mr. SMOOT. I wanted to see whether the Senator from California would not agree to voting on the joint resolution before 12 o'clock to-morrow night.

Mr. JOHNSON. I will not; I can not. I will take my medicine, if that entails going ahead. It does not make any difference. I will go on if I have to, although I do not want to go on at this time.

The VICE PRESIDENT. The motion is not debatable.

Mr. JOHNSON. I moved that we adjourn until 12 o'clock to-morrow. Does the Senator from Michigan ask me to make it 11 o'clock?

Mr. COUZENS. I would like to have the Senator make it 11 o'clock. I think that would be better than going on an hour now.

Mr. JOHNSON. I am ready to make it 11 o'clock.

Mr. HARRISON. Mr. President, will not the Senator withhold his motion just a moment?

Mr. JOHNSON. I do.

Mr. HARRISON. The Senator from California says he has no desire unduly to prolong the debate. He says there are only three or four more to speak in opposition to the joint resolution, and I do not think there will be many speakers for the proposal. It seems that if we should meet to-morrow at 11 o'clock, we ought to be able to get through with the matter to-morrow.

Mr. SMOOT. I was just going to suggest to the Senator from California that we meet at 10 o'clock.

Mr. JOHNSON. Please make it 11 o'clock. Eleven o'clock is early enough.

Mr. McNARY. Mr. President——

The VICE PRESIDENT. Will the Senator from California withhold his motion so the Senator from Oregon can made a statement?

Mr. JOHNSON. Certainly.

Mr. McNARY. I was going to suggest that if we are about to conclude the session to-day, we take a recess until 11 o'clock to-morrow, rather than adjourn, in order to save the morning hour.

Mr. JOHNSON. I have no objection to amending the motion I have made so as to move that we take a recess.

Mr. SMOOT. I would like to have some understanding in relation to to-morrow. The Senator would not want to adjourn to-morrow about 5 o'clock or 6 o'clock, would he?

Mr. JOHNSON. It would depend on what happened in the debate. I am not prepared to say what will happen. I am not able to answer for all the Senators opposed to this measure. My own opinion is that we will get through to-morrow, or the following day, at the very latest. But that is a mere opinion of mine, and I do not want to be bound to a guaranty. This debate is going on all right.

Just think of what we have here when this is asked by the Senator from Utah. We have here, in a matter which involves $250,000,000, a statement by the Finance Committee of three minutes' duration; that is all. They dare not argue this matter before the Senate. They make a statement of three minutes, and then, because we are arguing here—and there is not a word I have said that is not pertinent to what is before the Senate—they want to cram us and jam us, when the debate is proceeding and will proceed and be speedily concluded.

It is an outrageous situation. There is only one character of thing in which you can do that in the Senate, and that is for a foreign nation. You can not do it for an American or for Americans. The only ones for whom you can do it are foreigners and foreign nations.

Mr. WALSH of Montana. Mr. President, am I right in assuming that the pending question is a motion to recess until 11 o'clock to-morrow morning?

Mr. JOHNSON. That is correct.

Mr. SMOOT. I have no objection.

EXECUTIVE SESSION

Mr. McNARY. Mr. President, I assume we are now in general accord that we will recess until 11 o'clock to-morrow. So I shall make a motion to that effect, but before that I want a short executive session. I move now that we proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

THE CALENDAR

The VICE PRESIDENT. If there are no reports of committees, the calendar is in order. The Secretary will report the first nomination on the calendar.

COMMISSIONERS OF IMMIGRATION

The Chief Clerk read the nomination of Edward Corsi, of New York, to be commissioner of immigration, port of New York.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Alexander Maxwell, of Philadelphia, Pa., to be commissioner of immigration, port of Philadelphia.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DEPARTMENT OF THE INTERIOR

The Chief Clerk read the nomination of Walter C. Mendenhall, of Ohio, to be Director Geological Survey.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Ezra P. Monson to be register of land office, Blackfoot, Idaho.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Harry W. Hill to be register of land office, Billings, Mont.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Robert J. Carsner to be register of land office, The Dalles, Oreg.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

IN THE NAVY

The Chief Clerk read sundry nominations in the Navy and in the Marine Corps.

Mr. HALE. Mr. President, I ask that the nominations in the Navy and the Marine Corps be confirmed en bloc.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the nominations are confirmed en bloc.

INTERSTATE COMMERCE COMMISSION

Mr. COUZENS. Mr. President, earlier in the day I made a report for the Executive Calendar from the Interstate Commerce Committee on the reappointment of two Interstate Commerce Commissioners. With the probability that we shall not have another executive session before we adjourn for the holidays, I ask unanimous consent that these nominations be confirmed at this time.

The VICE PRESIDENT. Let them be reported.

The Chief Clerk read the nomination of William E. Lee, of Idaho, to be an Interstate Commerce Commissioner for the term expiring December 31, 1938.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Balthasar H. Meyer, of Wisconsin, to be an Interstate Commerce Commissioner for the term expiring December 31, 1938.

Mr. JONES. Mr. President, I want to ask the Senator whether he understands the attitude of my colleague [Mr. DILL] with reference to these confirmations?

Mr. COUZENS. Yes; the Senator's colleague was at the committee meeting which passed on them.

Mr. JONES. Did he agree that they might be called up without going to the calendar? He has always insisted heretofore upon such nominations going to the calendar for at least one day.

Mr. COUZENS. The emergency of the case was understood, that their term of office expires at the end of the year, and if we do not have another executive session before we adjourn and they are not confirmed they could not hold office until after the first of the year.

Mr. JONES. Very well.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

JOHN WILLIAMS

The Chief Clerk read the nomination of John Williams, of California, to be a member of the Board of Mediation for a term expiring five years after January 1, 1932.

The VICE PRESIDENT. Without objection, the nomination is confirmed. That completes the calendar.

SAMUEL PURVIS

Mr. ASHURST. Mr. President, from the Committee on the Judiciary, I report back favorably the nomination which I send to the desk, and I ask the attention of the Senator from Georgia [Mr. GEORGE].

The VICE PRESIDENT. Let the nomination be reported for the information of the Senate.

The Chief Clerk read the nomination of Samuel Purvis, of Georgia, to be United States marshal, middle district of Georgia.

Mr. GEORGE. Mr. President, I ask for the immediate confirmation of the nomination.

Mr. JONES. Mr. President, I have no objection myself, but my colleage Mr. DILL has always insisted on these nominations going to the calendar for one day unless there was some special reason to the contrary. Would the Senator have any objection to letting this go over until to-morrow?

Mr. GEORGE. I have no objection if we are to have an executive session to-morrow.

Mr. JONES. We can certainly have an executive session to-morrow.

Mr. GEORGE. Very well.

The VICE PRESIDENT. The nomination will be placed on the Executive Calendar.

NOTIFICATION TO THE PRESIDENT

Mr. COUZENS. Mr. President, I am informed that unless we have unanimous consent to notify the President of the confirmation of the nominations to the Interstate Commerce Commission and the Board of Mediation, those gentlemen whose nominations were to-day confirmed can not hold office until after two executive sessions shall have been held.

The VICE PRESIDENT. The Senator from Michigan is correct.

Mr. COUZENS. I ask unanimous consent, then, that the President be notified of those confirmations.

Mr. McNARY. Mr. President, if the Senator will withhold that request just a moment——

Mr. COUZENS. Certainly.

Mr. McNARY. I wish to move that all confirmations made on the 17th and 18th and to-day be released and the President be notified. That will cover them all.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. The order includes the confirmations of to-day. The President will be notified. The Senate resumes legislative session.

RECESS

Mr. McNARY. Mr. President, I move that the Senate take a recess until 11 o'clock to-morrow morning.

The motion was agreed to; and the Senate (at 5 o'clock and 5 minutes p. m.) took a recess until to-morrow, Tuesday, December 22, 1931, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 21, 1931

MEMBERS OF THE INTERSTATE COMMERCE COMMISSION

William E. Lee to be a member of the Interstate Commerce Commission.

Balthasar H. Meyer to be a member of the Interstate Commerce Commission.

MEMBER OF THE BOARD OF MEDIATION

John Williams to be a member of the Board of Mediation.

DIRECTOR OF GEOLOGICAL SURVEY

Walter C. Mendenhall to be Director of Geological Survey.

REGISTERS OF LAND OFFICES

Ezra P. Monson at Blackfoot, Idaho.
Harry W. Hill at Billings, Mont.
Robert J. Carsner at The Dalles, Oreg.

COMMISSIONERS OF IMMIGRATION

Edward Corsi to be commissioner of immigration, port of New York.

Alexander Maxwell to be commissioner of immigration, port of Philadelphia.

PROMOTIONS IN THE NAVY

To be Chief of the Bureau of Ordnance

Edgar B. Larimer.

To be Engineer in Chief and Chief of the Bureau of Engineering

Samuel M. Robinson.

To be Advocate General

Orin G. Murfin.

To be rear admirals

William C. Watts.
Yancey S. Williams.
Joseph K. Taussig.
Claude C. Bloch.
Edward C. Kalbfus.
Clark H. Woodward.

To be captains

Thomas Withers, jr.
Harry L. Pence.
Frank H. Roberts.
Andrew S. Hickey.
Charles C. Hartigan.
George A. Alexander.
Roland M. Brainard.
John T. G. Stapler.
John S. McCain.
Sherwoode A. Taffinder.
Lesley B. Anderson.
Matthias E. Manly.
Alexander Sharp, jr.
Hollis M. Cooley.
Aubrey W. Fitch.
Edward D. Washburn, jr.
Fred F. Rogers.
Claude A. Bonvillian.
Edwin A. Wolleson.

To be commanders

John H. Wellbrock.
Clarkson J. Bright.
William D. Kilduff.
Stewart A. Manahan.
Herbert O. Roesch.
John F. Donelson.
Webb Trammell.
Charlton E. Battle, jr.
Robert M. Griffin.
Robert H. Skelton.
Alfred G. Zimmermann.
Roger W. Paine.
Delavan B. Downer.
Oliver L. Wolfard.
Ellis S. Stone.
Harry L. Merring.
Francis S. Craven.
Lybrand P. Smith.
William D. Chandler, jr.
Harry W. Hill.
Bernhard H. Bieri.
Oscar C. Badger.
James C. Byrnes, jr.
Robert K. Awtrey.
Howard S. Jeans.
Edward W. Hanson.
Daniel J. Callaghan.
Frank J. Lowry.
Thomas Baxter.
Walter A. Riedel.
Edgar R. McClung.
John H. Magruder, jr.
Lewis W. Comstock.
Thomas S. McCloy.
Lyell St. L. Pamperin.
Frank C. McCord.
Herbert R. Hein.
Thomas S. King, 2d.
Scott D. McCaughey.
Frank Loftin.
George B. Ashe.
John C. Thom.
Ralph F. Wood.
Ames Loder.
John W. Reeves, jr.
Robert P. Hinrichs.
Elliott B. Nixon.
Sherwood Picking.
George A. Rood.
Pat Buchanan.
John W. McClaran.
Carlos A. Bailey.
Wells E. Goodhue.
Wallace B. Phillips.
Frederick L. Riefkohl.
John W. Gates.
William C. Barnes.
Van Leer Kirkman, jr.
Harry D. McHenry.
Alfred S. Wolfe.
Richard S. Field.
Robert P. Molten, jr.
Jay K. Esler.
George D. Murray.
Harry R. Bogusch.
Robert H. English.
Oliver M. Read.
George J. McMillin.
Howard F. Kingman.
James G. B. Gromer.
William M. Quigley.
Calvin H. Cobb.
Robert B. Simons.
Donald C. Godwin.
Howard D. Bode.
Richard H. Booth.
Robert M. Hinckley.
Charles H. McMorris.
Guysbert B. Vroom.

To be medical directors

James F. Leys.
Charles P. Kindleberger.
Myron C. Baker.
Howard F. Lawrence.
Ernest W. Brown.
Harry H. Lane.
Ralph W. McDowell.
George C. Thomas.
Alfred L. Clifton.
Lucius W. Johnson.
George F. Cottle.
William L. Mann, jr.
John G. Ziegler.

To be pay directors

Charles E. Parsons.
Robert K. Van Mater.

To be professor of mathematics

Theodore W. Johnson.

To be naval constructor

James O. Gawne.

To be civil engineers

Norman M. Smith.
Glenn S. Burrell.
Ralph Whitman.

MARINE CORPS

To be brigadier general

Frederic L. Bradman.

To be assistant quartermasters

Percy F. Archer.
Seth Williams.

To be colonels

Gerard M. Kincade.
Jesse F. Dyer.
James J. Meade.

To be lieutenant colonels

William W. Buckley.
William D. Smith.
Harold B. Pratt.
Randolph Coyle.
Philip H. Torrey.
Robert L. Denig.
Charles F. B. Price.

To be majors

Thad T. Taylor.
James M. Bain.

To be captains

Moses J. Gould.
George R. Rowan.
Richard H. Schubert.
George W. Walker.
Theodore H. Cartwright.
William J. Whaling.
Herman H. Hanneken.
Daniel R. Fox.
William Ulrich.
Ralph W. Culpepper.

To be first lieutenants

Walter I. Jordan.
Arthur W. Ellis.
Edwin C. Ferguson.
Homer L. Litzenberg, jr.
Wilburt S. Brown.
Theodore B. Millard.
Floyd A. Stephenson.
Albert L. Gardner.
Samuel S. Ballentine.
James P. S. Devereux.
Edward J. Trumble.
Martin S. Rahiser.
Frank J. Uhlig.
Adolph Zuber.
Robert E. Hogaboom.
James Snedeker.
John D. Blanchard.
John N. Hart.
Lionel C. Goudeau.
Hawley C. Waterman.
James O. Brauer.
Thomas C. Green.
Andrew J. Mathiesen.
Joseph C. Burger.
David L. Cloud, jr.
Calvin R. Freeman.
Francis J. Cunningham.
Verne J. McCaul.
Leslie F. Narum.
Ion M. Bethel.
John F. Hough.
Robert L. Griffin, jr.
Glenn M. Britt.
Archie V. Gerard.
Edward L. Pugh.
William M. O'Brien.
Lawrence Norman.
Granville K. Frisbie.
Earl H. Phillips.
Paul A. Putnam.
Matthew C. Horner.
James M. Ranck, jr.
Presly M. Rixey, 3d.
Lee N. Utz.

To be second lieutenants

Richard W. Hayward.
Austin R. Brunelli.
Lewis C. Hudson, jr.
Edmund B. Games.
Albert J. Keller.
Luther S. Moore.
Harry S. Leon.
Nelson K. Brown.
Charles R. Jones.
Clifford H. Shuey.
Wayne H. Adams.
John H. Cook, jr.
Edward H. Forney, jr.
John A. White.
Samuel G. Taxis.
Edward J. Dillon.
Harold I. Larson.
Clifton R. Moss.
Bankson T. Holcomb, jr.
Frederick L. Wieseman.
Robert S. Brown.
Harlan C. Cooper.
Robert E. Fojt.
William K. Pottinger.
Billy W. King.
James H. Brower.
George R. Shell.

To be chief quartermaster clerk

Joseph C. Brochek.

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 21, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Glory to Thee, O Lord, most high—we praise Thee for the anticipation of Him who increases the sum of human joy and happiness. We are now in the foreglow of that day when the sound of the market will die out in the street and men will strike the truce of battle. Yes; He is coming again. The One who smiled at the lure of riches and the embarrassment of penury. At His gentle footfall the citadels of iniquity trembled, and as He passed by He endowed the meanest thing with interest and beauty. Oh bless us, Lord God, with an impulse of a new love—to be a friend to the friendless, a benefactor to the homeless, and a refuge to those who are smitten. Let us forget past wrongs and mistakes and bless us with the golden glow of a generous mind, with the healing love of a big heart, and with the bracing energy of a courageous spirit. May we live for men for whom he died and pledge ourselves to labor for a justice-loving, a freedom-loving, and a warless world. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Saturday, December 19, 1931, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1357. An act for the relief of Nancy H. Rouse, Clara H. Simmons, W. H. Hays, Hallie H. Hamilton, and Bradford P. Hays.

The message also announced that the Senate had agreed to the amendment of the House to the amendment of the Senate to the joint resolution (H. J. Res. 142) entitled "Joint resolution making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932."

The message also announced that the Vice President had appointed Mr. SMOOT and Mr. HARRISON members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Treasury Department.

COL. ANDREW SUMMERS ROWAN

Mr. SHOTT. Mr. Speaker, I ask unanimous consent to print in the RECORD an address I made at the dedication of a bridge which was named in honor of the man who carried the message to Garcia, Col. Andrew Summers Rowan.

The SPEAKER. Is there objection?

There was no objection.

Mr. SHOTT. Mr. Speaker, I feel that the great service rendered the Nation in the Spanish-American War by Col. Andrew Summers Rowan, a native of the district I have the honor to represent, makes the tribute accorded him on Thursday, October 29, 1931, when many thousand Virginians and West Virginians met on New River and dedicated a bridge which was named in honor of the man who carried the message to Garcia, worthy of a place in the CONGRESSIONAL RECORD, and I am therefore, under permission given me to extend my remarks, inserting an address I made on the first public remembrance occasion recognizing the heroism and fidelity to duty of this famous son of West Virginia and soldier of the Republic.

The address is as follows:

One of the most outstanding spiritual incidents of our civilization is the grateful remembrance of those who strive, suffer, and sacrifice for the good of their fellow countrymen and humanity. The spirit that embalms the heroes of war and peace time in the hearts of men and women urges that some undying embodiment of their homage be placed so that physical vision may ponder and remembrance be kept alive for the generations that are to come after, and so it is that men's hands raise memorials of imperishable bronze and marble that the tooth of time may be stayed and veneration and thanksgiving endure through the dissolving years.

Monuments and obelisks and spires, mute in their lonely and solemn grandeur, may impress, but the great utility we call a bridge is the most fitting of all objects of remembrance and emblems of honor, because in its usefulness it bears the burden of commerce and communication of States and neighborhoods, and lifts the feet of countless men and women from the muck and mire of swamp and stream, makes easy the way of those who must cross, and fulfills man's highest hope—passing safely over the pitfalls and obstacles that lie before him in every path he uses in the journey of life.

From early time down to the last war, bridges and roads have been the most important facilities in the struggle of nations, and their control the high point in the peace conferences of the world.

It is fitting, then, that these graceful spans that bridge this great mountain stream should be dedicated in honor of a man born and reared among the neighboring hills, and who in a crisis of our national life distinguished himself by bravery and fidelity to duty, the story of which has been told 'round the world in every tongue, to inspire in men and youths those higher obligations of citizenship that are the most glorious and enduring adornment of mankind.

The great bridge we dedicate to public usefulness to-day and name in honor of Col. Andrew Summers Rowan, a native of the hills overlooking the winding course of New River, is the connecting link between Virginia and West Virginia in a section where the two States border on this swiftly flowing mountain stream, in which is the unharnessed power to drive the factories and light the homes of a State.

The completion of the splendid highway and linking its two great stretches of many miles by the construction of this bridge had long been a dream of the Virginias and its consummation the sunrise of a great new day in our local development.

I congratulate the people of the two States and extend through Lieut. Gov. James Price, officially representing Virginia, the thanks of the people of the section to the Old Dominion and its officials, and through Senator George E. White, the official representative of the Mountain State, the thanks of all who live amid the West Virginia hills.

We of West Virginia claim a heritage in the history and an enduring heirship in the traditions of the mother State, of which we are proud. The people of West Augusta contributed to the glorious history of colony and commonwealth, and the names and deeds of mountain men are spread side by side with those of the eastern section across the flaming pages of the country's early history. Washington, when the men of the eastern seaboard colonies who made up the soldiery of his patriot army, were discouraged and almost ready to give up, heard that the mountain mothers of West Virginia were sending their young sons to join their fathers in the battles for liberty, said:

"Leave me but a banner to plant on the mountains of Augusta, and I will rally around me the men who will lift our bleeding country from the dust, and set her free."

The man we honor to-day by giving his name to this bridge is as near as one man may be a citizen of both Virginias. Born in Monroe County when it was Virginia, he spent his early life in the same county after it became a part of West Virginia, and both States may claim him as a son, just as both share to-day in doing him honor. Like a tale of thrilling fiction reads the story of how Lieut. Andrew Summers Rowan, a young geographical expert of the United States Army, disguised himself as a British hunter and carried a message from President McKinley to Gen. Calixte Garcia, a Cuban rebel leader upon whom the United States depended for aid at the outbreak of the Spanish-American War. His daring feat inspired Elbert Hubbard to write his famous Message to Garcia, which first appeared in 1899, and which has had a phenomenal circulation throughout the two hemispheres. A Message to Garcia has been translated into every written language and more than 40,000,000 copies have been printed, which is said to be the largest circulation of any literary production attained during the lifetime of its author.

Colonel Rowan was born in 1858 at Gap Mills, Monroe County, being the son of John M. Rowan, who settled in that county in 1844 and who was treasurer of West Virginia from 1892 to 1896.

Young Rowan entered the Naval Academy at Annapolis about 1874, but after three years at the institution he resigned and through Senator Frank Hereford secured an appointment to the United States Military Academy at West Point. Graduating from West Point in 1881 Rowan was commissioned a second lieutenant in the Fifteenth United States Infantry and for several years saw service on the western frontier. He was then detailed to survey duty in Central America, where he acquired a fluent knowledge of Spanish. It was this familiarity with that language, his sagacity, and his skill in map drawing that led to his selection by the Bureau of Military Information to carry a message from our Government to General Garcia, the leader of the Cuban insurgents.

When all efforts to arbitrate the differences with Spain had failed and it became only a matter of days until war would be declared, the United States realized that it had little, if any, authentic information regarding the Spanish forces in Cuba.

General Garcia, who had long urged the Cubans to rise against the Spanish authorities, then governing the island with a high hand, was decided upon as the one man who could supply the necessary information, but, as he was hidden deep in the mountains of the interior, it was doubtful if he would learn until too late that hostilities were impending.

Rowan in the meantime had been sent to Kingston, Jamaica, in preparation for the dash. Late one night a coded cable message from Washington instructing him to "join Garcia as soon as possible" started him through the enemy lines on the perilous expedition, which Rowan, as well as everyone familiar with the conditions, believed would end in his death.

Procuring the regalia of a British hunter and small sailboat, he crossed to Cuba under cover of the inky darkness and entered the Spanish patrol lines just before dawn. Eluding the first outpost, he was soon on the edge of the thick, jungle-like wilds through which he was to travel on foot for a week.

Under hardships which later caused even the most calloused Army scouts to wonder how he survived, Rowan continued breaking through the tropical growth and making his way across the treacherous Sierra Maestra Mountains, and on May 1, 1898, reached Garcia with his message later immortalized by Elbert Hubbard.

The rebel general upon learning that the United States was at war with Spain and desired his cooperation not only supplied Rowan with all the military information at his command but selected three of his most trusted officers to make the dangerous trip back to Washington to help the American authorities prepare their campaign.

Rowan was asked if he could start back the same night, and upon his reply that he would not be satisfied to do anything else the four left Bayamo, where Garcia was hidden, and a few minutes later were swimming the Cauto River a short distance above the Spanish post.

They made their way to the coast, obtained a small boat, and after passing under the Spanish guns late at night proceeded to Nassau. One of the rebel officers selected by General Garcia to accompany Rowan had to remain on the Cuban shore, as there was no room in the boat for him.

From Nassau the three hurried to Washington, where President McKinley and Secretary of War Alger extended public congratulations to the young lieutenant who had braved death countless times in carrying out his official orders.

Rowan was promoted to a captaincy shortly after his return, but it was more than 24 years before Congress recognized his valor and voted him a distinguished-service cross with a silver-star citation.

After the cessation of hostilities in Cuba the man who carried the message to Garcia was transferred to the Philippines, where he saw much active service. Subsequently Rowan was promoted to the rank of major, and a few years later to that of lieutenant colonel, which rank he held when he resigned from the Army in 1909 because of his health.

So, today, in the name of both Virginias we pay tribute to him, because under the urge of patriotism and a high devotion to duty as an American and a soldier of the Republic, he carried a message; and we rejoice that under the charm of remembrance, appreciation, and love for his native home, friends, and kindred, he has sent a message because his infirmities of age hold him reluctantly from attendance on this occasion. The message of Colonel Rowan, which he has asked me to read to you, is as follows:

"To my old and new friends, greetings; I was born in Virginia, but with the division of the State I found that I belonged to both sections. So I seem to be a sort of connecting link between the two, as this vast structure flung across New River once more connects them. I am honored by the request to send you a message and deeply regret that I can not be with you on this auspicious occasion.

"As a native son of the two Virginias (born in Old Virginia and reared in West Virginia) permit me to add my enthusiastic plaudits at the dedication of the steel bridge connecting the two States across New River, near the scene of my birth and childhood.

"The New River, 900 miles long, a succession of pools, cauldrons, and rapids, which erodes its way through three States, where its babbling echo mocks the hounds and bids defiance to all who would try, with 'thus far and no further,' has at last received its answer in this beautiful and enduring structure, a landmark on the new highway.

"To one who has been trained as a soldier nothing speaks louder in the interest of preparedness than a system of well-devised and well-built highways. So in building the great system of interstate routes the States may be building better than they know. The Romans knew their roads.

"I wish to thank you all for the interest you have taken in my career, which has sustained me in many trying hours and on far-distant fields.

"This is my handclasp across the continent to all the loyal sons and daughters of the two Virginias.

"ANDREW SUMMERS ROWAN."

Elbert Hubbard, whose story of the man who "carried the message to Garcia," immortalized Colonel Rowan, gave up his life in the tragedy of the *Lusitania*. The inspiration for the famous article came from his son, Elbert Hubbard, 2d, who sends the following message:

"I regret that I am unable to be with you, much as I would like to. I think it is very splendid of you to dedicate your bridge in honor of Colonel Rowan. He bridged the gap between President McKinley and General Garcia, thus rendering a great service. You are now bridging the gap between your various countrysides, thus making history and bringing neighbors closer together. My congratulations to you and all the folk in your neck of the woods."

In the lifetime of Colonel Rowan, the Nation has grown from 30,000,000 population to 125,000,000; its territory has increased 626,000,000 square miles; its national wealth increased from $30,000,000,000 to $500,000,000,000; it has seen over 20 wars; the map of the world changed and the rise and fall of many governments. In that time the field of invention has filled the world with utilities of convenience and pleasure. The greatest change has taken place, however, in our political and economic outlook and we face to-day many new and difficult problems.

These problems are so far-reaching and important that they will give the fire test to the faith and courage and strength of every citizen. The fathers and mothers who made America left us inspiration in the way they met the challenge of their time. With hearts and souls attuned to veneration for the example they gave and the heritage they left the generations, we must meet the problems of to-day with that high heart typical of those who gained and kept the faith in that far day—the faith that wrote a legend above the sunrise—that has guarded through all the years the way of liberty and law. It was not only the faith of those who fought the Revolution, but the faith of those who gave

us the Bill of Rights, the Declaration, and our Constitution, and left to us the richest heritage between creation and to-day.

"Faith of our fathers! Living still
In spite of dungeon, fire and sword;
O, how our hearts beat high with joy
Whene'er we hear that glorious word!
Faith of our fathers, holy faith!
We will be true to thee till death."

I would be unmindful of an outstanding inspiration of this occasion if I failed to consider the underlying cause of the attendance of many thousands here to-day.

It springs from the fact that the true measure of the strength and fiber of a people is the esteem and veneration in which they hold those who have contributed to their glory as a nation. It shows that in spite of the ebb and flow of new and vicious doctrines and subversive activities; in spite of stress and economic disturbance—the American people, from the gray-haired mothers and fathers, who have seen history unfold, to the boys and girls who thrill us with the confidence and hope of their youth—that the real heart of the Republic is safe in the keeping of such sons and daughters as these.

RELIEF OF DESTITUTE INDIANS IN NEBRASKA

Mr. HOWARD. Mr. Speaker, I ask the Speaker's consent to address some remarks to the chairman of the Appropriations Committee at the present moment.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. HOWARD. Mr. Speaker, I have made this request for the purpose of interrogating the chairman of the Appropriations Committee with reference to how soon he may be able to present an urgency appropriation in behalf of relief for the destitute Indians over the country in general, and particularly in Nebraska.

Mr. BYRNS. I will say to the gentleman it is expected that the first deficiency bill will be ready for consideration in the House either on the first or second day after the holidays. We are practically through with the hearings and will have the bill completed by that time.

Mr. HOWARD. Mr. Speaker, if the gentleman does not know the urgent character of the situation, I would tell him that both the United Press and the Associated Press have recently carried accounts of the actual death by starvation of some little children out in the Ponca Indian Reservation, in Nebraska. Ever since last July I have been pleading with the Indian Bureau to get ready to take care of those unfortunates during the winter, that particular locality being within the drought and grasshopper zones. The commissioner tells me that he is trying, but he has not enough money. I plead with the chairman of the committee to get that emergency legislation before the House the first day possible.

Mr. BYRNS. I will say to the gentleman that the committee has already presented two resolutions involving the Employment Service and loans to veterans which were represented to the committee as being extremely urgent and necessary to be passed before the first of the year. Everyone is aware of the very great activity of the gentleman from Nebraska and his very earnest efforts to secure an appropriation for the relief of these Indians at the earliest possible moment, but the bureau did not request or recommend an immediate appropriation, feeling, no doubt, that it would come along in due course and, as I have already stated, the committee will have the bill ready on the first or second day after Congress convenes.

[Here the gavel fell.]

A GREAT MAN'S ANNIVERSARY

Mr. COYLE. Mr. Speaker, I ask unanimous consent that my colleague from Pennsylvania, Mr. CLYDE KELLY, may have permission to print in the RECORD an address made by him at Alexandria, Va., on the 13th of December, in honor of the anniversary of Dr. James Craik, the friend of Washington.

The SPEAKER. Is there objection.

There was no objection.

Mr. KELLY of Pennsylvania. Mr. Speaker, in accordance with permission granted me through my colleague, Maj. WILLIAM R. COYLE, himself a direct descendant of Dr. James Craik, I publish herewith the address delivered by me at the services held December 14, 1931, in memory of the two hundred and first anniversary of the birth of General Craik.

The services were held in the old Presbyterian meetinghouse in Alexandria, Va., under the auspices of the Washington Society of Alexandria. Present on the occasion were descendants of General Craik and members of the following organizations: Society of the Cincinnati, Society of the Descendants of the Signers of the Declaration of Independence, Sons of the Revolution, Sons of the American Revolution, Society of the Colonial Wars and the Colonial Dames of America, Daughters of the American Revolution, Children of the American Revolution, grand lodges of masons in Virginia and the District of Columbia, St. Andrews Scottish Society, the American Legion and Auxiliary, World War Mothers, Federation of Huguenot Societies in America, the Virginia Medical Society, and the Daughters of the Founders and Patriots of America.

The address was as follows:

Mr. Chairman, descendants of Doctor Craik, members of patriotic societies, and fellow Americans, it is an inspiring thing that this memorial service should be held here in the old Presbyterian meetinghouse in Alexandria, one of the most beautiful and historic colonial churches in this country. There is an inspiration in the place, in the audience here gathered, and the memories here invoked. For many of us this gathering will be one—

"That never grows dim and is never forgot,
Like an unfaded leaf in a dead bouquet."

In time of confusion, doubt, and uncertainty it is of preeminent importance that we have a standard by which we may judge and measure events and currents of action. If the yardstick were a varying measure or the pound a fluctuating weight there would be chaos. The great United States Bureau of Standards is created and maintained because of the necessity of true standards in the manifold processes of business and daily life.

There are those who sneer at the tributes paid to men who have been adjudged great by succeeding generations. These cynical ones say there have been no great men, only ordinary individuals who happened to profit from fortunate circumstances.

In trying to search out a definition for a man who might justly be termed great I have evolved one which satisfies me, at least. It is this: A great man is one who, with cheerful, steadfast courage, gives himself to a noble cause.

Not one of these qualities can be omitted. Steadfastness is not the test of greatness, for a man may be utterly determined as he treads the path of evil and injury. Cheerfulness is not enough, for a Nero, fiddling happily while Rome burns, can not measure up to greatness.

Courage may be the possession of a traitor, like Benedict Arnold. Nor can giving one's self be the final test, else a Charles the Second, dying on the scaffold for tyranny and autocracy, would have his place on the roll of the great.

All of these qualities must be enlisted for a noble cause. Given that, the steadfastness, cheerfulness, courage, and self-sacrifice make the character of the truly great man glow with a radiance which can be recognized by all except those jealous and jaundiced souls whose eyes are fixed upon the mud and dirt at their feet.

Judged by the standard thus suggested, Dr. James Craik was a great man. If for no other reason, the patriotic societies represented in this service would be of supreme value because of their work in emphasizing and upholding time-tried standards of patriotism. They furnish the antidote to those cynical, destructive influences which would sweep away, if they could, the ancient landmarks and eliminate all the lessons learned in the past. Everything that is new is not necessarily dangerous, and everything that is old is not necessarily sacred; but he is an enemy of America who would blot out the memory of the great men and the great deeds of our past.

We have just heard read those passages from Doctor Craik's Bible wherein the brave old prophet Micah laid down the standard of true religion for all mankind. "What doth the Lord require?" he asked his people in a time of anarchy and distress. His answer can not be excelled for its conciseness and its all-inclusive truth. "Do justly, love mercy, and walk humbly before thy God" was the standard laid down and America has never produced a really great man who did not endeavor to shape his life to that standard.

You remember how another great prophet, Jeremiah, called upon his people in their time of distress and despair. "Set ye up a standard in the land" he proclaimed as the first step toward escape from the slough of despond. In every land and in every time of testing that is still the fundamental requirement.

It was true in 1787, when dissolution seemed about to come to the thirteen Colonies, which 11 years before had dared to defy the mightiest empire on earth, in the name of unity and cooperation. The great emotional desire for liberty and independence had lost its force after Yorktown. Each colony was jealous of its own rights and privileges. Misunderstandings arose and anarchy reared its head.

George Washington was the only true symbol of nationality in all the colonies. It was to his mighty influence we owe the assembly of the Constitutional Convention and the charter which was there evolved. Hear his ringing call to the delegates: "Let us raise a standard to which the wise and honest may repair. The event is in the hands of God."

There can be no defeat in such a cause. You remember the experience of the two devoted friends, George Washington and Dr. James Craik, at the Battle of the Monongahela in 1755. General Braddock's army was overwhelmed and the brave but misguided general died in Doctor Craik's arms amid the rout and disorder of his shattered military forces.

In the long view of events, that battle on the site of the present city of Braddock was the first victory in the War of the American Revolution. When I presented the measure in Congress providing for the appointment of a United States commission to join in the celebration in 1930 of the one hundred and seventy-fifth anniversary of the Battle of the Monongahela, I was met with the question, "Why celebrate a defeat?" I answered then as I answer now, that that battle in the western wilderness led straight to the victory at Yorktown.

When the colonists learned that the supposedly invincible British regiments had been totally overthrown by the French and Indians, but that Col. George Washington and his colonial associates had given a good account of themselves, they learned that the Americans were superior to European soldiers on their own ground, and that they must take the responsibility of defending themselves.

Had Braddock's army won the victory on that far-off July day, it is altogether probable that Pennsylvania, Maryland, Virginia, and the other Colonies would have continued to trust their defense in the hands of the British Army. They would have organized no forces of their own, would have gained no confidence in their own troops, and the whole course of history would have been changed.

Out of such an experience came the Declaration of Independence, which is the immortal standard of this Nation. The test of every action since 1776 is, "Does it help or hinder equality of opportunity?"

In spite of pessimists and cynics, any fair-minded survey of our progress must bring the conclusion that we have advanced steadily toward the goal in many lines. There is equality of political opportunity such as was never dreamed of by the founding fathers, and it has been secured step by step through the years. To-day the normal American man and woman have the right to express their opinions where they count most—with the pencil in the voting booth on the day of election.

There is equality of religious opportunity until at the last presidential election we saw two men asking for the highest office within the gift of the citizenship and both of them were members of faiths which were proscribed and forbidden in many of the colonies at the time of the Declaration.

There is equality of educational opportunity. Public schools, where every child, rich and poor, has equal rights, were unknown in 1776. To-day the public-school system extends from the primary grades to the great State universities, all of them maintained through tax funds place the burdens upon every member of the community.

These great strides toward equality of opportunity have been taken. Their benefits and blessings are in the sure possession of Americans. One great realm remains unconquered, and it furnishes the mightiest challenge to this generation if we are ever to attain the goal established in the declaration. It is equality of economic opportunity.

The right to the vote, to education, and to worship God at the dictates of one's conscience are admitted as inalienable rights of American citizens. There must come acknowledgment of the right of every American, able and willing to work, to a place in the American economic system, through which he can earn a livelihood for himself and his family.

With perhaps 7,000,000 Americans vainly seeking a place in the task of producing wealth, the tragic situation of to-day can not be exaggerated. This unemployment confronts us at every turn and scarcely a family in the land but is paying part of the price for such a situation.

This preeminent problem must and will be solved. It demands the spirit of cooperation rather than the spirit of destructive, cutthroat competition, which has been all too prevalent in our industrial and commercial system. We must learn to balance production and consumption, so that never again shall we witness the spectacle of great surpluses of wheat on one side and little children crying for bread on the other. If solving this problem means a change in our former methods of uncontrolled production and uncontrolled distribution, that change must come. Like the Sphinx of old, this problem confronts us with the challenge, "Answer my riddle or you perish."

We need no alien philosophies to point the way to action. Neither the pathway of fascism, with its dictatorship of one man, nor the pathway of communism, with its dictatorship of the proletariat, will be followed. We shall simply advance on the American pathway of equal opportunity, through democracy, taking the action necessary to put the foundations of reality under the old-time dream.

It will require enlightenment and participation on the part of every American and it will require loyalty to true standards. In the clouds to-day may be seen the black banner of corruption, the yellow banner of surrender, and the red banner of violence. They must not prevail and they shall not prevail. The American standard, upheld by patriotic hands, will lead the way to triumph in this greatest of all contests for equality of opportunity.

My friends, we do well to honor men like Dr. James Craik, who lived and died by true standards, which never changed, no matter how troublous the times. He was a bridge builder in a time when it seemed the quicksands had covered the solid ground. Of him it may well be written:

An old man, going a lone highway,
Came in the evening, cold and gray,
To a chasm, vast and deep and wide,
Through which was flowing a sullen tide.
The old man crossed in the twilight dim,
The sullen stream had no fears for him.
But he turned, when safe on the other side,
And built a bridge to span the tide.

"Old man," said a fellow pilgrim near,
"You are wasting strength by building here.
Your journey will end with the ending day,
You never again must pass this way.
You have crossed the chasm, deep and wide—
Why build you a bridge at the even tide?"

The builder lifted his old, gray head,
"Good friend, in the path I have come," he said,
"There followeth after me to-day
A youth, whose feet must pass this way.
This chasm that has been as naught to me,
To that fair-haired youth may a pitfall be.
He, too, must cross in the twilight dim.
Good friend, I am building this bridge for him."

Out of this memorial service for this great figure of another day, we ought to highly resolve that we, too, shall help to build a bridge over the swamp of present-day conditions, sinking the piers to solid rock, and building the span so wide and sure that the youth of to-day may cross to firmer land that we ourselves have known.

I am confident that this gulf of our own time will be bridged with sound construction. The pathway through the past shows such enduring structures and the courage and the consistency of men like Dr. James Craik, and his fellow builders, bid us proceed to the task in confidence that the pathway through the future will lead us on to the goal of America.

THE CONSENT CALENDAR

The SPEAKER. The Clerk will call the Consent Calendar.

The Clerk called the first bill on the Consent Calendar (H. R. 4577), to extend hospital and home facilities to veterans of the Confederate Army and Navy.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RAINEY. Mr. Speaker, this bill may prove to be controversial, and I ask that it be passed over without prejudice.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill be passed over without prejudice. Is there objection?

There was no objection.

FISCAL RELATIONS BETWEEN THE DISTRICT OF COLUMBIA AND THE UNITED STATES

Mr. MAPES. Mr. Speaker, all the bills that were reported by the Select Committee on the Fiscal Relations between the District of Columbia and the United States have been passed by the House of Representatives.

I now call up the report of the committee, which is House Report No. 1, and ask that the same may be considered in the House as in Committee of the Whole.

The Clerk read the report, as follows:

Mr. MAPES, from the Select Committee on Fiscal Relations Between the United States and the District of Columbia, submitted the following report (pursuant to H. Res. 285, 71st Cong.):

The Select Committee on Fiscal Relations between the United States and the District of Columbia appointed pursuant to House Resolution No. 285, Seventy-first Congress, has completed its work and submits the following report:

The substantive part of the resolution creating the committee is as follows:

"*Resolved*, That the Speaker is authorized and directed to appoint a select committee to be composed of seven Members of the House, whose duty it shall be to investigate the various elements, factors, and conditions which may be deemed pertinent and essential to the accumulation of data and information bearing upon the question of fiscal relations between the United States and the District of Columbia and to recommend to the House what amount, in their judgment, the United States should contribute annually toward the development and maintenance of the municipality.

"SEC. 2. Such committee is also authorized and empowered to investigate fully the various forms of municipal taxation and sources of revenue of the District of Columbia and to recommend

to the House such new forms of taxation and sources of revenue and/or such changes in existing forms of taxation and sources of revenue as to them may seem just and fair.

"SEC. 4. The committee shall have the right to report to the House at any time by a bill or bills, or otherwise, the results of its investigations."

Soon after its appointment, beginning December 8, 1930, and ending December 20, 1930, the committee held public hearings at which representatives of various civic organizations and public officials of the District of Columbia and others who desired to do so appeared before the committee and presented their views as to what they respectively considered to be a solution of the problem of the fiscal relations between the United States and the District of Columbia.

For the purpose of aiding the committee in its work it engaged the services of Mr. George Lord, of Detroit, who has had many years' experience in tax-research work and who enjoys a national reputation in the field of taxation. With the appointment of Mr. Lord the assembling of comparative data relating to assessed valuations, etc., was immediately started. A questionnaire was prepared and sent to cities in the United States of comparable size with the District of Columbia, ranging in population from 252,981 to 900,429, asking for detailed information concerning the taxation of the various forms of taxable property within their respective jurisdictions.

All the cities consulted, with one or two exceptions, cooperated with the committee to the fullest extent in their endeavor to furnish the information called for. For this uniform courtesy the committee extends its appreciation to the officials of these municipalities.

In addition to the information furnished the committee by means of the questionnaire a large amount of data was obtained by correspondence, also valuable information was gained from consultations with noted authorities on taxation and finance. The statistical information obtained will be found in a condensed form in the statistical tables embodied in this report.

A BRIEF HISTORY OF THE FISCAL RELATIONS BETWEEN THE UNITED STATES AND THE DISTRICT OF COLUMBIA

The governmental set-up of the District of Columbia is unlike that of any other city in the United States, and so far as this committee knows it is unlike that of any other in the world. The constitutional provision requiring Congress "to exercise legislation in all cases whatsoever over such District * * * as may * * * become the seat of the Government of the United States" has led, starting almost from the beginning, to constant controversy both as to the form of the government of the District and as to how the expenses of the District government should be met, what proportion of them, if any, should be borne by the Federal Government and what proportion of them should be borne by the people and the privately owned property within the District.

As stated by Bryan in his History of the National Capital:

"The decade that came to an end in the early thirties * * * was * * * marked by an almost continuous agitation for a change in the government." (II Bryan 150.)

This agitation in varying degrees of intensity has continued down to the present time.

From time to time, as different phases of the controversy have become acute, committees of Congress have been appointed to investigate and report upon them. The reports of these various committees have, each in its turn, had a tendency to quiet the agitation for a time, but only for a time.

There is little that can be said about the relationship between the Federal and District Governments that has not already been said by one or another of these various committees. Nearly every phase of the problem has been investigated and reported upon by one or another of them, and this committee has no desire to review or rehash the same subject matter that has been heretofore thoroughly considered and reported upon. In undertaking the task assigned it, however, it did feel that no thorough and satisfactory study had ever been made of the comparative tax burden of the people within the District with those who live in other cities of comparable size and advantages, and that such a study should be made in order to determine what would be a fair and just tax for the people of the District to pay. It therefore set out to make such a study.

Up to the time of the adoption of the present form of government for the District in 1878, there had never been any uniform or consistent policy as far as making contributions by the Federal Government to the expenses of the government of the city of Washington or of the District of Columbia is concerned. It will be recalled that during the early history of the District there were five separate and distinct governmental units within its boundaries, namely: On the Virginia side of the Potomac, Alexandria, and the county of Alexandria; on the Maryland side, Georgetown, the levy court of the county of Washington, and the city of Washington. These were reduced to three in 1846 when the Virginia side of the District was re-ceded to the State of Virginia. In 1871 the charters of the corporations of the city of Washington, Georgetown, and the levy court were revoked and a single municipal government named the District of Columbia was established in their place. Since 1871 the city of Washington and the District of Columbia have been one and the same, or, to be entirely accurate, since that date there has been no such legal entity as the city of Washington. There has been only the District of Columbia. The Federal Government never contributed to the expenses of any of the other governmental units in the District except the city of Washington, and never adopted any uniform or consistent policy of making contributions to the city of Washington until the adoption of the present form of government for the District in 1878. Some years it contributed liberally, some years sparingly, and some years not at all.

The Poland report submitted to the House from the Committee on the Judiciary in 1874 referring to the question "Whether some accurately defined basis of expenditure can not be prescribed and mantained by law" declared:

"There never has been, since the location of the Capital at this place, any consistency, or even intelligence, in the adjustment of these expenditures."

The government of the city of Washington, and later the District of Columbia, has never been very successful in the management of its finances when left to its own devices. As early as February 2, 1835, the Southard report declared:

"The city is involved in pecuniary obligations, from which it is utterly impossible that it can be relieved by any means within its own control or by any exertions which it may make, unaided by congressional legislation."

On June 16, 1874, the Allison report stated:

"The testimony discloses that the District treasury is practically exhausted in all its departments."

Referring to the Territorial form of government with a Delegate in Congress, which had been in effect for three years, the same report declared:

"Your committee have unanimously arrived at the conclusion that the existing form of government of the District is a failure."

In this connection, and in view of the present agitation of some of the people of the District for the ballot, it may not be out of place to call attention to the experiences of the District when the people in it exercised the right to vote.

"Indeed, when some of the older or more thoughtful residents of Washington recall the riots of 1857 and other similar disturbances they lose all enthusiasm for the new movement to restore the suffrage to the people of the District. Many of them hesitate to join in the demand for the ballot, which just now is once again agitating the minds of the people. The Federal Capital, they believe, should be forever free from the strife, turmoil, and struggle of political campaigns, its atmosphere forever undisturbed by the quarrels of political partisans. The riots of 1852 have had a tremendous psychological effect upon the people of Washington." (Washington—A Not Too Serious History, page 212, by George Rothwell Brown.)

"These riots were no make believe." Page 212.

"In 1857 the extremists were not satisfied to fight with ballots, but used bullets; there was a real crisis in Washington." Page 213.

"Six men were killed in these riots, and more than a dozen were wounded. It was a bitter and humiliating experience." Page 215.

"Washington has witnessed other disorders in her hectic voting days of the past, but the riots of 1857 will always remain the bloodiest chapter of her purely political history. They have cured many of any desire for a repetition of such scenes, and have convinced others that perhaps the preservation of a calm and serene atmosphere for the deliberation of Congress and the labors of the President is worth more than the right to vote." Page 215.

As stated in the Southard report of 1835:

"The design of the Constitution and its founders was to create a residence for the Government where they should have absolute and unlimited control, which should be regulated and governed by them without the interference of partial interests in the States, which should be built up and sustained by their authority and resources, not dependent upon the will or resources of any State or local interest."

And again in the report of the joint committee of Congress in 1915:

"This was the great plan conceived by the fathers of the Government, the wisdom of which grows more and more apparent with the coming and going of the years."

The joint select committee of Congress, of which Senator Morrill, of Maine, was the chairman, reported in 1874:

"The committee recommends as best calculated to avoid a repetition of the errors and shortcomings of the past, and to promote the interests of all who are or may be in any way connected or associated with the National Capital in the future, that Congress exercise that exclusive legislation over the District with which it is invested by the Constitution, and provide for the general superintendence of its affairs and the enforcement of the laws through officers and agents directly amenable to the supreme executive authority of the United States."

Whatever one may think of the wisdom of the provision of the Constitution referred to, there is no doubt about the fact that it imposes upon Congress the duty and responsibility of providing for the government of the District.

In 1878 the present form of government for the District was adopted, and the policy inaugurated of dividing the cost of operating the District government equally between the citizens and property of the District and the Federal Government. In other words, the Federal Government contributed 50 per cent of the cost and the taxpayers of the District contributed 50 per cent. This plan was based upon the unique method of measuring the value of Federal property with that of the privately owned property in the District. A value of 30 cents per square foot was placed upon the streets and avenues, which added approximately 50 per cent to the valuation of actual Federal property, consisting of parks, public buildings, etc. In this way a valuation for Government property

equal to the valuation of privately owned property was reached and Congress evidently was persuaded that the cost of operating the District government should be split evenly between the United States and the District.

In 1876 a joint investigating committee determined that the Federal share of the expenses of the District government should be fixed at 40 per cent. The recommendation of this joint committee, however, was not received favorably. The 50-50 law was in effect from July 1, 1878, to July 1, 1920, when a change was made from a 50 per cent proportion to a 40 per cent proportion of the total District expenses contributed by the Federal Government. This 60-40 plan continued until July 1, 1925, when Congress changed from the proportionate contribution to an annual contribution of $9,000,000. The Seventy-first Congress provided a lump-sum contribution of $9,500,000.

There has been a great deal of controversy from time to time as to the wisdom of changing from a proportionate plan of contribution to a lump-sum plan. Several of the civic organizations in the District have protested the change, setting up the claim that as the expenses of the District grew, it would be only fair that the contribution of the Federal Government should increase accordingly, and that this could only be fairly done by fixing definitely the proportion of the total expenses of the District that should be paid by the Federal Government.

The advocates of the lump-sum plan claim that it has the advantage of aiding rather than curbing the carrying out of public improvements in the District; that it tends to moderate local demands for appropriations through a realization that the increase must be locally borne; that being a definite and fixed amount it can at once be set down in the budget, thus simplifying budgetary procedure; that it makes possible an increase of appropriations needed for public improvements in the District within the limits of fair taxation without any increase of the burden upon an already overburdened Federal Treasury; and furthermore, that the economic condition of the country, together with the extraordinary burden of taxation carried by the people in the States and the condition of the Federal Treasury, is the answer to the demands for increased Federal aid to the District government.

A prominent member of the District bar and one of Washington's foremost citizens, Mr. George E. Hamilton, in a communication addressed to the joint select committee of Congress in 1915, expressed himself as follows:

"My observation of and contact with the affairs of the District forces me to the conclusion that the half-and-half plan has hindered rather than promoted the growth and development of the National Capital.

"It has tended to create in the minds of Congress the feeling that the interests of the District and the interests of the Government are separate and distinct, and even at times opposite if not antagonistic, and that in the matter of District appropriations the Government needed to be protected against the efforts of the citizens, who, in the opinion of some Congressmen, were paying too little taxes and seeking always to avoid proper taxation.

"It has created in the minds of some citizens the fear and feeling that Congress intended to overtax the citizens of the District to a point where Government contribution will cease, and these countertendencies thus created have been productive of criticism, of charge and recrimination, at times unseemly and always injurious.

"Fundamentally I believe the half-and-half plan is unjust.

"I believe, and have for years believed, that the growth of Washington along the lines intended by its founder, desired by the Government and hoped for by its residents has been delayed, if not dwarfed, by the half-and-half rule, and the feeling and contention by it engendered between Congress and its citizens; and I believe that further limitation to growth and prosperity will follow a continuance of that rule, or any other rule, of fixed proportions in contribution to the expenses of government.

"If Congress can be relied on to fairly consider, protect, and sufficiently appropriate for the larger and more important national interests and purposes, may it not be relied upon to consider and protect, to provide and appropriate for the support of the Nation's Capital and its development, especially if the full responsibility for the same is committeed to and assumed by it; and if Congress is determined not to give a fair and liberal treatment to the District, can it, in its absolute power, be coerced and driven thereto by a rule which may be repealed at its will and pleasure?

"Protect the District by providing a fair and equal assessment and a full but fair rate of taxation, to be levied only on privately owned real estate and improvements and on tangible personal property; avoid proportionate contribution to the expense of government, which of necessity creates a division and separation of interests and views and breeds contention; and let Washington be in fact what the framers of the Constitution intended it to be—the great Capital of a great Nation, to be nourished, expanded, and made beautiful by and for all people of the United States, the people of the District of Columbia contributing their fair share only."

At best, as was well stated by the joint committee of Congress in 1915, the half-and-half plan "was conceived as an economic necessity to lift the burden of debt from the oppressed District and its taxpaying citizens." And again, "This arbitrary rule—a rule of then seeming necessity—need no longer be applied to District appropriations."

The committee has given careful consideration to all arguments used for and against the lump-sum plan and has come to the conclusion that it is the preferable one.

GENERAL TAXATION

In the study of the taxation of general properties in the various cities of the United States having a population reasonably comparable with the population of the District of Columbia, it has been disclosed that in all these cities the people are groaning under the burden of taxation which they have been compelled to carry. That is particularly true of the taxes levied upon real property. This condition is made prominently evident by the extraordinary amount of delinquent taxes. The levy of taxes has become so large that a great many people have been unable to raise sufficient money to pay them, and the result has been an enormous amount of real property returned to governments delinquent for taxes. In a great many instances it has resulted in the loss of homes, farms, and other classes of property to those who have worked almost a lifetime in order to acquire them. A similar economic condition obtains in the rural sections of the country, if anything, to a greater extent than is found in urban districts. The committee calls attention to this fact in order that it may be given mature thought in the consideration of the comparative tax burden carried by the people of the District of Columbia with the tax burden carried by the people in other municipalities. Only in that way can a proper conclusion be reached as to the relative tax burden carried by the people in the District with that carried by people elsewhere.

Another thing that should not be forgotten in a study of this matter is that there has been a decided depreciation in realty values everywhere during recent years, particularly in the industrial urban centers. Notwithstanding this depreciation in values, the assessed valuations have not been reduced to any considerable extent and the public expenditures have been constantly on the increase, resulting in an increase in the levy of taxes. As a matter of fact, public expenditures in most of the cities have increased much faster than taxable wealth, which this committee thinks is anything but a healthy economic condition. This has been going on for many years and is one of the prime causes of the tremendous increase in tax levies, a condition that will get worse instead of better unless public expenditures are kept within reasonable bounds, and not in excess of the amount that the taxpayers can reasonably afford to pay.

ASSESSMENT OF PROPERTY—THE RATIO OF ASSESSED VALUES TO ACTUAL VALUES

In making a comparison of assessed valuations of property in the various cities it was necessary, of course, to ascertain at what ratio to actual value property was being assessed. In its study of this matter the committee found that various methods are used to arrive at a determination of the relation of assessed valuation to actual values, none of which determines such relation with absolute accuracy.

"The realm of science boasts no subject more elusive—more controversial—than value." Assessment Manual, City of Rochester, N. Y., 1930, page 1. There are so many factors to be considered in arriving at the valuation of property, such as the use, income, location, construction costs, reproduction costs, depreciation, etc., that no two minds will get to a very near approach to uniformity in determining such valuation. That is particularly true of those charged with the administration of assessment laws.

Although it is difficult to determine the relation of assessed values to actual values, the committee believes that the ratios as they appear in the statistical tables, attached hereto, are as accurate as it is possible to obtain. These ratios were obtained from the administrative officers of the municipal governments who actually make the assessments, and from such organizations as real-etsate boards, chambers of commerce, and individual citizens familiar with property values. These administrative officers, organizations, and citizens, being familiar with property values in their respective communities, are more competent to determine the actual ratio of assessed valuations to actual value than anyone else and, therefore, the information they furnished the committee is the most reliable that could be obtained for adjusting tax rates. That is particularly true where in the various assessment units a scientific method is employed of measuring the cubic contents of buildings, or the ascertaining of the square footage of such buildings, or where a scientific method of determining land values is employed.

The committee has found that one method of finding the ratio of assessed values to actual values frequently used to compare the assessed value of property with the price paid for it at voluntary sale. This the committee feels is not a safe method for the reason that most of the sales of real property are made on land contracts, in other words, on the installment plan. Sales of this character are frequently made at a substantial amount in excess of actual value. That is evidenced by the fact that these contracts are often discounted to finance companies and others dealing in such securities at anywhere from 10 to 40 per cent.

Another novel method employed by some to determine relative assessed valuations to actual values, relative tax rates, tax levies, etc., is the per capita basis of assessments. This is done by taking the assessed valuation of a given city and determining the per capita of that assessed valuation. The assessed valuation of other cities is then multiplied by this per capita and in that way it is said a true comparison can be made of the tax burden carried by the people in the different cities. This committee can not agree with this contention. Property values can not be created in excess of their actual value by any system of mathematical calculation. One city having approximately the same population as another

may have within its borders property wealth far in excess of the other city. It is impossible to arrive at a true comparison of relative assessed valuations and tax levies by any such method.

INCLUSION OF FEDERAL REAL-PROPERTY HOLDINGS IN THE TAX BASE FOR COMPARATIVE PURPOSES

It is argued that no true comparison of the relation of the tax burden carried by the people in the District of Columbia with the tax burden carried by the people in other cities can be made without considering in the comparative the value of Federal property holdings located in the District of Columbia. The value of all Federal real property actually used for Federal Government purposes, it is claimed, should be embraced in the taxable real values, and this to the limit of structural costs, or present-day reproduction structural costs, irrespective of use, income, obsolescence, or market value. Evidently no consideration is given to the monetary value to the people of the District of Columbia because it is the Nation's Capital, nor to the benefits derived by the people in the District by the flow of visitors to the city who spend large sums of money while here. Neither is there any consideration given to the increment private property values, created almost solely because of the activities of the Federal Government in the District. It is perhaps needless to say that many citizens of the District have grown wealthy because of this increment value. It is only necessary to refer to the large increase in land values, as shown by the assessment rolls, to indicate to a considerable extent the truth of this statement.

The committee can not agree with the contention that the Federal real estate or property should be used in the comparison of relative tax burdens. The buildings owned by the Federal Government would be practically useless to anyone but the Government. They have practically no market value. The only value they have, except for Government purposes, is scrap value. They were not erected by anyone engaged in business for profit and can not be considered in the same class with the structures of ordinary business enterprises. Under such conditions it is decidedly unsound to use the cost or reproduction value of these buildings in any comparison of relative assessed values or tax burdens. Furthermore, much of the land value upon which these Government buildings stand was created by the Federal Government, and due consideration certainly should be given to this fact by Congress.

The principal reason advanced for including such property values in the comparative is that it is the only large industry in the District of Columbia, and that this industry is fairly comparable with large industries in other cities. The committee can not agree with this contention, either. The Federal Government's activities in the District have the highest degree of stability. There is no diminishing of is activities. Indeed, they are quite generally on the increase with a corresponding increase in the Government pay roll. They are continuous, not interrupted by financial and industrial depression. On the other hand, with industries in the other cities it is quite a different story. Anyone familiar with the industrial centers of the country will understand that often in times of depression, like we are now in, industries are a liability and not an asset to the other taxpayers. In many cases corporations are located immediately outside the corporate limits of a city while most of the employees live within the corporate limits. The corporation pays no taxes to the city, but the city is obliged, through its welfare department, to take care of the families of the men who are temporarily out of employment. The cost of this care is a heavy burden upon the taxpayers.

To verify this comparison of the economic conditions in the District of Columbia with the economic conditions that obtain elsewhere, it is only necessary to refer to a recent radio address by Mr. Robert J. Cottrell, executive secretary of the Washington Board of Trade, from which address we quote the following:

"While it is perfectly true that we are not tripping along in the merry and care-free manner of four or five years ago, it is nevertheless a fact, that as far as the National Capital is concerned, in comparison with other large communities, it hasn't any idea what depression is.

"No city in this country—in fact, no city in the world—is so peculiarly situated as Washington, in that it is practically impossible for it to know depression in the real sense of the word without a complete ruin of entire national and governmental economic structure.

"Planted in the middle of our city is an industry—that of the Federal Government—which continues on, and must continue on, regardless of conditions outside, and annually pours into the community nearly $180,000,000, or approximately $7,500,000 every two weeks. Rain or shine, good, bad, or indifferent, this gold clinks out into the hands of nearly 80,000 persons on the Federal pay roll.

"The board of trade in its activities through its greater National Capital committee has analyzed the situation in respect to conventions, visitors, and tourists. Tourist travel in some of the larger cities has fallen off as much as 35 to 40 per cent, while in Washington there has been a considerable increase.

"With the exception of isolated cases, Washingtonians have no business talking of depression. They have no grounds and, in fact, they ought to be expressing their gratification at living in a community untouched by the problems which are evident everywhere outside."

The committee can not see any logic in making a comparison of Federal Government properties with the properties of industrial corporations located elsewhere.

FEDERAL AID TO STATES

In discussions of the fiscal relations between the United States and the District of Columbia a comparison has been made of the amount of Federal aid given to States with the Federal aid given the District of Columbia. This comparison has little, if any, significance for the reason that very little of the Federal aid given the States reaches the municipalities. It nearly all goes to the rural communities. Furthermore, most of this money given to the States constitutes a conditional grant in that the States are required to match the amount of the Federal grant.

INCLUSION OF FEDERAL INTANGIBLE PROPERTY IN THE COMPARATIVE

A unique method has been employed and recommended to this committee in determining the amount of intangible Federal property holdings that should be charged to the Federal Government for the purpose of comparing the relative tax burden of the District with the tax burden of other cities. It is argued that the value of intangible personal property in the hands of private owners is about equal to the value of their tangible property. The tangible property owned by the United States and located in the District of Columbia, it is said, has a value of $90,000,000 and, therefore, that $90,000,000 of intangible property should be included in the comparative so as to place it on the same basis as the tangible and intangible property holdings owned by the citizens of the District. This, it seems to the committee, is purely an arbitrary set-up. There would be just as much sense in saying that $900,000,000 of Federal intangible property should be included in the comparative as $90,000,000. By what reasoning $90,000,000 of intangible property should be allocated to the District of Columbia the committee does not know. It is a rule of law that intangible property follows the domicile of the owner and, of course, the owners of the intangible property of the Federal Government are the people of the United States. For this reason there would be just as much sense in allocating $90,000,000 of the Federal intangible property to the city of Chicago as to the District of Columbia. Under no circumstances can intangible property of the United States be considered in any comparison made of tax burdens carried by the people of the various cities. Arbitrary set-ups of intangible-property values should have no consideration when it comes to matters of taxation. The only consideration should be the actual realities of values and the taxes levied thereon.

ASSESSMENT OF INTANGIBLE PROPERTY AS A COMPARATIVE

The use of the assessment of intangible property and taxes levied thereon for comparative purposes is exceedingly difficult and unreliable. The systems of taxation employed and the rates of taxes imposed upon this class of property vary so greatly in the various taxing units that no comparison can be made that would be worth consideration. In many assessment units intangible property is not directly assessed, other forms of taxation having been substituted for a direct tax on such property. In other taxing units no attempt has ever been made to tax this class of property at all, directly or indirectly. It is pertinent to say in this connection that a very considerable portion of intangible propery, such as money and credits, is in the form of trusts often scattered all over the country, and sometimes all over the world. Trust companies report these trusts and pay the taxes. Such taxes in a per capita comparison would be exceedingly unfair and unwise.

The committee doubts that the assessment of personal property and the levy thereon can be safely used in a comparison of tax burdens. In many taxing units some classes of tangible personal property are exempt from taxation, such as manufacturing products. Other forms of taxation, such as taxes imposed on franchises and the imposition of other excise taxes, are substituted for personal-property taxation.

For these reasons the committee thinks that the most reliable comparison of tax burdens is confined to the assessment of real property and the taxes levied thereon. In this connection it should not be forgotten that real property carries not less than 80 per cent of all assessed valuations and all taxes levied on real and personal property. Indeed, the total real-estate tax for the 23 cities used in the comparison, as shown in the comparative statement relating to assessments and taxes, constitutes about 83 per cent of the total tax. This is over four-fifths of the total taxes levied on both real and personal property and is, the committee thinks, the only reliable basis for comparison of the relative tax burden carried by the people in each of these cities.

LOSS OF REVENUE TO THE DISTRICT BECAUSE OF FEDERAL PROPERTY EXEMPTIONS

One of the chief arguments made for increased Federal contributions toward the expenses of the District government is that the District has suffered loss of taxes because of the exemption of Federal properties from taxation. In estimating the loss of revenue it has been the fashion to treat the Federal properties as if they were always on the assessment rolls of the District. This, the committee thinks, is a mistake. The only possible loss of revenue would be the revenue derived from the taxation of the land and improvements thereon immediately preceding the acquisition of the properties by the Federal Government. In other words, the amount of taxes paid by the private owners of property at the time the Federal Government acquired it. In this connection it is pertinent to say that the assessing officer of the District, Mr. Richards, contends that there is no loss of revenue because of the acquisition of these properties by the Federal Government. He arrives at this conclusion because the buildings on

the land erased will be replaced by more costly structures in other parts of the city, and the improvements made by the Federal Government create an increment value in the immediate vicinities of the Federal holdings. While there may be a temporary loss of revenue, certain it is that there is a decided increment value created by the acquisition of this land by the Federal Government, the erection of costly structures thereon, and the beautification of the surroundings. To this extent, certainly, property values will increase and not decrease.

The actual value of the property acquired by the Federal Government from private owners in the last 10 years has been appraised by Mr. Richards, the city assessor, at $36,204,049, so that the loss of revenue from this valuation, based on the prevailing tax rate, would be a little over $600,000 a year. It is certain that no individual or private corporation would have made the costly improvements on the land that the Federal Government has made, and it is doubtful that improvements would have been made at all by private parties to any considerable extent. Furthermore, the appreciation in the value of land in the immediate vicinity of the Federal improvements, which appreciated value undoubtedly will be reflected in the assessment rolls of the District, will to a considerable extent offset the loss of revenue caused by the removal of this $36,204,049 from the assessment rolls, to say nothing of the replacement of the privately owned buildings in other parts of the District.

In this connection, attention may be called to the fact that the Federal Government is now engaged in a building program within the District of Columbia, to be completed within a few years, entirely at its own expense, at a total cost of over $300,000,000. Under the theory of taxing Federal property, or of including it in the comparative, the more the Federal Government improved and beautified the District with improvements and new structures the more it would be penalized or obliged to pay in taxes, notwithstanding the fact that no income is derived from public buildings that are devoted to public use. Under that system also the greater the improvements with the corresponding increase in value of the Federal property the less would be the tax on the privately owned property within the District.

COMPARISON OF TAX LEVIES PER CAPITA

Statistics have been presented to the committee to show that, based on the per capita basis, the taxes paid by the people of Washington compare favorably in amount with the taxes paid by the citizens of other municipalities, and in some instances exceed the amount paid by such citizens. Various methods have been followed in order to arrive at this conclusion, none of which appears to this committee as being a reliable basis for comparison of relative tax burdens. One city may have one-half the population of another city and still the smaller city may have within its borders much more taxable wealth than the larger city. That is particularly true in so far as personal-property wealth is concerned. To show how true this is it is only necessary to point out that there is an utter lack of uniformity in the various States and municipalities in the systems and methods employed in the taxation of personal property. In many of the cities the ad valorem system of taxation is followed, in others the millage-tax system is followed, in others income taxes are imposed as a substitute for both ad valorem and millage taxes, and in others there is either a total or partial exemption of certain classes of property. Because of this wide difference in the base of taxation no comparison of personal-property taxation on a per capita basis can be made with any degree of accuracy as to equality of burden.

If any consideration is to be given at all to per capita taxation it should be confined to the per capita taxes levied on real property. While the per capita taxes have been computed by Mr. Lord, of which mention will be found on another page of this report, for reasons already stated the committee does not believe it is a reliable basis for comparison of relative tax burdens.

COMPARATIVE STATEMENT RELATING TO ASSESSMENTS AND TAXES

Particular attention is called to the statistical compilation embodied in this report showing a comparison of assessed valuations, tax levies, etc., in each of the 23 cities used in the comparison. This statement the committee believes is as accurate a picture of the tax burden carried by the people of these cities as it is possible to obtain from the standpoint of statistical information. The valuations, tax levies, and tax rates were obtained in the first instance from the tax departments of the various cities. These data were verified by information obtained from various civic organizations, reference to reports of municipal directors of finance, and reports of comptrollers, together with the reports of the various tax commissions and special information obtained from them. The ratio of assessed valuations to the actual value of property was obtained from sources heretofore mentioned, supplemented by the knowledge of our investigator, Mr. Lord, of assessment conditions in the several cities, gained by previous investigations.

In determining the adjusted rate of taxation and the amount of taxes levied upon the specific amount of property valuation, the utmost care has been exercised. This, of course, was necessary in order that no injustice be done. There is such a wide variation in the laws governing the assessment of property and in the degree of efficiency with which actual assessments are made that if extraordinary care was not exercised injustice would result. In some of the States the statutes definitely fix the ratio to actual value at which property shall be assessed. In other States it is a constitutional as well as a statutory requirement that property be assessed at its full value, but nowhere probably is this requirement actually followed, much depending upon the efficiency with which the tax laws are administered as to how near an approach to actual value property is really assessed.

Particular attention is also called to the comparative statement of assessed valuations, tax levies, tax rates, etc., covering a 10-year period. This statistical compilation, showing, as it does, the per cent of increase in assessed valuations and in taxes levied, is exceedingly interesting and shows to what extent expenditures of tax money have exceeded the increase in taxable wealth. Furthermore, for comparative purposes this table presents a valuable study of actual general property taxation conditions that have existed in these cities during the last 10 years. The table is also of inestimable value in any study of relative tax burdens.

The statistics embraced in these two tables have been gathered after much painstaking effort, which required extensive research work. They present as accurate a picture of the relative assessed valuations and taxes levied in the various cities as it is possible to obtain.

The following remarks relating to these statistical compilations will be of interest:

The total population of the 23 cities embraced in the comparative statement is 10,959,751.

The total tax levied upon the real property in these cities amounts to $526,444,179, and the average per capita is $48.03.

Eliminating the District of Columbia, the total population of the other 22 cities is 10,472,882.

The total tax levied upon the real property in the 22 cities other than the District of Columbia amounts to $506,342,302, an average per capita of $48.35.

The population of the District of Columbia is 486,869 and the tax levied upon real property amounts to $20,101,877, or a per capita of $41.29, which is $6.74 per capita less than the average per capita for all the cities and $7.06 less per capita than the average per capita for the other 22 cities.

The total of all taxes levied in the 23 cities amounts to $637,129,676, an average per capita of $58.13.

The total of all taxes for all the cities, except the District of Columbia, amounts to $610,250,892, an average per capita of $58.27.

The total taxes levied in the District of Columbia amount to $26,878,784, a per capita of $55.21, or $2.92 less than the average per capita for all cities, and $3.06 less per capita than the average for the other 22 cities.

The total full valuation of real estate in the 23 cities amounts to $22,229,107,292, upon which was levied a tax of $526,444,179. The average adjusted tax rate for all the cities is $23.68.

Excluding the District of Columbia, the full value of real property in the other 22 cities is $20,915,259,131 and the total tax levied thereon is $506,342,302. The average adjusted tax rate is $24.21.

The adjusted tax rate in the District of Columbia is $15.30, or $8.38 less than the average adjusted rate for all cities, and $8.91 less than the average adjusted rate for the other 22 cities.

The average tax levied upon a $10,000 property is $237. Excluding the District of Columbia, the average tax on a $10,000 property is $242. The tax levied on the full value of a $10,000 property in the city of Washington is $153, or $84 less than the average for all the cities, and $89 less than the average for the other 22 cities.

These comparisons are based upon actual tax realities in the various cities, which the committee believes is the only fair comparison that can be made. In making the comparisons the committee has eliminated from consideration any and all arbitrary set-ups of values and taxes that would be levied on such values. Arbitrary set-ups of property values can be worked out to the advantage of any interests by mathematical calculations. They are not founded on facts, and therefore are not worthy of consideration.

It is the actual amount of money that the taxpayers pay into the public treasury upon their properties that counts, irrespective of what the tax may be named. That is the guide the committee has followed in its investigations, and the committee believes it is the only safe guide to follow for comparative purposes.

The committee does not deem it necessary to dwell further upon these statistics. It has endeavored to compile them in such a way as to be understandable by anyone who cares to study them.

BONDED DEBT

There will be found in this report a very interesting comparative statement showing the bonded debt of the various cities for 1921 and 1930, together with the per cent of increase, and the interest and sinking-fund charges for each of these years. It will be observed that the District of Columbia is the only city having no bonded debt.

EXEMPTIONS

Another interesting statistical statement shows the amount of real estate exempt from taxation in the various cities and the amount of contribution from any source because of such exemptions. It will be noted that the only contribution any of the cities received, outside of the District of Columbia, is the city of Boston. That city receives from the State government $32,950 annually for loss of revenue that would have been derived by the city from the assessment of the land used for State public institutions.

PARK AREA

There will be found herein a statement showing the park area in the various cities embraced in the comparative, the value of the parks, and the average annual cost of maintenance, etc. The figures given for the District of Columbia were obtained from

the office of the city assessor. The figures for the other cities were obtained from the municipal authorities of the cities.

In this connection there will also be found a statement showing the park area located in the District of Columbia owned by the Federal Government. This information was obtained from the office of Col. U. S. Grant 3d, superintendent of public buildings and parks.

REVENUE DERIVED FROM TAXATION OF PUBLIC UTILITIES

A statement is embodied in this report showing the amount of revenue derived from the taxation of various public-utility corporations in 14 of the cities embraced in the comparative. This information will be of interest to everyone interested in the taxation of public-utility corporations.

CHANGES IN DISTRICT REVENUE LAWS—GASOLINE TAX

For eight years the District of Columbia has been imposing an excise tax of 2 cents a gallon on gasoline. There was derived during the last fiscal year from this tax approximately $1,800,000. There are only four States that impose as low a tax as 2 cents a gallon on gasoline; namely, Connecticut, Missouri, New York, and Rhode Island. In the other States the tax ranges from 3 cents a gallon to 7 cents a gallon.

The average tax for all the States, excluding the District of Columbia, is a fraction over 4 cents a gallon. In the States in close proximity to the District of Columbia, Delaware levies a tax of 3 cents a gallon, Maryland levies a tax of 4 cents a gallon, North and South Carolina levy a tax of 6 cents a gallon, Pennsylvania levies a tax of 3 cents a gallon, Virginia levies a tax of 5 cents a gallon, and West Virginia levies a tax of 4 cents a gallon, so that, as far as the tax on gasoline is concerned, the owners of motor vehicles in the District are in a favored class.

The claim is made that it is hardly fair to compare the gasoline tax in the District with the tax in the States for the reason that the revenue derived from such a tax in the States is used for improving public roads and not public streets, as is the case in the District of Columbia. It does not seem to the committee that there is much weight in that argument, for the reason that motorists from the District of Columbia use these roads, especially roads located in States bordering the District. Citizens of other cities pay the same gas tax as their fellow citizens of the State in which they live are required to pay.

It is also claimed by those opposed to an increase in the tax on gasoline that the District is now receiving sufficient revenue to take care of the entire expense of street improvements and maintenance. The facts, the committee finds, disprove that contention. Major Donovan, the District auditor, in his appearance before the committee stated:

"The amount of the gas-tax fund is not sufficient to take care of the entire street expense. About $2,000,000 will be paid in 1932 from the gasoline-tax fund; but in addition to that about $1,200,000 more will have to be provided out of the general revenues of the District for maintenance and repairs to streets."

So that it is certain, notwithstanding the statement that $2,000,000 would be derived from a tax of 2 cents a gallon on gasoline, that $1,200,000 additional money would have to be obtained from the revenues derived from other sources in the District in order to meet the entire expense of future street improvements and maintenance. Certainly no stronger argument could be made in support of a reasonable increase in the tax on gasoline than the statement made by Major Donovan.

The streets in the District of Columbia, as well as the streets in other cities, are subjected to heavy motor-vehicle travel, necessitating the raising by some form of taxation a large annual maintenance fund, in addition to the cost of widening and the creation of new arterial street highways. It is only fair, the committee thinks, that the owners of motor vehicles in the District should meet, to a large extent, these costs.

The committee can see no logical reason why the owners of motor vehicles located in the District should not pay a tax on gasoline reasonably comparable with the tax levied upon the same product in other communities, particularly in the communities adjacent to the District. Their failure to do so gives the retail gasoline industry in the District an undue advantage.

The committee, therefore, recommends that the present law providing a 2-cent tax on gasoline in the District of Columbia be increased to 4 cents a gallon, which rate of tax would be less than the average rate imposed on gasoline in the States, and is reporting a bill to that effect.

MOTOR-VEHICLE-WEIGHT TAX

Under the present system of taxing automobiles as personal property and the flat rate of $1 registration fee in the District, the owners of motor vehicles in the District have been and are in a highly favored class as compared with the taxes paid on motor vehicles in the several States. The flat rate of $1 registration fee, irrespective of the weight of the motor vehicle, can not be too severely condemned. It is the heavy cars, such as trucks and busses, that do the most damage to pavements and which occupy by far the most space in the public streets. To charge the same registration fee for such motor vehicles as is charged for a lightweight passenger car is ridiculous.

In addition to this flat registration fee of $1 per car, the District assesses all cars as personal property. According to the testimony of Major Donovan before the committee, there were a little over 126,000 motor vehicles assessed the first part of last year, and the revenue derived from the assessment of these cars for the one-half year period amounted to $214,190. On this basis, the total personal-property tax on that number of vehicles for the full year would be $428,380. It is evident, therefore, that the total tax, including the registration fee on motor vehicles, for 1930 would not exceed $600,000, or a total tax of $4.75 per car.

In addition to the 126,000 cars on which the tax was paid, Major Donovan stated that there were approximately 30,000 cars having no value, on which a minimum tax of $1 per car was paid. These cars were still being used on or occupying the streets, and certainly while in use on the public streets should be required to pay a tax comparable with the tax paid on other cars of approximately the same weight.

The average tax per car in 1930 in the United States was approximately $14, or about three and one-half times the average tax paid upon motor vehicles in the District of Columbia. The committee can see no reason why that condition should longer obtain. It believes that the most equitable system of taxing motor vehicles is a tax based on their weight. It is the simplest as well as the fairest and most equitable method of taxing them. It is conceded by everyone that the heavier the vehicle the more it damages the public highways. This fact should be a prime factor in the determination of the amount of tax that should be imposed on motor vehicles.

The committee, therefore, recommends the enactment of a law providing for a tax on automobiles based on their weight, as a substitute for the present registration and personal-property tax now imposed on motor vehicles in the District. If the rate of tax, based on weight, shall be fixed so as to produce an average revenue of $14 per car, which is the average tax per car in the United States, it would produce a substantial increase in the District revenues and no one would be hurt. The committee is reporting a bill to put this recommendation into effect.

INHERITANCE TAX

At the present time there is no inheritance or estate tax imposed in the District of Columbia, except the Federal estate tax. All States impose either a tax on inheritance or estates, except the States of Florida and Alabama.

A reasonable rate of tax on inheritances or estates imposed by the District government would produce an average annual revenue of not less than $750,000. The committee knows of no good reason why such a tax should not be adopted in the District, especially as the Federal Government permits a credit of all inheritance taxes paid in the States, or which may be paid in the District of Columbia, up to 80 per cent of the Federal estate tax.

The committee believes that the estate tax is preferable to the inheritance tax because of its simplicity. It has the advantage that the tax may be computed immediately after the value of the net taxable estate is determined. This results in a material saving in time and expense, both to the estate and to the Government that imposes the tax. Furthermore, it is easy for the testator to determine in advance the total tax burden upon the estate, and therefore he can carry out exactly his intentions as to the net amount which the several beneficiaries are to receive.

In the case of inheritance taxation the amount of tax depends upon the number and relationship of persons who receive the property. These facts, however, can not be determined as to the remainder until after the death of the life tenant. It often happens, therefore, that it is necessary to postpone the taxation of the remainder until the life tenant's death. In some cases arbitrary rules of determining the tax have been adopted and this quite often works hardships. Such complicated problems as these are avoided in imposing a tax on the estate.

The estate tax has the advantage of simplicity and of relative speed with which estates may be settled. The committee therefore recommends that a law be enacted providing for a reasonable tax upon the estates of decedents.

The Chilton joint committee in making its report in 1915 stated: "We believe there should be a proper tax on inheritances in the District."

The committee is reporting a bill to put this recommendation into effect.

INCOME TAX

The committee believes that a tax upon incomes is the most equitable tax that can be imposed, because it is based on ability to pay and is a tax that is hard to evade. More and more this is recognized, as evidenced by the increase in the number of taxing jurisdictions that have provided for a tax upon incomes.

The committee believes that if such a tax was imposed in the District of Columbia, as a substitute for the present millage tax on intangible property, it would result in greater equality in the distribution of the tax burden in the District and would produce a substantial amount of revenue in excess of that now obtained under the millage-tax system. Last year the District received a revenue of $2,725,941 from the tax imposed on all intangible property. It is our opinion that, if a reasonable income tax is adopted, the amount of revenue obtained therefrom will exceed the revenue from the tax now imposed on intangibles by not less than $750,000 annually and, as has already been said, the tax will be much more equitably distributed among the people.

An income tax would reach many people well able to pay some tax toward the support of government, who now pay no taxes, and it would reach the income derived from intangibles, which intangibles are now concealed from the taxing authorities of the District.

The committee, therefore, recommends the enactment of a law providing for a reasonable tax on incomes as a substitute for the present millage tax on intangible property, and is reporting this bill to put this recommendation into effect.

TAXATION OF CERTAIN PUBLIC UTILITIES

All the public utilities in the District are subject to specific taxation or franchise taxes. The tax is based on gross earnings or gross receipts and the rate varies according to the class of corporation.

The rate on the gross earnings of gas companies is 5 per cent. Electric street-railway companies are taxed at the rate of 4 per cent on gross receipts. Electric-light companies are taxed at 4 per cent on gross earnings. Telephone companies are taxed 4 per cent on gross earnings.

It will be noted that these rates of taxation are unequal and, therefore, violate the basic principle of equality in taxation. If the present system of taxing these utilities is to be continued, and the committee doubts its wisdom, the law should be amended so as to provide uniformity in the rate of taxation.

According to figures furnished the committee by the office of the District assessor, if these various utilities were taxed on an ad valorem basis of valuation the District would gain considerable revenue. These companies paid last year in taxes a total of $1,611,000. It is estimated by the District assessor's office that if they had been taxed at the same rate of taxation as imposed on other classes of tangible and intangible property they would have paid $2,500,000, or approximately $900,000 more than they paid under the present system. The present specific tax on gross earnings and gross receipts is in lieu of any ad valorem tax on tangible personal property and the millage tax on intangible personal property.

In addition to these public utilities there are two others operating in the District now—the Western Union Telegraph Co. and the Postal Telegraph-Cable Co. The Western Union Telegraph Co. last year paid in taxes only $6,471, and the Postal Telegraph-Cable Co. paid in taxes only $1,424. These companies practically tax themselves in that it has been the practice to accept without question a statement from each of the companies as to the value of its property in the District for purposes of taxation. There never has been any appraisal made of its personal property by the assessing officer of the District. The committee believes and recommends that an appraisal of the property of these companies in the District should be made by competent engineers.

TAXATION OF STEAM RAILROADS

There is contained in the law governing the taxation of steam-railroad property in the District a unique provision, as follows:

"It being the true intent and meaning hereof that the lines of railroads and terminals hereby authorized shall be assessed and valued for the purpose of taxation and taxed on the same basis as if the same were not constructed and maintained by means of such bridges, tunnels, viaducts, retaining walls, and other structures."

The construction placed upon this provision of the law by the assessing officers of the District is that the tunnels or bridges spanning the streets or water communications in the District, the retaining walls around Union Station and along Maryland, Delaware, and Virginia Avenues, and the iron viaducts located at the south end of the tunnel near New Jersey Avenue and C Street SE. are not subject to assessment for taxes.

It is estimated by the District assessor, Mr. Richards, that the value of this property, which is not now assessed for taxes, is anywhere from ten to fifteen million dollars. If it were placed upon the tax rolls, the revenue derived therefrom would approximate $200,000 annually, which is nearly double the tax now imposed upon railroad property in the District. The total revenue the District will receive from the taxation of railroad property this year amounts to $233,878.

The committee knows of no good reason why this property should be longer exempt from taxation, and if it can be legally placed upon the assessment roll by an amendment to the law, the committee recommends that the law be amended accordingly.

It is only fair and equitable that all privately owned property, especially that used for commercial purposes and profit, be placed upon the assessment roll for taxes. There should be no such thing as favoritism in the levy of taxes upon such classes of property. All should be treated with relative equality in the levy of taxes.

FISCAL RELATIONS OF OTHER NATIONS AND THEIR RESPECTIVE NATIONAL CAPITALS

For comparative purposes the committee thought it well to ascertain what contributions, if any, were made by other nations toward the municipal expenses of their respective national capitals. The result of such investigation follows:

Argentina

The Government of Argentina contributes in all approximately $7,490,000 annually toward the expenses of the city of Buenos Aires. This contribution is made up of 30 per cent of the Territorial contribution and of the patent taxes collected by the National Government in the city, together with 60 per cent of the benefits of the national lottery. This latter amount is used exclusively for the administration and maintenance of the hospitals of the city.

Information furnished by Hon. P. Santos Munoz, chargé d'affaires ad interim of the Argentine Republic.

Austria

No Federal appropriations are made in favor of the city of Vienna as a contribution toward governmental expenses of the capital. The city, it is stated, as a financial, commercial, and industrial center of the country, is entirely self-supporting and enjoys full and equal independence in the matter of legislation and taxation. It is further stated that the idea of Federal appropriations has never been raised.

Information furnished by Austrian Legation and transmitted to this committee by the minister of Austria to the United States, Hon. Edgar L. G. Prochnik.

Belgium

The Belgian Government does not contribute any money toward the municipal expenses of its national capital, the city of Brussels.

Greater Brussels is composed of a number of boroughs, each of which has its own independent civic administration and provides its own revenues for expenses.

Information furnished by the Belgian ambassador to the United States, Hon. Paul May.

Brazil

The Federal District of Rio de Janeiro has no governmental expenses allocated to it by the Federal Government or by the Union of the States of Brazil. The city of Rio de Janeiro and the suburbs forming the Federal District have their own revenue, and the district is administered by a prefeito, who is appointed by the Federal Government. The budget and municipal laws of the district are voted by the municipal council, the members of which are elected by the people in periodical elections.

Information furnished by the Brazilian ambassador to the United States, Hon. S. Gurgel do Amaral.

Canada

The Government of Canada has been contributing $100,000 annually toward the expenses of the government of the city of Ottawa, its national capital. It constituted a lump sum paid for the supposed benefit derived by the National Government from the fire, police, and other services furnished by the city. This arrangement was in effect for the past five years, but this year it came to an end. The city of Ottawa is now endeavoring to obtain from the Government of Canada an annual grant of $500,000.

Information furnished the committee by Hon. Hanford MacNider, United States minister to Canada.

Denmark

The Danish Government contributes approximately $11,000 annually to the office expenses of the superior president of Copenhagen, who, being chairman for the municipal administrative authorities of Copenhagen, takes part in the administration of the municipal affairs of the city, and incidentally, as a state official, has charge of several matters pertaining to superior offices. He supervises the administration of the State's municipal administration and, therefore, the office of the superior president. The Ministry of the Interior states that as the affairs connected with the superior president are to a certain extent state-government affairs, the state treasury grants for the time being an annual contribution of 40,000 kroner, approximately $11,000. This is the only contribution made by the National Government of Denmark toward the expenses of the municipal government of Copenhagen.

Information obtained from the Danish Ministry of Foreign Affairs by the Royal Danish Legation at Washington and transmitted to this committee by Hon. Otto Wadsted, minister of Denmark.

France

The Government of France pays nothing to the city of Paris for the numerous buildings occupied by the Parliament, the Government, the public administrations, and the diplomatic establishments. Paris has never been given a special place in the assessment scale because of its situation as the capital of the Republic. There are, however, certain subventions that the city of Paris receives as follows:

"(a) Municipal police: The share of the state is, in principle, one-half of the expenditure. In reality, for 1931, the state budget provided for a sum of 171,700,000 against a receipt of 197,500,000 francs carried to the budget of the city.

"(b) Paving: The receipt anticipated by the city for 1931 is 11,914,000 francs. It must, however, be remarked that this sum does not represent a subvention property so-called; it constitutes, in reality, a reimbursement, the town providing for the upkeep of the national roadways which traverse it.

"(c) Expenditure for assistance: State participation, about 5,400,000 francs.

"(d) Aid to the unemployed: The state budget only provides for a sum of 2,700,000 francs. In reality, these expenses reach at the present time about 49,000,000, of which 16,200,000 are at the charge of the state.

"On the other hand, the city of Paris reimburses to the state one-half of the expenses of the pay and maintenance of the Garde Republicaine."

Summed up, the total amount of contribution to the municipal expenditure of Paris amounts to approximately 205,000,000 francs out of a total budget of a little over 4,000,000,000, which is not quite 5 per cent of the total. Be it said, however, that no part of this sum of 205,000,000 francs is in reality granted to the city of Paris because of its position as the national capital.

Information obtained from the Foreign Office of the French Government by the American ambassador, Hon. Walter E. Edge, and by him transmitted to this committee.

Germany

The German Government does not contribute in any special way financially to the municipal administration of Berlin, for the reason that it is the seat of the National Government.

Information obtained for the committee by the German ambassador, Herr F. W. Von Prittwitz.

Great Britain

No special grant is made by the Government of Great Britain toward the expenses of the local government of London as the seat of the national capital. There is a special contribution, however, of about 10,000 pounds (about $45,000) made by the Exchequer toward the expenses of the London fire brigade for services rendered. There is also a small contribution to the metropolitan police for services rendered. A similar grant, however, is made to other cities of the country.

These contributions are in the form of grants in aid of specific services rendered the National Government. The National Government makes a contribution in aid of local rates in respect of property occupied by, or in behalf of, the Crown for public purposes. There is, however, no distinction in practice between contributions in respect of Crown property situated in London and outside of London. The amount of such contributions is based on the valuation determined by the treasury valuer instead of the valuation determined by local assessment officials.

Information furnished by the British Foreign Office and the Minister of Health and transmitted to the committee by the American ambassador to Great Britain, Hon. Charles G. Dawes.

Greece

The Government of Greece grants to the city of Athens 18,000,000 drachmas annually, paid in monthly installments. The drachma being of unstable value, it is almost impossible to state definitely what amount in dollars this contribution amounts to. The drachma has varied in value from 13½ to 19½ cents. Taking the highest quotation, the annual contribution amounts to approximately $3,500,000.

Information obtained from the Government of Greece and forwarded to this committee by Hon. A. Anninos, counselor of the Legation of Greece.

Italy

The Italian Government pays toward the expenses of the city of Rome an annual sum of 60,000,000 lire. Because the lira fluctuates greatly in value it is impossible to state with any degree of accuracy what the contribution would be measured in dollars and cents.

Information furnished by the Ministry for Foreign Affairs in Italy and transmitted to this committee by the counselor of the Italian Embassy, Count Alberto Marchetti di Muriaglio.

Japan

Municipalities, towns, and villages in Japan are charged by law to collect a certain kind of national tax, and 3 per cent of the amount collected is returned to the municipalities, towns, and villages. This year the city of Tokio received 569,700 yen, equivalent to approximately $330,000.

The National Government also assumes a part of the expenses of the teachers of primary schools located in cities, towns, and villages. The law provides that the total amount appropriated by the Government for this purpose should not be less than 85,000,000 yen a year. This year the city of Tokio will receive 1,084,880 yen, or approximately $540,000.

The city also receives from the National Government certain subsidies, as follows:

"(1) 500,000 yen toward the expenses of road improvement.

"(2) 266,547 yen toward the expenses of various unemployment relief works.

"(3) 410,000 yen toward the expenses of the city water system."

The total of this national aid toward the expenses of the city of Tokio amounts to approximately 2,921,127 yen, or $1,460,563. In addition to this the national treasury of Japan gave a large amount of money toward the expenses of the reconstruction of the city following the earthquakes.

Information obtained from the Japanese Government by the Japanese ambassador in Washington and forwarded to this committee by the Hon. K. Midzusawa, secretary of the embassy.

Mexico

The Federal Government of Mexico does not contribute to the expenses of Mexico City. The Federal District in which the national capital is located has its own budget, independent from the federal income, and the expenses of Mexico City and the other municipalities are attended to from that budget.

Information furnished the committee by the Hon. Don Manuel C. Tellez, Mexican ambassador to the United States.

Poland

No item of contribution has been included in the national budget for 1930–31 toward the expenses of the city of Warsaw, the national capital. In the report accompanying the budget the following sentence is to be found, however:

"The Minister of Finance is empowered to grant to the local self-governing communal and territorial bodies loans out of the cash stock, which loans must not extend over 12 months and must not exceed 20 per cent of all taxes perceived by the government revenue offices on behalf of such self-governing bodies."

Information obtained from the Polish Government by its ambassador to the United States and transmitted to this committee by Hon. W. Wankowicz, commercial counselor.

Spain

The Government of Spain does not contribute any money toward the expenses of the city of Madrid. It is stated that on several occasions the Municipal Council of Madrid has solicited from the National Government a fixed subsidy to cover the expenses resulting from the city's position as capital of Spain. Up to the present time, however, no such subsidy has been granted.

Information obtained from the Spanish Government by the Hon. Irwin B. Laughlin, ambassador to Spain, and transmitted to this committee by Hon. J. Webb Benton, second secretary of embassy.

Sweden

Neither the Swedish Government nor Parliament makes any special appropriations to the city of Stockholm as the seat of the National Government.

Information obtained from Hon. W. Bostrom, minister of Sweden to the United States, and transmitted to this committee by him.

Switzerland

The Government of Switzerland makes no contribution whatever toward the expenses of the city of Berne, its national capital.

The law of that country provides that the federal treasury and all special funds administered by the Federal Government, as well as all the real estate, houses, and institutions which serve the purposes of the Federal Government, are exempt from any direct taxation. A statement is made that to be the capital of Switzerland is considered an honor and that the location of the capital was coveted by several cities at the time the question of the choice of one of them as the seat of the Federal Government was discussed.

Information was obtained by the Legation of Switzerland and transmitted to this committee by Hon. Pierre de Salis, attaché.

Yugoslavia

The Royal Yugoslav Government does not contribute any money toward the expenses of the municipality of Belgrade, its national capital.

Information furnished by the Royal Yugoslav Legation and transmitted to the committee by the Hon. Bojidar Stoianovitch, first secretary of the legation.

CONCLUSIONS

No one likes to pay taxes. The people of the District of Columbia are no exception to the general rule in this respect. Nor is it a pleasant duty to vote to impose a tax burden upon anyone. It can not be stated too emphatically that no one, especially no member of this committee, wants to overtax the people of the District. At the same time it is probably fair to say that the people of the District, being human, do not want to pay any more taxes than they are obliged to pay, and very naturally resist any effort to increase existing taxes or to impose any additional ones, realizing, no doubt, that whatever they pay, whether much or little, the Federal Government will make up the balance necessary to run the District government. On the other hand, there are those who think that the people of the District are in a privileged class as far as taxation is concerned; that they are not paying as much toward meeting the expenses of the District government as they should, or as much as the people who live in other cities in the United States of comparable size and advantages are required to pay.

Should the people of the District be required to pay the same as people who live in other cities of comparable size and advantages, or should some consideration or concession be given them because they have no voice in their government, or should they be required to pay a little more because they enjoy the privileges and advantages of living in the Capital City? Should the District be treated like any other city and the people who live in it be required to pay the entire expenses of the District government as the people of other cities are required to do, or does the country want a more beautiful and magnificent city for the capital of the Nation than the people of the District should be asked to maintain or would require if it were not the Capital City?

These are some of the questions which naturally suggest themselves to anyone who makes any serious attempt to consider the tax problem of the District.

Section 2 of the resolution creating this committee, authorizes it to "investigate * * * the various forms of municipal taxation and sources of revenue in the District" and to recommend such "new forms of taxation and sources of revenue and/or such changes in existing forms of taxation and sources of revenue as to them may seem just and fair," and section 4 gives the committee the "right" to report "by a bill or bills, or otherwise, the result of its investigations."

Carrying out the purposes of the resolution in this respect, the committee, as hereinbefore set forth, recommends the enactment of an income and an inheritance tax law for the District, an increase of the gas tax from 2 cents to 4 cents per gallon, the enactment of a motor vehicle weight tax law, a change in the taxing system of certain public utilities, and a revision of the law providing for taxation of the property of steam railroads in the District.

The committee has prepared and is introducing bills which it asks the House to consider and pass, providing for an income tax, an inheritance tax, an increase in the gas tax from 2 cents to 4 cents per gallon, and a motor-vehicle weight tax. The people in the States pay these taxes. If people of the District are to pay taxes that are comparable with those paid by people in the States, they should pay them. As to these taxes there is no chance for argument from a comparative standpoint. In fact, the rates sug-

gested in the bills reported by the committee are somewhat under the average of the States. If they are not imposed in the District, the District is bound to be a haven for tax dodgers, for those who want to escape the payment of such taxes.

The committee feels that the changes recommended in the laws relating to the taxation of certain public utilities and of the property of the steam railroads should be considered and perfected by the regular standing legislative Committee on the District of Columbia; that to perfect such legislation would require more time and consideration, including the hearing of those interested and affected by the proposed changes, than this committee is justified or warranted in taking for that purpose.

The committee thinks that the major problem assigned to it, and the one chiefly in the minds of the Members of the House of Representatives when the resolution creating the committee was passed, was, as stated in the first paragraph of the resolution—

" to investigate the various elements, factors, and conditions which may be deemed pertinent and essential to the accumulation of data and information bearing upon the question of fiscal relations between the United States and the District of Columbia and to recommend to the House what amount, in their judgment, the United States should contribute annually toward the development and maintenance of the municipality "—

and it has devoted a large portion of its time and study, with the assistance of its tax expert, Mr. Lord, to this feature of the resolution.

In view of the facts developed in its investigation and study, and the findings, as before set out in this report, how much should the United States, in the language of the resolution, " contribute annually toward the development and maintenance of the municipality " of the District of Columbia?

This question, like many other governmental questions, is not " susceptible of exact determination," but it is a question that Congress is obliged to pass upon every year in the passage of the annual appropriation bill for the District. In the performance of this duty Congress has a dual obligation to perform. It must be fair to the people of the District; and it must be fair to the people of the Nation who live outside the District. It is the principal question assigned to this committee to answer and to report upon.

There is no serious dispute about the principle to be followed in working out an answer to the problem. The difficulty comes in its application.

The witness appearing before the committee from the District very generally, if not without exception, agreed that the people of the District should pay in taxes about the same or bear about the same tax burden as people of other municipalities throughout the United States of like size and advantages, but the majority of them were tenacious in their contention that they are already doing that, and many ingenuous arguments are advanced to prove that contention.

The joint committee of 1915 recommended—

" that the people of Washington pay a tax comparable in assessment, rate, and amount to that tax paid by the residents of other cities similar in population and location to the city of Washington."

The report of that committee went on to say:

" We find after a most careful consideration of all of the evidence and circumstances as shown to exist at this time that there is no reason for any arbitrary rule of proportionate contribution for the expenses of the District of Columbia by the residents thereof and by the people of the United States; that the correct rule should be that the responsibility in taxation of the residents of the District of Columbia be as fixed and certain as the responsibility of residents of other American cities comparable with the city of Washington; that with the payment of such taxes as may be equitably and properly assessed against privately owned taxable property, the financial responsibility of the residents of the District should be concluded."

The Morrill Joint Select Committee of 1874 reported that the District " may properly be required to make that just contribution to the current annual expenses, the interest of the public debt and its ultimate payment, which a people so situated as compared with other communities may be required to pay for like protection, privileges, and immunities."

This committee believes that the correct formula is stated in these reports, as above quoted, and it is happy to say that that formula is generally accepted as being correct by students of the situation, both in and out of the District.

The committee has no doubt that everyone in the United States desires the National Capital to be one of the best and most beautiful capitals in the world, and that it forever be maintained as such, and that Congress shall, if necessary, from time to time, assist financially in maintaining it at a standard that shall be excelled by no other capital. The amount of this financial assistance should be measured largely by the amount necessary to conduct the governmental affairs of the District in an efficient and economical manner, over and above the amount of revenue derived from the taxation of private property, license fees, etc. The rate of tax imposed on private property to reasonably approach the average rate of taxation in the other 22 cities of the comparative. In other words, the amount of Federal contribution toward the expenses of the District government should be based largely on the difference in the amount of revenue derived from the taxation of properties levied on the basis of a fair and equitable tax rate, together with the revenues derived from specific taxes, license fees, fines, etc., and the total amount of money that the District needs to conduct the District government in a manner that shall be a credit to the District and the Nation. There are few indeed who seriously dispute the correctness of this statement.

On this basis, the committee has made the study it has to ascertain with as much definiteness as it is possible to do how the tax burden of the District compares with the tax burden in cities of similar size and advantages, with the result, as before stated in this report, that it finds that the tax rate in the District of Columbia is the lowest of any of the 23 cities with which comparison has been made.

To repeat what has already been discussed to some extent in another part of this report, based on the assessed valuation of real property at a ratio of 90 per cent of its actual value, and this is the ratio that the assessor, Mr. Richards, advised the committee is the ratio at which it is assessed, the adjusted tax rate in the District of Columbia is $15.30 per thousand dollars valuation. The next lowest adjusted tax rate is in Kansas City, where the rate is $17.58 per thousand dollars valuation, or $2.28 per thousand more than obtains in the District of Columbia. The highest adjusted tax rate is in the city of Louisville, where the rate is $30.80 per thousand dollars valuation or $15.50 per thousand more than obtains in the District of Columbia. The average adjusted tax rate for all the cities is $23.68 per thousand dollars valuation, or $8.38 more than obtains in the District of Columbia. Excluding the District of Columbia, the average adjusted tax rate in the other 22 cities is $24.21, or $8.91 per thousand more than obtains in the District of Columbia.

Applying the adjusted tax rate, a piece of property in the District of Columbia having a full value of $10,000, would pay a total tax of $153, or $23 less than the lowest tax rate in any of the other cities. The average tax paid upon a $10,000 property in all the cities, excluding the District of Columbia, is $242, as against $153 in the District of Columbia.

It is evident, therefore, that the owners of real property and tangible personal property in the District of Columbia are not burdened as heavily with taxes as the owners of similar property of relative valuation in the other cities; that they pay less taxes on their property than the owners of property in any of the metropolitan cities of the country. If the rate of taxation in the District had been $20 per thousand, instead of $17 per thousand, the present rate, the District government would have received nearly $4,000,000 more in revenue in 1930 than it did receive. This $20 per thousand valuation would then be over $4 per thousand less than the average adjusted tax rate in the other 22 cities. If the rate in the District of Columbia was the same as the average adjusted rate in the other 22 cities, the District government would have received $31,222,907, or $9,298,520 more revenue than it did receive in 1930.

It is contended by some that in the consideration of comparative tax burdens all taxes levied in other cities for State and county purposes should be eliminated and the comparison confined to taxes levied for the purposes of city government alone in those cities and that interest on the bonded debt of other municipalities be eliminated from the comparison because the District has no bonded debt.

The committee can not agree with that contention. There are in the District institutions maintained from revenues derived from either Federal or District taxation similar in character to institutions that are maintained by county or State governments. The District has its courts, similar to county and State courts. Other functions in many respects similar to functions exercised by State and county governments elsewhere are performed in the District either by the District or Federal Government. The District government does practically everything that the various units of government do outside in the States, and the people of the District receive from the Federal Government the various benefits and services that are taken care of outside by county, State, and school taxes.

The true index to tax burdens is the actual tax levied and paid into the public treasury by the owner or owners of property in the various cities having relatively the same actual value. In the opinion of this committee it makes no difference by what name the tax may be called, a State tax, a school tax, a city tax, or a county tax, it is the actual money paid over the counter of the public treasury that counts, and that is the only true measure of comparative tax burdens.

Nor does this committee agree with the contention that the interest on public debts of other cities should be eliminated. Other cities have been forced into debt for different reasons, principally because their tax burden has been so great that they could not afford to add to it for the cost of needed permanent public improvements. The District of Columbia is in a favored position in this respect, made possible to a large extent at least because of the financial assistance received by it from the Federal Treasury. As an illustration, the water system of the District was originally paid for by the Federal Government. It is obvious that if the cost of permanent public improvements in other cities had been included annually in their budgets the rate of taxation in those cities would have been much higher and therefore the comparison with the rate prevailing in the District of Columbia would show a correspondingly wider difference than is now shown.

The committee has no sympathy with the attitude of hostile criticism of the improvement and development of the District and everything that is done by Congress to that end, that is sometimes expressed. The District of Columbia is probably the most beautiful and magnificent Capital in the world. Travelers returning from abroad are loud in their praise of it. They say that there is no other Capital that compares with it in beauty and magnificence. The committee has already quoted from Washington—

A Not Too Serious History, by George Rothwell Brown. It believes that this history is accurate and impartial, as well as "not too serious." It quotes from it again:

"It is the fashion for many of the good people of Washington to complain petulantly of the neglect of Congress, and, indeed, some Congresses have been inconceivably tight fisted and narrow; but when one considers the great miracle which has been wrought in a short space of time, and remembers that Congress has largely supplied the entire Capital of vision and money which has brought it about, it is not easy, in all conscience, to be fault finding."

Since the above statement was made, the Federal Government, through Congress, as before mentioned in this report, has inaugurated and is now engaged in a building program in the District at an estimated cost of over $300,000,000, to be paid entirely by the Federal Government at no cost to the District.

The people of the District of Columbia enjoy benefits and privileges that are not enjoyed by the people in any other city. In no other city in the country do the people enjoy so many advantages by way of beautiful parks, library facilities, etc., as are enjoyed by the people in the District of Columbia, not to mention the innumerable and immeasurable advantages and privileges incident to being a resident of the Capital City. They are created and maintained to a considerable extent at the expense of the people of the United States and not at the expense of the people of the District of Columbia alone and constitute no part of the District budget.

The committee does not desire to place any undue burden of taxation upon the people of the District. On the contrary, because of the peculiar governmental set-up of the District, it prefers to err, if any error is to be made, on the side of liberality toward the District. Indeed, a majority of the committee at least does not hesitate to say that it does not want to make the burden of taxation in the District as heavy as it is in other cities of comparable size and advantages, because the committee believes that taxes are too high and too burdensome in practically every locality in the United States outside of the District of Columbia. The committee concedes that the government of the District of Columbia for the most part is efficiently and economically administered, without undue waste or extravagance and desires to give the District the benefit of such administration. The committee has studied the problem from every possible angle, without prejudice, and desires to do justice not only to the taxpayers of the District but to the taxpayers of the United States who live outside the District, as well.

It is the aim of the committee to give the House sufficient statistical information and data to enable every Member, not only now but in the future, to reach his own conclusion, from the information given, as to what the contribution of the Federal Government toward the expenses of the District government should be. The committee considers this feature of its report of prime importance.

The committee does not hesitate to say that in its judgment the tax rate, the tax burden, in the District is not as high, is not as burdensome, as it is in comparable cities, nor as it is in nearly every community, urban or rural, in the United States. Anyone who thinks that it is is either fooling himself or blind to the actual facts. He can not realize how the average citizen is almost literally sweating blood in order to pay his taxes and many are utterly unable to do so.

The committee does hesitate, however, to make any recommendation, the effect of which might lead to a tax rate in the District equal to the average, even of those in other cities of comparable size and advantages, because it is impressed with the fact that such a rate on general property is too high, that it is overburdensome, and often prohibitive. The committee believes that the general property tax should be relieved by other taxes, such as are herein recommended, wherever it is practicable to do so. At the same time the committee can not help but feel that the tax rate in the District might well be raised to more nearly approach the average of other cities without any injustice to the District, or without giving the District any reasonable cause to complain.

The present law provides that the tax rate in the District shall be not less than $1.70 per hundred of the assessed valuation of real estate and tangible personal property. As before stated, if the rate had been $20 per thousand valuation, for example, which is considerably below the average rate in the comparable cities, it would have produced a revenue, based on the 1930 valuation of property, of $25,793,397, as against $21,924,387 that was levied on such property in 1930.

It is not the province of this committee, however, to recommend a rate; it is rather to recommend what amount in its judgment the Federal Government should contribute annually toward the development and maintenance of the municipality. The rate will depend upon the budget, the cost of the District government. It is largely in the hands of the District to determine the rate. It will be for the District, in asking for appropriations, largely to determine whether the general property tax will be increased or not, and that is as it should be.

The committee feels that for the present, at least, the Federal Government should continue to contribute something toward the expenses of the District, the Capital City of the Nation; that to do so is perhaps wise public policy and in accordance with the public sentiment of the country, but, with the constantly increasing values of privately owned property within the District, it becomes progressively more easy for the District to meet the expenses of the District government as the years go by, without undue burden or any increase in the general property tax. The time may come when the District should in all conscience meet the total normal budget of the District government.

The District budget for the fiscal year 1933, beginning July 1, 1932, and ending June 30, 1933, submitted to Congress within the last few days, estimates that the appropriations for the District during that year, including deficiencies, will total $45,633,312 and that the revenues of the District, based upon a contribution of $9,500,000 by the Federal Government, will amount to $45,670,000, leaving a surplus of revenues over expenses of $36,688.

If the bills reported by the committee are enacted into law, approximately $4,000,000 will be added to the revenues of the District, without any increase of the general property tax and without any increase of the assessed valuation of general property. The Federal contribution could be reduced that amount for the fiscal year 1933 at least, without interfering with a balanced budget. The committee feels, however, that on account of present economic conditions the budget estimates for the fiscal year 1933 have, perhaps, been reduced to a lower figure than it would be safe to depend upon as a permanent policy, but the increased revenue provided for in the bills which the committee is reporting, and the additional revenue that may be raised by the changes in the laws relating to the taxation of the property of steam railroads and of certain public utilities in the District, recommended by the committee, together with the natural increase from a constantly increasing valuation of privately owned property within the District, together with the contribution of the Federal Government recommended by the committee, should take care of any normal or reasonable increase in the District budget for years to come, leaving the margin between the present rate of taxation in the District and the average rate of comparable cities to take care of any contingencies or emergencies, if need be, or any unusual expansion or increase of services which the District may desire. The annual contribution recommended by the committee, the committee believes, will not only be fair and just to the District but under present economic conditions exceedingly liberal.

The committee realizes that if the recommendations of the committee as to new legislation are not enacted into law that it will be necessary to increase the general property tax in the District, or the amount of Federal contribution recommended by the committee, in order to meet the District budget, but it feels that the recommendations are so eminently just and fair that they should be enacted into law and that if they are not that the general property tax should be increased to more nearly approach that of the average of comparable cities.

Taking all the circumstances and conditions as they exist into consideration, as long as the fundamental factors in the District remain as they are, the committee recommends that the United States contribute annually toward the development and maintenance of the municipality of the District of Columbia a lump sum of not to exceed $6,500,000.

Respectfully submitted.

CARL E. MAPES.
WM. P. HOLADAY.
E. M. BEERS.
EWIN L. DAVIS.
ROSS A. COLLINS.
WRIGHT PATMAN.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the report be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The report was agreed to.

THE PRESIDENT'S MESSAGE

Mr. RAINEY. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the President's message.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union with Mr. LOZIER in the chair.

Mr. RAINEY. Mr. Chairman, I yield to the gentleman from Kansas [Mr. AYRES] such time as he may desire.

Mr. AYRES. Mr. Chairman, last Friday, when the moratorium question was under consideration, I found that it was impossible to get time to explain my position on the moratorium. Because of that fact I am asking that I may proceed at this time to make such explanation as a justification of my vote against the debt holiday.

First, I wish to state that last June, like all other Members of Congress, I received a communication from the President of the United States inquiring as to my attitude upon the proposition of an international debt holiday.

Press dispatches at that time indicated that Germany was upon the brink of financial ruin, and virtually that the solvency of the whole world was at stake. I replied to the President in substance that this was a matter that could not be decided by Congress until it convened in regular session in December or was called in extra session by him for

that purpose, and that in the meantime it was my intention to endeavor to inform myself on the question and to withhold my decision until the Congress should meet.

Mr. Chairman, I took the position in June last, and I am of no different opinion now, that this Government should not commit itself to any course touching a debt holiday until the whole question of intergovernmental debts—and it is a large, involved one—had been exhaustively investigated by Congress, for it is the entire people of this country against a relative few that will suffer by too precipitous action should we embark upon an unwise course.

I have honestly endeavored to inform myself as to what is the best course to pursue. It has been difficult because the source from which full information upon all angles of this question should emanate has seemed reluctant to enlighten us. That is to say, the President of the United States, who undoubtedly is possessed of all the influences and considerations which caused him to make his appeal last June for this moratorium, I regret to say, has failed to make them known to the American people or to their Representatives in Congress. He does not hesitate to ask the cooperation of Congress on this matter, but so far has not acquainted us with the underlying, impelling reasons in back of his proposal. Now let me amplify that statement. The President has sent a message to Congress, it is true, and the Committee on Ways and Means has heard representatives of the State and Treasury Departments, but I have seen nothing adduced thus far to show why we must forego the debts owing to us in order to save Germany. The sum due us from Germany is but $6,000,000.

Of course, we would forego that or a far larger sum, because we all want to see Germany restored to a state of prosperity, but why must we forego the debts due from the other countries? Their treasuries may be and are no doubt depleted, France excepted, but so is ours. Have we any information that our debtors are unable to pay without their reparation payments from Germany? If so, I have not seen it. We are not concerned with reparations. It is our debtors who are, and from a pecuniary standpoint it is they who should be rescuing Germany from financial collapse, not us. We have not been told that they must be excused from their debts to us in order that Germany might in turn be excused from reparations payments to them. If we acknowledge that to be true, if Germany for any cause should fail to fulfill her reparations obligations, we lay the basis by the precedent we would establish for our debtor nations to take the position that their financial programs are so inextricably tied in with reparations that they must be relieved wholly or in part from their war debts to us. This result we must guard against, and I am not satisfied that we have sufficient information or assurances that such a situation might not come about.

It must be borne in mind that the President made his proposal last June, six months ago, and that during the interim he has communicated through his Secretary of State and his Secretary of the Treasury with all of these debtor nations, as both of these officials were in Europe much of the time since last June, and further the authorized representatives of both France and Italy have recently visited the President here in Washington. It would seem that the President should be in a position to give Congress more information than he has imparted so far as to why we must bear the brunt of relieving Germany, when Germany owes us at this time relatively a negligible amount. As for me it is not sufficient for the President to state, as he did in his message:

> As we approach the New Year it is clear that a number of governments indebted to us will be unable to meet further payments to us in full pending recovery in their economic life. It is useless to blind ourselves to an obvious fact. Therefore it will be necessary in some cases to make still further temporary adjustments.

Mr. Chairman, if that statement means anything it imports that soon another moratorium will be requested by the President, and ultimately we will be confronted with debt cancellation. At this time there may be no intention of a formal or official cancellation of the war debts owing to us by European governments; I do not know, and I dare say that there is not a single Member of either branch of Congress who knows. But what is the difference between an official cancellation and a continued deferment of maturing obligations? No one capable of thinking can reach any other conclusion, from what we hear from all sides, than that soon another request for a further moratorium will be advocated, and thus the march toward cancellation by the moratorium route, which will be just as effective as a declaration by Congress.

I contend that the people of this Nation, and especially Congress, are entitled to know just what governments are unable to pay installments upon their debts to this country and why. I should think in the light of all that has been said that we are entitled to the fullest information, especially if we are expected to cooperate with him. All he says is that—

> As we approach the new year it is clear that a number of governments indebted to us will be unable to meet further payments to us in full pending recovery in their economic life.

And so forth.

Moreover, it will be remembered that the President in his message asked for the re-creation of the World War Foreign Debt Commission with authority to examine into such problems as might arise in connection with these debts during the present economic emergency, and to report to Congress its conclusions and recommendations.

Just what did the President have in mind when he made this recommendation? Was it to prepare for another moratorium? Or was it to pave the way for a readjustment of these debts? Or was it to find that these debts could not or would not be paid and a recommendation made that they be canceled? These are questions that need to be answered. I want to know the answers, Mr. Chairman, in the interest of the constituency I have the honor to represent.

During the debate on the League of Nations there was much said about this Government avoiding all foreign entanglements. That has been a great slogan ever since. Following that theory, why is it necessary for this Government to concern itself with the payment of German reparations to other foreign countries? This Government did not exact reparations from Germany and does not receive any, and it is none of the business of the United States as to what arrangements may be made among these European countries about the payment of reparations. What these debtor nations owe us should not in any manner be affected by the payment of German reparations to those countries.

The resolution, which has been introduced just as prepared by the Treasury Department, provides that no agreement shall be made with the government of any country unless it appears to the satisfaction of the President that such government has made or has given satisfactory assurances of willingness and readiness to make with the government of each of the other countries indebted to such country in respect of war, relief, or reparation debts an agreement in respect of such debt substantially similar to the agreement authorized by the joint resolution which has been introduced to be made with the government of such creditor country on behalf of the United States. Boiled down, it means that those countries collecting reparations must agree to forego the collection of such reparations or the United States will not agree to enter into this agreement of a moratorium. It has been decreed that Germany must pay to certain nations reparations—in other words, war damages. These same nations, recipients of these reparations, are to pay the United States money borrowed from us, which is in no manner connected with or related to reparations and should not be based upon the payment of reparations to other countries.

It seems that it might be a pertinent question at this time to ask just why do these debtor nations find it is so distressing at this time to meet their payments to this Nation. This certainly can not be an unfair question in the face of the undisputed record of the amounts each of such nations has expended for armaments. It will be interesting as well as informative to show just what these debtor nations have

expended within the past year on armaments as compared with their installments due on their debts, which it is proposed to defer. The armament figures in the following table were compiled by the War Department.

Country	For armaments	For debt to United States
Belgium	$23,247,347	$7,950,000
Czechoslovakia	41,056,000	3,000,000
France	547,133,935	50,000,000
Great Britian	608,024,880	159,520,000
Italy	322,337,000	14,706,000
Poland	122,995,000	7,486,000
Rumania	67,061,000	800,000
Yugoslavia	47,491,000	250,000
Total	1,779,346,162	243,712,000

Thus it can be seen that these debtor nations expended more than seven times as much for armaments during 1930 than their debt payments, which we are asked to permit to be postponed.

Even Germany has done her part toward armaments. In 1927 she expended $164,050,000; in 1928, $167,356,000; in 1929, $167,654,000; last year, or in 1930, $173,319,000.

There is much more that might be said on this question, especially in view of the repeated efforts on the part of the United States to bring about an agreement with these nations for further disarmament.

In the face of the expenditure by these debtor nations of over $2,000,000,000 annually for armaments, the question naturally arises if this huge outlay is not the sole cause of the present demand that they be relieved from the payment of less than a quarter of a billion dollars due us at this time. One way in which we might ascertain this fact would be to submit the matter to the Geneva disarmament conference which convenes on February 2. It could be ascertained there whether or not these nations intend to continue increasing their armaments. The pending resolution could be deferred until then. These debtor nations are in default now, so I see no occasion for hasty action.

Believing as I do that this is only the beginning of the scaling down of war debts owing this country, before voting for this resolution I want to know whether or not such scaling down would mean that it would give these countries just that much more to expend for armaments, to be financed, in effect, by an additional tax upon the American people.

My information is that there is not one of the European debtor nations that faces a deficit as great as does this Nation at the present time, but that does not make any difference with some people, as shown by the hearings before the Ways and Means Committee on this moratorium resolution. It is a case of taking the position from now on, as has been done to a very great extent in the past, that there should be no limit to the generosity of big-hearted Uncle Sam.

I was very much interested in an article by Garet Garrett in which he said, the morning after Mr. Hoover had declared a moratorium, the diplomats and chancelleries of Europe were saying on typewritten slips or in interviews that it was a grand thing, and the American correspondents were quoting them by cable, but that what these diplomats were really thinking and saying was very different. What were they saying? They were saying that "This is the beginning of the end of our hateful war debts to the United States Treasury. Uncle Shylock has been insisting that German reparations have nothing whatever to do with our war debts to America. But now he admits that if we can not collect reparations from Germany neither can we pay our war debts to the United States. That principle is implicit in the debt-holiday plan, since it includes both German reparations and our war debts to the American Treasury in one scheme of relief. Moreover, it is admitted that Germany can not pay reparations unless she can continue to borrow American money to pay them with. So either America must go on lending Germany the money to pay us reparations or cancel our debts to the American Treasury."

This fact we just as well might face, and that is that there is a general feeling throughout this Nation that thousands of small investors in the United States have been swindled out of hundreds of millions of dollars by being induced by American bankers to buy German bonds and other German securities which are now worthless. These same American investors are opposed to being further penalized by having to be taxed to meet the debts due us from these European countries to make more secure the investments of these same bankers in Germany. This may be considered by some as demagogic. Be that as it may, it is a fact and can not be denied.

In view of what I have already said, and much more I could say if time permitted, I have a feeling at this time that there is much more back of this proposed moratorium than mere assistance to Germany, and the more I see and hear the more convinced I am of the fact that it is the first move for debt cancellation. The bonded indebtedness of foreign nations to the United States on June 30 last was $11,466,028,562. This sum is drawing various rates of interest and is payable over a long period of years. Including interest when the entire debt shall have been liquidated, we will have been paid a total sum of more than $22,000,000,000. This would go far toward liquidating the public debt of the United States, which on July 31 last was upward of $16,000,000,000.

The cancellation of the $11,000,000,000 in principal owing us would mean shifting from European to American taxpayers the entire burden of liquidating our public debt. The benefit of this cancellation would be confined practically to international bankers having loans and other investments in the debtor countries amounting to billions of dollars.

I do not believe that the American people are ready to have their representatives in Congress vote for a proposition that may lead to a shifting of this burden from European to American shoulders. I will proceed on that theory in taking the position I expect to take on the pending moratorium resolution. I repeat that these debtor nations are now in default, the Treasury Department to the contrary notwithstanding. If the Secretary of the Treasury can assume the authority of postponing these payments to a future date—that is, until this resolution is passed by both branches of Congress—there is nothing to prevent him from postponing the date until after the Geneva disarmament conference in February, after which, if the right spirit be manifested, the moratorium with a provision for a very substantial curtailment by these debtor nations of expenditures for military and naval establishments could then be considered.

I am thoroughly convinced that when these nations, along with the United States, declare a holiday on expenditures for armaments, then, and not until then, it will be time for this Nation to consider a holiday on the payment of their debts to us. [Applause.]

Mr. RAINEY. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. PARKER].

Mr. PARKER of Georgia. Mr. Chairman and ladies and gentlemen of the committee, in order that Congress may become more familiar with the project I will offer some facts relative to the proposed transfer of Blackbeard Island, McIntosh County, Ga., from the United States to the county of McIntosh, in Georgia. This island was at one time the property of the State of Georgia, but was ceded to the Government more than a century ago when the Nation had need of it for the use of the timber in constructing ships and for the future use of the Navy. The county commissioners of McIntosh County have passed resolutions asking that this transfer be granted, and the Legislature of the State of Georgia has memorialized Congress to urge the transfer.

Since 1799 this island has been buffeted about among the various departments of the Government, serving no purpose, and certainly failing to benefit the public in any way. The purpose of the proposed transfer, to effect which I have introduced a bill, is to establish Blackbeard Island as a year-around resort to be used by the public and to be operated without profit. McIntosh County is to hold the island

in custody for the people of the State of Georgia and the commissioners of McIntosh County are to administer the affairs of the proposed resort.

It is not contemplated that the county shall ever have the right to sell the island or any portion of it. They may lease certain parts, but only for restricted rentals, and not for profits other than those necessary to maintain the island. The resort is specifically intended for those people who are not financially able to afford the luxuries of the elaborate pleasure resorts along the Georgia coast and who, in spite of its proximity, have no access to the beneficial recreation of this coastal region.

Mr. LANKFORD of Georgia. Will the gentleman yield?

Mr. PARKER of Georgia. I yield.

Mr. LANKFORD of Georgia. What is the distance from the mainland to this island?

Mr. PARKER of Georgia. It is 12 miles from Darien, the county seat of McIntosh County, at the opening of the sound, the name of which I do not have. The original deed that is on record in the Treasury Department does not give the name of the sound.

Mr. LANKFORD of Georgia. I have never visited the island, but, as I understand it, it is the first island north of St. Simons Island?

Mr. PARKER of Georgia. It is; and it is in close proximity to Sapelo Island.

Mr. LANKFORD of Georgia. And it would be easily accessible to the people on the mainland?

Mr. PARKER of Georgia. It would, as well as the people on the other islands.

Mr. JOHNSON of Texas. What is the size of the island and what body of water surrounds it?

Mr. PARKER of Georgia. It comprises about 1,600 acres. I can not tell you the waters, because the sound there is not named in the original deed.

Mr. LANKFORD of Georgia. The Atlantic Ocean is on the east side, and there is a marsh between the island and the mainland, as I understand it.

Mr. PARKER of Georgia. Yes; and it is a very short distance from Sapelo.

Mr. LANKFORD of Georgia. And a public road could be built from the mainland across that marsh to the island, which would make it very accessible to the mainland.

Mr. PARKER of Georgia. Yes.

A brief résumé of the history of the island under Government ownership will adequately prove its failure to be of any benefit to the Government of the United States at the present.

On February 25, 1799, an act was approved by Congress to purchase the island for its timber, to be used in shipbuilding and for the future use of the Navy. The purchase was consummated in 1800. It is a well-known fact that at this period of our history the live-oak timbers of the Georgia coast were considered the best material for shipbuilding available. The frames and the wooden armor of the warship "Old Ironsides" were cut from St. Simons Island, near Blackbeard. The timbers for the first ships of the American Navy were cut from the live oaks of the Georgia coast, and Capt. John Barry, who was commissioned by the Government to find suitable timber, after searching over the Atlantic coast for suitable wood for the Navy's first vessels, made this report to the Secretary of War concerning the live oaks of the Georgia coast:

> The building of frigates of live oak will certainly be a great saving to the United States, as we are well satisfied (accidents excepted) that their frames will be perfectly sound half a century hence * * * we are fully convinced from experience that if they were to be built of the best white oak in America their durability at the utmost would not exceed one-fourth of that time * * *.

Captain Barry's committee made this report in 1794 and it was only natural that the Government should attempt to secure permanent possession of a near-by island that was bounteously supplied with such excellent timber.

When the Government needed Blackbeard Island in order to have at its command this splendid timber, the State of Georgia and McIntosh County patriotically ceded it to the Government, and it has had the full use of this island with all of its natural resources for more than 131 years. Now, when the Government no longer has need for this property, and when it has long since outgrown its period of usefulness to the Federal Government, these citizens ask that it be returned to them in order that they may embark on another patriotic venture with this small island; that of developing it into a resort for the thousands of citizens who are unable to afford the pleasures of the privately owned properties along the coast.

During the middle years of the nineteenth century this island was used as the South Atlantic quarantine station but this usage was later abandoned, the island not proving worth while for this purpose.

President Harrison in 1889—September 27—by Executive order transferred Blackbeard from the Navy Department to the Treasury Department.

In 1914 President Wilson, by Executive order, designated this island as a preserve and breeding ground for native birds, subject to the use of the island by the Treasury Department should the need ever arise. This order was vacated in 1915 and the island was restored to its former status to be administered under the Treasury Department.

The State of Georgia was given the custody of the wild life on Blackbeard in 1916 and it remained under the State's protection until 1922 when the custody was transferred to Mr. Howard E. Coffin, who owns Sapelo, an adjoining island.

Mr. LANKFORD of Georgia. Will the gentleman yield?

Mr. PARKER of Georgia. Yes.

Mr. LANKFORD of Georgia. I will state that history shows that the Georgia coast was called Florida by the Spaniards for several hundred years, and the early stories written about the beautiful scenery of Florida were written about the coast of Georgia before the Spaniards conceded that it really belonged to the English Government.

Mr. PARKER of Georgia. That is true, and I am coming to that just a little later.

In 1924 the island was transferred to the Department of Agriculture for its use as a bird reserve. Pursuant to this order the Bureau of Biological Survey of the Department of Agriculture assumed jurisdiction and immediately thereafter leased the oyster beds and other privileges to Mr. Howard Coffin for $25 a year, and placed the entire property in his charge as deputy reservation protector.

Blackbeard Island, together with other naval lands no longer useful, was listed and its disposition authorized by act of Congress in 1926. In order to prevent this disposition the island was again transferred September 20, 1926, to the Department of Agriculture for use as a bird refuge and as an experiment station for the acclimatization of certain foreign game birds. The island is now administered under the Bureau of Biological Survey and Mr. Howard E. Coffin holds the lease for the fee of $25 per year.

This is the brief history of the island and it is evident that it has served no useful purpose for any length of time in the entire history of its ownership by the Government.

In urging that this property be returned to its original owners, the people of the State of Georgia, I am not unmindful of the fact that objection might be raised because of its value as a refuge for birds. This island has little value for this purpose however, and McIntosh County offers to supply the same protection to the wild life of the island that it now enjoys.

To demonstrate the greater need for this island as a place for people rather than as a place for birds, I shall quote from an authority on wild life in that section, Mr. O. Hopkins, of Crescent, Ga. This man is recognized as such and was keeper of the island during the administration of the Hon. Sam Slate as fish and game commissioner. Mr. Hopkins is authority for the statement that Blackbeard Island has no distinctive value whatever as a game refuge, that few birds ever nest there, because the island is unprotected from winds and because of the ravages of wild animals. He further states that during 10 years of close observation he has not seen on Blackbeard Island any birds that he has not also seen on other islands and on the near-by mainland. Mr.

Hopkins also is emphatic in his statement that better protection could be given to the wild life on Blackbeard Island, including deer and wild duck, than is given under Federal control. At present this type of game suffers greatly from "poachers."

Under the jurisdiction of McIntosh County adequate protection would be assured the wild life of the island, and thousands of people would receive the pleasures and benefits of a healthful seashore resort who are now being denied this privilege. The beach on this island is one of the best on the South Atlantic coast, extending 7 miles and offering an unexcelled place for swimming and water sports. It is but 12 miles from Darien, the county seat of McIntosh County, and it will be easily accessible to the thousands of people residing in the interior of Georgia who will greatly benefit by the proposed resort.

It is true that in the past there have been a few privileged individuals, who were in favor of those in control, who have had access to the island and regaled themselves there. These parties by a few favored individuals are common knowledge, but the pleasures of a few should in no way stand in the way of the enjoyment of the thousands who would be able to benefit by vacations at a health-giving watering place such as Blackbeard Island.

In short, there is one question for this body to decide: Whether or not a fine, public-spirited enterprise for the benefit of thousands may be established by the patriotic citizens of McIntosh County or whether it is to be continued as a useless Government project for the exploitation of a few favored individuals?

Early in the history of the State of Georgia there were numerous publicly owned islands along the Georgia coast, and these were wonderfully provided by nature as resorts for her people; but in the course of the years all of these islands, except Blackbeard have passed into the hands of individuals and are now privately owned. Such beautiful watering places as those of St. Simons, Tybee, Wilmington, Sapeloe, St. Catherines, Doughboy, Cumberland, and Jeckle have gotten into the possession of the few, and the many have thereby been deprived of their use except on the terms of their owners. Blackbeard Island, now owned by the United States Government, offers for the masses of the people of this section a veritable seaside paradise, and the passage of this bill to transfer its title to McIntosh County will make this paradise available to the people who are now deprived of its use.

The citizens of McIntosh who have undertaken this enterprise have proved themselves worthy of this patriotic enterprise by nearly two centuries of unselfish service. The forebears of the citizens who are making this petition were brought to the lower part of the colony of Georgia for the express purpose of serving as a buffer to the Spanish settlements in Florida, and from the time of the Battle of Bloody Marsh, on St. Simons Island, when the English under General Oglethorpe defeated the Spanish and rendered Georgia safe for English colonists, on through all wars of this Republic the citizens of this section have always faithfully dischaged their duty to their country.

They are eminently worthy to establish this resort and to faithfully manage it without profit to themselves for the benefit of the people of this section, who would otherwise be denied this blessing of nature. It is not a selfish or unworthy motive that prompts these people to seek this island, but one of altruistic purpose to make available to the masses this wonderful seashore with its attendant benefits.

There are many privately owned beaches where the wealthy and influential can take their families for vacations, but there are none for the working people and for those of average means of this section, and it is for their benefit that I ask that this bill be passed. [Applause.]

[Here the gavel fell.]

Mr. PARKER of Georgia. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD to include the following:

Executive Order No. 1993, dated July 17, 1914; second Executive Order No. 2203, dated May 25, 1915; Executive Order No. 3957 (third Executive order), dated February 15, 1924; Executive Order No. 4512, dated September 20, 1926; a resolution passed by the county commissioners of McIntosh County, Ga., on December 16, 1930; a resolution No. 42, read and adopted January 29, 1931, by the House of Representatives of the State of Georgia; a bill introduced by me on December 17, 1931, H. R. 6264.

The CHAIRMAN. The gentleman from Georgia [Mr. PARKER] asks unanimous consent to extend his remarks in the manner indicated by including therein the documents enumerated. Is there objection?

There was no objection.

The matter referred to follows:

EXECUTIVE ORDER NO. 1993

It is hereby ordered that Blackbeard Island, situated on the coast of Georgia, at the entrance to Sapeloe Sound, approximately in latitude 31° 30′ N., longitude 81° 12′ 30″ W. from Greenwich, as shown upon the United States coast survey chart No. 156 and as segregated by the broken line upon the diagram hereto attached and made a part of this order, is hereby reserved and set apart for the use of the Department of Agriculture as a preserve and breeding ground for native birds, subject, however, to the use of the island or any part of it by the Treasury Department for quarantine purposes should such use in the future be at any time deemed necessary. It is unlawful for any person to hunt, trap, capture, or willfully disturb or kill any bird of any kind whatever, or take the eggs of such birds, within the limits of this reservation, except under such rules and regulations as may be prescribed by the Secretary of Agriculture.

Warning is expressly given to all persons not to commit any of the acts herein enumerated and which are prohibited by law.

This reservation to be known as Blackbeard Island Reservation.

WOODROW WILSON.

THE WHITE HOUSE, *July 17, 1914.*

SECOND EXECUTIVE ORDER, NO. 2203

It is hereby ordered that the Executive order of July 17, 1914, setting aside Blackbeard Island, Ga., for the use of the Department of Agriculture as a preserve and breeding ground for native birds, be and the same is hereby vacated and the said island returned to its former status, that existing prior to July 17, 1914, to be administered under the direction of the Secretary of the Treasury in accordance with law and the regulations in force. It is further ordered that no permits, leases, or other privileges shall be granted to use the island or any part of it for hunting, shooting, or collecting native birds of any kind whatever, or for the taking of the eggs of such birds, or for hunting, shooting, or collecting any native wild animals, whether the same are indigenous or are placed there for propagation purposes.

WOODROW WILSON.

THE WHITE HOUSE, *May 25, 1915.*

EXECUTIVE ORDER NO. 3957—THIRD EXECUTIVE ORDER

The Executive order of May 25, 1915, vacating the order of June 17, 1914, creating the Blackbeard Island Reservation, Ga., for the protection of native birds, is hereby vacated and the bird reservation created by Executive order of July 17, 1914, is hereby restored in its original area and for the original purpose as a preserve and breeding ground for native birds under the jurisdiction of the Department of Agriculture, subject, however, as before, to the use of the island by the Treasury Department for quarantine purposes should such use in the future be deemed necessary.

It is unlawful for any person to hunt, trap, capture, willfully disturb, or kill any bird of any kind whatever or take the eggs of such birds within the limits of this reservation except under such rules and regulations as may be prescribed by the Secretary of Agriculture.

Warning is expressly given to all persons not to commit any of the acts herein enumerated under the penalties provided by section 84, United States Criminal Code. Approved March 4, 1909 (35 Stat. 1088).

CALVIN COOLIDGE.

THE WHITE HOUSE, *February 15, 1924.*

EXECUTIVE ORDER NO. 4512

By virtue of the authority vested in me as President of the United States of America, and pursuant to provisions of section 3 of the act of Congress approved June 7, 1926 (Public, No. 345, 69th Cong.), entitled "An act to authorize the disposition of lands no longer needed for naval purposes," the Secretary of Agriculture by letter of July 21, 1926, having made application to the Secretary of the Navy for the transfer thereof and given specific reasons therefor, within 90 days after approval of the above-mentioned act of Congress, and such action having received my approval, it is hereby ordered that Blackbeard Island, containing 1,600 acres, more or less, situated on the coast of Georgia, in the County of McIntosh, at the entrance of Sapeloe Sound, about 40 miles south

of Savannah, be and the same is hereby transferred to the Department of Agriculture for the use as a bird refuge and as an experiment station for the acclimatization of certain foreign game birds.

CALVIN COOLIDGE.

THE WHITE HOUSE, *September 20, 1926.*

DECEMBER 16, 1930.

Resolution

Whereas the Chamber of Commerce of McIntosh County, a civic organization recently organized by the citizens of this county, is sponsoring a movement to have Blackbeard Island, now owned by the United States, transferred to the county of McIntosh for the purpose of the establishment thereon of a great public-owned beach resort; and

Whereas the Chamber of Commerce of McIntosh County did, on December 11, 1930, address a communication to our Senators and Congressman, the Hons. WILLIAM J. HARRIS, WALTER F. GEORGE, and CHARLES G. EDWARDS, outlining in detail the plan for the aforesaid public-owned development, copy of which letter is hereto attached and made a part of this resolution: Be it therefore

Resolved, That the county commissioners of McIntosh County, Ga., ever anxious to exploit the great natural resources of our State and county and solicitous for the health, happiness, and general welfare of our people, do hereby most heartily indorse and approve the movement and plan for the establishment of the aforesaid public-owned beach resort on Blackbeard Island; and be it further

Resolved, That a copy of this resolution be forwarded to the Chamber of Commerce of McIntosh County, and to the Hon. WILLIAM J. HARRIS, WALTER F. GEORGE, and CHARLES G. EDWARDS.

A resolution memorializing the Congress of the United States to transfer Blackbeard Island, to be used as a resort

Whereas Blackbeard Island comprising about 1,600 acres, located in McIntosh County, Ga., was acquired by the United States in 1799, for the purpose of using the timber thereon for building wooden ships; and

Whereas it has not been used by the United States for many years for any practical purpose and is of no value, good, or service to the United States or any citizen thereof in its present condition; and

Whereas it has a beach about 7 miles long on the Atlantic Ocean, and the same is capable of being developed into one of the finest summer resorts in the Nation; and

Whereas there will be introduced in the Congress at the next session a bill to authorize the United States to transfer to McIntosh County, Ga., the said island to be used as a summer resort; Therefore be it

Resolved by the House of Representatives of the State of Georgia (the Senate concurring), That the President of the United States and the Congress thereof are respectfully urged to transfer said island.

Resolved, That a copy of this resolution be mailed to the President and Vice President of the United States, the Speaker of the National House of Representatives, the two Senators, and the Members of Congress from Georgia.

This is copy of Georgia House Resolution No. 42, read and adopted January 29, 1931, introduced by Atwood, of McIntosh; Beasley, of Tatnall; Howard, of Long; McWhorter, of Oglethorpe; Davis, of Mitchell.

H. R. 6264

A bill to convey by a quitclaim deed from the United States of America to the county of McIntosh in the first congressional district of the State of Georgia a certain island known as Blackbeard

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to convey by a quitclaim deed from the United States of America to the county of McIntosh in the first congressional district of the State of Georgia, that certain island lying and being in the county of McIntosh in the first congressional district and in the State of Georgia at the entrance into Sound and known by the name of Blackbeard, containing about 1,600 acres, more or less.

Mr. MICHENER. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LAGUARDIA].

Mr. LAGUARDIA. Mr. Chairman, ladies and gentlemen of the committee, a great many routine matters which the House must take up necessarily take up considerable time. It was that I had in mind when I urged that we get down to business and dispose immediately of as many of these routine matters as we possibly could.

Personally, I feel that we could have disposed of the moratorium in a few days. We could have designated the old members of the Ways and Means Committee as a special committee. I feel that we could have disposed of the first deficiency bill before Christmas, which, in all likelihood, will take several days when we come back after the holidays. All precious time wasted.

One can not unduly stress the economic conditions in the country. I am greatly concerned and worried about it.

We are not going to get out of this depression or relieve the unemployment situation by "pep" talks given by the distinguished gentleman from the Department of Commerce, the bedtime story-teller of the administration, Dr. Julius Klein. He may tell bedtime stories and talk over the radio every night, but it will not move a bushel of wheat or put one man to work. [Applause.] In fact, I would designate Dr. Julius Klein as the Baron Munchausen of the administration. [Laughter and applause.]

Now I am very often confronted, and properly so, with the direct question from my colleagues, "Well, LAGUARDIA, what are you going to do about it?" "Have you got a program?" We must have a program! This depression has cost billions of dollars in the depreciated value of securities and property and billions of dollars in the loss of wages. It will take billions of dollars to put this country back on a working basis. A costly depression requiring a huge amount of money to overcome. Mere palliatives will not do; a major operation is necessary.

A few days ago—Saturday, I think—the House was engaged on a bill which we passed, splendid in its title, most ineffective in its substance. It was a bill entitled something or other for the relief of the farmers—a hundred million dollars to relieve the farmers—and yet I venture to say it will not afford relief to a single, solitary farmer. The bill should have been called, instead of a bill for the relief of the farmers of $100,000,000, "A bill for the redemption of depreciated bonds." They say it was necessary. I do not doubt that it was necessary. But let us be frank about it. It will not bring much benefit to the unfortunate, suffering farmers of the country. [Applause.] We must get the farmer out of debt and not put him in the hole more than he is.

I will not review the details of that bill at this time.

Mr. DIES. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. DIES. In view of the present attitude, what would the gentleman suggest?

Mr. LAGUARDIA. I am coming to that. That is a fair question. I submit that my solution perhaps may not solve the problem; my suggestions may not fully cover the situation; but I say this, that at least we should ventilate our ideas here. We must have a full and frank exchange of views. We should study the various bills on relief and get the committees working on them. We ought to agree on a program of economic relief. One thing I want to press upon you is that the entire financial structure of the world has collapsed; the present economic system is not adequate to meet the industrial age in which we are living, and it may be necessary to go into the very fundamentals of our system and bring about an economic readjustment.

I do not want to shock my distinguished friend from Pennsylvania, Doctor BECK [laughter], whom I see here, ready as always to raise constitutional objections to plans offered to meet our present deplorable conditions.

First, of course, immediate relief for the unemployed this winter is necessary. Private agencies are doing all that they can, if you please, but we have gotten beyond the situation where private relief and private charity can take care of the distress existing throughout the country. Unless we do something we are going to have serious trouble in this country, and we may have barricades. If we have serious trouble in this country it is not going to come from the professional agitators, it will not come from the extreme radicals, because they are in a small minority; it will come from the hundreds of thousands of good Americans, graduates of high schools and colleges, skilled workers, small business men, and professional men and women who have an intelligent understanding of economics and who simply resent going on the bread line and seeing their families in want. [Applause.] There is where your trouble will come from. Therefore I would suggest now—and I do not care what you call it—immediate, substantial appropriations by the Federal Government to supplement State and local appropriations to carry

us through this winter. I admit that will not solve our problem permanently, but the situation is so bad that unfortunately such relief is necessary. Many of you will remember the discussions had on the Arkansas situation last session. We can not apply old constitutional construction to an instrument adopted when we were a small country, with plenty of land, with no real individual want, and no multimillionaires and no monopolistic control of industry and finances, when the telegraph was unknown and the steam railroad had not been invented, when there was practically no machinery at all. You can not apply constitutional limitations adopted in those days to meet the machanical and industrial age in which we are living. The Constitution must necessarily be construed in the light of the day in which we are living. I am glad the distinguished majority floor leader is here. He has a great deal of vision, has always had, and courage also. I am glad that he holds the responsible position that he does hold, and I refer to the distinguished gentleman from Illinois [Mr. RAINEY].

I hope that he for one will not be of the kind that becomes "unduly conservative" with responsibility. Ah, Mr. RAINEY, this is no time for ultraconservatism; this is a time for drastic action of a constructive nature, of course. We must first appropriate a substantial amount to supplement State and local appropriations to carry us through the winter, and in the meantime we must adopt a real building program that will put hundreds of thousands of men to work immediately and not a few or a dozen draftsmen working on a blue print. We can not feed workers on a blue print. The gentleman from Illinois [Mr. HOLADAY] and others have introduced a most extensive road-building program. We must go into a road-building program on an enormous scale, or it will not be effective at all. Though we may not need all these new roads immediately, we surely will need them in the future. Therefore, it will not be waste of funds. It would not be a waste at all, but we ought to map out a network of transcontinental roads running east and west, north and south of sufficient width to care for the needs of all future growth of population and increased traffic and build them in different sections simultaneously, so that all sections of the country would be able to supply immediate work to their local unemployed. If we could put hundreds of thousands of men to work all over the country, we would thereby bring up to that extent at least the purchasing power of the American people and indirectly help agriculture as well as industry. Yes, gentlemen, a real program will cost enormous amounts of money—it may run into billions—but the saving of our country is worth more than all of that.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. In a moment. The next point I would suggest is that the Federal Government appropriate sufficient money to loan to municipalities for the construction of 500 aviation fields for commercial purposes.

Aviation is the coming system of transportation, and to my mind it is better now in its infancy that we provide for municipal terminals rather than permit a monopoly to be created in this new method of transportation. By appropriating sufficient funds to loan to municipalities, covered by bonds on each particular field of sufficient length of time, we could create here a network of aviation fields over the country necessary in the very near future, create immediate employment so much needed, and that will not require a great deal of engineering in the necessary preparation. This expenditure, too, would repay for itself, as I have suggested. It has been suggested to me that we should not repeat the mistakes we made in the past when railroading was in its infancy, for which mistakes we are now paying; and if you do not believe that, look at the depreciated value of railroad securities at this moment. Let us at least profit by the terrible mistakes of the past in regard to railroading, now that we have aviation to build up.

I would convert all appropriations for cruisers and battleships that have not yet been commenced into appropriations for merchant ships, and I will tell you why. As our merchant marine act is now being administered, we are not doing anything substantial to increase our foreign commerce or to increase the efficiency of our merchant marine. We are simply helping a few existing companies. By providing new ships, which, of course, would serve as auxilaries to the Navy in any emergency, we would provide new and modern tonnage for our merchant marine, and these ships could be given in lieu of cash loans. I wonder how many of the gentlemen present know that we are giving a subsidy to steamship companies controlling and operating ships under foreign flags. Under the guise of being agents of foreign companies or owning subsidiary companies, millions of dollars are paid to companies ostensibly engaged in solely American shipping. The very purpose and scheme of ship subsidy is to permit an American merchant marine to enter into competition with foreign ships, and here we are turning over public funds to companies who themselves operate ships under foreign registry. They get it coming and going. Every foreign ship they so operate, naturally, is manned by a foreign crew.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BANKHEAD. To be exactly fair, the gentleman from New York made that statement in the press. Was it not denied? I am not defending the Shipping Board. I would join in almost any criticism the gentleman lodges against them.

Mr. LAGUARDIA. If they were to pile up all of the Bibles in the world right here on this table, and they would take an oath and deny it, I would still make the statement. Here are the facts. There is the merger of the International Mecantile Marine Co.; the Roosevelt Co.; the Dollar Line; the Red Star Line—get that, a Belgian company, operating ships under the Belgian flag—the Atlantic Transport Co., a British company; agents for the White Star Line, a British company; then there is the Munson Line, operating Norwegian ships; and only a few days ago we gave a postal contract, which is a ship subsidy, and loaned $2,000,000 to the Seatrain Transportation Co., a Canadian company, owning one ship, built in England, flying the British flag. I am going into that matter very thoroughly on another day.

Mr. BANKHEAD. The gentleman has done what I desired him to do, and that was to reiterate the truth of these charges that he has been making in public.

Mr. LAGUARDIA. I thank the gentleman, and I stand by every word that I said, and the record will bear me out. I shall not go into that any further, because I want to continue my suggestions for what they may be worth.

In our building-construction program, in order to make it serve the purpose of an emergency measure, to provide employment, we must necessarily build such structures as would not ordinarily be required. Otherwise, you have no emergency program. We should carry on to the fullest extent.

Now, at the risk of further shocking some of my conservative friends and, perhaps, outraging constitutional limitations, gentlemen, we must find some constructive plan to take care of future emergencies, to guarantee economic security to the workers of this country. I say the only way to do it is to establish a national system of unemployment insurance. Call it a dole, if you want to. Stigmatize it, if you can, but just as the old constitutional lawyers criticized the employers' liability law, just as the old conservatives criticized the old-age pension plan, because of the industrial machine age and the speed at which we are going, the production is such that we can not possibly absorb the man power that we have in the country. We must distribute this cost in a manner that will make industry take care of such periods, by guaranteeing unemployment insurance. Just a few pennies each week from every employee and from every employer, with the cost of administration carried by the Federal Government, and we can build up such a reserve fund as will guarantee this economic security which is necessary to the peaceful continuance of our Government. [Applause.]

We have the experience of other countries. You all remember the recent election that was held in England with

the dole as the issue. The opponents of the dole were victorious, but they have not repealed that law, nor can they repeal it. Criticize the British dole as much as you want; but if they did not have unemployment insurance in England, which was commenced in 1910, when conditions came on so fast that it was impossible to build up the necessary reserve, you would not have a British Government to-day. I urge the immediate study of unemployment insurance by the appropriate committee of the House.

[Here the gavel fell.]

Mr. SNELL. I yield to the gentleman from New York 10 additional minutes.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. COLE of Iowa. I am in sympathy with the purpose of the gentleman, and I think the gentleman is outlining a very good program, but there is the question of getting the money to build the roads and the aviation fields. It will take a large amount of money. Has not this Government, as the gentleman from Texas [Mr. SUMNERS] said the other day, about reached its borrowing limit?

Mr. LAGUARDIA. I am glad the gentleman brought that up. It is a fair question, absolutely. It was the gentleman from Massachusetts [Mr. LUCE] in a well-thought-out statement, because every remark which the gentleman from Massachusetts makes is very thoughtfully and carefully made—I say it was the gentleman from Massachusetts who stated on Saturday when he talked about the insurance companies and the banks that the wealth of this country is owned by the great masses of the country. The gentleman is in error. That is not quite correct. It was correct at one time, when the country was young, but, gentlemen, I say that 80 per cent of the wealth of this country is owned by 5 per cent of its citizens; and such a condition is unwholesome in any republic. [Applause.]

How are we going to get the money? I will tell the gentleman how we will get the money according to my plan—the only way that government can get money—by taxation. Revenue-producing improvements would, of course, be financed by bonds on a proper amortization basis, such as roads and aviation fields. It is easy to sit here and vote appropriations and then go home and tell what you have done; but with that is carried the responsibility of having the backbone to sit here and vote taxation, and I for one now declare that I am willing to vote for increased taxes, and we shall be compelled to do it in the present session of Congress.

Mr. COLE of Iowa. Will the gentleman yield?

Mr. LAGUARDIA. I yield.

Mr. COLE of Iowa. I agree with the gentleman from New York. I, too, am in favor of taxation rather than the sale of bonds, because the bonds have to be met by taxes subsequently, sooner or later.

Mr. LAGUARDIA. Is it fair, I submit, to permit future generations to pay for the mistakes of this generation? This depression is our mistake. This depression is our blunder, and it is unfair and unjust to pass the cost of it on to the next generation. I say it is our blunder. Time does not permit me to go into the details or an analysis of what happened. You have heard it, I believe, in the Ways and Means Committee. You will hear of it when considering the tax bill. It was the result of financial recklessness, a betrayal of trust on the part of financiers who should have protected their investors but who went into this orgy of mergers, bond issues, and underwriting, reaped their commissions, and left the public holding the bag. The very people who trusted them were their dupes. That is what happened. [Applause.]

Then, gentlemen, the next thing after the unemployment insurance is this: We must so arrange our conditions as to give the benefit of machinery and the blessings of improved methods of production to all of the people and not to a few who happen to own the machines. There is not a manufacturer in this country in time of depression that would turn his horses and cattle loose and not feed them until business picked up, but that same employer will tell his employees at the end of the week, "Come back when we call you." That same employer would not abandon his machinery. He will keep it well housed, protected with fire insurance and burglary insurance, keep it oiled in order to keep it in good condition, but he does not care a snap of his fingers what happens to the human beings that make that machinery and operate that machinery and who create his wealth.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. LAGUARDIA. Not yet.

Gentlemen, such a speech might have been considered radical only five years ago, but conditions have so happened that verify every word I say and emphasize the necessity of meeting the situation.

We must therefore start with the 5-day week. How can the Government do it? I concede we can not legislate that because of our limited powers under the Constitution, but we can start in this way: First, place all Government contracts for materials, for supplies, for ships, and for buildings on a 5-day-week basis. Legislate the railroads on a 5-day-week basis. Close the Federal reserve banks, the post offices, and Government offices on Saturday; use the power of taxation or grant a benefit to employers who go on a 5-day basis.

Gentlemen, if we can reduce the working week from six days to five days, under the present production of the country, we can put 2,500,000 men at work. You say, Where will it come from? From the industries, of course. Just part of the overhead cost of production. The prosperity of the country is not necessarily measured by the stock ticker. The prosperity of this country is measured by the number of happy homes with workers in them earning sufficient money to live up to the American standard and to give their children a happy and wholesome childhood. That is the American standard and that is the test of our country's prosperity.

Mr. McGUGIN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. McGUGIN. Does the gentleman really think those profits exist? I know they existed a few years ago and they should have been taxed heavily, but that is water over the dam. Does the gentleman think industry is making those profits now?

Mr. LAGUARDIA. It works in a circle. We must simply bring the standard up and profits will go up under such conditions. If we increase the wage-earning purchasing power we increase the price level. The trouble is that while we brought up the prices in the industrial centers the earnings went down in the agricultural centers, and now what some of the conservatives are trying to do is to bring the standard of the industrial centers down to a new low level. What we must do is to bring the standard of the agricultural centers up and maintain the normal standard (before the depression) in the industrial centers, thereby giving them an opportunity to buy our goods and we in turn will be able to buy sufficient food to take care of the people in the cities. That is all there is to that.

Mr. ANDRESEN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. ANDRESEN. If we should adopt the 5-day week what would the gentleman do with the present scale of wages for those who are now employed?

Mr. LAGUARDIA. That will adjust itself. The first thing to do is to get men at work and then the next thing to do is to bring the standard of wages up to the American standard.

I will tell you what I mean when I speak about the American standard. I mean what we talk about when we have the tariff under discussion here. That is what I mean. I want to translate the much-talked-of American standard into something permanently real.

Mr. McGUGIN. Will the gentleman yield for a further question?

Mr. LAGUARDIA. Yes.

Mr. McGUGIN. I agree with what the gentleman says about bringing agriculture up to the standard with industry, but how can you lift agriculture up by increasing taxation

and public expenses? I come from an agricultural people and my observation is that there is no greater burden on agriculture to-day than taxation.

Mr. LAGUARDIA. The increased taxes that I and I am sure the gentleman from Illinois [Mr. RAINEY] have in mind would not affect the people on the farms in Kansas or Iowa or Oklahoma. The old measure of taxation was to spread taxes where they could be best borne, but the new theory is to make the people who derive the greatest benefit of government bear their proportionate share of the cost of government. You take enormous companies like the United States Steel and the Standard Oil and see what they cost the Government. They get a greater benefit out of the Government, and they should bear their proportionate share. There is talk about the little fellows in the cities getting $1,500 or $2,000. They pay more than their proportionate share of the cost of government through indirect taxes, in rent, in food, in clothing, and other excise taxes. The small business man and the salaried folks are paying more than their just share of taxes now. Let us be frank. Congress must tax wealth, not only for revenue but as a social measure to prevent the concentration of wealth in a few families.

Mr. BURTNESS. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BURTNESS. What effect does the gentleman feel that increased Federal taxes, a 5-day week in industry, and so on, would have upon agriculture in so far as the purchase of the commodities which agriculture must have in its production is concerned? What effect would it have? Would it tend to increase the farmer's cost of production?

Mr. LAGUARDIA. It would increase the farmer's cost of production and would increase the price level.

Mr. BURTNESS. If the cost of production were increased, he would be worse off than now, unless he can get an increased price level which will more than offset his increased cost of production. How are you going to bring that about?

Mr. LAGUARDIA. That will necessarily follow.

Mr. BURTNESS. We have seen the farmer's cost of production go down and the prices on his products go down, so that increased prices have not necessarily equalized the increased cost of production.

[Here the gavel fell.]

Mr. RAINEY. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. LAGUARDIA. We are talking about the falling of prices, and yet with the depression in this country we have surpluses. This is the only country in the world that has a depression and yet has surpluses, a most paradoxical situation.

Why, gentlemen, unless there is a curb—unless we do force changed conditions to reestablish employment, which reflects immediately on the prosperity of the farmers, we will destroy entirely the American farmer. They are now being drained to pay interest on mortgages and debts. If this continues, they will become miserable tenant peasants—mere industrial slaves. So it is with industry, commerce, and property. The longer present depressed conditions continue the poorer the people will become and the rich will become richer by buying everything at the present depressed prices.

I say if we do increase the purchasing power, if we do give the people of the industrial centers the means to properly provide for their families, the price situation of the farmers will be taken care of; but the gentleman from North Dakota has been giving a great deal of study to this question, and I understand he is coming before the House with a bill to fix these price levels; but we must fix the price levels up and not down.

Mr. BURTNESS. I agree thoroughly with the gentleman on that, but I happen to be one of those who believe that improvement will come as between industry and agriculture as a shoulder-to-shoulder proposition and that one can not particularly improve without the other.

Mr. LAGUARDIA. That is true; absolutely.

Mr. BURTNESS. They must go hand in hand, and thus rehabilitated, the purchasing power of both the people engaged in industry and the farmers who must buy the products of industry will be increased.

Mr. LAGUARDIA. Exactly, and you will find all thinking people of the industrial centers will cooperate with you.

But, gentlemen, the appeal I want to make to-day is that we get busy real quick and get our committees working, so that we can give the very serious thought that the very serious condition of this country demands of Congress at this time. [Applause.]

Mr. SNELL. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. CABLE].

Mr. CABLE. Mr. Chairman, picture if you will the condition of this country had one and two-thirds million immigrants been admitted to the United States during the last fiscal year. According to reports of American consular officers there was during the last fiscal year an estimated demand for 1,695,284 immigration visas in the 67 quota countries. Every one of these intending immigrants was a potential wage earner. Upon being admitted to the United States many of them would have taken jobs from American workmen, and the rest would have been dependents or objects of charity.

What actually did happen? Let us examine the immigration records for the last fiscal year.

For the first time since the Civil War the net fiscal gain in population through immigration of foreigners into the United States has been less than 100,000. In the year just closed, only 97,000 immigrant aliens were admitted to this country, and during the same period of time 61,800 departed. In other words, there was a net gain of only 35,200 immigrants during the last fiscal year.

In his annual message to Congress President Hoover deals with the subject in a masterful way. Congress should promptly enact into law the recommendations he makes. He said in part—

> That immigration restriction now in force by administrative action be placed upon a more definite basis by law.

Tne President is entitled to credit for the decrease in immigration during the past year and for preventing by the reduction of immigration an increase in the number of unemployed in our midst.

Friends of restriction in the last Congress failed to agree upon a definite plan of further reduction of immigration. In the meantime many of the nations of the world were in the throes of a depression. The United States was the last to be seriously affected. The demand for immigration visas mounted until there were, according to reports received by the Department of State estimating the number, nearly 2,000,000 aliens who wished to come to the United States, while the quota under the immigration act of 1924 was 153,744 per year.

Many immigrants were admissible without regard to the quota, such as the unmarried child under 21 years of age, or the wife of a citizen of the United States, or the husband of a citizen of the United States by a marriage occurring prior to June 1, 1928. Furthermore, those born in Mexico, Canada, and the other countries of the Western Hemisphere were not restricted by a quota. Consequently American officials were confronted with the demands of a vast number of aliens who wished to come to the United States for work. This great number included both those who could come in outside the quota, and those who were admissible under the quota.

The President realized the seriousness of the situation and saw what might result if American citizens were compelled to compete with these aliens. Since no action was taken by Congress to restrict immigration further and thereby protect the American standard of living, the President proceeded to act. He found the means in the 1917 basic immigration act. That act excludes from the United States physically, mentally, and morally unfit aliens, and it also provides that no alien is admissible who is "likely to become a public charge." This latter provision applies to all immigrants except near relatives. Then the immigration act of 1924 places the burden of proof upon the alien to establish that he is not likely to become a public charge.

On September 8, 1930, President Hoover instructed the members of the American Consular Service—the consuls issue immigration visas—to enforce the immigration laws and refuse a visa to any alien wishing to come to the United States who was "likely to become a public charge."

Under this Executive order American consuls, ably assisted by technical advisers of the Department of Labor, issued immigration visas, keeping in mind the economic conditions in the United States. As a result of the order of the President, there was a very considerable decrease in the issuance of visas. For the four months through July, August, September, and October, 1930, the number admitted was 59,873, while during the succeeding eight months to the end of the fiscal year the number was only 37,266. Because of the fact, however, that immigration visas are good for four months after issued, and many visas had been issued before the date of the Executive order, the decline in admissions at first was not so noticeable. A great proportion of the 97,139 immigrants admitted during the fiscal year 1930–31 were nonquota immigrants—members of families of American citizens and other persons less likely to come here in competition with wage earners.

This reason for denying immigration visas is temporary. When America picks up in industry, the prospective immigrant may rightfully claim he can get work and therefore will not be likely to become a public charge. This fact the President no doubt had in mind when he stated in his message:

I recommend that immigration restriction now in force under administrative effort be placed on a more definite basis by law.

The time has come when America should select those persons of specific trades actually needed here. Why should we admit 100 bricklayers into the United States when we are more than amply supplied with that class of skilled labor? The same applies to machinists and men in the other skilled trades.

We should likewise place Mexico, Canada, and other countries of the Western Hemisphere on a quota basis, so that the whole world will be restricted.

The President also makes this recommendation:

The deportation laws should be strengthened.

The Labor Department last year expelled by warrant proceedings 18,142 aliens, an increase of 1,511 over the number expelled during the preceding year. In addition there were 11,719 aliens who were permitted to depart voluntarily without any or with incomplete warrant proceedings. In every deportation case the alien is given his day in court and has the right to be represented by counsel and to appeal.

As the President suggests, however, the law should be strengthened by amendment. Those who violate our narcotic laws are now deportable. Alien bootleggers, racketeers, in fact, many classes of criminals, are not affected by the present deportation law. Those who commit crimes involving moral turpitude, which is defined as an act of baseness, villainy, or depravity in defiance of the social duty man owes his fellow man, are deportable.

The alien who is repeatedly convicted of violating the laws of the United States or of the several States, for which a total imprisonment of one year or more for the various offenses may be imposed, should be deported. Likewise, membership in any organization which has as one of its objects the destruction of this Government by force, should be sufficient ground for deportation.

Mr. COLE of Iowa. Will the gentleman yield for a suggestion?

Mr. CABLE. I yield.

Mr. COLE of Iowa. Would it not be good to deport a criminal alien when he is convicted instead of waiting until he has served his sentence? Why should this country board him? Would it not be better to send him out of the country as soon as he is convicted?

Mr. CABLE. Deportation proceedings are not intended as punishment. Therefore, I believe the alien should first serve out his sentence before being deported.

Mr. DIES. Will the gentleman yield?

Mr. CABLE. Yes.

Mr. DIES. I am impressed with the remark and agree with him. Does not the gentleman think, in view of the tremendous number of unemployed and the difficulty of absorbing the surplus, we should be justified in suspending all immigration for five years?

Mr. CABLE. The President's order of September 8, 1930, was in effect a practical suspension of immigration, excepting near relatives. This, however, is a temporary remedy; when conditions improve, the reason for refusing the immigration visa will disappear. Instead of a 5-year suspension, I suggest that the nationals of all countries not absolutely barred from coming be placed on a selective basis, and only those skilled in a particular line be admitted in event there is not a sufficient number of such trade in the United States. Let the United States make the selection of newcomers.

The President also made this recommendation: "Aliens lawfully in the country should be protected by the issuance of a certificate of residence."

I commend the President for this recommendation. If placed on our statute books it would strengthen our restrictive immigration laws, in that many aliens who might wish to enter unlawfully and in defiance of our laws would not come because without such certificates of residence they could easily be detected and deported. Likewise, the alien temporarily admitted would leave at the end of his lawful stay.

President Coolidge made such a recommendation, as did President Harding. The present law—namely, the act of March 2, 1929—provides for the voluntary registration of those aliens who wish to regularize their unrecorded entry into this country, and is applicable to all entries up to and including June 3, 1921. Then, there is the provision of the 1924 act providing for the registration of all aliens who have entered since July 1, 1924. The gap in the law between 1921 and 1924 might well be cared for by extending the law so that all persons in the United States lawfully must obtain certificates of residence. This would leave the alien who had entered illegally or who came lawfully and remained after the allotted time to be registered. Not being eligible, a registration law would bring about his voluntary departure or being easily discoverable, by lack of a certificate showing lawful residence, he would become subject to deportation.

Mr. RANKIN. Will the gentleman yield?

Mr. CABLE. Yes.

Mr. RANKIN. Does the gentleman think any foreigners would want to come to the United States hoping to find employment?

Mr. CABLE. Certainly. There are thousands of aliens who have applied for admission but being likely to become public charges, under the President's order, they are not granted immigration visas and, therefore, are barred from coming.

The Department of State advises that on July 1, 1931, the estimated demand for visas against the 69 quotas amounted to 1,363,565, and that even to-day, after the American consuls have required the aliens to file their applications a second time, there are still 226,159 pending applications for immigration visas.

Mr. DIES. Will the gentleman yield?

Mr. CABLE. I yield.

Mr. DIES. Mr. Hoover should be commended for his attitude on immigration. I shall support any measure along that line. But does the gentleman not think that some measure should be adopted to enable us to prevent the employer employing aliens when the employer has reasonable grounds to believe that they are here unlawfully?

Mr. CABLE. That is exactly in line with the President's suggestion that a law should be passed protecting the aliens lawfully in the country by issuing "certificates of residence." No employer in America would wish to give a job to an alien illegally here. I call attention to an article in the New York Times yesterday showing that the increase in the number

naturalized has resulted from the fact that neither the State nor Federal Government will permit an alien to take a civil-service examination or carry on many of the professions.

The same thing would apply to a law requiring certificates of residence. It would protect both the alien lawfully here and the American workman.

President Hoover's policy on immigration and deportation, expressed in his annual message to Congress, is truly American and should promptly be enacted into law and made permanent.

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, I had hoped that the Mapes fiscal affairs committee, of which I had the honor to be an humble member, had completed its labors when the report was accepted and sent to the Senate, and that we were relieved from further duties.

But in justice to a gentleman who has written me—President Noyes, of the Associated Press—I desire to incorporate his letter in the RECORD, and before doing so to make a brief statement.

Mr. Chairman, I am in receipt of this letter, which I understand is sent by Mr. Noyes, president of the Evening Star Newspaper Co., in which he says:

> In the CONGRESSIONAL RECORD, yesterday's proceedings, you identify repeatedly the editor of the Star with the president of the Associated Press. * * * It so happens that my elder brother, Theodore W. Noyes, is, and has been for many years, the editor of the Star. He has no connection with the Associated Press, and I am not the editor of the Star, though I am the president of the Evening Star Newspaper Co., and as such responsible for its general business conduct, but with no control whatever over its editorial policy.

The statement of the president of the Associated Press, who is also president of the Evening Star Newspaper Co., will be accepted by everyone as true. He is an eminent gentleman, who would make no misstatement, and although responsible for the general business conduct of the Star, he writes in substance he is not responsible for its news policy, that sometimes quotes only half truths, as I will briefly point out. He is not, I assume, responsible for cartoons lampooning Members of Congress for not meeting the Star's tax views. He states specifically he is not responsible for editorials that are severely critical of opinions by Congressmen that differ from its editor's.

As to half truths, possibly unintentional, when the Star recently editorially quoted Minneapolis tax assessments at 40 per cent, which is the Minnesota law requirement, it failed in the same editorial to state that the tax rate for Minneapolis, as appears on the same page of the committee report, has for the last five years averaged 73 per cent, or more than four times the tax rate of $1.70 that applied to the District, and that the taxes paid in Minneapolis are found by the committee on adjusted valuations and rates to be 70 per cent higher than the tax paid in Washington. This error or omission is not in any way related to the duties of the president of the Star Co. His correction of that inference is received.

Nor is the president of the Star Co. responsible for repeated Star charges of injustice of taxation rates because Washington has no representation in Congress. The 500 pages of committee hearings failed to disclose a single witness from the Star or from other witnesses examined asking for such representation or for any proposed amendment to the Constitution to permit Washington to control its city affairs, which under the Constitution must now be handled by Congress. This cry always raised at tax times with Congress and serves to arouse District residents over some supposed injustice.

When the Star lampoons Congress in cartoons and makes Chairman MAPES, a conscientious man of absolute fairness, to be a tax-squeezing official, it is evident from the letter received that President Noyes, of that company, is in no way responsible, yet it was a natural mistake for anyone to make. Nor were these important facts to consider. The taxes paid by the Washington Star compared with those paid by other companies in other cities is the only proper basis for comparison.

The committee findings show that the District of Columbia should raise $14,000,000 District funds annually to equal taxes paid by 22 comparable cities. President Noyes, of the Evening Star Newspaper Co., and his company are direct beneficiaries of any undertaxation in the District if that finding is true. When Milwaukee, Minneapolis, Pittsburgh, and Baltimore papers are found to pay approximately 70 per cent more tax than President Noyes and his Star Co. now pay, then such facts found by the committee are relevant.

When the members of the Boston press pay 85 per cent more tax than President Noyes of the Star pays for his company he is certainly a direct beneficiary of the low tax rates here. When Louisville, New Jersey, and other papers, according to the committee, pay approximately 100 per cent more tax than President Noyes's paper is paying, certainly that is a proper subject for comment. These rates are found by the committee in 22 comparable cities with Washington at $15.30 per thousand at the foot of the list. I submit when President Noyes of the Star pays one-half of 1 per cent on intangibles, a far less rate than is found elsewhere in the country, so far as the committee learned, then it becomes an important proper subject for argument.

I do not know that it is material whether the president or the editorial writer of the Star is critical of the action of the House that adopted the tax report of the committee. The real issue relates to the actual taxes paid by the Star Co. compared with taxes paid in 22 comparable cities.

When President Noyes, of the Star, with possibly 50 or more cars and trucks belonging to his company, pays only $1 license fee and a nominal personal-property tax of two or three dollars, while the cars of all States pay on the average from about $15 to $20, or in the proposed bill $14 each, I submit that is fair to consider by all the States which pay $9,500,000 district subsidy and several times the auto tax paid in Washington.

When President Noyes, of the Star, pays a 2-cent gasoline tax for his company's 50 or more cars and trucks—I do not know the number—and the District assessor reports that $1,200,000 more is needed for the maintenance of Washington streets than is received from the present tax as shown by the committee report, it is proper to ask why the Federal Treasury should be called upon to pay this excess in cost for pavements and streets of Washington and why the 4-cent tax of the average State is not proper to pay in Washington.

I repeat, I have the highest respect personally for the distinguished president of the Associated Press, who is also president of the Evening Star Newspaper Co., and according to his own letter is responsible for the general business conduct of the Star Co. It is as such business man in control of the Star's taxation matters that I tried to draw comparisons to which his letter refers.

President Noyes's statement that he is in no way responsible for the editorials, news items, and cartoons in the Star lampooning Congress when discussing Members of the legislative body is also accepted unquestionably as true. It explains, however, a surprise to those who know that the business policy of the Star is necessarily closely connected with taxes paid. In fact, the Star editor may not be expected to have that knowledge.

I submit that the comparisons of taxes apart from the suggestion that President Noyes, of the Associated Press, has no connection with Star editorials were proper and necessarily drawn out by the attitude of the paper of which he is president and in control of its business affairs.

I congratulate him on his paper, the Star, and on his phenomenal business success and withdraw any statement, if made, that he writes the editorials. Any suggestion to that effect I regret, if made, but urge that it had no relation to the tax comparisons made properly from committee findings.

I have no controversy with the Star or its president or its editor. It would be useless to attempt to correct misstatements of fact by either. But is it good sportsmanship to

treat those who have no personal interest at stake without attempted unfairness, and to that treatment the fiscal affairs committee is entitled. It has ceased its labors, a matter of satisfaction to every one of the members, and we leave the burden of tax matters to the regular committees that have to do with District affairs.

I ask to submit copy of the letter sent to me by Mr. Noyes, in justice to him and his dual position, which would not be known generally but for the letter.

It has no effect, however, so far as I can see, on the tax interest of the valuable Washington property of which he as president is naturally concerned.

Personally I extend full apology for any possible inference that he is the editor of the Star. He is its president, and if any injustice occurred through confusion in the field of work it is regretted.

DECEMBER 18, 1931.

HON. JAMES A. FREAR,
House of Representatives, Washington, D. C.

DEAR MR. FREAR: I have just read your speech in the CONGRESSIONAL RECORD covering yesterday's proceedings.

In this speech you identify repeatedly the editor of the Star with the president of the Associated Press.

I trust that the other statements in your speech are more nearly accurate than this.

It so happens that my elder brother, Theodore W. Noyes, is and has been for many years the editor of the Star.

He has no connection with the Associated Press and I am not the editor of the Star, though I am the president of the Evening Star Newspaper Co., and as such responsible for its general business conduct, but with no control whatever over its editorial policy.

For your information I may say that I have never written or suggested a line of editorial criticism regarding legislation affecting the tax matters of the District, and in addition I wish to say that in the more than 30 years I have been president of the Associated Press I have never attempted to influence either House of Congress in any legislation, as I have felt that I could not properly do so as the head of a cooperative organization of more than 1,200 newspapers.

You will, I am sure, feel that your remarks of yesterday do serious injustice both to my brother in his field and to me in mine.

Very sincerely,

FRANK B. NOYES.

Mr. DYER. Will the gentleman yield?

Mr. FREAR. I yield.

Mr. DYER. I am sure the gentleman from Wisconsin, a member of the committee of which the gentleman from Michigan [Mr. MAPES] is chairman, and for which committee we have a very high regard for their splendid work in connection with the matters they have under consideration—but I am sure the gentleman does not intend to criticize one of the great newspapers of this city which has been for many years well known, honored, and respected——

Mr. FREAR. Will the gentleman ask his question?

Mr. DYER. I am coming to it. In view of the fact that 500,000 people in this city are taxed without representation, does not the gentleman think that the Star is properly carrying out its duty in passing opinion upon legislation?

Mr. FREAR. Let me in turn ask the gentleman a question. Does he concur in the criticism contained in articles and cartoons printed in the Evening Star that criticize members of the committee for what they honestly believe from the evidence to be the facts?

Mr. DYER. I have not noticed the cartoons. I do not read or look at them any more than I listen to the venomous talk by Members of the House about the President which is wholly unjustified in every respect.

Mr. FREAR. My purpose to-day is to correct that very inference. It is with the business manager, the president of the company, we are concerned. He is not related to the criticisms, according to his letter. He is, however, the proper official of the company to have charge of its tax matters, and as such I offered the comparisons.

Let me say, as I said before, Mr. Chairman, that I do not enter into any controversy with newspapers. There is not a man on this floor, if he would arise to defend a newspaper, no matter what its attitude may be, but would receive a complimentary notice from the newspaper. You can not have a controversy with a newspaper, nor do we attempt anything of the kind; but when we make fair statements in our report, having no interest in the result, and try to get the facts before the House, showing that $14,000,000 ought to be paid by this city, according to the finding of facts, more than is at present paid by the people of this city, we ought not be condemned, ridiculed, and cartooned for honest opinions based on the best evidence obtainable. I do not speak for myself alone, but more particularly for the chairman of the committee. He is a quiet, modest gentleman, a very able man. I am making this statement for him as well as for the committee, and also wish to enter this letter in the RECORD because Mr. Noyes is fairly entitled to it, and I am glad to put it in. Nor do I connect him in any way with the treatment accorded our committee by the paper of which he is the president.

Mr. SNELL. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. MILLARD].

Mr. MILLARD. Mr. Chairman and ladies and gentlemen of the committee, I rise to speak briefly of a matter which affects my county particularly, and affects every principal highway in the great United States. I live in what I believe to be the greatest county in America, although I imagine every man in the room will disagree with me. I live in Westchester County, N. Y., and through that county runs two post roads, the Albany Post Road and the Boston Post Road, taking care of the main traffic through the State to Massachusetts, Connecticut, and the north. The extent of the growth of truck, freight-train, and motor-bus traffic on these highways has been brought to my attention, and the same thing applies to every principal highway generally in the United States. These truck freight trains are a great menace to the comfort, health, and safety of the people, and I would just briefly make a few statements and recommendations showing my investigation as to these motor-truck trains and busses. The effect on highway traffic is—

First. Residential property is being ruined by this traffic.

Second. Public health is seriously menaced by all-night noise and fumes.

Third. Passenger and ordinary automobile traffic are endangered and restricted by the size and speed of motor freight and passenger vehicles.

Fourth. Highways are being used and broken down by heavy freight trucks and passenger busses, without equitable contribution to cost and maintenance of the highways.

Fifth. Bus and freight traffic are constantly increasing and threaten to monopolize the highways.

Sixth. Bus and freight traffic are viciously conducted by reason of the lack of public regulation.

EFFECT ON TRANSPORTATION AND COMMERCE

First. The volume of motor-truck and passenger-bus traffic is rapidly increasing.

Second. The size of both freight and passenger vehicles is constantly increasing.

Third. The use of truck trailers is becoming more prevalent.

Fourth. That the use of such trailers is augmented by car loading and forwarding companies and by other freight carriers acting for them.

Fifth. The "truck and trailer" referred to in third and fourth is, to a large extent, the objectionable traffic.

Sixth. The committee has reason to believe that the motor freight traffic is, to a large extent, interstate traffic.

Seventh. The committee believes that this traffic is forced to the highways and motor trucks by inability of the railroads to reduce their less-than-carload rates to meet the rates of the common-carrier trucking companies, because the railroads are compelled by the interstate commerce act to extend reduced rates made to meet such competition to other territories and other traffic where such competition does not exist.

Eighth. The motor-freight and interstate passenger-bus traffic are largely diverted from the railroads on which such traffic properly belongs.

Ninth. Both the railroads and the motor-freight and bus-passenger carriers are essential to transportation, but are now being operated uneconomically in competition for limited classes of traffic, to the detriment of all concerned.

Tenth. Regulation of the motor carriers will eventually determine economically the kind of transportation which should prevail, and will result in the retirement of either the railroad or the motor carrier from the field in which it can not compete at the rates and furnish the services provided by the more efficient carrier.

RECOMMENDATIONS

First. That the transportation of persons and property for hire by motor vehicles on the public highways be subject to the jurisdiction and regulatory powers of State and Federal commissions.

Second. That the operation of motor vehicles upon the public highways for such transportation be prohibited unless a certificate of public necessity and convenience be obtained.

Third. That operators of motor vehicles for transportation for hire (by common carriers) on public highways be required to operate under public regulations similar to those imposed on railroads, and at least be required—

(a) To give full information concerning ownership, financial condition, equipment, including size, weight, and capacity of each vehicle, and the physical property of the operator.

(b) To designate the routes over which the carrier operates.

(c) To publish tariffs and file a stipulation to observe all rates, schedules, practices, and classifications stated in their published tariffs or prescribed by any commission.

Mr. ANDRESEN. Will the gentleman yield?

Mr. MILLARD. Yes.

Mr. ANDRESEN. Is the gentleman ready to surrender the State rights over bus and truck travel to the Federal Government at the present time, or does he want the State to have something to say?

Mr. MILLARD. I want both the Federal Government and the State to have something to say.

Mr. ANDRESEN. Where would the gentleman draw the line?

Mr. MILLARD. That is difficult to say, and I am not very clear on that point.

Mr. ANDRESEN. Up to the present time the States have had regulation over bus and truck travel.

Mr. MILLARD. Yes.

Mr. ANDRESEN. And to a man who has the State's interest at heart, it would appear that the States should still retain control over bus regulation, except as to some interstate business.

Mr. MILLARD. That is exactly what I mean, surely.

Mr. BURTNESS. Would not the same principle apply with reference to truck and bus regulation as applies with reference to railroads and other carriers, and that is, permit the States to have control over purely intrastate traffic, and yield to the Federal Government the power to regulate the interstate traffic?

Mr. MILLARD. That is very true; but we have Federal aid on State roads, and I think there should be some Federal control.

Mr. KNUTSON. What difference is there between railroads and trucks and busses?

Mr. MILLARD. There is a great deal of difference. One runs on a rail and the others on the highway.

Mr. KNUTSON. I mean in principle.

Mr. MILLARD. Oh; I am not a railroad man.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MICHENER. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. SIMMONS].

Mr. SIMMONS. Mr. Chairman, on the 14th of December the gentleman from South Carolina [Mr. STEVENSON], in discussing the moratorium, undertook to discuss two or three other matters. I was able to tell the gentleman from South Carolina that I expected to say something about what he had to say. However, the RECORD ought to show that he is not now on the floor, and I have not been able to tell him that I was going to speak at this time. If he cares to answer any of the questions I am asking, it should be understood that they are not being asked of him while he is sitting here. He mentioned cotton nightshirts, and he thought that probably we could improve the cotton situation if everybody would wear more cotton.

Then the gentleman said:

> But I say to you that this matter of the appointment of boards is one which is becoming nauseous to the people of the United States, because they see so many people elevated into positions of power and trust who do not carry out their trusts. For instance, take the Federal Farm Board that was created and appointed by the President. I do not say that the law is not all right. I voted for it. But the board that was appointed was a set of incompetents, and I do not hesitate to say so.

Then a paragraph about cotton, and then we find this:

> That is the kind of boards we have got.

As I understand the gentleman from South Carolina, he puts his stamp of approval upon the agricultural marketing act because of the fact that he had voted for it; but having voted for that act and brought it into creation and then having lost control over it as far as he is concerned, he undertakes to brand all of the members of the Farm Board as a group of incompetents and disapproves of the administration of the act.

I have undertaken to get a record of the men that have been appointed to the Farm Board during its existence. I would like to call the attention of the House to the qualifications of some of the men that the gentleman from South Carolina [Mr. STEVENSON] brands as incompetents in the handling of farm problems. For instance, Mr. Teague, who came from California.

CHARLES COLLINS TEAGUE—RESIGNED

Principal business, horticulture; grower of lemons, oranges, and walnuts.

Other business: Cooperative—President California Fruit Growers' Exchange, president Fruit Growers' Supply Co., president California Walnut Growers' Exchange.

Commercial—Vice president First National Security Trust & Savings Bank, Los Angeles, Calif.; president Limoneira Co., Santa Paula, Calif.; president McKevett Corporation, Santa Paula, Calif.; president Teague-McKevett Co., Santa Paula, Calif.; president Farmers' Irrigation Co., Santa Paula, Calif.; president Santa Paula Water Works, Santa Paula, Calif.; president Thermal Belt Water Co., Santa Paula, Calif.; president California Orchard Co., Los Angeles, Calif.; vice president Salinas Land Co., Ventura, Calif.

Public and educational—Honorary degree, University of California; regent, University of California; vice president and director California State Chamber of Commerce; president California Agricultural Legislative Committee; member of Federal Farm Board, July 15, 1929, to March 6, 1931; vice chairman Federal Farm Board March 6 to present.

That is the record of one of the men that the gentleman from South Carolina brands as incompetent.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by setting out the various matters I have touched upon briefly in this statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. SIMMONS. One of the outstanding men that President Hoover called to the Farm Board was Alexander Legge. We of Nebraska got considerable credit and satisfaction out of the fact that two members of the Farm Board and the secretary of the Farm Board as originally set up came from our State. Mr. Legge, however, was born in Wisconsin. He started life as a farmer boy. He owns a farm in Nebraska. He came to the service of the Farm Board from the head of the International Harvester Co., a position that could not be filled by an incompetent. He returned to that same position. I would call the attention of the gentleman from South Carolina to the fact that Mr. Legge was vice chairman of the War Industries Board during the World War, and manager of the Allied Purchasing Commission, and again, Mr. Chairman, with the understanding that the gentleman from South Carolina [Mr. STEVENSON] is not here, I would ask the gentleman if he intends now to tell the House that President Wilson and the Democratic Party, who had charge

of administering World War activities, were placing incompetents in charge of those activities during that period?

Mr. Legge served during a trying time with the Farm Board. My judgment is that in his retiring from the board there was much regret on the part of the farmers of the United States, and he left with their complete friendship and respect.

Later on in the remarks of the gentleman from South Carolina [Mr. STEVENSON] he refers to Governor McKelvie, a member of the Farm Board, who began his adult life as a member of the City Council of Lincoln. He was a member of the house of representatives of our State legislature; first, our lieutenant governor, then our governor. He was very active in developing cooperative farm activities in Nebraska and otherwise. He is editor of the Nebraska Farmer. He also is branded as an incompetent by the gentleman from South Carolina.

Then here is Mr. Wilson, who comes to the Farm Board from New York State, where he was professor of the New York State College of Agriculture at Cornell University from 1905 to 1915; State Commissioner of Agriculture for New York and director of New York experiment stations from 1915 to 1920. Member of the New York Fair Commission; president New York Horticultural Society; secretary Western New York Fruit Growers' Packing Association; trustee, Cornell University; and for a number of years a member of the State grange.

He, also, the gentleman from South Carolina brands as an incompetent.

Then, here is Mr. Schilling, a member of the Farm Board from the State of Minnesota; editor, newspaper man, in his early life. His principal business is that of dairy farmer; producer of purebred Holstein cattle for 30 years. He was president of the Minnesota State Dairymen's Association for three years; on the board of the Minnesota Farmers Institutes for three years.

For 11 years he was president of the Twin Cities Milk Producers' Association, doing $8,000,000 worth of business annually. He was a director for five years of the Land O' Lakes Creameries Co., selling 100,000,000 pounds of butter annually. He was a stockholder and officer in the Northfield Cooperative Creamery for 31 years; vice president and director of the Farmers' Elevators, Northfield and Dundas, Minn., for three years. He was president of the Cooperative Livestock Shipping Association, Northfield, Minn., for three years. The gentleman from South Carolina brands Mr. Schilling as an incompetent, while all of this shows that he has been one of the outstanding men in cooperative marketing in the United States.

Mr. KNUTSON. Will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. KNUTSON. Is it not also a fact that Mr. Schilling, aside from having been a very successful dairyman, has been connected with cooperative organizations which, in the aggregate, did a business of perhaps $50,000,000 or $60,000,000 a year, and that his work in those organizations has been most highly commented upon by all of those who have had occasion to do business with him?

Mr. SIMMONS. It is my understanding that Mr. Schilling has been an outstanding leader in cooperative work during all the time of his adult life.

Mr. KNUTSON. A pioneer.

Mr. SIMMONS. And those who have been associated with him in this work are branded as incompetents along with Mr. Schilling because they have supported him in his work.

Mr. KNUTSON. What kind of a yardstick has been used to measure this board?

Mr. SIMMONS. I am coming to the yardstick that may have been used in arriving at the conclusion that all of these men are incompetents. May I say this: I have waited now for seven days for some man from the farm communities and on the Democratic side of the House to answer the general condemnation that the gentleman from South Carolina has voiced against the Farm Board, but not one of my colleagues on the Democratic side from the great agricultural regions of the country has cared to voice any protest as to what the gentleman from South Carolina said about the members of this board being incompetents.

Now, here is a man who, to my mind, is one of the outstanding men agriculturally in the United States. He is a member of the Federal Farm Board, yet the gentleman from South Carolina brands the entire Farm Board as a group of incompetents. May I now refer to Sam Thompson, a member of the Farm Board since April 30, 1931. He comes from Illinois. He was a member of the Adams County Farm Bureau in 1915. He was a member of its executive committee for eight years, and also served as its president. He was a member of the Illinois State Legislature. He was a charter member of the Illinois Agricultural Association; president of the Broadway National Bank in Quincy, Ill.; president of the Illinois Agricultural Association for two years; and, gentlemen, I ask you to get this: He was president of the American Farm Bureau Federation from 1925 until he became a member of the Farm Board. He is a man who for five years headed the American Farm Bureau Federation, one of the outstanding farm organizations of the United States. He was their leader, their spokesman, and as such he went to the Farm Board. Yet he is branded by our Democratic colleague as an incompetent, and for seven days that charge has stood and not a farm Representative on the Democratic side has challenged the statement that was made. In my judgment, when men like Sam Thompson are charged on the floor of this House as being incompetent, that charge goes to all the farmers who make up that great farm organization, for they have selected him, they have followed him and he is their spokesman.

Then there is Carl Williams, an agricultural journalist, editor of newspapers, secretary of the Scientific Farming Association, of Colorado, interested in farming and irrigation work. He was the organizer of the Oklahoma Cotton Growers' Association; director of the American Cotton Growers' Exchange; ex-president of the Southwest Wheat Growers' Association; ex-president of the American Agricultural Editors' Association; and ex-president of the national council, Farmers' Cooperative Marketing Association, as well as a former member and vice chairman of the United States Board of Mediation. That man is also branded by our Democratic colleague as an incompetent.

Then here is Mr. Stone, engaged in the tobacco-warehouse business in Louisville and Lexington, Ky., from 1899 to 1921; founder of the Burley Tobacco Growers' Cooperative Association in 1921, later becoming its president and general manager; director of the Fayette National Bank, Kentucky Joint-Stock Land Bank, Lexington, Ky., and chairman and tobacco representative of the Federal Farm Board from July 15, 1929, down to the present date, and present chairman of the board.

Here is Mr. Denman, who came to the board as a farmer from Missouri. He was a director of organization, Missouri Farm Bureau Federation, during 1921; president and director of the Producers' Livestock Commission Association, National Stockyards, Ill., January, 1922, to July, 1929; and president and director of the National Livestock Producers' Association, from January, 1925, to July, 1929. Yet that man, the representative of the cattle interests of the country, is branded by our colleague from South Carolina as an incompetent, and those charges, I take it, he applies to those who have supported this man and his work for the livestock interests.

Then here is Mr. Evans, who comes also from the ranks, beginning his official life as a county attorney in 1904, a State senator in 1915; a practicing lawyer for 29 years; secretary of the American Farm Bureau Federation in 1924; general counsel of the American Farm Bureau Federation in 1926; legal adviser for 10 years to cooperative associations handling poultry, dairy products, fruits and vegetables, and livestock.

There again a charge of incompetency is directed to a man who has been the legal adviser of the American Farm Bureau Federation and others for a number of years.

Now, the question has been asked, by what yardstick the gentleman from South Carolina judges as to who is competent and who is incompetent? I think possibly the answer can be found in a statement that I now have.

In view of the fact that he picked out the State of Nebraska, I have undertaken to find out just how much money has been loaned to the State of Nebraska by the Federal Farm Board and also to the State of South Carolina. I am proud to state to the membership of the House that the Farm Board had loaned to cooperative organizations in my State $1,089,115.19, and that my farmers have paid back to the Farm Board $634,004.12 of the money that has been loaned, or approximately 60 per cent of the money that has been advanced by the Farm Board to the cooperatives of my State has been paid back by these cooperatives to the Farm Board. This is the yardstick, if you want to know, as to what our farmers are doing with respect to these things.

So far as South Carolina is concerned, I find that the Federal Farm Board has loaned to the South Carolina Cotton Growers Cooperative Association of Columbia, S. C., $3,797,735.30; the South Carolina Packing Corporation, a cooperative of Fairfax, S. C., $67,470.41; the South Carolina Tobacco Marketing Association of Florence, S. C., $1,949,572.78, or a total loaned to the cooperatives of the State of South Carolina of $5,814,778.49.

I now suggest this question to the gentleman from South Carolina and the gentleman from Minnesota, who asked me by what yardstick the gentleman from South Carolina judges the Farm Board. Does his evidence of incompetency consist in the fact that the Farm Board has had confidence enough in the cooperative marketing organizations of the State of South Carolina to advance them almost $6,000,000? Is the fact that these loans have been made by the Farm Board to the farmers of South Carolina the basis of the charge of incompetency that the gentleman from South Carolina hurls at the Farm Board?

Now, if the evidence of incompetency on the part of the Farm Board, charged by the gentleman from South Carolina, is not in the fact that they have loaned the farmers of South Carolina almost $6,000,000—and I take it, it is not—possibly it is in this fact. The South Carolina Cotton Growers Cooperative Association received $3,797,735.39 in advances from the Farm Board, and they have not paid back one cent of it. Possibly the incompetency that the gentleman from South Carolina charges is in the fact that the Farm Board has not seen fit to compel the farmers of South Carolina to pay back any of these loans.

If the incompetency is not in making the loan, possibly the incompetency is in the fact they have not seen fit to collect the loan, and I say this: As between the farmers of South Carolina and the farmers of Nebraska, my people have paid back 60 per cent of that which has been loaned, and here is one great cooperative from the gentleman's State of South Carolina that has not paid back one cent, yet the men who made the advances are charged with being incompetents by the gentleman, and, possibly that transaction proves it, although I do not for one minute think so.

Mr. LANKFORD of Georgia. Will the gentleman yield right there?

Mr. SIMMONS. I yield.

Mr. LANKFORD of Georgia. I do not care to enter into a controversy as to the qualifications of the members of the Farm Board or other officials connected with it, but I would like the gentleman to tell me whether or not he thinks the present Farm Board act should be kept in force or repealed, if he does not mind going into that question at this time.

Mr. SIMMONS. I am very pleased to tell the gentleman that I think the Federal Farm Board act should not be repealed.

Mr. LANKFORD of Georgia. Does the gentleman think it should be amended?

Mr. SIMMONS. If we can strengthen it, yes; but, so far as the cooperative marketing activities of the Federal Farm Board are concerned, I think the record shows they have been a distinct benefit to the American farmer, and the fact that all the national farm organizations have taken the same position is fairly good evidence of that.

Mr. LANKFORD of Georgia. I agree with the gentleman that the present Farm Board act should not be repealed, but I am very anxious to find out, if the gentleman has time now, what amendments he thinks should be made to the act in order to perfect it.

Mr. SIMMONS. I am not discussing the Farm Board act generally now. I am discussing these charges which were hurled at these men.

Mr. KNUTSON. Is it a political question?

Mr. LANKFORD of Georgia. No.

Mr. SIMMONS. I waited a week for some of you men who believe in this act, on your side of the House, to see fit to answer these charges.

Mr. LANKFORD of Georgia. If the gentleman will permit——

Mr. SIMMONS. Mr. Chairman, I do not yield further.

The gentleman from South Carolina further said:

Again, take the wheat business. When McKelvie, from Nebraska, who had never grown a bushel of wheat, who was one of these newspaper wheat editors, was appointed he put all the money, or a great deal of it, into cooperatives with which he was connected. They rigged up a lot of cooperatives to compete with the farmers' cooperatives, and instead of producer-owned cooperatives handling the wheat situation the newspaper farmers with their cooperatives handled it, and the thing has been a complete debacle.

The other day my friend, Mr. STRONG of Kansas, talked about the tariff on wheat and the tariff we must have on it. Why, gentlemen, as a matter of fact, under the administration of this beneficent Farm Board wheat is sold for less than the tariff on it.

That is the end of the quotations that I care to comment upon. I telegraphed that statement to Governor McKelvie, and I am going to read to you a part of his answer. If there is one place where men ought to be careful of their statements and facts, it is in debates on the floor of the House. Here is what Governor McKelvie said, leaving out several immaterial parts of his telegram:

We have produced wheat on our Nebraska farms for 50 years, and now have 1,000 bushels of wheat in the bin on one of our farms near Lincoln. I never have had any official connection with any cooperative, but have had membership in one, and for more than 20 years have consistently supported cooperative marketing through the columns of the Nebraska Farmer. The Farmers' National Grain Corporation, which the Federal Farm Board assisted in organizing, is a national cooperative grain marketing association wholly and solely owned by 25 State and regional cooperative grain marketing associations composed of grain producers. Its board of directors is composed solely of accredited representatives of producer owned and producer controlled organizations, the entire membership in which is producers of grain. The Farmers National Grain Corporation was organized voluntarily by farmer-owned cooperatives that existed when the marketing act was passed, and all such organizations were admitted to membership in it. These organizations wrote and adopted their own articles and by-laws, with the Federal Farm Board acting only in an advisory capacity. Membership in the Farmers' National enables grain growers in all parts of the United States to take unprejudiced advantage of its facilities. It is by far the largest grain concern in the United States, having purchased and handled in the two years of its existence more than 390,000,000 bushels of grain. Handling costs have been less than 1 cent per bushel, including a total cost for salaries and wages in all departments and branches of not to exceed one-fifth of 1 cent on all bushels bought, handled, and/or sold. Net earning of the corporation after setting aside necessary reserves represent a gain to organized grain producers of 2.3 cents per bushel, not including important benefits derived to all growers in narrowed margins and reduced discounts in the purchase of grain at both country and terminal points throughout the entire country. Loans to the cooperative of which I was a member before I became a member of the Federal Farm Board were made on grain in bonded warehouses and were repaid more than a year ago.

SAM R. MCKELVIE.

Mr. Chairman, at this point I ask unanimous consent to extend as a part of my remarks—and not take the time of the committee to read them—certain excerpts from three radio addresses by Mr. C. B. Steward, secretary of the Nebraska Farm Bureau Federation, and directly connected with the grain cooperative organizations in my State, operating under the marketing act, discussing the activities of the grain cooperatives under the Farm Board act in Nebraska.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The matter referred to is as follows:

It has been plainly evident to the leaders in this cooperative movement that the producer had not yet fully reaped the advantages of cooperative marketing through localized regional associations. Just as the local farmers' cooperative association was only the beginning of the necessary steps by which the farmer was to control the marketing of the grain he produces, the regional was the next step in this development. But there was no coordination between the different regionals. The cooperative producer of grain was still a long ways from intelligent control of the distribution of his product. The various cooperatives were competing against each other for the favor of the buyers. Naturally, the buyers took advantage of the situation. In some instances the cooperatives formed upon the primary markets were only commission houses and these commission houses naturally had to turn the grain over when it reached them to private dealers who owned and controlled the terminal facilities so that the producer had no interest in the profits made in the course of processing and handling charges through the terminal elevators of the principal markets.

Upon the passage of the Federal farm marketing act and the creation of the Federal Farm Board the opportunity for the next step, that of the coordination of terminal facilities into a national set-up, was made possible. Very few people seem to realize that the major purpose of the Federal farm marketing act was to make it possible for the producer of agricultural products to organize and develop his own marketing machinery under the provisions of the cooperative law and that the principal function of the Farm Board is to carry out these provisions.

Accordingly Chairman Legge of the Federal Farm Board issued an invitation to the leaders of the various cooperative agencies of a State or regional nature to meet in Chicago for the purpose of developing a national marketing agency through which the marketing and distribution of the grain of the cooperative farmers might be efficiently carried on. These cooperative leaders met, and as a result of their work the Farmers National Grain Corporation became an established fact on October 29, 1929, and for the first time a nation-wide system through which the cooperative grain-handling agencies of this country could market its product was offered to the cooperative producer. Twenty-seven regional cooperative organizations own the stock of the Farmers National Grain Corporation. These regional cooperatives are made up of the local cooperative associations. The board of directors of the Farmers National Grain Corporation is elected by its stockholding members.

In order that the grain of the thousands of farmers who belong to the cooperatives may be merchandized in the best market possible the Farmers National has established branch agencies as active marketing units with modern facilities and experienced managers and salesmen upon all primary markets.

In addition to these the Farmers National has its special representatives at important exporting points, such as New York, Philadelphia, Norfolk, New Orleans, and Galveston. Through these sales agencies contacts are maintained with buyers in every leading grain-importing country of the world as well as the buyers of domestic grain in the United States. In order that the producer of grain might benefit to the fullest extent in this cooperative program it became necessary to secure control of the required physical machinery at the various terminal markets, and the Farmers National Grain Corporation now controls almost 57,000,000 bushels of terminal and subterminal elevator space either by direct ownership or by lease.

The enemies of cooperative marketing like to refer to this organization as another load upon the farmer's back. They must think farmers are very "dumb" not to know that the profits from the sale of their grain when handled by the private dealer always have carried this load, but the difference between the Farmers National and that of the private dealer is that the private dealer operates his grain business for profits for himself, and in order to do so endeavors to buy the producers' grain as cheaply as possible and sell it to the consumer as high as possible, while the Farmers National is owned, operated, and managed by producers and seeks to secure for the producer the highest possible price for his grain consistent with sound business practices.

The thing the farmer should remember is that in the acquiring of facilities which enables the Farmers National to operate its cooperative business and in the expense of merchandising through the employment of these experienced grain salesmen that this is all done from the earnings of the grain which the farmer never did receive. He receives the market price at his local point of delivery, and every other step in this national cooperative movement is being paid for from earnings and profits derived after it leaves the local point and without any direct expense to the farmer which he did not have to bear under the private system of operation.

The Farmers' National limits the dividend to 6 per cent upon its capital stock and all additional profits after the setting up of reasonable reserves are distributed back to the regional members in the form of patronage dividends. This cooperative movement organized by the cooperative grain producers with the help and advice of the Farm Board through the provisions of the Federal farm marketing act has brought to the producer of grain many advantages.

First. It has resulted in a more direct movement of the grain from the local point to the ultimate consumer.

Second. It has eliminated many duplications of service between the local producer and the final consumer or processor.

Third. It has reduced the handling costs and margins that must come out of the price paid to the producer.

Fourth. It has provided a sound financial basis for the cooperative handling of grain.

Fifth. With increasing control of volume it will minimize the disastrous effect of market gluts or seasonal congestions, thus insuring a more stabilized market level.

All of these advantages are reflected back in the form of a direct financial reward to the cooperative producer of grain.

In spite of the fact that the Farmers National had to set up its organization and acquire control of the necessary marketing machinery in order that it could function it has in the two years of its existence become the largest single handler of cash grain in the United States. It is paying back to the Federal Farm Board out of the earnings of its operation the money advanced by the board for the preliminary establishment of the corporation. It is using so far as available existing local sources of credit in the handling of its grain business and in a comparatively short time will have repaid all of its obligations under the Federal farm marketing act and will be financially independent in its marketing operations. But this would never have been possible had the way not been prepared first by the Capper-Volstead Cooperative Marketing Act of 1922, followed later by the Federal farm marketing act.

Any legitimate movement that will increase the income of the farmers of this State of Nebraska should receive the hearty support of all citizens of the State.

Twenty-five years ago the grain producers of Nebraska became dissatisfied with the grain-marketing machinery of the State. They felt that unfair practices existed in the matter of discounts and premiums and margins demanded by those who were engaged in the business of marketing their products. Naturally, their first point of contact with the marketing machinery for their grain was the local elevator. And so the farmers decided to secure control of their own local elevators through the organization of cooperative associations. Needless to say this movement met with the bitter opposition of private dealers, who saw in it a serious menace to the profits which they had been accustomed to enjoy. The private grain dealers of Nebraska, organized as the Nebraska Grain Dealers' Association, resorted to price fixing, boycotts, and every conceivable unfair method to stifle the development of these farmer elevators. The movement was sound and founded upon just principles, and in spite of the methods used to discredit the cooperative movement, the business gained support, and by 1926 we had approximately 400 of these farmer-owned elevators in Nebraska. Almost every grain-receiving station felt the influence of these farmer elevators. They brought within reasonable bounds the margins taken for the operation of the elevators and paid back profits based upon the volume delivered by the producer. An investment of $8,000,000 of farmers' money is represented in these cooperative elevators. The grain corporations that had been operating country-line houses as well as terminal elevators were forced to recognize the farmers' elevator movement, and in many instances disposed of their country elevators, recognizing the fact that if the farmer would originate the grain and private interests could handle it upon the terminal markets they would still control the business.

Leaders of cooperative marketing of grain made several efforts to organize cooperative terminal associations, but due to the lack of finances and the disorganized condition of farmers, these efforts proved fruitless. They were opposed in every instance by grain dealers' organizations who had unlimited funds and opportunity for publicity at their command. Being well organized they kept the farmers confused as to the purposes and objects of cooperative marketing in the terminal markets, and so were able to maintain their business. Then came the post-war depression and the serious situation in which agriculture was placed in its economic relationship with other business. After years of agitation the Federal farm marketing act was passed and the local cooperative movement was given an opportunity to expand through the organization of terminal agencies upon the primary markets.

The Federal farm marketing act created the Federal Farm Board and charged them with the duty of assisting farmers to organize their local associations through regional and national cooperative organizations for the handling of the commodities of their members. At a meeting attended by the representatives of these cooperatives proposed articles of incorporation and by-laws for the development of the organization now known as the Farmers Westcentral Grain Co. The stockholders of this terminal cooperative consist of farmers' elevators, and local cooperative marketing associations with a few individual grain growers who do not have the facilities of a cooperative organization. The business of the corporation is governed by a board of directors selected by districts. The districts were created in such a way as to give as nearly as possible equal representation based upon the amount of grain marketed from each district. The stockholding cooperatives of each district meet annually at some point within their district and select three members of the organization. Thus the control of the organization is brought as closely as possible to the local cooperatives who are owned by the individual farmers.

The board proceeded to establish an office in Omaha for the handling of their members' grain. Membership was purchased on the Omaha Grain Exchange and a competent grain man was

employed as manager. The company operates just as any other grain company as a member of the Omaha Grain Exchange. In accordance with the plan as outlined by the Farmers Cooperative Association, the Farmers Westcentral became a stockholding member of the Farmers National Grain Corporation. The Farmers National Grain Corporation is owned by the regional cooperatives operating upon the different grain markets of the country. Its function is to centralize the control of the marketing of the grain of our cooperative members.

In the first year of its operation the Farmers Westcentral Grain Co. became one of the largest handlers of cash grain on the Omaha market and earned substantial dividends for its cooperative members. It handled approximately 8,000,000 bushels of its members' grain and brought to the cooperative elevator movement the realization of the fact that the local elevator is but the first step in cooperative marketing of grain. Through this organization the member of a local cooperative elevator retains his interest in the grain until it is finally sold by his national organization to the exporter or the domestic mill buyer. The cooperative farmer is becoming the owner of the terminal facilities necessary to effectively merchandise his grain, and he is securing the ownership through the earnings on his grain which he never did receive before.

The grain terminal elevators so necessary in the conduct of the grain business have been built out of the earnings of the farmers' grain but he never before had the opportunity of owning them after they had been built. The agitation that is emanating from the organized dealers in agricultural products against the cooperative movement finds its expression in opposition to the Federal farm marketing act. Naturally the business conducted by the Farmers Westcentral and the Farmers National Grain Corporation represents a loss of business to private dealers in grain and if we have found a method of marketing which will return more of the consumer's dollar to the man who produces the grain, that method will prevail as it has in every other line of business.

The Farmers Westcentral Grain Co. is not using Government funds in the conduct of its business. It differs from other private-owned grain companies only in the fact that its stockholders are the producers of the grain which it sells and that the profits derived from such operation revert back in the form of patronage dividends to the men who produce the grain.

Every dollar of the capital stock of the farmers' elevators of the Farmers Westcentral Grain Co. and the Farmers National Grain Corporation has been furnished by the farmers who have produced the grain.

The Farmers Westcentral Grain Co. and also the Farmers National Grain Coroporation, developed by the cooperative farmers themselves, were made possible by the assistance that the Farm Board was able to give the cooperative movement through the enactment of the Federal farm marketing act.

This morning I wish to discuss with you some of the other activities of the board which were authorized by the Federal farm marketing act and which were conducted at the request of the advisory committee for wheat which was organized under the provisions of the act and which requested action upon the part of the board because of the very grave emergency which confronted our market.

The Federal farm marketing act provides for the creation of a stabilization corporation for any commodity upon the recommendation of the advisory committee for that commodity if the board finds that the marketing situation with respect to the commodity requires such action in order to carry out the policy laid down in the Federal farm marketing act for the control of surpluses and to minimize speculation.

Because of the fact that the principal activity of the Federal Farm Board is to aid the farmers in the establishment of their own cooperative organizations for the efficient handling of their products, the enemies of cooperative marketing have assailed the Farm Board and sought to convince the farmer that the low prices prevailing in the market for his products are due to the activities of the board.

The Federal Farm Board was the only agency that was in a position to assist agriculture by stepping in and through its stabilization activity prevent a complete collapse of the wheat market, and it did that very thing. As a result of that operation the cooperative farmer members of the Farmers Westcentral Grain Co. delivered wheat to the extent of something over a million bushels at a price averaging 12 cents per bushel above the market, and the farmers of Nebraska received $143,000 more money for the grain delivered during that period than they would have received. Not only did the farmer benefit by this additional $143,000 but indirectly every business interest and bank in the State was benefited.

Again in the fall of 1930 another serious emergency arose. A panic in world markets resulted in a break of 6 cents per bushel in one day on wheat. But in that emergency the general manager of the Stabilization Corporation stepped into the Chicago wheat pit and took all grain offered at 81 cents per bushel for May delivery and thus prevented what promised to be a disastrous panic, which threatened the wheat producers of this country. Here again the Farm Board was adopting a policy that not only benefited agriculture but every other business interest. The break in the wheat market was largely due to the distressed selling by Russia of unexpected quantities of wheat in the world market with prices dropping sharply every day. The threatened break in price of our farm products seriously threatened the banking situation throughout the country. In one day 62 banks closed in a single Southwestern State. Banks in the Middle West had loaned money on nearly 50,000,000 bushels of wheat, which would have been forced upon the market at demoralized prices had not the Farm Board through the Stabilization Corporation prevented a complete collapse of Chicago prices in sympathy with the world market.

The situation was one that threatened the entire financial structure of our great wheat-growing section. Our wheat prices normally are slightly below Liverpool prices, and within a few days after the Stabilization Corporation entered the market upon the instructions of the Farm Board to buy whatever quantity of wheat was necessary to prevent prices going any lower for the remainder of the 1930 crop marketing year, the Liverpool price had dropped far below the American level.

I have endeavored to arrive at the value to the Nebraska farmers of this stabilization operation. I have a record of every carload of wheat loaded in the State of Nebraska during that period. I find that because of the action of the Farm Board in successfully preventing a break in the price of the 1930 crop of wheat through its stabilization operation that the farmers of Nebraska received $4,230,000 more for the wheat which they sold during that period than they would have received had they been forced to sell it upon a market controlled by the world price. Don't you think this four and one-quarter million dollars was of some benefit to other business interests of Nebraska? It increased the ability of the farmer by four and one-quarter millions of dollars to meet his obligations.

In view of the fact that those who have opposed cooperative marketing by their assaults upon the Farm Board have sought to convince the farmer that wheat would have sold higher if it were not for the Farm Board, let us analyze the price trend of some other important commodities with which the board had nothing to do. For example, when wheat sold in Chicago for 90 cents per bushel, crude oil was selling for $1.82 per barrel; copper, 17½ cents per pound. While wheat was dropping 50 per cent in price, crude oil dropped to 10 cents per barrel and copper ranged down from 5 cents to 7 cents per pound, and yet copper and oil represent two of our most highly organized and highly capitalized industries for amounts so large that the imagination can hardly grasp them.

Remember that oil has proration and other limitations of production because its production can be largely controlled by men independent of nature. The oil industry, with a working capital of two or three times larger than the total funds of the Farm Board, saw its commodity price drop from $1.82 per barrel down to 10 cents per barrel. The Farm Board, with a fund never over $500,000,000 to be distributed among some $12,000,000,000 worth of agricultural products, seemed to have done a much better job in its field than the management of the highly organized oil and copper industries.

Nebraska farmers should recognize the facts that have led to the low prices of our agricultural products and not be misled by the ruthless and unfair attacks made on the Farm Board. These critics of the Farm Board have never told the farmer that while American wheat was selling in Chicago at 49 cents per bushel, the Australian wheat farmer was delivering his wheat to China, freight and insurance paid, for 35 cents per bushel. They have failed to point out to the American farmer that since the creation of the Farm Board for the first time in the history of the grain trade Chicago grain prices ruled higher than Liverpool, Winnipeg, or Buenos Aires prices.

Agriculture, as well as all other business interests in this country, is faced with a condition that tests the courage and faith of farmers and the business men of America. All of us earnestly desire the return of normal economic conditions to the world and we are praying for the return of national prosperity. We, each of us, have a part to play in bringing about this return. We have vast national resources; we have the brain power to utilize these resources; we have the willing and capable labor necessary. No place are these three factors in more evidence than on the American farm. But the American farmer must have adequate organization for marketing his products that he may avail himself of the methods which have made possible our other large and successful industries. Cooperative marketing seems to be the only available remedy for the ills of the distribution situation which are affecting the farmer. By the passage of the marketing act, the Government has placed its stamp of approval upon cooperative marketing, and the Farm Board is earnestly, tirelessly, and faithfully devoting itself to the accomplishment of this purpose.

Mr. OLIVER of Alabama. Mr. Chairman, will the gentleman yield?

Mr. SIMMONS. Yes, sir.

Mr. OLIVER of Alabama. I think it hardly fair to either side of the aisle to assume that a member who makes a speech on his own initiative speaks for any large group of the Members of the House, and especially is this true when a speech is made in reference to a matter not then pending before the House and where the party speaking makes no claim of authority to speak for others. I wish to say, speaking for myself, that I think the Farm Board has rendered a distinct service to a large number of the cotton growers in the South. In my judgment they have rendered a service in holding off the market the cotton on which the cooperatives

borrowed money, and without the financial aid extended to these cooperatives by the board this cotton could not have been held for more orderly marketing.

Mr. SIMMONS. I think the gentleman's statement is a correct one of principle. I don't undertake to charge a party with responsibility for what an individual member said, but under these circumstances, when a charge of this kind is made, directed at the membership of a Government agency and stands unrefuted, as it has for seven days, by any member of the gentleman's party, then I rather think that possibly the inference can be drawn that it has the approval of his side. I am glad to have it disclaimed as a party statement, in so far as the gentleman from Alabama has a right to disclaim it.

I refer now to the charge made by the gentleman from South Carolina that under the administration of the Farm Board wheat has been sold for less than the tariff upon it. The intent of that statement is that the Farm Board is responsible for the present low prices of wheat.

The figures I now want to leave with the House have been prepared by the Department of Agriculture. They are largely in detail. I asked for a statement of the wheat prices in Chicago, Winnipeg, and Liverpool before, during, and after the wheat stabilization activities of the Farm Board and the Grain Stabilization Corporation. I shall not take the time of the committee to read those statements in detail, if I may have unanimous consent to extend in my remarks this statement from the Department of Agriculture setting out the figures on which their conclusions are based.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to insert the data mentioned. Is there objection?

There was no objection.

The statement is as follows:

WHEAT PRICES BEFORE, DURING, AND AFTER STABILIZATION OPERATIONS, UNDER AUTHORITY OF THE AGRICULTURAL MARKETING ACT, WITH COMPARISON OF LIVERPOOL, WINNIPEG, AND CHICAGO PRICES

In order to afford a better means of comparison the prices used in this statement are based on quotations for futures rather than on actual sales of cash wheat, in that cash prices, especially at Liverpool, vary widely, depending upon the quality and source of the wheat available at various times.

EMERGENCY STABILIZATION

While minor stabilization activities were operative at various times the major grain stabilization operations under authority of the agricultural marketing act extended from the middle of November, 1930, to the end of May, 1931—a period of approximately seven months. Prices during the first few days of this period advanced 7¾ cents at Chicago, with prices at Liverpool and Winnipeg following to approximately the same degree. During the month of December, 1930, prices at Chicago showed a further slight advance while the price at Liverpool from the latter part of November to the end of December declined nearly 18 cents per bushel and at Winnipeg nearly 16 cents per bushel. From January 1, 1931, to the end of May, 1931, the price of the May wheat future at Chicago was stabilized, with minor fluctuations, at an average closing price of 83½ cents per bushel, or 20⅛ cents over Liverpool May and 23⅞ cents over Winnipeg May. During this same period the average closing price of the Liverpool May wheat future was 63⅜ cents, and of the Winnipeg May future 59⅝ cents.

While the support given to the market by the Farm Board through the Grain Stabilization Corporation resulted in the average price of the Chicago May wheat future being maintained at an average of 20⅛ cents above the price of the corresponding future at Liverpool, the factor of transportation costs must be taken into consideration to show the full effect of stabilization operations. On the basis of the then prevailing rail and ocean freights and other costs the price of the Chicago future, under normal conditions favorable for exportation, would have been about 15 cents per bushel below Liverpool, whereas it was 20 cents over Liverpool. Giving proper consideration to these transportation costs, stabilization operations during this period of five months maintained the Chicago price at an average of 35 cents per bushel above a world parity. It is equally fair to assume, with the large world surplus of wheat, that wheat prices throughout the world would have been at even lower levels, if the enormous surplus of the United States, in the absence of stabilization, would have been pressed for sale on the world markets in active competition with the large surplus from other exporting countries.

Based on a 5-year average our farmers for the five months from January to May marketed around 125,000,000 bushels of wheat, with the Chicago price maintained at 35 cents above a world parity, the extra price received by our farmers on the wheat market during that period resulted in extra returns aggregating $43,000,000. Adding thereto the higher price received on the marketings from the middle of November, when active stabilization operations were begun, until the end of December, would increase the foregoing amount by 12 or 15 million dollars, making a conservative aggregate of $55,000,000.

PERIOD FROM JUNE 1, 1929, TO NOVEMBER 15, 1930

Early in 1929 it became evident that some form of agricultural-relief legislation would be enacted. This was immediately reflected in the narrowing of the spread in wheat prices between Chicago and Liverpool. The influence of the agricultural marketing act of June 15, 1929, in maintaining Chicago prices above a world parity was an important factor even before the major emergency stabilization operations were begun in November, 1930. For the period of 18½ months, from June 1, 1929, to November 15, 1930, the average spread in price, based on monthly averages of futures prices, between Chicago and Liverpool was only 7⅝ cents per bushel, making the Chicago price more than an average of 7 cents above a world parity. The average spread between Chicago and Liverpool futures for three years, 1926 to 1928, inclusive was 16⅜ cents per bushel.

PERIOD FROM JUNE 1, 1930, TO NOVEMBER 20, 1931

Following the discontinuance of active stabilization operations, but subject to the influence of the agricultural marketing act, Chicago prices have continued above a world parity. A comparison of average monthly futures prices shows the average Liverpool price at 61½ cents against 54⅞ cents at Chicago, an average spread of only 6⅝ cents, whereas the spread should be approximately 15 cents for an active export business.

While wheat prices declined irregularly for a period of more than two years, the price of futures at Chicago during the entire period, with the possible exception of a few days during July, 1930, were above a world parity. Roughly speaking, about 7 cents per bushel for 18 months prior to the active emergency stabilization operations begun the latter part of 1930, an average of about 35 cents per bushel from January to May, 1931, and an average of approximately 8 cents per bushel from June 1, to November 20, 1931. For the entire period of two and one-half years since June 1, 1929, Chicago wheat futures prices have averaged around 3 cents per bushel below the price of wheat futures at Liverpool, whereas during the three years 1926 to 1928, inclusive, Chicago wheat futures averaged 16⅜ cents per bushel below Liverpool futures.

The record is clear that not only has the Farm Board not contributed to the reduced price of wheat but the fact that the agricultural marketing act was contemplated, the fact that it was passed and put into operation and is still in existence, has materially benefited the wheat farmers of the United States. [Applause.]

Mr. STEVENSON. Mr. Chairman, I desire to state that I have not heard all of the speech of the gentleman from Nebraska, but I shall have something to say about it to-morrow morning.

Mr. BANKHEAD. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, ladies, and gentlemen, I shall not take five minutes, but at another time I hope to take a much longer time.

For 12 months past I have devoted my time to the study of the unemployment conditions in this country. I believe that at the present time there are available sufficient knowledge and sufficient data to enable a student, with the time at his command, to arrive at a reasonable opinion as to the basic causes of our present depression, and past depressions as well. And also to suggest, not only a temporary but a permanent cure, and a permanent prevention against the repetition of the depression that we are suffering at the present moment.

I do not pretend to know more than other Members here, but there is a mountain of information available in relation to panics, the depressions which follow them, the resultant unemployment, all leading inevitably toward the underlying causes of panics and depressions.

When I came to Congress and associated intimately with you gentlemen and with Members of the Senate, among whom are personal and intimate friends, I find there is a very great difference of opinion as to the cause of this difficulty. Not only that, but I find that no man, so far as I know, has set forth what is required to relieve the present situation and to prevent its recurrence hereafter.

I made up my mind that there is a great deal of information that ought to be gathered and that can be gathered in only one way, and that is by an investigation by a congressional committee. I have listened to speeches here for the past three weeks, and I am convinced that there is only one thing that ought to be done, and that is to carry on such an investigation.

We ought to have an investigation participated in by the Senate, because the Senate is as greatly in need of it as we are. That investigation will show conclusively the reasons why this depression exists.

It is for that reason that on the first day of this session I introduced into this House a resolution on this subject. After listening to a great many speeches and opinions, I have redrafted it and put it into this form. I will read it, for I understand if it is not read it will not go into the RECORD.

Mr. BANKHEAD. Mr. Chairman, I ask unanimous consent that the gentleman may insert the matter referred to.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KELLER. I saw by the paper this morning that my good friend, Senator WALSH of Montana, was going to introduce a similar resolution in the Senate. I conferred with him, and we agreed that this identical concurrent resolution should be introduced by Mr. WALSH in the Senate and by me in the House.

We ask that a joint committee on the part of the House and on the part of the Senate, consisting of five Members appointed by the Vice President and five Members by the Speaker of the House, be appointed to investigate this subject.

I am calling attention to it at the present time because of its tremendous importance.

If we can get at the cause of this depression, we will understand what caused other depressions largely, although there is one important element that affects us at the present time that has not affected us heretofore. If we can arrive at a common knowledge and get an agreement as to the cause or causes of depressions, then we can prevent depressions, and we can not do it otherwise. If this House has full information before it, information carrying common conviction with it, we can get action here, because there is no question of the unanimity of opinion of the necessity for action and the willingness on the part of every man and woman in this body to carry out such remedies as that conviction shows to be necessary. Therefore, to my mind it is absolutely necessary that we shall carry on a thorough investigation enabling us to arrive at a definite conclusion, such conclusion as will itself suggest the remedies necessary. There is no mystery about panics. It is purely a question of getting the information in hand and looking the facts fairly in the face and of seeing who is profiting by panics and who is suffering by them, and of applying the remedy fearlessly and broadly down to the very fundamentals.

At another time I hope that this body may have time and that I may be given the opportunity to lay before you very specifically a broadgage plan for taking us out of our present depression and forever preventing depressions hereafter, and I believe that can be done. I thank you.

[Here the gavel fell.]

The matter above referred to is as follows:

House resolution authorizing the appointment of a special committee to investigate and report on the existing economic depression and remedies for relief therefrom.

Resolved by the House of Representatives, That the Speaker of the House of Representatives be, and he is hereby, directed and empowered to appoint a committee of five Representatives in Congress, which committee shall be charged with the duty to ascertain and report—

(1) Upon the causes of the existing economic depression.

(2) Upon such measures as should be adopted by Congress for relief from the existing economic depression.

(3) Upon such measures as should be adopted by Congress to prevent the recurrence in future of similar economic depressions.

House Concurrent Resolution

Resolved by the House of Representatives (the Senate concurring), Whereas the country is suffering from the most profound industrial depression in its history, entailing enormous losses and widespread unemployment; and

Whereas many different causes have been assigned by economists, financiers, and other students of business and public affairs for the condition to which reference has been made; and

Whereas the condition referred to became generally evident after and was greatly intensified by the debacle on the New York Stock Exchange in the month of October, 1929; and

Whereas the sudden collapse of prices of securities dealt in on the said exchange was preceded by an extraordinary inflation in the prices of such securities and of loans through which transactions therein were effected, was accompanied by a tremendous contraction in bank credits and was followed by a rapid and continuing fall in the prices of commodities generally and particularly of agricultural products; and

Whereas measures to avert the recurrence of similar catastrophes and to alleviate the disastrous results of the existing crisis can be predicated only upon an accurate knowledge and appreciation of the causes giving rise to the same: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That a joint committee, consisting of five Members of the House of Representatives and of five Members of the Senate be appointed, the House membership by the Speaker thereof, and the Senate Members by the Vice President, and that the said committee be, and it hereby is, authorized to inquire into the causes of the depression so existing, and particularly the relation of the collapse of prices of securities dealt in on the said stock exchange, to hear and take testimony concerning the means that should be employed and the legislation that should be enacted either to prevent a recurrence of such periods of depression or to lessen or reduce the malign effects thereof.

The said committee is hereby authorized to sit and perform its duties at such times and places as it deems necessary or proper, and to require the attendance of witnesses by subpœnas or otherwise; to require the production of books, papers, and documents, and to employ stenographers, at a cost not exceeding 25 cents per hundred words. The chairman of the committee, or any member thereof, may administer oaths to and sign subpœnas for witnesses; and every person duly summoned before said committee, or any subcommittee thereof, who refuses or fails to obey the process of said committee, or appears and refuses to answer questions pertinent to said investigation, shall be punished as prescribed by law. The expenses of the committee, which shall not exceed $20,000, shall be paid, the one half from the contingent fund of the House of Representatives, and one half from the contingent fund of the Senate, upon vouchers approved by the chairman of the committee.

Mr. PURNELL. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman and members of the committee, I do not know whether I can answer the questions of the gentleman who has just spoken as to the causes of the depression in this country. But I do not consider that it is quite as difficult as most people believe it is. I do not think it is so mysterious or anything that is beyond our own comprehension. If you ask our friends, the international bankers, they will say: "Yes; it is very mysterious. It is very delicate. We do not know just what it is all about. It is something new to us. It has to do with foreign affairs. We know only one thing about it, and that is that we are blameless."

My friends, there is nothing new in this depression at all when you get down to the fundamentals. I favor the resolution urged by the gentleman from Illinois [Mr. KELLER], but it does not go far enough. We should very properly create a joint committee of the House and Senate to investigate the causes of this depression and report back with constructive recommendations, if possible, establishing some kind of coordinated economic planning or reasonable equilibrium between supply and demand and an improved system of distribution of necessities of life. There is no reason why we should not strive for better economic stability for the future by investigation of the causes of the depression. The existing depression is exactly the same as all of the other panics and depressions we have had in this country for a hundred years past, but accentuated because of our industrial and machine age. It is because the American people went money mad; because, led on by the big bankers, they gambled and speculated and went on an orgy of extravagance. The big banks instead of remaining within their own proper functions of the banking business went into the security business and promoted mass securities, stocks and bonds, and sold them to widows and orphans and to everyone else, and, unfortunately, to some of the intelligent ladies and gentlemen of this House. The American people bought those stocks and bonds and generally assumed they were practically guaranteed by those big banks and the good names of those banks, who should not have had anything to do with the security business.

That is what caused more factories and mass overproduction. Every factory overproduced, until naturally we had an enormous inflation in 1929, which was bound to collapse sooner or later, and when it did collapse the pendulum swung back not only to normalcy but back into the depths of depression where we are to-day. That is the fundamen-

tal reason or reasons for the depression. I know Republicans like to use as an alibi that it is world-wide depression. That has something to do with it. The main reason is that our own people, led on by the banks, went on an orgy of speculation and gambling which caused mass overproduction in this country, and our banks and bankers are more to blame for the inflation and the resulting deflation than any other group of people or institutions.

Now that we are in the depths, it is right that we should try to find some means to get out of it and to get back to normalcy. It is perfectly proper, as the gentleman suggests, that the House and Senate should appoint a joint committee. My complaint about the situation to-day is that we have so far failed to appreciate the economic situation existing throughout our own country, the economic situation as it affects 120,000,000 American people and their property and their happiness. It is far more serious to the welfare of American citizens than at any time during the World War in 1918. At that time when the great war President called upon the Republicans for support, they gave their support unanimously to all war measures. I would remind the Members of the House that we spent in that war period of 18 months or 2 years, because we went on spending for a few months after the armistice, a total of $35,000,000,000. We raised most of that money through Liberty and Victory bonds, and some $10,000,000,000 through increased taxation. Of course, we did it to win the war, which was the main objective, and our objective to-day is to win out over the fearful depression which we are in. I can not see why we should hesitate to take immediate steps to afford all necessary relief, as the situation is far more serious to our people than the World War, which we fought on the other side, 3,000 miles away, against German autocracy and German militarism.

We did not hesitate to spend thirty-five billion, ten billion of which we loaned to the Allies, and to-day we hesitate to spend $1,000,000,000 or $2,000,000,000 to win our present war against depression. I say to you if it is necessary to raise two, three, or four billion dollars through Liberty loans or Victory loans at this time, we in Congress have that responsibility—and in my humble opinion it is far more necessary than it was during the World War—we should spend all the money that is required to prevent further economic disaster and provide for the employment and the welfare and best interests of the American people. We have already reduced our war debt by three billions more than required by law.

The fault I find with Congress is that after nine months of vacation we meet here the first week in December and we sit in this House for 10 days or two weeks and then we take a recess for two weeks, and all we have done is to vote for the moratorium to give up some money to Germany or to other foreign countries, and have done nothing for our own people. The only issue, the big issue before the country to-day, is unemployment, and the economic depression in the United States which affects every American home.

The unemployed must be fed and they must have not only food but fuel and clothing and housing. Yet we have not considered anything in the Congress which has any bearing on the plight of our own people. That is the main issue, and everyone in this House knows it and everyone in this country knows it also.

Mr. BANKHEAD. Will the gentleman yield?

Mr. FISH. Yes.

Mr. BANKHEAD. Can the gentleman from New York give us any reasonable assurance that the Republican administration, including the Secretary of the Treasury and the President, will give us any assistance in the program he is suggesting for the expansion of our national debt to meet the emergency he points out? Would it be possible for us to secure it without their approval?

Mr. FISH. I can not give the gentleman any assurance. My object in making this suggestion is that I think it is the duty of Congress to legislate, and I believe that certain committees, either the Appropriations Committee or Ways and Means, should remain here during the recess and consider whether it is advisable in this emergency to provide for a bond issue of $2,000,000,000.

I favor balancing the Budget for the running expenses of the Federal Government. I favor increasing taxes. We are in an economic emergency, and I think the best thing we could do would be to face the facts and help restore confidence among our people, and I believe the best way to do that would be to float a bond issue of $2,000,000,000 and have that money in the Treasury, so that when Congress decides where it is most needed we will have it on hand instead of waiting until next June to get it, because the emergency exists now, and will be at its worst for the next three or four months. If Congress waits until we come back and then decides to consider voting a bond issue and passing some legislation requiring a bond issue, then it will take months to float the bonds and make the necessary funds available.

I will say to the gentleman that I am very much opposed to a financial dole, for I believe the financial dole has been the economic ruin of Germany and of Great Britain. But I do favor in this country of ours—still the richest nation in the world—that we take care of those who are undernourished or who may be starving during the coming winter months. With an overabundance of grain, we can not afford to permit any American citizen to starve or freeze to death.

The reason I rose to-day was to advocate a bill I introduced a year ago and reintroduced a week ago, providing that the grain which is owned by the Grain Stabilization Corporation under the Farm Board should be turned over to the American Red Cross, to be processed into flour and then distributed through the Red Cross and other charitable organizations to the unemployed, and to those in need, in distress and starving in the United States.

Mr. SWING. Will the gentleman yield?

Mr. FISH. Yes.

Mr. SWING. Before leaving the topic of a bond issue for an enlarged internal building program to help the unemployed, does not the gentleman agree that if it is proper, as national leaders say, for cities, counties, and States to adopt enlarged local building programs for the unemployed, that the Federal Government ought to follow its own advice?

Mr. FISH. I will go further than that. The gentleman and myself have served in this House for a good many years and we have often heard it repeated that in periods of stress and depression it was the logical time to build. Now, for the first time since the gentleman and I have been here, outside of 1921, we are in the midst of a serious depression and we are told we must not talk about building. The Bureau of the Budget is even holding up the $80,000,000 new post office bill, because it is afraid a bond issue may be necessary, and that is not wanted. I am not asking that this $2,000,000,000 loan that I propose—it may be $3,000,000,000 or $4,000,000,000—should be used entirely for construction work, whether it be public buildings, roads, or waterways. I would have it used for many other things, not merely for a building program. I agree with the gentleman that it is sound common sense that in time of depression we should authorize bond issues and should have them now for a building program. The wage earners of this country are not asking for charity. They are asking for work, and I think the only way we can provide work is through a bond issue for a large, constructive building program, not for political purposes, not for something that will have no value after a few years, but for constructive purposes for the good of our entire people.

Mr. SWING. I want the gentleman to know that I fully approve of what he is saying and I hope a way will be found to carry his suggestions into execution.

Mr. HOPE. Will the gentleman yield?

Mr. FISH. For a brief question.

Mr. HOPE. I want to ask the gentleman about the bill he mentions to give some of the Farm Board wheat to relief agencies. Does the gentleman think that that wheat will displace any wheat which may be sold——

Mr. FISH. I will take that up when I discuss the proposal to turn over the Government wheat to the American Red Cross.

Mr. GLOVER. Will the gentleman yield?

Mr. FISH. For a very brief question; yes.

Mr. GLOVER. Does the gentleman favor the principle that is announced in the bill introduced by the gentleman from Georgia [Mr. CRISP] to have this post-office building program start with the lower brackets of $5,000 receipts and carry them up to the present standard?

Mr. FISH. I can not answer the gentleman. I have not made sufficient study of the question to give the gentleman an intelligent answer. I can say this, however: The Treasury Department has informed me that by next June they will have to dismiss a large number of employees, who will have nothing to do unless the new building program goes through. I can not yield further.

I would like to take this opportunity to read into the RECORD some information that came to me since the discussion of the moratorium that occurred here during the past 10 days. I was in favor of the moratorium, because I believed it was essential to the economic stability of Germany and other nations of Europe, possibly of our own, and for the peace of the world. I think it would not do any harm to have this little clipping which I hold in my hand put in the RECORD. It is headed, "Shouse hits McFADDEN. In Omaha he criticizes attack over the moratorium."

This in an A. P. article from the New York Times dated December 17:

Jouett Shouse, chairman of the Democratic National Committee, asserted to-day: "I have no sympathy with the charges Representative McFADDEN has made against President Hoover." He added: "President Hoover's request for a 1-year moratorium in intergovernmental debts was the only thing he could have done."

I also want to put in the RECORD a brief statement that reached me to-day, particularly as the matter is still being discussed in the other legislative branch of the Government. Possibly some of the people here may recall this matter. I must say I had certainly forgotten all about it. It may have been discussed on the floor when I was not here; but, in any event, I have no knowledge of it. It is taken from the Affairs Magazine of December 18, 1931.

It was learned that the State Department in 1927 sent a letter to American bankers interested in German loans, warning them against loaning the Reich more money.

The letter was sent just after the report of S. Parker Gilbert, which showed that Germany was tremendously overborrowed and that continued loans would bring about a world-wide catastrophe.

The State Department admitted the sending of the letter, but refused to make the text public, on the ground that it would jeopardize the American position that private debts come before reparations.

This is one of the chief points of difference between France and the United States at the Basel discussion, France having invested almost no money in Germany during the period that American bankers were loaning $1,300,000,000.

I believe this to be an accurate statement, because everything I have seen in this magazine for years past has been strictly accurate, to my knowledge, with respect to foreign affairs. If this letter was written to the bankers by the State Department in 1927, then it should be made public now, and it would be absolute proof that the bankers went ahead regardless of this warning of the State Department, or from Parker Gilbert, and sold German bonds to American investors in order to profit on the commissions, regardless of what the security was to the American investing public, who have been mulcted and may be ruined.

Mr. Chairman, about a year ago, on January 8, 1931, I introduced in this House a joint resolution (H. J. Res. 456) authorizing the disposition of wheat purchased by the Federal Farm Board for the relief of distress in the United States. A hearing was held on this resolution before the Committee on Agriculture. At that time the committee thought there was not sufficient hunger or distress in America to report out the bill.

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. FISH. The condition, as we all know, is far more serious now. We have 5,000,000 unemployed in the United States, and probably we will have several million more unemployed before the winter is over. Fear and dread exist throughout the land, not only among the unemployed and their families, but also among those who are fearful of losing their jobs.

We, the Congress, have failed so far—almost—to recognize the critical situation of the unemployed and their distress and need.

Yesterday the Committee on Agriculture, of the other legislative body, reported out almost an identical resolution to mine, and it is stated in the public press that an effort will be made to pass that measure to-day and send it over to the House in order to give a Christmas present by the Government to the unemployed.

I ask you, in all fairness, why should we not turn over a part of this grain, owned by the Government of the United States, now in bulging granaries throughout the land? We have an overabundance of food supplies and grain, and it seems to me to be sound and logical for the Congress to pass a resolution giving this grain to the Red Cross; and I am informed that the Red Cross will take the grain and process it into flour, and distribute it among the unemployed; and wherever there is hunger or need anywhere in the land.

The Farm Board is in favor of the proposition. I am informed that 1,000,000 bushels of wheat make 225,000 barrels of flour. One person averages one barrel of flour in 12 months; but, in addition to the six or seven million expected unemployed during the winter, they have their families to maintain, and there are, perhaps, three or four in a family. So you can multiply 6,000,000 by three, and you will get about 20,000,000 people that may have need of receiving these foodstuffs during the winter months.

I know that private charity will never provide sufficient food to feed 20,000,000 people this winter.

So if we are going to act we ought to act at the present time, and if this resolution comes over from the Senate to-day or to-morrow I hope Members on both sides of this aisle will support that legislation unanimously as a Christmas gift to the unemployed.

I am not suggesting whether any appropriation should go with the bill or whether it should be credited against the Stabilization Corporation. I do say that we can not afford to sit silent any longer on the question of unemployment and providing foodstuffs for the unemployed.

Mr. PURNELL. Will the gentleman yield?

Mr. FISH. Yes.

Mr. PURNELL. I understood the gentleman to say that he advocated the processing of the wheat.

Mr. FISH. Not by the Government. Officials of the Red Cross assure me that if the grain is turned over to them they will arrange to have it processed into flour and distributed through the country, not only by the Red Cross but by other charitable agencies.

Mr. BANKHEAD. How far is that from a dole?

Mr. FISH. In my opinion there is a distinct difference between a financial dole and a dole of food to your own people. I want the House to remember and every Member of the House to remember that back in 1921 you voted through this House $20,000,000 to provide foodstuffs for the starving women and children of Soviet Russia on the Volga River, some 5,000 miles away.

In 1924 I introduced in the House a bill appropriating $10,000,000 to provide foodstuffs for the starving women and children in Germany, and it went through the House of Representatives by a vote of 240 to 97. That also was to provide foodstuffs for people in a foreign country. If private charity is not sufficient to carry the burden and provide for the hungry and clothe and house the destitute, then it is clearly the duty of the Federal, State, and municipal governments to contribute their full share and assume their proper responsibilities.

I have no patience whatever with any individual who tries to hide behind the Constitution when it comes to providing foodstuffs for our own citizens. [Applause.]

Mr. AMLIE. Will the gentleman yield?

Mr. FISH. Yes.

Mr. AMLIE. From an economical standpoint, would not that be the same as if the board were to dump the wheat on the market for nothing?

Mr. FISH. I stated before that that was a matter for the House and the committees to work out. I will say this, that we are the richest country in the world, and we can not afford to hide behind the Constitution of the United States and say that we have no responsibility for the welfare and well-being and happiness and lives of the American people. I have no patience with that form of political philosophy, because beyond and above the Constitution every reason exists why the Government should provide for the health and happiness of all of our own people. [Applause.] We must destroy the fear of insecurity by serving notice definitely, no matter what the cost may be, that an ample supply of foodstuffs will be furnished all unemployed American wage earners during this emergency.

Now, do not for a moment, if that bill comes over here, let any constitutional lawyers in this House—and I am speaking to-day because I do not expect to be here to-morrow—do not let any constitutional lawyers preach about the glories and sacredness of the Constitution when the lives of our women and children are affected—when people may starve in the meantime. Failure of the Federal Government in this crisis not to exert its utmost efforts to help relieve the suffering and misery of the American people would be a fatal indictment against the Federal Government.

We are not giving away anything at all. This is not a financial dole. It seeks to protect the lives and security of American citizens in this emergency, and I hope it will have unanimous support from both sides of the House. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield now to the gentleman from Illinois [Mr. HOLADAY].

Mr. HOLADAY. Mr. Chairman, a few days ago I introduced a bill (H. R. 6022) providing for a nation-wide system of durable, hard-surfaced post roads. I ask unanimous consent to extend my remarks by inserting in the RECORD a synopsis of the main features of the bill that I have prepared.

The CHAIRMAN. Is there objection?

There was no objection.

The matter referred to is as follows:

THE HOLADAY POST ROADS BILL (H. R. 6022)

A bill in relation to the construction, maintenance, and regulation within and by the United States of America of a nation-wide system of durable hard-surfaced post roads and their appurtenances and the provision of means for the payment of the cost thereof

PURPOSE OF THE BILL

1. To construct for free public use a nation-wide system of straight and wide and safe, strong, and connected transcontinental and trunk-line hard-surfaced post roads:
a. Priorities may be given for official business.
b. War Department may control in time of public danger.
2. To maintain such post roads in first-class condition.
3. To regulate such post roads by uniform rules.
4. To build airplane fields alongside these post roads:
a. For transfer of airplane and post-road mail.
b. For interchange of airplane and post-road commerce.
c. Airplanes are likely to follow these post-road trails.
5. To provide moneys to defray the expenditures authorized.

PLAN OF THE BILL

1. To connect the National Capital and State capitals and principal cities and great waterways by straight and wide and unbroken hard-surfaced post roads of a high type:
a. Routes provided for are located somewhat generally.
b. Routes may be renumbered or named.
2. To make the work self-sustaining.

FINANCIAL PROVISIONS OF THE BILL

1. General direction of the finances to be under the Secretary of the Treasury, subject to the President's approval.
2. To borrow money needed on the credit of the United States.
3. To issue and sell bonds therefor to an amount not exceeding $5,000,000,000:
a. Sale of bonds will bring money back into circulation and make funds immediately available for building and completing at once all of these post roads.
b. Moneys needed are appropriated in the bill.
c. Moneys can be used only for the purposes designated.
4. To provide means to pay the bonds, both principal and interest:
a. The faith and credit of the United States is pledged, in the first instance, to such payment.
b. Private users of the post roads to contribute the major part of the cost:
x. By paying a small annual tax, not less than $3, on each motor vehicle not used for hire.
y. By paying a small annual tax, not less than $10, on each motor vehicle used for hire.
z. By paying a small tax, not less than one-half cent per gallon, on gasoline or other motor vehicle fuel.
(The use of such high-type post roads would greatly reduce the cost of motor-vehicle upkeep and depreciation and thereby save to each user each year many times the amount of the aforesaid taxes.)
c. Official users of the post roads may contribute a minor part of the cost out of general revenues:
x. War Department for use by motorized army.
y. Post Office Department for carrying mail.

ENGINEERING PROVISIONS OF THE BILL

1. The post roads to be completed within five years:
a. Aggregate mileage of 57,000 miles divided among 48 States makes:
x. Average total mileage for each State 1,200.
y. Average mileage for construction each year in a single State only 240.
b. Work to be carried on in all States simultaneously:
x. Under contracts let on competitive bidding.
y. By the Government direct if satisfactory bids are not received.
2. Control of work, all subject to President's approval:
a. General direction and control of kind, character, and cost of work to be under Secretary of Agriculture.
x. Superintending engineer with wide experience in road building to aid in construction work.
y. Assistant engineers with wide experience in road building to aid also.
z. Engineers to be paid salaries commensurate with great importance of proposed work.
3. Secretary of Agriculture is given power to obtain labor, materials, machinery, and lands:
a. By purchase from private sources.
b. Necessary lands and rights of way to be obtained by purchase or by exercise of the right of eminent domain.
4. Post roads to be as straight as may be practicable from an engineering standpoint so as to furnish safe, rapid, and economical transportation:
a. For trunk-line and transcontinental traffic.
b. For a motorized army.
5. Roadways to be of the best and most durable hard-surfaced type available.
6. Roadways to be wide enough and strong enough to meet all proper traffic requirements:
a. Hard-surfaced roadways to be not less than 20 feet wide.
b. Around cities of over 200,000, hard-surfaced roadways to be not less than 40 feet wide for not less than 25 miles out from city limits.
c. Around cities of over 800,000, hard-surfaced roadways to be not less than 60 feet wide for not less than 10 miles out from city limits.
d. These widths and distances to be increased whenever deemed necessary, with the President's approval.
e. Dirt shoulders and graveled turnouts to be provided.
7. Post roads to be made safe for traveling public:
a. Railway grade crossings shall be eliminated.
b. Grades may be separated at route intersections.
c. Routes and traffic lanes to be kept marked.
d. Inbound traffic lanes may be separated from outbound lanes.
e. Routes may be lighted if practicable and advisable.
8. Belt-line roads may be constructed around cities of over 200,000.

UNIFORM REGULATION AND CONTROL

1. This nation-wide system of post roads to be regulated and controlled by one central Federal agency instead of by 48 independent legislative bodies.
a. Unfair competition among common carriers will be eliminated.
b. Regulations will be the same in every State.

REFUNDS TO STATES

1. Where a route runs over or near a paved highway, paid for by a State or by one of its subdivisions, such a pavement may be taken over and utilized in the national system upon refunding its value to the State:
a. If the State highway runs on the straight lines required by the national system.
b. If the State highway is of the high character required by the national system.
c. If the State gives its consent.

This bill will supplement the Federal highway act because—

1. Federal aid does not provide for the immediate construction of such straight and wide and connected trunk-line and transcontinental hard-surfaced roads.
2. Federal aid provides nothing for maintenance and regulation.

3. Federal aid does not require permanent improvement of Federal-aid roads:

a. About 66 per cent of all so-called improved Federal-aid roads are of low type—that is, of only graded and drained, sand-clay or gravel construction.

x. Such roads soon call for further improvement by patching, widening, or strengthening.

b. Federal aid leaves a way open for patchwork or disconnected construction because—

x. A State may use its Federal aid on one of its primary Federal-aid roads one year and on another far-distant primary road the next year, and so on.

y. Adjoining States may select for improvement widely separated primary roads, leaving almost impassable gaps between them.

4. Federal aid does not meet the traffic needs in or near large cities or where large rivers must be bridged or mountains crossed—

a. The Federal-aid limit of $25,000 per mile leaves too heavy a burden on a State and its local units.

b. Compulsory maintenance by the State adds greatly to this burden.

5. Federal aid is not financed to insure the early completion of a nation-wide system of connected hard-surfaced roads of a high type, but it depends upon the uncertain and fluctuating appropriations of each succeeding Congress—

a. No means are provided to meet such appropriations.

b. Moneys no longer come in from excise taxes on the motor vehicles which use the roads.

CONSTITUTIONAL AUTHORITY FOR THE BILL

1. Power is given to Congress to borrow money.

2. Power is given to establish and build post roads.

3. Power is given to lay and collect taxes and provide for the common defense and general welfare.

PROSPECTIVE EFFECTS OF THE BILL

1. The building and maintaining of these post roads by the Government would invite prosperity, aid farm relief, and promote the general welfare—

a. The road-building work itself would furnish a million men with profitable employment for five years or more.

b. Another additional million men would be needed in quarries, mills, plants, factories and shops, and on railroads to supply the enormous quantity of road-building materials required, as well as machinery and transportation.

c. Three or four million additional people would be required to provide coal, shoes, clothing, foodstuffs, and other necessaries for the first 2,000,000 workers.

d. The building and maintaining of these post roads would stimulate the improvement of the more than 1,200,000 miles of rural mail routes that would be left.

e. The cost of building and maintaining these great trunk-line roads would be taken off the States and leave each State and its local subdivisions with more revenue to improve farm-to-market roads to the great benefit of the farmer and the consumer of his products.

2. These post roads would bring the States into closer unity.

3. These post roads would open new lines of communication and tend to encourage more cordial relations and friendly intercourse with the countries lying beyond the American border.

SAFEGUARDS IN THE BILL

1. All work must meet with the approval of the President of the United States:

a. The bill requires the work to be done for the best interests of the entire American people.

b. The President is given plenary power to carry out the spirit and purpose of this requirement.

Mr. RAINEY. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Chairman, ladies and gentlemen of the committee, I had no thought 10 minutes ago of having anything to say on the things that have been discussed here to-day, but I asked the gentleman from New York [Mr. FISH] a question a moment ago when he was discussing a very vital matter as to whether or not he favored the proposition as outlined in a bill by our distinguished colleague on this side of the House, Mr. CRISP, of Georgia, with reference to carrying into effect the very thing that he was discussing, post-office buildings and other Government buildings. He did not have the time to yield, but, in my opinion, that bill strikes at the very thing we ought to have done in the beginning of the construction of our post-office buildings. As we have it now, under existing law, a city having a post office with receipts of less than $20,000 is not eligible for a post-office building. The result of this character of legislation has caused the bulk of the money that we have appropriated for post-office buildings to go into the larger centers, where many of them already have good post-office buildings. The Crisp bill provides for starting with the lower brackets of $5,000 of receipts before it becomes eligible for a building and carries it on up to the $20,000, and then provides for an appropriation of $300,000,000 to carry out that idea. If you will start on this plan, the gentleman's idea of carrying out the improvements and scattering them over the United States where they will do the most good, you will carry this to every county in the United States. The idea is to provide for these smaller buildings which do not cost much money, ranging from about $30,000 to $75,000 or $100,000 to the building. That will give employment and scatter it to every nook and corner of our country and give some aid to each State and county.

There is another suggestion in the gentleman's speech with reference to issuing bonds. I have not consulted my side of the House, and I am not one of the so-called leaders, and I am not proposing to speak for them, but I have my individual ideas about matters pertaining to legislation, and as long as I am here I propose to carry out in my votes my idea of what is right to my people. I am not in favor of the plan proposed by the administration leaders to increase the taxes in the manner they outline. I rather think that the gentleman's idea is right in part, and I so stated in a speech the other day, in respect to issuing some bonds, and then if you are going to raise taxes, let it be only in the higher brackets of income. When you get down to the root of the question of depression which is before us, and business dragging, it has been brought about largely by the question of taxation. The people of the country have borne this until they can stand it no longer.

Another matter was discussed which I desire to notice, and that is the resolution by the gentleman from Illinois to investigate and see if we can arrive at what brought about and caused this depression. I think he is striking at the very root of this thing. I would like to see a joint committee of the House and the Senate investigate the stock exchanges of the United States; and when you make that investigation, I think you will uncover some of the secrets of what has brought this about. When we had the moratorium here Friday, we were told that that is going to correct the evils. Where? It may help over there in Germany, but I say it is not going to help in America. You have voted to give a moratorium of $252,000,000 to Germany, and now you propose to collect it from the American people in taxes. I was very much surprised that most of you on the Republican side of the Hall stood almost in a body and voted for this proposition for the granting of a moratorium. I presume you were pledged to it by the long-distance message in the manner not provided for by the Constitution. My belief is that it is an exceedingly dangerous precedent. So long as I have the honor to represent my people, I am not coming to this body stultified by a pledge made to somebody 1,200 miles away from me when I have no chance of discussion of the subject with him. I was surprised when we came back here in respect to the farm loan bill. They came back with the identical principle to give the farmer a moratorium of one year and you voted almost solidly against it. Why not give the moratorium to John Jones and Bill Smith and the other boys back at home who own their little farms?

We asked you to give them a moratorium for one year, and you stood there and voted almost solidly against it. How are you going to meet your farmers when you go back to your homes, and how will you explain this to them? I am glad that you are in the RECORD on it. I am glad to be on the other side of the question over here with my matchless leader, HENRY RAINEY. I am in good company when I am standing with 95 Democrats and 5 Republicans that voted with us against this moratorium. Not only that, but here was another proposition you voted down after doing that. You voted against an amendment to the bill we had here on Saturday that would give a right of redemption to a farmer who had lost his land by foreclosure and whose land is now in the possession of the Government. You would not vote to give him a chance to redeem his own land by paying every cent against it. Oh, you are going to meet your friends back at home in the middle of the road, and you are going to faint when you meet them

there. A man who would not allow the right of redemption of a man's land taken in that way, and then will vote for the moratorium, is not in accord with my views of what is right to the American people.

Mr. McGUGIN. Will the gentleman yield?

Mr. GLOVER. Not just now.

There was another discussion this morning with reference to the farm bill. I voted for that bill. I had more hope for it then than I have now. If you will investigate the RECORD, on the second Monday morning I was here in Congress I made a speech on that question. I said then that the bill did not go far enough, and I have offered amendments to it which I hope to see passed to make it effective. It is one of the finest set-ups in legislation that I have ever seen put together. The machinery is all right. I have no criticism of those who have been trying to operate it. There has not been any board that has received greater criticism than the board which is undertaking to administer the agricultural marketing act for an honest set of people who need help. The trouble is this great gambling machine, gambling in futures, that is bleeding the farmer's blood white, wants to see the law fail. I want to see that bunch of men brought to time. I want to see that gambling in futures stopped.

[Here the gavel fell.]

Mr. RAINEY. I yield to the gentleman from Arkansas three additional minutes.

Mr. GLOVER. I introduced a bill at this session to make it a felony to gamble in futures, gamble in the lifeblood of the farmer. I would like to see everyone of these gamblers punished until that is stopped. It ought not to be permitted.

The gentleman talks about unemployment. I say to you, gentlemen, that unemployment is going to continue until you change the policy under which you are working. The march of the unemployed is increasing every day of the year. Yesterday I had a letter from a farmer living not more than 5 miles from where I live pleading for something, something in the way of a job or anything he could do to save his little home to him and his family. It is mortgaged to the Federal Government for a loan. They can not live under the conditions that are going on now. My farmers down home are the greatest workingmen that were ever born in the world. We were in distress last year on account of the drought. This year they have gone back and doubled their energy and produced one of the most bountiful crops they ever had in that country. Now, gentlemen, how is it to-day? They can not sell their cotton. They can not sell any of their products. They have plenty to eat, but nothing to pay debts and buy the necessaries of life that they can not raise.

Mr. McGUGIN. Will the gentleman yield now?

Mr. GLOVER. I will give the gentleman a little information that I think will help him if he will wait.

When we were considering the moratorium, it was said it would be a panacea for all ills and cure all troubles. At that time cotton was 11 cents a pound. Now it is down to 6 cents a pound.

Mr. McGUGIN. Will the gentleman yield now?

Mr. GLOVER. Not now.

Mr. Chairman, I have taken more time than I had expected, and I ask permission to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RAINEY. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, ladies and gentlemen of the committee, in the last two or three days the newspapers over the country have been carrying the headline: "Veterans' Bonus of $200,000,000 passed by the House."

I notice another headline stating that "World War veterans get $200,000,000 Christmas appropriation."

By reason of these misleading headlines I have received a large number of letters wanting to know when they can get the remainder of their bonus. The veterans seem to have the impression that the bill to pay the adjusted-service certificates in full has already passed; that Congress has decided to be Santa Claus to the veterans and has passed a bill appropriating $200,000,000, which they understand will be sufficient to pay off the remainder of the certificates. That is a wrong impression. I am sure the newspapers did not intend to leave that impression; but they have done so, nevertheless, and it must be corrected or it will cause trouble for all the Members.

In connection with that I want to invite your attention to another misleading statement that has gone out recently. The distinguished gentleman from Oregon [Mr. HAWLEY], who was chairman of the Ways and Means Committee of the House at the last session of Congress gave this statement to the press, which, if he has been quoted correctly, has contributed to the misleading information that has gone over the Nation relative to the adjusted-service certificates. I will just read what appeared in the Washington Herald:

> The suggestion of the probable administration's attitude came from Representative HAWLEY, of Oregon, chairman of the Ways and Means Committee in the last Congress after he had paid a visit to the Treasury Department. HAWLEY said—

It quotes what purports to be the statement made by Mr. HAWLEY—

> "It is estimated the deficit will be about $2,000,000,000 in the fiscal year ending June 30. About $1,500,000,000 can be charged to the bill passed last year under which loans up to 50 per cent of adjusted-compensation certificates were made."

Of course, that is a statement to the effect that the veterans had caused the deficit in the Treasury. I am sure Mr. HAWLEY, if he investigated the source of his information, was convinced otherwise, and I hope he will correct the statement, because the statement is still going over the country through the newspapers. The truth about it is that not one penny of the Treasury deficit can be charged to loans made to veterans on their adjusted-service certificates, and if there is anyone in this House who differs with me on that I wish he would get up and say so. I want to convince him that he is wrong, because he is wrong. It is all right to charge the veterans with causing a deficit if they actually caused it, but not one penny of that deficit has been caused by loans made to veterans on the adjusted-service certificates.

Mr. UNDERHILL. Will the gentleman yield?

Mr. PATMAN. I yield.

Mr. UNDERHILL. Will the gentleman give a little further information?

Mr. PATMAN. I expect to.

Mr. UNDERHILL. What was the $200,000,000 that we just voted? Was that not a sum that will go into the deficit?

Mr. PATMAN. It is anticipating other loans on adjusted-service certificates that the adjusted-service-certificate fund will not be able to take care of.

Mr. UNDERHILL. And had to be provided for?

Mr. PATMAN. It will in the future. Not now.

For the information of the gentlemen there are two funds—the adjusted-service-certificate fund, which is made up by appropriations over a period of years of $112,000,000 a year, and interest on that fund, which amounts at this time to about $990,000,000. Then there is another fund, the United States Government life-insurance fund, which is just as separate from the Government as the Prudential life-insurance fund, or the life-insurance fund of any private insurance company. It represents the savings of veterans, who have paid the money to the Government themselves and who are paying every month in order to make up that fund. From these two funds every one of those loans has been made. From the adjusted-service-certificate fund $840,243,494.98 has been loaned, and from the United States Government life-insurance fund, $332,987,487.28 has been loaned, and there is remaining at this time—or I should not say at this time—but there was remaining at the time these figures were compiled, only a few days ago, $153,925,720 in the adjusted-service-certificate fund, which can be used to make more loans to veterans. The reason the President wanted this $200,000,000 appropriation made was not to give

the veterans anything, but to have it available so that they could borrow their own money by paying 4½ per cent interest for that money, compounded annually.

[Here the gavel fell.]

Mr. SNELL. Mr. Chairman, I yield five minutes to the gentleman from New Jersey [Mr. SEGER].

Mr. SEGER. Mr. Chairman, ladies and gentlemen of the committee, I am prompted to take up these few minutes of your time because of the presence here in committee of our genial Speaker of the House. I want to read to you an editorial from the Passaic (N. J.) Daily News, which speaks of his practicing economy and good judgment. It is captioned "GARNER'S Car," and reads as follows:

The Speaker's car follows the President's yacht into oblivion.

The long-standing joke between the late Speaker LONGWORTH and present Speaker GARNER is played out. GARNER says he won't use the car. Distances are short in Washington. He can just as well walk or take a street car, or a cab, if he wants to be stylish. He will save the Government a little money. He has preached against extravagance and wants to practice it. It doesn't take an automobile to make an office dignified.

Now, gentlemen, I have been here for some years and I do not think we ever had a Speaker who was not dignified. I know JACK GARNER would look just as dignified riding in a street car as in a Government automobile. But, my friends, he is doing something of greater importance, to my mind, than the fact that he is practicing economy.

I took occasion the other day to ask some one who is familiar with the subject how many Members of Congress own automobiles. I was informed that 90 per cent of the Members own and ride in automobiles to and from the daily sessions of Congress. That is something to think about. Some of them own more than one car. I understand that one Member who is situated financially better than most of us owns seven. I know he does not ride in all seven at one time, and perhaps it is to his credit that he can afford to own so many.

However, there are things which, I think, we should be more concerned about than just riding in automobiles. We have lost in the last 11 months 14 of our friends and colleagues in this House and in the Senate. If not altogether true, I think it is partly true that the reason for these deaths is the lack of exercise, the lack of proper air, and the lack of proper food. It seems to me the lack of these vital things has gone a long way in causing this high mortality.

What do we do here? We come to our offices at 9 or 9.30 in the morning and we attend to our correspondence and meet our constituents between committee meetings. At 12 o'clock we come to the session of the House; we go downstairs to the lunch room and eat a fairly hearty meal; and then for five hours we sit here breathing synthetic air. We all know that both Chambers, the House and Senate, are surrounded by corridors with no outside ventilation to speak of.

Of course, the ventilation here is better than it used to be, but it is not pure, outside air. Then, after sitting here for five hours, we go to our homes in an automobile, eat a heavy dinner, and those who are socially inclined often go out and eat a midnight supper.

I just refer to this because I think it is something to think about. I do not think that necessarily a man becomes dignified because he rides in an automobile, but if he does not ride in an automobile and walks more, eats less, and breathes more of God's free air, he will be much better off for it.

The Speaker sets a good health example which we can all afford to follow. [Applause.]

Mr. SNELL. I yield five minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. KELLY of Pennsylvania. Mr. Chairman and members of the committee, the entire afternoon has been spent in considering subjects which are related to our present industrial and economic situation. The recurring theme has been, what can we do to meet the present need. I believe President Hoover, in his message to Congress, expressed a volume in one sentence when he said, "Our first step toward recovery is to reestablish confidence."

In general terms this expresses what every good American desires, although we find differing methods advocated. From a number of sources, outside of Congress, and inside too, we have heard suggestions that we might help to meet the situation by a general wage-cutting campaign on the part of the Government. In my estimation no greater blow against the reestablishment of confidence could possibly be struck than through such a policy.

In the last Congress we enacted a worthy measure called the "prevailing rates of wages" bill, by which we provided that when contracts are let by the Government for construction of public works, the wages to be paid by the successful contractor shall be the prevailing standard wages in the community where the work is done. The passage of this bill, without a doubt, has prevented unjust and oppressive practices in many communities.

We ought to consider what it means to undertake a wage-cutting campaign among Government employees. The United States Government is directly responsible for these wage standards. For my part, I believe that the Government has a wider responsibility even than that. The Government should have a direct interest in helping to so organize industry and commerce that there shall be a chance for every American citizen, able and willing to work, to put his hands to the task of producing the wealth that determines the welfare of the Nation. While there is disagreement on that point, no one will disagree with the statement that the United States Government is directly responsible for the wage standards of its own workers.

First, consider the injustice of wage cutting as applied to Government workers. The pay of those who make up the rank and file of the governmental personnel has always been low, considered from any standpoint. No person who enters the service has ever been able to look forward to more than a moderate livelihood for himself and family. To decrease that compensation now would be the essence of injustice.

It is argued that the cost of living has declined within the past two years and that wages might be decreased correspondingly.

If the cost of living is justly the sole consideration in fixing wage schedules, then governmental employees have a balance in their favor which it will take many years to pay.

What I shall say applies to all rank-and-file Government employees, but I shall refer specifically to the postal workers, with whose wage schedules I have been familiar for many years. Their present compensation schedules were carried in the law sponsored by myself—the postal pay act of February 28, 1925. For the 12 years prior to the passage of that act, postal employees were tragically underpaid. Their pay was reduced steadily by the mounting cost of living. In 1919 and 1920 their pay bought only half what it would have purchased in 1913.

Not for a single month during that long period were their wages equal in purchasing power to the pay of 1913 which was $1,200 per annum.

The act of 1925 provided a $300 increase to the basic pay, although there was universal public approval for an increase double that amount. The basic pay established by that act was $2,100, the maximum of the clerk-carrier automatic grades.

Even the increase did no more than restore compensation to the 1913 level. It did not mean a dollar more in purchasing power.

In 1930 the cost of living index was 160.7, which meant that there was slight actual gain in purchasing power over 1913.

In 1931 the cost of living index was 150.3, so that the basic salary of $2,100 is now equal to about $1,400 in 1913.

To show what happened to postal pay during these years, I have prepared a table showing the cost of living for each

year and the salary necessary to equal $1,000 in 1913. It is as follows:

Year	Index number of cost of living	Salary necessary to equal $1,000 in 1913
1913 (December)	100.0	$1,000
1914	103.0	1,030
1915	105.1	1,051
1916	118.3	1,183
1917	142.4	1,424
1918	174.4	1,744
1919	199.4	1,994
1920	200.4	2,004
1921	174.3	1,743
1922	169.5	1,695
1923	173.2	1,732
1924	172.5	1,725
1925	177.9	1,779
1926	175.6	1,756
1927	172.0	1,720
1928	171.3	1,713
1929	171.4	1,714
1930	160.7	1,607
1931 (June)	150.3	1,503

The facts show that postal workers have in 18 long years, and for a temporary period only, succeeded in securing added purchasing power of about $17 a month. Is it just to attempt to take this small gain away from a great group of faithful public servants?

Remember, too, that we are all struggling to bring about economic recovery through increased commodity prices. Can anyone argue for wage cuts which would mean privation even at abnormally low prices, to say nothing of the higher prices which will certainly come?

Every dollar of benefit gained by reduced cost of living has gone to the relief of unemployed. There is scarcely a postal worker who has not been obliged to take on new obligations on account of unemployment. If we make it impossible for him to extend a helping hand, public agencies must take over the task he has assumed.

For my part, I can not bring myself to bemoan the fact that postal workers are in a little better position than they were in 1913. I can even be glad that increased purchasing power over a few months has helped just a little to offset the weary years when their pay was buying less than it did in pre-war times. They are abundantly entitled to a little surplus in the budget, and in all fairness we should wait until former deficiencies are met before we start reduction.

Mr. ALLGOOD. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I yield.

Mr. ALLGOOD. What about reducing some of the subsidies paid to shipping companies and to the airplane concerns that are now operating?

Mr. KELLY of Pennsylvania. I will say to the gentleman that neither one of those two items enter into the postal deficit, but is entirely separated and segregated and should stand on its own merits as governmental-policy expenditures.

Now, Mr. Chairman, we have said to the workers, "Produce more if you are to get more." On that basis the postal workers have not had the pay they have earned by increased productivity.

The total postal revenues in 1913 were $266,619,000, and it required 301,704 employees to produce that amount. Fifteen years later, in 1928, the revenues were $693,630,000, and they were produced by 367,518 employees of all classes. In other words, the addition of 65,814 employees accounted for increased revenues of $427,014,000. Even with the reduced revenues of 1931, occasioned entirely by the business depression, the postal personnel produced twice as much revenue as the same number would have produced at the 1913 rate. To reduce their pay now would in fact put a penalty upon efficiency and productivity.

The fact that there is a deficit now is no reason for any wage-cutting campaign. The dollars saved would not pay for the injuries done. Let this Government announce that it proposes to economize at the expense of its own employees and it will give its support to every kind of wage-cutting policy in private industry.

This depression of which we have heard so much this afternoon is characterized by production which can not be consumed for lack of purchasing power. The one thing needed to start the wheels of industry is added purchasing power in the hands of the people, and the one effective way of distributing purchasing power is through wages. The root of this industrial crisis is the fact that wages have not increased in proportion to productivity. Can anyone advocate action which will still further curtail purchasing power, the certain result of wage reductions?

Mr. Chairman, I have every confidence that this Congress has the intelligence and the courage to point the way to American business in this vital matter of maintaining wage standards. We should show in unmistakable fashion that the United States Government proposes to maintain its own wage standards unimpaired. We should make sure that the compensation which Government workers earn should be faithfully paid. We should announce that not one dollar of their purchasing power is to be reduced. Such action will be a step toward recovery through reestablished confidence. It will help to make possible that noble aspiration with which President Hoover closed his message to this Congress: "Ours must be a country of such stability and security as can not fail to carry forward and enlarge among the people that abundant life of material and spiritual opportunity which it has represented among all nations since its beginning." [Applause.]

Mr. SNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. McGUGIN].

Mr. McGUGIN. Mr. Chairman, ladies and gentlemen of the committee, it seems to be the order of the day to be discussing our woes and our troubles. Frankly, I have my serious doubts if there is anything sound which Congress can do that will raise America from her present ills.

I rather suspect that the more the Government interferes the worse they will be. I rather suspect that one of the things that has caused the present distress, as far as the Government is concerned, is the Federal Government straying far away from its field provided by the Constitution. I rather suspect that the welfare of the people as individuals, in so far as Government can touch it, properly rests back in the State governments.

I want to bring to your attention one illustration. The gentleman from Oklahoma [Mr. McKEOWN] spoke on the floor of the House a few days ago, deploring the fact that the Federal land banks foreclosed mortgages in his State. He introduced an amendment to the Federal land bank bill that would have forced a year's extension of time to anyone writing in and asking for it. In other words, it was an equity-of-redemption statute.

If that amendment had been adopted, it would have grossly discriminated between our citizens. The gentleman from Arkansas spoke of it a little while ago. Go down into his district and take the cases of Mr. Smith and Mr. Jones. Mr. Jones has a mortgage given to the Federal land bank; Congress has granted him an equity of redemption. Mr. Smith has a mortgage given to the New York Central Life Insurance Co. or to some joint-stock land bank, the McKeown amendment would have given Mr. Smith no such extension.

If you want an equity-of-redemption statute, the place to get it is the State government, and not from Congress.

I do not wish to deride the State of Oklahoma, for I am fond of it, but as far as an equity of redemption is concerned, she has none, while in my State we have 18 months. I think the equity of redemption is a matter that should go back to the States. The amendment of Mr. McKEOWN would be taking care of a mortgagor who is fortunate enough to have given his mortgage to a Federal land bank, but it did not take care of the man who was not so fortunate.

Another thing, probably the worst thing the McKeown amendment would do, would be to destroy the Federal land banks themselves, unless Congress was willing to appropriate enough money to carry them on without collecting their mortgage debts.

That takes us back to the proposition that the gentlemen from New York [Mr. FISH and Mr. LAGUARDIA] talked about.

When we talk about the welfare of the individual and the present depression, I do not believe there is an obligation on the part of the Government of the United States to take care of the welfare of the individual as an individual. That is an obligation of the States and the counties. When I was a member of the Kansas Legislature they referred to me as a States Rights Republican. I am not going to be scared away from the great doctrine of State rights and State sovereignty because I happen to be of northern ancestry. It was sound, and it is sound (however, never to the extent of rebellion), and to-day I would say, shades of Calhoun, shades of Haynes, shades of Lee and your great Army of the Confederacy, what have you to say when a Congressman from Alabama comes to the United States Congress and says the Government of the United States must feed the people of Alabama? Where is your State sovereignty? State sovereignty carries with it State responsibility, and if we destroy State sovereignty, the burden is going to be great on the Federal Government. I can not concede to the proposition that there is any obligation on the Government of the United States to furnish in public work employment for those who are unemployed. First, it is the obligation of government to be just and equal to every citizen. Is there a man to-day who will insist we ought to have enough public work to furnish employment for six and a half million men? Of course not. Very well. We will furnish work for 100,000 men. Who are to be the specially privileged ones to be lifted out of the slough of unemployment?

If the Federal Government takes responsibility upon the theory of depression alone to furnish employment for one single citizen now out of employment, then the Government of the United States by every obligation of decency should furnish employment to the entire six and one-half million; and when that time comes, then the gentleman from New York [Mr. FISH] will know something about communism in America. All I know about communism is that it is a society wherein everybody works for the government and, therefore, the government must have all of the income; and whenever the Government of the United States takes upon itself the responsibility of furnishing employment for six and a half million people, then we are at communism and no other place. In my humble opinion, the most the Government can do at this time in a practical, effective way is to reduce the cost of Government. Every dollar that is going to be paid in taxes by this industry or that industry is one dollar which is not going to be paid for labor. Every dollar we increase taxes in this session of Congress, in my judgment, will promote unemployment rather than demote it.

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. ALLGOOD. How is the gentleman going to reduce the expense of Government?

Mr. McGUGIN. I am going to get to that. When I start to reduce the expense of Government, I would do exactly the opposite from what the gentleman from Pennsylvania [Mr. KELLY] said. I would have the courage to meet this thing fairly and justly and cut public salaries. The gross wages of this country have been reduced 50 per cent; the income of the farmer has been reduced 43 per cent; agriculture, oil, coal, lead, and every industry we can think of has been reduced; and if we let public expense go on and public salaries go on, it simply means that we are going back to the people who now have decreased incomes and say to them you must bear the burden.

I come now to the Postal Department. It is said that it is a dangerous thing and heresy to talk about cutting salaries. The gentleman from Pennsylvania [Mr. KELLY] just said that the salary of these employees from 1913 increased from $1,300 to $2,100 a year. That is an increase of 85 per cent. Let us go back to the rural carrier. The rural carrier who carries the mail to the farmers of this country is to-day receiving in salary and milage allowances nearly 100 per cent more than he received in 1913. Yet every farmer to whom he carries a newspaper or a letter is to-day living on 43 per cent less than he did before 1913. The Post Office Department is going behind some $93,000,000 a year. A 10 per cent cut in salaries will save $73,000,000 of that $93,000,000, and a 15 per cent cut will save $110,000,000. Before this session of Congress is over the last one of us is going to have an opportunity to do one of three things: Cut these public salaries; or say to the people who are now working on less than half time and whose incomes have been reduced, your postage bill must be raised 50 per cent; or else we are going to appropriate money out of the Federal Treasury to meet the deficiency, which passes the burden on back to industry. Which is right; to have the rural carrier take a 15 per cent cut or increase the postage bill 50 per cent of the farmer, whom he serves, when that farmer is now receiving 43 per cent less than he did in 1914?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SNELL. Mr. Chairman, I yield five minutes more to the gentleman from Kansas.

Mr. KELLY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. McGUGIN. Yes.

Mr. KELLY of Pennsylvania. This deficit to which the gentleman referred is only about 17 cents out of the dollar. In other words, the revenues themselves for 1931 will produce the expenditures of the Post Office Department except about 17 cents. I insist that those 17 cents are the best expenditure that we can make for the public good and for the enlightenment of the people.

Mr. McGUGIN. Out of the Public Treasury?

Mr. KELLY of Pennsylvania. Yes.

Mr. McGUGIN. All right. Half of our trouble to-day is that one half this country is trying to live on a postwar inflated basis while the other half is on a pre-war deflated basis. When we talk about meeting this depression we are going to meet it when the people of this country, the last one of us, in a true spirit of patriotism and fairness to one another, are ready and willing to accept this depression as a national calamity and meet our share of the responsibility. [Applause.]

Mr. KELLER. Will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. KELLER. I would like to ask a question. Would not a reduction in wages back to the period before the war take us back just that far in our history?

Mr. McGUGIN. It might. I am not asking that much of a reduction. In answer to the gentleman's question, it probably would; but, what are you going to do with the 27,000,000 farm people who are now 43 per cent below the 1914 level? What about the oil industry in this country, which is at the lowest depth of its history? What about the copper industry, and what about the coal industry? The great body of the people of this country are now below the pre-war level.

Mr. KELLER. I would put them all up.

Mr. McGUGIN. How will the gentleman do that?

Mr. UNDERHILL. Will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. UNDERHILL. I am in absolute accord and sympathy with the gentleman's statement, and I think he has told us just what we ought to hear, but when he speaks of an increase in the salaries of the rural mail carriers, does the gentleman know that practically every one of the farmers on his route signed a petition to Congress to increase that salary?

Mr. McGUGIN. I suppose that is true, but they are not talking that way now. The farmers were liberal in the days of their prosperity. Then they had no objection to liberal salaries. I say that these public salaries which were increased during the postwar inflated period were properly increased; they should have been increased; they were increased in keeping with the expense of the cost of living, and in keeping with the ability of the people to pay. Now that the cost of living has decreased and the income of the people has decreased, those public salaries should likewise

be decreased, simply in keeping with the present limited ability of the people to pay taxes, and in keeping with the decreased cost of living.

Mr. PATMAN. Will the gentleman yield?

Mr. McGUGIN. I yield.

Mr. PATMAN. I noticed in the RECORD the interesting statement of the gentleman made on Saturday. I presume from that statement the gentleman believes there is an Oil Trust in this country.

Mr. McGUGIN. I am quite certain of that.

Mr. PATMAN. Is the gentleman aware of the fact that the trade practice conference agreement that was promoted by the Federal Trade Commission has made a contribution to that Oil Trust?

Mr. McGUGIN. I do not know anything about it.

Mr. PATMAN. The code of ethics of the large oil companies. Is the gentleman acquainted with that?

Mr. McGUGIN. I did not know they had any ethics.

Mr. PATMAN. I thoroughly agree with the gentleman that it is not ethical, but they have what they call a code of ethics.

Mr. McGUGIN. I will answer the gentleman's question like this, if the four monopolistic oil companies which I have particularly in mind, the Standard Oil of New Jersey, the Standard Oil of Indiana, the Gulf, and the Shell companies even make any pretense of having a code of ethics, then their claim is one of hypocrisy.

Mr. PATMAN. I thoroughly agree with the gentleman on that. Permit me to suggest, however, that the Oil Trust was organized by the Federal Trade Commission, and a member of that commission who has been responsible for organizing this trust has recently been reappointed, and his confirmation is pending before the Senate. If the gentleman is interested in breaking up this trust, I hope he will appear before the Senate Committee and oppose the confirmation of that man.

Mr. McGUGIN. I can not talk about trusts now. I want to talk about public expenses. I am thoroughly convinced that any of us would like to do whatever he can to alleviate distress, but you can not alleviate distress in this country by increasing the burden of those who are now in distress in order to keep those who are not in distress on a postwar inflated basis.

I thank you, ladies and gentlemen.

[Here the gavel fell.]

Mr. RAINEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LOZIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the President's message, had directed him to report that the committee had come to no resolution thereon.

ELECTION OF COMMITTEE ON INDIAN AFFAIRS

Mr. RAINEY. Mr. Speaker, I ask unanimous consent to the immediate consideration of a resolution which I have sent to the desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

RESOLUTION OFFERED BY MR. RAINEY

House Resolution 79

Resolved, That the following Members be, and they are hereby, elected members of the standing Committee on Indian Affairs, to wit: ANDREW L. SOMERS, of New York, and ROBERT S. HALL, of Mississippi.

The SPEAKER. Is there objection?

There was no objection.

The resolution was agreed to.

REFERENDUM ON WAR

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks on the subject of world peace, and to include therein a brief summary by Rear Admiral Samuel McGowan of his plan of referendum prior to any declaration of war.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, for the last 13 years the people of the whole world have given more thought to the plans, ways, and means of averting war and preserving peace than in any 100 years of previous time. It is a hopeful sign. Countless books have been written recently dealing with the subject of preventing war. Hardly a magazine issues from the press but has some article discussing this question. Many conventions and conferences have been held in all parts of the world. World machinery, such as the League of Nations, has been set up, seeking to eliminate war.

Now, Mr. Speaker, all this is a most encouraging condition. I believe that out of all this discussion we will finally reach—it may be many years—a practical working plan which the people of the world will accept and abide by. It may take one or two generations more to reach this goal. But since war has been the greatest time-consuming and wealth-consuming business of man throughout recorded history, we need not expect a quick solution for so great a problem. But let the search go on.

It is in this spirit I am offering for wide publicity and preservation in the CONGRESSIONAL RECORD the following outline of a plan sponsored by Rear Admiral Samuel McGowan, retired. Out of his rich and varied experiences as the Navy's Chief of Supplies during the World War period, Admiral McGowan offers some valuable information and a very intriguing suggestion.

ADMIRAL MCGOWAN'S PLAN

Peace is the heart's desire of every right-minded American.

Not the peace at any price hawked about by purblind pacifists but the lasting and honorable peace planned by the founders of this Republic to secure for posterity "life, liberty, and the pursuit of happiness"—the peace (wholly consistent with and dependent upon adequate national defense) which 19 centuries ago was commended by One far wiser than Wilson or Roosevelt or Lincoln or Washington:

"When a strong man armed keepeth his palace, his goods are in peace!"

As it stands to reason that peacemaking, like charity, begins at home, America's best contribution toward the peace of the world would unquestionably consist in making it most difficult for this Nation to become involved in war, by providing in advance that the people themselves shall determine their country's course and by further providing (also in advance) that, should war come, the money power as well as the man power shall be mobilized and controlled.

So far-reaching a program quite naturally suggests obstacles, many and serious; but it will be seen upon careful consideration that only common sense is required to overcome these obstacles—common sense coupled with the will to win as exemplified by the Navy's World War slogan:

"IT CAN'T BE DONE; BUT HERE IT IS"

Amend the Constitution now so as to require that before war can be declared or participated in (except only in the event of attack or invasion) there shall be a referendum; that if a majority of the votes cast be for peace, there the matter ends; if for war, every able-bodied male citizen between the ages of 18 and 35 shall be drafted; that from the day war is declared until peace is finally concluded no price or wage shall exceed what it was 90 days prior to such declaration, and all profits in excess of 5 per cent shall be forfeited to the Government; that no person, firm, or corporation shall in peace time or in war time be accepted as a contractor who is not a manufacturer of, or regular dealer in, the articles offered to be supplied—a regular dealer being none other than one who at the time the offer is submitted either owns outright the articles offered or dependably controls their source of supply.

By thus amending its own Constitution and setting a practical example which every nation could—and many, if not all, might—follow, the United States would be taking its stand and doing its share toward preserving world peace.

The advance referendum would, of course, have the effect of curtailing to just that extent the authority now vested in Congress; but since such authority is nowhere near commensurate with the awful responsibility entailed it is beyond belief that representatives of the people could after mature deliberation fail to welcome a mandate direct from the people (whose servants they are) before arriving at a decision which might mean plunging the country into war and making cannon fodder out of the flower of American manhood.

I believe whole-heartedly in the draft, in limiting prices and wages, and in the forfeiture of excess profits; but this is not enough.

My own personal experience as the Navy's supply chief throughout the world War makes me know—not think, but know—that

pyramided prices and inflated wages and the excessive profits directly incident thereto are not the only methods by which wartime profiteers would hope to loot the Public Treasury—conspicuous among other avenues of far-flung graft (to which any emergency so readily lends itself) being manipulation in the award of contracts and tampering with inspections so as to admit of short weights and inferior deliveries, for all of which the Government is expected to pay in full.

Worst of all, each and every one of such sinister possibilities, and, maybe, many more, are well known beforehand by the individuals and interests whose itching palms make them ever willing to subject their country to any amount of loss and any degree of danger provided only that they themselves may profit thereby!

As a matter of fact, wars, like accidents, never really "happen." They are caused. And, as long as human nature is so weak and the love of money so strong, prospective profiteers will keep on scheming to provoke war for the deliberate purpose of wrongfully enriching themselves; it being of record in Holy Writ that "Love of money is the root of all evil."

Does anybody believe that high-pressure "observers" are hired at fancy figures to merely "observe" at international disarmament conferences?

Can any sane American dismiss as mere coincidence the enormous increase in the number of millionaires between 1914 and 1920?

If and when the sovereign people want war, it is their right, and have it they will; referendum or no referendum.

But why let any self-seeking minority have any chance whatsoever to hoax and coax the Nation into a war wanted by nobody except these selfsame swindlers?

There appears to be a very general misapprehension as to how long it would take to hold a referendum and learn the electorate's wishes on the subject.

The United States has long since graduated out of the stage-coach and pony-express class; and, although our "lame-duck" method of electing in the fall and not installing until the following spring (or later) would scarcely so indicate, there is no good reason why (in these days of quick communications) war or peace could not be voted and the result made known within 24 hours.

By midnight of the 4th of November, practically every intelligent adult in America knows (or could easily find out) who has been elected President that day.

Then why should it take any longer to get an answer to the infinitely more important question of peace or war?

Amend the Constitution as proposed, and you remove the present premium on war and in its stead impose a very heavy penalty. You put everybody on notice in advance that, if the people (to whom this country belongs) see fit to go to war, every citizen is going to be made to do his full share of the work and suffer his just proportion of the sacrifice—whereas whatever the Government may actually need is going to be bought fairly and squarely from bona fide business men and not from irresponsible speculators.

The idea of submitting any "made-in-America" war for advance approval (or disapproval) by the voters is based on Abraham Lincoln's conviction that the rank and file of the American people are not easily fooled, and surely it would require considerably more calamity howling and bloody shirt waiving to mislead many million principals scattered over 48 different States than to stampede their few hundred agents assembled together in one place!

After all is said and done, any man's estimate of any given situation is but the projection across that situation of his own individual personality—the resultant of his likes and dislikes, his predelictions and his prejudices, his hopes and his fears, his ruling passion, his innermost aim in life.

Now, what does the word "war" signify and suggest to the average patriotic American?

To the soldier and the sailor, work and yet more work; to the taxpayer, added burdens to be borne; to the legitimate business man, demoralization and probable loss; to the mother, separation, sorrow, tears; to the youth of the land, privation, danger, death!

Since our War of the Revolution against the mother country was fought for the principle that "taxation without representation is tyranny," is not the average patriotic American entitled to be consulted before making a decision of such vitally momentous consequence?

No red-blooded American could say, "Let us not fight if and when we ought to," but he can say (and this one does say), "Let us not originate a war unless and until we have to," remembering meanwhile and always that battles cost more than battleships, taxes are cheaper than tribute, and a little navy is a dangerous thing, but "When a strong man armed keepeth his palace, his goods are in peace."

DECEMBER 26, 1931, LEGAL HOLIDAY

Mr. PALMISANO. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 655) declaring December 26, 1931, to be a legal holiday in the District of Columbia.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That December 26, 1931, shall be a legal holiday in the District of Columbia.

The SPEAKER. Is there objection?

Mr. UNDERHILL. Mr. Speaker, as I understand, the agreement under which we are working to-day and to-morrow is that no controversial matters shall be considered. As I consider this greatly controversial, I must object to its present consideration.

The SPEAKER. Objection is heard.

ENROLLED JOINT RESOLUTIONS SIGNED

Mr. CAMPBELL of Pennsylvania, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 142. Joint resolution making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932.

The Speaker also announced his signature to a joint resolution of the Senate of the following title:

S. J. Res. 39. Joint resolution extending the time within which the War Policies Commission is required to submit its final report.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, there will be an effort to curtail debate to-morrow as much as possible. We have been very liberal, and a great many Members desire to go home.

Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 31 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 22, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

320. A letter from the Secretary of Commerce, transmitting summary of reports with a brief statement of the action of the department in respect to accidents sustained or caused by barges while in tow through the open sea during the fiscal year 1931; to the Committee on the Merchant Marine and Fisheries.

321. A letter from the Secretary of the Navy, transmitting draft of a proposed bill "To amend the act of February 20, 1931 (46 Stat. 1191), entitled 'An act to authorize the Secretary of War to sell the undisposed of portion of Camp Taylor, Ky., approximately 328 acres, and to also authorize the appraisal of property disposed of under authority contained in the acts of Congress approved July 9, 1918, and July 11, 1919, and for other purposes'"; to the Committee on Military Affairs.

322. A letter from the Secretary of the Navy, transmitting draft of a bill "To authorize and permit Admiral William V. Pratt, United States Navy, and Vice Admiral Arthur L. Willard, United States Navy, to accept diplomas of the Legion of Honor with the rank of grand officer and the rank of commander, respectively, tendered to them by the French Government"; to the Committee on Naval Affairs.

323. A letter from the Secretary of the Interior, transmitting statement of the fiscal affairs of all Indian tribes for whose benefit expenditures from public or tribal funds were made during the fiscal year ended June 30, 1931; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. PALMISANO: Committee on the District of Columbia. S. 655. A bill declaring December 26, 1931, and January 2, 1932, to be legal holidays in the District of Columbia; without amendment (Rept. No. 13). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRUNNER: A bill (H. R. 6477) to further extend naturalization privileges to alien veterans of the World War residing in the United States; to the Committee on Immigration and Naturalization.

By Mr. CROSSER: A bill (H. R. 6478) to promote interstate commerce, agriculture, and the general welfare by providing for the development and control of waterways and water resources, for water conservation, for flood control, prevention, and protection; for the application of flood waters to beneficial uses; and for cooperation in such work with States and other agencies, and for other purposes; to the Committee on Rivers and Harbors.

By Mr. DAVILA: A bill (H. R. 6479) to provide for the filling of certain vacancies in the Senate and House of Representatives of Porto Rico; to the Committee on Insular Affairs.

By Mr. DAVIS: A bill (H. R. 6480) to provide for the purchase of a site and the erection of a public building thereon at Lewisburg, in the State of Tennessee; to the Committee on Public Buildings and Grounds.

By Mr. HANCOCK of North Carolina: A bill (H. R. 6481) to provide for the renewal of 5-year level term premium policies, without medical examination, by amending section 301 of the World War veterans' act, 1924, as amended; to the Committee on World War Veterans' Legislation.

By Mr. MONTAGUE: A bill (H. R. 6482) for the purchase of a site and the erection of a public building at Ashland, Commonwealth of Virginia; to the Committee on Public Buildings and Grounds.

By Mr. WELCH of California: A bill (H. R. 6483) to provide for the protection of fish by requiring reports on the location of canneries in Alaska, and prohibiting certain salmon unlawfully caught from being brought into the United States, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. WICKERSHAM: A bill (H. R. 6484) to grant lands in Alaska to the Yakutat & Southern Railway, a Washington corporation, authorized to carry on its business in the Territory of Alaska; to the Committee on the Public Lands.

Also, a bill (H. R. 6485) to revise the boundary of the Mount McKinley National Park, in the Territory of Alaska, and for other purposes; to the Committee on the Public Lands.

Also, a bill (H. R. 6486) to extend the provisions of the act of Congress approved September 7, 1916, entitled "An act to provide compensation for employees of the United States receiving injuries in the performance of their duties, and for other purposes," to Frank A. Boyle; to the Committee on Claims.

Also, a bill (H. R. 6487) to authorize the incorporated town of Petersburg, Alaska, to issue bonds in any sum not exceeding $100,000 for the purpose of improving and enlarging the capacity of the municipal light and power plant, and the improvement of the water and sewer systems, and for the purpose of retiring or purchasing bonds heretofore issued by the town of Petersburg; to the Committee on the Territories.

By Mr. WILLIAMS of Texas: A bill (H. R. 6488) to provide for the establishment of a fish-cultural station at or near Graham, Tex.; to the Committee on the Merchant Marine and Fisheries.

By Mr. LEHLBACH: A bill (H. R. 6489) to amend the act of March 4, 1923, entitled "An act to provide for the classification of civilian positions within the District of Columbia, and in the field services," and amendments thereto; to the Committee on the Civil Service.

By Mr. McCORMACK: A bill (H. R. 6490) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

Also, a bill (H. R. 6491) to amend the World War veterans' act; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 6492) regulating repair work on any vessel of the United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 6493) to amend section 11 of an act entitled "An act to limit the immigration of aliens into the United States, and for other purposes," approved May 26, 1924; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 6494) to provide for weekly pay days for postal employees; to the Committee on the Post Office and Post Roads.

By Mr. MARTIN of Massachusetts: A bill (H. R. 6495) regulating the quality marking of articles of merchandise made of silver or alloys of silver; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES: A bill (H. R. 6496) to increase the efficiency of the Air Corps; to the Committee on Military Affairs.

By Mr. DAVIS: A bill (H. R. 6497) authorizing and directing the Secretary of Agriculture to establish and maintain a tobacco experiment and demonstration station for the South at or near Carthage, Tenn.; to the Committee on Agriculture.

By Mr. HOWARD: A bill (H. R. 6498) to authorize the extension of time for payment of rents due from leases of allotted Indian lands within the Omaha Reservation and to provide for loans to allottees of Indian lands within the Omaha Reservation, and for other purposes; to the Committee on Indian Affairs.

Also (by request), a bill (H. R. 6499) regulating Indian allotments disposed of by will; to the Committee on Indian Affairs.

By Mr. CHAPMAN: A bill (H. R. 6500) to extend the time for repayment of certain loans to farmers for the crop of 1931; to the Committee on Agriculture.

By Mr. LUCE: Joint resolution (H. J. Res. 157) authorizing and directing the Interstate Commerce Commission and the United States Shipping Board to make a joint investigation into the practicability of equalizing rail rates and ocean rates on export and import freight traffic between points in the United States and points in foreign countries by way of the several United States ports, and to make joint report thereon; to the Committee on Interstate and Foreign Commerce.

By Mr. McCORMACK: Joint resolution (H. J. Res. 158) to repeal the national prohibition act; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 159) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. GIBSON: Joint resolution (H. J. Res. 160) to provide a special clerk for the Committees on Civil Service under the Senate and House of Representatives; to the Committee on Accounts.

By Mr. SMITH of Virginia: Joint resolution (H. J. Res. 161) to repeal the act approved August 23, 1894 (28 Stat. 494), as amended; to the Committee on the District of Columbia.

By Mr. LEWIS: Joint resolution (H. J. Res. 162) to provide for the naming of Montgomery Blair Circle; to the Committee on the District of Columbia.

By Mr. KELLER: Concurrent resolution (H. Con. Res. 6) for an investigation of the causes of the prevailing industrial depression and into measures to relieve the same and prevent a recurrence thereof; to the Committee on Rules.

By Mr. HORR: Resolution (H. Res. 80) to investigate the Federal Radio Commission; to the Committee on Rules.

By Mr. KELLER: Resolution (H. Res. 81) authorizing the appointment of a special committee to investigate and report upon the existing economic depression and remedies for relief therefrom; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUF DER HEIDE: A bill (H. R. 6501) for the relief of Oswald Bauch; to the Committee on Claims.

By Mr. BLAND: A bill (H. R. 6502) granting a pension to Edna P. Welsh; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 6503) granting a pension to Nancy M. Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6504) granting an increase of pension to Eunice Reed; to the Committee on Invalid Pensions.

By Mr. CORNING: A bill (H. R. 6505) for the relief of Charles Harvey Holt; to the Committee on Naval Affairs.

By Mr. CRAIL: A bill (H. R. 6506) for the relief of John W. Stroup; to the Committee on Military Affairs.

Also, a bill (H. R. 6507) granting a pension to Thomas McGuire; to the Committee on Pensions.

By Mr. CROWE: A bill (H. R. 6508) granting a pension to Isaac A. Chandler; to the Committee on Pensions.

Also, a bill (H. R. 6509) granting an increase of pension to Charlotte Meadows; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6510) granting a pension to Ebbie Allstott; to the Committee on Pensions.

Also, a bill (H. R. 6511) granting a pension to Edwin Wade Buford; to the Committee on Pensions.

By Mr. CULKIN: A bill (H. R. 6512) granting an increase of pension to Amelia Domey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6513) granting an increase of pension to Eunice A. Collins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6514) granting an increase of pension to Nancy E. Fish; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 6515) for the relief of G. W. Bauserman; to the Committee on Claims.

By Mr. EVANS of California: A bill (H. R. 6516) granting an increase of pension to Joseph Hale; to the Committee on Invalid Pensions.

By Mr. FINLEY: A bill (H. R. 6517) granting an increase of pension to Martha Swain; to the Committee on Pensions.

Also, a bill (H. R. 6518) granting a pension to Pearl Sames; to the Committee on Pensions.

By Mr. FOSS: A bill (H. R. 6519) granting an increase of pension to Mary E. Barton; to the Committee on Invalid Pensions.

By Mr. FREE: A bill (H. R. 6520) authorizing the Secretary of the Navy to grant a perpetual easement 15 feet in width to Pacific Gas & Electric Co., a California utility corporation, over, across, in, and upon the site of the lighter-than-air base, near Sunnyvale, in the county of Santa Clara, in the State of California, for an existing 20-inch gas main; to the Committee on Naval Affairs.

By Mr. FULMER: A bill (H. R. 6521) to provide a preliminary examination of Edisto River and its branches, South and North Edisto, S. C., with a view to the control of its floods; to the Committee on Flood Control.

By Mr. GAMBRILL: A bill (H. R. 6522) for the relief of Jennie Bruce Gallahan; to the Committee on Claims.

Also, a bill (H. R. 6523) to authorize and permit Admiral William V. Pratt, United States Navy, and Vice Admiral Arthur L. Willard, United States Navy, to accept diplomas of the Legion of Honor, with the rank of grand officer and the rank of commander, respectively, tendered to them by the French Government; to the Committee on Naval Affairs.

By Mr. GARBER: A bill (H. R. 6524) granting a pension to Mildred S. McKean; to the Committee on Pensions.

By Mr. GIFFORD: A bill (H. R. 6525) granting an increase of pension to Mary A. C. Vanderhoop; to the Committee on Invalid Pensions.

By Mr. GLOVER: A bill (H. R. 6526) granting a pension to Mrs. S. A. Ashcraft; to the Committee on Invalid Pensions.

By Mr. HORNOR: A bill (H. R. 6527) granting a pension to Thomas W. Haymond; to the Committee on Pensions.

Also, a bill (H. R. 6528) for the relief of the Zoar Baptist Church, Keslers Cross Lanes, Nicholas County, W. Va.; to the Committee on War Claims.

Also, a bill (H. R. 6529) granting an increase of pension to Loverney J. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6530) granting a pension to Sarah Lee Hess; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6531) granting an increase of pension to Mary S. Knight; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6532) granting an increase of pension to Jeanett Gabbert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6533) granting an increase of pension to Sarah C. Kirkpatrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6534) granting an increase of pension to Ann E. Riggs; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6535) granting an increase of pension to Elizabeth E. West; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Illinois: A bill (H. R. 6536) granting an increase of pension to Mary A. Wohlford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6537) granting an increase of pension to Anna Shannessay; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 6538) for the relief of Martin L. Sowders; to the Committee on Military Affairs.

Also, a bill (H. R. 6539) for the relief of Stanley Kaleta; to the Committee on Claims.

By Mr. LAMBERTSON: A bill (H. R. 6540) granting a pension to Merton M. Pennington; to the Committee on Pensions.

Also, a bill (H. R. 6541) granting a pension to William R. Wilson; to the Committee on Invalid Pensions.

By Mr. LARRABEE: A bill (H. R. 6542) granting a pension to Emma Darby; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 6543) for the relief of Annie E. Fluharty; to the Committee on Invalid Pensions.

By Mr. LOVETTE: A bill (H. R. 6544) granting a pension to Mack Tipton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6545) for the relief of Hal B. Carthron; to the Committee on Military Affairs.

Also, a bill (H. R. 6546) for the relief of Charles C. Williams; to the Committee on Military Affairs.

Also, a bill (H. R. 6547) granting a pension to W. M. Sims; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6548) granting a pension to Frank Wesley Carroll; to the Committee on Pensions.

Also, a bill (H. R. 6549) granting a pension to L. A. Ragan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6550) granting a pension to Eda Kear; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6551) for the relief of Rowland W. Davidson; to the Committee on Military Affairs.

Also, a bill (H. R. 6552) granting a pension to Luther G. Martin; to the Committee on Pensions.

By Mr. LOZIER: A bill (H. R. 6553) for the relief of James Hogan; to the Committee on Military Affairs.

Also, a bill (H. R. 6554) for the relief of Robert D. Allnutt; to the Committee on Military Affairs.

Also, a bill (H. R. 6555) granting a pension to Catherine E. Cowhick; to the Committee on Pensions.

Also, a bill (H. R. 6556) granting a pension to James A. Shelton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6557) granting an increase of pension to Adelia Kent; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6558) granting an increase of pension to Dora Reynolds; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6559) granting an increase of pension to Mary Henning; to the Committee on Invalid Pensions.

By Mr. LUDLOW: A bill (H. R. 6560) for the relief of Charles G. Keiser; to the Committee on the Civil Service.

By Mr. McCormack: A bill (H. R. 6561) for the relief of Harry Siegel; to the Committee on Military Affairs.

Also, a bill (H. R. 6562) for the relief of George B. Cummins; to the Committee on Military Affairs.

Also, a bill (H. R. 6563) for the relief of Ralph M. George; to the Committee on Naval Affairs.

Also, a bill (H. R. 6564) for the relief of John P. Hurley; to the Committee on Naval Affairs.

Also, a bill (H. R. 6565) to extend the benefits of the employees' compensation act of September 7, 1916, to Albert D. Drury; to the Committee on Claims.

Also, a bill (H. R. 6566) for the relief of Mrs. A. H. Lawson; to the Committee on Claims.

Also, a bill (H. R. 6567) for the relief of Joseph Mastine Keefe; to the Committee on Naval Affairs.

Also, a bill (H. R. 6568) granting a pension to John P. Hurley; to the Committee on Pensions.

By Mr. PARKER of New York: A bill (H. R. 6569) granting an increase of pension to Patrick J. Hanrahan; to the Committee on Pensions.

Also, a bill (H. R. 6570) granting an increase of pension to Mary J. Evans; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 6571) granting an increase of pension to Sylvia Ann Dunn; to the Committee on Invalid Pensions.

By Mr. SANDERS of Texas: A bill (H. R. 6572) for the relief of the Terrell Military College, of Terrell, Tex.; to the Committee on Claims.

By Mr. SHREVE: A bill (H. R. 6573) for the relief of Nellie Barnard; to the Committee on Military Affairs.

By Mr. SNOW: A bill (H. R. 6574) for the relief of Frank J. Curran; to the Committee on Military Affairs.

By Mr. TURPIN: A bill (H. R. 6575) granting an increase of pension to John J. Cawley; to the Committee on Pensions.

By Mr. WHITE: A bill (H. R. 6576) granting an increase of pension to Martha J. Woods; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

181. Petition of district stewards, pastors, and lay leaders of the Meridian district, Mississippi Annual Conference of the Methodist Episcopal Church South, unconditionally indorsing the eighteenth amendment to the Constitution of the United States of America; to the Committee on the Judiciary.

182. Petition of citizens of the State of Kentucky, urging the Congress of the United States to take such necessary steps or action that will eliminate unfair methods of competition against the rail-transportation system of the Nation by placing such competition under equal tax and regulatory conditions as govern the rail-transportation system operating within the United States of America; to the Committee on Interstate and Foreign Commerce.

183. By Mr. HOGG of Indiana: Petition of the Cigarmakers' Union, No. 37, of Fort Wayne, Ind., urging modification of the eighteenth amendment to the Constitution so as to permit the manufacture and sale of light wines and beers; to the Committee on the Judiciary.

184. Also, petition of young people of Garrett, Auburn, and Spencerville, in De Kalb County, Ind., in support of the eighteenth amendment, and urging its more strict enforcement; to the Committee on the Judiciary.

185. Also, petition of the Woman's Christian Temperance Union of Allen County, Ind., urging that there be no relaxation in the laws relating to enforcement of the eighteenth amendment; to the Committee on the Judiciary.

186. Also, petition of the members of the Ladies' Literary Club of St. Joe, De Kalb County, Ind., urging the furtherance of peace and prevention of war; to the Committee on Foreign Affairs.

187. Also, petition of citizens of Howe, La Grange County, Ind., urging more strict enforcement of the eighteenth amendment and the Volstead law; to the Committee on the Judiciary.

188. By Mr. O'CONNOR: Resolutions of the Substitute Letter Carriers' Association of New York City, petitioning Congress for more employment; to the Committee on the Post Office and Post Roads.

189. By Mr. PERSON: Petition of citizens of Detroit, Mich., and vicinity, to enact legislation to curb the activities of the "chain-store" system; to the Committee on the Judiciary.

190. By Mr. RUDD: Petition of New York Joint-Stock Land Bank, Rochester, N. Y., favoring the passage of House bill 5060; to the Committee on Banking and Currency.

191. Also, petition of Power City Local, No. 51, International Brotherhood of Paper Makers, Niagara Falls, N. Y., with reference to competition with foreign paper manufactures; to the Committee on Ways and Means.

SENATE

TUESDAY, DECEMBER 22, 1931

(Legislative day of Monday, December 21, 1931)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The VICE PRESIDENT. The Senator from California [Mr. JOHNSON] has the floor.

Mr. FESS. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Ohio?

Mr. JOHNSON. I yield.

Mr. FESS. I suggest the absence of a quorum.

The VICE PRESIDENT. Does the Senator from California yield for that purpose?

Mr. JOHNSON. I do.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Shipstead
Austin	Cutting	Johnson	Shortridge
Bailey	Dale	Jones	Smith
Bankhead	Davis	Kean	Smoot
Barbour	Dickinson	Kendrick	Steiwer
Barkley	Dill	Keyes	Swanson
Bingham	Fess	King	Thomas, Idaho
Black	Fletcher	La Follette	Thomas, Okla.
Blaine	Frazier	Lewis	Townsend
Borah	George	Logan	Trammell
Bratton	Glass	McGill	Tydings
Brookhart	Glenn	McKellar	Vandenberg
Broussard	Goldsborough	McNary	Wagner
Bulkley	Gore	Morrison	Walcott
Bulow	Hale	Moses	Walsh, Mass.
Byrnes	Harris	Norbeck	Walsh, Mont.
Capper	Harrison	Norris	Waterman
Caraway	Hastings	Nye	Watson
Carey	Hatfield	Patterson	Wheeler
Connally	Hawes	Reed	White
Coolidge	Hayden	Robinson, Ind.	
Copeland	Hebert	Schall	
Costigan	Howell	Sheppard	

The VICE PRESIDENT. Eighty-nine Senators have answered to their names. A quorum is present.

PHILIPPINE INDEPENDENCE

Mr. HAWES. Mr. President, the policy pursued by the opponents of independence to the Philippine Islands of giving parts of a statement or extracts from a statement still continues. I have read in numerous papers that Mr. Quezon, Filipino leader, president of the Philippine Senate, former Commissioner to the United States, has abandoned his position in favor of complete independence for the Philippines and would accept in lieu of independence an increased autonomy, which I presume meant the election of a Filipino governor by the Filipino people.

This statement is not correct, so I ask permission to insert in the RECORD the entire report of Mr. Quezon to the Philippine Legislature.

It will be noted that because of his continued ill health, it was accompanied by his resignation as president of the senate and leader of his party. His resignation was rejected.

The statement I insert is in full, just as it was given to the Philippine Legislature. No one who reads it and understands English or wants in any way to be fair could interpret it as any abandonment of the aspiration for independence. The leader does ask for independence with free trade for a period of 10 years, but the two go together.

There was no compromise offered and none suggested. All of the three plans suggested by Mr. Quezon embrace independence, and he very carefully states that if independence must be given on terms of disadvantage, hardship, or even strain upon the Filipino people, it would be accepted, no matter how difficult the impositions might be.

The VICE PRESIDENT. Without objection, leave is granted.

Mr. QUEZON's report is as follows:

GENTLEMEN: I have the honor to submit the following report of my trip to the United States.

The Philippine Legislature on October 29, 1929, passed a concurrent resolution providing for the sending of a mission to the United States to be presided over by the president of the senate and the speaker of the house of representatives. The Resident Commissioners were made members ex officio of this mission.

Illness made it impossible for me to undertake the trip with the mission which, headed by the speaker of the house of representatives, left immediately for the United States, where it performed excellent work. The report of this mission has been in due time submitted to the legislature.

A RETROSPECT

During the administration of President Wilson the Congress of the United States, in 1916, enacted the Jones Act, which pledges the United States to grant the Philippines independence as soon as a stable government is established therein.

President Wilson, in his last message to Congress, reported that a stable government had been established in the islands and recommended that they be granted independence forthwith.

The Congress did not act on this recommendation. Then the Harding administration came into power, and President Harding, having in mind the last message of his predecessor, appointed the Wood-Forbes mission to investigate and report on the conditions obtaining in this country. The Wood-Forbes mission submitted an adverse report and recommended against the granting of independence immediately or at any time within a generation. The administration of President Harding acted in accordance with that report.

As the Filipino people disagreed with the findings and recommendations of the Wood-Forbes mission, a legislative mission was sent to the United States to refute the findings of said mission and to urge the granting of immediate independence. Though the plea of that mission went unheeded, the legislature continued to send other missions for the same purpose. One of these missions found in the Congress a sentiment which seemed favorable to the granting of independence. Bills to this end were introduced in the Senate as well as in the House of Representatives of the Congress of the United States, but none of them reached the floor of either body. Then President Coolidge came out publicly and stated as his opinion that the time was far off when independence could be granted to the Filipino people, thus indorsing the policy enunciated by President Harding. It must be borne in mind that neither Harding nor Coolidge repudiated, but, on the contrary, reiterated, the pledge of the United States to grant the Philippines independence. They differed from the stand taken by President Wilson in his last message to Congress only as to the time when independence is to be granted. However, the effect of President Coolidge's pronouncement on this subject seemed to have relegated the Philippine question to the background, and thus it looked as though the uncertainty of the future political status of the islands was to continue for an indefinite time to the great disappointment of our people.

NEW FACTORS THAT ENTER INTO THE SITUATION

Such was the situation when in the summer of 1927 the sugar interests of Cuba, in which American investments total a billion dollars, began to give indications of their desire to eliminate from the American market the competition of Philippine sugar. These interests having noticed the increase in the production of Philippine sugar, and fearing that within a short time this increase would be augmented, as some one had wrongly predicted, to several million tons, they decided to work for the imposition of the tariff upon our sugar. The beet-sugar producers in the United States, then the dairy farmers who think they suffer from the competition of Philippine oil, and finally the labor organizations of the Pacific coast who want to stop Filipino immigration, also began to agitate in an attempt to secure from Congress legislation that would close the doors of America to Filipino importation and immigration.

ATTEMPT TO DISCRIMINATE AGAINST THE PHILIPPINES

In the sessions of Congress of 1928 and 1929 there were attempts to impose tariff on Philippine sugar and oil. A Philippine mission, headed by Senator Osmeña and Speaker Roxas, fought the proposed discrimnation against the island, as did also Secretary Stimson and the War Department, and the attempts failed.

EFFECT IN THE PHILIPPINES OF THE PRESENTATION OF SUCH MEASURES

The efforts thus made unjustly to impose a tariff on Philippine products, while the islands remained under American sovereignty, created among our people a feeling of uneasiness which beggars description. To the uncertainty of the grant of independence there was added the deep concern over the treatment which, in its economic relations with the United States, our country would receive under the American flag. The immediate effect was to stop either foreign or domestic capital from investing in new enterprises. And the most conservative Filipino saw the necessity of an immediate and definite solution of the Philippine question.

THE SESSIONS OF CONGRESS OF 1929 AND 1930

In the discussion of the last tariff bill in the Senate of the United States during the sessions of 1928 and 1929 those American interested parties exerted every effort to levy duty on Philippine sugar and oil. They met the opposition of Senators who believed that before free trade between American and the Philippines is abolished independence should first be granted. At last advocates and opponents of the proposal to impose a tariff on our products agreed to consider the question of independence in the following session of Congress (1929–30).

What took place regarding this question in that session (1929–30) with respect to the Philippines is related in detail in the Roxas mission's report to the legislature. Suffice it to say here that several independence bills were introduced in the Senate and hearings thereon held in the Senate Committee on Territories and Insular Affairs. The Philippine mission appeared in these hearings and urged the grant of independence. The administration, through the testimony of the Secretary of State and a letter addressed by the Secretary of War to the chairman of the committee, not only objected to all measures to grant independence but took the stand that it was neither necessary nor expedient to pass any legislation that would change the present government of the Philippines.

After these hearings the Senate Committee on Territories and Insular Affairs favorably reported the bill known as the Hawes-Cutting bill.

This bill does not grant immediate independence to the Philippines. Senator HAWES himself, during the Senate hearings and in connection with the testimony of Secretary of State Stimson, said that no bill granting immediate independence would be considered by the Senate. The Hawes-Cutting bill provides for the immediate establishment of an autonomous government, and, in respect to the trade relations between the United States and the Philippines it states that "the second year after the termination of the existing Philippine Government there shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands and upon all articles coming into the Philippine Islands from the United States 25 per cent of the duties which are required by the respective Governments to be levied, collected, and paid upon like articles imported from foreign countries," at the end of the third year the tariff duties will be raised to 50 per cent, at the end of the fourth year to 75 per cent, and at the end of the fifth year to 100 per cent.

From my sick bed in Manila I followed closely the development of these events. On the one hand, I feared that the attitude of the administration opposing all legislation that would change the present government of the Philippines would be successful, and, on the other, I was apprehensive as to the effect of the Hawes-Cutting bill upon our economic structure if it were approved, as reported by the Senate committee. It was certain, also, that nothing would be done in the next session of 1930–31, because this was a short session, and Congress would not then have time to act on such a controversial subject.

In other words, as I saw it, the situation was this: There was another perspective—worse than either of the two—namely, that a bill raising a tariff wall against our products and prohibiting Filipino immigration might be approved without change in our present political status. For the time being, the first event that I feared happened. No legislation affecting the Philippines was taken up by Congress during the sessions of 1929–30.

MY TRIP TO THE UNITED STATES

Such was the situation at this point when I decided to go to the United States.

My object was to see if I could expedite the settlement of the Philippine problem by securing an agreement on a measure that would fulfill the pledges of America to the Filipino people along lines that would promote best their interests. I felt that if I was to attain my object I had to convince the administration and win it over to my views. I also believed it necessary to find a way of satisfying the demands of those interests that thought, however wrongly, that they were injured by the importation of Philippine sugar and oil and the immigration of Filipino labor. As to Congress, it seemed to me that it was ready to take up the Philippine question and would act on the subject without much difficulty if the ground could properly be prepared.

Accordingly, upon arrival in the United States, I got in touch with representatives of the labor organizations on the Pacific coast and of the interests that are opposed to the free entry of Philippine products, bankers, merchants, newspaper publishers, Senators and Representatives, and other high Government officials.

IMPORTANCE OF THE SUPPORT OF THE ADMINISTRATION

I did my best to secure the support of the administration in our favor. It should be borne in mind that, even if it be true that there is a majority in both Houses of Congress favorable to the grant of independence, the administration can, by two means, thwart the enactment of legislation to which it is opposed. The first method is to block the passage of the bill in either House of Congress through Senators and Representatives of its own political party who are friendly to the administration; the second is for the President to veto the bill after it is passed by the Congress. And right here I want to say that I am more interested in securing the enactment of legislation beneficial to our country that would definitely settle the Philippine question in line with our national aspirations, even though it did not grant immediate, complete, and absolute independence, than in all the speeches and prospects about immediate independence, which, however brilliant and sincere, that could ensue if, after all, nothing would come out from them. It is undeniable that the great majority of the Filipino people desire immediate, complete, and absolute independence. It is also true that for 30 years we have been demanding it from the people and Government of the United States. But to date we have not succeeded. It is high time that we acted more

like practical men rather than like theorists. I admit that the situation of the Philippine cause in the United States has changed considerably, because for the first time since American occupation there are interested parties there actively working to create public opinion in favor of Philippine independence. It is also true that, partly as an outcome of this, there is the belief in Washington that there will be a majority in both Houses in the next session of Congress to carry any measure granting Philippine independence. But even in such a situation Senators and Representatives, advocates of independence, have told me that if the administration be opposed to any independence bill its enactment could not be assured.

CONFERENCES WITH THE ADMINISTRATION

Shortly after my arrival in Washington I paid an official call on the President and held conferences with Secretary of State Stimson and the Secretary of War.

Speaking with Secretary Stimson, I told him that the policy of economic development which he enunciated in the Philippines when he was governor general had received a deathblow with the attempts at a change in the economic relations between the United States and the Philippines; that, therefore, whatever might have been the opinion he had hitherto held on the Philippine question, in the interests both of the American and the Filipino peoples, the Philippine situation must be defined by the enactment of legislation to this effect. Secretary Stimson, without expressing to me any concrete opinion as to what should be done, gave the impression that whatever might be agreed upon between the Secretary of War and myself would not be objected to by him when submitted to the President.

In my conversations with the Secretary of War I expressed the gratitude of the Filipino people for the stand taken by his department in opposing the bills on Philippine importation and Filipino immigration, as well as the efforts to apply the coastwise law to the islands. Secretary Hurley expressed his appreciation and warned me as to what on these subjects might happen at the next session of Congress. I told him that it was precisely because I shared his forebodings that I was in Washington and that I wanted therefore to discuss a plan that would put an end to this situation. With respect to the free-trade and labor-immigration questions, I expressed the hope that some way could be found to harmonize the interests of the Filipinos and that of those against the free entry of our products and of Filipino laborers into the United States. I also gave it as my opinion that my people would not object to the limitation of the free entry of sugar and oil and the restriction of labor immigration so long as this was made a part of a larger program that would finally solve the Philippine problem in accordance with our national aspirations. I emphasized that the most pressing need of the islands was a definite understanding as to the political and economic relationship between the United States and the Philippines on a basis satisfactory to both peoples, and I assured him that even the Americans and foreigners here agree with the Filipinos, that the insecurity of the present relations should terminate. I described the sentiments and stand of the Filipinos thus: That the masses of the Filipino people, jointly with a great majority of farmers, merchants, and professionals, are in favor of immediate, absolute, and complete independence of the Philippines, with free trade for some time, if this were possible, and without free trade if need be.

I also told him that a minority among the farmers, merchants, and professionals would be satisfied for the present with an autonomous government in the Philippines, with free trade with the United States, even if with limitations as to sugar and oil; and that probably some of them—a very few—would prefer such a solution to complete and immediate independence. But that even the latter would want a period of, say 10 or 15 years, to be fixed (and an insignificant minority among them would probably accept a longer time) at the expiration of which the Filipino people should be given complete independence or the option to have it if they so desire. I told him finally that both the conservative and the radical Filipinos would be united in favor of immediate independence even without free trade if the only other alternative was the continuation of the present uncertainty of the political and economic relations between America and the Philippines. I than expressed the hope that the Secretary might find it advisable to recommend to the administration that it take the initiative and urge Congress to pass some legislation that might be agreed upon as between the administration and the Philippine Legislature.

NO AGREEMENT

After a series of conferences with Secretary Hurley in which we discussed all the aspects of the Philippine question—economic, political, social, and international—I found that the Secretary would not commit himself, nor did he want to commit the administration in advance, to any program requiring legislation on the part of the Congress.

In my last call on Secretary Hurley in his office in the Department of War, my last words to him were these:

"Then, Mr. Secretary, we are agreed that we did not come to any agreement, but I hope that each one will still continue to do his best for the Filipino people."

Thus ended my conferences with the Secretary of War, but I had not lost hope that once in the Philippines, whereto the Secretary and I had planned to come together, some agreement might be reached. As is known, the state of my health did not allow me to accompany Secretary Hurley on his trip to the Philippines. In everything I said to the Secretary of War, it was understood that it was subject to the approval of the legislature.

MY STAND ON THE PHILIPPINE PROBLEM

In conferences with some Senators, among them Senators KING and HAWES, some Representatives, and high officials of the administration, I expressed my opinion that the Philippine problem could be solved satisfactorily through any one of these three procedures:

First. Immediate establishment of an independent government, with free trade between America and the Philippines for a period of 10 years, limiting the amount of sugar entering the United States free of duty to 1,000,000 tons, and of oil to the amount that is exported at present, and restriction of labor immigration into the United States.

Second. Immediate establishment of an autonomous government with all the consequent powers, including that of enacting measures considered necessary to meet the responsibilities of an independent government, when independence is granted with the restrictions necessary to safeguard the rights of sovereignty of the United States in the Philippines. For a period of 10 years the trade relations between the United States and the Philippines and the labor immigration into the United States would be governed as stated in the first plan. At the end of 10 years absolute independence of the Philippines will be granted, or the Filipino people will decide through a plebiscite whether they desire to continue with this kind of government or prefer to have one that is absolutely independent. In the latter event independence shall be granted forthwith.

Third. If neither of these plans protecting Philippine economic interests shall be acceptable to Congress, I said that the Filipino people would, as a matter of course, accept any law granting independence even under the most burdensome conditions.

The first plan found no acceptance in any quarter.

Even Senator KING (the American Senator who has been fighting for Philippine independence with the greatest zeal and disinterestedness) told me that the American people would never consent to the continuance of free trade between America and the Philippines in any form after independence has been granted us. This view is shared by all.

As to immediate independence it will be remembered that Senator HAWES himself, in answer to Secretary Stimson at the Senate hearings, stated that no one in the Senate Committee on Territories and Insular Affairs was in favor of immediate independence.

The second plan is the same idea embodied in the Hawes-Cutting bill, with the difference that the period for free trade is maintained for 10 years, while under the Hawes-Cutting bill from the second year duties will be levied at such a rate as would practically prevent the exportation of sugar, oil, and tobacco from the Philippines to the United States. In consequence of this extension of time as to trade relations, the date for independence or the plebiscite which is provided in the said Hawes-Cutting bill is also extended to 10 years.

It will perhaps be said that I deviated from the platform of my party in suggesting this second plan. I do not agree with this view. On the contrary, I think that my stand is fundamentally the same taken so far by the Nacionalista-Consolidado Party. But granting that it does not, I would not back out. This is one of the situations in which the leader of a party or a people has to decide whether to follow literally the platform of his party or to deviate somewhat from it because the prevailing circumstances and the welfare of his people so demand. My duty, as I honestly understand it, is not to stand pat on the platform of my party if in so doing I am convinced that the result would be either failure to accomplish anything in the interests of my people or to secure something injurious to them. The affairs of government are eminently practical—not theoretical. Those who have the responsibility of guiding the destinies of a nation have the solemn duty of harmonizing the lofty ideals of their people with the realities.

In all sincerity I must confess I am deeply apprehensive about the effects that the immediate termination of free trade with America will have upon our economic and social life. Especially do I feel thus because of the present world depression. The barring from the American markets of the products of industries which were created and stimulated under the shelter of a protective American tariff can not but affect our commerce. And consequently there will be a lowering of wages and a reduction in the income of the government, which is already being curtailed by the present depression. In a word, I am of the firm belief that with a sudden and abrupt termination of free trade with America there will be created here a situation of extreme difficulty for the people and the government of the Philippines. And it is not just to impose on us this hardship.

The Philippine Assembly opposed free trade between America and the Philippines on the ground that inasmuch as the Filipino people wanted to be free and independent there should not be created relations with America that would make us dependent upon the United States. Despite such opposition the American Congress passed the law establishing free trade between the two countries. It is only just, therefore, that we should be given a reasonable time in which to sever, without serious disturbance, this economic bond imposed upon us.

NET CERTAIN THAT THE NEXT CONGRESS WILL ACT ON PHILIPPINE INDEPENDENCE QUESTION

As a result of the last elections in the United States, the line-up of the political parties in the next Congress will be evenly bal-

anced. With regard to the Philippine question, however, it is the prevailing opinion in Washington that should it be put to a vote, there would be a very large majority in favor of independence. This opinion is based upon the fact that the combined votes of the Democrats who have always favored independence, the Progressives, and the regular Republicans who come from districts where sugar, dairy, and labor interests are politically influential would constitute a substantial majority. However, no one can say with certainty that Congress will act on the Philippine problem. Domestic and foreign questions of great import now confront the Government and people of the United States, and these questions will doubtless receive prior consideration. Hence the Philippines may not receive consideration at this time.

The President of the United States has not so far revealed publicly what his attitude would be in case an independence bill should be passed by Congress. It is the consensus of opinion among Members of Congress with whom I have spoken on the matter that if the President should veto such a bill there would not be a sufficient number of votes to override his veto.

SUGGESTIONS

The poor state of my health compels me, after the submission of this report, to resign as president of the senate and as head of the Nacionalista-Consolidado Party. For this reason, I entertain serious doubts whether, at a time when the leadership of the senate and of the majority party will soon pass into other hands, it would be proper for me to express views that might embarrass those who are to succeed me. Let me therefore ask you to be indulgent and consider what I am about to say as mere suggestions.

THE FRIENDSHIP OF THE UNITED STATES

We should carry on our campaign in the United States with prudence and discretion. I do not believe that America resents the Filipinos' desire for independence. The American people are liberty loving, and to the blessings of freedom they owe their prosperity and happiness. Independence has been promised us, and it is natural that we should strive for it. But let us be careful not to say or do anything which might create the impression in America that our demand for independence is due to a lack of appreciation of what America has done for us or to a dislike for Americans. We shall be particularly careful to avoid this, because, as a matter of fact, our people are grateful to America, and we are friendly to the Americans.

Let us always remember that America's friendship, even after our independence has been recognized, will be most beneficial to us. In recent years the most powerful nations of Europe and of Asia, when faced by critical situations, have had to seek the help of the United States.

MISSION TO THE UNITED STATES

I am of the opinion that the Philippine Legislature should immediately send a mission to the United States. The situation demands, more than ever, that such a mission should be headed by the responsible leaders of the Filipino people. If I were to continue as the national leader and my health permitted it, I would return immediately to the United States. But I am practically an invalid. To go now would risk my life without being able to render any service to the country, and the sacrifice would be useless. If some nonofficial representatives of the community could go to the United States at their own expense, their presence in America would be helpful. I believe that the mission should not content itself with supporting bills presented by Senators or Representatives of the United States unless such bills are wholly satisfactory to us. The mission, in my opinion, should formulate and submit its own plan, which should cover in detail all the aspects of the Philippine question—political, economic, and international. If no United States Senator or Representative should sponsor such a plan, at least we would have made known what we honestly and sincerely believe to be the best solution of the Philippine problem. This does not mean that the Philippine Legislature should give specific instructions to the mission; on the contrary, I believe that the mission should be given a vote of confidence in order to be able to act with entire freedom and to get the best out of any situation that may arise. In this way, if the plan submitted by the mission should not meet with support in Congress, the mission still would be in a position to indorse whatever bill would be most beneficial to us.

SITUATION WHICH THE MISSION HAS TO FACE

I wish to make known and to present clearly to the Filipino people the situation which the mission will have to face.

On the one hand are the reactionary elements, those Americans who want America to remain here for an indefinite time, ruling us with a strong hand. They will certainly present a formidable battle, and they have on their side the majority of the newspapers with the largest circulation. I believe their representatives in Congress will resort to every manner of parliamentary device in order to block final action on any liberal Philippine legislation. And, as stated before, with so many important questions of domestic and international character demanding the attention of the American Government, it would not be difficult for them to attain their object. In other words, the first danger which threatens us is that we may not get anything, that we may not take any forward step whatever.

On the other hand are the interests which consider themselves affected by the free entry of certain Filipino products. They want this importation to cease immediately. Then there are the labor organizations which are determined to exclude Filipino immigration. While both of these elements are responsible for arousing in recent years interest in Congress on the Philippine question, we should not forget that their main purpose is not so much to free the Filipino people from American control as to free themselves from the competition of Philippine products and Filipino immigrants. If these elements could have their own way in fixing the terms and conditions under which independence is to be granted us, they would proceed without a single thought of the consequences which a sudden termination of free trade between America and the Philippines would bring about. In other words, the second danger against which we should be warned is that independence, if granted us, might be granted under burdensome conditions.

The third danger—the most unjust to us—is that no independence bill in any form may be passed, but the free entry of our products into the United States may be restricted and Filipino immigration prohibited.

WHAT I WOULD DO

What I would do if I were to face such a situation would be the following:

First. I would try to obtain immediate, absolute, and complete independence, with free trade between America and the Philippines for 10 years. I would strive for safeguards for the independence and integrity of Philippine territory through a treaty entered into by the great powers of the world. If this plan failed—

Second. I would strive for the fixing of a period necessary for our economic readjustment, after which the Filipino people will be given absolute independence, or will be free to choose whether they will have independence or not. During such period of economic readjustment the government of the Philippines will be autonomous, with a chief executive elected by the people, and with such powers as may be necessary to take all the measures designed to promote the country's political, economic, cultural, and social development, in keeping with the needs and the genius of the Filipino people. I would give my consent to the intervention and control of America over those matters which directly or indirectly might affect our international relations until the complete separation between the two countries shall have been effected.

Third. If I saw that none of the plans above outlined had any probability of being approved, I would support any measure which would insure some action by the next Congress on the Philippine question. This means that I would accept immediate, absolute, and complete independence without free trade or any other plan that would put an end to the present uncertainty and American control of our government and which will bring us nearer to the full attainment of our national ideals.

PROBLEMS OF LOCAL CHARACTER

Not only because the revenues of the government have already been impaired by the business depression, but also because of new responsibilities which we may have to assume, we should proceed immediately to study how to cut down the expenses of the government of the Philippines and to reduce the salaries of our officials in proportion to the resources of our country. I am gratified to know that the legislature already has taken the first steps to this end.

We should not encourage the further expansion of industries which depend upon the protected American market. Existing industries should reduce the cost of production and strive to be in a position to compete in the markets of the world. New products of local consumption and those which do not depend on American protection are the needs of the future.

With respect to our laborers, I believe that for the present, at least, they should prefer to stay in the Philippines, because their work is needed here more than ever before for the development of our natural resources. Furthermore, in the United States there are many millions of unemployed Americans, and it is not easy for the Filipinos to find employment. I was informed that many Filipinos were without jobs and in extreme misery to the extent that as a result they have been taken ill and have died. No Filipino laborer should go to America or anywhere else in search of work unless he is assured of employment or has the means with which to support himself until he can find work, and, in case of failure, enough for his fare back home.

THE SECRETARIES OF STATE AND WAR AND THE RESIDENT COMMISSIONERS

I wish to render public testimony of my appreciation of the courtesies of Secretary Stimson and Secretary Hurley extended to me during my stay in Washington. Although I did not come to any agreement with them, I must say that, in my opinion, they are sincerely interested in the welfare of the Filipino people.

Resident Commissioners GUEVARA and OSIAS lent me their loyal cooperation. These two Commissioners are doing excellent work in the United States. The Philippine Legislature in reelecting them has merely done them justice and acted in accordance with the best interest of our country.

CONCLUSION

I wish to make public recognition of the benefits that our people have received from the United States. We owe much to America. The unprecedented progress of our country is the result of the joint efforts of Americans and Filipinos. I am, however, constrained to declare that, in the interests both of the United States and the Philippines, the present relation between them, which is that of the ruler over the subject, must terminate. Our relations with the American people, if there are to be any, must be inspired by the principle of self-determination and voluntary partnership.

It is only thus that an effective and cordial cooperation between America and the Philippines may be secured in a common design to promote the moral and material interests of both peoples.

Respectfully submitted.

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THE PHILIPPINE LEGISLATURE,
Manila, P. I.

PRODUCTION COSTS OF COPPER (S. DOC. NO. 28)

The VICE PRESIDENT laid before the Senate a communication from the chairman of the United States Tariff Commission, transmitting, in compliance with the Senate Resolution No. 434, of February 5, 1931 (71st Cong.), the report of an investigation made by the commission under section 332, Title III, of the tariff act of 1930, of the differences in cost of production during the calendar years 1928, 1929, and 1930, between foreign articles and domestic articles included in paragraph 1658 (copper) of said act, which, with the accompanying report, was ordered to lie on the table and to be printed.

REPORTS OF FEDERAL TRADE COMMISSION ON CHAIN STORES

The VICE PRESIDENT laid before the Senate three communications from the chairman of the Federal Trade Commission, dated December 22, 1931, transmitting reports in response to Senate Resolution No. 224 (70th Cong., 1st sess.), of May 5, 1928, which were referred to the Committee on the Judiciary and ordered to be printed, as follows:

Report on the Wholesale Business of Retail Chain Stores (S. Doc. No. 29);

Report on the Scope of the Chain-Store Inquiry (S. Doc. No. 31); and

Report on Sources of Chain-Store Merchandise (S. Doc. No. 30).

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate resolutions adopted by the Board of Supervisors of the City and County of San Francisco, Calif., favoring amendment of the Volstead Act so as to permit the sale, distribution, and consumption of beverages with an increased alcoholic content, which were referred to the Committee on the Judiciary.

He also laid before the Senate a letter from Henry Green, of New York, N. Y., favoring abandonment of the gold standard in the United States, and stating that "the adoption of either the silver standard or bimetallism in its stead is a matter of secondary importance," etc., which was referred to the Committee on Banking and Currency.

He also laid before the Senate a communication from Everett Colby, chairman of the National World Court Committee, at New York, N. Y., transmitting a statement with respect to the adherence of the United States to the Permanent Court of International Justice, and calling attention to the following indications of the persistent belief of important groups representing large sections of American public opinion, favoring the ratification of the World Court protocols, as follows: First, a list of organizations which, since January 1, 1930, have recommended favorable action on the three court protocols; and, second, a list of the names of 5,819 individuals from the 48 States who are urging prompt approval of these protocols by the Senate, which, with the accompanying statement, was referred to the Committee on Foreign Relations.

Mr. BARBOUR presented a resolution unanimously adopted by citizens at a peace mass meeting in Ridgefield Park High School Auditorium, New Jersey, favoring the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. BINGHAM presented resolutions adopted by the Portland Chapter, National Aeronautic Association, of Portland, Oreg., favoring the making of sufficient appropriations for the maintenance and training of the Air Corps Reserve, which were referred to the Committee on Appropriations.

Mr. SHEPPARD presented a resolution adopted by the Texas Conference of the Methodist Episcopal Church South, favoring the inclusion of trained reserves in estimating the armed forces of the various nations participating in the forthcoming disarmament conference, and also favoring action by the Senate to carry out the purpose of the resolution, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented petitions of sundry citizens of Baltimore, Md., praying for the prompt ratification of the World Court protocols, which were referred to the Committee on Foreign Relations.

ENROLLED JOINT RESOLUTION PRESENTED

Mr. WATERMAN, from the Committee on Enrolled Bills, reported that on December 21, 1931, that committee presented to the President of the United States the enrolled joint resolution (S. J. Res. 39) extending the time within which the War Policies Commission is required to submit its final report.

SURVEY OF INDIAN CONDITIONS

Mr. FRAZIER, from the Committee on Indian Affairs, submitted a partial report (No. 25), pursuant to Senate Resolutions 79 and 308, Seventieth Congress, and Resolutions 263 and 416, Seventy-first Congress, relative to Indian tribal and trust funds, with especial reference to the Mescalero Apache Reservation of New Mexico, which was ordered to be printed.

REPORT OF THE SELECT COMMITTEE ON SENATORIAL CAMPAIGN EXPENDITURES (S. REPT. NO. 24)

Mr. NYE. Mr. President, from the Select Committee on Senatorial Campaign Expenditures, I desire to file with the Senate a report pursuant to Senate Resolution No. 403 of the last Congress. I ask that it may be printed and a copy placed on the desk of each Senator, and that it also may be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The report is as follows:

[Senate Report No. 24, Seventy-second Congress, first session]

CAMPAIGN CONTRIBUTIONS AND EXPENDITURES OF ANTI-SMITH DEMOCRATS, 1928

Mr. NYE, from the Select Committee on Senatorial Campaign Expenditures, submitted the following report, pursuant to Senate Resolution 403:

SELECT COMMITTEE ON SENATORIAL CAMPAIGN EXPENDITURES

The Select Committee on Senatorial Campaign Expenditures was authorized and directed by the provisions of Senate Resolution 403 (agreed to January 5, 1931) "to investigate any complaint made before such committee by any responsible person or persons, alleging (1) the violation, at any time within two years preceding the adoption of the aforesaid resolution, of any provision of the Federal corrupt practices act, 1925, involving a false statement of campaign expenditures, or (2) a fraudulent conversion to private uses, at any time within such period of two years, of any campaign funds contributed for use in any election as defined in the Federal corrupt practices act, 1925."

Such charges were filed by Hon. GEORGE HOLDEN TINKHAM, a Representative in Congress, under date of January 21, 1931, alleging violation of the Federal corrupt practices act by Bishop James Cannon, jr., and requesting specifically examination of the disposition of contributions amounting to $65,300 received from E. C. Jameson, of New York.

In accordance with the authorization and directions of the resolution above referred to, the committee assigned its representatives to conduct a preliminary investigation of the charges filed by Mr. TINKHAM and held public hearings upon February 11, May 7, and August 25, 26, 27, and 28, 1931.

The charges above referred to related primarily to the handling of political contributions made during the presidential campaign of 1928 to a committee known as the headquarters committee, Anti-Smith Democrats, which sought to influence the results of the election in a number of States and which was, therefore, subject to the provisions of the Federal corrupt practices act, 1925. The officers of this committee were Bishop James Cannon, jr., chairman; Rev. J. Sidney Peters, secretary; Miss Ada L. Burroughs, treasurer.

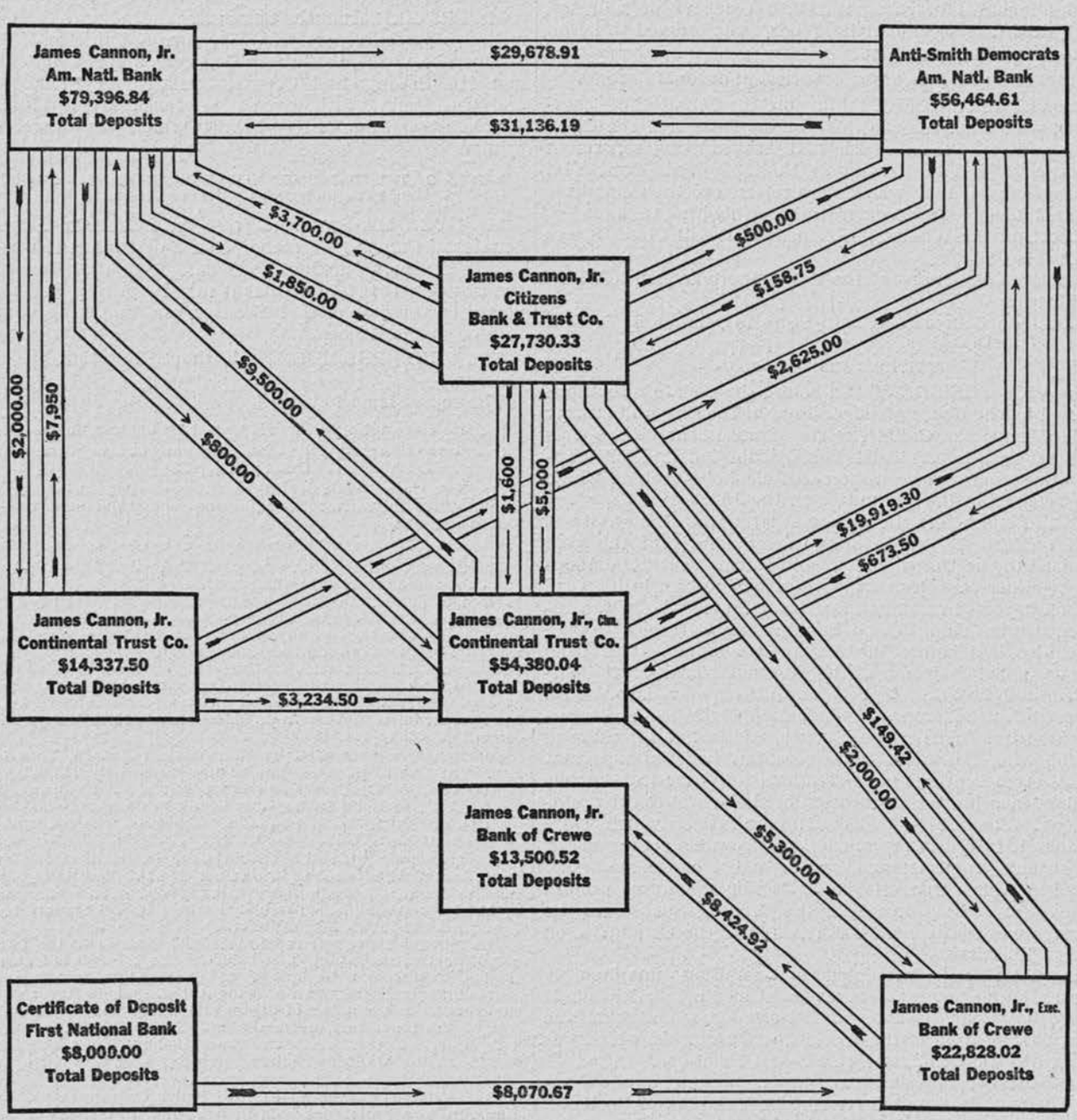
The headquarters committee, Anti-Smith Democrats, was formed pursuant to a conference held in Asheville, N. C., on July 18 and 19, 1928, in response to a "call" issued in the names of Bishop James Cannon, jr., and Rev. A. J. Barton. The purpose of the organization, as stated both in the "call" and in the formal "declaration" issued by the conference, was "the election of dry Democratic senatorial, congressional, and State nominees and the defeat of the wet Tammany candidate for President." Hundreds of thousands of copies of the "declaration" containing this statement were printed by the headquarters committee, and it was used in connection with the solicitation of campaign contributions, including the funds solicited and received from E. C. Jameson.

The fact that the headquarters committee was active in a number of States and that its funds were solicited for the purpose of influencing the election of Senators and Representatives, as well as the presidential candidate, is cited in order that it may be clear that the transactions of this organization are clearly subject to the provisions of the Federal corrupt practices act and within the jurisdiction of a committee duly authorized to conduct inquiries by the United States Senate.

any of the books and papers which had been previously produced in response to lawfully issued subpœnas and asking further that the testimony already existing both in written and printed form be destroyed. After a brief hearing, in which the committee was represented by Mr. Elisha Hanson as counsel, this petition was promptly denied by Judge Joseph W. Cox.

The treasurer of the headquarters committee, Anti-Smith Democrats, Miss Ada L. Burroughs, upon being summoned to appear as

Accounts and Special Deposits of James Cannon, Jr. and Anti-Smith Democrats



The investigations of the committee have, nevertheless, been greatly impeded by the attitude of the officers of the headquarters committee, who are the only persons having first-hand knowledge of the transactions of that organization. The chairman of the committee, Bishop James Cannon, jr., has persistently challenged the jurisdiction of the Senate Committee on Campaign Expenditures, as he previously challenged the jurisdiction of the Senate Lobby Investigating Committee. In the midst of the committee's investigations suit was filed by him in the Supreme Court of the District of Columbia petitioning for a writ of prohibition to prevent the committee from taking further testimony or examining

a witness on May 7, 1931, likewise challenged the jurisdiction of the committee and persistently refused to answer any of the questions propounded to her. These questions, all of which related to the contributions and expenditures of a political committee operating in two or more States, are set forth upon pages 71 to 75 of the hearings of this committee held on May 7, 1931.

After the investigations of the Senate committee had revealed numerous apparent violations of the Federal corrupt practices act and many unexplained discrepancies between the bank accounts in which political funds were deposited and the reports rendered on behalf of the headquarters committee to the Clerk of the House,

Miss Burroughs was again subpœnaed by the committee and appeared as a witness on August 27, 1931, but again refused to testify. After certain specific questions clearly within the jurisdiction of the committee had been propounded, Miss Burroughs was asked:

"The CHAIRMAN. Are you declining to answer any questions relating to the receipts and expenditures of the headquarters committee, Anti-Smith Democrats?

"Miss BURROUGHS. Yes."

Miss Burroughs's attention was directed to the fact that subsequent to her first appearance before the committee the Supreme Court of the District of Columbia had refused to grant the petition filed by Bishop Cannon challenging the jurisdiction of the committee and requesting a writ of prohibition against its further proceedings. She was also warned by the chairman as to the possible legal consequences of her refusal to testify.

The secretary of the headquarters committee, Anti-Smith Democrats, Rev. J. Sidney Peters, was also summoned as a witness before the Senate committee on August 28, 1931. Mr. Peters appeared in response to the committee's subpœna, but declined to answer any questions, either general or specific, relating to the receipts and expenditures of the headquarters committee, Anti-Smith Democrats.

It had previously been shown by the testimony before this committee that Mr. Peters was not only an officer of the headquarters committee but also that he was in charge of its work during the absence of Bishop Cannon, had full knowledge of its activities, and personally participated in the solicitation and expenditure of its funds. Mr. Peters's testimony was particularly desired by the committee in order to establish the facts with reference to the solicitation by mail of contributions to pay off an alleged deficit of some $6,500, which was more than covered by two contributions totaling $7,300 made by Mr. E. C. Jameson subsequent to the close of the campaign.

In view, however, of the fact that the constitutional grounds upon which Miss Burroughs and Mr. ePters refused to testify have been made the basis for a demurrer in the case of United States *v.* Cannon and Burroughs, a decision upon which is now pending in the Supreme Court of the District of Columbia, the committee does not at this time recommend any action by the Senate. Such action can be taken when the constitutional question has been judicially determined.

The committee's investigation was also rendered difficult by the fact that the books and records of the headquarters committee were not accessible and that more than two years had elapsed since the date of transactions under consideration. As a result telegrams, records of telephone messages, and detailed bank records, all of which are customarily destroyed at the end of a year, were unavailable. Substantially the only records available were, therefore, the reports filed by the treasurer of the headquarters committee, Anti-Smith Democrats, with the Clerk of the House of Representatives and the bank statements and deposit slips of the several bank accounts in which the committee has ascertained, after tedious and difficult investigation, that political funds collected by or on behalf of the Anti-Smith Democrats had been deposited. The task was also complicated by reason of the fact that Bishop Cannon received a large part of the funds which he handled during the campaign in the form of cash, the disposition of which it is practically impossible to trace.

Nevertheless, through the painstaking and patient work of Mr. Basil Manly, who acted as special assistant to the committee in this investigation, and that of Mr. Edward M. Daniel and Mr. W. Hunter Baldwin, it was found possible, even with these fragmentary records, to prepare a substantially complete analysis of the sources and disposition of these funds.

The evidence before the committee shows that, although Miss Ada L. Burroughs was the nominal treasurer of the headquarters committee, Anti-Smith Democrats, the funds of that organization were in fact largely handled by the chairman, Bishop James Cannon, jr.

On July 24, 1928, soon after the formation of the committee, an account was opened with the American National Bank (now American Bank & Trust Co.), Richmond, Va., in the name of "Anti-Smith Democrats," checks to be signed by the treasurer, A. L. Burroughs, and countersigned by the chairman, James Cannon, jr. This was the only account, so far as this committee has been able to determine, which stood in the name of the Anti-Smith Democrats or any affiliated or subsidiary organization and to which Miss Burroughs, as treasurer, had access.

The funds which were secured as contributions to the Anti-Smith Democrats were, however, deposited either during the campaign or after its close in a number of other accounts, all of which were subject to check or withdrawal only by James Cannon, jr. In all, 10 accounts were utilized in connection with the handling of these funds:

1. Account of the "Anti-Smith Democrats" in the American National Bank, Richmond, Va.

2. Account of James Cannon, jr., American National Bank, Richmond, Va. This was a personal account of long standing.

3. Account of James Cannon, jr., Continental Trust Co., Washington, D. C. This was a political account, opened on August 6, 1928.

4. Account of James Cannon, jr., chairman, Continental Trust Co., Washington, D. C. This was also a political account, to which the balance of the preceding account was transferred on October 11, 1928.

5. Account of James Cannon, jr., Citizens Bank & Trust Co., Blackstone, Va. This was a personal account of long standing.

6. Certificate of deposit in name of James Cannon, jr., Citizens Bank & Trust Co., Blackstone, Va. This was a time deposit of political funds withdrawn from the account of James Cannon, jr., chairman, in the Continental Trust Co., ultimately transferred to the personal account of James Cannon, jr., in the same bank.

7. Certificate of deposit in name of James Cannon, jr., First National Bank, Blackstone, Va. This was a time deposit of $8,000 of political funds received from E. C. Jameson, ultimately transferred to account of James Cannon, jr., executor.

8. Certificate of deposit in name of James Cannon, jr., executor, in Bank of Crewe, Crewe, Va. This was a time deposit of political funds withdrawn from the account of James Cannon, jr., chairman, in the Continental Trust Co., ultimately transferred to savings account of James Cannon, jr., executor, in the same bank.

9. Account of James Cannon, jr., executor, Bank of Crewe, Crewe, Va. This was a savings account in which political funds received from Jameson and withdrawn from the account of James Cannon, jr., chairman, were deposited.

10. Account of James Cannon, jr., Bank of Crewe, Crewe, Va. This was a savings account to which funds were transferred from the account of James Cannon, jr., executor, in the same bank.

As an aid to understanding the complex interrelations of the several accounts the committee submits herewith a diagram (Chart A) which was placed in evidence during its hearings.

Except for the two long-standing personal accounts in the American National Bank and the Citizens' Bank & Trust Co., these several accounts were opened by Bishop Cannon during or soon after the close of the campaign and became the depository of the political funds in varying amounts. In addition, Bishop Cannon maintained a safe-deposit box in the American National Bank at Richmond, Va., to which Miss Burroughs had access as his deputy and to which there were frequent entries both by Bishop Cannon and Miss Burroughs during the period of the campaign. It would appear reasonable, as indicated by Bishop Cannon's testimony before the lobby investigating committee (p. 4834), that this box was used as the depository for some of the large amounts of cash which were received as campaign contributions, a total of $27,550 in cash having been secured from E. C. Jameson alone.

The account in the Continental Trust Co. was opened originally on August 6, 1928, in the name of James Cannon, jr. In opening this account Bishop Cannon wrote to Mr. C. W. Warden, vice president of the Continental Trust Co.:

"It is thought wise to keep three separate accounts of the expenditures of our committee to defeat Al Smith, and I have decided to open one of these three accounts with the Continental Trust Co. * * * Send me pocket check book, as there will probably be checks made on the account of such amounts as will be needed to meet special work and not small bills."

Later, on October 11, 1928, a new account was opened in the Continental Trust Co. in the name of "James Cannon, jr., chairman," to which the entire balance then remaining in the account of James Cannon, jr., was transferred.

Analysis of the funds passing through these two accounts reveals the following results as regards the source and disposition of the moneys:

Analysis of accounts of James Cannon, jr., and James Cannon, jr., chairman, Continental Trust Co.

SOURCE OF DEPOSITS

Funds contributed by E. C. Jameson	$29,750.00
Other large contributions	17,450.00
Probable large contributions	1,800.00
Small contributions	5,130.49
James Cannon, jr	6,565.55
Currency, bills, etc	7,150.00
Anti-Smith Democrats	871.50
Total	68,717.54

DISPOSITION OF WITHDRAWALS

James Cannon, jr.:		
Deposited in personal account, American National Bank	$17,450.00	
Certificate of deposit, Citizens Bank & Trust Co	5,000.00	
Certificate of deposit, Bank of Crewe	5,300.00	
Paid on personal note, First National Bank	528.00	
		28,278.00
Anti-Smith Democrats		22,544.30
Unaccounted for		17,895.24
Total		68,717.54

Eliminating duplications arising from transfers from one account to another, the total amount of political contributions handled by Bishop Cannon and Miss Burroughs during or immediately following the presidential campaign of 1928 appears to have aggregated approximately $133,000.

This total was made up of the following items:

Deposited to account of Anti-Smith Democrats, American National Bank, Richmond, Va. ($58,708.61), less $17,300 credited to Jameson contribution, Feb. 11, 1929, duplicating deposits in Continental Trust Co. and cash contributions	$41,408.61

Deposited to accounts of James Cannon, jr., and James Cannon, jr., chairman, in the Continental Trust Co., Washington, D. C. ($68,717.54), less amounts ($22,544.30) transferred to Anti-Smith Democrats' account	$46,173.24
Certificate of deposit in First National Bank, Blackstone, Va., James Cannon, jr	8,000.00
Cash received from E. C. Jameson	27,550.00
Cash received from Joseph S. Frelinghuysen	10,000.00
Total	133,131.85

The amount can not be exactly determined from the available evidence, because of the fact that a large number of deposits, ranging in amounts from $1 to $500, listed in the account of James Cannon, jr., in the Citizens Bank & Trust Co., which appear to be campaign contributions, can not be positively identified as such without locating and examining the contributors. (See testimony of Booker, hearings, pp. 101–102.)

Of this aggregate of $133,000, by far the largest amount was contributed by Mr. E. C. Jameson, of New York. In all, Mr. Jameson contributed a total of $65,300 in the following amounts:

Date	Amount	Form in which received
Sept. 18, 1928	$10,000	Jameson checks.
Sept. 28, 1928	10,000	Cashier's checks, $9,750; cash, $250.
Oct. 9, 1928	10,000	Cash.
Oct. 16, 1928	5,000	Jameson check.
Do	5,000	Do.
Oct. 19, 1928	10,000	Cash.
Do	8,000	Cashier's check.
Dec. 6, 1928	4,300	Cash.
Jan. 14, 1929	3,000	Do.
	65,300	

The committee has been impressed with the fact that, although other political contributions which Mr. Jameson made during the presidential campaign of 1928, amounting to more than $100,000, were drawn to the order of the treasurers of the respective organizations, none of the checks above referred to were drawn either in the name of the treasurer or any organization. With the exception of the two checks for $5,000 each, dated October 16, which were drawn to the order of James Cannon, jr., all the checks above listed were drawn to the order of "cash," "bearer," or some other anonymous designation. The committee's investigation further shows that $27,550 of the above contributions was immediately converted into cash by Bishop Cannon or by Mr. Jameson's secretary at Bishop Cannon's request.

Of the $65,300 contributed by Mr. Jameson, $29,750 was deposited in the accounts of James Cannon, jr., and James Cannon, jr., chairman, in the Continental Trust Co.; $8,000 was placed upon certificate of deposit to the credit of James Cannon, jr., in the First National Bank, Blackstone, Va., and $27,550 was converted into cash, the final disposition of which the committee has found it impossible to determine.

There are several points connected with the Jameson contributions with reference to which the committee was unable to secure any satisfactory explanation. In the first place, although the first of the Jameson checks for $10,000 was dated September 18, 1928, the letter from Bishop Cannon soliciting contributions from Mr. Jameson, and which would appear upon its face to be the first communication upon the subject, is dated September 19, 1928. The office stamp upon the back shows that it was actually received upon September 20. Mr. Jameson was unable to explain how it was that he made this large contribution before he received Bishop Cannon's request.

A possible explanation may be found in a telegram dated September 8, 1928, from the late James W. Good, western manager of the Republican campaign, to Mr. Jameson, which read:

"Bascom Slemp is working on a plan for independent organization, and we are anxious to carry out this plan. He will talk with you about it. Please give him all the assistance possible."

To this Mr. Jameson replied on September 11:

"Your telegram received. I had a talk with Bascom Slemp and Senator Frelinghuysen yesterday, and he is fixed up so that he can go ahead and work out the independent organization as planned."

Mr. Jameson could not recall what independent organization was discussed, but Mr. Slemp testified that he saw Mr. Jameson about this time and talked to him about Bishop Cannon's work. (Hearings, pp. 78 and 81.)

Another unexplained transaction, indicating the receipt of funds from Mr. Slemp, which are not accounted for in the reports filed with the Clerk of the House, is referred to in a letter which Bishop Cannon, under date of October 13, 1928, wrote Mr. Jameson, as follows:

"I am also writing to tell you that Mr. Slemp has already paid three-quarters of the amount that he pledged the other morning, and he promises to have all of it in our hands by Monday; so that is cared for. It is very important that I get the balance on Friday, the 19th. I hope to be able to be in New York at that time and would prefer to have it all in cash. I hope that arrangement will be satisfactory to you."

Although both Mr. Jameson and Mr. Slemp were closely examined by the committee with reference to the amount "pledged by Mr. Slemp," neither of them was able to give any satisfactory explanation. The letter clearly implies that Mr. Jameson had knowledge of some amount pledged by Mr. Slemp, but Mr. Jameson was unable to recall any such transaction. (Hearings, p. 242.) Mr. Slemp suggested that it might refer to a contribution of $7,500 which he had made, $5,000 of which was sent to Richmond to be used in cooperation with Bishop Cannon. When his attention was directed to the fact that this transaction occurred early in August, more than two months prior to the letter above quoted, Mr. Slemp stated that he could not explain it. (Hearings, p. 86.)

All of the total amount of $65,300 contributed by E. C. Jameson, except $3,000, was paid before January 1, 1929, and under the provisions of the Federal corrupt practices act should have been reported in the statements filed with the Clerk of the House of Representatives during the campaign and on January 1, 1929. None of this money was so reported and, in the opinion of the committee, this failure to report any of these contributions upon the dates specified in section 305 constitutes a violation of the act.

None of it was reported in any way until Senator STEIWER, chairman of the committee on presidential campaign expenditures, wrote Mr. Jameson on February 8, 1929, asking him for a complete list of his contributions. On February 12 Bishop Cannon telegraphed Mr. Jameson, who was then in Florida:

"After careful examination records, think statement should be 'paid headquarters committee, Anti-Smith Democrats, $17,300. Paid Virginia committee, Anti-Smith Democrats, $48,000, making total $65,300.' This will correspond with our official reports."

On February 11, 1929, the day before Bishop Cannon sent the above telegram to Mr. Jameson, a check for $17,300 was drawn upon the personal account of James Cannon, jr., in the American National Bank of Richmond to the order of the Anti-Smith Democrats and an entry was made by Miss Burroughs in her accounts:

"February 11. Received from James Cannon, jr., donation of E. C. Jameson, New York, $17,000."

The discrepancy of $300 between the amount which Miss Burroughs entered in her statement and the amount of the check as drawn and as stated in Bishop Cannon's telegram of February 12, 1929, may be noted.

At the same time a check for substantially the same amount, $17,364.11, was drawn on the account of the anti-Smith Democrats and deposited in Bishop Cannon's personal account. That this was a mere "wash transaction" is clearly indicated by the fact that at the time these checks, amounting to more than $17,000 each were drawn, the balance in the account of James Cannon, jr., was only $549.81, while the Anti-Smith Democrat account shows an overdraft of $81.62.

In accounting for the payment of more than $17,000 to Bishop Cannon upon February 11, Miss Burroughs made entries in her account filed with the Clerk of the House, as follows:

Feb. 11.	James Cannon, jr., refund for money advanced anti-Smith Democrats in North Carolina	$5,000.00
	James Cannon, jr., refund for money paid Guardian Publishing Co., Richmond, printing	4,926.29
	James Cannon, jr., refund on money advanced to L. C. Branscomb, Anniston, Ala., for publicity work	200.00
	James Cannon, jr., refund on money advanced to Rev. Bob Jones, Florida, for travel expenses	250.00
	James Cannon, jr., for cash advanced by him from time to time to meet current expenses	6,394.46
	James Cannon, jr., refund on money advanced to Dr. A. C. Millar, Little Rock, Ark., for advertising and publicity	537.36

The investigations of the committee threw considerable light upon some of these items entered as refunds. With reference to the refund of $5,000 for money advanced to the Anti-Smith Democrats of North Carolina, W. H. Wood, who acted as treasurer of that committee in North Carolina, testified under oath before the committee that the $5,000 which he received from Bishop Cannon was drawn upon the International Germanic Trust Co., of New York. A deposit slip showing deposit of a check for $5,000 drawn upon this bank was placed in evidence. With the information furnished by Mr. Wood the committee traced this check to the account of Claudius H. Huston, subsequently chairman of the Republican National Committee. Later, when Bishop Cannon stated that he had received no money from Mr. Huston, Mr. Wood upon a rechecking of his bank statement ascertained that an additional check in the amount of $5,000 was received by him at about the same time, drawn against the account of James Cannon, jr., chairman, in the Continental Trust Co., of Washington, D. C., and so informed the committee by letter. In either event, it is clear that the $5,000 which was sent to Mr. Wood did not represent a personal advance of funds by Bishop Cannon.

Furthermore it may be noted that the report which had been filed by Miss Burroughs under date of December 31, 1928, had listed no unpaid obligations and had stated that the amount due on loans was $7,004.31, whereas, on February 11, 1929, alleged refunds amounting to $17,308.11 were listed as having been paid to Bishop Cannon.

The committee has been impressed also with certain peculiarities which appear upon the face of the reports filed by the treasurer of the headquarters committee, Anti-Smith Democrats, with the Clerk of the House of Representatives, in accordance with the Federal corrupt practices act, 1925. It is noted that almost with-

out exception the items appearing in those reports relating to alleged loans from James Cannon, jr., are entered in such manner as to indicate that they were inserted at a different time and sometimes upon a different typewriter from that used in the preparation of the body of the report. There is also a discrepancy between the reports bearing the same date filed with the Clerk of the House and the Secretary of the Senate, although they should have been exact duplicates. It is noted also that these reports list contributions alleged to have been received in amounts of less than $100 in totals considerably exceeding the aggregate amount of deposits in items of less than $100 during the same period in the various bank accounts.

In viewing these omissions and discrepancies in the official reports which were filed on behalf of the headquarters committee, Anti-Smith Democrats, the committee has been impressed by the suggestion appearing in a letter dated September 15, 1928, addressed by Bishop Cannon to Mr. W. C. Gregg, of Hackensack, N. J., which read in part as follows:

"Referring to the fact that all funds which are used under the auspices of the Anti-Smith Democrats must be reported by our treasurer as used for political purposes, I would say that if you prefer that your contributions should not appear in the report of the committee, it can be utilized in the literature campaign of the Board of Temperance and Social Service of the Methodist Episcopal Church South, which can concentrate to that extent to the amount of $500 especially in Tennessee.

"We are carrying on two kinds of work. Through our board of temperance and social service we are distributing literature which emphasizes very strongly the prohibition issue without calling the names of the candidates, but making, in my judgment, equally as effective an appeal for Mr. Hoover and against Smith as the literature which backs up directly the personal candidacy." (Hearings, p. 266.)

This letter, which was written early in the campaign, would appear to indicate the existence of a plan by which funds contributed to influence the result of the election would not appear in the official reports of the organization.

Reverting to the statement in Bishop Cannon's telegram to Mr. Jameson, of February 12, 1929, that $48,000 of the Jameson contributions was "paid Virginia committee, Anti-Smith Democrats," the committee has been unable to discover any substantial evidence to indicate that there was in fact a separate committee of Anti-Smith Democrats for the State of Virginia. On the contrary, the testimony of witnesses before the committee who were in a position to have knowledge of the facts was to the effect that there was no such organization and that all matters relating to the campaign in Virginia were handled out of the office of the headquarters committee, Anti-Smith Democrats. The correspondence which passed between Bishop Cannon and Mr. Jameson, soliciting his contributions, is written upon the stationery of the headquarters committee, and the language used in the various letters indicates clearly that the Jameson contributions were being solicited for general use throughout the South. (Hearings, pp. 221, 225, 227, 228, 262.) Mr. Jameson testified that he had no knowledge of any separate Virginia committee (hearings, p. 230), and that he had made his contributions generally to the Anti-Smith Democrats (hearings, p. 228).

During his appearance before the committee Mr. Jameson was asked:

"The CHAIRMAN. Mr. Jameson, if you had not received from James Cannon, jr., the telegram suggesting how you should or how he would like to have you make your report of your contributions to him, how would you have reported these contributions?

"Mr. JAMESON. I do not know; I can not answer that." (Hearings, p. 229.)

Further Mr. Jameson was asked:

"The CHAIRMAN. Prior to that telegram you had never heard, had you, of a separate Virginia committee?

"Mr. JAMESON. I do not remember of doing so."

In this connection it may be noted that the only accounting for the expenditure of the $48,000 alleged to have been contributed by Mr. Jameson to the Virginia committee was in the form of a public statement issued by Bishop Cannon and published in newspapers of June 5, 1930, which read in part as follows:

"The $48,300 contributed by Mr. Jameson used in the Virginia State campaign was applied as follows: General purposes of State work, including speakers, travel, automobiles, postage, etc. (round numbers), $16,000; for county and precinct organization, election-day work, etc., first congressional district, $2,000; second, $4,500; third, $6,500; fourth, $2,200; fifth, $4,000; sixth, $3,000; seventh, $3,000; eighth, $2,500; ninth, $2,100; tenth, $2,500; total, $48,300."

The discrepancy between the $48,300 here accounted for and the $48,000 stated as having been "paid Virginia committee, anti-Smith Democrats" in Bishop Cannon's telegram of February 12, 1929, may be noted.

During the hearing the committee had before it Dr. S. E. Hughes who, during the campaign of 1928, was chairman of the Anti-Smith Democrats in Danville, Va., the center of the fifth congressional district in which, according to the statement just quoted, $4,000 was spent. Doctor Hughes stated that he had no knowledge of any Virginia Anti-Smith Democrat committee other than the headquarters committee and that he received no funds for the campaign from Bishop Cannon.

His testimony was in part as follows:

"The CHAIRMAN. Did Bishop Cannon come into Danville during the campaign?

"Mr. HUGHES. Yes, sir; he made one address there.

"The CHAIRMAN. Did you confer with Bishop Cannon at the time of his visit?

"Mr. HUGHES. Bishop Cannon had dinner with me the evening he was there.

"The CHAIRMAN. Did he say anything at the time as to the availability of money for use down there?

"Mr. HUGHES. If I remember correctly, he said to me he hoped we would be able to finance our own campaign in Danville; if we needed a little money we could call on him and he would see what he could do, but I do not think we ever called. That is my recollection.

"The CHAIRMAN. Did he give you or send you any money?

"Mr. HUGHES. He did not.

"The CHAIRMAN. Did you or your committee make any contributions to the headquarters committee at Richmond?

"Mr. HUGHES. Not that I know of.

"The CHAIRMAN. Or to Bishop Cannon?

"Mr. HUGHES. Not that I know of.

"The CHAIRMAN. Did you have knowledge of any other committee functioning in Virginia, any committee other than the headquarters committee at Richmond?

"Mr. HUGHES. No, sir.

"The CHAIRMAN. Did you know anything of a Virginia Anti-Smith committee?

"Mr. HUGHES. I knew nothing at all about it except the committee in Richmond, the headquarters.

"The CHAIRMAN. That is all, Doctor. Thank you." (Hearings, p. 315.)

The committee also heard the testimony of Mr. H. G. Luhring, who was treasurer of the Greater Norfolk Anti-Smith Club, operating in the second congressional district, in which $4,500 is said to have been expended. Mr. Luhring testified that he knew of no Virginia Anti-Smith committee, except the headquarters committee (hearings, p. 311); that the only money which he received or of which he had knowledge as being received from Bishop Cannon or the Anti-Smith Democrats was the sum of $200 which he secured from Rev. J. Sidney Peters out of headquarters committee funds to assist in covering expenses of the Norfolk headquarters (hearings, p. 305, etc.). He stated that it would be hard for him to believe that $4,500 was expended in that district by the Anti-Smith Democrats in addition to what passed through his hands. (Hearings, p. 310.)

The committee is also impressed by the fact that the representatives of the Guardian Publishing Co., which did substantially all the printing used by the Anti-Smith Democrats during the campaign, stated that they had no knowledge of any committee except the headquarters committee and that al of the printing, including sample ballots for the State of Virginia, was ordered through the headquarters committee. (Hearings, pp. 291, 293.)

This impression is reinforced by the fact that the accounts of the headquarters committee, Anti-Smith Democrats, as reported to the Clerk of the House by Miss Burroughs, include a large number of items, which appear to relate exclusively to the conduct of the campaign in the State of Virginia, which would properly have been charged to and paid by the Virginia committee, if that committee had in fact been organized as a separate entity distinct from the headquarters committee. Among such items are, for example, expenses of Norfolk headquarters, expense of Fredericksburg (Va.) meeting, city of Richmond auditorium, rental of hall in Norfolk, copying of voting lists, political advertising in Virginia newspapers, auto hire for speakers in connection with Virginia meetings, and other similar items which appear to relate solely to the Virginia campaign.

In view, therefore, of these considerations, backed by the testimony of Doctor Hughes and Mr. Luhring that they knew of no separate Virginia committee nor of any considerable amounts of money sent into their districts by Bishop Cannon, your committee has been led to the conclusion that there was no separately organized Virginia committee of the Anti-Smith Democrats. This conclusion has been strengthened by the refusal of Rev. J. Sidney Peters and Miss Ada L. Burroughs to testify, although they occupied positions where they must have possessed knowledge of such an organization if it had maintained a separate existence.

Summarizing the facts which appear in the record with reference to the political funds handled by Bishop Cannon or Miss Burroughs during the campaign of 1928 or in connection with the payment of deficits alleged to have been created during that campaign, your committee finds:

1. That the total amount of such funds exceeded $130,000.

2. That of this total only $58,558.62 was accounted for in statements filed with the Clerk of the House of Representatives in accordance with the provisions of the Federal corrupt practices act of 1925.

3. That all of this money, having been contributed to influence an election at which presidential electors and Senators and Representatives in Congress were elected, should have been accounted for in reports filed with the Clerk of the House in accordance with the provisions of the corrupt practices act requiring such reports to be filed:

(a) By a political committee operating in two or more States, or

(b) By a committee active in only one State if such a committee is a branch or subsidiary of a national committee, other than the national committee of a political party.

The Virginia committee of the Anti-Smith Democrats, if it did in fact exist, was clearly a subsidiary of the headquarters committee, Anti-Smith Democrats, and any funds received or expended in its behalf should, therefore, have been reported.

4. That none of the $62,300 contributed by E. C. Jameson prior to January 1, 1929, was accounted for in any of the reports required by the Federal corrupt practices act to be filed with the Clerk of the House during the progress of the campaign and upon January 1 of the following year.

5. That the so-called supplemental report, filed by Miss Burroughs under date of February 11, 1929, which purported to account for the receipt of $17,000 from E. C. Jameson, was not a compliance with the requirements of the law or a disclosure of the total amount of the Jameson money which had actually been deposited in bank accounts of the Anti-Smith Democrats prior to that date. That this supplemental report was filed only as a result of inquiries made by the Senate committee, headed by Senator STEIWER, and was not, therefore, a voluntary attempt to rectify errors or omissions in the reports which had previously been filed.

6. That although Miss Burroughs was the nominal treasurer of the headquarters committee, Anti-Smith Democrats, a large part of the funds collected by or on behalf of that organization were in fact handled by the chairman, Bishop James Cannon, jr., who deposited such funds in accounts upon which he alone was able to draw checks, thus placing upon him a peculiar responsibility to see that the statements filed in accordance with the Federal corrupt practices act on behalf of such organization were accurate and complete.

7. That the reports of contributions and expenditures of the headquarters committee, Anti-Smith Democrats, as filed with the Clerk of the House of Representatives, do not check with the actual deposits and withdrawals shown by the bank statements as regards numerous important items.

DIVERSION OF POLITICAL FUNDS TO PRIVATE ACCOUNTS

Coming now to the second question which the committee was directed to investigate by the terms of Senate Resolution 403, namely, "A fraudulent conversion to private uses * * * of any campaign funds contributed for use in any election as defined in the Federal corrupt practices act, 1925," your committee finds that funds aggregating $18,300, representing moneys contributed for political purposes were placed on deposit to the credit of James Cannon, jr., or James Cannon, jr., executor, prior to the date of the general election in 1928 and remained on deposit to the credit of such accounts for considerable periods subsequent to that election.

In order to understand the transactions which resulted in the creation of these deposits it is necessary to review them in some detail.

On October 13, 1928, Bishop Cannon wrote Mr. E. C. Jameson on the letterhead of the headquarters committee, Anti-Smith Democrats, as follows:

"I am also writing to tell you that Mr. Slemp has already paid three-quarters of the amount that he pledged the other morning, and he promises to have all of it in our hands by Monday, so that is cared for. It is very important that I get the balance on Friday, the 19th. I hope to be able to be in New York at that time, and would prefer to have it all in cash. I hope that arrangement will be satisfactory to you."

On October 10, 1928, Bishop Cannon wrote Mr. Booker, cashier of the Citizens Bank & Trust Co., of Blackstone, Va., as follows:

"Am inclosing items for deposit.

"Suppose you ask Mr. Barrow if you and he can agree on this deposit of between $15,000 and $20,000 which is in my hands as chairman of the Newspaper Supply Co., an old subsidiary of the Richmond Virginian, could draw 4 per cent from time of deposit with pledge of 20 days' notice, or you pay only 3 per cent."

The Mr. Barrow referred to in the above letter is the president of the First National Bank of Blackstone, Va. This letter clearly implied that Bishop Cannon expected to deposit between $15,000 and $20,000, which he was holding as chairman of the Newspaper Supply Co.

The testimony of Mr. Jameson and Mr. Healey, Mr. Jameson's secretary, shows that on October 19 Bishop Cannon went to New York and secured from Mr. Jameson two checks, one for $10,000, representing the balance of $50,000 which Mr. Jameson had initially pledged to the Anti-Smith campaign, and a check for $8,000, an additional amount requested by Bishop Cannon. Mr. Jameson, questioned as to the purpose for which this $8,000 was contributed, testified as follows:

"The CHAIRMAN. Then you intended that the $8,000, as well as the $10,000, was for political purposes?

"Mr. JAMESON. Absolutely.

"The CHAIRMAN. And that was true, of course, of every dollar that you contributed to Mr. Cannon?

"Mr. JAMESON. Yes, sir; of course." (Hearings, p. 252.)

The testimony shows that the $10,000 check was exchanged for cash and that the $8,000 was exchanged for cashier's check of the Lawyers Trust Co., No. 9023, dated October 19 and drawn to "bearer."

This $8,000 cashier's check was in turn indorsed to S. L. Barrow, president; James Cannon, jr., chairman; James Cannon, jr., and then forwarded to Mr. Barrow by Bishop Cannon in a letter dated October 22, 1928, on the letterhead of the headquarters committee, Anti-Smith Democrats, in which he said:

"You will recall that Mr. Booker spoke to you a few days ago concerning placing on deposit certain funds of the Newspaper Supply Co. I was hoping that at least 4 per cent could be given on these deposits, but understand, of course, you do hesitate to break your rule. I am inclosing check for which please send me a time certificate of deposit, James Cannon, jr. I am sending Mr. Booker an equal amount. Yours sincerely, James Cannon, jr." (Hearings, p. 257.)

Receipt of this letter and check was acknowledged by Mr. Barrow on October 23 in a letter addressed to Bishop Cannon, in which he said:

"Your letter of October 22, 1928, and check for $8,000 received. As directed, we have issued certificate of deposit 35915 to your favor for $8,000 and send the same in this letter to you." (Hearings, p. 257.)

The certificate of deposit above referred to was in the following form:

$8,000 THE FIRST NATIONAL BANK OF BLACKSTONE, VA.,
Blackstone, Va., October 23, 1928.

James Cannon, jr., has deposited in this bank $8,000, payable to the order of self, after 90 days' notice, on the return of this certificate properly indorsed with interest at 3 per cent per annum if remaining three months, no interest if left for shorter time but if remaining six months, or longer, 4 per cent per annum will be paid. This certificate may be called in after 10 days' notice, interest to cease from the date of service of notice.

No. 35915.

(Signed) E. J. BLOOMFIELD, *Assistant Cashier.*
S. L. BARROW, *President.*

(On the reverse thereof:)

Pay to the order of James Cannon, jr., executor, for deposit, Bank of Crewe.

(Signed) JAMES CANNON, Jr., *Executor.*

Pay to the order of any bank or banker; all prior indorsements guaranteed.

BANK OF CREWE,
F. W. SHEFFIELD, *Cashier.*

(Hearings, p. 54.)

It may be noted that this certificate of deposit was drawn "payable to the order of self," and that, although, according to the testimony of Mr. Jameson, this money was secured strictly for political purposes, it was deposited on a 90-day time certificate on October 23, 1928, less than two weeks before the end of the campaign.

The testimony of Mr. Barrow shows that this $8,000 remained on certificate of deposit from October 23, 1928, until February 8, 1929, at which time it was transferred, with accrued interest of $70.67, and placed to the credit of James Cannon, jr., executor, in the Bank of Crewe, Crewe, Va. Bishop Cannon's letter of February 6, transmitting this certificate asked that it be placed "to my credit in the savings account on deposit with the understanding that I can draw against it from time to time and the daily balance draw interest at 4 per cent." It may be noted that, although the certificate was made payable to "James Cannon, jr.," it was indorsed "James Cannon, jr., executor."

This $8,000 contributed by Mr. Jameson for political purposes on October 19, 1928, was thus held intact for more than three months after the end of the campaign in the form of a time-certificate deposit in the name of James Cannon, jr., and was then merged with other funds in a savings account standing in the name of James Cannon, jr., executor. It may be noted also that, although this money was originally represented to be funds of the Newspaper Supply Co., the certificate was ultimately deposited in the executor's account, the balance of which was in due course transferred to a personal account of James Cannon, jr., in the Bank of Crewe.

The second certificate of deposit, represented to be funds of the Newspaper Supply Co., was in the amount of $5,000 deposited in the Citizens Bank & Trust Co. This certificate was established by the use of political funds withdrawn from the account of James Cannon, jr., chairman, Continental Trust Co., Washington, D. C. Bishop Cannon's letter transmitting this money was as follows:

RICHMOND, VA., *October 27, 1928.*

DEAR MR. BOOKER: I am sending you draft for $5,000 for which send me certificate of deposit. This completes the $8,000. I have sent Mr. Barrow other $8,000. This money is held in trust by the Newspaper Supply Co., and I do not know how long it will be on deposit. Kindly send certificate to-night, and oblige.

Sincerely,

JAMES CANNON, Jr.

"Some additional checks for deposit.

"BANK'S FOOTNOTE.—Above check drawn by Continental Trust Co., dated October 27, 1928, on Washington, D. C., certificate No. 34994, dated October 29, 1928, issued—same paid and credited his account January 30, 1929." (Hearings, p. 105.)

This money likewise remained on time certificate, drawing interest until long after the end of the campaign, having been finally paid and credited with accrued interest of $37.50 to the personal account of James Cannon, jr., in the Citizens Bank & Trust Co., Blackstone, Va., on January 30, 1929.

It may be noted that in Bishop Cannon's letter to Mr. Booker he states: "This completes the $8,000. I have sent Mr. Barrow other $8,000." These deposits constituted, therefore, a total of $16,000. The balance of the $8,000 deposited in the Citizens Bank, the testimony shows, was in the form of a certificate of deposit No. 34970, dated October 16, 1928. This certificate for $3,000 was established in accordance with directions contained in a letter from Bishop Cannon to Mr. Booker, dated October 15, 1928, in which he said:

"I am inclosing in this check for $2,433.78. Add from my balance to this amount enough to make $3,000 and issue certificate of deposit for that amount. I will probably increase this later to $7,500 or $8,000."

It was further shown by the testimony of C. B. Stevens, of Charlottesville, Va., that this check for $2,433.78 represented a part of the proceeds of the sale of a house and lot belonging to the estate of Mrs. Mary C. Moore, of which Bishop Cannon was executor.

Thus, of the $16,000 placed on time certificate of deposit in the two banks at Blackstone and represented to be trust funds of the Newspaper Supply Co., $8,000 was a political contribution made by E. C. Jameson, of New York; $5,000 was a withdrawal of political funds deposited to the credit of James Cannon, jr., chairman, in the Continental Trust Co., of Washington; and $2,433.78 represented proceeds of the sale of property of an estate of which Bishop Cannon was executor. The balance, amounting to $566.22, was withdrawn from Bishop Cannon's personal account in the Citizens Bank to round out the total of $16,000.

Inquiry by representatives of the committee reveals that the Newspaper Supply Co. was a defunct corporation, the charter of which had been revoked for nonpayment of taxes seven years before the transactions above referred to took place. A certified copy of the revocation of the charter issued by the Corporation Commission of Virginia, dated June 6, 1921, appears in the printed record of the committee on page 116.

Another certificate of deposit derived from political funds was created in the Bank of Crewe in the amount of $5,300. This sum, in the form of a check drawn on the account of James Cannon, jr., chairman, in the Continental Trust Co., was forwarded to F. W. Sheffield, cashier of the Bank of Crewe, with a covering letter dated November 1, 1928, on the stationery of the headquarters committee, Anti-Smith Democrats, as follows:

"MY DEAR MR. SHEFFIELD: I am the executor of the estate of Mrs. Mary C. Moore, and some funds have come into my hands which I wish to place in your bank on time certificate of deposit. I am therefore inclosing draft for $5,300, for which please send me time certificate to James Cannon, jr., executor.

"Yours sincerely,

"JAMES CANNON, Jr."

(Hearings, p. 173.)

This certificate which was dated November 2, 1928, only a few days before election, remained with the Bank of Crewe until January 14, 1929, when it was deposited with accrued interest of $42.40 in a savings account in the same bank to the credit of James Cannon, jr., executor. This was the same account in which the certificate of deposit for $8,000, derived from Jameson funds, to which reference has already been made, was deposited. The balance of this executor's account was subsequently transferred to the personal savings account of James Cannon, jr., in the Bank of Crewe.

Attention of the committee was also directed to the fact that a payment of $528 was made on a personal note of James Cannon, jr., in the First National Bank of Blackstone on September 18, 1928, out of the political funds deposited in the Continental Trust Co., of Washington, D. C. It may be noted that this account had been opened on August 6 with a letter stating that it was an account of "the committee to defeat Al Smith." It is true that Bishop Cannon made an initial deposit of $2,000 drawn on his personal account in Richmond in opening this political account, but this amount and more had already been withdrawn and redeposited in Bishop Cannon's personal account before the check for $528, above referred to, was drawn.

Some reference may also be made to the fact that a total of $17,450 was withdrawn from the political account in the Continental Trust Co. and deposited in the personal account of James Cannon, jr., in the American National Bank of Richmond. This was offset by total deposits of $6,565.55 in the political account, representing checks drawn upon the personal account of Bishop Cannon in either the American National Bank of Richmond or the Citizens Bank & Trust Co. of Blackstone.

These deposits, however, in Bishop Cannon's personal account appear to occupy a different status from the time certificates of deposit to which reference has been made. These deposits in the personal account may have been used for political purposes, whereas the time deposits remained intact for a considerable period after the end of the campaign.

The attention of the committee was also directed to the activities of Bishop Cannon and his associates in connection with the solicitation of funds to pay a deficit, which it is stated existed at the end of the campaign, although Miss Burroughs's official report of November 1, 1928, lists no unpaid bills or obligations.

On November 22, 1928, Bishop Cannon addressed a letter to William C. Gregg, of Hackensack, N. J., in which he said:

"I am doing my best to close up all the matters connected with the campaign. We got through financially, I suppose, as well as we could expect. I have carried a little advertisement in all the southern newspapers as follows:

"'Wanted: $6,500 to pay the balance still due on the campaign expenses of Anti-Smith Democrats committee.'" (Hearings, p. 267.)

Mr. Gregg replied, inclosing check for $250 to be applied on the deficit. This contribution was acknowledged by Bishop Cannon on November 28, 1928, with the statement:

"I appreciate very much your continued interest in our work in the South, and am glad to say that we have received something over $2,000 on the $6,500 deficit." (Hearings, p. 268.)

Thus by the end of November the deficit would appear to have been reduced to about $4,500.

The testimony of Mr. Jameson shows, however, that on December 6, 1928, he gave Bishop Cannon a check for $4,300 to be applied on the deficit. This, it would appear, should have substantially wiped out the remaining deficit. Nevertheless, Mr. Jameson was asked for and made a further payment of $3,000 to Bishop Cannon on January 14, 1929. As to the purpose of this payment the testimony was as follows:

"The CHAIRMAN. Then on January 14 you made a further contribution in the amount of $3,000. What was the occasion for this payment?

"Mr. JAMESON. Well, he hadn't raised much money, and he needed some to help out. At least he said he did." (Hearings, p. 244.)

However, the solicitation of funds to pay off the deficit of the Anti-Smith Democrats was continued during the month of January through the use of form letters bearing the signatures of James Cannon, jr., chairman, and J. Sidney Peters, secretary. Copies of these forms appear in the record of the committee. (Hearings, p. 245.) One of these form letters was addressed to Mr. Gregg, who replied, suggesting that he would take care of the last $500 of the deficit. To this Bishop Cannon replied under date of January 21, 1929:

"I greatly appreciate your proposition. It is the very thing that I need to use as a springboard with some other gentlemen who are greatly interested in clearing off this deficit of our committee." (Hearings, p. 268.)

This final contribution of $500 from Mr. Gregg was solicited by Bishop Cannon in a letter of February 4 and was duly paid on February 9, 1929. (Hearings, pp. 268–9.)

Rev. J. Sidney Peters, who joined with Bishop Cannon in signing the circular letters by which contributions to pay off this alleged deficit were solicited, was subpœnaed as a witness before the committee. He was asked regarding this matter, but declined to testify. (Hearings, p. 304.)

In conclusion your committee desires to submit a brief statement regarding certain phases of the investigation which the committee was required to conduct under the terms of Senate Resolution 403. In the first place, the committee wishes to make it clear that its inquiries into the bank accounts standing in the name of Bishop Cannon were made only because political funds were deposited and intermingled with other funds in those accounts. No account which appeared upon its face to be a personal account was examined into until the evidence in the possession of the committee indicated that political funds had been deposited in such account. The witnesses heard by the committee were primarily bank officials and others who testified to the facts as shown by their records. If, in the investigation and analysis of these intricate and involved transactions, any injustice has been done to any person, it has been due to the fact that witnesses who had first-hand knowledge of the facts refused to testify and withheld from the committee such documentary evidence as may have been in their possession or available to them.

After the conclusion of the hearings which the committee held with reference to this matter during the latter part of August, 1931, the United States attorney for the District of Columbia requested a transcript of the testimony and access to the exhibits filed with the committee. This evidence was placed before a grand jury of the District of Columbia, which on October 16, 1931, found a true bill of indictment against James Cannon, jr., and Ada L. Burroughs for violating and conspiring to violate the Federal corrupt practices act. This case is now pending in the Supreme Court of the District of Columbia.

The recommendations of the committee for changes in the corrupt practices act to meet the conditions disclosed by this investigation are set forth in the final report of the committee, which is being separately submitted.

GERALD P. NYE, *Chairman*,
PORTER H. DALE,
C. C. DILL,
ROBERT F. WAGNER,
Committee.

ROBERT B. ADAMS

Mr. COPELAND. Mr. President, as in executive session I submit a report from the Committee on Commerce and ask for its immediate consideration.

The VICE PRESIDENT. The Senator from New York, as in open executive session, asks for the immediate consideration of a report which will be read for the information of the Senate.

The Chief Clerk read the nomination of Robert B. Adams, of Massachusetts, to be engineer in chief in the Coast Guard for a period of four years, to rank as such from December 18, 1931. (Reappointment.)

Mr. McNARY. Mr. President, the request is for action as in executive session?

The VICE PRESIDENT. It is.

Mr. McNARY. We shall have an executive session during the day and I hope the Senator will defer his request until then.

Mr. COPELAND. Very well.

The VICE PRESIDENT. The report will go to the Executive Calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRATTON:

A bill (S. 2369) making certain matter inadmissible as evidence in the Federal courts, and for other purposes; to the Committee on the Judiciary.

By Mr. WHITE:

A bill (S. 2370) for the conservation of lobsters, to regulate interstate transportation of lobsters, and for other purposes; to the Committee on Commerce.

By Mr. JONES:

A bill (S. 2371) authorizing the United States Employees' Compensation Commission to consider the claims of Rachel Nethery and Ethel Nethery; to the Committee on Claims.

A bill (S. 2372) for the erection of a public building at Shelton, Wash.; to the Committee on Public Buildings and Grounds.

(By request.) A bill (S. 2373) authorizing the payment to Peter C. McCartin of allotments made to his children under the veterans' act of 1924; to the Committee on Finance.

By Mr. GEORGE:

A bill (S. 2374) to authorize and direct the Secretary of the Navy to convey by gift, to the city of Savannah, Ga., the naval radio station, the buildings, and apparatus located upon land owned by said city; to the Committee on Naval Affairs.

By Mr. SWANSON:

A bill (S. 2375) for the relief of Roscoe Meadows; to the Committee on Naval Affairs.

By Mr. ASHURST:

A bill (S. 2376) for the relief of William Wooster; to the Committee on Claims.

By Mr. FESS:

A bill (S. 2377) authorizing an appropriation to defray the expenses of participation by the United States Government in the Second Polar Year program, August 1, 1932, to August 31, 1933 (with an accompanying paper); to the Committee on Foreign Relations.

By Mr. REED:

A bill (S. 2378) to regulate the conduct and administration of military arsenals, Air Corps depots, and other War Department activities and property, and for other purposes; to the Committee on Military Affairs.

By Mr. KING:

A bill (S. 2379) permitting admission to bail in extradition proceedings; to the Committee on the Judiciary.

By Mr. HASTINGS:

A bill (S. 2380) for the relief of Lee G. Mason; to the Committee on Military Affairs.

A bill (S. 2381) granting a pension to Anna Haley; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 2382) granting an increase of pension to Elizabeth Morehouse (with accompanying papers); to the Committee on Pensions.

By Mr. WATSON:

A bill (S. 2383) granting an increase of pension to Ida B. Willison (with accompanying papers);

A bill (S. 2384) granting a pension to Mack G. Ragsdale (with accompanying papers); and

A bill (S. 2385) granting an increase of pension to Mary J. Johnson (with accompanying papers); to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 2386) granting a pension to Frank L. Wilkinson (with accompanying papers); and

A bill (S. 2387) granting an increase of pension to Lorena White (with accompanying papers); to the Committee on Pensions.

By Mr. HULL:

A bill (S. 2388) to extend the times for commencing and completing the construction of a bridge across the French Broad River on the proposed Morristown-Newport Road between Jefferson and Cocke Counties, Tenn.; and

A bill (S. 2389) to extend the times for commencing and completing the construction of a bridge across the French Broad River on the Dandridge-Newport Road in Jefferson County, Tenn.; to the Committee on Commerce.

By Mr. LA FOLLETTE:

A bill (S. 2390) to establish a national economic council; to the Committee on Manufactures.

By Mr. HARRISON:

A bill (S. 2391) granting a pension to Jane McArthur; to the Committee on Pensions.

By Mr. CAREY:

A bill (S. 2392) to authorize the issuance of unrestricted patents to certain public lands; to the Committee on Public Lands and Surveys.

By Mr. WALSH of Montana:

A bill (S. 2393) to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont., and for other purposes; to the Committee on Indian Affairs.

A bill (S. 2394) granting an increase of pension to Dora White; to the Committee on Pensions.

A bill (S. 2395) authorizing the conveyance of certain land to school district No. 15, Lincoln County, Mont.; and

A bill (S. 2396) to amend section 11 of the act approved February 22, 1889 (25 Stat. 676), relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington; to the Committee on Public Lands and Surveys.

By Mr. SHEPPARD:

A bill (S. 2397) extending the limit of time within which Parramore Post, No. 57, American Legion, may construct its memorial building, and correcting street location; to the Committee on Public Buildings and Grounds.

By Mr. HATFIELD:

A bill (S. 2398) for the relief of W. E. Sturgeon; to the Committee on Military Affairs.

A bill (S. 2399) granting a pension to Samuel W. Stewart;

A bill (S. 2400) granting an increase of pension to Mary J. Hall;

A bill (S. 2401) granting an increase of pension to Susie Leeson;

A bill (S. 2402) granting an increase of pension to Adaline Shuman; and

A bill (S. 2403) granting an increase of pension to Nancy A. West; to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 2404) for the relief of Karl J. Howe; to the Committee on Military Affairs.

By Mr. THOMAS of Oklahoma:

A bill (S. 2405) to confer jurisdiction on the Court of Claims to hear and determine certain claims of the Eastern, or Emigrant, and the Western, or Old Settler, Cherokee Indians against the United States, and for other purposes (with accompanying papers); to the Committee on Indian Affairs.

By Mr. FRAZIER (by request):

A bill (S. 2406) for the relief of Harvey K. Meyer, and for other purposes;

A bill (S. 2407) to authorize the sale of parts of a cemetery reserve made for the Kiowa, Comanche, and Apache Indians in Oklahoma; and

A bill (S. 2408) to repeal the act of Congress approved May 31, 1924 (43 Stat. L. 247), entitled "An act to authorize the setting aside of certain tribal land within the Quinaielt Indian Reservation in Washington for lighthouse purposes"; to the Committee on Indian Affairs.

By Mr. NORBECK:

A bill (S. 2409) to amend Title II of the Federal farm loan act in regard to Federal intermediate-credit banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. GLENN:

A bill (S. 2410) granting a pension to Walter R. Hall;

A bill (S. 2411) granting a pension to Robert Monroe (with an accompanying paper); and

A bill (S. 2412) granting an increase of pension to E. Helen Barkley (with accompanying papers); to the Committee on Pensions.

By Mr. GOLDSBOROUGH:

A bill (S. 2413) to extend the benefits of the employees' liability act of September 7, 1916, to Otis Gee, a former employee of the Chemical Warfare Service, Edgewood Arsenal, Md.; to the Committee on Claims.

By Mr. BULKLEY:

A bill (S. 2414) for the relief of the Upson-Walton Co.; to the Committee on Claims.

A bill (S. 2415) to amend the national prohibition act, as supplemented, in respect of the definition of intoxicating liquor; to the Committee on the Judiciary.

A bill (S. 2416) for the relief of William McGee; to the Committee on Naval Affairs.

A bill (S. 2417) granting an increase of pension to John Murphy; to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 2418) to authorize removal of wreck of ex-U. S. S. *Cincinnati;* to the Committee on Commerce.

By Mr. JONES:

A joint resolution (S. J. Res. 65) extending the benefits of section 202 (10) of the World War veterans' act; to the Committee on Finance.

By Mr. WHEELER:

A joint resolution (S. J. Res. 66) for the relief of farmers in the drought and/or storm stricken areas of the United States; to the Committee on Agriculture and Forestry.

REPAYMENT OF DAMAGES TO CITIZENS OF WASHINGTON STATE

Mr. DILL. I ask unanimous consent to introduce a joint resolution, which I ask may be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the joint resolution (S. J. Res. 67) to provide for the payment of damages to American citizens in the State of Washington for property destroyed by Consolidated Smelter Co., of Trail, British Columbia, and for other purposes, was read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas for the past seven years poisonous fumes from the Consolidated Smelter Co., of Trail, British Columbia, Canada, have been carried in a southernly direction across the international boundary line and settled upon the growing crops, orchards, timber, and the farm lands of the citizens of the State of Washington residing along the Columbia River from the Canadian boundary line southward and beyond Marcus, Wash., and thereby blighting the crops and timber and destroying the fertility of the soil in the area upon which said smelter fumes settle; and

Whereas the citizens of the northern part of Stevens County, Wash., as aforesaid, whose crops, orchards, timber, and lands have been damaged and destroyed by the fumes of said Consolidated Smelter Co., of Trail, British Columbia, have repeatedly petitioned the President of the United States and the Secretary of State for protection from further destruction of their property by said fumes and for payment of damages because of their inability to bring suit in the courts of Canada for damages against said Consolidated Smelter Co., of Trail, British Columbia; and

Whereas after reference of said complaints to the International Joint Commission of the United States and Canada, and a complete investigation and full hearings on the claims for damages, the American members of said International Joint Commission have been unable to induce the Canadian members of said commission to agree that the said Consolidated Smelter Co. shall pay such sums of money as are necessary to provide payment for damages suffered by the citizens of the State of Washington as hereinbefore described; and

Whereas it has always been the custom and duty of the Government of the United States to protect the lives and property of its citizens whether within or without the United States against destruction or damage, or both, by foreign peoples or foreign corporations, even to the extent of using the armed forces of the United States to insure such protection in foreign lands; and

Whereas the Government of the United States has failed to protect the citizens of the State of Washington against the damage and destruction of their property within the United States, and it is the duty of the Government to secure damages through the foreign government whose nationals have damaged and destroyed the property of citizens of the United States: Now, therefore, be it

Resolved, etc., That the Secretary of State is hereby authorized and directed to pay to the citizens of the State of Washington whose crops, orchards, timber, and lands have been destroyed by the fumes of the Consolidated Smelter Co., of Trail, British Columbia, such amount and amounts in the form of damages to the individual citizens, companies, and corporations whose claims are on file with the International Joint Commission as the American members of said International Joint Commission shall find justly due said citizens, companies, and corporations in addition to such sums as said International Joint Commission may decide to be paid to said citizens by the Consolidated Smelter Co., of Trail, British Columbia, Canada; and there is hereby authorized to be appropriated out of any moneys in the Treasury of the United States not otherwise appropriated such sums as may be necessary to pay said claims to an amount not exceeding $1,500,000.

FOREIGN-DEBT MORATORIUM—AMENDMENTS

Mr. DILL submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period, beginning July 1, 1933, which was ordered to lie on the table and to be printed, as follows:

On page 3, line 12, after the word "reduced," insert the words "or postponed."

Mr. HOWELL submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period, beginning July 1, 1933, which was ordered to lie on the table and to be printed, as follows:

On page 3, line 15, after the period add the following:

It is hereby further declared that no further postponement of the indebtedness of foreign countries to the United States shall be considered by Congress unless and until the European nations indebted to the United States on account of prearmistice war loans shall have effectively assented, in a form and manner satistory to the President, to the reformation of the Versailles treaty, including the return to the German Government of its former but now mandated colonies.

PROPOSED DECREASES IN APPROPRIATIONS

Mr. HARRISON. Mr. President, I offer a resolution, which I ask to have read and lie on the table.

The VICE PRESIDENT. The clerk will read the resolution, as requested.

The Chief Clerk read the resolution (S. Res. 120), as follows:

Resolved, That it is the sense of the Senate that the Committee on Appropriations of the Senate in reporting to the Senate upon the several appropriation bills for the fiscal year ending June 30, 1933, make such decreases in proposed appropriations as will bring the total amount reported to the Senate at least $300,000,000 below the total recommended in the Budget for such fiscal year.

The VICE PRESIDENT. The resolution will lie on the table.

OCEAN MAIL CONTRACTS

Mr. McKELLAR. Mr. President, out of order, I ask unanimous consent to postpone indefinitely Senate Resolution No. 54, the same matter having been incorporated in Senate Resolution 85, which has already been passed.

The PRESIDENT pro tempore. Is there objection? The Chair hears none; and, without objection, the order requested by the Senator from Tennessee will be entered.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries, who also informed the Senate that on December 21, 1931, the President approved and signed the joint resolution (S. J. Res. 39) extending the time within which the War Policies Commission is required to submit its final report.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the bill (S. 930) limiting the operation of sections 109 and 113 of the Criminal Code with respect to counsel in the case of the Appalachian Electric Power Co. *v.* George Otis Smith et al.

SENATOR SHIPSTEAD'S ADDRESS ON THE FINANCIAL QUESTION

Mr. THOMAS of Oklahoma. Mr. President, last night the senior Senator from Minnesota [Mr. SHIPSTEAD] delivered an address over a nation-wide radio hook up. The address was on the financial question. I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the United States Daily, December 22, 1931]

TREASURY NOTES AS LEGAL TENDER ARE SUGGESTED—NON-INTEREST-BEARING ISSUE TO EXPAND CURRENCY IN CIRCULATION IS ADVOCATED BY SENATOR SHIPSTEAD

The issuance of necessary money in the form of non-interest-bearing Treasury notes, making them legal tender for the payment of public and private debts, was advocated by Senator HENRIK SHIPSTEAD (Farmer-Labor), of Minnesota, in a radio address December 21 over the National Broadcasting Co.'s network.

Senator SHIPSTEAD asserted that the proposed Government corporation with a capital of $500,000,000 "is in fact a Government banking corporation, throwing the credit of the Government back of these institutions and guaranteeing their assets."

SUGGESTS FINANCE PLAN

"In my opinion," he said, "a better way for expanding the currency than that proposed by this Government banking corporation would be for the Federal Government to issue necessary money in the form of non-interest-bearing Treasury notes, making them legal tender for the payment of debts, public and private, to be retired after a period of years through taxation as bonds are retired."

Senator SHIPSTEAD's address follows in full text:

In this country the solution of all governmental problems rests in the final analysis with you people. The Government of the United States was created to be your servant. There are many problems confronting your Government to-day. Time does not permit me to call your attention to more than one of them. I believe the most outstanding problem that confronts the world to-day is the question of how international, public, and private debts can be paid, business restored, and unemployment eliminated.

A solution is being sought for this problem through the extension of credit in one form or another. It is plain that this is not a solution. It has been tried for 10 years and it has proven a failure. Juggling of credits back and forth is not paying debts. It only postpones payment and leaves the problem unsolved and increases the debts.

As a result our credit system is breaking down and we have what is called a "paralysis of credit." As this condition progresses we have a growing paralysis of business, agriculture, finance, industry, and labor. This must necessarily be so, because business, finance, and industry are based upon credit, and the basis of credit is confidence. As confidence and credit disappear values disappear. As values disappear business further becomes paralyzed, revenues decrease, unemployment increases, and prices decline.

DISCUSSES GOLD DEMAND

The falling price level is, in my opinion, the greatest menace to the world to-day. The descending price level of commodities is destroying all values. The descending prices of commodities are in turn due to the increasing demand for gold. The increasing demand for gold is due to the creation of large obligations of debts payable in gold within the last 15 years. Nations on the gold standard will accept payment for debts in only one commodity, and that is gold.

As a result the value of gold is gradually increasing and consequently the value of other commodities gradually decreasing. The production of gold has not kept pace with the creation of debts. Therefore we are suffering from a lack of a means of payment. It is difficult to estimate the amount of obligations outstanding payable in gold, but the gold supply with which to pay them is infinitesimal in comparison.

The purpose of trade is to exchange goods, both internationally and within our own country. People who are neighbors can exchange their goods back and forth in the neighborhood, but if they live long distances apart there must be a medium of exchange sufficient in quantity to make settlement possible. Such a medium of exchange is called money.

CREATION OF MONEY

Money is created by law and by law made lawful for payment of all debts, public and private. There is, however, less than $5,000,000,000 of real money in the United States. Bank deposits to the amount of $60,000,000,000 or $70,000,000,000 are not lawful money. Deposits are mainly credit—evidence of debt. The medium of exchange through which payment for goods is made has been furnished to the extent of about 70 per cent by bank checks. Bank checks are not lawful money, and they are not legal tender for payment of debts. They will be accepted in payment of debts if the creditor is confident that the check is good. Our banking system is based upon credit and credit is again based on confidence.

As confidence disappears confidence in banks and bank checks disappears and to that extent the use of checks as a medium of exchange disappears.

As the medium of exchange is restricted in volume prices again fall and the depression increases in intensity. As the depression increases in force, revenues of citizens disappear, and consequently revenues of the Government disappear, making heavier taxes necessary. To restore business, employment, and revenues, public and private, we must restore a medium of exchange in sufficient quantity to make interchange of goods possible and so break the present trade blockade.

ADVOCATES MORE MONEY

Most of the nations of the world have found it necessary to do this. It is gradually dawning upon us that we must do it ourselves. Farmers can not pay their mortgages on the present price level. Farm mortgages, like all other values, are declining because of inability to make payment. An expansion of the currency is necessary to restore prices. We must put more money in circulation.

A year ago the Federal Reserve Board cut the rediscount rates, evidently hoping to be able to expand credits and so restore prices, as was done in 1924, but so far the expected results have not been accomplished. The credit system based on confidence can not be expanded on falling prices and loss of confidence.

We must, therefore, look around for other methods. One method has been suggested by men of affairs in industry, commerce, and business. That is the restoring of silver as money by the nations of the world.

MONEY SYSTEM ILLUSTRATED

Former Finance Minister Joseph Caillaux, of France, who saved the postwar financial situation in that country by his courageous action and intelligent understanding of finance, says of these conditions:

"All the money systems of the world may be represented as an upside-down pyramid of paper notes resting on a point of gold. All that is necessary is to shake that gold point just the least bit to make the whole edifice tremble. What facilities that offers for speculators! There is only one remedy. It is not that there should be any redistribution of gold, as is being childishly suggested. Gold has its own law which it obeys. What must be done is that another monetary metal should be joined to it. Platinum has been suggested. I would prefer that silver, which was stupidly demonetized, should be rehabilitated."

However, it is agreed that restoring silver as money is practical only if agreed to by the leading nations.

DISCUSSES PROPOSED PLAN

To relieve the banks, railroads, life-insurance companies of assets they can not now dispose of, the administration is now proposing in a bill to create a Government corporation with a capital of $500,000,000, to loan funds to and discount their obligations with the Federal Reserve Bank in the amount of $1,500,000,000. This will inflate the currency in circulation in that amount. The obligations and the liabilities of the corporation will be assumed by the Government. It is in fact a Government banking corporation, throwing the credit of the Government back to these institutions and guaranteeing their assets.

While this may, if properly managed, be helpful, I want to say that, in my opinion, the temporary aid to these institutions is like repairing the roof of a house and neglecting the foundation. The foundation of all of these institutions is agricultural prices. This was proven early this fall when farm prices temporarily rose and all prices rose with them. When farm prices declined all other prices declined in sympathy. To restore values we must restore farm prices. They are the foundation of all values. Farm mortgages should be made eligible as collateral for discount with the Federal reserve bank, thereby giving them their proper status in relation to other securities.

In my opinion a better way for expanding the currency than that proposed by this Government banking corporation would be for the Federal Government to issue necessary money in the form of non-interest-bearing Treasury notes, making them legal tender for the payment of debts, public and private, to be retired after a period of years through taxation as bonds are retired. This would prevent possible loss to the Government that might be sustained by having to acquire assets that can not be collected under the proposed plan now before Congress.

If the necessary amount were issued it would have an immediate effect upon commodity price levels. Business would be restored. Values and confidence would also be restored, and the institutions now in trouble would be able to resume use of their credit without the guarantee of the Government. This we have done before. Making these notes legal tender for the payment of all debts, public and private, will keep them at par as your silver certificates have remained at par for years, while their intrinsic value is now only about 25 cents on the dollar. It is the credit of the Government back of them that keeps them at par. Ten dollars of these will buy as much for you in the department stores as $10 in gold.

CITES PRICE CHANGES

But some will say, "This is increasing the supply of money, that is, cheapening money, and making it possible to pay debts in cheap money."

I reply by saying, "Your money is dishonest now because it is 50 per cent dearer than when the debts were incurred under the high price level. By deflating the circulating medium you have deflated prices. The farmer must produce two or three times more commodities now to pay his taxes and interest than when his debt was incurred. We should restore the value of money to the value it had when farmers and commerce incurred their indebtedness. When a debtor can pay a debt in money of the same value in which the debt was incurred, then he is paying the debt in honest coin.

I believe this would go far in restoring commodity price levels, values, business, revenues of private citizens and the Government, and abolish unemployment. I do not mean to say that this would solve all our problems. I hope to have the pleasure of discussing some of the others with you at some future time.

ADDRESS BY HON. WILLIAM GIBBS M'ADOO ON DISARMAMENT

Mr. SHEPPARD. Mr. President, I ask unanimous consent to have inserted in the RECORD an address by Hon. William Gibbs McAdoo at Dallas, Tex., on Tuesday, December 15, on the subject of disarmament.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

[From the Dallas Morning News, Dallas, Tex.]

McADOO SAYS DISARMAMENT ALONE CAN NOT END WARS—FULL TEXT OF ADDRESS DELIVERED HERE IS PUBLISHED BELOW

Thirteen years ago the most devastating war in all history came to an end. As the curtain fell on the long drama of ruin and misery and the word of peace ran across the shattered lands the world awoke as from a hideous nightmare.

The hatred of war, as tragically demonstrated by the folly of employing military force to reach any reasonable objective, was felt deeply by the mass of humanity, and by all wise and far-seeing people, in the days and weeks that came after the armistice in 1918.

In the hearts of men there stood the vision of a new civilization. The peoples of the earth realized that the ancient structure of statecraft and diplomacy had outlived its day. For the first time within the memory of the race millions of men and women, among them the victors as well as the vanquished, turned spontaneously and with one accord to the idea of a permanent peace based not on bayonets and battleships but on the human craving for right and justice.

At last peace had conquered war and the valor and endurance of the soldiers were to be transmuted into works of utility and beauty—into noble achievements for the welfare and happiness of mankind. The war-torn nations would erase the memories of their battle years and, facing a new dawn, march together into an era of amity and concord.

PROGRESS MADE SLOWLY

During the six months that followed the armistice of 1918 there were times when this splendid dream trembled on the verge of realization. But history has repeated itself in the lesson it has brought of bitter disillusion and disappointment. Progress is a long road which mankind has been forced to travel immemorially in pain and suffering and with faltering steps. The world can not be made over in a day or in a decade. The vital element of time, as well as the infinite complexities which flow from race, language, and commercial rivalries, have their influence upon the intricate problems of disarmament, national security, and peace.

That all men are brothers is a noble and Christian thought. But human experience has demonstrated that it is, at best, nothing more than a pleasant theory. In our struggle to secure international amity and even partial disarmament we can not disregard the inherited and traditional hates and rivalries that have been molded into history and literature.

In all ages historians and philosophers have commented on the quality of human nature that leads men into an attitude of antipathy to all that is alien and foreign. "Enemy" and "stranger" are expressed by the same word in some languages. For the good of humanity it is to be hoped that these natural antagonisms are not as deeply rooted as they appear to be. They are perhaps a survival of the primitive clan spirit, and they are kept alive by a false conception of patriotism.

Every decent person loves his home and his country, but that is not a valid reason for hating other people who speak a different language and live in other lands. This intolerant chauvinism appears in literature, not only in the United States but in all countries. Its spirit gets into the school books of the children and into the current news and editorials of the day.

Under the boast of 100 per cent Americanism, thousands of voices shout at us continually that we are better than other people, that other breeds of men, meaning those who live in other countries, are inferior to us in courage, stamina, brains, and morals. And we are not alone in this attitude of intense, unreasonable, and false nationalism. It is an outstanding vice of our epoch; the whole world indulges it. The result is a universal feeling of suspicion and jealousy, mingled with fear, which keeps every nation on guard and produces the crushing armaments that tax the life blood out of the masses and continually menace the peace of the world.

OBSTACLES TO PEACE

All these conditions constitute a formidable obstacle to any effective plan for world peace. They are a range of mountains across our path. To close our eyes to them, to imagine that they do not exist, will destroy our perspective, turn our good intentions into meaningless words and our efforts into fruitless channels.

Disarmament is not impossible or impracticable. Certainly partial disarmament, and on a very large scale, is obtainable now if the statesmen of Europe have the wisdom and vision to bring it about. It might have been accomplished in 1919 if they had supported disarmament with half the ardor they displayed at the peace conference in partitioning the territory and the spoils of the vanquished.

But it may be that any definite plan for disarmament adopted at the time the peace treaty was signed would have been ineffective. The clamor for world peace, for the laying down of arms, was the reflex of the fatigue of those who had carried arms too long. The nations of the earth were less in love with peace than they were sick of war.

If you work too hard you want to rest, if you eat too much you hate the sight of food, if you fight too much you want to stop. But these conditions are temporary. A worker, when he has rested, will work again; a man who has eaten too much will be hungry again, and the fighter will fight again whenever he thinks that his home or his native land is in peril.

Amid the music and joy, the cheering crowds and the waving flags that marked that memorable armistice day of 13 years ago there lived among the people of all nations and all races the thought that in celebrating the victory of the Allies they were celebrating a peace that would endure forever. The war that was to end all wars had fired its last gun. German militarism was destroyed, therefore war was destroyed.

CAUSES OF WAR

The cardinal error in this belief is the mistaken notion that militarism is alone responsible for war. It is true that a nation which possesses a large and powerful army is likely to bring a bitter dispute to a head by striking a blow, but the army is rarely or never the cause of the dispute; it is merely an instrument of force.

The primary cause of all war in modern times is economic strain and that in turn is the result of intense financial and commercial competition. There are other contributing causes. Overpopulation is one. When a nation reaches the limit of the capacity of its soil and its industrial development and its population still continues to grow, the probability of an explosion is greatly increased. This and other incentives to war are heightened by an exaggerated sense of nationalism, as well as by a jingoistic military spirit.

To imagine that you can abolish war by reducing or abolishing armaments alone is a fundamental misconception of the problem, yet the reduction of armies and navies would be a move in the right direction, as it would relieve civilization of a grievous load of taxes and would turn some millions of men who are now unproductive into the ways of creative industry. It would be an excellent thing to accomplish; it is worth all the effort that may be given to it.

But even the reduction of navies and armies, if carried out now, on a large scale, would serve perhaps to add to the economic discontent of the world. Such a reduction would mean, at the present moment, that the ranks of the unemployed would be increased by one or two million men. The whole problem is surrounded by intensely difficult correlated questions which must, of necessity, be considered at the same time.

WILSON'S FOURTEEN POINTS

President Wilson's 14 points, which exercised such a powerful influence in bringing the World War to a close, were accepted by all the belligerents at that time and the whole world, I believe, looked upon them as a formula for the reconstruction of civilization. The fourth of these 14 points demands, in the language of President Wilson, "Adequate guaranties given and taken that national armaments will be reduced to the lowest point consistent with domestic safety."

Note that phrase—"consistent with domestic safety." That means, and the President intended it to mean, that armaments as aggressive war machines were to be entirely abolished; that the armaments of every country—military, air, and naval—were to become nothing more nor less than defensive weapons, reduced "to the lowest point consistent with domestic safety."

But when the statesmen of Europe got through with their work of mangling the historic 14 points, the expression "consistent with domestic safety," had disappeared and the phrase "consistent with national safety" had taken its place. It appears in this guise in the first paragraph of Article VIII of the covenant of the League of Nations.

Notwithstanding this change in President Wilson's fundamental provision that armaments should be reduced to the lowest point consistent with "domestic safety," the friends of international peace managed to get something clear and forceful into the league covenant. In this same Article VIII it is provided that the council of the league shall formulate plans for the reduction of armaments; that these plans shall become effective when adopted by the nations in the league; and that the members of the league shall "undertake to interchange full and frank information as to the scale of their armaments, their military, naval, and air programs, and the condition of such of their industries as are adaptable to warlike purposes."

In Article IX, immediately following, it is provided that a permanent commission shall be constituted to consider the question of disarmament.

In May, 1919, Prime Minister Clemenceau, in behalf of the allied and associated powers, gave the German plenipotentiaries at Versailles the following positive assurance:

"The allied and associated powers wish to make it clear that their requirements in regard to German armaments were not made solely with the object of rendering it impossible to resume her policy of military aggression. They are also the first step toward the reduction and limitation of armaments, which they seek to bring about as one of the most fruitful preventives of war, and which will be one of the first duties of the League of Nations to promote."

That the reduction of German armaments was based upon these assurances is confirmed in the following works of Part V of the Versailles treaty:

"In order to render possible the initiation of a general limitation of the armaments of all nations Germany undertakes strictly to observe the military, naval, and air clauses which follow."

OBLIGATION DISREGARDED

There can be no doubt of the obligation thus imposed upon the allied powers which ratified the Versailles treaty to initiate promptly a limitation of their respective military, naval, and air armaments, and yet, 12 years after the event, the obligations of this treaty not only remain unfulfilled but the leading nations of Europe are maintaining greater armaments and a more staggering burden of waste and taxation than that which preceded the World War.

The failure of the Allies to keep faith with Germany in the matter of disarmament is a permanent source of distrust and bitterness among the German people. Lord Robert Cecil, in a recent article on the problem of world disarmament, says:

"The assumption that Germany was perfidiously tricked by the Allies into a position of humiliating inferiority has become the commonplace of German political journalism. This has created a desire among the Germans to rearm, which is by no means confined to Herr Hitler and his extreme nationalist followers. It is a demand which is a cause of embarrassment to any German Government. * * * This emergence of truculent indignation in Germany has in turn had its consequence in the new fortification of the French and Belgian eastern frontiers and the stiffening of political opposition in those countries to any new military reductions. And so the vicious circle is all but complete."

These words of Lord Robert Cecil are full of wisdom. The basis of men's relations to each other must be faith and confidence. The Allies can not break their solemn promise to Germany and expect Germany to keep her promise to them.

The permanent commission provided for in the Versailles treaty has inspired a number of disarmament conferences. The commission, with the league behind it, has undoubtedly acted in good faith; in fact, the history of the league shows unmistakably that one of the major purposes of this fraternity has been, and is now, the promotion of disarmament and the abolition of war. Yet the authority of the league is limited, and without full cooperation of all the powers, including the United States, it can not successfully perform the duty imposed upon it by the treaty. The efforts of the league in the way of disarmament have met thus far with small success. It is true that some insignificant results have been achieved in the shape of naval limitations, but even these are of problematical value. Capital ships have been reduced in number only to have their places taken by submarines, swift cruisers, and flocks of airplanes.

ONE OFFERS TO DISARM

It is a singular fact that amid all the world-wide talk of disarmament, only one great nation has made an official proposal for complete and universal disarmament on land and sea and in the air. That nation is Russia—and Russia possesses to-day one of the largest and most effective armies in the world.

At the Geneva Disarmament Conference in 1927 Russia offered to disarm completely if the other nations would also disarm. The proposal of Litvinoff, the Russian delegate, was, to quote his words: "The general and complete disarmament of all land, sea, and air forces within a year."

The Russian proposal was voted down. It is surprising to find that the United States voted against it. At that conference our representatives acted in concert with France and the group of nations allied with France, namely, Poland, Czechoslovakia, Rumania, Belgium, and Yugoslavia. This group, all armed to the teeth, was then—and has been generally—opposed to any reduction of land or air armaments.

The disarmament proposals of Russia were given a curt dismissal by the delegates at Geneva, for the reason—according to an explanation which appeared after the conference—that they were not considered sincere. It is alleged that Russia put them before the league merely to have them voted down; that she wanted to show up the capitalistic world before her own people and thus be able to put through her own military program without opposition at home.

I have never believed in the soundness of this explanation. At any rate, if I had been a delegate at that conference, I would have accepted the Russian proposals at their full value and would have indorsed any reasonable proposal that would accomplish disarmament, no matter from whom it came or whence its source.

At the same conference in Geneva in 1927 Germany urged a prohibition against the bombing of cities from airplanes. It was also defeated through the influence of France and her allies, assisted by the United States. It is difficult to understand why the United States opposed this step to mitigate the horrors of war—to protect noncombatants in cities and unfortified places.

EUROPE A MILITARY CAMP

Europe is to-day a military camp, a nest of explosives, an arsenal of guns and munitions. The tramp of armies is heard from Moscow to Lisbon, from the North Sea to the Mediterranean.

There are approximately 3,000,000 men in the regular armies of the European nations, without counting the reserves. About two-thirds of this gigantic armament belongs to the so-called "French group" of nations—France and her allies. France has an army of 522,000 men, and her population is about 40,000,000. On the same ratio, we in the United States—with a population of 120,000,000—would maintain an army of more than 1,500,000 men, or about ten times the number we now have in the military service.

Poland, a young and struggling nation, supports an army of 265,000 men. And yet Poland has been in economic distress from the day it was born. It has never successfully balanced its budget without loans, but it manages to feed and clothe nearly 300,000 men who do nothing but live in barracks and keep themselves ready to fight.

The Balkan States, ravaged by war and bitten to the marrow by poverty, belong to the French group of overarmed nations. Three small countries—Jugoslavia, Czechoslovakia, and Rumania—in spite of their limited resources, maintain armies that aggregate more than 400,000 men.

In the present state of international affairs there is no doubt whatever that the military policy of France has the effect of greatly increasing world tension.

Keeping these facts in mind, let us imagine ourselves a gathering of French citizens and look at the disarmament problem from their point of view. No man assumes a heavy expense without a cause; no man weighs himself down with a burden just for the fun of the thing—and that applies to nations as well as to individuals. The cause may be senseless; the reason may be faulty; and the burden may be useless; but you may be sure that the man or nation that bears the burden does not think so, else it would be quickly dropped. Every nation that is supporting a large army justifies its policy on the ground of national safety.

France remembers the gray-clad German hosts that swept over the fields of northern France within the memory of all of us; and Frenchmen, recalling the lessons of history, have not forgotten that France has been invaded again and again in modern times. France wants security; she wants safety. No disarmament conference will ever persuade the French Nation to disarm until the safety of France is assured. To accomplish that with reasonable assurance a stronger peace compact than has been proposed will be necessary. Will it be forthcoming?

WAR MORE DESTRUCTIVE

Military experts declare that 1 soldier to-day is equal in destructiveness to 10 soldiers in 1914. This increase in destructive power is due to the deadliness of modern weapons.

During the World War the maximum quantity of bombs thrown in one month from airplanes (including those of all armies) amounted to 12 tons. To-day the French Army alone possesses enough military airplanes to drop 120 tons of bombs in a single attack. Imagine 120 tons of high explosives and poison gases let loose in the sky above a defenseless city! If such an attack were made on a community the size of Dallas, in all probability not a house would be left standing nor a person left alive.

Marshal Foch made some predictions concerning the future warfare. He said:

"The next war will be a war in the fullest sense of the word, and, moreover, it can no longer be isolated.

"Poison-gas bombs will spread deadly fumes which will penetrate any mask and produce death in a few minutes. Phosphorus bombs, impossible to extinguish, will burn the flesh to the bone within 30 seconds. Hundreds of tanks, each one able to shoot a thousand deadly bullets a minute, machine guns like automatic rifles which, in the hands of a million men, will shoot 100,000,000 bullets a minute, will also be raging, and the heavens above will be darkened by a thousand airplanes pouring a rain of horror on the earth.

"Behind the lines cities and villages will crumble in ruins under the destructive fire of the largest artillery. In the next war there will be no such thing as the front and rear. The whole nation will find itself on the firing line."

When we read these impressive words of Marshal Foch and picture the scenes which he describes we must realize that the next war, if it comes, will convert the civilized world into a madhouse. It should strengthen our resolution to resist by every means in our power a recurrence of the insanity which came upon the world in 1914, and which even now appears to distort the vision and impair the judgment of the responsible statesmen of Europe and of the United States.

ECONOMIC TENSION

To abolish war effectively we must contrive some means to lessen the intense economic tension which is in the era one of the outstanding characteristics of our civilization. Every great industrial nation wants economic security and equal economic opportunity in the open markets of the world. Economic security means also physical security. With the economic security of all great nations assured, physical security will follow almost as an inevitable sequence. Without economic security domestic prosperity is impossible, but even domestic prosperity may not be possible unless economic opportunity is provided for all competitive nations in the world's open markets.

This is a highly complex question, involving considerations of territorial limits, colonial possessions, the maintenance of the "open door"—as in China, for instance—and a fair chance for all in the intensely competitive international markets. It is for these economic reasons that overpopulated European nations like Germany, France, England, and Italy have always sought to extend their colonial possessions. Such possessions give an outlet for the overcrowded population and open new avenues for their domestic commerce.

Wars over territorial boundaries and over the expansion of the national domain have occurred throughout human history; but war never decides anything upon the basis of equity or justice. Field Marshal Sir William Robertson, a professional soldier, said

recently: "War hurts everybody, benefits nobody but the profiteer, and settles nothing." His words ought to be cut in stone and set up in every community on earth. Every peace treaty expresses the will of the conqueror imposed upon the vanquished; every such treaty causes new dissatisfactions and hatred, which culminate in another war when the vanquished find the opportunity to regain what was lost and to secure satisfaction for the wrongs and injustices they feel that they have suffered.

We do not have to go beyond the Versailles treaty to establish this point. Germany, for instance, bitterly resents the territorial limitations imposed upon the Central Powers and rankles because of the appropriation by the Allies of her colonial possessions. The economic security as well as the economic opportunity of this great industrial Nation has been seriously restricted. Such a policy plants the seed of future war.

It is true that huge military and naval armaments increase the economic pressure upon every people so burdened, and that any reduction of armaments, and especially their abolition, would mitigate this economic pressure. Complex as is the disarmament problem, it is simple compared with the readjustment of the international economic order among the great industrial powers in such a way as to give them the economic security and opportunity so necessary to their welfare and to the reduction or abolition of their military and naval establishments. Until the economic situation is fairly satisfied there will never be any reasonable assurance of a peaceful international order.

DISARMAMENT NOT ENOUGH

Any reduction in armaments is desirable on the ground of national economy, but if we believe that such a reduction would put an end to great and disastrous wars—unless the movement is accompanied by profound economic adjustments—we are simply deceiving ourselves.

To illustrate my point, let us suppose that some years before the World War began the great powers had entered into an agreement to abolish nine-tenths of their existing land armaments. The German Army would have dropped to 80,000 men and all other nations would have reduced in proportion. Can we reasonably believe that this alone—this situation of comparative disarmament—would have prevented the World War? When we review the causes which led to the war I think it would have had no appreciable effect. Germany's army of 80,000, in place of 800,000, would have swept into Belgium, to be met by that little kingdom's two or three regiments, and across the border France's army of 60,000 men would have been ready for the onslaught.

For a few weeks all the scenes of the World War would have been enacted on a small scale; then the recruits would have poured in. In a year millions of men would have been at the front and the history of the conflict would have been almost identical with what actually happened during the four years that followed August 1, 1914.

When the United States entered the war in 1917 our Army was so small in numbers that a member of the German general staff contemptously described it as a mere "squad." We went in with little preparation and certainly without a large body of trained soldiers, and yet within the brief period of 18 months 4,000,000 American soldiers were under arms—all of them trained and ready for battle; and behind them were incredibly large accumulations of munitions and supplies.

Armies may be quickly made, and any nation skilled in industrial mechanics and chemistry can readily produce guns, poison gases, and high explosives.

Every machine shop can be turned into a plant for making shells; every factory where machines are made—even such innocuous implements as sewing machines and typewriters—can be transformed into a munition plant. Civilian airplanes may become fighting planes and bombers. Chemical factories are able to produce poison gas in large quantities on short notice.

My purpose in presenting these facts is not to depreciate the movement toward disarmament but to state the problem in all its harshness. Any other presentation of the case would be futile and meaningless.

Germany is practically disarmed to-day. Under the Versailles treaty the German nation is allowed to have an army of only 100,000 men, no military airplanes, no submarines, and no high-powered guns. But all the resources for making these implements of war exist in Germany and must continue to exist. Besides, the personnel of the German Army is of the highest grade. Limited to 100,000 men, the army is composed of highly trained units. Virtually every man in it is capable of serving as an officer and of training other men quickly and efficiently.

The French military authorities have a clear understanding of the small German Army's high efficiency and of the readiness of German industry for adaptation to military purposes. For that reason the French strategists, in case of another war, have evolved a plan for destroying the large industrial centers of Germany by scattering bombs and gases from airplanes before the German Nation can get ready to fight.

NAVAL ASPECTS OF PROBLEM

Let us now turn to the naval aspects of the problem. Let us suppose that all the great naval powers to-day agreed to sink every battleship, ever cruiser, every submarine, and every type of naval craft, and did it. Who would have command of the sea in case another war broke out? That nation, of course, which possessed at the time the largest and swiftest merchant marine. These merchantmen could be quickly armed with guns and become as effective on the high seas as the preponderant naval fleet of any nation in existing circumstances.

What nation would have command of the air if all military and naval planes were destroyed? Again, it would be that nation which possessed the swiftest, most efficient, and largest commercial fleet of airships; they could be equipped with guns and appliances for dropping deadly explosives, just as merchant vessels could be quickly converted into armed cruisers.

The nations of Europe that were associated with the United States during the World War owe this country more than $11,000,000,000. Some of our distinguished public men, in a well-meaning effort to bring about general disarmament, have suggested that the United States cancel this debt, provided our debtors will agree to abolish their armies and navies. In short, their proposal is to purchase disarmament and world peace.

It is a generous gesture, but would it be effective? In my opinion, it is a hopelessly futile proposal. First, because no nation would jeopardize its national safety—or anything that it considers necessary to safety—to liquidate a foreign debt that it does not have to pay, anyway, if it wants to dishonor itself by repudiating its obligations. In the second place, why should we attempt to buy the disarmament of Europe by canceling debts amounting to $11,000,000,000 which are justly due us, and which must in the end be liquidated by taxing the American people if our debtors are released from their obligations? If the nations of Europe can not get together and settle this problem without calling on the United States for $11,000,000,000, then European statesmanship must be at a low ebb.

In the third place, what guarantee could be given that the disarmament plan so purchased would be carried out and observed by future governments or future generations?

FUTILITY OF PURCHASE

Let us assume, for the purpose of discussion, that such a purchase of disarmament could be effected. In that case it could only apply to military, naval, and air armaments and could not reach or limit the human ingenuity which might, within a short time thereafter, devise new and secret methods of warfare which could not be successfully covered by the purchase agreement.

By what possible or conceivable means could the secret processes of the laboratories of each nation be so controlled that an end could be put to the development of those deadly chemicals and substances which will undoubtedly determine the issues of the next war? Who knows the secrets, which each nation to-day is carefully guarding, of the chemical researches, discoveries, and preparations already made for the next conflict? It is impossible to reach these things by treaty or by any sort of bargain or purchase.

Disarmament will be accomplished satisfactorily when, and only when, some new formula is found that will give both economic and physical security to all nations—big and little. Then and only then will the people of the overarmed nations realize the colossal folly and waste of maintaining armaments that add to their burden of poverty.

Some spokesmen in Europe claim that the weight of the $11,000,000,000 debt which European nations owe to the United States is too heavy for them to carry. I think that I may claim, with reason, that the American people are the most generous people on earth. We are the only nation among the victors in the World War which waived all indemnities, either of land or money. We asked for nothing and got nothing. Besides, we have since the war reduced the obligations of our debtors and have given them 60 years in which to discharge them. Their annual payments to us for interest and amortization are not onerous.

When you take into account the fact that the nations of Europe are expending $4,500,000,000 annually on armaments and that at least $3,000,000,000 of this amount is spent every year by our debtors, it is obvious that if each of the nations that owes us should reduce its expenditure for armaments one-half, it could, with ease, continue to pay us on the 60-year plan—in 60 installments—and use the money saved from armaments to improve its own economic condition.

WAR IS COSTLY

Everybody knows that war is disastrous and costly, and everybody knows that its way is marked by blood and tears; everybody knows that it leads to national poverty; everybody knows that it is wicked and has no place in a Christian civilization, but this knowledge and the moral conviction that it implies have had small effect in preventing war or even in promoting disarmament.

The world is full of sore spots, and every sore spot is likely to spread its infection and become a breeding place for future wars.

Russia is a sore spot. For all practical purposes Soviet Russia is looked upon as an outlaw in the community of nations. Why? Because the Russian people have established a system of society—and of government—which does not agree with the ideas current in the rest of the world. We do not like communism, and most of the peoples of the earth, outside of Russia, agree with us. Therefore the United States, in common with other powers, declines to hold diplomatic intercourse with the Russian Government.

Permit me to say that our attitude is in direct contradiction of our historic principles. We have always held that the people of any country have an unalienable right of self-determination. It was on that very point that we made our fight for independence. It is asserted in our Declaration of Independence that "it is the right of the people to alter or abolish it (government) and to institute new government, laying its foundation on such princi-

ples, and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness."

I do not believe in communism myself, but if the people of Russia want a communistic government why should we treat them as pariahs and outcasts and refuse them recognition when they have done exactly what our Declaration of Independence asserts that every people has a right to do—establish a government on "such principles and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness."

MUST CONSIDER RUSSIA

Russia is, of course, armed from head to foot. Can you blame her? If you call a man an outlaw and stand around his house making threatening gestures, should it be a matter of surprise if he appears at the door with a shotgun in his hand?

No effective plan of disarmament can be made unless Russia is taken into the family of nations and becomes a party to it.

Civilization can not go forward much further until we get rid of the sore spots.

Against the background of modern culture and philosophy war stands as a disease of civilization.

The first thing to do in a disease is to ascertain its causes, to make an accurate diagnosis. Then, with the facts in hand, we may proceed intelligently to devise a remedy. We can not cure a cancer by subscribing to a formal resolution that cancers shall be outlawed; that they shall not exist; and we can not abolish war by resolutions, or even by treaties, declaring that war shall be outlawed; that it shall not occur.

The chief cause of modern wars—but not the only cause—is economic pressure, and this is brought about in turn by complicated social forces.

The tone and temper of our civilization emanate from a highly developed individualism. That is the keynote. Every man looks out for himself first of all. Then he stands for his own community and for his Province or State, and then again he is for his own country, as opposed to the rest of the world. These are natural impulses; they belong to the inherent qualities of life. But when they are accentuated and sharpened to a keen edge—as they are to-day throughout the world—they become as dangerous as dynamite. They bring out and develop all the combative elements in the human spirit.

The individualistic civilization worked well for a long time. It worked well enough while the modern world was new, while there were new countries to exploit, and while the consuming demand for commodities continued to open up great vistas of commercial opportunity.

INDIVIDUALISM PASSING

The age of individualism is now drawing to a close, because the field for exploitation is growing smaller and smaller. This situation has been enormously emphasized by the fact that there is no curb on production, no effective regulation of commercial activity, no restriction which sets a limit on money-making. These conditions prevail in every community and in every country.

When a business concern is pressed by the necessity of enlarging its market to keep its plant going and pay wages and profits it attempts to undersell its competitors, to push them off the map, so to speak. The same tendency inspires the policy of nations; and as we behold the world at this moment we see it composed of national groups engaged in bitter commercial rivalry. Governments are furthering the efforts of their nationals, and necessarily so, because the people in these overpopulated European States can not exist upon themselves alone; they must have outlets. This competition in the economic field, with its incidental corollary of territorial acquisitions and expansion, is a fruitful source of war.

These rivalries encourage national hatreds, and the two things combined operate to cause burdensome armaments through the use of which, when needed, each nation hopes not alone to maintain existing advantages and to acquire others, but to weaken, if not to destroy, any effective competition by its neighbors.

The intense political and military nationalism that stares at us from the dispatches in every newspaper is accompanied by the economic nationalism that I have tried to depict. Every nation in continental Europe sits behind a tariff wall which prevents the free movement of commerce. They are all following the example of the United States, under the impression that the great wealth of this country has been created by our prodigiously high tariff. Our tariff has made us an economic enemy of the whole world. At the present time not less than 47 countries have set up special tariff restrictions that apply to American imports in retaliation against our own commercial barriers.

ECONOMIC WAR

The forerunner of every military war is a long-continued and silent economic war. The best way and the surest way to end wars is to build up, gradually and by degrees, a genuine economic international order that will afford every nation economic security and a fair opportunity for economic expansion.

Much good might be accomplished by an international conference on the economic conditions of the world. The first conference would lead to others and might eventuate in the establishment of a permanent council on economic affairs.

As I see the problem of disarmament, it has three distinct branches:

First, direct and complete disarmament, or, in the event that can not be achieved, a reduction, and the largest possible reduction, in the size of army and navy and air forces. This might be effected by treaties or agreements, provided that some formula for national security can be devised.

Second, a consideration of economic and other factors that lead to wars, with a determined purpose to rectify them. A strong and sustained effort to do this would be beneficial, even if it failed to solve the entire problem.

Third, a campaign of education to abate the intense nationalism that prevails throughout the world, and to build up, in its place, a genuine spirit of international friendship.

In the course of this address I have discussed some of the causes that lead to war. There is one cause that I have not yet mentioned—and that is the fighting spirit of the human race. Man is a fighter by nature, by instinct. Civilization has come out of the dark jungle of savagery by virtue of its fighting spirit. In the course of history men have fought each other, they have fought nature, they have fought savages, they have fought disease, they have fought poverty. As fighters they have widened the horizon of human consciousness and human energy.

We can not abolish the fighter; to get rid of him would be to set us back immeasurably in the scale of progress. But we may sublimate his energies. I get this term of sublimation from the psychoanalysts. They have proved that the destructive instincts may be transformed into dynamic forces of benefit to the world; that evil may be turned into good and ugliness into beauty.

Human nature has a wide range. At one end of the fighting scale are those who combat disease and poverty, at the other end is the murderer who kills his fellow men.

TURN FIGHTER TO OTHER TASKS

To abolish war we must sublimate the war impulse, we must still keep the fighter, but we must give him an objective that has nothing to do with destruction. We must make the soldier a constructive force; we must turn his fine heroism and his energies into something that benefits humanity.

Let us fight the obstacles of nature. Let us fight poverty and disease. The building of the Panama Canal was not only a great achievement but it was also one of the greatest battles in all history. It was a battle against torrid heat and swamps and against a mountain that kept on sliding down. Its strategy and its end were constructive.

Let us do other things like the Panama Canal. Let us employ the talent and the courage of the soldier to make the world a finer and better place to live in.

The Russians are doing it. They have made constructive achievement take the place of war. Every Russian to-day is enlisted in an army of progress. The 1,200-mile railroad that reaches far down into Turkestan was built by what is known in Russia as "shock troops," and that means workers who lived in the spirit and temper of men in the trenches. To-day these so-called shock brigades of workers are rebuilding Russia. For example, it is decided to rebuild some filthy, antiquated village. As a first step the entire population is moved out and sheltered temporarily elsewhere. Then the army of skilled workers advances with the precision of a military force. They bring with them all the material for setting up a new village. In a short time, like a miracle, almost, a new village stands in the place of the old one—and the new houses are sanitary, roomy, well lighted, and comfortably heated.

WORLD CONFERENCE CALLED

A world disarmament conference has been called by the League of Nations, to meet in February, 1932. This conference will be the most important of all the conferences that have been held on this subject. It should lead to important and decisive results. Meanwhile the people of all the nations concerned should be aroused to the imperative necessity of compelling their respective leaders—and they will not be deaf to public opinion if it is expressed loudly and unequivocally—to get results, not in the form of empty resolutions but in the form of international agreements for a drastic reduction in the burden of armaments.

For several years a permanent commission of the league has been engaged in the study of the question from a strictly military and naval point of view, and this commission is prepared to present, as I understand it, a well-conceived scheme for the reduction of military, naval, and air forces. All members of the league will be represented, and Russia and the United States have been invited.

Let us hope that our country will assume the dignified rôle of an actual participant, and not that of a weakling observer in this conference, and use its influence to secure practical results.

Let this be followed by a similar conference on economic affairs. It would mark the beginning of a new epoch in international relations. At such a conference the important issues that underlie the structure of world commerce might be discussed freely and openly.

We could get the expression of the representatives of all nations on such questions as a possible world currency; upon the establishment of some satisfactory ratio between silver and gold, so that silver may again play its proper and useful part in world commerce; upon the advantages and disadvantages of tariff systems, and upon the regulation of industries and the competition of nations for world trade.

These problems, economic and military, deeply concern the future of civilization and the welfare of mankind throughout the world.

FOREIGN-DEBT MORATORIUM

The Senate resumed the consideration of the joint resolution (H. J. Res. 147) to authorize the postponement of amounts payable to the United States from foreign govern-

ments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

Mr. JOHNSON. Mr. President, when we adjourned last evening I was endeavoring to demonstrate that the original proposal made by the President on the 20th day of June last was a very different thing from that which ultimately was put in operation by him, and that the assent or acquiescence given by Members of the Congress to the proposal originally made by the President was an assent and an acquiescence to a very different thing from that which ultimately was agreed upon and finally put in operation. I demonstrated that fact by the agreement, substantially a treaty, which was initialed by the Government of the United States and the Government of France on the 6th day of July last. That particular agreement, constituting as it did a treaty between the United States and France, if treaties can be made that way, was for a proposal and for a moratorium very different in character from the proposal and moratorium which were suggested originally on the 20th of June by the President of the United States.

Not only was that so, and the documents bear me out in that regard, but in addition to that the nations interested in the proposal themselves met in London on the 11th day of August, 1931, and they entered into a treaty, a treaty in relation to the President's proposal and in relation to a moratorium to Germany.

Now, mark you the dates, because we know that haste was so essential. Mark you the dates, because we understand there was a crisis that had to be met in an extrajudicial and an extralegal and an extraordinary fashion by the President of the United States, and which did not permit the Congress, the poor miserable Congress that only represents the people of the United States, from being called in special session in order to deal with a crisis in our affairs and in the affairs of all the world.

On June 20 the proposal, and then came the happy and blithe acquiescence by 68 Senators and 276 Representatives. How often has it been asserted in the press and shaken in our face by Mr. Mills and others that 68 Senators and 276 Representatives immediately agreed to the moratorium of June 20!

Then comes July 6, when France for 16 days, standing like a lion in the path of the moratorium says, "You can not have it and it will not be adopted by France unless France is made a preferred creditor to the amount of $125,000,000."

Then came on that day, July 6, an agreement, a treaty, made between France and the United States of America. O ye here who are jealous of your prerogatives as Senators—I will amend that and say, if there are any here who are jealous of their prerogatives as Senators—think of the Constitution of the United States; think of the orderly processes of the institutions of America, and recall with me that agreement made on the 6th day of July, 1931, when Congress could not act, when Congress could not be called, when Congress could not do what was essential for the American people in a world crisis, and the executive branch of the Government alone did the job, and did it not as the President proposed but as France insisted it should be done.

Oh, the Constitution is a glorious thing, Mr. President; it is the bulwark of our liberties; it is the ark of the covenant so far as America is concerned, but I am afraid that it possesses all its virtues in one amendment alone, concerning which I hear so much from constitutional expounders and others who prate about the founders and what they gave to us in this marvelous document. Constitutional expounders in this body ought to resent what has transpired so far as this moratorium is concerned. I am perfectly certain before this debate shall have been concluded that gentlemen far greater than I am, who always expound the Constitution, who stand always as adamant for the Constitution, and who never permit under any circumstances any usurpation under it—I am perfectly certain that those expounders of the Constitution in the United States Senate will stand here in their majesty and their might and resent the fact that the Constitution of the United States was so literally flayed and frayed as to become, when it was utilized in behalf of foreign nations to put a burden of taxation upon the American people, a mere scrap of paper, torn into a thousand bits and scattered to the four winds of heaven upon this moratorium.

Not only did the United States on July 6 enter into the agreement with France but, to repeat, on the 11th day of August the nations interested entered into their agreement. I read, sir, from Miscellaneous No. 19 (1931), Report of International Committee of Experts, Respecting Suspension of Certain Intergovernmental Debts, * * * Protocols, and Declarations * * * Presented by the British Secretary of State for Foreign Affairs to Parliament by Command of His Majesty.

It is rather an extraordinary thing, perhaps, for a Senator of the United States to go to the proceedings in Parliament and the official documents of the English Government to demonstrate what affects our people; but, Mr. President, sometimes it becomes essential, in order to get at the facts, to resort to the official publications of other governments, and only from them can we sometimes learn what has been done in respect to our own.

Here is the protocol concerning Germany. It is dated August 11, mind you. We had June 20 and July 6. Congress could not be called in session because of the world crisis and the necessity for haste. Now we have August 11, when finally the agreement was made by the other nations that were interested in the moratorium. From June 20, therefore, to August 11 is a period of only 52 days. There was not time during that period, of course, to ask the Congress to come together and to act upon the crisis; there was not then, of course, opportunity to inform the American people; but other governments acted in the fashion I have described and on the dates mentioned. Here is the protocol of the agreement of August 11:

Whereas on the 20th June, 1931, the President of the United States of America made proposals for the suspension of intergovernmental debts falling due during the year 1st July, 1931, to 30th June, 1932;

And whereas the governments' signatories of the present protocol have accepted the said proposals and have agreed to apply them in particular to the obligations of the German Government under the agreement signed at The Hague on the 20th January, 1930;

And whereas the French Government and the Government of the United States of America concluded an arrangement on the subject at Paris on the 6th July, 1931;

And whereas it is accordingly necessary to provide for the application of the new plan in the conditions thus created;

And in view of the report, dated the 11th August, 1931, drawn up by the experts who met in London for this purpose:

The undersigned, duly authorized to that effect, have agreed as follows—

Then comes article 2:

The payment of the unconditional part of the annuity from the 1st July, 1931, to the 30th June, 1932, and of the reparation tax due by the German Railway Co. from the 1st August, 1931, to the 1st July, 1932, will be governed by the provisions of annex 1 to the present protocol.

And in the annex 1 they provide, as we have learned, for the particular allocation of those unconditional payments.

There was no mistake among the governments which signed this document, and which were Belgium, Great Britain, Canada, Australia, New Zealand, South Africa, India, the French Republic, the Helenic Republic, Italy, Japan, Poland, Portugal, Rumania, Czechoslovakia, and——

Mr. SHIPSTEAD. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Minnesota?

Mr. JOHNSON. I yield.

Mr. SHIPSTEAD. That is the protocol that was agreed upon, and, as I understand the Senator's reading of it, it refers to the payment of reparations?

Mr. JOHNSON. Yes.

Mr. SHIPSTEAD. And this question is now before the Senate?

Mr. JOHNSON. Yes, sir.

Mr. SHIPSTEAD. If the Senator will permit me, I should like to read just a line from the President's message.

The VICE PRESIDENT. Does the Senator from California yield for that purpose?

Mr. JOHNSON. I yield.

Mr. SHIPSTEAD. The President in his message says:

We are not involved in the discussion of strictly European problems, of which the payment of German reparations is one.

Mr. JOHNSON. Now, Mr. President, in addition to the protocol that thus was entered into, the Governments of Belgium, Great Britain, Italy, and Japan addressed a communication or made a declaration respecting the protocol concerning Germany.

This is the declaration of these countries:

On the occasion of the signature of the protocol—

May I say that this declaration was made on the 11th of August, 1931—

On the occasion of the signature of the protocol for the application of the proposal of President Hoover to the German reparation annuities—

"For the application of the proposal of President Hoover to German reparation annuities"—

the following declarations have been made—

You see, Mr. President, there was no mistake about what was intended by the original proposal of the President of the United States—

The undersigned, on behalf, respectively, of the Governments of Belgium, Great Britain, and Northern Ireland, Italy, and Japan make the following declaration:

As regards the principles of the application of President Hoover's proposal, the Governments of Belgium, Great Britain, and Northern Ireland, Italy, and Japan would much have preferred the simple system of postponing all payments for one year throughout the period of the new plan.

That is exactly what it was asserted was said by the President of the United States on June 20; that is exactly what he proposed; that is exactly what some Members of the Senate and House agreed to in their telegrams when they legislated on this important subject in that fashion; that is exactly what these other countries involved believed had been asserted by the United States of America.

But—

Proceeds the communication—

in order to achieve unanimity, the aforesaid governments are willing to accept the proposals embodied in the Franco-American agreement.

They are willing to accept the proposals involved in the agreement signed July 6, 1931, which are not the proposals made by President Hoover on June 20, 1930. Although they would have preferred to accept the original proposals, they accept the new proposals and the new plan, as they describe it in their protocol. As we proceed very briefly with the argument upon this subject, Senators will see the importance to us from every standpoint of fair dealing, frankness, and candor about this new plan thus presented by France and the United States.

In order to achieve unanimity, the aforesaid governments are willing to accept the proposals embodied in the Franco-American agreement. These proposals have, however, the effect of imposing a substantial additional burden on Germany during the year 1933 onwards, which may have the effect of prejudicing the position of these governments.

Oh, we agreed about how necessary it was for us to do something for Germany—not something that we were bound to do, not the release, not the forgiveness of a debt that Germany owed us, but it was necessary for us to do something for Germany by forgiving our debtors other than Germany. I omit the discussion of the small sum that may be due us from Germany on account of our army of occupation there, because that is of little or no consequence.

We had no obligations of the sort against Germany herself. We had obligations against Great Britain, France, Italy, and other nations. I can not impress that too strongly upon you, because we were seeking from our debtors, by forgiving them, some sort of relief for some other country. They were not seeking to grant any relief themselves; but we were taking the initiative by forgiving the debts that were due to us for the year of Great Britain, France, and Italy and postponing them to a future maturity.

These proposals—

I repeat, says this declaration from these governments—

have, however, the effect of imposing a substantial additional burden on Germany during the years 1933 onward which may have the effect of prejudicing the position of these governments. In the application of these arrangements, therefore, they must naturally reserve entirely their rights and interests under existing agreements. These agreements provide that within the framework of the new plan—

Nobody thought it was the old proposal. No government on earth, no one sentient being concerned with the matter save our Congressmen and our Senators, imagined that they were dealing with the original proposal; but they were dealing, these governments and everybody else connected with the matter, with a new plan and a new idea.

These agreements provide that within the framework of the new plan the various creditor governments shall not be prejudiced by the special allocation to France out of the unconditional annuity, and it is essential that the arrangements now proposed should not have the effect of invalidating that principle.

These governments understood just what was being done, that we were making on the 6th day of July and the 11th day of August a new plan, and they were insisting that the special allocation to France should not prejudice them under the old existing order; and they say in their declaration that they would be glad to have an assurance that the French Government had no intention of the kind.

As regards the suspension of the unconditional annuities, the Governments of Belgium, Great Britain and Northern Ireland, Italy, and Japan do not consider that any special procedure was required. They point out that the proposal of President Hoover applied to all intergovernmental debts, whatever their character.

That is the proposal that you subscribed to. That is the proposal concerning which you legislated by telegram. That is the proposal that was given to the world, and that is the proposal that it is pretended now is carried by this joint resolution. These governments officially thus state, and they say in so many words:

They point out that the proposal of President Hoover applied to all intergovernmental debts, whatever their character. In their view it is always open to a creditor government to suspend the payment of any debt due to it, and such suspension in no way derogates from the stipulations governing the debt in question. Nevertheless, in view of the Franco-American agreement, they are prepared to agree that the Bank for International Settlements should obtain German Railway bonds in respect of the whole amount of the unconditional annuity, and they will raise no objection in present circumstances to the distribution of these bonds between the creditor governments in proportion to their respective shares in the unconditional annuity on the understanding that all the postponed German payments shall be repaid in all circumstances on precisely the same basis.

Then the Government of Belgium, the Government of Great Britain, the Government of Italy, the Government of Japan are the signatories; and on the 11th of August, 1931, France, having received exactly what she desired, having won her point, wrote that in view of the circumstances and the existing agreements, including the new agreement, she did not intend to do otherwise than those agreements provided for.

Thus we have the 11th of August passing with the governments of the world that were interested in the moratorium expressing what it was, knowing what it was. The only people, apparently, who did not understand what it was were our own people; and we labored under the delusion for a considerable period of time that we were carrying out the original purpose as expressed in the statement of the President on June 20, 1931.

I was quite interested in reading in the House debates the remarks of a very distinguished and a very able gentleman, for whom I have the very highest respect. I realized then that perhaps there was a confusion abroad, even in the Congress of the United States, as to what we were doing; and I read his remarks because, while I believe that he understood the situation thoroughly, they leave doubtful and ambiguous just exactly what is done by the joint resolution in question here.

Reparations—

Said he—

are used in the resolution to say to France, to England, to Belgium, and to all of those countries, that if they do not grant their

debtor, Germany, a moratorium for a year on every kind of debt they have against Germany of a public character—

"On every kind of debt they have against Germany of a public character"—

including their claims for reparations, we will not grant them a moratorium on the amounts they owe us. America would have been foolish to grant France and England a moratorium of what they owe America and then permit Great Britain and France to collect the reparations due them by Germany. That is the only reason reparations are in the resolution, describing the character of the debts on which other countries must grant moratoria in order to secure the benefit of our moratorium.

Thus I find, in talking to various people in respect to this matter, that some of them labor under the delusion that we are forgiving a debt that Germany owes us. Some of them have the illusion that this joint resolution applies to every debt that Germany owes to every other nation. Keep in mind, therefore, that Germany owes us nothing save the small amount I have indicated, that is of no consequence in this debate. Keep in mind that the other countries have done just exactly as the most concerned of those other countries wished to do, and that France, after her long contest, won exactly what she desired to win. She maintained the integrity, as she believed, of the Young plan; and she received, in the fashion that the agreement between the United States and her provided, the unconditional reparations.

Now let us turn to the President's message of December 10, 1931; and in order that there may be no question as to my quotations from it I should be glad if the distinguished Senator from Utah [Mr. SMOOT] would follow me while I recur to this message and comment upon it. I should be very glad if he would follow me, because I want with meticulous care to deal with this message and to leave with you then the thought whether or not that message is one that should commend itself to the Senate of the United States or to the Congress. I leave it with you then to determine, when finally we have concluded with it.

He starts with the World War debt postponement:

With the support of a large majority of the individual Members—

I resent it every time I read it.

With the support of a large majority of the individual Members of the Senate and House, I informed the governments concerned last June that—

I resent it because it is a mode of legislation that will return to plague you in the future. To-day you may believe that you have in the White House the greatest man who ever sat there. You may believe that he possesses within his own physique all the virtues that God can give to any human being, and that his head makes him a superman among those upon this earth. I do not question it here, and I am not prepared here to discuss that question at all. You here who respond to him may have an opinion of him with which I will not for the moment disagree; and you may assume that when he speaks he speaks from on high, and that his words come down from Sinai to us, and that they must be at all hazards obeyed. You may grant to him every one of those traditional characteristics that we have loved to give to Presidents of the United States, and you may imbue him with a godlike power to deal with the destinies of the American people.

I do not care whether that be your view, or your view be the reverse. When any man sits in the Executive Office in this Government as President, and when he seeks to legislate without the formalities required by the Constitution, when he deals with what means the very lifeblood of the people of this Nation, when he seeks to put upon them the burden of taxation that is not theirs in order to relieve Europe, when he deals with a subject that belongs to the Congress of the United States, if he deals with it otherwise than as the Constitution directs, if he violates the spirit of American institutions, and you tolerate it, you have taken the first step that these international bankers wish us to take. You have taken the step toward dictatorship; and in days to come that step will rise to plague you and those who follow you.

This is the first false step. This is the entering idea by which an executive official may legislate as he sees fit and in defiance of the Constitution and the institutions of America. This is the first time in the history of my life, in this body or elsewhere, when any man sitting in Executive Office has arrogated to himself the power, by a Western Union telegraph blank, to take from the people of this country $250,000,000 and saddle them with a deficit to that extent and make them pay it in unheard-of taxes.

It is because of that, really, more than because this whole thing I believe to be wrong, that I raise my voice to-day in opposition.

It does not matter that the voice of the people does not carry to the sacred precincts of the White House, where you gentlemen meet and you gentlemen decree our fate. It does not matter that that voice can go no further than this Chamber. Nevertheless, there rests upon the men who sit here an obligation, an obligation under their oaths, to stand and protest whenever their constitutional power is usurped or whenever the laws of this land shall be trampled under foot either by one man or another, or any set of men, or with the consent of any set of men, no matter who they may be. So it is that to-day I am protesting in my feeble way against this particular usurpation of power.

To-day it is my turn, my friends, to feel it. You do not, because you have consented to it in writing. That is your right. I do not criticize you by my repetition of what has been done and do not intend it in that fashion. To-day I feel it because of the intensity of a temperament which brooks no opposition when it believes the power of this Nation has been subverted, and subverted without the right of law.

I to-day feel it. You do not. Let the precedent be established; let yourselves vote this moratorium upon the facts which have been presented during this discussion, and you have established a precedent in this land, and none can tell where it will lead. The only thing that saves this country to-day from all of the turmoil which exists in some of the other nations is the fact that those who live in our bucolic territory have an inborn and instinctive love for law and order; and no matter what transpires, no matter what burdens may be put upon their backs, still they believe in law and order, and they never will initiate change or revolution.

We are different in that regard from the people in other lands, if we may believe the historical statements of what has transpired in other countries. But once let these heavily burdened farmers of ours feel the pinch as those in the great cities feel it, once let enter their souls the iron that has entered the souls of many in the great cities of the land, once let these men of the soil unite against what they may think is their betrayal, once let them unite with the spirit which you know is rife in the great cities in this land, and no man can foretell what may transpire.

To-day I would stop it at its very threshold in the usurpation of law and the violation of the Constitution. To-day I would make plain that whatever there may be in this land, whatever may transpire, there is one body, at least, legislative in character, representative of the people, which will ever stand for that which is right and that which is law.

It is because here we face the first great violation that has been attempted by an Executive that I inveigh against what has been done; and you, with your knowledge of what has transpired in the past, with your prescience as to what may happen in the future, should unite with me in preventing it.

It does not make any difference whether your views are of one sort or are of another sort upon the moratorium. Here is a fundamental question involved, a fundamental question concerning our institutions and concerning our Constitution; and upon that fundamental question there should not be either debate or difference among men who stand upon their own feet and will go their own way, fight their own battles and the battles of those who sent them here.

Mr. President, I am returning now to the message of the President, and I am glad the Senator from Utah [Mr. SMOOT] has it in his hand, so that we may read it together:

With the support of a large majority of the individual Members of the Senate and House—

Just think of it, a large majority of the individual Members of the Senate and the House!

I informed the governments concerned last June that—

"The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest."

I am reading now the President's words, transmitted to this Congress December 10, 1931. What is it that he says?

The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest.

Then he proceeds:

Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year beginning July 1 next, conditional on a like postponement for one year of all payments of intergovernmental debts owing the important creditor powers.

In making this proposal, he publicly stated the purposes, and he proceeded then with the purposes stated. Then subsequently he uses these words, which appear on the second page of the message:

I wish to take this occasion also to frankly state my views upon our relations to German reparations and the debts owed to us by the allied governments of Europe. Our Government has not been a party to, or exerted any voice in determination of, reparation obligations. We purposely did not participate in either general reparations or the division of colonies or property. The repayment of debts due to us from the Allies for the advance for war and reconstruction were settled upon a basis not contingent upon German reparations or related thereto. Therefore, reparations is necessarily wholly a European problem with which we have no relation.

But in the first sentence he uses he says:

The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations, and relief debts.

So it does not make any difference what flexibility there may be in language, what high-sounding words may be used, we do connect, and inextricably connect, the reparations and the war debts.

Mr. WALSH of Massachusetts. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Massachusetts?

Mr. JOHNSON. I yield.

Mr. WALSH of Massachusetts. Granting that the President did an extraordinary thing, perhaps an illegal thing, in failing to convene Congress——

Mr. JOHNSON. I will answer any question the Senator may ask.

Mr. WALSH of Massachusetts. I would like to inquire of the Senator whether he thinks the President exaggerated or misrepresented as to the actual conditions in the world.

Mr. JOHNSON. I think he was utterly in error as to what was absolutely essential to be done. I have no doubt upon that point, and I want to call this to the attention of Senators: We forgave $250,000,000 to France, Great Britain, and Italy. Doctor Melchoir testified before the commission in Switzerland that Germany had paid substantially $250,000,000 in short-time credits in the past six months. There is the relationship, and it does not require a man with a microscopic eye or a Senator with a brain as acute as that of some of those who are here before me or some of those who are not to understand that. You can understand just exactly the relationship that thus existed.

I follow now with another paragraph from the President's message:

I do not approve in any remote sense of the cancellation of the debts to us.

I leave comment upon that for a subsequent moment.

I do not approve in any remote sense of the cancellation of the debts to us. World confidence would not be enhanced by such action. None of our debtor nations have ever suggested it. But as the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world. I am sure the American people have no desire to attempt to extract any sum beyond the capacity of any debtor to pay, and it is our view that broad vision requires that our Government should recognize the situation as it exists.

This course of action is entirely consistent with the policy which we have hitherto pursued. We are not involved in the discussion of strictly European problems, of which the payment of German reparations is one. It represents our willingness to make a contribution to the early restoration of world prosperity in which our own people have so deep an interest.

I wish further to add that while this action has no bearing on the conference for limitation of land armaments to be held next February, inasmuch as the burden of competitive armaments has contributed to bring about this depression, we trust that by this evidence of our desire to assist we shall have contributed to the good will which is so necessary in the solution of this major question.

That is the end of the quotation, and I congratulate the President, and I am delighted to be able to congratulate the President—I call the attention of the Senator from Utah [Mr. SMOOT] to this, if the Senator from Utah will give me his attention. I congratulate the President, and I am very glad to be able to congratulate the President on what I now read. I wish, sir, always when he does an act which is of the sort that I believe ought to be performed to give him his full meed of credit. Immediately after that portion which is in quotation, which I have just read, the President said, of course, in his message to the Congress of the United States these words, and I congratulate him upon them:

Since the statement of the 20th of June was made, which I have just quoted, the proposal of the American Government had to be altered because France would not agree to it. France insisted that the unconditional reparations, which, of course, were included in my original proposal, should be paid by Germany, and the most that could be obtained from France was that upon the payment of these unconditional reparations, amounting substantially to $125,000,000, this sum should be reloaned to Germany upon bonds which should be underwritten by the German Government, and which would be reloaned to the German railways. Reluctantly I was compelled, therefore, to transmute the proposal originally made for the postponement of payments on all intergovernmental debts into postponement, so far as reparation payments by Germany were concerned, to conditional reparations only, and to exclude from the operation of the moratorium the unconditional reparations due to France.

Of course, under the circumstances, the 276 Members of the House who acquiesced in the original proposal, and the 68 Members of the Senate who did likewise, are at full liberty to exercise their individual judgments upon the altered and different proposal which finally was agreed to by me with France on the 6th day of July, and accepted by the other nations concerned on the 11th day of August.

That is a statement which I think the Senator from Utah will agree with me was a candid and a frank and a fair statement to be made. I ask him if he does not.

Mr. SMOOT. I certainly do as to the amount which was loaned to the railroads; and not only that, but with the situation as it existed at that time the President could not have made any other statement, as the amount of money was loaned to the German railroads, and certainly had to be taken into consideration, and it was, in the settlement, and the money remained in Germany.

Mr. JOHNSON. Mr. President, may I congratulate the Senator from Utah upon agreeing with me upon the fact that this was a frank and a fair and an open statement made by the President of the United States to the Congress, and, of course, being that kind of a statement, it ought to have been made. But the difficulty is that while the Senator from Utah agrees that that was a frank statement for the President to make, and while we all agree that he ought to have made it, he did not make it at all. I interpolated in this message, merely for the purpose of illustration, the facts in order that I might have the agreement of the Senator from Utah, who is always, fair, open, frank, candid, and aboveboard—that I might have his indorsement when I read this interpolation into the message.

So, Mr. President, we have a message here that should have shown the facts and that did not show the facts. Would it not have been better, sir, would it not have been something which we would all have appreciated more—the Senator from Utah and I assuredly would have appreciated it more, I know, from the admission that he has made—instead of leaving the message where it stopped, without a word concerning what was done with France or what the the other nations of the earth did with this moratorium—

would it not have been more in consonance with fairness and with frankness and with what transpired, for the President to have given us the details, as has been asserted ought to have been given by the Senator from Utah and myself?

Mr. President, this message I continue to read because I wish to show just exactly what its implications were:

All the important creditor governments accepted this proposal.

Not the proposal of France, not the proposal that we just read as a part of the message by way of illustration. They accepted "the proposal," says the President.

All the important creditor governments accepted the proposal.

This is the proposal, the proposal of June 20, 1931.

The necessary agreements among them have been executed, and creditor governments have foregone the receipt of payments due them since July 1, 1931.

I read, in justice to the President, the remainder of the message:

The effect of this agreement was instantaneous in reversing the drift toward general economic panic and has served to give time to the peoples of those countries to readjust their economic life. The action taken was necessary. I am confident it commends itself to the judgment of the American people.

Payments due to the United States Government from many countries, both on account of principal and interest, fall due on December 15. It is highly desirable that a law should be enacted before that date authorizing the Secretary of the Treasury, with the approval of the President, to postpone all payments due us on account of debts owed by foreign governments to the United States Government during the year ending June 30, 1932, and to provide for their payment over a 10-year period beginning July 1, 1933.

As we approach the new year—

Here is a message of a different nature and a different kind:

As we approach the new year it is clear that a number of the governments indebted to us will be unable to meet further payments to us in full pending recovery in their economic life. It is useless to blind ourselves to an obvious fact. Therefore it will be necessary in some cases to make still further temporary adjustments.

The Congress has shared with the Executive in the past the consideration of questions arising from these debts. I am sure that it will commend itself to the Congress, that the legislative branch of the Government should continue to share this responsibility. In order that we should be in position to deal with the situation, I recommend the re-creation of the World War Foreign Debt Commission, with authority to examine such problems as may arise in connection with these debts during the present economic emergency, and to report to the Congress its conclusions and recommendations.

There, Mr. President, is the message of the President. Not a single, solitary word is said concerning what transpired after the 20th day of June, 1931. All the governments of the earth that were interested accepted the proposal contained in the agreement between France and our Government of July 6, saying that conditions had changed. There in their protocol is their view on August 11 that these conditions had changed. Here in this country, notwithstanding other nations believed in the changed conditions, notwithstanding it was conceded by those high in power that there had been a change in the conditions that had existed, not a single solitary word, not a single sentence is found in the message of the President to the Congress on the 10th day of December, 1931, in relation to those changes.

I do not approve—

Says the President—

in any remote sense, of the cancellation of the debts due to us.

I make no play upon words and I do not assume, as one would have the right to assume, that "remote" might be read in the context in which it is used, to indicate that he had no remote but a very near idea. I take it that what he means is—and I make no play upon the word—that even remotely he does not intend to consider cancellation of debts. His language is unfortunate, as unfortunate, I am sorry to say—because I am always irritated when I see it—as the split infinitive in which his literary secretaries indulge. Passing the construction of the language, forgetting the split infinitives of the literary secretaries, let us see what is meant by his statement that he does not even remotely believe in cancellation of the debts.

It is perfectly obvious that he does believe in scaling down the debts. It is perfectly plain from the remainder of the message that he does believe in reduction of the debts. I was delighted to have the testimony of the Senator from Utah [Mr. SMOOT] and the Senator from Pennsylvania [Mr. REED] that they were unalterably opposed not only to cancellation of the debts but unalterably opposed to any reduction or any revamping of the debt settlements that had been made. But that is not the position of the President of the United States. It is not his position, for he states, and states it here so that there is no misunderstanding:

As we approach the new year it is clear that a number of the governments indebted to us will be unable to meet further payments to us in full pending recovery in their economic life. It is useless to blind ourselves to an obvious fact. Therefore it will be necessary in some cases to make still further temporary adjustments.

There is only one meaning to that, of course. It will be necessary, in his opinion, to indulge in reductions or in modifications of the debt settlement, and in reductions undoubtedly to the debtors who are indebted to us. To make that perfectly plain he asks for the re-creation of the World War Foreign Debt Commission. Of course, we would not re-create the World War Foreign Debt Commission for the purpose, as was well said yesterday by the Senator from Nebraska [Mr. HOWELL], of revising upward. We would re-create it for the purpose of revising downward. That goes without saying, and none, I take it, will deny it.

So the President of the United States in his message to the Congress on December 10 said substantially that he favors reduction of some debts and the re-creation of the World War Debt Commission in order that that may be accomplished. Oh, what a dreadful state; what a terrible situation is here presented. Oh, how the mighty have fallen, and how their views have been changed, perhaps contaminated by association with men upon this floor, for here we find the Senator from Utah [Mr. SMOOT] and the Senator from Pennsylvania [Mr. REED] in disagreement with the President of the United States and taking a position directly opposite to that which is taken by him. If it is excusable in them, on what theory is it inexcusable in you? I do not say inexcusable in me, because that is a matter of absolute and complete indifference so far as I am concerned. But I read in the debates upon the floor of the Congress of man after man asserting that the President had done something he ought not to do, but because he had done it they were going to vote for it—a philosophy of government which, if carried to its logical extreme, would mean no government at all and no Congress at all. Of course, I can not subscribe to that kind of philosophy.

But the awfulness of the Senator from Utah and the Senator from Pennsylvania being against any debt cancellation or debt reduction at all is something that after all should stir the hearts of every one of us in this body and make us feel, during these hectic days in this land, that after all there are Senators of one degree and Senators of another degree in this body who disagree with the President, and it is a very difficult thing to have a line of demarcation between those of the one degree and those of the other. So as to our friends disagreeing with the President, I congratulate them because they are right. I congratulate them because the debts ought not to be scaled down and they ought not to be canceled.

There is only one way in my opinion to deal with those debts, just one way. Stand our ground in reference to those debts! Let any nation default that desires to do so. Let any nation that wishes refuse to pay what we legitimately and rightfully ought to be paid. Maintain our position in reference to those debts and let any debtor of ours default that desires to default.

We are pretty close to having learned our lesson now. We knew it for 100 or more years. We forgot it in the last 15 years. We are learning it over again to-day. Let Europe default if Europe desires to default. I doubt if many of the nations will default, but let them default if they desire;

and once they have defaulted we will know just where we stand and we will not again commit the errors which have been committed in the last 15 years in this country.

It is a dreadful thing to hear the evidence that has been developed before the Finance Committee. Only three witnesses have been called, but by the testimony of those three witnesses it has been established that over $4,000,000,000 have been invested abroad by Americans; $4,000,000,000 that are worth not a tithe of the amount that originally was invested. Mad men, perhaps, were they; mad banks, perhaps, were the banks; mad, indeed, perhaps were the international bankers; but the profits were before them; they saw, as they said, that it was a commercial transaction; they were engaged in that kind of commerce; and over $4,000,000,000, out of the mouths of three witnesses it has been established, have been invested abroad by the American public.

Let us learn just where we stand; let us stand upon our debts; and when any nation defaults we will understand the implications. If we do not pursue that policy, if we grant moratorium after moratorium to those debtors of ours, then we shall simply be utilizing the modes that they have utilized to take us further into Europe and take us into further financial disaster and adventure there. So let us stand our ground on our debts. Let them default, if they will; and when they default, then we shall go back to the old American rule and the old American tradition perhaps; then we shall be just American again.

Mr. WHEELER. Mr. President——

The VICE PRESIDENT. Does the Senator from California yield to the Senator from Montana?

Mr. JOHNSON. I yield.

Mr. WHEELER. I understood the Senator from California to state that the bankers had sold $4,000,000,000 worth of foreign loans to the American people?

Mr. JOHNSON. I speak in round numbers; but, according to my recollection, it is over $4,000,000,000 that three witnesses testified Americans have put into foreign securities.

Mr. WHEELER. Does the Senator know how much the international bankers made on those transactions?

Mr. JOHNSON. No. In the case of the Morgan house it has to be computed upon what they call the "spread." The Mitchell establishment, the National City Bank, showed a profit of about $26,000,000, according to my recollection of the testimony.

Mr. WHEELER. I did not know but that the Senator from California had computed the figures.

Mr. JOHNSON. I have not computed them all. I am having that done, however.

Mr. WHEELER. I think it would be extremely interesting if we knew how many billion dollars those bankers loaded on to the American public; how much profit they made as commissions, and how much those securities are worth at the present time. It would show, it seems to me, what "suckers" the American people had been in buying those foreign bonds upon the say-so of these self-styled merchants of New York.

Mr. JOHNSON. I think that all of that will be developed; we have only just started on the investigation, and before we conclude I think all of those facts will be thoroughly developed.

Mr. WHEELER. As I understand, all those loans were made subsequent to the World War, were they not?

Mr. JOHNSON. Yes; all the loans of which I have been speaking were made subsequent to the World War.

I say we were in a drunken orgy of speculation during that period; there is not any doubt about it. The gentlemen who appeared before us made no bones of the fact that they were dealing commercially with that sort of thing, and, of course, they "put over" what they could in order that their profits might be made; and that they made great profits there is not any doubt whatsoever.

All those things have been done, and now that our fingers have been burned we understand something of what it is we are dealing with. Now, however, we are dealing not with those particular individuals or with those who may have mistakenly bought bonds abroad but we are dealing with the butcher, the baker, the candlestick maker; we are dealing with men, women, and children in the United States; we are dealing with them to-day, and because there have been blunders made in the world, because there is a cataclysmic effect concerning the economy of some countries we are saying—God save the mark!—That we will put upon the backs of all the men, women, and children of the United States a deficit of $250,000,000, and we will make them foot the bill; that is what I oppose. For the love of God, are there not enough Americans in this body to stand here for the American and against his unjust taxation? Talk to me about distress abroad! Tell me that business there is stagnant, that people there go hungry. Good heavens!

In the city from which I come, that never before knew poverty, that has no slums, we feed 8,000 men to-day, men who in the main are just as good as you and just as good as I. We are feeding there the hungry. I see business men with whom I have associated going down the street with haggard faces, worried about where they will be to-morrow.

Let us cast our eyes upon America for a brief period. Do not be European minded when distress stalks in our land. Look here at your own; help the others if you wish ultimately, but look here to your own; help your own people, your own Americans. That is the plea I make. Do not look across the water all the time; do not look to Europe in every phase of every economic difficulty; but look here at America and at Americans. That is the plea that I am trying to make; and we are justified in dealing with this subject in the fashion that I suggest, because certain conditions were unwittingly misrepresented during the period when some Senators and Representatives signed upon the dotted line.

I have shown from the President's message how he neglected to tell you of the events subsequent to the events of June 20, 1931. It was done unwittingly, of course, because when I read the interpolation to the Senator from Utah he said, "That is right; it is a fine thing; that ought to be said to our people." He agreed with me that that kind of frank statement was the one that should be put before the people of the United States and should be told to the Senate of the United States and to the Congress. Unfortunately, we have to dig into the facts ourselves and determine them, and the great Finance Committee—pardon the implied criticism—takes the testimony of Mr. Ogden Mills, which is not even printed for the use of the Senate when this particular matter comes before the Senate. Why all this haste?

Mr. REED. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. AUSTIN in the chair). Does the Senator from California yield to the Senator from Pennsylvania?

Mr. JOHNSON. Certainly.

Mr. REED. I think the testimony is printed and on the Senator's desk at this minute.

Mr. JOHNSON. It may have been printed and placed on the desk this morning. I said, however—do not misunderstand me, because the Senator is going to correct me—that when this question came before us it was not printed.

Mr. REED. That is right.

Mr. JOHNSON. That is what I said; that is correct. All right. The Senator from Pennsylvania and I agree as to that; we even agree, as I have demonstrated, on the noncancellation of debts and their nonreduction. Now, is not that fine?

Mr. REED. We agree on lots of things.

Mr. JOHNSON. Of course, we agree on lots of things; but the difficulty is we disagree with the President on this, and that is a terrible thing. [Laughter.]

Just after the moratorium was put into effect what happened? The sum of $250,000,000 that belongs to this country, $250,000,000 that could be applied to the deficit which our people are going to pay for, $250,000,000 in round numbers, was paid during the last six months, as Melchoir testified, in short-term credits. Who holds those credits I do not know. I assume, of course, the banks hold them; I assume that is the natural place where those short-term credits should be. So $250,000,000, that is going to be put

upon the backs of the American taxpayers, has been utilized for the payment really of the obligations held by the banks. Mr. President, do you realize that fact? Relief of Germany! Oh, yes, what a picture is painted; what a tale is told of the necessity for the relief of Germany, and, when the relief comes, to whom does it go? Who got the money? Two hundred and fifty million dollars, substantially the amount that we forgave our debtors, is paid in short-term credits unquestionably to the banks that held those short-term credits.

It may be said there is not any evidence before us concerning the short-term credits. There is one little bit of evidence thus far—we will have, if the Finance Committee will indulge me, some further evidence, I hope; but we have from the representative of J. P. Morgan & Co. the statement that one bank in New York City holds $70,000,000 of these short-term credits. He says, of course—and he is entirely right about that—that that does not affect in the slightest degree the standing or the solvency of the bank. That, however, is neither here nor there. One bank in New York City has $70,000,000 of these short-term credits. Seventy million dollars is a mere "bag of shells," of course, with which none of us should concern ourselves; but $70,000,000 is a pretty large percentage for one American bank to hold of these short-term credits; and, of course, if the bankers can have their way at the meeting that is being held abroad to-day, they will make these short-term credits and these obligations that are private in character take precedence over governmental obligations—a thing which would be, in my opinion and the opinion of most of us, an utterly outrageous thing to do. There, however, is the situation. Short-term credits to the amount of $70,000,000 are held by a single bank in New York City. Why should they not be for cancellation? Why should they not want our foreign debts scaled down? Why should they not be for a moratorium and for moratoria from now until all of the debts shall have sunk into insignificance? Why should they not be? They are to make their money out of such transactions; that is what they are for; that is why they conduct their business. That is all right; let us not complain of them; they are transacting their business and making their money; but, for the love of humanity, when we are willing to accord them the right to transact their business and make their money, can we not think for a quarter of a second of the man who is to-day in this country of ours tramping about broke, who has the right to transact his business and make his money and to transact his business and make his money undeterred, unbent, and unhurt by the Government of the United States saddling upon him additional debts and additional taxation?

Now, let me turn with you for a minute to the joint resolution that is before us. I turn to that joint resolution because, first, I want to compliment the House of Representatives upon the amendment they put in it. I congratulate the House of Representatives upon that amendment because it does declare, even though it may be a mere gesture, a policy on the part of the United States that ought to have been declared long ago, and that in stentorian tones every one of us ought to reecho. It says, in section 5:

> It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced; and nothing in this joint resolution shall be construed as indicating a contrary policy or as implying that favorable consideration will be given at any time to a change in the policy hereby declared.

The House did an excellent thing, they did a fine thing, when they did that; and it is a matter of the utmost regret to me that when the Ways and Means Committee of the House voted upon this amendment every Republican upon that committee save one voted against it. I say it is a matter of deep regret that the Republican Party, in which my allegiance may be tenuous, if you prefer, but to which I do, after all, belong—that the Republican members of the House Ways and Means Committee, with one exception, objected to and voted against that particular amendment, inserted, I think, by the member from Arkansas.

Why do you suppose they did it? Did they do it, because they believed that it was unnecessary or because they believed that it was contrary to the policy of the national administration? I leave to you to determine which.

But now will you do me the kindness, you who are here at this late hour, to follow me for a moment upon the language of this joint resolution, because this language, in my opinion, does not express what it ought to express?

> That in each of the following countries—

Then citing them—

> the Secretary of the Treasury, with the approval of the President, is authorized to make, on behalf of the United States, an agreement with the government of such country to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such country to the United States in respect of its bonded indebtedness to the United States, except that in the case of Germany the agreement shall relate only to amounts payable by Germany to the United States during such fiscal year in respect of the costs of the army of occupation.
>
> SEC. 2. Each such agreement on behalf of the United States shall provide for the payment of the postponed amounts, with interest at the rate of 4 per cent per annum beginning July 1, 1933, in 10 equal annuities, the first to be paid during the fiscal year beginning July 1, 1933, and one during each of the nine fiscal years following, each annuity to be payable in one or more installments.

Now read section 3 with me, if you please:

> SEC. 3. No such agreement shall be made with the government of any country unless it appears to the satisfaction of the President that such government has made, or has given satisfactory assurances of willingness and readiness to make, with the government of each of the other countries indebted to such country in respect of war, relief, or reparation debts, an agreement in respect of such debt substantially similar to the agreement authorized by this joint resolution to be made with the government of such creditor country on behalf of the United States.

If it is expected to enter into agreements whereby a part of reparations shall be permitted to be paid to France, your joint resolution in frankness and in fairness should state that fact. If it is intended that all the reparations that are due to France from Germany should be foregone for a period of time by France, that fact should be stated in the joint resolution; and it certainly is not frank with the American people to have a section of this joint resolution reading that these countries, "in respect of war, relief, or reparation debts," shall execute "an agreement * * * substantially similar" to that which we execute with the other countries of the earth. It is not a fair proposition thus to express the situation, and it does not state the fact.

It is true that in the beginning of section 3 of the joint resolution it is asserted:

> No such agreement shall be made * * * unless it appears to the satisfaction of the President that such government has made—

And so forth, a similar agreement in regard to reparations, and the like. We know that it will appear to the satisfaction of the President that there has been a similar agreement made if all the reparations that are unconditional in character were to be accorded to France. That is just what has been done, and it ought not to be left to any uncertain construction in the future.

I intend, before we conclude, to offer an amendment to strike out "unless it appears to the satisfaction of the President," and to add at the end of that section "that reparations mean both conditional and unconditional reparations." Why not? Why not? Tell me the reason that you make a preferred creditor of one country and not of another. While I recognize that an amendment of that character may not be able to accomplish what I desire, and may not be passed, nevertheless it ought to be passed, and the joint resolution ought to show on its face exactly, so the American people can understand exactly what is to be done. The joint resolution as it is written to-day does nothing of the sort, for it describes that which we are to have in return for our moratorium. It says that the other countries indebted to such country "in respect of war, relief, or reparation debts" shall execute a similar agreement; and the proponents of the resolution do not intend anything of the kind. The pretense of the resolution is that we forgive our debtors and they forgive Germany her debts to them. This is mere pretense, for France does nothing of

the sort. Either let the resolution honestly state the facts, and all of them, or insist upon the original proposal of the President to which you assented so readily.

Now, a word to you about the debts.

There has been a great to-do and a great hullabaloo about what these debts mean, and as to just exactly what may transpire if we insist upon those debts. There has been, as has been stated upon this floor by more than one Senator, a propaganda abroad in this land for the last couple of years in the endeavor to make us scale down and forgive the debts that are owing us by foreign nations. Let us see, by reducing it to ordinary terms, what these debts mean.

They are not a great burden to the countries that owe us. There is not any reason why they can not be paid. If you reduce to every common terms just exactly what they mean, you will have, perhaps, a better understanding of what these debts are.

I read to you from an article by Prof. William W. Cumberland, of New York City, on interallied debts. He said:

In the last year these countries paid, principal and interest, some $215,000,000 to the United States Treasury on war-debt account. This is a large sum, but it amounted to but one-half of 1 per cent of the estimated national incomes of the countries which made the payments. When put in those terms I am sure it does not seem so formidable.

Furthermore, when we correlate the payments which are being made to various other factors in the economic and financial structure we find again that exaggeration, even gross exaggeration, has been customary. In the case of the countries concerned, for example, we find that these payments amount to 2.7 per cent of their annual budgets. They spend more than that for almost any other purpose that seems agreeable. For instance, take armaments alone. We find that they spend eight times as much for armaments, certainly an expenditure within their own volition. They can decide to spend eight times as much for armaments, not including pensions, as they pay us on war-debt account. Then, on the basis of foreign trade the payments amount to 1.1 per cent; that is, of the total volume of the foreign trade of the respective countries.

You can see, when you consider these percentages, how all the arguments that are made about how the trade of this country would go to pieces, and the like, if we do not grant this moratorium, are just so much moonshine.

The article proceeds:

So when we hear that we are impoverishing the countries concerned, let us remember that we are taking one-half of 1 per cent of their annual income; when we hear that we are crushing them under a load of taxation, let us remember that it is 2.7 per cent of their budgets; when we hear that trade is being thrown into demoralization, let us remember that it is 1.1 per cent of the trade of the countries in question.

Let us reduce the matter to a per capita basis. Each Englishman pays to the United States, or, better still, transfers the equivalent of $3.60 per year on debt account; each Frenchman transfers 80 cents; each Italian transfers 12 cents; not per day, nor per week, nor per month, but per year.

When reduced to that basis I am sure that the war debts are not the frightful ogre that has sometimes been portrayed.

We have heard that the United States is enriching itself at the expense of its debtors. Each of us here receives on an average one-half cent a day on war-debt account. To put the illustration in somewhat different form, we can phrase it this way: Each German is called upon at present under the terms of the Young plan to sacrifice himself to the extent of 1 beer per day in order to meet his reparation payments. Each Britisher has to deprive himself of going to the movies once a month; each Frenchman has to give up once a year a bottle of moderately good wine; each Italian has to refuse to smoke one cigar a year, so that his debt can be paid.

A homely way of putting this situation, but illustrating something of these debts and how they are not the awful burdens that Europe would have us believe.

At this point, Mr. President, I desire to insert in the RECORD the amount due under the debts and as well the amount paid by each of the countries in question for armaments. This shows, in totals, $1,800,000,000, in round figures, paid for armaments; $243,000,000 due for debt—about 8 to 1; and then assert that we are treating harshly any other country on earth!

I ask permission to insert that table at this point in my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Country	For armaments	For debt to United States
Belgium	$23,247,347	$7,950,000
Czechoslovakia	41,056,000	3,000,000
France	547,133,935	50,000,000
Great Britain	608,024,880	159,520,000
Italy	322,337,000	14,706,000
Poland	122,995,000	7,486,000
Rumania	67,061,000	800,000
Yugoslavia	47,491,000	250,000
Total	1,779,346,162	243,712,000

Mr. JOHNSON. There is a very distinguished gentleman who is writing at the present time, and writing with a felicity of expression which I wish I could emulate; and with an eloquence, too, that I believe but very few writers possess. That is Mr. Claude G. Bowers, whom we have read, of course, in his works of historical character and which are most delightful and entertaining. He had an article recently entitled "Lady Bountiful in Run-down Heels," and a part of that I want to read to you:

The London News Chronicle, commenting on the revelations on American conditions in the President's message, concludes that "the United States is a very sick country," and the London Morning Telegraph says: "President Hoover unfolded a melancholy story, showing that the Federal Treasury is in a far worse position than the British exchequer."

Now, let me call this to your attention: When gentlemen talk to me of what is transpiring abroad, let me say to them, Where is the biggest deficit to-day in the world? It is in the United States Treasury. Whenever any other country prates about its deficit and the necessity for balancing its budget, let me say that here at home is the biggest task in the world now for the balancing of a budget and for the removal of a treasury deficit.

Let me point to what is being done to-day. Oh, there is little thought of those upon whom the burden is to be placed. Says the President in a recent message, there is a deficit of something over $900,000,000; I think I quote him exactly, I intend to do so at least. He says, "There is a deficit of over $900,000,000 to be met this year." How is that to be met? It is to be met by the most drastic peace-time taxes ever exacted of our people in times of peace. Do Senators realize that? There is a deficit of nine hundred and some odd millions of dollars. Two hundred and fifty million dollars is the amount we are asked to give away to those who owe us. Practically 25 per cent of the deficit which must be raised and met in this country arises from the fact that you to-day are voting to England, to France, and to Italy $250,000,000. Do you realize that?

Talk of budgets in England, talk of budgetary requirements in France. Here is the Budget which ought to concern the Congress, with a deficit of possibly $3,000,000,000 to face the American people in the future. Talk of taxes abroad, and of the necessity for helping Europe. Here is where the taxes must be levied upon men who are already broke financially, men who are holding on to a little equity, hoping that they may pursue their lives again, and may again pick up the thread which seems broken with them. Here is the deficit, and with that deficit facing you, you are giving away $250,000,000 which belongs to your taxpayers, giving it away upon a moratorium which has never been adequately described to you, and the facts concerning which were not written into the message of the President of the United States which came here on the 10th day of December last.

So, giving away $250,000,000, you give it away, and then you make your people here in America pay for it. Do you not remember what came out of the war? No spoil was ours. The proudest thing America ever did was to do its duty in a great World War and ask neither reparations nor spoils. Who has the spoil of that war, spoil of the value which the imagination can hardly conceive? Who has the spoil of that war? Great Britain, France, Italy, and some other nations, perhaps, but those three in reality. They have all the spoil of the war. Every bit of it is theirs.

Who had the reparations? Not ourselves or our country at all. Our country refused both the spoil of war and reparations of any kind. These debtors of ours are the ones who, clinging to their spoil, are seeking to-day to put the very cost of all the war upon the American people, and you to-day are going to assist them to put the cost of all that war upon the American people.

They have that spoil yet. Talk to me of peace in Europe, talk to me of a stable political economy there. There is only one way in which you can accomplish that. You wrote, with your bankrupt statesmanship, the treaty of Versailles, which has within it the germs of future war, which none can foresee, but all can feel at present.

You wrote, with your bankrupt statesmanship, at Paris during that time the instrument which has led to the difficulties which exist now all over the world. You want peace, you who cry about it on every occasion. You want stability of government, and you want economic stability. You can have those things in just one way: Rewrite the treaty of Versailles, take all the spoil that was taken under that treaty, take it back, and distribute it justly and legitimately. That is the only way by which peace will come and by which stability of governments will come.

Yet it would not be possible to get those who are interested most, those who prate most of peace, those who talk loudest of economic stability abroad to sit down and rewrite the treaty of Versailles, and right the wrongs which were written into that particular instrument.

The amendment which has been offered here by the junior Senator from Nebraska [Mr. HOWELL] is the only fashion in which you can ever bring stability economically, or permanent peace.

I return to the article of Mr. Bowers, to which I have referred:

> To Americans who have been fed by the administration on Pollyanna reassurances this will be startling. We are constantly hearing from administration quarters that the United States is most fortunate in not being in such a bad condition as the countries of Europe. We have pointed out the insincerity of this statement many times. It is sheer nonsense, it is pure fabrication to imply that France is in as bad a condition as the United States. In comparison, France is rolling in prosperity, without our deficit, without our necessity enormously to increase taxes, and with but 300,000 jobless men to our 6,500,000.
>
> In England, as the London paper says, the exchequer is not confronted, even proportionately, with anything like the deficit that confronts us now; and proportionately she has no more unemployed than we have.
>
> We are now forced to submit to a most drastic increase in taxation, which is not likely to hasten the return of normal conditions.
>
> Under these circumstances, what is to be said of a Government that will agree to transfer the debts of England, France, and the other debtor nations from the shoulders of their taxpayers to the backs of our own?
>
> Lady Bountiful in Rags is up against the bread-and-butter proposition now.
>
> UNABLE TO MAKE BOTH ENDS MEET
>
> The press comments in Berlin reveal the fact that Germany has had no idea of the seriousness of the crisis here. "Germania" finds evidence in the President's confession of "a worse depression in the United States than had been generally apparent." To the nations prone to look upon us as the world's Santa Claus, it must be disturbing to learn that we ourselves are unable at present to make both ends meet.
>
> It is going to take some time to balance our own Budget; and it will be longer before we again smugly and sternly call on Europe to balance hers. Certainly we are in no condition to play the benefactor of mankind by taking over the debts of other nations and paying them out of the pockets of our own people.
>
> There is not a scintilla of doubt that the administration, in its policies and through its conversations with the debtor nations, is moving toward further reductions or, what it amounts to in the end, the transfer of the debts of other nations to the taxpayers of this country. This plan, ready or in the making, is to be imposed upon us because our bankers have made extravagant private loans in Europe which can not be readily liquidated if the people in the nations where the loans were placed are to be taxed to repay what they borrowed from the American Government. The "butcher, the baker, the candlestick maker" are to be taxed to pay the debts of foreign governments, so that the private loan may be paid at good interest to the American banker.

Will you stop for a moment to figure what it means to the American people individually to put upon their backs now $250,000,000 more? If you take 125,000,000 people as residing in the United States, you can say with accuracy that $250,000,000 in additional taxes would mean to every man, woman, and child in the United States $2. If you take a family of five, it means to every family of five $10. If you take the taxable people in the United States and add to their burden these additional taxes, it will mean probably $30 to every one of these taxable people.

That is not much, you say, $30. It is not much; but I have known men the past nine months who never felt the press before in all their lives, who could not put their hands upon $30 even to aid them in the effort to rehabilitate themselves.

Oh, it does not mean much, perhaps, to the American people, say you, $30 for a man to be taxed in order to pay these debts. But for what? So that the short-term credits of international bankers may be paid out of the pockets of American taxpayers.

Figure it in any way you will, it is a wrong which you commit by this moratorium. The moratorium in the beginning was one thing. The moratorium as agreed upon subsequently was an entirely different thing. The moratorium which is quoted by the President of the United States in his message is a vastly different thing from the moratorium to which he agreed with France. The moratorium referred to in the joint resolution is not described with the accuracy and the frankness and the candor with which a moratorium of that sort should be described.

Beyond that, when you pass this moratorium, you permit an invasion of the Constitution of the United States and the prerogative of the Senate of the United States by the executive branch of the Government, and once you permit that invasion, and once you permit the Constitution to be avoided in this fashion, look out for the breaches which may occur in the days to come.

Mr. President, I am through. What little I have been able to say, sir, on this subject I have said. I am glad to stand alone here, if it is necessary to stand alone. Thank God, I have learned in my life to have the guts to stand alone when it is necessary to stand alone. I do not care how much power there may be in the administration. It is a matter of indifference to me how these international bankers may view an action of mine of any kind or of any character. I disdain these political puppets who poll-parrot the Pecksniffian phrases of these international bankers. Sir, I am ready to stand before the American people upon a proposition such as that advanced here to-day.

Here is the parting of the ways, sir, in a matter of grave concern to the American Government; grave concern not alone in the legislation that is being enacted, but grave concern in relation to the cherished institutions of this Nation and the perpetuity in its pristine purity of our Constitution.

I recall, sir, a story told me long ago that subsequently I found was historically accurate. It was a story of the later part of the Civil War, the story of a general who had just come out of the West, of a little stocky, silent man whom few knew and fewer still understood. He, following his predecessors, had taken the old Grand Army of the Republic across the Rapidan to battle that great commander of the Confederacy, Robert E. Lee, great man and great commander both. He, like his predecessors, had marched down into the wilderness there. Some days of battle ensued without result and without victory upon his part; only defeat. The Grand Army of the Republic turned from that contest, turned to go back, as it had done in all the previous contests, to cross the Rapidan to safety.

Stern, white lipped, those grim old warriors turned in retreat just as they had turned on every other occasion, marching back along the road to the crossroads on their route. At the crossroads one road led across the Rapidan to safety. The other one led back to the bloody fray, led on to that which was the goal of every Union general. When the vanguard of the army reached those crossroads, when the first of the men reach there, they knew they were going to learn for the first time the kind of commander that had come to them and to ascertain whether he was to be exactly as those who had preceded him, and whether they were to continue the well-worn path of re-

treat. Grim old warriors were they of many battles. When they reached that crossroad came the command, "Turn to the right! March on toward Richmond!" And there began at the head of that column a song, a song of thanksgiving and of victory. It swept back 20 long miles among those men of blue, swept back among that whole army, until it sent them upon the harder way, to travel the path to glory and to death, but the path that led finally to ultimate victory and to Appomattox.

To-day we are standing at the crossroads of the destiny of the United States of America. There is an easy way—retreat across the Rapidan to safety, where those afraid may counsel us, and foreign nations may approve. There is another way, just the American way. It is a hard way. Temporary setbacks will be ours and temporary difficulties will be met; but beyond it is the goal where the sun is shining, shining upon America and Americans. Let us take the American road.

Mr. GORE. Mr. President, the Senator from California has inquired with more or less feeling what the American people are getting out of this moratorium. When they pay $250,000,000 on account of the moratorium the Senator seems to have some curiosity to know what the American people are getting out of it. I would say to the Senator that they have the consolation of knowing that the world is safe for democracy. It sounds pretty harsh, but I assume it is worth the price.

Mr. JOHNSON. Mr. President, I think what the Senator means is that when the Republican Party does this thing the country is safe for democracy. [Laughter.]

Mr. GORE. I accept the suggestion.

Mr. DILL. Mr. President, I should like to offer an amendment to the pending joint resolution and to have it read, printed, and lie on the table.

The amendment was ordered to be printed and to lie upon the table, and was read, as follows:

In section 5, page 3, line 12, after the word "reduced," insert the words "or postponed," so as to make the section read:

"SEC. 5. It is hereby expressly declared to be against the policy of Congress that any of the indebtedness of foreign countries to the United States should be in any manner canceled or reduced or postponed; and nothing in this joint resolution shall be construed as indicating a contrary policy, or as implying that favorable consideration will be given at any time to a change in the policy hereby declared."

Mr. NYE. Mr. President, after having listened to the courageous and most eloquent address by the Senator from California [Mr. JOHNSON], I hesitate to inject any thought that might be mine with relation to the joint resolution pending before the Senate, because I too well realize what the comparison will afford between the address of the Senator from California and my own poor efforts.

The Senator from California has impressed upon the Senate, or those who have listened to him, at least the thought that America has fast been drifting away from a policy dictated by the interest of the American people and into a course which has found the Government led for the most part by selfishness and greed, dictated by a mere handful of men who have been bent upon congregating into their own hands and into their own control the wealth not alone of the Nation but of the world. With that wealth has come to them a power the like of which no individual and no group of individuals in all the world's history has ever known before.

Right now, with the Nation and its people suffering a headache, the like of which its people have never before known, it would seem that we should bend our energies in the direction of alleviating the distress and suffering which exists on every hand. But we shut our eyes at least momentarily to the need of the millions of Americans and we let a little handful of men, who have made investments abroad and who are finding the going in the matter of collections rather rough, lead our Government into a road that will let the American people shoulder a little more burden, to the end that selfishness and greed, the international bankers, may have first access to whatever ability Europe might have to pay at this particular time.

I have no doubt that there is distress in Europe, in every nation of the world; but I think the Senator from California clearly pictured in his closing remarks that the other nations of the world are perhaps in no different predicament or no sorer plight than is the United States. That headache of which I have spoken is world-wide. If America could do so, America would like to help Europe. If it were possible for me to lend myself to any program which would afford a lasting degree of relief for Europe, I certainly would not hold back in assistance that I might afford to that end. But in doing it I would make sure that we were doing for Europe only what we were perfectly willing and ready to do for our own people here at home.

While Europe is in distress, is unable, seemingly, to make its efforts win those returns that will enable it to keep up with the terrific interest payments expected of it, we have the same identical situation here at home. With our farm people, one-third of the population of the country, striving energetically to make their efforts win that kind of return that will enable them to pay their taxes and to pay interest upon their obligations, we find that instead of enjoying success by reason of that effort their names are in the newspapers of the land week after week and day after day in items revealing foreclosure proceedings upon properties and upon homesteads to the possession of which they have devoted lives of toil. Yet, apparently, their interests are not our interests here to-day. Our interests seemingly are those, first of all, of making sure that those who have engaged in this selfish, greedy program of so many years are not going to lose their chance to collect continued interest and payments upon the obligations due them from Europe.

We are offering to Europe at this time a postponement of payments due during the year of approximately $250,000,000. As money goes, as amounts go these days, $250,000,000 perhaps is not so much; but when we stop to consider that that amount must be added to the burden which is now depressing the United States I think we have a right to challenge those who insist that we can better bear this burden than can Europe or than can the New York bankers who have made their advances in Europe.

The New York bankers went into Europe with their eyes wide open and made loans to the European countries which had borrowed excessively from our own Government. They knew fully well that they were perhaps enjoying only half an opportunity to collect a return upon what they had advanced. When they made the advances in Europe they must have known that if there was to be any defaulting on the part of Europe, in all fairness that defaulting ought to be made to fall upon all creditors alike; and if there were to be any moratorium, if there were to be any cancellation, if there were to be any forgetting of indebtedness, they ought to be willing to forget and they ought to be willing to postpone in the same degree that the American Government or the American people were ready to forgive or were ready to postpone what was owing them.

But, instead, to-day we find those international bankers feeling that they have a right to expect of the people and of the Government of the United States that they will postpone, that they will cancel what is owing the Government, in order that the international bankers may have easier access to whatever means Europe might have at its disposal at this time to meet its obligations.

I think, Mr. President, that sooner or later we are all going to be ready to agree that we are in an impossible state in this world and that we are never going to dig our way out of the tremendous burdens created by the debts that are occasioning such vast outlays in interest payments every year. I am sorry to have to admit it myself, but I can not for the life of me see how thousands upon thousands of farmers of my acquaintance are going to be able, under the existing order, to meet the obligations which are theirs, try as hard as they may. I do not believe that Europe is going to be able to satisfy fully the entire amount Europe is owing. So the sooner we come down in this world to a program of refinancing the sooner we are going to find ourselves again on the path that leads to something more than distress and suffering.

However, I do not suppose this is any time to be advancing any theories or programs of refinancing in the world or even in our own country. We are having to deal with what is before us. We have before us now a joint resolution proposing a postponement of payments due the United States by the various nations of Europe. If, however, we are to ignore any opportunities that might be afforded to refinance, let us, at least, in a time like this refrain from burdening the American people with any greater indebtedness than that which is already theirs. But we seem to be expected at this time to lose absolutely no time in passing this moratorium. If we do it, it will enable the international bankers to have dropped into their stocking on the morning of Christmas day a gift the like of which many Americans would be delighted to share proportionately. Give them that, and I venture to guess, Mr. President, that they will make further advances to Europe at fancy rates of interest, expecting that if ever they are in distress, if ever they are in trouble and have difficulty in collecting what is owing them, they may always depend on their dear Uncle Sam to come to the rescue; that Uncle Sam will forget anything that is coming to him to the end that the banker may have his full and complete share.

Mr. Kahn, testifying yesterday before the Senate Finance Committee, indicated that he at least would like to see private bankers get an "even break"—an "even break"—in any consideration of a debt-cancellation program. That is the first indication, Mr. President, that that crowd have even anticipated that they might participate in a program of cancellation, taking their losses along with the losses that the Government must take in a program of that kind; and I doubt now that they seriously anticipate that they will have to indulge in that sort of a loss. At least they are not offering any moratorium now. Rather they are hopeful that, before we are through, we shall have succeeded in providing for Europe a complete cancellation of all of the debts owing the United States Government. That will leave the bankers in a much better position to win back the advances they have made abroad.

The Senator from California [Mr. JOHNSON] yesterday pointed out with great energy the needs of the American farmer to-day. If, Mr. President, every Member of this body or every Member of this Congress could have close, first-hand knowledge of the situation existing in that basic American industry, I do not believe there would be any hesitancy in turning our attention, not so much to the needs of Europe, as to the needs of this class of our own people. Their distress is occasioned quite largely by the very same causes that are occasioning the distress abroad and leading to this proposal of a moratorium.

During the World War the Government of the United States said to the American farmers, "You are a most integral part in any machinery looking to the accomplishment of quick victory; the American farmer is looked to to produce that all-essential thing, the food needed to prosecute the war." The Government urged the farmers to go forth, exert their fullest energies in producing more food and more food and more food. That they did. They borrowed money; they borrowed easily on the credit then available, in order that they might buy better machinery, in order that they might buy more land, in order that they might engage that talent needed to take the place of the boys who had been drafted into the service and had gone across to do their part in winning that great conflict. The farmers went heavily into debt.

Then, with the end of the war, came the feeling on the part of the American farmer, "Well, now, we have got to watch our step, because at the end of the war there will come an end to the demand for this tremendous production which has been under way during these war years"; but when the farmer sought to caution himself thus his Government said to him, "No, you need not be watching that at all; there is no cause for alarm on your part in that respect, because for years and years and years to come American farmers are going to have to feed the war-torn nations of Europe." So the American farmer went on and on and on, producing, producing, producing those commodities which he had been taught to believe the world needed. His debts did not worry him so much, because he felt that he was doing a duty and that his Government would stand by him when judgment day, the day of reckoning, came.

Europe borrowed money to prosecute the war just as the American farmer borrowed money for the purpose of prosecuting the war. However, when the war was over, some years later, as I think, the Congress of the United States all but cancelled the entire amount of money that had been loaned to foreign governments during the World War. By our programs of refunding, Mr. President, we all but abandoned any recollection or any care concerning the enormous advances we had made to Europe during the period of the war. We are to-day, so far as their indebtedness is concerned, practically holding them alone for the advances made to them after the World War was over. They are finding it difficult to meet that debt or the payments due under it.

Likewise, Mr. President, the American farmer is finding it difficult to meet his obligations. The depression which has fallen upon the land, which struck first of all the American farmer, has left him in a position the like of which American agriculture had never before occupied. If you could visit some of these farm homes, homes of men and women who have spent lifetimes upon their lands, developing their farms, and producing crops—if you could visit them in times like these, particularly where an especially serious drouth has hit them for one or two years in succession, you would better understand what men mean when they ask: "Are we approaching that day when the American farmer is to become nothing more than the slave, the tenant of a class that has been concentrating power and wealth into its hands in such a degree as we have witnessed during the last 10 or 20 years? Is slavery, is tenancy a thing that is coming to stay?" I hope it is not; but, Mr. President, men who 10 years ago, 12 and 15 years ago, owed not one penny upon their farm properties to-day are losing those properties; to-day they are losing their homes. Why? Because, Mr. President, of obligations taken upon themselves during the war and immediately following the war in keeping with the wishes of the Government of the United States itself.

Much of the borrowings of the American farmer were made through the Federal land-bank system. Millions upon millions of dollars were thus made available to the farmers, and the payment of those debts was to be made, of course, upon the installment basis. The farmers carried on bravely; they did well through a number of years; they did well so long as there was a price for their products that would meet the cost of production and afford a little in the way of profit above that; but when prices went way below that mark, then the farmer was helpless to meet his tax and interest obligations. That farmer to-day, if he were to be given the help that the Government owes him, would be excused from having to meet those obligations for 1, 2, or 3 years, as we are excusing by this moratorium our foreign debtors from meeting their obligations. However, Mr. President, I am satisfied that if an effort were made in the Congress to make available to the farmer the same identical degree of help that we are affording through this moratorium to certain European nations, it would not even muster a good-sized minority, to say nothing of such an overwhelming majority as will, from all evidences, be accorded for the pending proposal which is to be ratified, not for Americans but for others, for foreign peoples to whom we owe no such direct and lasting debt as we do to our own people.

Mr. President, in order that the RECORD may be made very clear in this connection, I am going to try to ascertain whether this Congress is as anxious to do for its own American people as it is anxious to do for Europe and for our international bankers who have loaned such vast amounts of money to foreign nations as have been loaned. I send to the desk and ask to have read an amendment which I intend to propose to the joint resolution now pending.

The PRESIDING OFFICER (Mr. FESS in the chair). The proposed amendment will be read.

The legislative clerk read as follows:

On page 3, after line 15, insert the following:

"SEC. 6. *Be it further resolved*, That the Federal land bank be, and is hereby, authorized and ordered to enter into an agreement with such borrowers from the said bank as desire such an opportunity to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such borrower to the said bank. Each such agreement shall provide for the payment of the postponed amounts, with interest and installments to be arranged on the same basis as are the interest and installment arrangements afforded in the agreements with those countries named in section 1 of this resolution. Where a postponement of payments by borrowers shall make it impossible for the land bank to meet its obligations to bondholders, the Treasury of the United States shall advance to the land bank such funds as may be required, not exceeding the total amount of payments postponed."

Mr. REED. Mr. President, does the Senator offer that amendment now?

Mr. NYE. I shall call it up later; I am not moving its adoption at this time.

Mr. President, I wish there could be an awakening in America to the trend that has been developing in this land during recent years. I think if that trend were more generally recognized there would be a rebellion in America the like of which a civilized people seldom have seen. It would not necessarily need to be a rebellion calling for bloodshed, calling for the sacrifice of life, but a political rebellion that would find the American people standing up and saying: "Enough of this; it is time that our policies in America were dictated by the interest and needs of the American people rather than by the interest and the needs alone of a band of international bankers, who during recent years have had pretty nearly anything and everything they have wanted and have requested from the Government of the United States."

We have just come through a period in American life that has been labeled the greatest period of prosperity a civilized people have ever known. We have all been fooling ourselves into the belief that the period during and following the war was truly a prosperous period for the American people. I deny, Mr. President, that there was any honest degree of prosperity enjoyed during that period. There was prosperity, untold prosperity, enjoyed by the few who were engaging in a program looking to further concentration of wealth here in America and throughout the world. Now, overnight, we find ourselves in the depths, though for 10 or 12 years we were boasting daily of our wonderful, unheard-of prosperity.

It occasions such stories as that one I recently heard, of the man who sat at his radio night after night, off on another world, on Mars, listening to stray waves from the world; and daily he heard the same story—the story of that great prosperity which was being enjoyed in America. Then, one evening more recently, he sat at the same radio set and heard speaker after speaker declaiming on the terrible depression that had hit this same America. He made up his mind he would like to know what in the world could be the nature of a people who could on one day occupy such heights as were boasted here in America, and on another day find itself at a depth economically such as it had never known before.

It is no part of the story, seemingly, how that man got here from Mars; but he made up his mind that he wanted to come and view with his own eyes this situation, and he came. He arrived in New York, where he encountered one of these international bankers.

He said to the banker, "I understand you have a depression down here. Is there anything to that?" The banker ruefully said, "Yes; quite a good deal of it—much of it."

"What is the matter?" said the man from Mars. "Are you short on food or something of the kind?" The man in New York said, "No, no. We are not short on food. We have too much food. That is one of our problems here in America."

"Well," said the man from Mars, "too much food; that must mean, then, that you have not enough help. You have not enough labor." Thereupon the banker confessed that we had a great army of unemployed in this country; that we had plenty of labor and no work for that labor to perform.

The man from Mars, rather perplexed, said, "Well, then, I can see it is a case of your being without any work to do. Your work is all done. There is nothing more to do"; and, naturally, the banker confessed that we had not yet even started in on the job of world construction; that there was plenty to do.

Then a thought hit the man from Mars, and he was surprised that it had not dawned on him sooner. "Why," he said, "I see now what is wrong. I see what is the matter with you down here. You have not enough money. You are short of money." Then the man from New York said, "Money? The world has more money to-day than it has ever had before."

The man from Mars responded, "Plenty of food, plenty of men to work, plenty of work to be done, more money than you have ever had before, and yet hard times and depression the like of which you have never had before! Well," he said, "you will have to excuse me, but I am going back to where I came from. I am accustomed to living among sane people, and I can not stand any more of this!"

That is the story. There is one thing about the story that is different from the usual run of stories: There is not a statement in it that does not concern itself alone with fact. Plenty of food, plenty of labor, plenty of work to be done, plenty of money, and yet hard times! And all this is a reward following that "greatest era of prosperity a nation of people has ever known," so we were told, and are still told to-day.

Mr. President, it was an era of prosperity for some few, but it was an era of anything but prosperity for millions upon millions of American people, because while the few were going forward during that period multiplying their incomes, multiplying their wealth by untold figures, the many were suffering reductions in salaries, reductions in wages and incomes to a point which, when we stop to weigh it to-day, to say the least, staggers us.

Mr. President, here we are to-day with 4 per cent of the people of America in possession of approximately 75 per cent of the wealth of America. We have observed, in the last 8 or 10 years, a drop from approximately twelve or fifteen billion dollars of farm income to a farm income of something over four billions of dollars for the last year. Sixty per cent of the corporation profits of America—and they have been the institutions enjoying the terrific profits—are collected by something like 2,000 individual American citizens. To the end that we may better see what strides have been taken in the direction of concentration, permit me to point out that in 1920, the beginning of that great "era of prosperity," there were not a great many individuals in America with incomes of a million dollars or more per year. In fact the total income of all Americans with incomes of that size was only $77,000,000. Then, after eight or nine years of the greatest prosperity, in 1929 the income-tax figures revealed that the total income of those enjoying incomes of a million dollars or more per year is no longer only $77,000,000, as it was nine years previously, but has grown to a figure of $1,200,000,000.

During the same period, Mr. President, in 1920, Americans with incomes of $5,000 a year or less, according to the income-tax returns, were enjoying a total income of $15,000,000,000. Then in 1929, after nine years of prosperity, we find that income no longer $15,000,000,000 but cut to $8,000,000,000; and it has been cut to even a lower figure since that time.

One Member of this body has presented some very interesting figures revealing that in 1929, 504 Americans had an income that was greater than all of the money paid for all of the cotton and all of the wheat produced by between two and three million farmers in America in the year 1930—504 individuals enjoying an income that was greater than that returned to the farmers for all the cotton and wheat produced in this country in a year!

Mr. President, is not that food for thought? Is it not food for thought when you find 504 individual Americans enjoying an income that is sufficient to have enabled them to

pay, if they had wanted to pay, the salaries and wages of all of the men and all of the women employed in the railway train service of all the railroads in America for a single year, and still have had a balance left which, had it been equally divided among the 504, would have given them the substantial sum of $800,000 a year apiece to have tried to maintain themselves and their families upon?

From 1922 to 1928, Mr. President, the wealth of this Nation of ours increased by something like 12½ per cent. During the same period the wealth of 200 of America's leading corporations increased by 45 per cent. Into the hands of the few, into the coffers of the few, there has been drawn and is being drawn the wealth of this land on a scale the like of which neither America nor any other nation of people has ever known before. Unless we check that trend, unless we find a way to redistribute wealth, unless we halt this program which ultimately invites destruction for this great democracy, Mr. President, we might better forget the needs of other nations, knowing fully well the distress that is remaining for America to face.

Yet, instead of meeting this problem—instead of meeting this problem occasioned by selfishness and greed, bent upon that concentration of wealth—we go forward as we are going forward here now, offering to those very individuals opportunity further to enhance their own wealth, further to aggregate the wealth of the land, at the cost and at the expense of the American people!

Mr. President, we have with us to-day this thing we call depression alone because we have ignored for so many years the very first laws of a democracy, the very first principles laid down by those fathers who were building for a happy, contented race of people. We have but ourselves to blame for it. We have followed courses, during more recent years especially, that have been courses calculated "not to rock the boat." "Do not disturb the present order. Things are going to come back all right if you just sit quiet and let them take their own course."

Mr. President, what we have to-day is the very situation that it was prophesied 75 years ago would be the lot of America if they did not reach out and destroy that power which was aiming to accomplish this aggregation of wealth in the hands of the few.

Lincoln in 1864, in writing to William P. Elton, said this:

> I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. * * * As a result [of the war] corporations have been enthroned, and an era of corruption in high places will follow, and the money power of the country—
>
> "The money power of the country!"—
>
> will endeavor to prolong its reign by working upon the prejudices of the people until all the wealth is aggregated in a few hands and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of war. God grant that my suspicions may prove groundless!

Mr. President, unless the joint resolution be amended I shall vote against this moratorium plan, first because I believe Americans are needing aid as greatly as Europeans are needing the kind of aid proposed in this joint resolution. I shall vote against it, because, too, I have not yet found the international bankers, who stand to profit by this moratorium arrangement, ready to suffer losses on a par with those taken by the American people through any debt-cancellation program.

I shall press later on for that consideration I hope for upon the amendment proposing that the American farmer who has borrowed money from the Federal land-bank system shall have access to the same kind of graciousness at the hands of his Government that we are extending to the nations of Europe and the international bankers.

Mr. McKELLAR. Mr. President, in further considering the moratorium, I think it would probably be wise to have a word or two to say about the history of the transaction.

America has been unusually generous to our allies. First we loaned them more than $12,000,000,000—a little more than $9,000,000,000 before the armistice was signed and more than $3,000,000,000 since. In addition to that, we sent 2,000,000 men across the Atlantic Ocean to fight for the cause which was represented by the Allies. In addition to that, we raised some $15,000,000,000, and put that tax burden upon the American people, for the purpose of carrying on the war. We raised that in cash. We raised over $25,000,000,000 in bonds for the purpose of carrying on that war. When the war began, we owed less than a billion dollars. The highest point our debts reached after the war was $26,500,000,000, in round figures. So $25,500,000,000 represents our increase in our bonded debt resulting from the war.

In addition to expending all that money, and putting those enormous tax burdens upon the American people at that time for the purpose of helping win the war for our allies, what else did we do? In lending our allies the money, we took their notes at 5 per cent interest, and they were to pay the money back to us. That was perhaps the cheapest money nations in war ever borrowed in all the history of time.

Those nations were paying the same international bankers who have been mentioned here to-day interest rates largely in excess of 5 per cent, and those allied nations were delighted to get from the American Government the money at 5 per cent interest when we entered the war.

When the war was over our generosity did not end. We furnished $100,000,000 for those suffering in Europe and put it in Mr. Hoover's hands for distribution. We loaned our allies, as I stated before, some $3,000,000,000 after the armistice was signed for the purpose of rehabilitating their countries. We sold them supplies at a mere tithe of what those supplies were worth; and, by the way, we have never really received more than nominal sums for these $2,000,000 worth of supplies.

Then came propaganda for a reduction and an adjustment of those debts, and the American Government appointed a debt-funding commission. Mr. Hoover was a member of that commission. As I pointed out last week, that debt commission virtually canceled every war debt and merely held our allies for the money loaned them after the war or for money borrowed for commercial purposes. That was very generous conduct. We have been exceedingly generous to our allies.

How do they repay us? I realize that some are in such a position that they may not vote just as they would like after the arguments are made; but I want to call the attention of Senators to what our allies think about us after all this generosity upon the part of America. I read, first, from the New York Times of December 17 of this year:

> FRENCH GIBE AT WASHINGTON CONCERNING DEBT SITUATION
>
> PARIS, December 16.—Many morals for future conduct are being drawn in Paris out of the situation in Washington over reparations and debts.
>
> Pertinax, in the Echo de Paris, says: "Never trust White House action. It is sure to be overthrown by the Senate."
>
> Another moral is similar: "Never trust the American Senate or House of Representatives. They are quite capable of signing a debt-settlement agreement and then asking for more."

I stop here long enough to say, Senators, that these are the people for whom we are taking $253,000,000 in money out of the Federal Treasury, giving it to them as a dole, as a gift, without rhyme or reason, as I believe I can show.

I continue reading from the article:

> Another is: "Don't put your trust in any American plan. Remember the league covenant, the treaty of Versailles, the Dawes plan, and the Young plan, and now the Hoover plan. Just as soon as they were signed America started killing them."

With a deficit in our Treasury of $1,700,000,000, with 6,000,000 of our people out of employment, here is the American Senate voting out of that empty Treasury $253,000,000 for people in France who talk like that! It ought to make every American Senator's heart swell with pride when he contemplates that that is the kind of people for whom he is voting such munificent generosity to-day!

That is not all, however. I call attention to our London friends, and I read from the Washington Evening Star an article by Mr. A. C. Gardiner quoting from a London authority. This is London speaking:

There is, of course, a third alternative—simple default and repudiation. Since the debates in Congress, I have heard this solution discussed in the most responsible quarters here as an inevitable consequence of the present mood of Congress.

"The present mood of Congress." Here we are, with starving millions of our own people in our own country, and we voting a quarter of a billion dollars, not out of the Treasury but from money which ought to be in the Treasury today; and this is the way our London friends talk about us. I read further:

The Financial News, in an article entitled "Must Europe Default?" says opinion in Congress is wholly divorced from the facts; that the suspension of war debts must go hand in hand with the suspension of reparations, and that Europe should speak with one voice and the national government here should announce boldly and unequivocally a policy the essence of which is "No reparations, no war debts."

This is the return we get, Senators, for the splendid generosity we have been showering for the last 13 years upon these people, showering upon them money to carry on their wars, money to rehabilitate their countries, money to rehabilitate their businesses, forgiving their war debts entirely, and scaling down the other debts; and this is the way they talk about us when we do not give them everything. I quote further:

The Spectator, equally emphatic, says that if Germany ceases to pay reparations it will be impossible for Britain and France to pay their war debts, especially in view of the fact that America refuses to take payment in goods. The debt question must come to a head with the reparations question. The obverse of the doctrine stated in the Balfour note is that if reparations fail, debt payments fail simultaneously. This represents practically unanimous comment in the British press on the debates in Congress.

Mr. President, we think we are doing something for these people, that we are being charitable toward them. I read from this morning's Washington Post as to France and France's attitude:

French officials frankly expect the International Reparations Conference will grant Germany an extension of the 1-year debt suspension.

In this event, France is considered likely to invoke article 2 of the Mellon-Berenger debt agreement, under which the French war debt to the United States was adjusted.

Article 2 permits France to declare a partial 3-year moratorium on her debt payments to the United States. By giving 90 days' notice France will be able to limit her payments to the United States to $20,000,000 annually.

Why are we passing this moratorium at all? These people are not going to rely on it. Some say they will repudiate it. Some say that they will depend on some other agreement.

Senators, we do ourselves an injustice when we enter into any moratorium or for a moment think of the cancellation of these debts.

Of course, Germany was not our ally in the World War. She was our opponent. She is in a different position from the other nations. She has the right to think as she pleases, to say what she pleases. But some are claiming that this moratorium is in the interest of Germany. Heaven knows I have nothing against Germany. I have sympathy for her in her distressed condition. But here are some selections taken from the German press as to our Nation. I quote:

War has lasted 16 years. German guilt was a lie. The treaty of Versailles is the great crime of modern history. Reparations are tribute. In 1917 America joined the Allies against Germany because then her money was on that side.

Yet Senators here are more interested in the people of Germany than they are in the people of America. I continue the quotation:

Hoover debt plan in 1931 was to protect two billions of American money in Germany, for now America is bound by what Germany owes her to be Germany's political friend.

I read from an article signed by Garet Garrett, the well-known writer, who writes so frequently and so splendidly for the Saturday Evening Post upon international questions.

I have taken these quotations from the press in France and England and Germany to show how little appreciated has been our splendid generosity through all these years and how little appreciated is our proposed generosity now. They do not appreciate it at all. They started out to have all the debts canceled. They have the idea. They will take any means of getting those debts canceled.

While I am talking on that subject I want to digress long enough to pay a tribute to the Kingdom of Italy. I have seen no expression from her press to the effect that she was trying to get out of paying her adjusted debts. On the contrary, I see expressions from Italy's leader, Mr. Mussolini, that he was perfectly willing to pay the debt. He ought to be. All honor to him for thinking that way; but he ought to be willing to pay it, because the Debt Funding Commission scaled down Italy's debt, as my friend across the aisle, the senior Senator from Utah [Mr. SMOOT], will testify, to a little over half of the commercial debt, after canceling all the war debt.

Mr. SMOOT. More than half.

Mr. McKELLAR. More than half, he says; but I think it is a little less than that.

Mr. President, of course the moratorium proposal has been much improved by the amendment added to the joint resolution in the House. As some Senators may remember, that amendment is substantially like the one I introduced last week in the Senate, namely, that it is the sense of the Congress that the foreign debts shall not be further canceled. I am very happy that the House put in such a provision. It ought to be strengthened somewhat, but whether strengthened or not, it does evince a purpose upon the part of Congress not to cancel those debts, and that is a splendid purpose.

I want to digress long enough to say that while in the amendment which I proposed it was provided that there should be no further moratorium, I am not so much concerned about it as I was before. Why? I have heard my friends on both sides of the aisle discuss that matter since the Congress reassembled, and I just want to venture the prediction that no other President will ever get a majority of either House, regardless of its politics, to vote by Western Union telegram. I think that is an end to polling the Senate and the House by the President. If that end is accomplished, then America will have received some good from the moratorium.

Mr. GORE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Oklahoma?

Mr. McKELLAR. I yield.

Mr. GORE. The Senator is expressing approval of the amendment added to the joint resolution by the House, declaring that it shall be the policy of the United States to grant no further extensions or moratoriums in the future. I should like to inquire if the Senator does not think it would be a good idea for the Senate to add a proviso reading as follows:

Provided, That this is no joke.

Mr. McKELLAR. If I thought it would add to its strength, I should be glad to vote for it. But, even with these amendments, I doubt the advisability of approving the moratorium, and I do not intend to vote for it. I realize, of course, the President having notified foreign countries that the moratorium would be granted, that for the Congress not to pass the joint resolution now might be considered by some as indicating that the President and the Congress do not act together in the matter. The answer to this is that no one knew better than the President himself that the Congress had to ratify his action before it could be made good. Not only that, but no one knew better than the countries dealing with him that the Congress would have to approve the moratorium before it would become absolute.

It is true that the President polled the Congress and secured a majority for the moratorium. It is true that notwithstanding how Senators in their hearts and in their minds may feel that they should vote on this question they are now precluded from so voting. They have signed the telegram, and it is binding upon them. But, Mr. President, to my mind this is one of the greatest vices in the transaction.

The President has not the power to postpone or to cancel those debts without calling the Congress together and having his proposal ratified. If the President had the power to postpone, he likewise would have the power to cancel entirely. If he had called the Congress together, in my judgment it would not have indorsed this moratorium. But, be that as it may, I can not in the exercise of my duty as a Senator give my consent to vote in favor of a measure which I think ought not to have been put into effect by the President polling the Congress. It is an assumption of executive authority that does not exist under our Constitution.

Mr. President, I think this last statement can be demonstrated. We have an individual income tax which brought in last year, I will say for illustration, $600,000,000, though I do not know the exact amount, but for the purposes of illustration we will leave it at $600,000,000. Suppose that the plight of those taxpayers had been peculiarly bad last June; would Mr. Hoover have told them not to pay the taxes, and then waited for six months to call Congress together to ratify his action? If he had done so, it would almost have brought on a revolution in this country. Yet in substance this is exactly what has been done in reference to these foreign debts. The taxpayers of this country have already furnished the money to the foreign governments; and when the President refuses to accept payments that are justly due it is precisely like refusing to accept taxes from any other source.

Again, Mr. President, there has been quite a controversy about the disposition of Muscle Shoals. The President takes the view that Muscle Shoals ought to be disposed of to private concerns. Many Members of Congress take the view that it ought to be retained by the Congress for the benefit of all the people. Suppose on the 20th of last June the President had entered into a contract to transfer Muscle Shoals to private concerns on terms that he considered fair and just, and then had polled the Congress to bolster up the illegal act. What would the people of this country have thought about it? There would have been but one opinion.

In my judgment, the only reason why the people of this country have not had more to say about the debt-postponement transaction is because they were not sufficiently familiar with it. At all events, the action of the President with reference to this matter is, in my judgment, without regard to the laws of the land.

I have no desire to speak disrespectfully of the President of the United States; but I want to say in all seriousness that I regret more than I can say his unfortunate action in reference to the moratorium. Under our Constitution the President is the Chief Executive of the Nation. It is his duty to see that the laws of the land are faithfully complied with. It is his duty to execute the laws of the land. Therefore, it seems to me that the President ought to be more scrupulously careful to observe the laws of the land than any other person in the United States.

If there is anyone in the Chamber who disagrees with that proposition, I ask him now to rise in his place and state his disagreement. Of course, no one rises, because we all know that one of the highest functions of the President of the United States is scrupulously to regard and enforce the laws of the land.

Mr. President, in declaring this moratorium without first receiving the approval of the Congress, the President made a mistake, and I hope he will never make another like it. As I said a while ago, I do not believe he ever will, because he will never again, and no other President will ever in our lifetime, get a majority of the Senators and of the Members of the House to indorse a "cat in the bag" like this moratorium was.

Mr. SHIPSTEAD. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Minnesota?

Mr. McKELLAR. I yield.

Mr. SHIPSTEAD. Does the Senator think a vote cast by mail or by telegraph subject to a motion for reconsideration?

Mr. McKELLAR. I do not know whether it is subject to reconsideration or not; but I want to say to the Senator from Minnesota that such a vote is unknown to our Constitution and laws. It has never been attempted in the Congress before. If it is a precedent, it establishes a mighty bad precedent; and I hope that no President will ever ask for it again, and that no majority in either House will ever grant it again.

I am constrained to believe that no such mistake will ever be made again. I do not believe the President will ever get a majority of either branch of the Congress hereafter, whatever their politics may be, to give their approval to a measure which has not been first discussed and considered in a constitutional way in each branch of the Congress. If this moratorium has the effect of determining for all time that the President has no authority to poll the Congress, it will be a benefit to our Nation. It would be a tragedy for such a plan of action to become a precedent for the Congress or for the President.

Mr. President, besides this, the whole scheme of the moratorium has been a failure. Germany's largest creditor, of course, is France. As I recall the figures, $260,000,000 has to be paid by Germany to France each year; and those payments are nonpostponable. On the other hand, Germany has obligated herself to pay France $160,000,000 more yearly that is postponable at any time Germany is unable to pay and will give notice. It will be remembered by all, as was so splendidly stated by the Senator from California [Mr. JOHNSON] yesterday, that after Mr. Hoover announced the moratorium, France refused to agree to the postponement of the $260,000,000 of nonpostponable debts; Germany, in whose name this moratorium is given, is in essence and in fact paying that $260,000,000 of nonpostponable debts to France to-day.

It is true she has a moratorium for one year as to the payments due Italy, Great Britain, and Belgium, and perhaps smaller payments to other countries, and to that extent Germany has a moratorium; but it will be remembered that shortly after the moratorium was declared the whole economic situation in Germany blew up, and President Hindenburg had to issue orders prohibiting the exportation of gold from Germany to save Germany's economic life. In other words, as we all know, the moratorium has been of practically no benefit to Germany.

Mr. President, in substantiation of the statement just made I want to read from the Rescue of Germany, by Mr. Garet Garrett, pages 10 and 11, as follows:

> The Hoover debt-holiday plan took effect on June 30, and Germany on that date, with $400,000,000 less to pay out and $100,000,000 new credit borrowed at the same time, was $500,000,000 to the good. Nevertheless, within 10 days Doctor Luther, head of the German Reichsbank, was going about Europe in an airplane to Basel, to Paris, to London, saying Germany must have immediately the loan of $500,000,000 more. The whole benefit of the Hoover debt-holiday plan had been swallowed up in the flight from the German mark, and Germany's financial plight was much worse than before. The lesser German sacrifice—that is to say, the total bankruptcy of Germany—now was really imminent.
>
> International finance was horrified. Where was the end of this? The Germans rushing their own money out of Germany, and Germany at the same time imploring her creditors to put more in to save her and to save themselves.

I read again from another portion of the same work at page 53:

> Take a text from the news as it was printed in the New York Times on Tuesday, June 23, 1931.

That was immediately after the announcement of the moratorium, immediately after the announcement that 68 Senators had agreed to the moratorium. Listen to what the New York Times said:

> Led by New York, tremendous buying enthusiasm swept over the security and commodity markets of the world yesterday in response to week-end developments reflecting the favorable reception of President Hoover's proposal for a 1-year moratorium on war debts and reparations. The world-wide advance in prices added billions of dollars to open-market values, with stocks, bonds, grain, cotton, sugar, silver, and lead in heavy demand. Pronounced strength developed in the German bond list, the amounts ranging from two to 13½ points.

Now, listen to this. This is the way this news item closes. I ask Senators to listen to it.

> United States Government bonds—

Every other bond went up; every other stock went up; every other commodity went up; but what happened to United States Government bonds when it was known that by this method we were giving away the property of the United States?

United States Government bonds failed to participate in the move, all of them closing behind minus signs.

The last line fell obscurely at the end of a paragraph. And that was all the notice anyone bestowed upon the most significant fact of a delirious day—namely, the fact that everything in the world went up with the single exception of United States Government bonds. And why was that? United States Government bonds were telling why, and telling it loudly to such as would listen. They were telling it in the language of quotations, and this is what they were saying:

Again this business of saving Europe with American credit! Do you ever count up what it has cost you already? It is becoming more and more costly; and, besides, you may not be saving Europe at all. You may be only inflating her. Better may turn out to be worse.

Ah, Mr. President, we had already spent for war purposes more than $40,000,000,000 of the money of the taxpayers of America; we had increased our yearly expenditures by more than a billion dollars for our soldiers; we had increased our yearly expenditures over $600,000,000 in order to pay the interest on our bonds; and naturally when it was determined to make a gift to foreign peoples, it was also perfectly natural that our own bonds should go down.

What was the aftermath? Why, after two or three days, as we all remember, the market began to sag, every stock in America began to go down, every bond in America began to go down, every commodity in America began to go down, and they have been going down ever since. There has not been a stock, except temporarily for a moment or two, perhaps for a day, while the gamblers on one side or the other happened to be in control, that has not gone down in price. The general trend of prices has been down every day. Here is what Mr. Garrett says about that on page 57:

We really thought we had done a grand thing; we read every morning in the newspapers that it was a grand thing. The diplomats and the chancelleries of Europe were saying so on typewritten slips or in interviews, and the American correspondents were quoting them to us by cable. But the typewritten words of diplomats and chancelleries are purposefully suave. What people, even the diplomats, were really thinking and saying was very different. The least unpleasant of what the once-allied nations were saying was: "This is the beginning of the end of our hateful war debts to the United States Treasury. Uncle Shylock has been insisting that German reparations have nothing whatever to do with our war debts to America. But now he admits that if we can not collect reparations from Germany neither can we pay our war debts to the United States. That principle is implicit in the debt-holiday plan, since it includes both German reparations and our war debts to the American Treasury in one scheme of relief. Moreover, it is admitted that Germany can not pay reparations unless she can continue to borrow American money to pay them with. So either America must go on lending Germany the money to pay us reparations or cancel our debts to the American Treasury."

Here note that the one fixed point in German foreign policy is to get rid of reparations and that the one unalterable idea in the foreign policy of the former allies—our associates in the war—is to get rid of their debts to the American Treasury.

Mr. Garrett also has this to say about the President's purpose:

The secret of President Hoover's dramatic action in suddenly breaking away from America's settled policy—

I digress there long enough to say that no one has ever been stronger for that policy than has the President—

and interfering in the affairs of Europe with his epoch-making proposal for a moratorium for war debts can now be revealed. The hoarding of gold by the United States of America, consequent upon her policy in regard to war debts, brought about a situation in which Wall Street—that is to say, American credit—was threatened with wholesale collapse. America has lent enormous sums to Germany, now on the brink of bankruptcy, and in his effort to save her and his own country, President Hoover electrified the world with his moratorium plan.

Mr. GORE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Oklahoma?

Mr. McKELLAR. I yield.

Mr. GORE. The article read by the Senator may be correct when it says that the President "electrified the world." I should like to add that he electrocuted the American taxpayer.

Mr. McKELLAR. Yes; he has sadly hurt him, anyway.

Mr. President, another purpose of the proposed moratorium was to aid economic conditions in America. That was the one principally asserted in this country. Let us see about it.

It will be remembered that Mr. Hoover stated at the time he announced this moratorium that one of its principal objects was that it would be an aid in restoring a better economic condition in America. Prosperity was just around the corner; a very short time it would be right upon us if we agreed to this moratorium. The measure was so heralded throughout the country by the press. The Hoover papers in the Nation pointed with pride to this great measure, which had restored or would restore prosperity to America. But, Mr. President, it will also be remembered that this "prosperity" lasted only for a day or two.

The stock market went up for a day or two. Farm products went up for a day or two. Then they changed and went down and down and down and down, and to-day both the stock and farm-product markets are about as low as they ever have been in our history.

So far as being a benefit to America is concerned, if we judge by the fall of prices in this country, the moratorium has been a great detriment instead of a benefit. The truth is, Mr. President, the moratorium is just a political nostrum. It has not really aided Germany, and has not aided America at all. We all know that to be so; and if there is any Senator on this floor who has a different opinion about it, I yield to him in order to let him tell us what it has done for our country. [A pause.] No Senator seems to accept the challenge, so I will proceed.

LOSS TO AMERICA

Mr. President, instead of being an aid to America, the moratorium just means that our Government threw away $253,000,000. This gift immediately gave rise to the view in all the world that the moratorium was but a forerunner of the cancellation of all foreign debts. America has lost tremendously by reason of this prevailing view.

For years the Republican Party and Mr. Hoover have been saying there would be no cancellation of the debts; and yet, if we judge from Mr. Hoover's recommendation for the reestablishment of the Debt Funding Commission, and if we judge from Mr. Mellon's statement, given out the next day, showing how essential it was that Great Britain's debts be reduced, there can be no doubt but that this moratorium was intended to be just the forerunner of the cancellation of the debts.

I think this was a very great mistake. It was a very unhappy mistake. It was a very unwise proceeding all along the line.

AMERICAN MORATORIUMS NEEDED WORSE

Mr. President, there are a number of needs for this $253,000,000 in America that I think come far ahead of the granting of this enormous dole to our foreign debtors.

There are 6,000,000 people unemployed in this country. I would infinitely prefer to have voted this $253,000,000 to the unemployed in America rather than to give it to European governments with which to raise big armies and build greater navies.

Mr. President, I would much prefer to have given the $253,000,000 to people in America, many of whom are hungry, many of whom are in want, many of whom have not warm clothes, rather than to have appropriated this money for our foreign debtors, who have never asked us for it.

It will be recalled that a year ago, when there was want and destitution in a large section of this country, the President vigorously and successfully opposed aid by Congress to our own destitute people on the ground that such a course would constitute a dole and said that any assistance given to them should come from private sources. The Red Cross thereupon undertook the relief of these needy people—our own people—and set as its goal the sum of $10,000,000. Senators will remember how long a time it took to raise

this sum, and for a while it looked as though the drive would fail—in part, at least; but after much difficulty and urgent solicitation the sum was raised. Yet here we are proposing to give away on almost the day before Christmas a sum twenty-five times as great; and we propose by our votes to give it away not to our own people but to the people of foreign countries, and not an official of the government of any foreign country has asked us for this gold.

Mr. President, of course, I sympathize with the German people in their distress; but, Mr. President, I know that there are many American people in distress, and I want to say that I sympathize more with American people who are in this condition than I do with those of any other nation.

If it is necessary to give away this $253,000,000 of the people's money to anybody, it ought to be given to the unemployed people of this country, to the people who are in want in this country, rather than to the people of foreign lands.

In the next place, Mr. President, as much as I am opposed to a dole—and I am opposed to a dole—I would rather give this large sum of money as a dole or a gift to the American people, and especially to the suffering and the needy and the hungry in America, than to give it to the people of foreign nations. Is there any Senator on this floor who takes an opposite view from that expressed in my last statement? If so, I pause long enough to give him time to answer.

We have millions of such people in our country. When I think of our being so charitable as to give $253,000,000 at one time to the peoples of foreign countries, to no good purpose except that we promised to do it by Western Union telegrams, it seems to me that we ought to let this munificent charity begin at home.

In the next place, Mr. President, our farmers are in greater distress than they ever have been in their history, perhaps. In many cases mortgages on their farms are being foreclosed this very day.

There is hardly a day that I do not receive letters from constituents of mine saying, "Oh, Senator, is there not some way by which it can be arranged that my home and my farm on which the Government has a mortgage may be saved? Is there not some way in which a foreclosure may be postponed and my home and farm saved to me and my wife and children so that we may not be turned out of our home?" Can I answer, "Yes; we have $253,000,000 to contribute to the distressed of other lands but not a single dollar to contribute to save the American farmer from the foreclosure of the mortgage on his home and on his farm?"

Their families are being turned out of doors. What matters that? That is a mere local question. This is a great international question. It takes a broad mind to understand great international questions. We must not pay any attention to these purely local questions. They will right themselves. If a man is turned out of his house and out of his farm, let him do the best he can. It will all come out in the wash. Ah! but when it comes to these grave international questions—Germans in distress, Frenchmen in distress, Englishmen in distress, the people of other countries in distress—"Oh, yes; open the Treasury of the United States; let the gold flow out. It makes us broad in our views toward humanity!"

I do not subscribe to that doctrine. So far as I am concerned, I would rather provide in a law to use this $253,000,000 to keep these families of American farmers from being turned out of doors. I would a thousand times rather vote to contribute every dollar of this $253,000,000 to extend these mortgages, to prevent these American farmers from being turned out of doors, than to give it to the people of foreign countries who have never even asked us for it. They boast that they have never asked us for it. The President boasts that it was upon his initiative that this great, munificent gift was made to other people without their asking.

Again, Mr. President, we are told that our railroads are in a peculiarly distressed condition; and they are. I am inclined to think that our railroads have made a mistake in not going out after business in this depression, reducing their rates, and entering into competitive efforts to get business. I think they probably could have benefited themselves if they had done so. Of course, I may be mistaken about this, but such is my belief.

In any event, Mr. President, the railroads of America are to an enormous extent responsible for our good or bad economic conditions; and for that reason I would rather vote to give this $253,000,000 to the railroads of America, and thereby bring about greater employment and greater prosperity in our own country, than vote to give it to the peoples of foreign nations the governments of which have not asked for it.

I am informed that the prospective wage reduction on the railroads alone is something like this figure of $253,000,000. I would rather, any day, turn over this sum to the railroads, or lend it to them, so that they could maintain a proper scale of wages for American workingmen who are now without work and who will be without work, than to give it so generously, unasked, to the people of foreign nations. Our soldiers are needy. We loaned our Allies money after the war, and they paid their soldiers a bonus—a cash bonus. But we only gave our soldiers a promise to pay in 1945. We have since paid half of it. I had rather pay this $253,000,000 to our soldiers than to give it to our European debtors, who do not appreciate it.

Mr. President, I realize that there are two sides to every question. I suppose Mr. Hoover feels that he had good reason for his action. That may be so. I do not want to do him an injustice. It must be remembered that Mr. Hoover is probably the greatest giver-away of other people's money ever known in the history of the world. He first came into public notice during the World War as the giver-away of other people's money to the people of Belgium, which had been almost entirely overrun by Germany at the time. It is true that it has been claimed by some that a great deal of this Belgian relief really helped Germany; but that, I suppose, is disputed, and I shall not go into it.

The American people were led to believe that this money they contributed for Belgian relief was going to the starving Belgians. Enormous sums—I do not think anybody ever knew what sums—went for that purpose and were distributed by Mr. Hoover. After the war was over one of the first acts of Mr. Hoover was to secure a recommendation from President Wilson to have the Congress appropriate another fund of $100,000,000 to be given to the suffering people of Europe. He distributed it.

When people suffer in America Mr. Hoover says it is wrong for the Government to give them relief; it should be a private matter. But, oh, when people suffer in Europe it is a different question. After the war he recommended that the Government reach out and give to them, and he got President Wilson to recommend an appropriation of, $100,000,000, which was distributed by him for their relief; and the American Congress gave the $100,000,000.

It will be noted that in these two matters Mr. Hoover was supreme. He was the great almoner. He was the miracle man in furnishing the money to give to those who applied for it in foreign lands.

In 1922 we find him a member of President Harding's Cabinet; and in the Disarmament Conference of that year America voluntarily gave up 845,000 tons of warships at one time in order to secure the peace of the world, at a cost of over half a billion dollars—not that the ships were dismantled, but they were sent to the bottom of the sea, the greatest war vessels ever constructed on the seas at any time in the world's history. In 1928 there was another Disarmament Conference. Mr. Hoover did not take a prominent part in it, but another part of our Navy was sunk for international purposes, without any benefit to America or to the cause of peace.

Now we come to 1931. Instead of America abounding in riches, we find the greatest depression ever known in our country. We find our National Treasury a billion and a half dollars "in the red." Gifts to other people might be just

as popular as ever in some quarters, but the necessities of the case made it more difficult to make these gifts; and so Mr. Hoover comes again as the miracle man to give away other people's money. It was not in the Treasury to be given away, and therefore he stopped our foreign debtors from paying it into the Treasury, and asked the Congress to uphold him; and it looks as if the Congress is going to do it.

I think Mr. Hoover is wrong in all these matters. I think a great many of us suffer from nationalism. Perhaps I do myself, but if I were to criticize Mr. Hoover I should say that I think he is almost too broad in his universal statesmanship; that he covers almost too much territory; that he takes in almost too many people; and that his view of world problems has put him out of harmony with the problems in our own country.

I stop here, Mr. President, long enough to call the Senate's attention, if I may, to a cartoon that appeared in this week's issue of the Saturday Evening Post in which the cartoonist represents a number of ladies discussing international affairs. The chairman of the gathering says, "We can not longer ignore our responsibilities to Europe!" Another one says, "Oh, we must save Germany—poor, downtrodden, stricken Germany!" Another one says, "You are wrong about that! It is all right to give to Germany; we must give to Germany out of our great riches, but remember France first—poor, white, bleeding France! She needs it. Just think what wonderful people they are!" Another one says, "Oh, but we must not forget our own kindred. What about the plight of England? We must give relief to them." Another one says, "Our duty to the Far East is clear. We must act!" All of these are large ladies, according to the cartoon, and away down in one corner is a little individual about half an inch high, marked "Our American problems," who says, "Mamma, ain't I anybody's child anymore?"

We are forgetting our own people in this great crisis. Oh, Senators, let us not do it!

I want to say for Mr. Hoover that of course he thinks of America. I have no doubt about that. I have no doubt that Mr. Hoover would like to have America prosperous and happy; but he—the world statesman, the miracle man in handling the affairs of all countries—thinks of America only as a unit in the great whole, and not as the country in which we should all be most interested. While he is our President, I think he should think more of our Government.

Look at us! Look at our State Department! Look at our Treasury Department, the head of one, the head of both, running all around Europe last year, apparently seeking to give succor to distressed peoples. That was what the papers said. Here we are writing notes every day to Japan, asking her please to keep out of Manchuria. I have no objection to such notes; but, Senators, we have a crisis right here at home. We have 6,000,000 people who are out of work, most of them perhaps hungry, this very hour. They need relief. They need the attention of this Government. They need the attention—and I say it with all due respect—of the President of the United States at this time. We should quit thinking in terms of foreign nations. We should look after the best interests of the American Nation, and we will have our hands full if we will simply do that.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Kentucky?

Mr. McKELLAR. I yield.

Mr. BARKLEY. I find myself in agreement with the sentiment expressed by the Senator from Tennessee; but as a practical matter I am wondering whether to reject this moratorium, now that it has already run for six months and has only six months more to run, would have any effect in relieving the situation in the United States to which the Senator calls attention.

I may add to the question this observation:

I do not think that either in the moratorium or in any other proposition that may come before us dealing with our relationship with foreign countries we ought to overlook the welfare of our own people; I certainly do not intend to overlook it; but will we not have ample opportunity within the next few weeks to demonstrate our sincerity as well as our capacity to deal with domestic problems, wholly independent of the question of a moratorium?

Mr. McKELLAR. Mr. President, I shall take a great deal of pleasure in answering the Senator. I want to say to him that we may have the opportunity, but we have a less capacity by the sum of $253,000,000, to help our people in this country, because but for this moratorium there would be in the Treasury to-day, at this very moment, $253,000,000 that is not there now. Whatever may be our opportunity, we are going to have a difficult time to deal with an empty Treasury. I do not see how we can give relief to our own people with an empty Treasury. We have to bond ourselves and probably sell those bonds at a reduced price in order to do the things that are most needful in our own country.

I want to ask the Senator this: Are there any unemployed in his State? Are there any suffering and starving people in his State?

Mr. BARKLEY. Of course, there are; and I hope to secure legislation very soon to bring them some relief.

Mr. McKELLAR. Then does not the Senator think that in the use of money now in the Treasury or which may come into the Treasury his first duty is to help the unemployed and the starving and hungry people in his own State and in our own country?

Mr. BARKLEY. Of course, the Senator from Tennessee knows what my answer to that question would be; it would be in the affirmative; and already in this Congress and during the whole of the last session I have sought relief for our own people; and if the postponement of this moratorium or if its rejection by the Senate at this time would put into the Treasury of the United States the $250,000,000 to which he refers, that would be one thing. That might justify the Senator's optimism. But, in my judgment, it would not result in putting a single dime into the Treasury of the United States, because the moratorium is now in effect, regardless of what we may do about it. Our word has been given, and a nation's word ought to be as sacred as that of a private individual or private corporation.

Mr. McKELLAR. Mr. President——

Mr. BARKLEY. One moment. Will the Senator join me a little later in an effort to give to the American people a moratorium somewhat commensurate with that which we are proposing now to give the nations of Europe? I will specify what I have in mind.

We are now seven years ahead of the lawful schedule in the payment of our own war debt, which is represented, in part, at least, by money which we loaned the allied nations. We have overpaid what the law required us to pay by $3,500,000,000, because in prosperous times we had a surplus in the Treasury of the United States and used that surplus to a premature payment of that much of our own debt. So that if we did not pay on our own war debt a dime for seven years, at the end of that period we would then be where we would have been if we had observed the law in the retirement of our own war obligations.

When the time comes to levy taxes on the American people, will the Senator from Tennessee join me in an effort to suspend the operation of the sinking fund long enough to give our own people a breathing spell, rather than tax them to death in order to fill the deficit in the Treasury, which now exists?

Mr. McKELLAR. Mr. President, I have learned from experience—not of myself, because happily I did not fall into the error, but I have learned from the experience of other Senators in connection with this very measure—that it is not a wise thing to commit oneself to any measure until after it has been explained in this body. Therefore, I am not going to commit myself now.

I want to reply to the Senator's statement. Of course, I would take any reasonable and proper step which might be proposed to relieve our people from the awful condition in which they find themselves to-day—not one class of our

people, but all classes of our people. That condition is a monstrous condition, it seems to me, and I think that our charity ought to begin at home.

I think we ought to look after our people first, and not be willing to vote out of the Treasury $253,000,000, and then look to see what scraps we can find in the future for our own people.

Mr. BARKLEY. Mr. President, the Senator——

Mr. McKELLAR. Just one moment. I would vote, and I intend to vote to give relief to our people first; and then later, if we can help other people, I shall be delighted to do so. I do not like to see distress and suffering anywhere, among any people; but I want to say that I conceive it to be my duty to look after the best interests of America first, and then let these matters come when we are able to handle them. If our Treasury were full it might not make so much difference; but being $1,700,000,000 "in the red" to-day, I think we ought to be very careful about voting money to foreign people under these circumstances.

Mr. BARKLEY. Mr. President, I am sure the Senator does not desire nor intend to put me in the attitude which his language might imply, of being willing to vote $250,000,000 out of the Treasury of the United States, because it is not there to begin with, and the Senator just admitted it was not there. This resolution does not take any money out of the Treasury. It simply gives our debtors a suspension of one year in paying money they can not now pay.

If a vote to reject this moratorium six months after it began to operate, and six months prior to its expiration next June, would put $1 of this $250,000,000 in the Treasury, it would be an entirely different proposition. But the money is not there, and it is not going to be put there, regardless of our action on this joint resolution granting 12 months' moratorium to the nations of Europe.

Mr. McKELLAR. Mr. President, I have no doubt that if this moratorium were defeated this day it would not be 30 days before every dollar of the $253,000,000 would be paid into our Treasury. I have no idea that the great Republic of France would violate its obligation and treat its bonds as scraps of paper. I know that Great Britain, the people of whose country have the same blood we have, would not go back on their obligation. I do not believe the people of Italy would go back on their obligation, or that the people of Belgium would go back on their obligation, or that the people of any other of the nations would go back on their obligations. So far as I know, the only countries which are making a fight about the matter, or contending for cancellation, are France and Great Britain. The others are perfectly willing to pay. They wanted to pay, and there is even now a dispute in the country as to whether or not they had the money on hand in New York to pay on the 15th of December, when the installment was due.

Mr. BARKLEY. Mr. President, will the Senator yield again?

Mr. McKELLAR. I yield.

Mr. BARKLEY. I have no desire to prolong a controversy with the Senator, but does not the Senator know that if we were to reject this joint resolution granting a 12-month moratorium each of the debtor nations could, under the terms of their contracts with us, ask for a 2-year moratorium, and that we would be compelled to grant it?

Mr. McKELLAR. No, Mr. President; I do not know that that would be the fact at all. I have examined the contracts existing between the debtor nations and the United States. I think I am fully familiar with all of those contracts. They are contained in what is known as the Debt Funding Commission laws. Some of the nations have a right to ask for a 3-year postponement and one a 2-year postponement of the principal of their debts. But the Senator will recall that the principal forms only a small portion of the debts actually due every six months during these first years of the contract. So, under the moratoriums they would have a right to ask for, the payments from which they would be excused would not be as large—probably not one-fifth as large—as that provided for in this joint resolution.

If the moratorium which they might demand would be better for France and for England and for other nations, why this moratorium? If they have now a right to demand a moratorium which would be better, why not stand by the agreement?

I want to say to the Senator from Kentucky that whenever America makes an agreement, as one representative I am perfectly willing to stand by it.

Mr. BARKLEY. Mr. President——

Mr. McKELLAR. Just one moment; I will yield in a moment.

The Senator says that if he thought that by voting against this joint resolution and defeating it this $253,000,000 could be brought into the Treasury, he would be against the joint resolution. I want to say that in my humble judgment if we served notice on the world that we were not going to have any moratorium, this one or any other, that we were not going to have any debt cancellation, the European powers would pay up, and continue to pay up, in accordance with the contracts which now exist between us.

Why do I say that? No great nation like Great Britain, which I admire extravagantly; no great nation like France, which I admire extravagantly; no great nation like Italy, which I admire; or like Belgium, or like the other nations which owe us money, is going to violate its agreement. They are going to pay. Their credit would be forever impaired unless they paid.

I call the attention of the Senator from Kentucky to the fact that not one of those nations has asked that this moratorium be declared. They have not asked for any postponement of the payment of the debt. It is the President of the United States who initiated the whole thing.

Mr. BARKLEY. I have not heard of any of them that object to it.

Mr. McKELLAR. I will do Mr. Mussolini the credit of having given out a public statement, after the moratorium was announced, to the effect that Italy had the money, and was perfectly willing to pay the installment she had agreed to pay. So far as I know, and so far as I believe, every single nation would pay.

If the Senator were to join us, and if the Senate could vote as I believe it desires to vote, and defeat this moratorium joint resolution, that would be the end of cancellation. It would do away with it for good, and the result would be that these countries would be better off, and so would America.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield.

Mr. THOMAS of Oklahoma. The distinguished Senator from Kentucky has just indicated that if he could be assured that if this moratorium could be defeated we would get a single dollar into the Treasury he might vote for it.

Mr. BARKLEY. No; Mr. President.

Mr. THOMAS of Oklahoma. Is that a correct assumption?

Mr. BARKLEY. The Senator misunderstood me. I did not make that statement or intend to leave such implication.

Mr. McKELLAR. I misunderstood the Senator, too, then, because I thought that was what he said.

Mr. BARKLEY. I said that if there were any assurance that the $250,000,000 would be put in the Treasury by the rejection of this moratorium joint resolution that would be one thing, and might be a persuasive argument against the moratorium; but I did not indicate by that that I would vote against it. Of course, no one can give such assurance.

Mr. McKELLAR. I misunderstood the Senator.

Mr. BARKELY. I will say to the Senator while I am on my feet that I am one of those who replied to the President of the United States that I would vote for the necessary legislation in view of the facts which I had in my possession at that time. In common with all of you, I had to act on the facts then before me. Regardless of what may have developed since then, I regard myself as having promised to vote for this joint resolution, and I would rather the people of my State would say I made an egregious mistake in doing

that than to have they say I would not keep my word to the President of the United States when I have given it.

Mr. McKELLAR. I want to say to the Senator that I indorse the statement he has just made. I think the Senator made a mistake in sending that telegram; but I think the Senator is exactly right, after having sent it, in abiding by it.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from Tennessee yield to me further?

Mr. McKELLAR. I yield.

Mr. THOMAS of Oklahoma. The statement was made on yesterday, and not challenged, that one of the debtor nations has now on deposit in banks in America the sum that nation owes the United States and is ready to make payment in the event this joint resolution shall be defeated. That statement has not been denied; so we would at least get that sum transferred to the Federal Treasury.

Mr. McKELLAR. What nation was that?

Mr. THOMAS of Oklahoma. It was stated by the junior Senator from Nebraska [Mr. HOWELL] that that nation was Greece.

Mr. McKELLAR. Yes; that is true.

Mr. THOMAS of Oklahoma. Just one further statement, if the Senator will yield further.

Mr. McKELLAR. I yield.

Mr. THOMAS of Oklahoma. I have in my hand a signed news story of recent date over the signature of Carrol J. T. Horan. I will refer to one paragraph in this signed statement, with the permission of the Senator.

Mr. McKELLAR. I yield for that purpose.

Mr. THOMAS of Oklahoma. The statement reads:

> The Italian ambassador called on the State Department on Saturday to announce that the Italian Government had already deposited with the fiscal agents of the Italian Government in New York the necessary funds to cover the Italian debt payments. Similar action had already been taken by Sir Ronald Lindsay, the British ambassador, and the French ambassador, Paul Claudel, who were in a quandary as to how to advise their Governments.

Mr. McKELLAR. I believe those proposals to pay were declined with thanks, were they not?

Mr. THOMAS of Oklahoma. I am not advised as to the diplomatic language used between the respective parties.

Mr. McKELLAR. There was some more kindly diplomatic language used, but that was the substance of it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. I do not know, of course, what the real facts are; but, in that connection, I may say that we have had before the Finance Committee during the last few days those who represented Great Britain and some of the other nations in the negotiation and sale of their government obligations. By presumption they would, of course, be the fiscal agents for the deposit of any money intended to go toward the payment of a debt due to the United States; and those gentlemen testified before the Finance Committee that there had been no such deposit made with them, and they knew of no other fiscal agents in the United States with whom such deposits had been made.

Whether it be possible that some nation, in order to avoid the technicality of being in default on the day when the payment was due, obtained the money to deposit it in some financial institution in this country, not expecting to have to pay the amount at present, I do not know. It is entirely possible that such an occurrence transpired. As a matter of fact, if they did not pay the obligation on the 15th day of December they would be technically in default, and no nation likes to be even technically in default on a payment. It is entirely possible that in order to avoid that technicality money was obtained from some source and deposited in this country so that it might be said to be ready if payment was demanded.

Mr. McKELLAR. I am glad to have that explanation from the Senator from Kentucky. That was the wording of the administration's statement, that those nations would not be considered technically in default by not having paid those amounts when due. My recollection is, from the newspaper accounts solely—because I am not a member of the Finance Committee and was not present at the hearings—that the financial agents of Great Britain said that if Great Britain had drawn on them the draft would have been paid.

Mr. President, I have finished, with one exception, what I desire to say.

Some years ago a man by the name of William G. McAdoo was our Secretary of the Treasury. I remember that in 1914 it was thought by some people we were going to have a financial crisis in the country. Those of us who were in the Senate or the House at the time remember the celebrated McAdoo crop-moving order, when the New York banks got together and were believed to be preparing for a financial crisis. Mr. McAdoo advised them that he would issue $500,000,000 of currency under the Vreeland Act and that he would also take Government deposits away from New York, Philadelphia, Chicago, and Boston banks and put them in the country banks for the purpose of moving the crops of the country. After this forceful statement it will be remembered that the depression went by the board and we had no financial crisis that year.

I wish we had had Mr. McAdoo at the head of the Treasury in October, 1929, when the present panic came. I believe our situation would have been better than it is now. He made a really great Secretary of the Treasury.

Permit me to digress long enough to say that, though I am his great admirer and friend, I am not for Mr. McAdoo for President. I am for Franklin D. Roosevelt as the Democratic candidate for President of the United States, and I think he is going to be the next President of the United States. I merely say this in connection with what I am going to say about Mr. McAdoo. Mr. McAdoo made a wonderful Secretary of the Treasury. He conducted the finances of the country in the interest of the American people. His views are entitled to weight.

I make the statement for the purpose of reading from page 424 of his recent book. It forms one of the most cogent reasons against the moratorium and against any further cancellation of the debts that could possibly be stated. Mr. McAdoo was and is an able and splendid man. He was a most forceful official. Above all, he was not afraid. I read:

> On the other hand, the Liberty bonds which furnished the money to the Allies are still outstanding. They constitute a charge against the whole people. They will have to be paid, and they will be paid, both principal and interest, regardless of what happens to the foreign loans, because the United States is, and always has been, jealous of its honor. Cancel these foreign debts, and the result will be that Mr. Everyman and his wife and his children, in proportion to their means, will have to pay the colossal sum that the war profiteers have already put in their pockets.

Ah, Mr. President! I wish we had such a man at the helm of our finances now. He was a man who believed in the people, who believed in America, who was willing to be charitable at all times to foreign countries whenever we could, but who looked first after the interests of America. I want to say that Mr. McAdoo is exactly right when he says that Congress can grant the moratorium and thus enter the first wedge for the cancellation of our foreign debts, or it can cancel the debts in part, or can cancel them in whole; but the money which those foreign debts represented was collected from the American people through Liberty bond issues and Victory bond issues, and that money the American people are going to pay, and pay according to the bond.

Mr. President, I do not see how we can stand on the floor of this body and vote for a measure that will take $253,000,000 in debts in one year off the backs of the people abroad who borrowed it, the foreign taxpayers for whose use it was spent, and put that amount of taxation on the backs of the American taxpayers.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Kentucky?

Mr. McKELLAR. I yield.

Mr. BARKLEY. I agree absolutely with what the Senator said with reference to cancellation or reduction. I would not vote for cancellation of the European debts to

this country. I would not vote for any further reduction, because to that extent it would mean cancellation. But does not the Senator know that if a mere postponement of the debts we ourselves owe were regarded as cancellation, all of us would be out of debt in the United States now?

Mr. McKELLAR. No, Mr. President; I do not know that. I believe this moratorium is but the entering wedge for further cancellations.

I want to say further to the Senator something with reference to what the moratorium means. It means exactly the same thing as if the next interest day of American bonds Mr. Mellon would come out with a statement that he did not have the money to pay the interest on those bonds, and that the interest would not be paid. What would happen to those bonds? We know what would happen to them. They would go below par. Why? Because there would be a belief engendered in the mind of every holder of those bonds that they were not going to be paid according to their tenor and effect. When we give this moratorium there will be engendered in the minds of our European debtors generally the idea that we are not going to insist on payment.

When we grant this moratorium everyone in this body knows—and I do not believe there is a man here who does not know it—that the whole intention is to form an entering wedge to the further cancellation of the foreign debts. So far as I am concerned, I am absolutely and wholly unwilling to take any step even looking to a further cancellation or reduction of those debts. The Senator from Kentucky [Mr. BARKLEY] says the moratorium does not mean that. If it does not mean that, why is the President sending a message here asking us to reestablish the War Debt Funding Commission? Why is the Secretary of the Treasury making a bold argument, and sending it out the very next day, saying that Great Britain was unable to pay, and that her debts ought to be reduced?

We know what it means. We know what the purpose is. We know that it is the purpose of those in charge of our financial affairs that if it can be arranged there will be a further reduction of the obligations now due us. Mind you, they were not for war purposes. We have canceled the war debts. These are commercial debts, made for the purpose of rehabilitating those countries—those countries who think of us as revealed by the articles to which I have called attention to-day.

Mr. President, I regret that I have taken so much time. I want to thank Senators for having listened to me so patiently. I apologize. My only excuse for having taken so long the other day and to-day is that I deeply feel the importance and seriousness of the situation. I believe in our great Republic. I want to help her; and then, if we have anything left after helping our own people, I will be happy to join with the internationalists in seeing what we can do for the afflicted and distressed of other lands. But so long as I know myself I shall vote against any measure that puts America in second place to any other nation under the sun.

Mr. SHIPSTEAD. Mr. President, it is quite evident that it is not expected that any vote will be changed by this debate. I find no fault with those Senators who have pledged their votes to this measure if they can square that with their conception of their constitutional duty. They tell us why they did so. They tell us that they were told that this measure would save the world from economic collapse. They tell us that they were told that it would stop the depression in the United States. They tell us that they were told it would save Germany from political collapse. When they were told that, I am sure they believed it was so or they would not have pledged their votes. But in my opinion they should have waited until all the evidence was in before rendering a decision. It must be evident to everyone now that the bases upon which they cast their votes were not founded on the facts.

The world has not been saved from political or economic collapse, nor has the depression been stopped in the United States, nor has Germany been saved from the economic and social and political consequences which exist in that country to-day due to the fact that the World War has never ceased, due to the fact that through the treaty of Versailles an economic war has been conducted against Germany ever since the World War ceased.

If I believed that the world depression and Germany's economic collapse had been stopped by voting $250,000,000 out of the United States Treasury, I would myself so vote. However, I have the belief that those things are due to causes of far deeper moment. Those conditions are due to causes that go far deeper than can be cured by simply spending $250,000,000 of the United States taxpayers' money to buy, for the period of one year, the allied European governments off of the back of Germany. That is what it amounts to, so far as I can see.

The President in his message states that the moratorium has nothing to do with the cancellation of debts, but at the same time he states that he wants the debt-funding commission re-created. The President says also that the moratorium has nothing to do with reparations. It has something to do with reparations in this respect, that it ties up the money that certain countries of Europe owe us for amounts loaned, mostly after the war, with reparations; and that is something they have tried to accomplish ever since the treaty of peace was signed. The Government of the United States has never consented to such a connection between the so-called allied debts and reparations. Those debts are based on entirely different grounds. The reparations were an indemnity assessed upon Germany for having been the sole cause of the World War. Everyone now knows that that decision and that indemnity were based upon an untruth. Germany certainly was not the sole Government or country responsible for the World War.

The debts of the Allies to us are based upon loans made to them for the purpose of rehabilitating their industries, to buy food for their people, to put them on their feet, and save them from chaos after the World War was over. If the President of the United States and the Congress of the United States desire to do something to save this country from depression, and to save Germany and Europe from political, social, and economic collapse, I would advise them to explore much deeper into the causes of the present condition than has been done by those who sponsor this joint resolution.

How far could $250,000,000 go toward saving Europe from economic collapse? I have here a compilation showing the sums spent by the various countries of Europe for armaments and the amounts they have spent in payment of the interest on their debts to the United States in 1930.

In that year Belgium spent for armaments $23,247,000 and paid to the United States as interest on her debt $7,950,000. She spent about two and one-half times more for armaments than she paid the United States on account of interest.

Czechoslovakia spent, in round numbers, $41,000,000 in 1930 for armaments and spent $3,000,000 in the payment of interest to the Government of the United States on her debt.

France spent $547,000,000 for armaments in 1930 and expended $50,000,000 on her debt to the United States.

Great Britain spent $608,000,000 in 1930 for armaments and expended $159,000,000 to the United States on her debt.

Poland spent $122,000,000 on armaments and $7,000,000 to the United States in interest on her debt.

Italy spent $322,000,000 for armaments in 1930 and expended about $14,000,000 in the payment of interest on her debt to the United States.

So, in spite of all so-called peace treaties, the Locarno treaty, the Briand-Kellogg pact, the League of Nations, and the 9-power treaty, the nations of Europe are spending seven times more for future wars than they have paid to the United States on the honest debt they owe to us. And what they have paid us for interest was borrowed here. If those nations would cut their military armaments or their military expenditures by one-seventh, they could pay all their debts. As a matter of fact, what they pay to the United States amounts, generally speaking, to less than one-half per cent of their national incomes, less than 3 per cent of their annual budgets, and less than one-seventh of what they spend for armaments each year.

The moratorium agreement was not proposed because they could not pay. Certainly Germany could not pay reparations; and the moratorium will not make Germany able to pay reparations. It will not change the status of the reparations, because Germany could not have paid anyway; so how will it help Germany?

The moratorium was proclaimed on June 20 and was agreed to on July 6. The banks of Germany did not start to close until long after the moratorium had been agreed to. As a matter of fact, the run on the banks of Germany increased in intensity and force after the moratorium had been proclaimed. By July 20 most of the banks in Germany had closed because of that run not only by the people of Germany but by foreign bankers having credits in Germany.

Those bankers did what private investors or private depositors do, and for which bankers criticise the individual depositor. Foreign bankers who had credits in Germany started a run or increased the run that had already been started on the banks of Germany. As a matter of fact, bankers are peculiar; they are like a man who will lend one an umbrella when the sun is shining, but when it begins to look like rain will ask for its return. So they called every cent that they could get out of Germany until they could get no more. Then the German Government was forced to take such drastic steps to prohibit the flight of gold from Germany that, in fact, a dictatorship was inaugurated in Germany, and very heavy penalties were imposed upon people who endeavored to remove capital from Germany. That is what stopped the run on the banks of Germany and made it possible to reopen them.

Mr. President, this moratorium is only one step, and I hope the last, in the very interesting and subtle intrigue that has been going on in our foreign relations for the past 15 years. We have sponsored a financial policy that always starts out as a private business transaction. The distinguished banker from New York who testified before the Finance Committee day before yesterday said that he was trying to build up a psychology for the people of this country.

First, we had the so-called Dawes plan. When the governments to which Germany was to pay reparations found that Germany could not pay what they thought was sufficient, they entered upon another program. Germany paid all she could; but those to whom she paid reparations wanted more. They could not get it out of Germany, and so they got together and organized the so-called Dawes Commission which furnished the world with the Dawes plan by which whatever reparations Germany could not pay out of the profits of her industry and through taxation she would be able to pay out of funds that could be borrowed in other countries; and to make it semiofficial, so far as the Government of the United States was concerned, there was made chairman of that committee a man who was in that year the Republican candidate for Vice President of the United States.

Under the authority of that plan bonds were issued, underwritten by bankers, and sold for a commission to the people of the United States, the people of Holland, and the people of other countries, but particularly the people of the United States. When the creditors of Germany collected as much as they could under that plan, then came the Young plan, with another American as chairman. This time a Democrat was selected in order to make the scheme nonpartisan or bipartisan. Under that plan bankers again underwrote the bonds of Germany for a commission, peddled them throughout the country under high-pressure salesmanship methods to investors, got the money, turned it over to Germany, and Germany paid her reparations. The reparations were payable in gold, and the gold went to those who received the reparations, and certainly a good time was had by all so long as it lasted.

Now people have found fault and editorials have been written finding fault with Germany for borrowing this money. I believe—and I think the estimate has been verified—that something like $4,000,000,000 were thus borrowed. But these same people who put this paper in the hands of investors and banks of the United States underwrote and peddled out seventy billions of American paper to the people of the United States in the last 10 years, from 1920 to 1930. So when it comes to spending borrowed money, with everything that has been said about Germany, Germany is a "piker" compared to the municipalities and States and people of the United States when it comes to spending borrowed money raised through bonds and stocks.

When the stock-market crash in 1929 came they could not sell any more bonds here. People had lost their money and were getting suspicious, and the racket was not so good as it had been in the previous 10 years, so what did these people do? They took the depositors' money in the banks and sent it to Europe as short-term credits to get a rate of interest of 7 or 8 per cent.

When I was a boy I asked a banker what was the most important thing to know in a bank. He said, "The most important thing to know in a bank is to know the difference between short and long term credits." These bankers did not even know that.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LEWIS in the chair). Does the Senator from Minnesota yield to the Senator from Utah?

Mr. SHIPSTEAD. Yes; I yield.

Mr. KING. Is it not a fact, however, that European countries, including Germany, or German citizens, in order to obtain the high rate of call money on the New York Stock Exchange, loaned from time to time approximately a billion dollars in the United States? Of course, it was call money and could be withdrawn at a moment's notice. So that while Americans were guilty of the wrong—if we may call it a wrong—of loaning enormous sums for the purpose of adding to the orgy of stock speculation, many of our European friends, anxious to get this high rate of interest, loaned their funds here. Perhaps money that we had loaned to Europe came back again and was loaned upon the Stock Exchange.

Mr. SHIPSTEAD. I am informed that a great deal of that was done in 1928 and 1929.

Lord Beaverbrook is quoted on August 19 as saying, in regard to these American and British short-term credits, which were bank deposits, transferred to Europe:

> No man could conceive that such huge figures could have been reached. They were a revelation to the world. It is fortunate for Great Britain that New York is more heavily involved than we.

Eight hundred million dollars of the American people's bank deposits were transferred to Europe as short-term credits, and what happened to Germany is what happened to us. It was not only in Germany that they had had bank collapses and bank failures. We had them here. We had them all over the world. But it was not Germany's fault. Lord Beaverbrook continued:

> The great question in Great Britain is whether or not the Government will pledge the national credit to restore the German situation.

For the benefit of Germany, or for the benefit of English bankers who had reloaned other people's funds in Germany? Of course, the British Parliament was called in extra session to deal with the situation in order to throw the governmental credit back of the banks of London. The American Congress should have been called into session if it was found necessary to throw the credit of the Government of the United States back of the New York banks that had $800,000,000 on short-term loans in Germany.

When we bear these things in mind, the contradictions that surround this joint resolution cease to be so mysterious.

It is true that if this joint resolution is defeated—which it will not be—that will not put back a dollar into the Treasury of the United States; but I want to protest against this procedure. I object to New York bankers playing European politics with American bank funds and then making the taxpayer pay their losses.

I find in a paper of to-day a quotation from French papers pointing out that under the Mellon-Berenger agreement, France, if she will give notice three months before June 16, 1932, can get another extension of this moratorium.

I find here a paragraph that is intersting, and the mystery of it lends itself very well to the mystery that surrounds this joint resolution. It says:

France may use the provisions of the Mellon-Berenger debt agreement for a partial 3-year moratorium on her debt payments to the United States if the Hoover moratorium is extended.

Mr. SHORTRIDGE. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from California?

Mr. SHIPSTEAD. Certainly.

Mr. SHORTRIDGE. I assume that the Senator knows that a provision of that character is in each and every—all of the written agreements entered into between us and the debtor nations. That provision is there.

Mr. SHIPSTEAD. Yes; I have just finished reading it. I have it here.

France can save $30,000,000 in payments to America next year under article 2 of the agreement, which provides that by giving 90 days' notice she will pay the United States only $20,000,000 annually. The 1932 scheduled payments total $50,000,000.

Then the article continues, saying:

The French expect that the reparations conference to follow the report of the advisory committee of the Young plan, meeting at Basel, will grant Germany an extension of the Hoover moratorium. In this case, France is considered likely to invoke article 2 of the Mellon-Berenger agreement.

It is expected that—

the reparations conference to follow the report of the advisory committee of the Young plan meeting * * * will grant Germany an extension of the Hoover moratorium.

By what authority they expect to grant an extension of the moratorium I should like to be informed.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. SHIPSTEAD. I yield.

Mr. KING. I am not sure that I understand the point the Senator has just made. Of course, France could not, by granting a moratorium to Germany upon the latter's request, affect any contract between the United States and Germany. Does the Senator imply from what he has read, or does he draw the deduction from what he has read, that France seeks to modify in any way the contract which was entered into between the United States and Germany?

Mr. SHIPSTEAD. This is a quotation from a French paper. It states, or implies, that this reparations conference has the power to grant to Germany an extension of the Hoover moratorium.

Mr. KING. Mr. President, if the Senator will still pardon me, if the contract were a multiform contract, if it were between all of the debtor countries instead of the United States and Germany, or the United States and France separately, or the United States and Great Britain separately, then, obviously, all the other nations, if they should agree, could not modify the contract between the United States and Germany; and I do not understand that the council at Basle could enter into any arrangements or negotiations which would interfere with the contract which has been made between the United States and Germany.

I was wondering if the Senator meant to convey the idea that any action that might be taken by this conference at Basel, or taken by France or the other nations acting jointly or separately, could interfere with the contract which we have with Germany.

Mr. SHIPSTEAD. Does the Senator mean whether they would have a right to end that contract?

Mr. KING. Yes.

Mr. SHIPSTEAD. I give it to the Senator as a quotation from the French press, for what it is worth.

Mr. KING. Of course, if the language in all of the contracts were the same, and the provisions were the same—namely, that upon the request of Germany a moratorium might be obtained from one and all of the allied nations—then, if she made the request upon all, if the contract were lived up to, the moratorium would be granted by all of the nations to Germany. But if the contracts are separate, bilateral instead of multilateral, then one nation or two nations could not affect the contracts as between the other nations.

Mr. SHIPSTEAD. I had not intended to discuss that. I gave it as I got it from the Washington News, as a quotation from a French paper. Usually the French know what they are talking about in affairs of diplomacy and international relations.

Mr. KING. And finance.

Mr. SHIPSTEAD. Mr. President, I called attention to the practice here in the United States of these extralegal, unofficial commissions that, sometimes surreptitiously, sometimes overtly, have been traveling to Europe for the purpose of engaging in financial deals with the Governments of Europe. When they go, we are always told that it is none of the Government's business; that it is a private transaction, with which the Government of the United States has no concern. We always find, when they become heavily involved, that they cease to be unofficial and become official; and then the Government of the United States is asked to underwrite and spend the taxpayers' money to pay the losses.

Before we got into the World War banks in this country were financing, for a commission, war purchases in this country; and we have it on the authority of the then Assistant Secretary of the United States Treasury that when we went into the war, there were $800,000,000 in war contracts that foreign governments could not pay, and we paid them. We have it also on the same authority that in one of the banks of the United States one foreign government had overdrawn its bank account $400,000,000, and could not pay; and the first thing we did after war was declared was to draw a check upon the Federal Treasury to pay the deficit.

These transactions always start out as private business transactions, whether they be war purchases, whether they be flotations of bond issues, or whether they be questions of frozen American bank depositors' credits, frozen in Europe. If the people who handle these transactions have enough influence and power, as they usually do, they sooner or later obtain action by the Government of the United States to pay their losses.

If we are going to assess the taxpayers of the United States to pay for the losses resulting from the guaranty of bank deposits in Europe, by the same token we ought to ask them to pay the losses of American depositors in "busted" banks in the United States. If we are to start out upon such an ambitious program as to save Europe from the apparent coming conflict and possible collapse, and save the impending crash in the United States, we shall have to do something else than just take $250,000,000 out of the American taxpayer's pocket and hand it over to some one else. It can not be done in that way.

I do not find fault with anyone who thought it could be done that way. We have spent $40,000,000,000 in the last 15 years to save and build up Europe, and I think we have done a very poor job of it. I think economic salvation, like charity, should begin at home.

There is a greater deficit in the Treasury of the United States than in that of any other government in the world. We have more people out of employment here than are out of employment in any other nation in the world, and I think there are more bankruptcies and more foreclosures of mortgages in this country than in any other country in the world.

If we are to get to the root of this European trouble, the President of the United States will use the power vested in him, and I am sure the Congress will be glad to follow him in calling an international conference of all the nations of the world who owe us money to revise the treaty of Versailles and the treaty of Berlin, to get away from the curse of the last war and stop the war from continuing, as it has done, upon the economic ground on which the war has been fought since 1918.

There can not be peace unless the causes of war are removed. The treaty of Versailles is an instrument of war, has been used for war purposes, and that war is still going on, always with a possible military war in the background,

and for every cent of credit we have released to European Governments, to that extent new credits have been released for the building of armaments in Europe. As a matter of fact, as a result of the debt settlements we made, American taxpayers are now paying for the armies and the navies of Europe.

It is useless to talk of peace, either political peace or economic peace or stability of international commerce, so long as we still are laboring under the psychology of war as it is still operating through the treaty of Versailles and the treaty of Berlin.

Mr. THOMAS of Oklahoma. Mr. President, the pending measure (H. J. Res. 147) proposes to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932. The proposal, in effect, is a relief measure for certain countries and peoples of Europe.

Upon the second day of this session the President advised us as follows:

> Upon the initiative of this Government a year's postponement of reparations and other intergovernmental debts was brought about.

In so far as our Government is concerned the debts were due December 15. The payments were not made; hence, as suggested by the President, the postponement is already an accomplished fact.

While the President and others are devoting their attention to and bestowing their blessings upon foreign lands and peoples, and extending the payment of their debts at the expense of the Federal Treasury and the taxpayers of America, I will postpone the final vote only long enough to call attention to the distress among the peoples within the borders of our own country.

Recent issues of widely read publications carry full-page semiofficial statements advertising to the world the condition and suffering of our people. I exhibit to the Senate such an advertisement. The statement is sponsored by the President's Organization on Unemployment Relief and by the Committee on Mobilization of Relief Resources.

Mr. President, what is the condition to-day among the people of the country? The advertisement answers the question. I read:

> Men are out of work. Our men. Our neighbors. Our citizens. Honest, hard-working folk.

Let me add, they are your constituents and mine, men who support the Government in times of peace, and men who defend it in times of war.

Again I read:

> They want jobs. They're eager to work. But there aren't jobs enough to go 'round. Somebody's got to tide them over.
> Who's going to do it?

Mr. President, who is going to do it? This question is tormenting the minds of millions of our people at this very hour. If organized society—local, State, or National—does not solve the riddle, then distress will organize, and the highest human law, the law of self-preservation, will be invoked, and the people themselves will provide the answer.

The President advises us that he is "opposed to any direct or indirect Government dole," yet he reports, apparently with approval, that distress is being relieved by city, county, State, and charity doles.

What is the difference between a city, county, or State dole and a National dole? In so far as the cost is concerned and in respect to the effect upon the morale of the recipient what is the difference between a charity dole and a Government dole?

Mr. President, this suggests the query, What is the function of government? In thousands of years of recorded history this question has never been answered satisfactorily. Every official act of every government attempts in an affirmative way to answer in part this question: What is the function of our Government?

The Declaration of Independence suggests an answer:

> Governments are instituted among men to secure life, liberty, and the pursuit of happiness.

The Constitution itself suggests an answer:

> To promote the general welfare of the people of the United States.

Under the general-welfare clause our Government has the power to help those in distress.

What is the picture to-day?

We see America, the richest, strongest, and most influential Nation of the earth; we see vast surpluses of raw and manufactured products; we see 500,000,000 bushels of surplus wheat; we see 24,000,000 bales of cotton to be disposed of; we see $60,000,000,000 of frozen credits in the bank vaults of America.

Reverse the picture; look on the other side.

We see 6,000,000 unemployed—representing 30,000,000 American citizens—men, women, and children, without income and without means of support.

We see another 30,000,000 men, women, and children engaged in agriculture, with ample food and produce, but without money, taxes unpaid, interest defaulted, and foreclosures completed and pending.

These two groups embrace one-half the total population of the States.

What have the conditions portrayed produced?

On every hand we see silent factories, smokeless chimneys, and empty dinner pails. We see abandoned farms, empty buildings, and a restless people. We see failures, bankruptcies, insanity, and suicide.

What is being done to either avert or relieve this pending and growing disaster?

The administration plan is for each community to solve its own problems and provide for its own distressed. If this plan fails, if communities do not provide bread and soup and flop houses, then what may happen?

The pages of history are red with answers.

Insufficiently clothed and undernourished bodies are unable to resist the cries of children for bread.

To the suggestion that propertyless, jobless, and hungry people care for themselves, let me, in the name of the inarticulate millions, suggest that if the favored and privileged few insist on owning all the property, doing all the work, and garnering all the profits, then they must prepare to pay all the taxes, provide jobs for, and feed and clothe the people of America.

No one has asserted or can assert that the Government is not able to provide relief for our own people. A Government so impoverished as to be impotent is already dead. A Government that, while being literally crushed by the weight of its own gold, its own food supplies, and its own manufactured products, refuses to go to the rescue of its own people, does not deserve to live, and if the inattention is prolonged, such Government will not long survive.

The President advises us that the economic depression is world-wide and that already the governments of 19 countries, embracing more than half the population of the world, are either tottering or have already fallen.

On yesterday the Associated Press was responsible for the statement that:

> In one way or another administrations were overturned in 23 countries across the world in 1931.

Our people are patient, yet they are human.

Under our system of government our people do not and should not have to resort to force to bring about a change.

Already the people, using their legal weapon—the ballot—have waged and are waging successful revolution on every political battlefield.

Mr. President, the people have won at home; are they to lose here in Washington?

Why is it that a proposal to tax Americans to help foreigners takes form even before the Congress convenes, and then, with a political battering ram, is driven through in double shifts extending even into the nighttime?

Can this be due to the soothing influence of Washington, the Capital of the Nation, the richest Government of the earth?

What is the picture here?

Washington, a city of 600,000 people, having a local annual budget of some $50,000,000, having some 75,000 Federal employees drawing annual salaries totaling more than $150,000,000; and with a local Federal housing program under way costing $125,000,000 additional, with each dollar having an enhanced buying power—Washington is to-day the most prosperous city not only in America but in the world.

The head, leaders, and advisers of the administration are men far removed from want. They neither come in contact with, see, nor even hear of the real suffering and anguish existing among the people.

But have we, who have just come from the homes of our people, already forgotten the scenes we left only a few days ago?

Time alone will answer this question.

Mr. President, I admit the Seventy-second Congress is new. In the Senate the party of the administration has not perfected its organization. Yet in these few days the issues are clarifying and the forces are assembling.

The program recommended, submitted, and pending before us will help those for whom it was intended, but it fails to reach those most in need.

The proposal at issue, the moratorium, will help only peoples across the sea.

Decreased appropriations will add recruits to the army of the unemployed.

Increased taxes of the kind proposed will take clothing from the backs and food from the mouths of the masses of the people.

Federal aid for the banks, industry, and the railways is not sufficient, in that it will not reach those who must have assistance.

Repeal or even revision of the antitrust laws is in the interest of combinations and mergers and leads only to monopoly.

Mr. President, we have now traveled for more than two years in the mist and maze of uncertainty. We have had to feel our way along.

During the last winter we were informed that if the Congress would adjourn and go home the captains of industry would work out our salvation and bring back our lost prosperity. The Constitution adjourned the Congress on March 4, but conditions did not improve. Instead, they grew steadily worse. In my section of the country we were blessed with bountiful crops, yet the market price was far below the cost of production. Wheat sold for less than 25 cents per bushel, cotton sold for less than 6 cents per pound, and oil sold for less than 10 cents per barrel.

Mr. President, we can not live under such conditions. We have come to the forks of the road. The highway over which we are invited to travel is a continuation of the path of liquidation, and deflation, and can lead only to stagnation, collapse, and chaos.

From the standpoint of the great masses of the people, the wage earners, the farmers, business men of low and high estate—in fact, from the standpoint of all our people save the life-salaried class and the holders of fixed investments—we can not in safety follow further the policy that has been pursued.

The time has come which demands and justifies frankness.

The total massed debts of the people are to-day more than $150,000,000,000. America, as we term the United States, under the existing financial policy can not be liquidated. I know some of the facts, but it would be neither appropriate nor helpful to state them here.

Because of deflation—the removal of more than $2,000,000,000 from circulation—the value of the circulation remaining, only some four and one-half billion dollars, mounted upward and the value of all classes of property vaulted downward, until to-day all the property of the country could not be sold for a sum sufficient to retire the massed obligations of the people.

For millions of our people liquidation has run its course. Positions are being vacated, employees are being discharged, wages are being cut, incomes are diminishing, holders of industrial notes and bonds are not getting interest, and, in addition, they are gradually learning that their securities have lost much if not all their former value.

The moratorium now about to be voted will not need to be renewed to make it permanent. A precedent of postponement is about to be set. Once set, like a prairie fire, it may spread.

At this point let me call attention to crystallizing public opinion relating to the debts, not only of America but of the world.

I read from a signed news article published within the last few days:

> Charles E. Mitchell, head of the National City Bank, of New York, brought his testimony before the Senate Finance Committee yesterday to a dramatic close by prophesying a movement of the youth of Europe and America to cast off the yoke of war debts. The well-groomed, thick-set banker shook a warning finger at the members of the committee and gave them such an unvarnished picture of future world financial events that they sat back in silence while he declared:
>
> "I can not see that Germany would go on paying until all her debts are concluded. I think it would lead to rebellion to insist upon it.
>
> "There are Germans now growing up who were not born at the time of the war. They see that they are under this heavy yoke, of which they are not responsible. The same is true of the youth of France, England, and Italy.
>
> * * * * *
>
> "I am not preaching a doctrine of cancellation. I am merely trying to develop the psychology of the people.
>
> "It would be a miracle if by any sudden change Europe were able to resume payments on her debts."

Otto H. Kahn, of Kuhn, Loeb & Co., while before the Finance Committee on yesterday is reported to have said:

> It is a wicked thing to compel debtors in times like these, which are beyond his power, to neglect going to extremes to make it possible for them to tide things over.

He added that this should be done by the Government and everybody else.

According to the Associated Press, Le Temps, a widely read newspaper of Paris, said only two days ago:

> Whether Americans desire it or not, they will be forced by events to examine the debts problem in the light of international relations and the financial and economic necessities of the whole world, which it is in nobody's power to suppress.

On December 19, three days ago, Col. Leonard P. Ayres, vice president of the Cleveland Trust Co., a noted economist and recognized business analyst, by the Associated Press is quoted as follows:

> For 1932 the economist predicted smaller gold exports, less money in circulation, more commercial failures, smaller dividends, lower cost of living, and lower earnings for industrial and railroad employees.

Mr. President, if these analyses and prophesies are verified and come true, the day is near at hand when the property of the country will be in the hands of the privileged few and the great masses of the people will be economic serfs and slaves.

In a favored land, populated by an enlightened people, there must be some possible plan of relief. Our duty is to find such plan, and then when found to place it in operation.

Why is this moratorium proposal now before us?

Why are banks failing?

Why are companies and industries going bankrupt?

Why are railways in distress?

Why are the people cold, naked, and hungry?

The answer to each question is—lack of money.

The President does not agree with this conclusion. On page 6 of his first message he says:

> We have enormous volumes of idle money in the banks and in hoarding.

On the same page he says:

> One billion one hundred million dollars of currency was previously withdrawn which has still to return to circulation.

If the President is correct, of course my conclusions are in error.

What about this "enormous volume of idle money in the banks and in hoarding"?

How much money have the banks? Let the record speak.

On page 127 of the latest report of the Comptroller of the Currency we find that all the reporting banks in the United States and possessions have total resources of over $70,209,000,000; that they have total deposits of over $56,864,000,000, and that they have total cash, gold, silver, and currency, in the total sum of only $884,000,000.

If we subtract the cash on hand from the total deposits in the banks, we get the sum of $55,980,000,000. The President evidently thinks this $55,980,000,000 is some kind of actual money; but it is not gold; it is not silver; and it is not currency. It is nothing more than credit. It is only a massed debt which the twenty-odd thousand banks of the country owe to their depositor customers. Should any one insist that this $56,864,000,000 of deposits is actual money, ask him how much of such sum could be taken from the banks and hoarded.

While the record shows that we have over $56,000,000,000 on deposit, the same record shows that on July 31, 1930, we had only $4,426,493,631 in circulation.

Where is this actual money—gold, silver and currency—that is admitted to be in circulation and outside the Treasury?

The same record shows that $884,000,000 of the sum is in the vaults of the reporting banks. The President advises us that at least $1,100,000,000 is still in hiding. The best estimates are that over $500,000,000 of American money is in foreign countries. One hundred million dollars is in Cuba alone. The balance, or only $1,942,000,000, is alleged to be sufficient to transact the business of the richest, strongest, and most influential Nation of the earth.

The best times this country ever saw were back about 10 years ago, times when the largest amount of real money was in circulation. In 1920 the actual cash outside the Treasury was some $6,300,000,000. By making allowances for the money necessarily in the vaults of the banks, allowances for the money in foreign countries, and allowances for the small sums in hiding, we still had at that time more than double the actual cash in active circulation that we have to-day.

With double the cash in circulation, cotton sold in 1920 for 40 cents per pound; oats sold for $1 per bushel; wheat sold for $2 per bushel; corn sold for $1.75 per bushel; and oil sold for $3.50 per barrel.

In 1920, with the largest amount of money in circulation in history, we had the highest commodity prices in a generation. During that era, instead of men hunting work, there was employment for all.

In 1930–31, with the smallest amount of money in circulation since the war era, we find commodity prices the lowest in a century and our own country on the verge of an economic collapse.

Mr. President, I am not now advocating that we return to the war prices of 1917 to 1920; but I am demanding that we return to the prices current when the great mass of our indebtedness was created. No one qualified to speak denies that this can be brought about.

John Stuart Mill said:

> The value of money is inversely as general prices, falling as they rise and rising as they fall.

Again he said:

> The value of money, other things being the same, varies inversely as its quantity; every increase of quantity lowering the value and every dimunition raising it in a ratio exactly equivalent.

Ricardo says:

> The value of money in any country is determined by the amount existing; that commodities would rise or fall in price in proportion to the increase or diminution of money I assume as a fact that is incontrovertible.

Sir James Graham says:

> The value of money is in the inverse ratio of its quantity, the supply of commodities remaining the same.

Torrens says:

> If the value of all other commodities in relation to gold rises and falls as their quantities diminish or increase, the value of gold in relation to commodities must rise and fall as its quantity diminished or increased.

Jevon says:

> There is plenty of evidence to prove that an inconvertible paper money, if carefully limited in quantity, can retain its full value.

N. A. Nicholson, of Oxford, in his Science of Exchange, says:

> Whatever substance may be used as currency, an excessive quantity of it (more than is required by the wants of the community) necessarily causes a diminution of its purchasing power.

Taussig states the proposition most simply, as follows:

> Double the quantity of money and, other things being equal, prices will be twice as high as before and the value of money one-half. Halve the quantity of money and, other things being equal, prices will be one-half what they were before and the value of money double.

Ruffner, in his Principles of Economics, says:

> Doubling the amount of money tends to double prices.

Again, he says:

> The price level in the country will tend to rise in proportion to the increase in the money supply.

Mr. President, in 1920, when circulation was at its peak, a movement was inaugurated to decrease the amount thereby making money scarce and consequently dear and at the same time reducing commodity prices on the pretext of lowering the high cost of living.

It did not take legislation to effectuate this result. The Federal reserve acted, machinery was placed in motion, deflation started, and the end is not yet in sight.

If the Federal reserve has been able to convert America prosperous into America impoverished, then if it is not already too late, why will not a reversal of past policies bring about at least a measure of relief?

Dr. Irving Fisher says:

> The Federal reserve has the power to control inflation and deflation through its control of interest rates which control the stream of bank credit—a stream which to-day is far more important than gold as an agency of inflation and deflation.

On yesterday the President's Unofficial Committee on Unemployment Relief is reported to have decided against the issuance of bonds to finance public works to the end that the unemployed may have work, and gave as the reason that such an issue "would cause serious declines in the market values of the present outstanding low-yield issues and thus result in severe losses to holders of such securities."

Mr. President, it would seem that the leaders of our Government to-day can see but one class or group of our people, and that group is the comparatively few fortunate individuals who hold Government securities.

What about the holders of securities on farms, city property, and industrial institutions? Such securities have already depreciated through lack of buying power of the people. Government securities will be the last to be affected, but the present policy will surely bring about conditions under which even the interest on such obligations may come to default.

Avarice, greed, and unrestrained power have brought the world to its knees. America is the world's creditor Nation. Vast sums are owing us and are payable in gold. Our debtors must secure gold to liquidate their obligations. How can our neighbor nations secure the gold when we already have practically one-half of the world's monetary supply hoarded in our strong boxes here at home? Some might say that they can pay us in goods, but reasons exist why this is likewise impossible.

Mr. President, I was in a way consulted relative to the pending issue. I replied that I indorsed the proposal on two conditions—first, that an international conference be called in the hope of arriving at a better understanding among the nations to the end that such nations should have an opportunity of assisting in bringing about a cessation of the existing depression; and second, that a nation-wide program for necessary internal improvements be initiated and developed to the end that "our men, our neighbors, our citizens, honest, hard-working folk," your constituents and mine, might be tided over.

Such conditions have not been complied with.

Again, there is coupled with this proposal an evident plan to scale down or cancel altogether the obligations due our Government. I am opposed to such a program.

Cancellation, in effect, equals repudiation, and either policy will transfer the debts from the peoples who received the money to the taxpayers of America.

Mr. President, the trend of developments and developing policies makes it impossible for me to support the pending joint resolution.

Mr. JONES. Mr. President, "Pay our bonus before you help foreigners." This is the substance of many telegrams I have received. They come from those who crossed the sea to uphold the honor of their country and the principles for which it stands. Their attitude is natural and sincere.

I doubt, however, if they grasp the real purpose and object of this moratorium. I am going to vote for it, not so much to help Europe as to help our own people. If it would benefit only Europe, I would be less interested in it.

How does it help us and our people? There may be honest differences of opinion as to the cause of our industrial condition. I believe it comes largely from, and is being prolonged by, the situation in Europe. Correct that and prosperity will come quickly to our people. The wheels of industry will soon begin to turn. Labor will be employed, and capital will become active. This will bring good to all of our people, including the soldiers. This moratorium is intended to help do this.

The nations involved owe us money. They are impoverished by the war. They can not meet their payments to us. They want to do it. To be in default without our consent reflects dishonor upon them. This would affect acutely their whole industrial fabric and might bring an utter collapse. This would add greatly to our distress and trouble. We are giving this moratorium on the same theory that an individual gives an extension of time to a debtor who is unable to pay his debt when due, but hopes to do it in the future. Instead of losing what is now due, we hope to get it in the future.

This is no debt cancellation. It is simply a postponement looking toward the payment of a debt that seems now in great danger of being lost entirely.

We can not force payment. There is no court that we can go into, if these nations refuse to pay, except the court of war; and we are not going to war to enforce the payment of money.

Much is said about the cancellation of foreign debts. That question is not involved in this proposition at all. I want to state briefly, however, my position.

I thought at the time, and I think so now, that we have canceled a greater portion of these debts than we really should. Then was the time to complain of cancellation, not now. I am utterly opposed to any further cancellation of them, at least until after the disarmament conference meets and acts. The nations of the world engaging in that conference should be given to understand clearly and distinctly that this Government will not consider at all any further cancellation of debts until after the completion of the conference. If this conference makes definite and substantial advance along the line of curtailing armaments, then we may give further consideration to the question of a further cancellation of foreign governmental indebtedness, but under no other circumstances or conditions whatever. Not even then do I commit myself to a policy of further cancellation.

I want to say further that the vote I shall cast on this proposition will not affect in the slightest degree my vote upon the question of further cash payment of the balance of the bonus. I do not consider the two questions related in any way.

The PRESIDENT pro tempore. The joint resolution is still on its second reading and open to amendment.

Mr. NORRIS. Mr. President, from the statement of the Chair I judge that there is no pending amendment.

The PRESIDENT pro tempore. There are two amendments printed and lying on the table.

Mr. NORRIS. My understanding was—I may be wrong about that—that my colleague [Mr. HOWELL] had offered an amendment, and that it was pending. I simply now want to know what the facts are.

The PRESIDENT pro tempore. According to the RECORD, the junior Senator from Nebraska [Mr. HOWELL] offered an amendment which he asked to go over. The Chair understood, at the time the Senator offered it, that he wished to have it immediately considered; but afterwards it developed that he did not. Therefore it was printed, and is lying on the table and may be presented at any time.

The joint resolution is on its second reading and open to amendment.

Mr. FRAZIER. Mr. President, I want to say just a word of explanation of my stand on this joint resolution.

I was out in the northwestern part of North Dakota at the time I received the telegram from President Hoover, which was dated June 24. The telegram reached me on the 26th of June, and I replied on the same date. I desire to read the telegram I sent:

> I have been out for two weeks in the drought-stricken counties of this State. Conditions are most deplorable, and assistance must be had. Conditions of farmers everywhere are mighty bad. I believe that a moratorium for all farmers is absolutely necessary; and if that can be provided for I will gladly vote for a moratorium for intergovernmental debts.

Mr. President, my colleague [Mr. NYE] this afternoon offered an amendment to this joint resolution which would provide for the granting to the farmers who have loans under the Federal farm land banks the same privilege for the same length of time as the moratorium provided by this joint resolution gives to our foreign debtors. If that amendment can be adopted, I shall be glad to vote for the joint resolution.

Mr. President, there is no question about the hard conditions of the foreign countries; but we have hard conditions here in our own country. If there is anyone who is in a harder situation or harder up than the farmers of these drought-stricken counties out in the middle Northwest, I do not know who he is; and God pity him if he is in any worse condition than those drought-stricken farmers are. Many of those farmers have been foreclosed on during the past few months by the Federal farm land bank of that district.

I have in my office a county paper—the official paper of the county—giving advertisements of nine foreclosures by the Federal farm land bank in that one county at one time. Some of those seemed so unjust that an appeal was taken to the local district judges, asking that these loans be held up and foreclosure be made through the courts; and in six instances out of the nine the injunction was granted by the local judges.

Mr. President, I believe that our own people should be taken care of in preference to the people of foreign nations. The Government should look after the interests of its own people. Under the present existing conditions, with some eight or ten million men and women out of employment, many of them and their families depending upon charity, and in some instances going hungry; with thousands of farmers who have been foreclosed on and put out of business, yes, hundreds of thousands of them; with the farmers throughout the Nation having been forced this year to sell their products below the cost of production, thus making it impossible for them to meet their expenses or to pay installments on loans, it seems to me it is the duty of Congress to take thought and pass legislation for the benefit of our own people before considering the welfare of foreign countries.

For that reason, unless, as I stated in my telegram and have previously stated, provision can first be made for taking care of our own people, I shall vote against this joint resolution.

Mr. NORRIS. Mr. President, my colleague [Mr. HOWELL] has been taken suddenly ill. On his behalf, unless some one else desires to speak on the general subject of the joint resolution before any amendment is offered, I desire to offer the amendment which I send to the clerk's desk.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. The senior Senator from Nebraska offers, on behalf of his colleague [Mr. HOWELL], the following amendment:

On page 2, line 24, after "United States" insert a semicolon and the following: "nor shall such agreement be made with any government until it shall have effectively assented, in a form and manner satisfactory to the President, to the reformation of the Versailles treaty, including the return to the German Government of its former but now mandated colonies."

The PRESIDENT pro tempore. The question is upon the amendment proposed by the junior Senator from Nebraska [Mr. HOWELL].

Mr. NORRIS. Mr. President, the proposed amendment will come at the bottom of page 2.

I regret very much that my colleague himself can not be present to make the argument which he would be prepared to make if he were able to remain in the Chamber.

The principal object sought by this amendment is the reformation of the Versailles treaty. I believe it is generally conceded by the civilized world that the Versailles treaty will sooner or later have to be reformed.

Is it not a good thing, Mr. President, when we are proposing to these nations a moratorium, that we should include in the proposition the condition that in order to get the extension of time we are giving them here, we should ask them to agree to a reformation of the Versailles treaty? In this particular amendment my colleague has provided that the reformation of the treaty shall include the return to the German Government of its former but now mandated colonies.

This particular provision, as I understand it, is put in for the reason that my colleague [Mr. HOWELL], in the preparation of this amendment, was moved with a desire to bring about the permanent peace of the world as far as it could be brought about by the reformation of this treaty, and he believes—and I do not see how his belief can be successfully criticized—that until the colonies of Germany are restored to Germany, there never can be a permanent peace.

He is perhaps thinking of the difficulty which has arisen in years past between Germany and France over Alsace and Lorraine. We can not arbitrarily take from one government part of its domain, part of the country over which it rules, and give it to another, and expect it to be forgotten. Human nature is the same everywhere, it is the same in all nationalities. While by power, by pure force, some of its territory may be taken from one government and given to another, a bitter feeling will still slumber. The mothers will teach their children hatred of the other government. There is nothing so bad for the civilization of the world as the inculcating in the hearts of growing men and women of a hatred, and the hatred that is taught at the mother's knee will last during lifetime, however long that may be. It will be perpetuated and carried on to the children who are yet unborn, who eventually will become the leaders and the rulers of the various governments of the world.

It is the theory, in putting in this language, that as long as we tear asunder the parts which make up a great empire or a great country, the hatred engendered will never die, that it will always be there. It may be a hundred years, but eventually it will break out, eventually it will come to the surface. In the meantime there can be no such thing as the necessary friendly feeling between the nations which brings about and perpetuates peace between them.

Mr. President, it seems to me there are some other things that ought to be said which do not apply directly to this amendment. There is no question about the amendment having a very high, noble object. It may not appeal to all Senators as it does to me or as it does to my colleague, but I believe that it is one of the things which must be brought about eventually in order to make this world safe for democracy. Perhaps it is not the only thing. But we can not by law, we can not by force of arms, change human nature. People may be conquered, people may be held in subjection by military force, but human nature will remain the same through all time.

The President in his message has referred to some of the difficulties in regard to peace. One of them is the disarmament question, and I want to read what President Hoover has said:

The burden of taxes to support armaments is greater to-day than before the Great War, and the economic instability of the world is definitely due in part to this cause and the fears which these huge armaments at all times create.

That has not anything directly to do with this particular amendment, but it does throw light upon one of the things the President had in view. It seems to me it shows conclusively that, in making this proposal for a moratorium, the President should have attached a condition on the armament question. He says, and he says truly:

The burden of taxes to support armaments is greater to-day than before the Great War.

That applies to the entire civilized world, ourselves included. More money is being spent for armaments, in preparation for war, than was ever spent before the Great War, which we fought to make the world safe against just such thing. Yet the burden is greater.

As long as the President initiated the question of armaments, I believe that, if he wanted disarmament and desired to get something for the peace of the world, and particularly for our own country, he ought to have said, "We will give this extension on condition that you stop using your funds in armaments, in the building of navies, and the equipment of armies."

That, it seems to me, would have called the attention of the world to what he says in his statement here, which is true, that the world is spending more money now in preparation for war than it did before it fought the war to end war.

The civilized world is in a foolish position, for after having gone into the terrible struggle and turmoil and suffering of the greatest war in the history of civilization, when we entered into treaties like the Kellogg peace pact and other treaties, in the face of the fact that we fought a war to end war, in the face of the fact that we have treaties with all the nations of the world that we shall never be the aggressor in a war, it would have been very opportune for the President to have said to the world, "We will grant you this concession if you will stop spending your money foolishly in getting ready to fight us and the balance of the civilized nations."

It is a fact undisputed, I think, that if these nations had ceased their expenditure of public money for the purpose of preparing for war they would have had more than enough money to have paid what was due us on the 15th day of this month. If they had come with a proposition for the remission of even part of the debt—of any part of it or of all of it—with clean hands and had said, "If you will do us this favor in a financial way we will agree that armaments among the civilized nations of the world shall cease," we would have felt like extending this favor. The only practical way, it seems to me, in which we can give the world to understand that we are sincere in our treaties is to stop building warships and equipping large standing armies, especially at a time when the people of the world are bowed down in misery and starvation because there is not enough employment and not enough money to buy the food that is bursting the elevators and the storehouses—there is not enough money to pay for it in order to feed those who are starving.

The President says in another place in the same message:

I wish further to add that while this action has no bearing on the conference for limitation of land armaments to be held next February, inasmuch as the burden of competitive armaments has contributed to bring about this depression, we trust that by this evidence of our desire to assist we shall have contributed to the good will which is so necessary to the solution of this major question.

Again the President has said in this message that armaments stand in the way of peace, and although this has no bearing, why should it not have been put in such a way that it would have had a bearing—that it would have had a direct bearing? The idea of the President is that we should make this donation; that we should give, even before they have asked it, this extension of time for the payment of the money that was due on the 15th of December, in order to make the

other nations feel good when we meet them next February at a disarmament conference; in other words, do what we have been doing, do what we did during and after the war, take our money, the money of our taxpayers, and give it to others in order to buy their good will.

The Senator from California read the list of the nations who owe us money and who are going to get the benefit of this unasked-for favor if we pass this joint resolution. The proposition now is for us to give them this in order that there will be good will next February when we meet them in conference to get disarmament.

If we will give them some money, they will feel good and perhaps agree, in the President's judgment, in the disarmament conference to a lessening of the expenditure of public money for armaments. It would have been much better if this extension, especially when we grant it without having been asked to grant it, had been offered upon condition that there should be a reduction of armaments.

The Senator from California read the list, to which I referred a moment ago, of a large number of nations to whom we had loaned money. Little Liberia, over in Africa, which never had a soldier or a warship, declared war against Germany and got money from our Treasury. Countries in South America declared war against Germany and got money from us. So, almost all over the world, any little nation which would declare war against Germany could hold out its hand and we would grease the palm with millions of money which belonged to our people.

We had to borrow every dollar of that money. We have been paying interest on it ever since. Any nation which wanted to declare war against Germany could come to our Treasury and get what money they wanted. I do not suppose Germany found out even that some of those nations had ever declared war against her. Nobody knew that many of them did. They had no navy; they had no army; but they wanted some money, and Uncle Sam, it seems, was looked to from all over the world to hand out money. He did it regularly, amounting not alone to millions but to billions—and many billions of dollars. That money was expended in order to array some more nations against Germany in the Great War. I do not even know whether those nations have ever gone through the formality of entering into a treaty of peace with Germany. As I said, they have forgotten it now, and Germany probably never knew it. It had nothing to do with the war and made no difference in the war. The only thing was that they got some of Uncle Sam's money.

The point to which I desire to call attention is that our people in toil and in sweat for the last 10 or 12 years have been working, now under adverse circumstances, to pay the interest on the money that our Government borrowed in order to make these loans. To many of the other nations the loans were greater. They used the money in the war and probably did a great deal of good with it. But when the war was over they all started again in a world-wide race to beat each other in the building of war vessels and land armaments, in the enlisting and drafting of standing armies all over the world greater than had ever before existed. They are doing that now. The real effect of it is that our people in the United States are paying for the support of the armies and navies in those countries to which we have loaned money. We are paying the bill. It is our money. We had to borrow it when we got it. We are going to be paying taxes and interest on it during the lives of many people not yet born. We will continue to pay those taxes.

Now we have reached the point where our people are suffering from hardships, where millions of our people are starving, where millions of little children are shivering with cold, innocent though they are of any harm, because their parents are not able to get employment, are not able to pay for the support of those who are dependent upon them. Instead of looking after their wants, instead of using this money to make public improvements that would give jobs to hundreds and millions of men and women, we are asking even our creditors in Europe not to pay us anything.

They have not asked for it, but we say to them in effect, "We will let our children starve, our men and women suffer who are out of employment and who can not get enough to live on. We will not take your money," we say to these other nations. What are they going to do with it? They are going to build warships and build up their standing armies, using the money for the purpose of equipping their armies with armaments. That is what they are doing with it, and we close our eyes to the suffering in our own country in order that we may induce those nations across the ocean to use the money, that our suffering people ought to have, for the purpose of getting ready for another world war.

Mr. President, I think all of this applies directly to my colleague's amendment. I know that those who favor the moratorium or those who are trying to crash it through by the steam-roller process will say, "We must not amend the resolution. We must not dot an 'i' or cross a 't' in it. We must not send it back with an amendment to the House of Representatives, otherwise the plan for adjournment might be interfered with." Perhaps it would be interfered with. Perhaps that would be the result. But that would be a good thing for us, I believe. If we amend the joint resolution and it can not be approved to-day by the House of Representatives and our adjournment resolution has to be changed and we have to stay here, what is the difference? Would it not be better to try to do something in the first place for world peace as this kind of an amendment would do?

In the next place, it would give some encouragement and succor, while we are here even during the holidays, to those of our own people who are suffering now more than they have ever suffered in the history of the country.

Mr. President, when we reach a vote I shall ask for a roll call on behalf of my colleague on his amendment.

Mr. SMOOT. Mr. President, I ask that the statement of Hon. Ogden L. Mills before the Finance Committee upon the question now before the Senate be printed at this point in the RECORD.

Mr. JOHNSON. Does the Senator ask that it be printed now?

Mr. SMOOT. Yes.

Mr. JOHNSON. Why not wait until we are all through?

Mr. SMOOT. It will not make any difference.

The PRESIDING OFFICER (Mr. COUZENS in the chair). Does the Senator from California object?

Mr. JOHNSON. Oh, no; I do not object.

The PRESIDING OFFICER. Without objection, the request of the Senator from Utah is granted.

The statement is as follows:

POSTPONEMENT OF INTERGOVERNMENTAL DEBTS

UNITED STATES SENATE,
COMMITTEE ON FINANCE,
Washington, D. C., December 16, 1931.

The committee met at 10.30 o'clock a. m., pursuant to call of the chairman, in the committee room, Capitol, Senator REED SMOOT (chairman) presiding.

Present: Senators SMOOT, WATSON, REED, SHORTRIDGE, COUZENS, KEYES, BINGHAM, LA FOLLETTE, THOMAS of Idaho, JONES, METCALF, HARRISON, KING, GEORGE, WALSH of Massachusetts, BARKLEY, CONNALLY, GORE, COSTIGAN, and HULL.

The CHAIRMAN. The committee will be in order. We will hear Under Secretary Mills. As I stated, each Senator will find a copy of the joint resolution on his desk.

STATEMENT OF HON. OGDEN L. MILLS, THE UNDER SECRETARY OF THE TREASURY

Under Secretary MILLS. Mr. Chairman and gentlemen of the committee, I want to begin by offering for the record a statement made by the President of the United States on June 20, 1931. Of course, all of you gentlemen have read the statement. I think it may be desirable to refresh your recollection by reading it. I am omitting the names of those Senators and Representatives who at that time had already signified their approval of the proposal. [Reading:]

"The American Government proposes the postponement during one year of all payments on intergovernmental debts, reparations, and relief debts, both principal and interest, of course, not including obligations of governments held by private parties. Subject to confirmation by Congress, the American Government will postpone all payments upon the debts of foreign governments to the American Government payable during the fiscal year begin-

ning July 1 next, conditional on a like postponement for one year of all payments on intergovernmental debts owing the important creditor powers.

"The purpose of this action is to give the forthcoming year to the economic recovery of the world and to help free the recuperative forces already in motion in the United States from retarding influences from abroad.

"The world-wide depression has affected the countries of Europe more severely than our own. Some of these countries are feeling to a certain extent the drain of this depression on national economy. The fabric of intergovernmental debts, supportable in normal times, weighs heavily in the midst of this depression.

"From a variety of causes arising out of the depression such as the fall in the price of foreign commodities and the lack of confidence in economic and political stability abroad there is an abnormal movement of gold into the United States which is lowering the credit stability of many foreign countries. These and the other difficulties abroad diminish buying power for our exports and in a measure are the cause of our continued unemployment and continued lower prices to our farmers.

"Wise and timely action should contribute to relieve the pressure of these adverse forces in foreign countries and should assist in the reestablishment of confidence, thus forwarding political peace and economic stability in the world.

"Authority of the President to deal with this problem is limited as this action must be supported by the Congress. It has been assured the cordial support of leading members of both parties in the Senate and the House. The essence of this proposition is to give time to permit debtor governments to recover their national prosperity. I am suggesting to the American people that they be wise creditors in their own interest and be good neighbors.

"I wish to take this occasion also to frankly state my views upon our relations to German reparations and the debts owed to us by the allied governments of Europe. Our Government has not been a party to, or exerted any voice in determination of, reparation obligations. We purposely did not participate in either general reparations or the division of colonies or property. The repayment of debts due to us from the Allies for the advances for war and reconstruction was settled upon a basis not contingent upon German reparations or related thereto. Therefore, reparations is necessarily wholly a European problem with which we have no relation.

"I do not approve in any remote sense of the cancellation of the debts to us. World confidence would not be enhanced by such action. None of our debtor nations has ever suggested it. But as the basis of the settlement of these debts was the capacity under normal conditions of the debtor to pay, we should be consistent with our own policies and principles if we take into account the abnormal situation now existing in the world. I am sure the American people have no desire to attempt to extract any sum beyond the capacity of any debtor to pay and it is our view that broad vision requires that our Government should recognize the situation as it exists.

"This course of action is entirely consistent with the policy which we have hitherto pursued. We are not involved in the discussion of strictly European problems, of which the payment of German reparations is one. It represents our willingness to make a contribution to the early restoration of world prosperity in which our own people have so deep an interest.

"I wish further to add that while this action has no bearing on the conference for limitation of land armaments to be held next February, inasmuch as the burden of competitive armaments has contributed to bring about this depression, we trust that by this evidence of our desire to assist we shall have contributed to the good will which is so necessary in the solution of this major question."

I now offer, Mr. Chairman, a list of the countries involved, so far as we are concerned, in the suspension of payments, and the amounts due to the United States Government from those countries during the fiscal year 1932, ending June 30, 1932.

The CHAIRMAN. It may be placed in the record.

(The statement referred to is printed in full, as follows:)

Amounts payable during the fiscal year 1932 by foreign governments on account of their indebtedness

Country	Principal	Interest	Total
Austria	$287,556		$287,556
Belgium	4,200,000	$3,750,000	7,950,000
Czechoslovakia	3,000,000		3,000,000
Estonia	108,012	492,360	600,372
Finland	55,000	257,295	312,295
France	11,363,500	38,636,500	50,000,000
Great Britain	28,000,000	131,520,000	159,520,000
Greece	660,000	449,080	1,109,080
Hungary	12,270	57,072	69,342
Italy	12,200,000	2,506,125	14,706,125
Latvia	44,664	205,989	250,653
Lithuania	38,615	185,930	224,545
Poland	1,325,000	6,161,835	7,486,835
Rumania	800,000		800,000
Yugoslavia	250,000		250,000
Total	62,344,617	184,222,186	246,566,803
Germany, Army costs	6,000,000		6,000,000
Total	68,344,617	184,222,186	252,566,803

Dec. 15, 1931.

Senator HARRISON. What is the aggregate amount, Mr. Secretary?

Under Secretary MILLS. The aggregate amount is $252,000,000 and some odd thousands of dollars.

Senator GORE. I want to ask Mr. Mills if he will insert into the record at this point the joint statement signed by the President and Premier Laval?

Under Secretary MILLS. I will be very glad to do that.

The CHAIRMAN. Do you want it read, Senator?

Senator GORE. No; just insert it.

The CHAIRMAN. I suppose all of us have read it.

Senator HARRISON. Yes; but I think it is clearer than the President's statement.

Under Secretary MILLS. I think the President's statement is very clear, Senator. And that is one thing I want to emphasize.

Senator GORE. In view of the conflict between the statement just read and that statement, I would like to have it in the record at this point to compare it.

Senator BINGHAM. May I ask the Senator from Oklahoma what the point is? Just what is the point at issue there?

Senator GORE. The joint statement issued by President Hoover and Premier Laval.

Senator BINGHAM. Yes; I understand that, but what is the point?

Senator GORE. There was an inference that there was a joint agreement on the reparations and the international debt; that they constitute a departure from our policy; and I think it should be stated at this place so that the people may compare them.

The CHAIRMAN. It may be inserted in the record.

[The joint statement referred to is here printed in full, as follows:]

OCTOBER 25, 1931.

A JOINT STATEMENT BY THE PRESIDENT OF THE UNITED STATES AND THE PRESIDENT OF THE COUNCIL OF MINISTERS OF FRANCE

"The traditional friendship between the United States and France, the absence of all controversy between our two Governments, a record of many events in collaboration toward peace of the world, embracing among its recent phases the adoption of the Kellogg-Briand pact, render it possible and opportune for the representatives of our governments to explore every aspect of the many problems in which we are mutually interested.

"Indeed, the duty of statesmen is not to overlook any means of practical cooperation for the common good. This is particularly true at a time when the world looks for leadership in relief from a depression which reaches into countless homes in every land. Relations of mutual confidence between governments have the most important bearing upon speeding the recovery which we seek. We have engaged upon that mission with entire frankness. We have made real progress.

"We canvassed the economic situation in the world, the trends in international relations bearing upon it; the problems of the forthcoming conference for limitation and reduction of armaments; the effect of the depression on payments under intergovernmental debts; the stabilization of international exchanges and other financial and economic subjects.

"An informal and cordial discussion has served to outline with greater precision the nature of the problems. It has not been the purpose of either of us to engage in commitments binding our Governments, but rather, through development of fact, to enable each country to act more effectively in its own field.

"It is our joint purpose that the conference for limitation of armaments will not fail to take advantage of the great opportunity which presents itself, and that it will be capable of meeting what is in reality its true mission; that is, the organization on a firm foundation of permanent peace. In so far as intergovernmental obligations are concerned, we recognize that prior to the expiration of the Hoover year of postponement some agreement regarding them may be necessary covering the period of business depression as to the terms and conditions of which the two Governments make all reservations. The initiative in this matter should be taken at an early date by the European powers principally concerned within the framework of the agreements existing prior to July 1, 1931.

"Our especial emphasis has been upon the more-important means through which the efforts of our Governments could be exerted toward restoration of economic stability and confidence. Particularly are we convinced of the importance of monetary stability as an essential factor in the restoration of normal economic life in the world, in which the maintenance of the gold standard in France and the United States will serve as a major influence.

"It is our intent to continue to study methods for the maintenance of stability in international exchanges.

"While in the short time at our disposal it has not been possible to formulate definite programs, we find that we view the nature of these financial and economic problems in the same light and that this understanding on our part should serve to pave the way for helpful action by our respective Governments."

Senator REED. Mr. Chairman, would it not be better to let the Under Secretary proceed with his statement without interruption, and then afterwards propound any questions?

The CHAIRMAN. Yes.

Senator COUZENS. I want to ask this question: If there was any representation to the matter of 10 payments, instead of a year's moratorium?

Under Secretary MILLS. No, Senator COUZENS; the original proposition was to postpone the 1932 payments to 1933. And if you visualize these payments as a ladder, what we proposed to do was to lift the ladder up so that 1932 would fall in 1933.

Now, the French objected very strenuously to that procedure, and after long negotiations it was agreed that the earlier proposition should not be used but that the postponed payments should be paid over a 10-year period, rather than in 1933.

Senator REED. In other words, we get our money sooner as it now stands than under the President's original proposition?

Under Secretary MILLS. Absolutely so.

Senator COUZENS. Then I insist that the President's moratorium statement does not apply to the 10-year period. My understanding is that the moratorium payments, if there is an extension of payments, will be made in the following year. That is the general understanding, I understood, of those who agreed with the President at the time of the statement.

Under Secretary MILLS. Well, it is always dangerous to rely on your memory, but I think in all of the conversations which I had with Members of the Senate and of the House I explained very clearly the thing we had in mind, and I used the latter illustration at that time.

Senator COUZENS. It is not in the President's statement.

Under Secretary MILLS. No; it is not. But the bill now before you provides that the payments shall be made in 10 years, with 4 per cent.

Senator LA FOLLETTE. Mr. Mills, may I ask you if you have a copy of the telegram which was sent to the Members of Congress who were not in Washington at that time?

Under Secretary MILLS. No; I have not, Senator.

Senator LA FOLLETTE. Could you get a copy of that and put it in?

Senator COUZENS. I would like to ask Mr. Mills what is his idea of the moratorium?

Under Secretary MILLS. As it stands now?

Senator COUZENS. Assuming that the controversy with France had not arisen, what would be the Secretary's idea about the 1-year moratorium?

Under Secretary MILLS. If we had not had an understanding with France?

Senator COUZENS. Supposing there was no agreement with France, what would be the Secretary's idea of the 1-year moratorium?

Under Secretary MILLS. Well, of course, when you say payments shall not be made now, the question at once arises, when shall they be paid? That is, I suggest, a matter of understanding with our debtors. As I said, the idea was that the international government payments should be pushed forward one year; that is, 1932 should be pushed forward to 1933; 1933 should be pushed forward to 1934, and so on. Now, France, one of our debtor nations, disagreed with that and insisted that all payments should be repaid over a 10-year period. And that is the proposition which was accepted by all creditor governments who signed the London protocol, and that is the understanding now before the Congress of the United States.

Senator KING. Mr. Mills, if I owed a private individual an obligation which matured on the 1st of January of this coming year and I asked for a moratorium for one year, would not the general impression be that I would pay the debt then and not try to extend it out over a 10-year period?

Under Secretary MILLS. Well, I think you have got to apply the rule of reason. If the world as a whole could not meet these obligations in the year 1932, it is very obvious that you are giving them no relief by doubling them in 1933. In other words, suspend the payment in 1932 to the extent of $252,000,000, and then ask them to pay $500,000,000 in 1933 would be no relief at all. That would be a preposterous situation.

Senator SHORTRIDGE. Mr. Chairman, I suggest, with due respect to the members, that Mr. Mills be permitted to proceed, rather than to engage in a cross fire of questions.

Senator HARRISON. This is one of the most interesting propositions to settle.

Senator COUZENS. I think this is one of the important matters to settle, and I think it should be discussed as we go along, because, as I understand, it was the understanding of the Members of Congress that this payment should be suspended for one year; and I submit there is nothing in the President's statement which gives any other implication.

Under Secretary MILLS. I just want to say on that, and I can say with absolute certainty, Senator COUZENS, with due respect, I participated in many of the interviews which the President had with many of the Members of both Houses who were in Washington; and I telephoned personally to many Members of the House, and I believe to some of the Members of the Senate, and at no time was it remotely suggested that the payments due in 1932 should be paid in 1933. I never entertained such a notion, and no one suggested such a notion, and I say it would have been a preposterous notion.

Senator COUZENS. Mr. Secretary, if it was a preposterous situation, would it not be time enough to take it up when the time arrives? In other words, I do not want to go into a personal conversation I had with the President, but I want to say that at no time was any suggestion ever made to me that this 1932 payment, or the payment for that period, should be extended beyond a year.

Under Secretary MILLS. Well, as a matter of fact, I think that the matter was pretty well left open, Senator, and the only suggestion that I ever heard made was that everything should be pushed forward one year, until after the negotiations with the French and the 10-year proposal was agreed upon.

Senator CONNALLY. I do not want to interrupt the Secretary, but may I ask a question?

Under Secretary MILLS. Certainly, Senator.

Senator CONNALLY. And your idea is that the whole payments should be pushed forward one year.

Under Secretary MILLS. That is my idea.

Senator CONNALLY. And the 10 were installment payments proposed by the French, and the reason was that France did not want to jeopardize her reparations payments from Germany?

Under Secretary MILLS. Exactly. France wanted to maintain the legal status of her annuities which she gets. She would not enter into the negotiations unless that was assured. She was absolutely determined that the legal status of her annuities should be maintained, and they devised a method by which the legal status could be maintained by having the German Government pay the annuity to the Bank for International Settlements, and that would be at once reloaned to the German railroads. So that this year the annuity payments are being actually made, and they are being at once returned to Germany. So it is a wash transaction and no drain on Germany.

Senator CONNALLY. In that connection, while the President says the reparations are none of our concern, do we not become involved in those discussions between Germany and France?

Under Secretary MILLS. I do not think we do.

Senator CONNALLY. And have we not made our withholding demand for payment conditional on France granting leeway to Germany in the reparations?

Under Secretary MILLS. Senator, that is one of the phases I wanted to develop in discussing this whole proposition.

Senator CONNALLY. I beg your pardon.

Under Secretary MILLS. I think we, in order to understand the position in which this whole proposition has brought us, must not attack it solely from the standpoint of an uncollected bill or deal with it merely from the technical and legal standpoint of intergovernmental problems, whether they be reparations or intergovernmental debts. If our conception of the matter was correct—and before I get through I want to give you the situation in which we were placed—in order to save what we thought was a world catastrophe, it became necessary to relieve all debtors from international debts during that period, and for that reason it became immaterial whether it was war debts, or relief debts, or relief loans, which the British were treating as a debt, and which generally bear 5 per cent interest, and which are being paid 100 cents on the dollar. We merged our relief debts with our war debts. The British did not. It was found that it was immaterial as to how those debts arose; and they arose in all manner of ways. For instance, the Bulgarian obligations with Greece arose from the transfer of populations long after the war.

If the oppression of the debts was to be lifted from the backs of those nations, then we had to find some comprehensive plan which would include them all. And if the United States was the only nation which was in a position to make the proposal, if we were to take the initiative at the time, and I think we were, then the United States, in order to propose such a formula, had to include itself and say:

"We are willing, as a contribution to saving the world credit and saving the world from economic disaster—we are willing to forego for the time being the obligations that we might collect from foreign governments during this period."

Now, gentlemen, the course of events which started, I think we can say with reasonable definiteness, at the end of May, though, of course, their antecedents run away back to the World War, represent a continuous series which culminated last Sunday when Japan went off the gold basis. And that series is still flowing onward, and the termination of it is not in sight; but right in the center of the picture were the German people. They were the principal factors in this situation. A nation of 60,000,000 people situated in the heart of Europe, stripped of their economic wealth by the war, totally devoid by reason of the war and the invasion which followed of all working capital; no fat whatsoever to live off of; suffering, as was the rest of the world, from this profound depression, but with nothing to fall back on. They are the people whose condition we must study if we want to understand this picture.

Now, German economy after the adoption of the Dawes plan came back with reasonable rapidity. They are a hard-working, industrious, and intelligent people. They were lacking, of course, entirely in capital. Any funds obtained from abroad are in short-term loans and long-time credits. These short-term credits could be turned over as they fell due, and the German people believed they could use them, not only to finance export trade but to finance their industry at home. But with some 10,000,000,000 marks of short-term loans Germany was particularly vulnerable to this kind of depression, and particularly vulnerable once fear crept into men's minds.

Now, in May last the Credit-Anstalt, the principal banking institution in Austria, which controlled or owned a considerable percentage of the Austrian industries, got into such financial difficulties that the Austrian Government had to replace its credit and agree to replenish its capital. The Credit-Anstalt Bank was obliged to turn to other centers in Europe and borrow $14,000,000. Suspicion and fear, because it has been looked upon as one of the strongest banks in southern Europe, crept into the people. And that mistrust and fear crept into Germany.

Now, all during the winter of 1931 German economy had been deteriorating—slowly, but still deteriorating.

Senator WATSON. The winter of 1930.

Under Secretary MILLS. No; of 1931.

Senator WATSON. That is, now.

Under Secretary MILLS. In fact, nearly all of Germany's foreign creditors were beginning to lose faith in Germany. It had not reached the panic stage, but withdrawals were beginning and kept on all during the winter. In fact, Germany lost, from January 1 to July 31, no less than $850,000,000 short-term funds, which represented the capital on which German industries were being operated.

Now, then, as early as June 1 it was clearly evident, from the reports which were received from abroad, that a run had begun on Germany. It was a slow run, but it was unmistakably a run.

On June 6, by decree, the President of the German Republic imposed new and very severe taxes. In order to bolster up German courage and fortitude to bear these additional burdens, and certainly for home consumption, a statement was issued at that time that Germany had to have relief from reparations, and that the capacity of the German people to bear further burdens had definitely reached a limit. Whatever effect that had at home in Germany, the effect on Germany's foreign creditors was immediate. What had been a slow run prior to June 6 developed into a very rapid run, indeed, from June 6 on. The withdrawal of foreign funds from June 1 to June 20 resulted in a reduction of the gold and foreign exchange held by the Reichsbank, which formed its basic reserve, of over 1,000,000,000 reichsmarks, or approximately $250,000,000. This represented approximately two-fifths of the bank's total reserve in gold and foreign exchange. On Friday, June 19, and Saturday, June 20, the withdrawals were so heavy that the reserve of the Reichsbank reached its legal minimum, and it was perfectly obvious that unless these withdrawals should be arrested either the legal limit would have to be set aside on Monday morning, which would have given only temporary relief, or else Germany would have to go off the gold standard on Monday morning, which, as I shall later describe, would have resulted in having literally engulfed Germany in very serious social and economic consequences.

Now, mind you, we sat here from June 6 to the evening of Friday, June 19, watching this run on this great Nation, which was comparable to a run on a great bank, with the reserves gradually being depleted, until it was perfectly obvious by Friday and Saturday that the end was at hand. And it was clear, after the President began, on Friday morning, to lay this situation before the Members of both Houses who could be reached—it was clear that each and every man before whom these facts were laid had said unqualifiedly, "There is only one thing for you to do, Mr. President"—and by noon on Saturday he definitely decided to issue that statement. You may remember that he had been west three days and it was impossible to lay the desperate character of this situation before him until he returned late Thursday, and he began seeing Members of Congress by 9 o'clock on Friday morning.

Now, I may say that probably as early as the 12th or 13th, men like Mr. Owen Young, Mr. Parker Gilbert, who had spent four years in Germany and was thoroughly familiar with German economy, Governor Harrison of the Federal Reserve Bank of New York, who has an intimate knowledge, of course, of situations of this kind, had all reached the conclusion that something had to be done. But the President himself did not definitely reach a conclusion until Saturday, June 20.

Now, then; was that action justifiable? I am perfectly confident that no other action could have been taken on June 20, and I am equally satisfied that every event that has followed has simply confirmed and demonstrated the wisdom and judgment used on that occasion. For while all of the high purposes which were entertained on that Saturday afternoon have not been realized, owing to a delay, or extensions, or some other reason not necessary to speculate upon, at least we did avert a major catastrophe. When the markets closed on Saturday, June 20, Germany was on the verge of collapse. When the markets opened on Monday, June 22, the run on Germany had ceased. How important that was to the world was at once evident by the fact that security and commodity prices the world over raised to such an extent that if we had only been able to hold that gain, why, this little temporary loss of $252,000,000 would have sunk into insignificance, so far as the American people were concerned. But there was a long delay. The final proposition was not accepted until July 6, and, pending that delay, this run which had been arrested on Germany was resumed

Already, three days before June 20, the Bank of England, acting on its own initiative, because help apparently could not come from elsewhere, had advanced $21,000,000 to Austria to, as Governor Norman put it, save the ship from sinking.

Now, then, will you bear with me while I very briefly develop the events subsequent to the President's proposal? On July 12 the German Cabinet, after an almost continuous all-night session, issued a communique that since there was no definite prospect of foreign credit the Government would guarantee the liabilities of the two leading banks.

On July 13 the Darmstadter und National Bank closed its doors. The German Government guaranteed its deposits. Those deposits and liabilities were stated to be 1,500,000,000 reichsmarks, of which 450,000,000 reichsmarks were foreign obligations. Other German banks limited withdrawals to 20 per cent of deposits. The Government closed the Berlin exchanges.

On July 14 all banks, including savings banks, were closed in Germany by Government decree. The Budapest bourse was closed. A 3-day bank holiday was declared in Hungary. The Mercer Bank of Vienna, the Banca Dacia, of Jassy, Rumania, and two Latvian banks had failed. Banks in Danzig limited withdrawals to a maximum of 10 per cent of deposits.

On July 15 the Reichsbank raised its rate from 7 per cent to 10 per cent and the "Lombard" rate from 8 per cent to 12 per cent, and all foreign-exchange transactions were brought under the control of the Reichsbank. All Danzig banks were closed until July 17. That same day the British Government invited the principal creditor governments of the European powers to attend a conference in London on July 20. From July 20 to July 23 that conference met in London, and they recommended that the Central Bank credit of $100,000,000 recently granted to the Reichsbank under the auspices of the Bank for International Settlements be renewed at maturity for a period of three months; that concerted measures should be taken by the financial institutions in the different countries with a view to maintaining the volume of credits they had already extended to Germany; and, third, that the Bank for International Settlements should be invited to set up without delay a committee of representatives nominated by the governors of the central banks interested to inquire into the immediate future credit needs of Germany and to study the possibilities of converting a portion of the short-term credits into long-term credits.

On August 18 the committee which had been appointed by the Bank for International Settlements, known as the Wiggin committee, made its report, stating definitely its conclusions and stated that it was necessary:

(1) That the existing volume of Germany's foreign credits should be maintained; and

(2) That part, at all events, of the capital which had been withdrawn should be replaced from foreign sources. The committee also urged that all the governments concerned "lose no time in taking the necessary measures for bringing about such conditions as will allow financial operations to bring to Germany—and thereby to the world—sorely needed assistance."

Now, what I want to point out to you is that when prime ministers, foreign secretaries, and secretaries of the treasury met in London, presumably with their experts, they reached the conclusion that it was absolutely essential, if Germany was to live, that her short-term credit position should be maintained; and that when the Wiggin committee experts met, a few weeks later, they said not only must Germany have every bit of the short-term foreign credit available, but a part at least of the long-term credit must be returned to Germany if she is to live. And it is as a result of the recommendations of the London conference, of the Wiggin committee, of all the bankers—the great commercial bankers of this country, of London, of Amsterdam, and France, agreed that these short-term credits would be maintained for a period of at least six months, and they would then meet and reconsider the situation. Read the Wiggin report. I think it is unnecessary, Mr. Chairman, to insert in the hearings. It is some 12 pages long. It is printed as an appendix to the hearings held by the House Ways and Means Committee, and is available there.

The CHAIRMAN. It will not take much space, and I would suggest that it be printed in these hearings. It is printed there as an appendix?

Under Secretary MILLS. It is, Mr. Chairman. It is long enough to interrupt the continuity of this statement.

The CHAIRMAN. It may be printed as an appendix, at the end of the Under Secretary's statement.

(The so-called Wiggin report appears at the end of to-day's proceedings.)

Senator WALSH. That 6-month period expires in January?

Under Secretary MILLS. In February.

Now, I emphasize this fact—and we have got to accept this fact and this responsibility as creditors: If to live Germany had to retain about 12,000,000,000 reichsmarks of credits outstanding; if they could not be withdrawn from Germany without producing a collapse—and you can not reach any other conclusion after reading the Wiggin report—how in the name of common sense could that nation find $400,000,000 to be paid during this fiscal year?

Senator COUZENS. Do you mind an interruption there?

Under Secretary MILLS. No, sir.

Senator COUZENS. I would ask you what would be your opinion if Germany had gone off the gold standard, the same as England did?

Under Secretary MILLS. I am coming to that in a minute.

Now, I think it is unnecessary to review the weeks succeeding August 18, weeks in which hope and fear alternated. But the trend was still unfavorable. Pressures increased. Fear prevailed, and on September 21, with a shock to world credit such as this generation has never seen, Great Britain was forced off the gold standard. Since that date, Mr. Chairman, no less than 19 nations have been forced to abandon or restrict gold payments, and the world to-day is obliged to transact business with all the handicaps incident to widely fluctuating and uncertain media of exchange. So that, as I said a few moments ago, you can begin with the difficulties of the Credit-Anstalt, and you can carry the story right up to last Sunday, and if you set it out in the form of a daily diary, you will have a connected series of events, a continuous story starting in little Austria in May and ending in far-off Japan on the 13th of December. Could there be clearer or more conclusive evidence of the unity of the world, and particularly the economic world? Could there be clearer evidence that a catastrophe to one nation must necessarily fall, in varying degrees, on other nations of the earth? Could there be a more complete answer to the fallacy which still prevails in this country that somehow we

can rise superior to the misfortunes which fall on others, and that by complete isolation we can escape the misfortunes which fall on those who have not the economic resources which we have?

Why, Mr. Chairman, we did not escape. No sooner had England gone off the gold standard; no sooner had the inevitable happened; no sooner had those countries which were operating on the gold-exchange standard—which means you do not carry the actual metal as reserve, but you can carry the exchange of a country which is on a gold basis—no sooner had they realized that the foreign exchange might depreciate overnight because these countries went off the gold standard, that the central banks that had carried their balances in London, which, up to the night of September 20, were payable in gold, woke up on September 21 to find that their basic reserves had depreciated 15 per cent, a reduction which soon was increased to 25 per cent. They began to have doubts of the stability of the credits, and they began to revert to the carrying of gold in their vaults. And as they were carrying large reserves in New York for the purpose of putting those reserves to work and earning something, rather than carrying idle gold in the vaults, the central banks began to call for payment in dollars of gold.

At the same time depositors throughout the world who had seen their sterling balances reduced by 25 per cent almost overnight by a run on London, who had seen Germany brought to the very edge of the abyss by a run on Berlin, began to say, as the gold started out from New York, "History is going to repeat itself. Let us protect ourselves by withdrawing our dollar balances." It is wholly unnecessary to indulge, as some gentlemen have, in the idea that there was a conspiracy against us. It is sheer nonsense. There was no conspiracy.

Senator REED. Lord Rothermere did not exactly help us, did he?

Under Secretary MILLS. No. I make due allowance for the campaigns carried on in the foreign press against the dollar. I will make allowance for that, but I do not think it was the controlling factor, Senator REED. I think it was fear on the part of people carrying deposits in a foreign country. After their experience in Berlin and London, how can we blame the foreigner for withdrawing his balances when during that same period our own people were suffering from a lack of confidence and were withdrawing deposits from their own institutions in order to hoard currency, so that the hoarded currency in this country reached a figure of over one billion.

No, no, gentlemen. You can not start such a train of events anywhere in the world and hope to stand aside and let it brush by your doorstep without affecting you. That is why the action of the President on June 20 was not only essential to the welfare of the world but it was absolutely essential to the welfare of the people of this country.

Now, Senator COUZENS asks a very pertinent question. He said: "Supposing Germany did go off the gold standard, what of it? We have seen England go off the gold standard. We have seen Japan go off the gold standard." We have seen, as you say, 19 countries go off the gold standard, and the world is still here. It is not a particularly prosperous world, not a particularly happy world, but it is still here, still doing business, though on a very much reduced scale.

Senator, Germany was in a very particular and exceptional position. As I have already pointed out, neither her industries nor her foreign commerce was financed through her own capital. She was dependent, to keep her industrial mechanism functioning, on foreign credits of a short-term character. The day the Reichsbank said it would no longer pay gold on foreign exchange all the German banks and every German commercial house that had obligations payable either in dollars, sterling, or some other currency would find it almost impossible to meet those obligations, because foreign exchange would no longer be obtainable in adequate volume.

So that, leaving aside the inevitable run which would have been begun by German depositors themselves on their own banks, and which did actually result in the closing of one of the largest banks, and the closing of all the others by decree—leaving that out of consideration, the inability of German banks and the German business houses to meet their foreign obligations would have compelled a general moratorium almost at once.

Senator COUZENS. Why did not that occur when Great Britain went off the gold standard?

Under Secretary MILLS. If you will bear with me, I am going to differentiate the two cases. I recognize that it is a perfectly fair question. With a general moratorium declared——

Senator COUZENS. But you have gotten ahead of your story. There has been no general moratorium declared.

Under Secretary MILLS. I am saying what would have happened if they had gone off the gold standard.

Senator COUZENS. Is not that an assumption? I do not think you are quite justified in making that assumption.

Under Secretary MILLS. I think I am justified in making that assumption, on the basis that by Saturday they were below their legal limit. I am justified in that assumption, because we were informed by one of the most competent bankers in Europe on Monday morning that if the President had not made his statement on Sunday the Reichsbank would have closed business on Monday; and that was confirmed by a conversation which I had with one of the most competent bankers in France, and certainly when I talked to him, and we were still arguing with the French, he was not particularly interested in making out a case for the President's proposal.

The Reichsbank had reached its legal limit. Its reserves were melting away at the rate of millions of dollars a day. They would have entirely disappeared in the course of another week.

Senator COUZENS. But would they have done so if they had gone off the gold standard?

Under Secretary MILLS. No. What would have happened had the Reichsbank gone off the gold standard is that foreign exchange still held, and the gold still held by the Reichsbank, would have been in its vaults, but it would have been unobtainable. If you, a German bank, carrying a deposit of an American institution of $10,000,000, payable in dollars, were called upon the next day to pay that $10,000,000, you could not have obtained the dollars.

Senator COUZENS. Certainly. That is true.

Under Secretary MILLS. Therefore the German institution, unable to meet its foreign obligations—that applied to all German institutions, all German commercial houses. If, at the same time, they should have been subjected to a run by their own depositors they could not have met their obligations, either domestic or foreign, and the general moratorium must have followed.

Now, then, with a general moratorium, what happens? Every self-liquidating credit is allowed to run off. Let us consider Germany's foreign trade. How did she finance a very large foreign trade for the last eight or nine months? She has extended more liberal credit terms than anyone else. It has not just been a question of price. It has not just been a question of low cost because they have depreciated their standard of living as low as it is humanly possible to do so. It has been because they have given credit. How have they been enabled to give credit? Because they, in turn, were obtaining short-term foreign credit from abroad. Shut off that foreign credit and Germany would have been unable to finance her export trade. How do you think she would have purchased her raw material—yes, the food she needs to support her population? With a general moratorium would anyone have sold food or raw materials to Germany on credit? They would not. They would have demanded cash. That meant foreign exchange, which would have been unobtainable in adequate volume. Germany's foreign trade, export and import, would have paralyzed almost overnight.

What of their home trade? We have already seen that their industries were dependent, for working capital, on foreign credit. With those foreign credits gone, with their export trade gone, how would those industries have prospered or kept going, even at a minimum rate? They had three and a half million men unemployed at the time. Cut off their export trade, and reduce their domestic business owing to the lack of working capital, and instead of some 4,000,000 unemployed, they would have had many millions more.

Can you conceive of a nation of 60,000,000 people, hard working, industrious, cut off from commercial intercourse overnight because credit, the lifeblood of commercial intercourse, has been taken away from them? Can you visualize them in a period of world depression, with their own industries reduced to a point of stagnation? My imagination, Senator, can not visualize such an event, but I can see how such an economic disaster must necessarily be followed by the most serious of social consequences. I can see how such an economic disaster must necessarily spread to all the surrounding countries, until the very civilization of the Old World is threatened.

In any event, I know of no man, advised by the men on whose advice he has to rely—presumably competent to appraise these economic factors—who, being told that that kind of a disaster was staring him in the face, would accept the responsibility for the consequences by failing to take the comparatively simple action that could reasonably be expected to avert it.

Now, you have asked me: What is the difference between Germany and England going off the gold standard? I apologize to the committee for growing rhetorical.

Senator COUZENS. We like to hear you orate. But I do not think it adds anything to it.

Under Secretary MILLS. I do not think it adds anything. I will concede that.

Senator BARKLEY. It was one of the best speeches you have made lately.

Senator WATSON. We like to hear you get earnest about it.

Under Secretary MILLS. Great Britain, through investments made over the course of 150 years, at least, the world over, even in this depressed period, has flowing to England a constant stream of foreign exchange, which is available at all times for meeting foreign obligations. She finances all her export and import trade through her own capital. In fact, London, as we all know, has been the banking center of the world for generations. Needless to say, British industries are financed by British capital, and I doubt very much whether, outside the government debt, and the city's short-term money debt, Great Britain has any outside commercial debt. Moreover, Great Britain, owing to her foreign investments, is still an enormously rich country. She was not dependent on foreign credits. She had her own capital. She could finance her own industries. She could finance her own export and import trade, and she had such financial strength that, even when she went off the gold standard, there was enough confidence in sterling so that, while it depreciated, it never collapsed, and there never was any danger of its collapsing.

That situation is not comparable to the situation of a nation that is doing business entirely on foreign credits. Moreover, you must not forget this. The people of Germany have not just approached inflation from the standpoint of theory. They have

been right through inflation in its most extreme form. They have seen the savings of a lifetime wiped out. They had seen all capital in Germany wiped out. They had seen the most hideous suffering to all classes of the population as the value of their currency went down to zero. The very suggestion that the German currency should be cut away from the firm basis of gold or foreign exchange, and should once more become a paper currency, would have produced an unthinkable panic in Germany; whereas the Britisher, while he was not happy, of course, at going off the gold standard—at least most of them were not——

Senator COUZENS. Neither were his creditors, were they?

Under Secretary MILLS. Neither were his creditors. At least, they never lost faith in the pound sterling, and they were sufficiently strong to avoid, and they have avoided, the inflation that would inevitably have followed in Germany under similar circumstances.

Finally, let us remember this: Great Britain was the one country in Europe that put her currency back to the prewar standard, and in so doing, whatever benefits she derived—and they were considerable—had to be offset by the fact that she did place a very real handicap on herself in so far as competition in the world markets was concerned; and the immediate benefit, even though it be but a temporary one, was to remove that handicap and relieve that particular strain, so that while in Germany going off the gold standard would have been accompanied by wholesale unemployment, in Great Brtain the effect has been, far from increasing unemployment, to stimulate employment. I do not know to what extent. So, I do not think the situations are in any sense comparable, Senator.

I think, in a general way, that is the story. Rightly or wrongly, although I did not have any doubts in my own mind in June, I certainly have no doubts now. The action taken was absolutely necessary to avert a major catastrophe.

Senator COUZENS. I am not questioning the action of the President in this matter. What I am trying to get at is this: I understood you to say that the flight of capital from Germany was very great long before the President issued his statement—to the extent of some $800,000,000 or $1,000,000,000.

Under Secretary MILLS. Over a 7-month period.

Senator COUZENS. Yes.

Under Secretary MILLS. But most of it during the last month.

Senator COUZENS. What I am asking is this: If they had gone off the gold standard, that capital would not have been withdrawn, would it?

Under Secretary MILLS. To the extent that it could have been withdrawn, it would have been.

Senator COUZENS. But it would not have been withdrawn with the depreciated mark the same as it would have been withdrawn with the mark at par.

Under Secretary MILLS. I hate to speculate on that, but I think that if Germany, with her background and with the knowledge of her situation, had gone off the gold standard, every foreign depositor that could have gotten out would have taken his loss and gotten out.

Senator COUZENS. He could not have gotten out—that is the substance of it—because he could not have gotten out at anywhere near the value of the mark.

Under Secretary MILLS. No; he could not have.

Senator KING. Mr. Mills, my recollection is that under the Young plan, if not under the Dawes plan, Germany had the right to ask for a moratorium of three years.

Under Secretary MILLS. Two years.

Senator KING. Yes; two years. If my premise is correct, why was it necessary for the President of the United States to ask for the moratorium, if Germany, by asking for it, could have obtained it from all her creditors?

Under Secretary MILLS. But she could not, you see. It was a very limited right. That was the trouble. She had to pay the unconditional annuities under any circumstances, and she could not have done that. Moreover, even as regards the conditional annuities, it simply provided against transfer. It did not cover the fact that she actually had to pay them into the Reichsbank.

Senator HARRISON. Do you know what proportion or what per cent of the annuities are conditional and what per cent are unconditional?

Under Secretary MILLS. The total annuities run to an average of, roughly speaking, 2,000,000,000 marks, and the unconditional annuities amount to 612,000,000 marks.

Senator SHORTRIDGE. Mr. Mills, I understood you to say that before the President put forth his suggestion of a moratorium he had consulted or conferred with a number of Senators and Members of the House.

Under Secretary MILLS. Yes, sir.

Senator SHORTRIDGE. And had received from them, severally, an approval of his contemplated action?

Under Secretary MILLS. That is correct.

Senator SHORTRIDGE. Have you in your mind, or before you, the number of Members of the respective houses that had given their approval?

Under Secretary MILLS. Prior to the action?

Senator SHORTRIDGE. Yes, sir.

Senator KING. You are pleading estoppel in pais, are you?

Senator SHORTRIDGE. Not at all. I just wanted it in the record.

Under Secretary MILLS. I think that the President gave out the list of Senators and Representatives that he was unable to consult up until Saturday noon. I am informed that since then the total number of those who signified their approval is 276 Members of the House and 68 Members of the Senate.

Senator SHORTRIDGE. Have you available the number who had given their approval before he took action?

Under Secretary MILLS. I can give you the names. I refrain from reading them.

Senator SHORTRIDGE. I do not call for that at all. I simply wanted to know for my own information.

Senator COUZENS. I was one of them. I do not want to escape any implication that I was one of them.

Senator SHORTRIDGE. Nor do I.

Senator COUZENS. I am not criticizing it now. I am just trying to get at some facts.

Senator BARKLEY. Under the terms of the debt settlements with the various nations of Europe, they might at any time obtain a 2-year suspension at their own request, as I understand, under certain circumstances.

Under Secretary MILLS. That is correct, Senator, but only as to the principal of their obligations.

Senator BARKLEY. I understand. Did any of those countries make this request for the suspension prior to the time when the President issued his statement?

Under Secretary MILLS. No; they had not; and there would have been no occasion to, because——

Senator WATSON. Mr. Secretary, let me ask you a question. Suppose Congress should refuse to approve this moratorium and take this action? What would be the result?

Under Secretary MILLS. Senator, that is a tough question.

Senator WATSON. You do not need to answer it.

Under Secretary MILLS. I am going to answer it by saying that I think, to begin with, it would do irretrievable damage to the reputation for good faith of our country before the entire world.

Senator HARRISON. Would not every country say that you can not rely upon the promises of the head of the Government?

Under Secretary MILLS. I am afraid it would have that result.

I want to go just a step further. We hold, Senator WATSON, the unsecured notes of our debtors. We are not going to send battleships or armies abroad to collect these debts. We are going to rely on the good faith and the character of our debtors to meet their just obligations. In other words, we rely, for the collection of these just debts, on a moral principle; and I say to you that in my judgment, if we do not regard moral principles in dealing with our debtors, then they might well feel, at the same time, that we have given them a moral justification to default on a debt which, while legal in form, depends entirely for payment on the moral obligation raised on the part of the debtor nation.

Senator GEORGE. Mr. Mills, I inferred from your statement, which I followed very closely, that in no event could the Congress have been convened, from the 20th to the 21st of June, to have met this situation.

Under Secretary MILLS. It would have been impossible, Senator.

Senator GEORGE. Without the collapse having occurred in the meantime.

Under Secretary MILLS. The show would have been over.

Senator GORE. I do not want the statement to go unchallenged in this record, that the President of the United States, even if he obtained the written consent of every Member of the Senate and every Member of the House, can bind the American people legally or even morally. The Constitution prescribes the way in which the American people can be bound, and there is no other way. I want to make this protest at this place.

The CHAIRMAN. It is in the record.

Senator COUZENS. Mr. Mills, may I ask you at this point what will become of the money that is deposited in the New York banks on the December 15 payment? Do you know the extent of it?

Under Secretary MILLS. I do not know that any of it has been deposited.

Senator COUZENS. I saw a statement in the press to that effect.

Under Secretary MILLS. All I know is that there were rumors in the press. I never heard of any money being deposited.

Senator COUZENS. Do you know whether there has been or not?

Under Secretary MILLS. No. I would be very much surprised if there were. None of these people have collected 1 cent on the debts due them since the 1st of July.

Senator BARKLEY. Is it not possible that some of them, in order to avoid being charged with even technical default, have placed the money there, knowing that it is not going to be called for?

Under Secretary MILLS. I doubt it very much.

Senator CONNALLY. On the matter of withdrawals prior to the President's action, from German banks, have you any information as to the proportion of that which belonged to German citizens who sent it out of the country?

Under Secretary MILLS. No. That is one thing you could never measure—the flight of capital.

Senator CONNALLY. Did the German Government, until the very last, take any steps to prevent the exportation of capital by its own citizens?

Under Secretary MILLS. I would rather not say this for the record——

Senator CONNALLY. I will withdraw the question.

Senator BARKLEY. Do you know to what extent the German Government used its credit, whatever credit it had, which it might have used in payment of reparations, in fostering trade with other countries?

Under Secretary MILLS. I do not think the German Government enters into that picture at all. I do not think the German Government's credit was ever used to finance foreign trade.

Senator BARKLEY. It has been claimed recently that the German Government had been involved in the effort to extend trade with the Soviet Republic.

Under Secretary MILLS. I was just going to modify my statement by saying that they had guaranteed their own exporters up to a certain percentage of the credits granted to Russia. I think you ought to understand that situation, too. They have to-day, I think, over 5,000,000 unemployed in Germany. They are willing to export at any price, and on almost any terms, in order to keep their people at work.

Senator BARKLEY. And to any country?

Under Secretary MILLS. And to any country.

Senator BARKLEY. Is that a fallacious economic remedy or a hopeful remedy?

Under Secretary MILLS. I would not want to comment. I do not know whether the Russian creditors are good or not. I have no information.

Senator BARKLEY. I have been thinking especially of Russia. I suppose they are willing to do the same thing with any country.

Under Secretary MILLS. I think, in the long run, they will probably collect, but they are confronted with a very real situation, Senator, and they are trying to work it out as best they can.

Senator COUZENS. Has the Secretary any information as to the amount of reparations that have been paid out of taxation of the German people?

Under Secretary MILLS. All of it, of course, has been paid out of taxation in one form or another.

Senator COUZENS. I understood that all the reparations had been paid by borrowing the money from foreign countries. I think that amount of borrowings and the amount of reparations are substantially alike.

Under Secretary MILLS. Of course, you can say that they paid so much in reparations over a given period, and that during that same period German industries and States and manufacturers borrowed more than that amount.

Senator COUZENS. I do not mean the industries, Mr. Secretary.

Under Secretary MILLS. It is principally the industries. The German Government, that is, the Reich, outside of the Young and Dawes loan credits and certain short-term credits, borrowed practically nothing.

Senator REED. The Dawes plan says——

Under Secretary MILLS. But what the Senator unquestionably has in mind are the figures which have been used repeatedly in order to show where Germany obtained the foreign exchange through which reparations were transferred. Of course, if the German General Electric puts up a new factory and they borrow the money in New York on a mortgage to put up that new factory, that makes so many dollars available, and that goes into the exchange market. If Germany has to make reparation payments at that particular time, those dollars are available to make the payments, but the funds, of course, are obtained in reichsmarks, by taxation of the German people, and the loans are never used to pay the reparations, except in the case of the original Dawes loan. I think that is correct, Senator REED, is it not?

Senator REED. Yes.

Senator SHORTRIDGE. In the opening of your statement you called attention to and read the statement which the President put forth as of June 20, 1931. In your reading you omitted—perhaps properly, but why I know not—the names of those Senators and Members of the House who had approved the statement, or approved his contemplated action. In the course of that statement the President said:

"I do not approve in any remote sense of the cancellation of the debts to us."

Has he taken any action or put forth any statement which modifies the words in the statement I have just read?

Under Secretary MILLS. No; and I read it, Senator.

Senator SHORTRIDGE. To your knowledge, has the President put forth any statement, or done, or caused to be done, any act modifying or qualifying the statements made in his statement of June 20, 1931?

Under Secretary MILLS. While I hesitate to speak for the President of the United States, I think I am on safe ground when I say that he is unqualifiedly opposed to cancellation.

Senator WATSON. In his debt message a week ago to-day, Mr. Secretary, he repeated that very language.

Under Secretary MILLS. I can say, without qualification of any kind, that the Treasury Department is absolutely opposed to cancellation.

Senator SHORTRIDGE. Adverse criticism having been launched at the President for the statement put forth, or the action taken as a result of his suggestion, are you aware that he consulted with or invited the opinion of Senators absent from Washington and with whom he could not confer personally?

Under Secretary MILLS. As to this proposal of June 20?

Senator SHORTRIDGE. Yes.

Under Secretary MILLS. Yes, sir. It was done by telephone and telegraph.

Senator SHORTRIDGE. I do not wish to inject my own personality into this immediate hearing, nor have anything to say touching my views upon the whole subject, but I will, for the record, Mr. Chairman, ask that there be incorporated a telegram which the President sent to me as of June 22, 1931, addressed to me at Menlo Park. It may serve to read it.

Senator HARRISON. Is that the usual telegram that was sent out to Senators?

The CHAIRMAN. Yes.

Senator HARRISON. I am assuming, for the moment, that he sent a telegram of the same tenor to other Senators.

Under Secretary MILLS. I think that is a fair assumption.

The CHAIRMAN. It will go into the record.

Senator SHORTRIDGE. I want those present to hear it, if you will indulge me. Adderssing me, the President said [reading]:

THE WHITE HOUSE,
Washington, D. C., June 22, 1931.

Hon. SAMUEL M. SHORTRIDGE,
Menlo Park, Calif.:

You no doubt have seen my statement in Sunday's press of the proposals of the American Government in respect to postponement for one year of all intergovernmental debts. Inasmuch as the proposal is, of course, contingent upon action by Congress, and as the matter is one of national interest, having no partisan character in that light, I consulted before action the Senators and Representatives of both parties present in Washington and as many as possible who were accessible in the country. This list of generous support from Members was shown in the public statement referred to above. I regret that difficulties of communication rendered it impossible to contact with all Members of the Senate and House. I do not wish to press any Member for reply as to his views if he prefers not to give them at this time, yet if you are favorable to the proposal in the first paragraph of the statement above mentioned it would undoubtedly aid in the negotiation now in progress if you could inform me thereof.

HERBERT HOOVER.

Senator HARRISON. Of course, you answered it.

Senator SHORTRIDGE. I did.

Senator BARKLEY. Is that the same message we all got?

Senator SHORTRIDGE. I assume so.

Under Secretary MILLS. Before I go, I would like to say one thing. I assumed from conversation that took place here that you are not going to report the Senate bill, but wait for the bill to come over from the House.

The CHAIRMAN. Certainly.

Under Secretary MILLS. The Ways and Means Committee rather objected to the last section of the bill as granting a little too much authority to the Secretary of the Treasury. The legislative drafting bureau drafted it in that form to take care of two particular situations, Greece and Austria. Section 4 will be revised by the Ways and Means Committee. I thought this committee ought to have notice of that change. The bills will not be identical.

Senator GORE. Before Mr. Mills leaves I would like to place this statement in the record—that since the restoration of peace between the United States and Germany the German Governments, national, state, and municipal, have borrowed in the United States $798,000,000, practically all of it since the adoption of the Dawes plan, and German corporations during the same time have borrowed $407,000,000 in the United States.

Senator COUZENS. I am glad the Senator made that statement, because I did not want it to appear from the record, from what the Secretary said, that I was confused as to the private borrowings, such as the General Electric example, and the moneys borrowed by the German Government and its municipalities.

Under Secretary MILLS. Now, let us be clear. The German municipalities do not pay reparations.

Senator COUZENS. I understand.

Under Secretary MILLS. The Reich Government, outside the Lee-Higginson credit, and possibly another short-term credit, has received no money through borrowing, except through the Dawes loan and the Young loan. The Dawes loan was admittedly used to pay reparations.

Mr. BLAINE. Mr. President, I appreciate the possibility of the impatience that may be entertained by Members of the Congress who are suffering through an agony arising out of their desire to go home. But at the risk of giving possible offense to the sensitiveness of those Members of Congress, permit me to say that in my opinion the amendment offered by the junior Senator from Nebraska [Mr. HOWELL] is entitled to consideration and that if adopted it would be the messenger of peace on earth and good will toward men as we adjourn to celebrate Christmas time. Without it the joint resolution means but little. I can approach the discussion of the amendment and of the resolution quite free from any entangling alliances.

The consideration which has been given by the executive department of the United States falls far short of the consideration given by the Premier of France with respect to parliamentary duties, parliamentary obligations, and parliamentary powers. Congress adjourned on the 4th of March, 1931. All of the conditions existing respecting the political and economic condition of Europe at this time existed when the Congress adjourned on March 4. Yet, in utter disregard of those conditions, the executive department declined and refused to call the Congress into extraordinary session for the consideration not only of our foreign affairs, but as well of our domestic affairs. Instead of exercising his function,

performing his duty, and calling Congress in session under the Constitution, he called into private conference behind closed doors some of those who have been characterized as "leaders" of the Congress. It is the first time in my life when I have ever known that "leaders" of Congress were to legislate for the people of the United States; and yet that is exactly what the executive department did and it is exactly what those leaders did. It was a session of Congress—improvised, of course—called at the White House, not at the seat of the Congress but at the White House, there in conference to determine what the policy of this Government should be with respect to debts due this Government in the year 1932.

I call the attention of the Senate, if you please, to the consideration that was given to the Parliament of France by the Premier of France when he notified the Government of the United States in so many words that the French Parliament was sovereign, was supreme; that its intervention was indispensable, and so the note of the French Government declared, in response to President Hoover's proposal:

> The French Government is prepared to ask the French Parliament, whose intervention is indispensable and whose decision is sovereign, that France provisionally and for a period of one year forego the retention of any payment made by the Reich.

That was the act, and properly so, of the Premier of France toward his Government and his people.

Not so with the executive department in America. First, a conference was called, and then Congress was convened by telegrams at the respective residences of Members and not at the seat of this Government—an unwarranted, an unconstitutional proceeding, which, as a Representative of the people of my sovereign State, I can not overlook, approve, or condone.

Mr. President, if the person, whether now or in the future, who occupies the Executive Office chooses to commit the Government of the United States upon a proposition as to which the Congress is sovereign and its intervention is essential, such a President could plunge America into war by calling a conference of the leaders of the respective parties in secret conference behind closed doors without the public ever receiving the information that was given that special conference. Then, to approve of that proposal, the Executive could go one step further, as was done in this case, and by telegrams call Members of Congress into session all over the United States. I need not exaggerate, I need indulge in no imagination or picture any improbable or impossible future act on the part of the Chief Executive when I say that let this practice be carried but one step farther and we shall have in America a dictatorship without and beyond and over and above the Constitution and the laws. The proceedings in the initiation of this matter, in my opinion, do not add respect or stability to the functions and powers of the executive department. It is only the second time in the history of our country, as I recall, that the President of the United States, without authority of the Constitution and without justification in law, brought the Government into a position that was bound to embarrass the Government itself and bound to embarrass the Representatives of that Government, whose constitutional duty, function, and power were to be exercised under the Constitution.

Under the practice in this case we can be drawn into war without the consent or action of Congress by men occupying the Executive Office who forget that they are not managers of a coal mine in China, by men occupying the executive department who forget that this is a government by law and not by the edict of a dictator. Under such conditions I can readily conceive how our Government can be thrust into future wars.

Personally, I have no commitments on this proposition. I received a telegram from the President substantially in the language of the telegram received by the Senator from California [Mr. SHORTRIDGE]. I answered that telegram in the light I then had by sending this telegram to the President:

> Moratorium approved and I believe urgent, provided that there are no secret understandings among Allies for preferential treatment or payment of private or international bankers' loans over Government loans, and provided that there are no commitments entered into as a condition of other nations agreeing to moratorium and no suggestion of America's cancellation of foreign war loans.

As the distinguished Senator from California [Mr. JOHNSON] has so well pointed out, the joint resolution now before the Senate is not the proposition indicated to the Members of Congress by telegram. The same information was communicated to the British Government. The British Premier made his report to the Brtish Parliament. The Prime Minister informed the House of Commons on June 22 to this effect:

> President Hoover's proposal applies, however, to all—

And then within quotation marks occur the words—

> "intergovernmental debts, reparations, and relief debts."

There was no doubt in the mind of the Prime Minister of Great Britain as to what the President's proposal was. "All intergovernmental debts" is so plain, so emphatic, that to say that this joint resolution substantially complies with the President's suggestion is almost to admit the lack of an intelligent understanding of the English language.

Moreover, the Prime Minister makes this very significant statement immediately following the paragraph I have just read:

> His Majesty's Government for their part accept this proposal in spirit as well as letter.

Moreover, the French Government well knew that the President of the United States said, not only by implication but by plain language, that he intended that all intergovernmental debts should be postponed for a year. Of course, this joint resolution does not embody the proposal of the President submitted to the Members of Congress at their respective homes by telegram. Moreover, after the proposal was modified, and modified materially—modified with respect to essential provisions—I doubt if a single Member of the Congress was advised of that modification. I have heard no Member claim that he was advised. I know that I was not advised.

Here we boast of a democracy in which we have three departments of government, each separate, distinct, and independent; which now appears, in my opinion, to be nothing more than a boast by many, with pious hypocrisy behind it. Yet in France the Premier, having regard for the constitution, having regard for the laws, having regard for the representatives of the people of France, indicated to the American Government that Parliament was sovereign in this respect, and that parliamentary intervention could not be escaped, and Parliament must first be consulted.

Yet, wholly unmindful of our own Constitution, of our own democracy, of the limitations of the laws, the limitations prescribed by tradition, and the limitations prescribed by a true democracy, notwithstanding the receipt of the French note, the executive department continued to advance the proposal, contrary, as I say, to our Constitution and contrary to the form of government under which the President exercises his functions.

Mr. President, we have three departments of government. Each one of those departments of government is supreme within its particular field. No one of those departments should trespass the field of any other department. Each department should guard zealously and jealously its functions, not because of the individuals occupying the positions in the respective departments, but because the three functions of government—executive, legislative, and judicial—are functions of government intended for the protection of the lives and the liberty and the welfare of the people; and every department of government holds within itself as trustee the liberties and the independence and the rights of the people under the Constitution; and the head of any department who transgresses that which makes possible our democracy has betrayed the trust reposed in him.

Mr. President, a Congress that lacks courage, a Congress that forgets the trust reposed in it, a Congress that fails to carry out the trust, is not entitled to the respect and eventually will not have the respect of the people for whom the

Congress acts as trustee within the field prescribed by the Constitution.

This practice, as I said, is just a step toward a dictatorship. There is but one other step to take, and that step is to use the armed forces of America in carrying out the purposes of those in authority, whether they be willful, unpatriotic, disloyal, or otherwise. Just one step—the Army of the United States to enforce the dictates of the head of the Government, whosoever he may be, without justification in law or under the Constitution—and when that time comes our democracy is at an end.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. BLAINE. I do.

Mr. SHIPSTEAD. When a public official takes an oath to support the Constitution, he not only swears that he will perform the duties allotted to him by the Constitution, but he also swears that he will not engage in activities outside of that which the Constitution prescribes for him. That is, he swears that he will not overstep his authority and power.

Mr. BLAINE. Oh, the oath is all-inclusive, embracing the negative as well as the positive.

Mr. SHORTRIDGE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from California?

Mr. BLAINE. I yield for a question.

Mr. SHORTRIDGE. The President has the power to negotiate treaties, has he not?

Mr. BLAINE. Of course the President has power to negotiate treaties.

Mr. SHORTRIDGE. Certainly. Now, in respect to this matter, has not the President in every communication said that the carrying out of this plan was subject to the consent and approval of the Congress? Has he not said that?

Mr. BLAINE. I was coming to that proposition.

Mr. SHORTRIDGE. Is not that the situation as a legal proposition?

Mr. BLAINE. Let us analyze that for just a moment and see how absurd is any conclusion that the President was within the constitutional limitations.

Mr. President, America is possessed of honor. America is possessed of integrity. Whether that honor and integrity abides in public office, public officials, or not, that honesty and integrity abides in the hearts, thoughts, and consciences of our people. Now, let us analyze just where the American people have been left in this situation.

The President has called a Congress—not at the seat of government but by telegram—at the respective homes of the Members of Congress after a conference with the leaders. Then the President, having assurances, as he states, of a majority of the Congress that they will support a proposition which he has announced as a proposal to America's debtors, then proceeds to enter into an agreement with America's debtors to modify the proposal he has made to Members of Congress by telegram, and eventually that proposal goes into a contract between the debtors of America on the one hand and our Government on the other.

That contract has not been fully executed; it can not be fully executed until the Congress has acted. With America placed in the situation where its President has bound it for six months at least by a contract conceived by him and entered into by him without constitutional sanction, can we in good faith repudiate that contract for the remainder of its term?

To all intents and purposes, so far as the debtor nations were concerned, the President was the agent of America. He has entered into an agreement without authority of law. Nations were led to assume obligations which they would not have assumed except on the representation made by the American agent.

Mr. President, America's self-respect among the nations of the world must be preserved notwithstanding the dictatorship of an American agent. This may be done once but never again should Congress be placed in this dilemma.

Mr. SHORTRIDGE. Mr. President, thanking the Senator, will he permit another question, merely to get the views of the Senator touching the powers of the President in a matter of negotiating treaties?

Mr. BLAINE. Certainly.

Mr. SHORTRIDGE. Let us take an ordinary treaty. I have understood that the President had the power to meet with representatives of foreign governments, meeting through the Secretary of State, it may be, and arranging a proposed treaty. But, of course, such a treaty has no validity until it is submitted to the Senate. The Senate may or may not approve. If it approves it, it becomes a treaty.

How does the Senator differentiate, and claim that in this instance the President has bound the Nation? I do not consider this Nation bound until the Senate shall approve. It may disapprove; I do not know.

Mr. BLAINE. Mr. President, of course I know that the Senator from California is quite familiar with the Constitution of the United States, and I would not impute to him any inference with respect to any lack of knowledge in connection with some very intricate constitutional question. But it is academic that the Constitution of the United States expressly auhorizes the President to negotiate treaties.

Mr. SHORTRIDGE. Certainly.

Mr. BLAINE. It ought to be obvious that the Senator's question is quite beside the mark.

Mr. SHORTRIDGE. Is not that this situation? Are we not right in that situation now? While we are arguing pro and con, unless it is to determine whether we will agree to this, what are we doing?

Mr. BLAINE. I have a measure of generosity toward my colleagues. I know the agony under which they may be laboring, or under which some of them may be laboring. They want to go home. I think it is hardly necessary for me to repeat time and again the proposition I have made. Surely the Senator can not contend that there is any authority in the Constitution of the United States for the President to enter into agreements with foreign governments for the cancellation of debts due America. Whatever negotiations he had, of course, were negotiations made by an agent without authority to enter into a contract and bind the Government.

Now, Mr. President, coming directly to the proposition of the amendment offered by the junior Senator from Nebraska [Mr. HOWELL], I want to submit some observations which I think are material. Much discussion has been going on ever since last June respecting conditions in Germany. I shall not engage in any detailed statement respecting the German situation, but I think it is obvious to everyone that whatever situation was to be saved in Germany was primarily of a political character.

What threatened Germany in June was the possibility of the breakdown of the then and present German Government. Great Britain knew full well that if there were an entirely chaotic political condition in Germany, then her empire was insecure. France well knew, with the chaos which existed in some parts of Europe, that if the German Government fell, even the Parliament of France would then be upon a very unsound foundation. It was a political situation. The economic situation is an entirely different proposition.

When measured in dollars and cents, the moratorium to Germany means but little. I am not going into the details respecting that proposition. Senators have inserted in the RECORD material indicating the amount of money owed by the German Government to the Allies and to America.

I want to call attention to this one significant fact: That the German Government owed America, according to the testimony of Under Secretary Mills, of our Treasury Department, the sum of only $6,000,000 for the year 1932. That is the only amount the payment of which we forgive Germany; the payment of which we forego for one year.

Let us examine into the French situation: France did not accept the original proposition the President submitted to the Members of Congress by telegram but modified that proposition very materially. The details have been given, but

I call attention to a very significant proposal of the French Government.

Germany had entered into agreements by way of treaties. One country with which Germany was closely allied was Austria—and I say "allied" because they were connected by economic and geographic similarity. Germany and Austria had engaged in several treaties. Each one of those treaties bound the German Government to harsher terms than those contained in the treaty of Versailles.

When Germany found her economic condition shattered, then she went to the governments of Europe to secure loans, or to enable Austria to secure loans, and treaties were entered into, additional obligations were assumed by Germany, and exactly the same situation is involved in this proposal. France proposes not only the security she has had heretofore, not only the guaranties under the treaties, but, in addition to those guaranties, France has demanded and will receive additional guaranties from the German Government.

Those guaranties consist of security given to the French Government for the payment of the nonpostponable reparations. That security consists of bonds upon the railways of Germany. Those bonds are underwritten by the German Government. After France has sucked almost all of the lifeblood out of Germany, she continues to demand additional security.

Let us examine into that for just a moment. The Versailles treaty was the most unconscionable treaty ever imposed upon a defeated nation after any war fought in the history of the world. The whole purpose of France, beginning with that treaty, has been to reduce Germany to the position of a dependency of the French Government, if not political dependency, at least economic dependency. France would enslave the frugal, industrious people of Germany, and place them under an economic system out of which Germany can never recover so long as the treaty of Versailles and other treaties with the Allies are in effect. What happened to Germany?

The German people, the conquered people, were despoiled of their natural resources. France demanded and received the natural resources of the Ruhr Valley. She went into the Saar Basin. Before she would withdraw her black troops of Africa from German soil she demanded additional impositions upon the German people. Germany, therefore, internally was brought to her knees economically. She had lost her coal, her iron. The basic material of her vast industrial possibilities was lost to her during the time of dire need.

Despoiled of her natural resources, her territories were taken from her. All of her territories in Africa were placed under the mandate of the French Government, the British Government, and, as I recall, a part of her African territories were placed under the mandate of the Belgian and Italian Governments. All of her possessions in the Pacific were taken from her. Her vast system of cables that were a network from Berlin to Cape Town, to Good Hope, across the Atlantic and Pacific to Australia, a network of cable lines so important to her industrial and commercial prosperity, were likewise taken from her.

Germany was despoiled of these vast territories, and Great Britain and France became the beneficiaries of that despoilment. Great Britain has attained a territory of some 13,000,000 square miles as a result of the despoilment of Germany. An area exceeding 13,000,000 square miles including the British Isles, 13,000,000 square miles of the earth's inhabitable surface, rich in natural resources, has been attained by Great Britain.

There were taken from the German people over 1,250,000 square miles of inhabitable territory, with a population of over 12,000,000 people. These vast territories are to-day largely under the mandate and thereby in the possession and under the control, practically all of them, of two governments. All those vast lands, all of their immense natural resources, were obtained under the harsh and unconscionable terms of the Versailles treaty.

What does that have to do with America? It seems to me, Mr. President, that we are confronting a world situation in which America is being placed in jeopardy. What has happened? France has erected her tariff wall. Great Britain has erected her tariff wall. Each of those nations has given preferential consideration to the nationalities under its sovereignty or under its mandates. To-day America in her commercial transactions throughout the world is denied access for her goods except by the payment of these high tariffs, within the British Empire, to over one-fourth of the inhabitable area of the world. By reason of these high tariffs and the differentials favoring those nations belonging to the respective foreign governments or over whom they have a mandate, America is denied equality of commercial intercourse.

These same nations are circumscribing America's industrial development, through the diminishing of her commerce, to a territory not beyond continental America—with Cuba, with the Philippine Islands, with Hawaii, and a few other outlying possessions like Porto Rico. Trace this situation carefully and it will be found that out of the Versailles treaty the nations to which I have referred, and primarily France and Great Britain, are restricting and circumscribing, step by step, America's future wealth and prosperity. Those nations have been able to carry on in the acquisition of these vast territories under and by virtue of the Versailles treaty.

Mr. President, so long as the Versailles treaty remains there can be no peace on earth. Germany alone is not involved. I approach this situation purely from the standpoint of America's interests. It is America's interests which are primarily involved. But there may be those who will say that America is not a party to the Versailles treaty and therefore that is none of our business. An argument to that effect might have been logical prior to the proposal that is before us; but this proposal, as I view it, and as I think the facts disclose, has made the interallied debts and reparation agreements part and parcel of America's concern.

Had the President awaited the request of the British Government or of the French Government or of the German Government for a postponement of the annuity for 1932, then I can appreciate how we might not have been involved, how we would not have been concerned respecting reparations; but that is not what the President has done. The President has submitted a proposal, modified by France, which involves a most important relationship of the American Government with reparations.

Not only that, but the President has placed this burden upon the German people with a little more vengeance. Germany is like the man who owns his home with a mortgage upon it; he defaults in the payment; the mortgagee postpones that interest and principal. But the mortgagee proposes to the home owner before he will postpone payment of the principal and interest due, the home owner must give him a chattel mortgage upon his household goods, he must give a chattel mortgage upon the small store of precious household silver that has been accumulated by the wife, he must give a chattel mortgage upon everything, loose or attached, within that household, in addition to the security already provided, that is exactly in common, plain language what France has done under this proposition. She has taken a mortgage upon the Germany railways; the bonds are underwritten by the German Government; she has additional security not only for the interest but for the principal; and through that system France can continue bleeding to death the frugal, industrious people of Germany, the young men and women who are of a generation or will be of a generation unknown to the war.

Germany has accepted the provisions, it is true; Germany has submitted to the demands of France it is true; but, Mr. President, those who understand the sad plight of a debtor realize that he must submit to whatever terms may be imposed upon him. Germany's submission, of course, was imperative on account of political conditions existing in Germany at the time this moratorium was proposed.

I, therefore, Mr. President, with some hesitancy, vote for the moratorium. I could support it more whole-heartedly if the pending amendment were adopted.

Mr. President, I think great honor is due to the able senior Senator from California [Mr. JOHNSON], who has commanded the attention of the country, whose intelligent discussion of executive limitations is bound to be favorably received throughout the United States. He has performed a signal service for the people of America. That service lies in the warning he has given to future Presidents, the challenge that he has made to those who in the future would dare violate the Constitution of America. That service, in my humble opinion, will have its beneficial effect in years to come.

We are going to face this whole question of intergovernmental debts; but in the future we should face it without any prior commitments made by the President. We should face the situation from the standpoint of America's interests and the peace of the world.

Mr. President, as I have sat with the subcommittee of the Committee on Banking and Currency and listened to the testimony of bankers, domestic and international, disclose the conditions existing in this world to-day, it is as clear to me as the noonday sun that the financial structure of Europe is nothing but a shell. It may be crushed at any time overnight; and even here in America it develops from day to day through the testimony of the witnesses before that committee that our financial structure is weak, is crumbling; that we must go into the coffers of the Government to the extent of two or three billion dollars in order to save insurance companies, to save railroads, to save banks from a financial crash. So we in the United States may be facing the same crumbling financial condition that exists in Europe to-day.

I think the senior Senator from Nebraska [Mr. NORRIS] outlined what is in store for our world—not as a prophecy nor as an oracle, but through the analysis of obvious facts and applying the reasoning of all history. I heartily join in the sentiment he expressed that until we can undo the crime committed upon civilization by the treaty of Versailles there can be neither peace nor prosperity in Europe or in America.

This moratorium has been on for six months. It has only about six months to run. Then what will be the process? Another session of Congress by telegram? Another consultation of leaders of parties? Another refusal to call the Congress into extraordinary session? That will be the course if the precedent set in June is again to be followed.

Mr. DILL. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. BLAINE. I do.

Mr. DILL. What does the Senator think would be the effect of refusing to approve the moratorium now?

Mr. BLAINE. Mr. President, answering the Senator's question, I can only repeat what I have said—that the President of the United States acted as agent for the Government without authority either in law or under the Constitution. He entered into an agreement with the debtor nations. That agreement has not been fully executed; but the debtor nations have acted upon that agreement. They have placed themselves in positions in which they would not have placed themselves had it not been for that agreement.

When a Senator votes against the moratorium I do not want to imply that he will discredit our Nation. He has a right to vote that way. He is exercising his constitutional function. His conscience has directed his course. But the President's spokesman has announced that some 68 Senators and a large majority of the House—and the House by its action has demonstrated his announcement to be correct—are in favor of the moratorium. That is why I say that the moratorium is, and it can not be avoided.

The answer may not be satisfactory, but it is the dilemma in which we find ourselves.

Mr. DILL. Mr. President, will the Senator yield further?

The VICE PRESIDENT. Does the Senator from Wisconsin further yield to the Senator from Washington?

Mr. BLAINE. I do.

Mr. DILL. Does the Senator think that any of the nations that owe this Government would fail to pay if we refuse to approve the moratorium in the Senate?

Mr. BLAINE. Expressing a fact rather than an opinion, none of the governments has refused to pay; and I think that is the best indication that they would not have refused to pay had the President not suggested that they do not pay.

Mr. DILL. And they would not refuse to pay even yet if the Senate should refuse to approve the moratorium?

Mr. BLAINE. All of the governments, no doubt, are in a financial condition to pay so far as the Government of the United States is concerned. It is possible that they have made certain commitments. I do not know what they are. They might embarrass the governments. If the moratorium were defeated, I have no doubt that the governments that owe America are quite able to pay.

Mr. President, it was not my purpose to go into a detailed discussion of the merits or demerits of this proposal; but I did wish to point out, with as great an emphasis as possible, that the material, the most effective suggestion respecting this whole question of reparations, intergovernmental debts, and world peace is embodied in the amendment offered by the junior Senator from Nebraska [Mr. HOWELL].

Mr. HATFIELD. Mr. President, I send to the desk an editorial taken from the Wheeling Intelligencer of Wheeling, W. Va., which I ask unanimous consent to have read.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will read as requested.

The Chief Clerk read as follows:

[From the Wheeling (W. Va.) Intelligencer of Monday, December 21, 1931]

AMERICAN BANKERS AND EUROPE'S DEBT

After reading the testimony of Charles E. Mitchell, chairman of the National City Bank of New York, before the Senate Finance Committee on Saturday, it is impossible to doubt the source of the defeatist attitude which has developed in certain American quarters of late with respect to war debts.

Mr. Mitchell was appearing in behalf of the moratorium. He did not, however, content himself with presenting arguments in favor of ratification. Not only did he paint a picture of a German people on the verge of revolt if their country is forced to make on schedule the suspended payments, but added the assertion that there is a growing "rebellion against the payment of debts" in Germany and in "other European countries." He "couldn't conceive it possible" that Germany will pay her debts, described the psychology of the German people as "readily understandable" and said that the attitude of other European peoples is similar regarding their debts to the United States.

Mr. Mitchell may not have been "preaching a doctrine of cancellation," as he hastily explained. Nevertheless, he was describing a European attitude which he and other American bankers have helped create. Moreover, considering the stake of our bankers in Europe, it is an attitude which, it is easy to believe, he would like to develop further in this country.

The Intelligencer believes sentiment in the United States is overwhelmingly against cancellation or reduction of the war debts, and rightly so. It believes Germany is able to pay reparations and the other European countries to pay war debts. It can see no connection between the two. It believes our debtors can pay us and should pay us, whatever happens to the reparations. The debts were contracted without strings. They represent actual cash borrowed from Uncle Sam, who in turn borrowed from and will have to pay the holders of Liberty bonds. Nevertheless, it is apparent that both Germany and our former allies are trying to get rid of their war obligations at our expense.

Our mistake has been to permit the feeling to develop in Europe that we are not particular about collecting the debts; that, having lopped $7,000,000,000 from the original figure in the various finding agreements, we are inclined to drop the 11 billions remaining if it will help things in Europe.

Here is where the bankers and the private individuals they represent come in. Because of attractive interest rates a great flood of American money has found its way into Europe. At the present time the amount of private foreign loans owed the American people is estimated at $15,000,000,000. In Germany alone these obligations amount to three and a half billion. Quite naturally there is some anxiety as to the security of these accounts. Indeed, Germany has frankly indicated or threatened her inability to pay off these private debts if reparations are forced upon her. And the balance of Europe, with a "similar psychology," as Mr. Mitchell says, is in about the same frame of mind. So it would be a fine thing all around for Mr. Mitchell's bank, which has, by his own admission, made $25,000,000 selling bonds of other nations

in this country since 1919, for other banks in a similar position and for the individuals who hold these European bonds to have the war debts wiped off the slate.

If the purchasers of foreign bonds have gotten themselves into the position of having their money endangered unless public obligations are forgiven, it is hardly the place of the American people to rescue them. They knew or the bankers who handled the transactions knew all about the war debts and the reparations and financial conditions in Europe. They knew the money they were loaning was going to the expansion of navies, to the building up of airports and roads and other nonproductive public works. They knew there would have to be a day of reckoning some time.

The truth of the matter probably is that all European countries, including Germany, are fully able to pay all of their obligations, public and private. They may have needed the additional time granted in the moratorium. They may need still more time. But the underlying ability to pay is there. Still if the money-drunk American people can be cajoled into assuming the burden, why not let them do it? That, perhaps, is the true European attitude.

Mr. HATFIELD. Mr. President, this editorial expresses well my conclusions upon the intergovernmental-debt problem.

I was one of the Members of Congress who gave the President, by message and in oral conversation, the assurance of my support of the postponement for one year of the payment of that part of the intergovernmental debt which matured with interest this year. My assent to the proposition was based upon the conclusion that it would be of great assistance in solving the financial condition that then confronted the German Republic.

I shall vote to approve this year's moratorium, which expires on June 30, 1932. However, I shall not support an additional extension as I understand the intergovernmental debt at the present time, nor shall I vote for a reduction of the debt. Too much has already been assumed by the American people in the way of obligations growing out of the World War conflict. The financial and social burdens assumed by this country must be taken into account in figuring the cost of our assistance to Europe, as well as the services rendered by our Army, Navy, and marines on the battlefields of Europe.

In reading the combined annual report of the World War Foreign Debt Commission and the legislation leading up to the creation of this commission, I am impressed with the thought that little consideration was given by the powers that be at that time in making loans to the allied nations. Indeed, no security to the American people was given in advance for those credits, although the terms of the loans specified payment on demand. Everyone in the Treasury Department knew at that time that such a provision was a huge joke, as none of the borrowing powers could pay a billion dollars on demand; in fact, they could not pay a hundred million dollars. They were depleted because of the long-drawn-out war, which exhausted the allied nations in financial substance as well as in man power.

Mr. President, we were even technically at war with Germany and her allies until 1921, notwithstanding the treaty of peace signed at Versailles in 1919 which ended the war between Germany and the nations that were contending against her.

The year's suspension of the intergovernmental war debts was agreed to on the part of America only after President Hoover had consulted practically every Member of Congress, either personally or by wire. The overwhelming response he received in favor of it assured the President of the support of Congress, and that Congress was squarely behind him. No thought of cancellation of these obligations to our country by the allied nations was suggested by him, nor could anyone justly arrive at a conclusion that the President entertained such a thought as cancellation from any expression voiced by him, nor was it the feeling of those in Congress who assured the President of their approval and support of this suspension of the payment of that part of the principal amounting to $68,344,617, with interest of $184,222,186, or a total of $252,566,803. My conviction, and I doubt not but that it was the conviction of others, including the President, has been that this suspension would go a long way toward relieving a depression resulting primarily from the World War, that it would be of great assistance to all the nations which had intergovernmental debt obligations.

The suspension of the payment of this maturing obligation for a period of one year is not unlike the request of an individual debtor who has met with reverses and finds that he is unable to meet the principal of his obligation and asks his creditors to renew his notes and to permit him to carry on, so that sooner or later he will be able to assume and liquidate both principal and interest, if given sufficient time to do so.

Indeed, Mr. President, there is no man who has ever occupied the office of Chief Executive of this great Nation who has been confronted with the perplexing problems which the present occupant of that office has had to face. History records no one who has faced such questions in a more manly way. He has not hesitated to assume the responsibilities that have come to him, regardless of whether the best course as seen by him would appeal to the rank and file of the people. He has sought to do his duty to reach a solution of the chaotic and intricate problems which have confronted him. The problems are unprecedented, and with no similar situation in the past to serve as a guide, our President has been forced to deal with conditions more complex and strange than have beset any Chief Executive since the formation of this Republic.

We had a problem, Mr. President, after the War between the States, in which party organizations in conventions assembled took the position that the obligations contracted by the Government for the purpose of saving it could not be redeemed, and which resulted in repudiation being advocated.

If such a condition confronting our Republic caused a critical period in our financial history when $350,000,000 in greenbacks was the issue or question at that time, it may be seen that that picture is but a miniature of present conditions when we note that $330,000,000,000 represents the cost of the World War, with a sum in excess of $50,000,000,000, or more representing our part of the expenditures in that great conflict. Could there be much wonder at the financial situation which confronts us, and the same condition which at the present time confronts other nations who engaged in that war.

Indeed, Mr. President, if we take history as our guide, the situation before us at the present time, from an economic point of view, is only in keeping with a normal sequence that necessarily must follow such an orgy as began in August, 1914, and ended when the armistice was signed November 11, 1918.

Mr. GORE. Mr. President, I do not rise to discuss either the pending joint resolution or the pending amendment. I ask unanimous consent to have printed in the RECORD an article from the Tulsa World which represents my views and which was published when the moratorium was sprung upon us.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Tulsa Daily World, Thursday, June 25, 1931]

OKLAHOMA SOLONS OPPOSED TO HOOVER MORATORIUM PLAN—"CHARITY SHOULD BEGIN AT HOME," SAYS GORE—THOMAS VIEW SAME

While President Hoover's suggestion for a 1-year moratorium of European war debts would be beneficial abroad, United States Senator T. P. GORE, Democrat, is unwilling at present to accept it unless there was a stronger guaranty that this country would share in the benefits.

"The success of the suggestion depends to a considerable extent on whether those countries make the most of the opportunity to regain their economic equilibrium or spend the money thus saved on increased armaments. The United States will bear the brunt of the suspension, hence it is vitally necessary for this country to safeguard its interests.

"Charity should begin at home and the Government should not forget our own people while trying to relieve those abroad. The foreigners will feel grateful for the moment, but it is not likely that this will last long. It seldom does."

Senator GORE, who was reached at Ada by telephone, believes that a conference should be called and each foreign nation pledge itself to reduction of armaments before the moratorium aid be given.

He said "there can be no real prosperity while taxpayers are so heavily burdened with military establishments. The tariff also

must be revised downward before trade can revive to any great extent. Most nations have surrounded themselves with high-tariff walls that are proving ruinous, and these must be lowered if trade is to be given a chance to revive and reach its former proportions."

Mr. GORE. Mr. President, I also wish to have printed in the RECORD two letters from a prominent citizen of my State, which shed an interesting light upon this joint resolution and upon the situation in the country.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OKLAHOMA CITY, OKLA., *December 19, 1931.*

Senator T. P. GORE,
United States Senator, Washington, D. C.

DEAR SENATOR GORE: Labor suffered a loss of $9,600,000,000 in income in 1930. Labor sustained a loss of $12,000,000,000 in income in 1931. There has been a loss in the income of executive salaries and profits during the years 1930 and 1931 of $9,000,000,000. We have suffered a loss of $4,000,000,000 in rentals during 1930 and 1931. Loss in corporation earnings and dividends during the same period amounts to $9,000,000,000. This makes a grand total of $43,600,000,000 of loss to labor and in rentals, profits, salaries, earnings, and dividends.

In addition to the above stupendous loss there has been a much greater loss in our national wealth. We have lost $185,000,000,000 of our total national wealth. The depression has cost us approximately one-half of our national wealth in addition to the staggering losses above enumerated.

The recorded debts in the United States amount to about $160,000,000,000. Other debts not recorded will run the total debts of all the people of the United States to $200,000,000,000. We owe as much as all the wealth in the United States to-day is worth.

At any rate, we have Hoover and other Republican leaders for the past several years to thank for our present chaotic circumstances. Yet Hoover thinks we are able to donate to Europe this year $250,000,000 by reason of the moratorium and ultimately to cancel the $12,000,000,000 in loans European countries owe us, all of which to help international bankers and foreign investors.

Yours very truly,

R. M. MCCOOL.

OKLAHOMA DEMOCRATIC STATE CENTRAL COMMITTEE,
Oklahoma City, Okla., December 17, 1931.

Senator T. P. GORE,
United States Senator, Washington, D. C.

DEAR SENATOR GORE: The people of this State are against Hoover's moratorium. They believe that charity should begin at home. We have spent about $38,000,000,000 by reason of the World War. In addition, we loaned European countries about $12,000,000,000. On top of all this private interests have invested fifteen or more billion dollars in foreign countries, principally in European countries, during the last 10 years. All this makes a total around sixty-five to seventy billion dollars that Europe has cost us in the last 15 years. That is more money than all those countries are worth. This explains, too, where our money and credit have gone.

The moratorium will cost the United States this year $250,000,000. That money would satisfy much want and relieve much suffering in this country. Recently nearly all the towns and cities throughout the United States put on a Community Chest campaign and collected millions of dollars for the poor and unfortunate. Under the circumstances that was a splendid thing to do. Just now we are putting on an old-clothes campaign. That is a fine thing to do. But both the Community Chest campaign and the old-clothes campaign are a reflection upon and an indictment of our financial and industrial system.

Our people are starving because we have too much food. Their backs are bare because we have too many clothes. Their heads are unsheltered because we have too many buildings. This chaotic and deplorable condition comes about because of improper, unfair, and unjust distribution, made possible by exorbitant, and what should be unconscionable, profit-taking in periods of so-called prosperity. Centralization of our money and credit, resulting necessarily in the control of wealth by a comparatively few, fosters and accentuates these conditions. Rather than keep purchasing power in the hands of the American consumers, in whom lies the greatest potential market on earth, our industrial overlords, international bankers, and foreign investors have invested abroad the fortunes that the American people as consumers made it possible for them to exact from society. This group evidently believes that we must first save other countries and then save ourselves.

As I write this letter, snow is falling and melting as it hits the ground. It is cold and penetrating. I see ill-clad and poorly fed people on the streets. I am told they are digging dugouts for the winter in North Canadian bottoms. The months of suffering have begun. Our people have so far tolerated the almost unbearable conditions, but their patience is now gone and their hopes of better times and conditions have been blasted. I dread the next few months, because I am fully aware of what may happen.

Verily, verily, as the Bible would say, charity and justice should begin at home.

Yours very truly,

R. M. MCCOOL,
Chairman.

Mr. GORE. Mr. President, while I am on my feet I will merely add that, in my judgment, this measure is a mere opiate. It is not an antidote.

It deals with symptoms and not with causes.

It does not lay the ax at the root of the tree of evil.

It does not eradicate the existing evil. It may, indeed, aggravate that evil. It may have already excited hopes which are destined to be shattered in the future.

I agreed with the junior Senator from California [Mr. SHORTRIDGE] when he said that our country had been exceedingly generous to our associates in the late war. This country has been exceedingly generous to our recent associates, both in the reduction and in the postponement of their debts. Our generosity, I think, is as unprecedented as it is unappreciated, and I sometimes think we ought to be just to the folks at home before we become generous to the strangers across the sea.

I admire the fine chivalry, I admire the fine sentiments expressed by the junior Senator from California when he said that our associates in the war—come what may—will pay their debts—the uncanceled remnants of their debts. I admire that fine sentiment, but I do not share his "simple faith."

If some curious antiquarian of the future should do us the honor to ransack the records of this day, I wish him to note that there was one doubting Thomas, one realist, who did not share this illusion.

To my mind there is nothing more fatuous than the fancy that 30 or 40 or 50 years from this day Germany will be making reparation payments to France. Reparation payments are in the nature of a fine. They are based upon war guilt or upon alleged war guilt. They grow out of a treaty that was penned with the sword and that was signed at the point of the bayonet. Whether right or wrong, Germany does not feel in conscience bound to keep that treaty, or bound to make those payments; and the day will come, whether Hitlerism or communism comes to power in Germany, when these reparation payments will be repudiated. Whether better or for worse they will be repudiated.

The debts owing by the allied powers to the United States rest upon an entirely different principle. They are different in law, they are different in morals, they are different in conscience. They will not be found to be different in practical effect; and this joint resolution has linked them together indissolubly and has reversed established policy in this country that there was no relationship between reparation payments on the part of Germany to France and the debts owing to this Government by the allied powers, which represent, not a fine, but money had and received, which represent values advanced to the allied powers, which represent the money which they received and accepted and which preserved their existence.

Yet when Germany repudiates her obligations, if she does, then the allied powers will default their obligations to the United States, although they owe their very existence to those obligations. France made it plain when she ratified the Berenger-Mellon agreement that she would not pay unless she was paid.

I do not favor this joint resolution. I do not favor the cancellation of these debts. I do not favor the reduction of these debts. The governments that borrowed this money ought to repay it. Our Government did not use the money and our people should not have to pay it. Yet I am not blind, as I believe, to what the future holds in reserve—nor to a movement which will prove to be as resistless as time and tide. However, I think there is an advantage, notwithstanding that, in the United States adopting and adhering to the ultimatum "Pay or repudiate."

If the allied powers pay, we get the money and they save their credit. If they do not pay, they forfeit their credit, but perhaps it may save trusting governments in the future, our own included; it may save them money in the days which are to come.

Let Senators remember that when Augustus Cæsar gathered into his hands all the powers of the Roman Govern-

ment he preserved, indeed, the trappings of the Republic. But free government and Roman liberty were extinct. I do not think the Congress is bound by the pledges made, and I hope that this experience will warn us against similar experiences in the future.

The governments of Europe have, at least, an elementary knowledge of our Constitution, of our free institutions, and how they function. They know how, and how alone, the people of this great Republic can be bound. I assume that our President is likewise familiar with the fundamental principles of our free institutions and of the Government over whose destiny he has been called to preside.

Mr. WATSON. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Copeland	Hawes	Robinson, Ind.
Austin	Costigan	Hayden	Schall
Bailey	Couzens	Hebert	Sheppard
Bankhead	Cutting	Hull	Shipstead
Barbour	Dale	Johnson	Shortridge
Barkley	Davis	Jones	Smith
Bingham	Dickinson	Kean	Smoot
Black	Dill	Kendrick	Steiwer
Blaine	Fess	King	Thomas, Idaho
Borah	Fletcher	La Follette	Thomas, Okla.
Bratton	Frazier	Lewis	Townsend
Brookhart	George	McGill	Trammell
Broussard	Glass	McKellar	Tydings
Bulkley	Glenn	McNary	Vandenberg
Bulow	Goldsborough	Morrison	Wagner
Byrnes	Gore	Moses	Walcott
Capper	Hale	Norbeck	Walsh, Mass.
Caraway	Harris	Norris	Walsh, Mont.
Carey	Harrison	Nye	Watson
Connally	Hastings	Patterson	Wheeler
Coolidge	Hatfield	Reed	White

Mr. NORRIS. I desire to announce that my colleague the junior Senator from Nebraska [Mr. HOWELL] is detained from the Senate on account of illness.

Mr. BARKLEY. My colleague the junior Senator from Kentucky [Mr. LOGAN] is unavoidably detained on account of necessary business.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

Mr. CUTTING. Mr. President, two things have amazed me throughout this discussion; first, the haste with which this proposition is attempted to be forced through the Senate and, second, the fact that none of the acknowledged administration leaders have stood up on this floor in support of a measure which unquestionably is going to pass with a large majority. I do not know why this haste is necessary, but so far as I am personally concerned, I am willing to submit myself to the decision of my leaders and confine my remarks to the very briefest explanation of the motives which induce me to vote as I shall vote.

In the first place, I wish to say that there is no Senator on this floor who is more thoroughly opposed than I am to the method of voting by Western Union telegram. The message which I personally received came to me when I was in a remote district of my State and before I had had a chance even to read the President's initial statement. I answered it, but I answered it in terms which I do not believe bind me in any way at the present time. I do not know whether the Republican leader has me on the list of 68 Senators or not, but I will say that even had I committed myself at that time I should not feel that a statement of my attitude in June bound me in any way to a totally different kind of moratorium in December.

Second, I want to say that I do not subscribe to the facile optimism which has been voiced by a good many Members on this side of the Chamber. I quote merely as an example what the Republican floor leader said yesterday—that this proposal had "nothing to do with debt cancellation, with debt reduction, with debt postponement, with future moratoriums, or with any other question relating to our international relations."

We have been referred to section 5 as a guaranty that never in the future would Congress be called upon to do anything of this sort again. I submit what every Senator in this Chamber knows—that section 5 is not binding on future Congresses, and that in essence it is not worth the paper on which it is written. I can not adopt such an unreasonable optimism. I can not lay such flattering unction to my soul.

I believe that one note of reality has been struck in this whole discussion, and that note was struck by the senior Senator from California [Mr. JOHNSON]. I believe that the analysis of the situation by the Senator from California was entirely correct. I differ with him only in the course which I think should follow from those assumptions. The Senator from California stated that this is the opening wedge. I agree with him. That is one reason which leads me to vote for this resolution, because I believe ultimately it is the opening wedge which will split apart the hypocritical plan by which the world has been allegedly run for a good many years—the Young plan, the Dawes plan, and the very Versailles treaty itself.

I do not often subscribe to anything which comes from international bankers. Especially rarely do I have the honor to agree to anything said by Mr. Otto H. Kahn. But when Mr. Kahn said that it would be better for this country to have reparations and war debts all torn up and thrown into the sea I believe that he was stating the truth.

I have sometimes wondered, Mr. President, whether this whole scheme of war debts could be supported in its origin. I have often wondered whether this country might not well have adopted as its policy the policy which Great Britain carried out so successfully during the Napoleonic wars—the policy of subsidizing its allies for what war expenses they were unable to pay themselves. I have an idea that if such a policy had been followed by this country during the World War we should have avoided not only the complications which face us now but a great part of the distress which is universal and which particularly affects the people of this country. Can anyone point to an American citizen, a business man, a farmer, a laborer, an unemployed citizen, who can say with any degree of truth that this fiction of war debts is improving his own personal status? I do not believe there is one.

However, Mr. President, that is not a matter which we have to consider now. These war debts are in effect. We have canceled many of them. My only criticism is that in canceling them the United States had to give everything without getting anything in return.

I believe that this debate and the vote which will undoubtedly be taken in favor of this moratorium will in themselves compel a speedy readjustment of European affairs and affairs throughout the world. If I did not think so, I would not vote for this joint resolution. It is needless to say that I shall vote for the amendment offered by the junior Senator from Nebraska [Mr. HOWELL]. I suppose that amendment is doomed; and if and when it fails I shall vote for the moratorium on the theory which I am endeavoring to state.

The fact that this country has given everything without anything in return does not mean, Mr. President, that in the future we should continue that futile policy. I believe every Senator on the floor in his heart knows that the main troubles in the world to-day are due to the Versailles treaty with all its ramifications. I do not necessarily blame those who at the time may have agreed to that treaty on the theory that they could get nothing better, but surely, Mr. President, in the time which has gone by since 1919 there have been innumerable occasions for the nations of the world to get together and adopt something more adequate to the situation.

We have heard the senior Senator from Nebraska [Mr. NORRIS] speaking this afternoon, and every Senator on this floor knows that as long as Europe is an armed camp—and it will continue to be an armed camp so long as there is no revision of the Versailles treaty provisions—so long this country also will have to spend an enormous proportion of its annual expenditures for unproductive purposes.

I think, Mr. President, that this is the first step in a process of world adjustment; I think that the Versailles treaty is going to be revised, not primarily by anything which we can do, but primarily by the logic of facts; and I think

it is going to be revised a great deal sooner than most of us imagine.

It is my hope that at that early date we shall have in the White House a man of the intellectual integrity, of the sincere patriotism, and of the devotion to American ideals possessed by the senior Senator from California [Mr. JOHNSON], against whom I shall on at least one occasion be compelled to cast my vote.

Mr. President, I am going to vote for the Howell amendment; and whether that amendment is carried or fails, I shall vote for the joint resolution.

The VICE PRESIDENT. The question is on the amendment proposed by the junior Senator from Nebraska [Mr. HOWELL].

Mr. WATSON and Mr. NORRIS called for the yeas and nays.

The VICE PRESIDENT. Let the amendment be reported.

The CHIEF CLERK. On page 2, line 24, after "United States," it is proposed to insert a semicolon and the following:

> Nor shall such agreement be made with any government until it shall have effectively assented, in a form and manner satisfactory to the President, to the reformation of the Versailles treaty, including the return to the German Government of its former but now mandated colonies.

The VICE PRESIDENT. The yeas and nays have been demanded. Is the demand seconded?

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. In his absence, I withhold my vote.

Mr. GORE (when his name was called). I have a pair for the evening with the senior Senator from Virginia [Mr. SWANSON]. I therefore withhold my vote.

Mr. NORRIS (when Mr. HOWELL's name was called). My colleague [Mr. HOWELL] is detained from the Chamber on account of illness. He is paired with the senior Senator from Arkansas [Mr. ROBINSON]. If my colleague were present, upon this question, he would vote "yea."

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS], who is detained at home on account of illness. Not knowing how he would vote on this question, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). On this question I am paired with the Senator from West Virginia [Mr. NEELY]. If he were present he would vote "nay," and if I were permitted to vote I should vote "yea."

Mr. TYDINGS (when his name was called). I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. I understand if he were present he would vote as I intend to vote. Therefore I feel at liberty to vote, and vote "nay."

The roll call was concluded.

Mr. MOSES. My colleague [Mr. KEYES] is unavoidably absent on business of the Senate. If present, he would vote "nay" on this question.

Mr. BYRNES. I have a general pair with the junior Senator from Nevada [Mr. ODDIE]. I understand that on this vote, if present, he would vote "nay." As I intend to vote the same way, I feel at liberty to vote, and vote "nay."

Mr. FESS. I wish to announce that the Senator from Nevada [Mr. ODDIE] and the Senator from Colorado [Mr. WATERMAN] are both detained from the Senate on account of illness. Were they present, they would both vote "nay" on this amendment.

The result was announced—yeas 16, nays 63, as follows:

YEAS—16

Blaine	Cutting	La Follette	Nye
Brookhart	Dill	Lewis	Schall
Bulow	Frazier	Norbeck	Wagner
Copeland	Johnson	Norris	Wheeler

NAYS—63

Ashurst	Barbour	Borah	Byrnes
Austin	Barkley	Bratton	Capper
Bailey	Bingham	Broussard	Caraway
Bankhead	Black	Bulkley	Carey
Connally	Harris	McGill	Thomas, Idaho
Coolidge	Harrison	McKellar	Thomas, Okla.
Costigan	Hastings	McNary	Townsend
Dale	Hatfield	Morrison	Trammell
Dickinson	Hawes	Moses	Tydings
Fess	Hayden	Patterson	Vandenberg
Fletcher	Hebert	Reed	Walcott
George	Hull	Sheppard	Walsh, Mass.
Glass	Jones	Shortridge	Walsh, Mont.
Glenn	Kean	Smith	Watson
Goldsborough	Kendrick	Smoot	White
Hale	King	Steiwer	

NOT VOTING—16

Couzens	Keyes	Oddie	Shipstead
Davis	Logan	Pittman	Stephens
Gore	Metcalf	Robinson, Ark.	Swanson
Howell	Neely	Robinson, Ind.	Waterman

So Mr. HOWELL's amendment was rejected.

Mr. NORRIS. Mr. President, I have another amendment which I desire to offer on behalf of my colleague [Mr. HOWELL].

The VICE PRESIDENT. Let the amendment be stated.

The CHIEF CLERK. On page 3, line 15, after the period, it is proposed to insert the following:

> It is hereby further declared that no further postponement of the indebtedness of foreign countries to the United States shall be considered by Congress unless and until the European nations indebted to the United States on account of prearmistice war loans shall have effectively assented, in a form and manner satisfactory to the President, to the reformation of the Versailles treaty.

Mr. NORRIS. Mr. President, I desire to submit only a few words in explanation of the amendment. Senators will observe, perhaps, that it is somewhat similar to the one that has just been voted upon. I desire to call attention to the difference. The amendment now offered does not apply to the present moratorium; the amendment is intended to come in the joint resolution immediately after section 5 and refers to future moratoriums only. It does not go any further than simply to provide that as to future moratoriums—it has nothing to do with the one we are now considering, but that as to future moratoriums, if there shall be any, "no further postponement of the indebtedness of foreign countries to the United States shall be considered by Congress unless and until the European nations indebted to the United States on account of the prearmistice war loans shall have effectively assented in a form satisfactory to the President to the reformation of the Versailles treaty." It does not attempt to go into any detail as to the Versailles treaty. It says nothing about the mandates. It has no application to anything but a future moratorium.

Unless there are some questions, Mr. President, I think that explains the difference between the amendments.

The VICE PRESIDENT. The question is on the amendment offered by the senior Senator from Nebraska on behalf of his colleague [Mr. HOWELL].

Mr. NORRIS. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). Repeating the same announcement as on the preceding vote, I have a general pair with the junior Senator from Nevada [Mr. ODDIE], who is unavoidably absent from the Chamber. I understand, however, that if he were present he would vote "nay." Therefore I am at liberty to vote, and I vote "nay."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. In his absence I withhold my vote.

Mr. GORE (when his name was called). I repeat my announcement that I am paired for the evening with the senior Senator from Virginia [Mr. SWANSON]. He left no statement as to how he would vote on this question. I withhold my vote.

Mr. NORRIS (when Mr. HOWELL's name was called). Repeating the announcement of the pair of my colleague, I desire to state that if he were present he would vote "yea."

Mr. MOSES (when Mr. KEYES's name was called). Repeating the announcement of the unavoidable absence of my colleague, I wish to say that if he were present he would vote "nay" on this proposition.

Mr. ROBINSON of Indiana (when his name was called). Again announcing my general pair with the junior Senator

from Mississippi [Mr. STEPHENS], and not knowing how he would vote on this question, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). On this question I am paired with the junior Senator from West Virginia [Mr. NEELY], who, if present, would vote "nay." If I were at liberty to vote, I should vote "yea."

Mr. TYDINGS (when his name was called). Making the same announcement as before, I vote "nay."

The roll call was concluded.

Mr. BARKLEY. My colleague [Mr. LOGAN] is necessarily absent from the Senate. I am not authorized to make any announcement as to how he would vote on this amendment.

Mr. FESS. I repeat the announcement in reference to the Senator from Colorado [Mr. WATERMAN], that if he were present he would vote "nay."

The result was announced—yeas 16, nays 63, as follows:

YEAS—16

Blaine	Costigan	Johnson	Nye
Brookhart	Cutting	La Follette	Schall
Bulow	Dill	Norbeck	Wagner
Copeland	Frazier	Norris	Wheeler

NAYS—63

Ashurst	Connally	Hayden	Shortridge
Austin	Coolidge	Hebert	Smith
Bailey	Dale	Hull	Smoot
Bankhead	Dickinson	Jones	Steiwer
Barbour	Fess	Kean	Thomas, Idaho
Barkley	Fletcher	Kendrick	Thomas, Okla.
Bingham	George	King	Townsend
Black	Glass	Lewis	Trammell
Borah	Glenn	McGill	Tydings
Bratton	Goldsborough	McKellar	Vandenberg
Broussard	Hale	McNary	Walcott
Bulkley	Harris	Morrison	Walsh, Mass.
Byrnes	Harrison	Moses	Walsh, Mont.
Capper	Hastings	Patterson	Watson
Caraway	Hatfield	Reed	White
Carey	Hawes	Sheppard	

NOT VOTING—16

Couzens	Keyes	Oddie	Shipstead
Davis	Logan	Pittman	Stephens
Gore	Metcalf	Robinson, Ark.	Swanson
Howell	Neely	Robinson, Ind.	Waterman

So the amendment offered by Mr. NORRIS for Mr. HOWELL was rejected.

Mr. JOHNSON. Mr. President, I offer the following amendment:

At the end of line 24, page 2, add the following:
"'Reparations,' as used in this section, means conditional and unconditional reparations."

I do that in order to make this joint resolution conform to what the President of the United States said it was.

I offer the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from California.

Mr. JOHNSON. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). I make the same announcement as on the previous roll call as to my pair with the junior Senator from Nevada [Mr. ODDIE]. I do not know how he would vote on this amendment, and therefore I withhold my vote.

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. In his absence I withhold my vote.

Mr. GORE (when his name was called). I withhold my vote on account of my previously announced pair with the senior Senator from Virginia [Mr. SWANSON].

Mr. NORRIS (when Mr. HOWELL's name was called). My colleague [Mr. HOWELL] is detained from the Senate on account of illness. He is paired with the senior Senator from Arkansas [Mr. ROBINSON]. If my colleague were present, he would vote "yea" on this question.

Mr. MOSES (when Mr. KEYES's name was called). Again announcing the unavoidable absence of my colleague [Mr. KEYES], I desire to say that if he were present he would vote "nay" on this proposal.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. TYDINGS (when his name was called). Making the same announcement as before, I vote "nay."

The roll call was concluded.

Mr. SHIPSTEAD. Making the same announcement as before, I withhold my vote. If I were at liberty to vote, I should vote "yea."

The result was announced—yeas 12, nays 66, as follows:

YEAS—12

Blaine	Cutting	Lewis	Norris
Brookhart	Frazier	McKellar	Nye
Bulow	Johnson	Norbeck	Schall

NAYS—66

Ashurst	Copeland	Hayden	Smoot
Austin	Costigan	Hebert	Steiwer
Bailey	Dale	Hull	Thomas, Idaho
Bankhead	Dickinson	Jones	Thomas, Okla.
Barbour	Dill	Kean	Townsend
Barkley	Fess	Kendrick	Trammell
Bingham	Fletcher	King	Tydings
Black	George	La Follette	Vandenberg
Borah	Glass	McGill	Wagner
Bratton	Glenn	McNary	Walcott
Broussard	Goldsborough	Morrison	Walsh, Mass.
Bulkley	Hale	Moses	Walsh, Mont.
Capper	Harris	Patterson	Watson
Caraway	Harrison	Reed	Wheeler
Carey	Hastings	Sheppard	White
Connally	Hatfield	Shortridge	
Coolidge	Hawes	Smith	

NOT VOTING—17

Byrnes	Keyes	Pittman	Swanson
Couzens	Logan	Robinson, Ark.	Waterman
Davis	Metcalf	Robinson, Ind.	
Gore	Neely	Shipstead	
Howell	Oddie	Stephens	

So Mr. JOHNSON's amendment was rejected.

Mr. JONES. Mr. President, I think I ought to advise the Senate that as soon as this matter is disposed of I propose to report from the Committee on Appropriations the concurrent resolution for adjournment.

Mr. NYE. Mr. President, I now move the adoption of the amendment which I sent to the desk earlier in the afternoon. I ask to have it read.

The VICE PRESIDENT. The amendment will be read.

The Chief Clerk read as follows:

On page 3, after line 15, insert the following:
"SEC. 6. *Be it further resolved*, That the Federal land banks be, and hereby are, authorized and ordered to enter into agreements with such borrowers from the said banks as desire such an opportunity to postpone the payment of any amount payable during the fiscal year beginning July 1, 1931, by such borrower to the said banks. Each such agreement shall provide for the payment of the postponed amounts, with interest and installments to be arranged on the same basis as are the interest and installment arrangements afforded in the agreements with those countries named in section 1 of this resolution. Where a postponement of payments by borrowers shall make it impossible for the land banks to meet their obligations to bondholders, the Treasury of the United States shall advance to the land banks such funds as may be required not exceeding the total amount of payments postponed."

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. NYE. I ask for the yeas and nays.

Mr. HARRISON. Mr. President, I expect to vote against this amendment, although I am very much in favor of some character of legislation at an early date that will give some relief to persons who are unable to meet their installment payments to Federal land banks. The House has already passed a bill that seeks to strengthen the land banks with a provision which the committee is now working upon to broaden that will assure that relief. It is because of that fact, and the fact, too, that such legislation attached to this proposal may delay or defeat both propositions. I am going to vote against the Senator's amendment.

Mr. NORRIS. Mr. President, the proposition of not favoring an amendment on one bill and favoring it on another one that is not here, is a proposition with which we have been familiar for some time.

It will be remembered that in the last Congress we had before us a farm bill, now known as the Federal farm marketing act. It was President Hoover's bill for the relief of suffering agriculture in the United States. When that bill was before the Senate I offered an amendment, and it was

agreed to by the Senate, providing for what is known as the debenture plan for the relief of agriculture.

The Senate agreed to the amendment. It went to the House of Representatives, where it was rejected. In conference the Senate conferees receded, and the argument made, not only in the debate but over the country and by the conferees, was that the proper place for that kind of an amendment was not on that particular bill; that we were going to have a tariff bill coming along pretty soon, and that the proper place for that kind of an amendment was on the tariff bill, because it dealt somewhat with the tariff.

I was one of the conferees. We battled over that for more than a week, and we were continually met with the argument, "This is not the right place for that amendment. We will get it when we get to the tariff bill. We are all anxious to relieve the farmer." Many of them said, "We are for this proposition. We are willing to suffer and die for the farmer, but we do not want to suffer and die on this bill. Save it for another one."

It finally went out. The tariff bill came along, and I offered the amendment again to the tariff bill, the Senate agreed to it again, and it went to conference, the House having rejected it. The amendment was rejected by the conference committee, and one of the arguments used was, "This is not the right place for that—on a tariff bill." Others had forgotten about their willingness to suffer and die for the benefit of the poor farmer, and the amendment was taken out of the tariff bill and passed out into the cold.

Now we have a proposition extending a moratorium to European nations which owe us money, and we even inaugurate it. We say to them, "You are hard up. Do not pay us now. Keep your money. Build some more ships with it. Equip a bigger army. Build up a couple of big navy vessels, each of you, and use this money which you owe us. We will wait."

Out over our country, through the South particularly, and through the West, farmers are losing their homes. They are harder up than the people in any European nation. Some of them have raised a crop, and those who have raised a crop can not sell it for any money. It is not worth anything. They can not pay their mortgages. They owe the money practically to the United States Government. It does not amount to nearly as much as the interest we are postponing now to foreign countries who owe us money.

It is proposed now that we treat the suffering farmers of the United States on the same basis on which we are going to treat our creditors over in Europe, and we are told, "This is not the place for a farmers' moratorium. This is not the bill on which we should give relief to the American farmer. We are now helping the farmers of Europe. We are now voting to give a moratorium to the European nations in order that they may build some more battleships. But do not try to help the American farmer. It is not the right time and this is not the proper place. Let him go."

It seems to me, Mr. President, that if there ever was an amendment which was applicable to the subject matter under consideration, this is that amendment, and God knows, and we know, that there are no people under our flag who are suffering as are our farmers. They have toiled, they have worked, they have sweat; their crops have been blasted, or, if they have raised crops, they are not able to get enough for them to pay the expenses of the production of the crops.

Many of them will have to be kept like those who are out of employment, by some instrumentality of charity. Some of them are now being kept that way. Many more will be in that condition before the cold winter's blasts will be past and spring shall come again.

It seems to me, Mr. President, that if we want to do justice to the farmers who owe us money, we should say to them, "We will give you a moratorium."

They are not like the European nations, many of which had the money to pay what they owed. My colleague stated on the floor of the Senate that one of them had actually paid what was due on the 15th of December, and that it was now in the hands of the Secretary of the United States, being held awaiting the action of Congress, and when that action is announced it will be returned.

Many of our farmers are pleading for a moratorium. I could fill the CONGRESSIONAL RECORD with letters and petitions asking for time. I see one of my friends from the southern part of the United States now honoring me with his attention. I have heard from his lips the story of suffering among the farmers in his State. I have heard such stories from Senators on this side. Foreclosures are being made to collect when it is known in advance the farmers can not pay. While we are postponing debts where the debtors can pay, we are refusing to postpone debts to our own people where they can not pay.

Throughout portions of the West the papers are filled with advertisements of sheriffs' sales, the filing of petitions in bankruptcy, the foreclosing of mortgages on the homes of American citizens. If we refuse to foreclose, they will not be able to build battleships; some of them will not even be able to live through the winter without help, and all without any fault of their own. They have not had money to squander for worse than useless things as these nations whose debts we propose to postpone have.

It strikes me that here is the opportunity, if we want to treat our farmers with the same liberality with which we treat our creditors across the water; this is the place, and now is the time to do it.

If this amendment is agreed to, some money will be required from the Treasury of the United States, perhaps, to pay the interest on the bonds which are to be issued; but that interest will not be a tithe in amount compared with the $250,000,000 which we are extending to foreign nations.

Mr. NYE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from North Dakota?

Mr. NORRIS. I yield.

Mr. NYE. I am driven to wonder whether the Senator from Nebraska has concluded that the chances of the farmers enjoying something under this joint resolution would be in any wise improved if they would pledge themselves to spend what they would be excused from paying immediately for battleships.

Mr. NORRIS. Mr. President, I referred a few minutes ago to the fact that these farmers have not lost their money, they are not in this condition of being unable to pay, because they have been building battleships or expending their money for useless purposes.

It is conceded that the very foundation of our civilization, agriculture, has been sick for more than 10 years. Some of it is decaying, and when the condition which confronts the civilized world shall have passed, when the leveling process takes place, as it will eventually, we will see then that millions of our farmers now owning homes, the heads of families, will become tenants. Their land will be owned by the millionaire class.

We have already gone so far toward the concentration of wealth within a few hands that, as shown by the returns of the Bureau of Internal Revenue, the net incomes of 504 men and women in the United States are practically equal to the total value of al' the wheat crop and all of the cotton crop produced in the United States in 1930. The gross income of the wheat farmer and the cotton farmer was just equal to the net income of 504 men and women.

Does not that teach us a lesson? Are we not reaching the point where the concentration of wealth in the hands of a few is going to crush the life out of the millions who do not have the wealth? Yet at the bottom of it all is the American farmer. He has been suffering longer than the business man, longer than the laboring man.

We told you 10 years ago that if you would not bring relief to the American farmer you could not expect the producers of our foods to remain in a condition where the cost of production is more than they could get for their products without eventually bringing down upon them, and with them, the entire structure of our civilization. That time has nearly

arrived. Men in all walks of life are now in the terrible throes of this awful depression. Now we have a chance to treat the American farmer on the same basis that we propose to treat the European nations—the American farmer who has not sinned, the American farmer who has not gotten into the condition in which he now finds himself on account of any fault of his own. All we ask is that he be treated as well as the European nation that is in the condition it is now because of its own extravagance, because of its own useless and wicked expenditures in preparation for another great war.

Mr. MORRISON. Mr. President, the fallacy of the Senator's argument seems to me to consist in the assumption that farmers owe the United States Government anything. The moratorium is a proposition to postpone debts due to the United States by the foreign countries named. I would concur in every word he uttered in support of the amendment if it were true that the farmers, in the depressed times in which we find ourselves, were indebted to the United States; but they are not so indebted and therefore I do not think his analogy can stand the test of reason.

We are proposing to do something for the farmers of the very character which the Senator so eloquently demands shall be done. The House of Representatives has already passed a bill and it is before the proper committee of this body, doing in an orderly and I think intelligent way, exactly what he demands shall be done.

Mr. FRAZIER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from North Carolina yield to the Senator from North Dakota?

Mr. MORRISON. I yield.

Mr. FRAZIER. I want to correct the statement of the Senator from North Carolina. The House passed a bill authorizing an appropriation of $100,000,000 for the Federal land and stock banks, but not for a moratorium.

Mr. MORRISON. I think the Senator is mistaken. The provision of the bill is not satisfactory to me, and I shall advocate an improvement in it with all the zeal I can command, but it does provide for increasing the capital of the farm land bank to double the amount with which it was first set up. It is further provided in the bill as follows:

> Each Federal land bank is authorized, when in the judgment of the directors conditions justify it, to extend, in whole or in part, any installment or installments upon any mortgage that may be unpaid, and to accept payment of such unpaid installment or installments during a period of five years or less thereafter, to be paid in equal amounts in addition to the regular installments to become due during such period.

That bill has passed the other House and is before this body. I think it ought to be amended by providing, "And for the purpose of carrying out this provision $25,000,000 is authorized to be used by the Treasury," because this bank is a bank and while the United States Government, under the leadership of the great Democratic President who last served us, provided the capital to authorize this bank and set up its machinery. It has its money back. It is a legal entity, and contracts with it are just as private as with any other private banking company in the Republic.

But on account of the distressed condition of the farmers and because they, as other classes, find themselves unable to finance themselves, the House of Representatives passed this measure doubling the capital of that bank, and under its provisions, if they can sell the bonds, they can find a billion dollars in new capital to loan the farmers of the country. The capital of the land banks ought not to be consumed or diminished by a moratorium, but the Government ought to provide a special fund, in my judgment and in the judgment of many other Senators, some of them members of the Banking and Currency Committee, that will enable them to grant these extensions or moratoriums to the farmers.

I think we are on the way to doing in full and splendid measure what the Senator from Nebraska demands. I hope that this great and beneficent movement, now in concrete form and before this body, will not be destroyed by a premature and, in my judgment, almost unprecedented effort to fix a banking bill touching the very foundation of this great land-bank system, the preservation and life of which is so important to agriculture in this country, by an amendment like this tacked onto a great patriotic movement on the part of this Nation to extend to the distressed nations indebted to it a postponement for a short while of their indebtedness to us. I think it would be an excrescence upon the pending measure which ought not to be placed there and which would not help the farmers and would not in any measure benefit anybody. I hope it will be voted down.

When the proper time comes, and it will soon, I would be willing to miss my Christmas dinner, to say nothing of a vacation, to have this House bill enacted into law with an amendment that would furnish the land banks the money with which to grant a moratorium to all distressed farmers who owe the banks money.

Mr. NORRIS. Mr. President, the Senator has answered his own argument. He says we must not put the moratorium on this measure because the moratorium is dealing with a bank, a legal entity, and then he reads a bill which offers the same moratorium through the instrumentality of that same legal entity. If we can not grant a moratorium on the pending resolution because we are dealing with a legal entity, then we can not grant a moratorium or compel a moratorium in the very bill that he recites and reads to us.

Mr. MORRISON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from North Carolina?

Mr. NORRIS. I yield.

Mr. MORRISON. The Senator seems to misunderstand my argument. I said that the farmers do not owe the money to the United States. They owe it to the bank, and if we want the bank to grant them a moratorium, we ought to give the bank the money with which to do it.

Mr. NORRIS. All right; and we propose in the amendment of the Senator from North Dakota to pay the interest that will become due on the land-bank loans or bonds that have been issued. That is done by this amendment. But it is just as bad to put this amendment on another bill as it would be on this measure. It strikes me, Mr. President, that when we are dealing with moratoriums we ought to finish with moratoriums. If we have a right to pass the bill to which the Senator has referred, then for the same reason we can adopt this amendment. If we can not do anything in the way of this farm land bank aid, then we will be unable to do it when his bill comes up. If that is correct, what a terrible catastrophe it would be, because the Senator from North Carolina would have lost his Christmas dinner. [Laughter.]

Mr. BARKLEY. Mr. President, I have no desire to detain the Senate long and shall not do so. I am in full sympathy with the purpose of the Senator from Nebraska [Mr. NORRIS] and the Senator from North Dakota [Mr. NYE] with reference to granting Federal aid to the land banks so they may in turn grant it to the farmer. I do not believe, however, it ought to be added on to this measure if we desire to do it. I am not certain that the language contained in the amendment would accomplish the purpose we might desire. Besides that, to-morrow a subcommittee of the Committee on Banking and Currency is to hold a meeting to act upon all these measures and especially the measure which has passed the House of Representatives dealing with the whole land-bank problem.

I have no doubt that whatever date we may set for our reassembling after the holidays the Committee on Banking and Currency will be ready to report a bill covering the whole situation to be dealt with on its merits and independently of any other measure, and for that reason I think it unwise to add this amendment to this particular measure and thereby possibly complicate not only the moratorium situation but the land-bank situation as well.

Mr. NORBECK. Mr. President, the amendment offered by the Senator from North Dakota [Mr. NYE] proposed to grant a moratorium to all farmers who were borrowers from the Federal farm loan banks. It is very general in its terms, and includes the whole United States. It is not limited to

the crop-failure areas. I shall vote against granting a moratorium to the European nations who are indebted to this country. I do this partly because I believe that a general moratorium is the beginning of the end. One request for extension will follow another one until the moral responsibility is lost. We are granting extensions to those who can pay and to those who can not pay. It is too broad.

This amendment should not be considered farm relief, for only a small part of the farmers are borrowers from the farm loan system—I think about 12 per cent; and out of those 12 per cent a majority are able to make their payments. The distress in my State, and other States in the Northwest, is general, on account of the worst crop failure since the settlement of the country, and it would be a splendid thing if moratoriums could be granted on payments due and about to become due. But I would not call it farm relief; the term is too broad.

Nothing is farm relief except a better price for all the farmer sells—a better exchange value for his commodities—in other words, something for his labor. This will not only bring prosperity on the farm but it will bring it to the industrial centers also. We are still at the wrong end. Additional credit schemes are only temporary help. The farmer has borrowed more than he is able to pay now.

It has been suggested that the bill which has passed the House, providing for additional capital for the farm-land banks, will in effect meet this situation of granting moratoriums. It does propose to grant extensions where they are necessary. So far, so good. I think this is sound in principle.

Mr. FRAZIER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from North Dakota?

Mr. NORBECK. I yield.

Mr. FRAZIER. In the moratorium there is nothing about ability to pay on the part of European governments.

Mr. NORBECK. But the Senator will not vote for this moratorium.

Mr. FRAZIER. No; and I am not going to vote for it unless we give the farmer the same relief that it is proposed to give to the European nations.

Mr. NORBECK. For the information of the Senate I will state that the bill which has passed the House carries a provision which was not in the bill when first drafted. This amendment is, in effect, an effort to place a double liability on the stockholder of the farm-loan bank. The farmer borrower is also the stockholder, for 5 per cent of his loan is retained by the farm-loan system, for which stock is issued. Now it is proposed to withhold the promised dividend until such a time as the surplus is equal to the capital. It is proposed to change the contract that he entered into, and change it without his consent. It proposes to put an additional burden upon him. If the House insists on this provision, the bill, to my mind, will be of limited value.

I do not like this amendment proposed by the Senator from North Dakota. It is not the best kind of a plan, but, in view of the uncertainty of securing moratoriums for those farmers who are unable to make their payments this year in the area where crops have failed, I shall support the amendment offered.

I would like it much better if the Senator from North Dakota would limit his amendment to the area where crops have failed, to those farmers who are unable to make their payments. Will not the Senator do it?

Mr. NYE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Dakota yield to the Senator from North Dakota?

Mr. NORBECK. Yes.

Mr. NYE. Would not the Senator be quite content if the amendment were changed to provide that this aid or this moratorium shall be granted to such borrowers as may request it?

Mr. NORBECK. No; almost all the borrowers will request it.

Mr. NYE. I do not think that is altogether fair, although it might be true to some extent. There are, however, farmers who are as thorough as is the most thorough business man, and they would welcome the opportunity that might be afforded them to reduce their own debts, if they could, rather than to carry on and take advantage of a moratorium.

Moreover, Mr. President, if we were going to limit the amendment to the drought area, at once there would be a never-ending squabble over the question of where that drought line began and where it ended. I do not see how the provision could be properly administered with such a restriction.

Mr. NORBECK. The Senator must realize that there is a penalty connected with a plan of this kind. When we grant moratoriums we have started something. Here is a farm-loan system that is functioning to some extent; it is helping thousands of farmers. I do not like to break it down, even though one can make a very good defense for a movement of that kind, as he can for a good many things in times like these.

Mr. BROOKHART. Mr. President, may I ask the Senator from South Dakota a question?

Mr. NORBECK. Certainly.

Mr. BROOKHART. I do not understand, Mr. President, that the amendment of the Senator from North Dakota is pending before the Banking and Currency Committee. I have attended every meeting of that committee, and I think both the Senator from Mississippi [Mr. HARRISON] and the Senator from Kentucky [Mr. BARKLEY] are mistaken in claiming that we are considering that proposition at all. The proposition we have before the Banking and Currency Committee is one to raise $2,000,000,000 to help the railroads, the banks, the insurance companies, and institutions of that kind. There is not a thing before it designed to help the farmers.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Kentucky?

Mr. BROOKHART. I yield.

Mr. BARKLEY. The Senator from Iowa certainly knows that there is a subcommittee of the Banking and Currency Committee dealing with the whole farm-loan bank situation; that the bill which passed the House the other day has been referred to the Banking and Currency Committee and is one of the bills to be considered to-morrow by the subcommittee on the Banking and Currency Committee which has been appointed for that purpose.

Mr. BROOKHART. Yes, sir; but that is the bill to which the Senator from North Carolina [Mr. MORRISON] referred and that is a different proposition.

Mr. BARKLEY. Yes——

Mr. BROOKHART. It is different from the amendment of the Senator from North Dakota [Mr. NYE].

Mr. BARKLEY. There is no contention here that the amendment in the form of a bill which has been submitted by the Senator from North Dakota is now pending before the Banking and Currency Committee, because no such bill has been introduced in those terms, but the subcommittee is dealing with the whole question. I am a member of that subcommittee, and, after conference, I think that to-morrow the subcommittee will report favorably upon legislation dealing with this problem, and adequately dealing with it.

Mr. BROOKHART. Will the subcommittee report the proposition we are now considering, namely, the amendment of the Senator from North Dakota?

Mr. BARKLEY. I have no authority to bind the members of the committee by anything I might say, but, if the proposition is submitted to that subcommittee, I can assure the Senator it will be given careful consideration.

Mr. BROOKHART. I do not think that proposition is at all involved in the measures submitted to the consideration of the committee.

Mr. CAREY. Mr. President, as chairman of the subcommittee dealing with the farm-loan banks, I should like to say that the question of moratoriums will be considered in connection with the bill that is now pending before that committee. If the Senator from Iowa will read the House bill, he will find that that bill provides for a kind of mora-

torium. I hope that we may be able to work out something better; something that will help the farm-loan banks and will also give relief to the farmers.

Mr. BROOKHART. There are different kinds of moratoriums. The pending amendment provides for a real one and for a method of carrying it out.

Mr. CAREY. I want to say to the Senator that I hope we can provide relief for the farmers and at the same time not break down the farm-loan banks.

Mr. BLAINE. Mr. President, will the Senator yield to me for a question?

The PRESIDENT pro tempore. The Chair understands that the Senator from Wyoming has yielded the floor.

Mr. BLAINE. As I understand, the bill before the subcommittee is a bill providing a hundred million dollars; it relates only to the Federal land banks, and can not embrace any other farmers than those who have come under the Federal land banks. That only involves about one-eighth or one-ninth of all the farmers of the country. What does the subcommittee propose to do with the farmers not included in the bill who are in the same distress?

Mr. CAREY. I do not believe that we have any jurisdiction or any right to grant moratoriums in the case of loans made by private banks. I am only referring to the farm-loan banks.

Mr. BLAINE. Let me ask the Senator another question. It has been stated that the subcommittee was going to deal with the whole question of the extension of credit to farmers. I should like to inquire whether or not the subcommittee is going to consider only those farmers who are included within the Federal land-bank system, or is the committee going to give consideration to all the farmers of the country who are situated likewise?

Mr. CAREY. My thought was that, considering the emergency, we should first act upon the measure providing for additional capital for the farm-loan banks, taking care of a moratorium for the borrowers from such banks. Later on I hope the committee can make a thorough investigation of farm credits and perhaps report legislation that will bring about the necessary relief.

Mr. BLAINE. If the Senator will permit me further, the present emergency affects all the farmers of the country equally with those farmers within the Federal land banks. Why grant a special privilege to a very small portion of the farmers because of an emergency that affects identically the same all the farmers of the country?

Mr. CAREY. I feel that we should first dispose of this measure, which will not take so much time or so much study, and then take time to make a thorough study of the entire subject. I do not think we can work that all out within the few days before Congress shall again convene. I hope, however, to have this measure in a condition to be reported to the Senate immediately on the reconvening of Congress.

Mr. MORRISON. Mr. President, I merely want to say that, if the farm loan bank bill which has been passed by the House could be enacted into law and farm-loan bonds could be reestablished in public confidence and sold, about a billion dollars of new money would be provided for farmers who are not now in debt to the farm banks but who could get the money which, at least in many sections of the country, they can not get elsewhere.

Mr. SMITH. Mr. President, before the vote is taken I want to make a statement. The bill that has been passed by the House of Representatives has incorporated in it the principle of bills which have been introduced in preceding Congresses, including a bill introduced in the first session of the last Congress. It embodies a principle that several of us have been endeavoring to have incorporated into the law. It was not as liberal as we had hoped it might be, but since the bill has passed the House and come over to the Senate, I have reason to believe that certain amendments will be placed on it that will make it meet as nearly as possible the necessities of the case. I do not think that that proposed legislation should be restricted, as it would be of necessity, in view of the conditions if we were called upon to vote on it at this time.

I do not believe there is a Senator on this floor but who feels the absolute necessity of enacting some legislation looking to the relief of the inexpressibly frightful condition of the farmers of this country. When that bill will come before this body I sincerely hope that every Senator will give it the support which it deserves. At that time we shall not be limited to the few minutes which are now available to us to discuss such an important question.

I do not want to be put in the attitude of voting against a principle for which I have worked so hard and which I believe to be so necessary; and I desire it to be thoroughly understood that in voting against this amendment, as I shall vote against it, in no manner is my vote an indication that I am indifferent to the frightful condition of the farmers of this country. I shall give all the time and attention that is necessary to the consideration of the bill to which the Senator from North Carolina has referred.

I say this much in explanation of the vote I shall cast. I do not think that the moratorium or any other measure that may come before this Congress is comparable in importance to legislation designed to ameliorate the distressed condition of the farmers and to provide also against an absolute breakdown of the financial system that has obtained until the present time. Despite the untold millions that we have at our command, we have not yet formulated any law by which people can be employed and the wealth of the country equitably distributed. With millions upon millions of people hungry and starving and a surplus of food, naked and a surplus of clothing, we sit down here and say that we must not violate the law or precedents, that we must hold on to that which has submerged our civilization and ruined us economically. We are to-day penalizing thrift. We are saying to our people the only way you can get along is to cease production; we have too much and must restrict production, while millions are hungry, naked, and starving.

If we can do no better, let us palliate the condition for the time being and then go to the roots of this matter and see if our financial and monetary system is not to blame for these periodic crises that come.

We have solved the problem of transportation. We have solved the problem of communication. We are rapidly driving disease from the country, and yet we have not statesmanship enough or men of capacity enough to solve the problem of an equitable distribution of the marvelous abundance of wealth with which Providence has blessed us.

That is the problem that confronts Congress and confronts the American people—not to relieve a handful of farmers here and there, but to bring back the hope of reward for industry, giving to those who produce the wealth of this country the right and opportunity to share the wealth that they produce, and not make them peons on the domain of a favored few.

It is a big problem, and one to which we ought to address ourselves. Instead of calling the great magnates of wealth before our committees we ought to call in the yeomanry of this country and the men who work in the factories and hear the men who are suffering under this horrible condition. We are filling our committees with the very men who are responsible for this horrible condition, and asking the perpetrators of it to suggest to us a remedy.

No, Mr. President! The time has come for us to meet this condition. It is brand-new. We are in a new world. We have no precedent. I am having tabulated now the actual money that is needed to carry on our moving-picture industry, our radio industry, and our automobile industry. Those are brand-new to the world; and, according to the advance sheets already rendered, it will take double the currency, the actual cash in this country, to carry on those industries and leave nothing but a mere basis of credit for the great fundamental industries of this country!

It is time for some of us to take a broader and profounder view of this calamity that has overtaken civilization in the midst of the greatest facilities for production in farm, field, and factory that civilization ever knew.

Mr. FRAZIER. Mr. President, I agree with what the Senator from South Carolina [Mr. SMITH] has said with

regard to the condition of the farmer, that something must be done to help him; but it seems to me we are making a mighty poor start here to-night.

This amendment to give the farmers a moratorium for their debts—part of them, at least—undoubtedly will be voted down. We undoubtedly will vote by a big majority to give the European nations a moratorium of $250,000,000 that some of them at least do not need, and to help the international bankers of Wall Street. That is what this joint resolution is being put across for, and it will be of no benefit to the farmers of this country, either. It will put upon the farmers as well as the other taxpayers of this country the burden of paying the $250,000,000 that are set aside by this moratorium that will be passed here to-night.

Mr. President, I think it is high time that the farmers of this country who produce the wealth of the Nation, who produce the food products to feed the Nation, should be given some attention.

The farmers of the South need a moratorium as much as the farmers of the Middle West and West and Northwest. Oh, yes; they are broke down there, just as they are in every other part of the United States. They are broke right here in the East, too. The farmers are broke and going out of business by the wholesale because they can not sell their products for the cost of production. They can not get money with which to pay their debts.

Here the United States Congress, who are responsible, if you please, for the farmer's condition to-day—yes, they are—are voting for a moratorium on war debts to the amount of $250,000,000 and denying the farmers, under this joint resolution, the right to the same privilege of a moratorium for a year.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from North Dakota [Mr. NYE]. On this question the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). Making the same announcement as on the preceding roll call, I have a general pair with the junior Senator from Nevada [Mr. ODDIE], who is unavoidably absent. Because I do not know how he would vote upon this amendment, I will withhold my vote. If at liberty to vote, I should vote "nay."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. In his absence I withhold my vote.

Mr. GORE (when his name was called). I again announce my pair with the senior Senator from Virginia [Mr. SWANSON], and withhold my vote.

Mr. NORRIS (when Mr. HOWELL's name was called). Again I desire to announce that my colleague [Mr. HOWELL] is absent on account of illness. He is paired with the Senator from Arkansas [Mr. ROBINSON]. If my colleague were present, on this question he would vote "yea."

Mr. FESS (when Mr. KEYES's name was called). The junior Senator from New Hampshire [Mr. KEYES] is unavoidably detained from the Senate. Were he present, he would vote "nay."

Mr. ROBINSON of Indiana (when his name was called). Repeating the announcement of my general pair with the junior Senator from Mississippi [Mr. STEPHENS], I withhold my vote.

Mr. SHIPSTEAD (when his name was called). I am paired with the Senator from West Virginia [Mr. NEELY]. If present, he would vote "nay." If I were at liberty to vote, I should vote "yea."

Mr. TYDINGS (when his name was called). Making the same announcement as on the preceding roll call, I vote "nay."

The roll call having been concluded, the result was announced—yeas 15, nays 60, as follows:

YEAS—15

Black	Costigan	McGill	Nye
Blaine	Frazier	McKellar	Schall
Brookhart	Harris	Norbeck	Thomas, Okla.
Bulow	Johnson	Norris	

NAYS—60

Ashurst	Coolidge	Hawes	Shortridge
Austin	Copeland	Hayden	Smith
Bailey	Dale	Hebert	Smoot
Bankhead	Dickinson	Hull	Steiwer
Barbour	Dill	Jones	Thomas, Idaho
Barkley	Fess	Kean	Townsend
Bingham	Fletcher	Kendrick	Trammell
Borah	George	King	Tydings
Bratton	Glass	Lewis	Vandenberg
Broussard	Glenn	McNary	Wagner
Bulkley	Goldsborough	Morrison	Walcott
Capper	Hale	Moses	Walsh, Mass.
Caraway	Harrison	Patterson	Walsh, Mont.
Carey	Hastings	Reed	Watson
Connally	Hatfield	Sheppard	White

NOT VOTING—20

Byrnes	Howell	Neely	Shipstead
Couzens	Keyes	Oddie	Stephens
Cutting	La Follette	Pittman	Swanson
Davis	Logan	Robinson, Ark.	Waterman
Gore	Metcalf	Robinson, Ind.	Wheeler

So Mr. NYE's amendment was rejected.

Mr. SHIPSTEAD. Mr. President, I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 3, after line 15, it is proposed to insert a new paragraph to read as follows:

It is hereby declared to be the sense of the Congress of the United States, in the light of documentary evidence accumulating since 1919, that the Government of the United States ought to take such steps as will make it clear that it no longer will permit itself to be regarded even by implication under the terms of the treaty of Berlin of June, 1921, as acquiescing in the formal charge made in article 231 of the treaty of Versailles to the effect that Germany alone was responsible for the war terminated by those treaties.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. SHIPSTEAD. On that I ask for the yeas and nays.

The PRESIDENT pro tempore. On this question the yeas and nays are demanded. Is the demand sufficiently seconded? [After a pause.] Apparently, it is not sufficiently seconded.

Mr. NORRIS. Mr. President, I suggest to the Chair that quite a number of hands went up after the Chair's vision, as it seemed to me, had passed by and gone to the other side. I hope the Chair will put the request again.

The PRESIDENT pro tempore. Very well; the Chair will state the question again.

On this question the yeas and nays are demanded. Is the demand sufficiently seconded?

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). Making the same announcement as on the preceding vote of my pair with the junior Senator from Nevada [Mr. ODDIE], I withhold my vote. If permitted to vote, I would vote "nay."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN], and in his absence I withhold my vote.

Mr. GORE (when his name was called). I repeat the announcement previously made with regard to my pair with the senior Senator from Virginia [Mr. SWANSON].

Mr. NORRIS (when Mr. HOWELL's name was called). Repeating my announcement in regard to my colleague's illness and pair, I desire to state that if he were present, on this question he would vote "yea."

Mr. FESS (when Mr. KEYES's name was called). Repeating the announcement of the unavoidable absence from the Chamber of the junior Senator from New Hampshire [Mr. KEYES], I desire to state that if he were present he would vote "nay."

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as before, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). On this vote I am paired with the junior Senator from West Virginia [Mr. NEELY], and withhold my vote. If permitted to vote, I would vote "yea."

Mr. TYDINGS (when his name was called). Making the same announcement as before, I vote "nay."

Mr. FESS (when Mr. WATERMAN'S name was called). I again announce the necessary absence of the Senator from Colorado [Mr. WATERMAN].

The roll call was concluded.

The result was announced—yeas 10, nays 64, as follows:

YEAS—10

Blaine	Frazier	Norris	Wheeler
Brookhart	Johnson	Nye	
Bulow	La Follette	Schall	

NAYS—64

Ashurst	Coolidge	Hawes	Sheppard
Austin	Costigan	Hayden	Shortridge
Bailey	Dale	Hebert	Smith
Bankhead	Dickinson	Hull	Smoot
Barbour	Dill	Jones	Steiwer
Barkley	Fess	Kean	Thomas, Idaho
Bingham	Fletcher	Kendrick	Thomas, Okla.
Black	George	King	Townsend
Borah	Glass	Lewis	Trammell
Bratton	Glenn	McGill	Tydings
Broussard	Goldsborough	McKellar	Vandenberg
Bulkley	Hale	McNary	Walcott
Capper	Harris	Morrison	Walsh, Mass.
Caraway	Harrison	Moses	Walsh, Mont.
Carey	Hastings	Patterson	Watson
Connally	Hatfield	Reed	White

NOT VOTING—20

Byrnes	Gore	Neely	Shipstead
Copeland	Howell	Oddie	Stephens
Couzens	Keyes	Pittman	Swanson
Cutting	Logan	Robinson, Ark.	Wagner
Davis	Metcalf	Robinson, Ind.	Waterman

So Mr. SHIPSTEAD'S amendment was rejected.

The PRESIDENT pro tempore. The joint resolution is still on its second reading and open to amendment.

Mr. GORE. Mr. President, I think there is an amendment printed and lying on the table.

The PRESIDENT pro tempore. It has not been formally offered. Does the Senator from Oklahoma offer the amendment?

Mr. GORE. Yes; I offer it.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 2, line 1, after the word "payment," insert the words "80 per cent"; and on the same page, at the end of line 7, strike out the period and add a colon and the words "*Provided*, That the partial payment herein required shall be held as a special fund to be used for the relief of the unemployed."

Mr. GORE. Mr. President, the attitude of the Senate is perfectly obvious and I shall not detain Senators by speaking on the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was rejected.

The PRESIDENT pro tempore. The joint resolution is on its second reading and still open to amendment. If there is no further amendment to be proposed, the question is, Shall the joint resolution be read a third time?

The joint resolution was read a third time.

The PRESIDENT pro tempore. The joint resolution having been read three times, the question is, Shall the joint resolution pass?

Mr. JOHNSON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). Again announcing my general pair with the junior Senator from Nevada [Mr. ODDIE], who is unavoidably absent, I am advised that if he were present he would vote "yea," and being permitted to vote, I vote "yea."

Mr. McNARY (when Mr. COUZENS'S name was called). The senior Senator from Michigan [Mr. COUZENS] is necessarily absent. He is unable to find a pair, but if he were present he would vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. If he were present, he would vote "yea." Therefore I am permitted to vote. I vote "yea."

Mr. GORE (when his name was called). On this question I have a pair with the senior Senator from Virginia [Mr. SWANSON]. If he were present, he would vote "yea," and if I were permitted to vote, I would vote "nay."

Mr. NORRIS (when Mr. HOWELL'S name was called). I again announce that my colleague [Mr. HOWELL] is absent from the Chamber on account of illness. He is paired with the senior Senator from Arkansas [Mr. ROBINSON]. If my colleague were present, he would vote "nay." If the senior Senator from Arkansas [Mr. ROBINSON] were present and permitted to vote, he would vote "yea."

Mr. FESS (when Mr. KEYES'S name was called). The junior Senator from New Hampshire is necessarily detained from the Chamber. If he were present, he would vote "yea."

Mr. ROBINSON of Indiana (when his name was called). As previously announced, I have a general pair with the junior Senator from Mississippi [Mr. STEPHENS]. I am informed that if he were present, on this question he would vote the same as I expect to vote. I am therefore free to vote. I vote "yea."

Mr. SHIPSTEAD (when his name was called). On this question I am paired with the junior Senator from West Virginia [Mr. NEELY]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay."

Mr. TYDINGS (when his name was called). Making the same announcement as before with reference to my pair with the Senator from Rhode Island [Mr. METCALF], I vote "yea."

Mr. FESS (when Mr. WATERMAN'S name was called). The senior Senator from Colorado [Mr. WATERMAN] is unavoidably detained from the Senate. Were he present, he would vote "yea."

The roll call was concluded.

Mr. HARRISON. My colleague the junior Senator from Mississippi [Mr. STEPHENS], as has been stated, is necessarily absent because of illness. If he were present, he would vote "yea."

The result was announced—yeas 69, nays 12, as follows:

YEAS—69

Ashurst	Copeland	Hayden	Smith
Austin	Costigan	Hebert	Smoot
Bailey	Cutting	Hull	Steiwer
Bankhead	Dale	Jones	Thomas, Idaho
Barbour	Davis	Kean	Townsend
Barkley	Dickinson	Kendrick	Trammell
Bingham	Fess	King	Tydings
Black	Fletcher	La Follette	Vandenberg
Blaine	George	Lewis	Wagner
Borah	Glass	McGill	Walcott
Bratton	Glenn	McNary	Walsh, Mass.
Brookhart	Goldsborough	Morrison	Walsh, Mont.
Broussard	Hale	Moses	Watson
Bulkley	Harris	Patterson	Wheeler
Byrnes	Harrison	Reed	White
Capper	Hastings	Robinson, Ind.	
Carey	Hatfield	Sheppard	
Coolidge	Hawes	Shortridge	

NAYS—12

Bulow	Dill	McKellar	Nye
Caraway	Frazier	Norbeck	Schall
Connally	Johnson	Norris	Thomas, Okla.

NOT VOTING—14

Couzens	Logan	Pittman	Swanson
Gore	Metcalf	Robinson, Ark.	Waterman
Howell	Neely	Shipstead	
Keyes	Oddie	Stephens	

So the joint resolution was passed.

PUBLIC CONSTRUCTION DURING THE EMERGENCY

Mr. LA FOLLETTE. Mr. President, out of order, I ask unanimous consent to introduce a bill to be referred to the Committee on Education and Labor; and I ask also that it may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received, referred, and printed in the RECORD.

The bill (S. 2419) to accelerate public construction during the present emergency, to provide employment, to create the Administration of Public Works, to provide for the more effective coordination and correlation of the public-works activities of the Government, and for other purposes, was

read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

S. 2419

A bill to accelerate public construction during the present emergency, to provide employment, to create the Administration of Public Works, to provide for the more effective coordination and correlation of the public-works activities of the Government, and for other purposes

Be it enacted, etc., That it is hereby declared to be the policy of the Congress to provide for the more effective conduct and administration of Federal public-works activities; that, during the period of emergency hereby recognized to exist, public-works expenditures should be largely expanded in order to stimulate production and business activity and to alleviate unemployment; and that in pursuance of this policy it is the desire of Congress that the expenditure of the emergency funds made available by this act shall be governed, in the discretion of the Administrator of Public Works, provided for in section 2, by the following considerations:

(1) Facility with which projects may be gotten under way at the earliest possible date.

(2) Amount of labor that will be employed, directly or indirectly.

(3) Number and diversity of the industries which will be affected, directly or indirectly, by said projects.

(4) Value of the projects to the economic and social welfare of the country.

(5) Economical administration of the work.

ADMINISTRATION OF PUBLIC WORKS

SEC. 2. (a) There is hereby established at the seat of Government an Administration of Public Works, under the direction of the Administrator of Public Works. The Administrator of Public Works shall be appointed by the President, by and with the advice and consent of the Senate. He shall receive a salary at the rate of $15,000 per annum, and his term and tenure of office shall be like that of the heads of the executive departments.

(b) The administrator—

(1) Shall maintain the principal office of the Administration of Public Works in the District of Columbia, and such other offices in the United States as in his judgment are necessary.

(2) Shall cause a seal of office to be made for the Administration of Public Works, of such device as the President shall approve, and judicial notice shall be taken thereof.

(3) Shall make such rules and regulations as may be necessary to carry out the provisions of this act.

(4) Shall make annually, at the close of each fiscal year, a report in writing to Congress giving an account of all moneys received and disbursed by him and the Administration of Public Works, describing the work done by the Administration of Public Works, and making such recommendations as he shall deem necessary. He shall also make from time to time such special investigation and reports as may be required of him by the President or either House of Congress, or as he himself may deem necessary and urgent.

(5) May appoint and fix the compensation of such assistant administrators and technical and scientific experts, and, subject to the provisions of the civil service laws, may appoint and, in accordance with the classification act of 1923, as amended, fix the compensation of such other officers and employees as are necessary to execute the functions vested by this act in the administrator or the Administration of Public Works.

(6) May make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, for law books, periodicals and books of reference, and for printing and binding) as are necessary to execute the functions vested in the administrator or in the Administration of Public Works. Such expenditures shall be allowed and paid upon the presentation of itemized vouchers therefor approved by the administrator.

SEC. 3. (a) All authority, powers, and duties conferred and imposed by law on the Secretary of War and the Chief of Engineers of the United States Army relating to the improvement of rivers and harbors; the protection and preservation of navigable waters, including the establishment of harbor lines and anchorage grounds; the issuance and enforcement of regulations for the use, administration, and navigation of navigable waters; the issuance of permits for the construction, alteration, maintenance, and operation of bridges over navigable waters and other structures or works in navigable waters; the removal of wrecks and other obstructions to navigation; the supervision of the harbor of New York and adjacent waters to prevent obstructive and injurious deposits; the preservation of Niagara Falls; the construction, maintenance, operation, and repair of public buildings, monuments, memorials, roads, and bridges; the maintenance of public parks and grounds; and all other public works requiring engineering or architectural skill in their execution, except such as are for the exclusive use of the Military Establishment in providing for the national defense, are hereby transferred to and shall be held, exercised, and performed by the administrator in the same manner as if he had been directly named in the laws conferring or imposing such authority, powers, and duties.

(b) The following-named officers, commissions, boards, and branches of the public service now under the jurisdiction of the Department of War, and all that pertains to the same, except such instrumentalities as are exclusively or chiefly employed in the construction of fortifications and other works primarily and directly connected with the national defense, are hereby transferred from the Department of War to the Administration of Public Works: The Board of Engineers for Rivers and Harbors, the Board of Engineers of New York City, the Office of the Supervisor of the Harbor of New York, the United States Engineer Offices, the Mississippi River Commission, the California Débris Commission, the Board of Road Commissioners for Alaska, the Alaska Telegraph and Cable System, Northern and Northwestern Lake Survey, municipal functions pertaining to the District of Columbia, and all other agencies and instrumentalities under the jurisdiction of the Department of War which are principally employed in the supervision or prosecution of engineering works or other public works of a nonmilitary character. All officers of the United States Army and/or Navy detailed on the date of the enactment of this act to nonmilitary and/or nonnaval duties having to do with river and harbor improvements, the Mississippi River Commission, and all other instrumentalities and functions placed under the jurisdiction of the Administrator of Public Works by the provisions of this act shall be detailed by the Secretary of War or the Secretary of the Navy to continue on such duties under the Administration of Public Works for such period, not exceeding two years, as the administrator may find necessary to make gradual transfer of such functions and instrumentalities to the Administrator of Public Works without detriment to the public interest. For the purpose of giving to the officers of the United States Army and/or Navy the broadest possible experience in engineering work, such officers may, with the consent and approval of the Administrator of Public Works, be detailed by the Secretary of War and/or the Secretary of the Navy, to temporary duty in the Administration of Public Works, and they shall be assigned by the administrator to such duties as he shall, after consultation with the Secretary of War and/or the Secretary of the Navy, deem best adapted to the purposes of such detail; and all such officers shall retain their military or naval rank and succession, and receive the compensation, commutation, and emoluments provided by law in the case of officers of the same rank not detached from the regular service.

(c) The Reclamation Service, and all that pertains to the same, is hereby transferred from the Interior Department to the Administration of Public Works.

(d) The Office of the Supervising Architect, and all that pertains to the same, is hereby transferred from the Department of the Treasury to the Administration of Public Works.

(e) The Bureau of Public Roads, and all that pertains to the same, is hereby transferred from the Department of Agriculture to the Administration of Public Works.

SEC. 4. For the purposes of this act—

(1) All the officers and employees employed in or under the jurisdiction of any bureau, office, or branch of the public service which is by this act transferred to or included in the Administration of Public Works, or employed in the exercise of any function so transferred, are hereby transferred to the Administration of Public Works without change in classification or compensation.

(2) All the official records and papers on file in and pertaining to the business of any such bureau, office, or branch of the public service, or pertaining to the exercise of any such function, are hereby transferred to the Administration of Public Works.

(3) All unexpended appropriations which are available at the time this act takes effect in relation to any such bureau, office, or branch of the public service, or in relation to any such function, shall be available for expenditure in and by the Administrator of Public Works, and shall be treated as if such bureau, office, or branch of the public service, or such function, had been directly named in the laws making such appropriations as part of or exercised by the Administration of Public Works, under the direction of the administrator.

(4) All laws prescribing the work and defining the functions of any such bureau, office, or branch of the public service shall, so far as the same are not in conflict with or modified by the provisions of this act, remain in full force and effect until otherwise provided by law.

(5) All authority, powers, and duties now held, exercised, and performed by the head of any executive department in and over any bureau, office, officer, or branch of the public service, or in respect of any function transferred to the Administration of Public Works under this act, or in or over any business arising therefrom or pertaining thereto, or in relation to the duties performed by or the authority conferred by law upon such bureau, office, officer, or branch of the public service, whether of an appellate or revisory character or otherwise, shall be vested in and exercised and performed by the administrator.

(6) All contracts or agreements lawfully entered into before this act takes effect, by any such bureau, office, officer, or branch of the public service, shall be assumed and carried out by the administrator.

(7) All orders, rules, regulations, and privileges which have been issued or granted by any such bureau, office, officer, or branch of the public service, shall continue in effect as if this act had not been enacted, until modified, superseded, or repealed by the administrator.

(8) The administrator shall have charge, in the buildings and premises occupied by or assigned to the Administration of Public Works, of the library, furniture, fixtures, records, and other property pertaining to it or hereafter acquired for use in its business. Until other quarters are provided, the Administration of Public

Works may occupy any buildings or premises now occupied by any bureau, office, or branch of the public service which is by this act transferred to or included in the Administration of Public Works.

SEC. 5. The Administrator of Public Works is hereby given power and authority to make, subject to the approval of the President, such changes in the organization of the bureaus, offices, or other branches of the public service by this act transferred to or included in the Administration of Public Works as may be essential to economical and effective administration, and he is hereby authorized and empowered to reorganize or consolidate, with the approval of the President, any of the bureaus, offices, or other branches of the public service under his jurisdiction, and to set up such divisions, offices, and districts as may be required to carry out the provisions of this act.

SEC. 6. It is hereby declared to be the intent of Congress that the Administration of Public Works shall aid, so far as practicable, in coordinating the work of other Federal construction agencies. To that end any specified engineering, architectural, or construction project authorized to be prosecuted by and under the direction of any governmental agency other than those included in the Administration of Public Works may, by Executive order, be transferred to the Administration of Public Works, and shall thereupon be prosecuted by it, and reimbursement shall be made therefor by transfer of appropriated moneys in the manner provided by law, except that the Administration of Public Works shall design and construct such public works in conformity with the requirements of the agencies which the Administration of Public Works may be serving.

EMERGENCY CONSTRUCTION PROGRAM

SEC. 7. To meet the emergency hereby recognized to exist, there is hereby authorized to be appropriated the sum of $5,500,000,000, to be immediately available for expenditure by the Administrator of Public Works in the manner hereinafter provided.

SEC. 8. In carrying out the emergency construction program the administrator—

1. May appoint advisory boards and committees to advise and confer with him. No salary shall be paid to board or committee members, but when attending meetings or engaged in other activities at the request of the administrator they shall be allowed necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government.

2. May hold hearings and require, by subpœna, the attendance and testimony of witnesses and the production of books, papers, and documents and may administer oaths. In case of disobedience to any subpœna the administrator may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of books, papers, and documents.

(3) Shall submit monthly to the President and to the Senate and House of Representatives (or the Secretary of the Senate or the Clerk of the House of Representatives if those bodies are not in session) a full and detailed report of the emergency activities and expenditures of the Administration of Public Works, together with a statement showing the condition of the funds administered by him. Such reports shall, when submitted, be printed as public documents.

SEC. 9. The administrator is authorized to deduct from any appropriation made pursuant to the authorization contained in this act so much thereof as he deems necessary for the expenses of the Administration of Public Works in carrying out the emergency provisions of this act. The remainder of any such appropriation shall be available for expenditure for the purposes hereinafter set forth, upon allocation by the administrator in accordance with and in furtherance of the policy set forth in section 1 of this act, so far as the administrator deems feasible.

SEC. 10. In addition to the regular appropriations for the public works hereinafter specified the administrator may expend for such public works a total of not to exceed $650,000,000 of the amount authorized in section 7, as follows:

(1) For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore and hereafter authorized as may be most desirable in the interest of commerce and navigation, and for the prosecution of flood-control projects heretofore or hereafter authorized, not to exceed $200,000,000;

(2) For carrying into effect the provisions of the public buildings act approved May 25, 1926, as now or hereafter amended and supplemented, in respect of public buildings within and without the District of Columbia, not to exceed $275,000,000;

(3) For the construction and reconstruction of forest roads and trails, not to exceed $50,000,000.

(4) For the prosecution of irrigation, drainage, and reclamation projects heretofore or hereafter approved in accordance with law, not to exceed $25,000,000.

(5) For repair and remodeling of existing buildings and structures, and for miscellaneous Federal public works, in the discretion of the President, not to exceed $100,000,000.

SEC. 11. In addition to the regular appropriations for Federal-aid highways, the administrator may allocate an additional $1,000,000,000 of the amount authorized in section 7 for the construction and reconstruction of highways in the manner hereinafter provided, which shall be available for expenditure upon highway projects approved by the administrator, as follows:

(a) Not to exceed $500,000,000 of such amount shall from time to time be apportioned by the administrator among the several States in the manner provided by section 21 of the Federal highway act, as amended and supplemented, and shall be available for expenditure in the same manner, so far as practicable, as other funds appropriated for carrying out the provisions of the Federal highway act, with the following exceptions:

(1) The limitation of payments permitted by said act shall be increased to $50,000 per mile, exclusive of the cost of bridges of more than 20 feet clear span.

(2) Any amounts apportioned to any State not claimed by such State shall be available for payment to States who are able to proceed with construction over and above their apportionment.

(3) Such funds may be used as a temporary advance to meet the requirements of such act as to State funds, to be reimbursed to the Federal Government over a period of five years, commencing with the fiscal year beginning next after the termination of the emergency, by making deductions from regular apportionments made from future authorizations for carrying out the provisions of such act.

(b) Not to exceed $150,000,000 of such amount shall be available for meeting 50 per cent of the cost to the several States and their civil subdivisions of highway-bridge construction, without regard to the provisions of the Federal highway act limiting the expenditures of Federal funds to bridges outside certain municipalities.

(c) Not to exceed $250,000,000 of such amount shall be available for meeting 50 per cent of the cost to the several States and their civil subdivisions of elimination of railroad grade crossings.

(d) Not to exceed $100,000,000 of such amount shall be available for meeting 50 per cent of the cost to the several States and their civil subdivisions of elimination of highway grade crossings and construction of by-pass roads.

SEC. 12. (a) The administrator may allocate not to exceed $3,750,000,000 of the amount authorized in section 7 for the purpose of making loans to States and their civil subdivisions for (1) construction of Federal-aid highways; (2) construction of other State, county, and municipal highways, streets and pavements; (3) construction of bridges; (4) construction of water supply and sewerage works; (5) construction of flying fields, exclusive of purchase of lands; (6) establishing of parks and playgrounds, exclusive of purchase of lands; (7) construction of public buildings; (8) elimination of grade crossings; (9) reforestation and fire prevention, exclusive of purchase of lands; and (10) other construction of a public or semipublic character.

(b) Loans made under the provisions of this section shall be for periods of not more than 10 years, at a rate of interest three-fourths of 1 per cent above the average rate at the time of making the loan for the bonds issued theretofore under the provisions of this act, but in no event to exceed 5 per cent. No loans shall be made under the provisions of this section except upon the approval of the finance board created by section 14.

SEC. 13. The administrator may allocate not to exceed $100,000,000 of the amount authorized in section 7 for the purpose of making loans to limited dividend corporations created solely for the erection of housing, on projects for housing families of low-income levels, such projects to have the approval of the administrator with respect to (1) the financial structure and the limitation of the dividends of the corporation, and/or (2) the limitation of the rentals to be charged, and/or (3) the location and plan of the project with respect to city plans, slum clearance, and the rehabilitation of blighted areas in cities, and/or (4) the replacement of housing now unfit for healthful habitation, and/or (5) the guaranties under State or municipal laws and administration of adequate control, and/or (6) the senior or other financing of the project, and (7) such other considerations and safeguards as the administrator shall deem necessary or expedient. Such loans shall be made upon the same terms and conditions as loans made under section 12, except that such loans may be for periods of not more than 30 years, and may be amortized serially within such limitation of time.

SEC. 14. There is hereby created an Emergency Finance Board, to be composed of three members, appointed by the President, by and with the advice and consent of the Senate. One of the members of the board shall be experienced in State and municipal finance, one shall be experienced in housing construction, and one shall be experienced in banking and finance generally. All applications for loans under sections 12 and 13 shall, subsequent to their approval by the administrator, be referred to the board for its approval. In acting upon such applications for loans the board shall take into consideration (1) the financial condition of the borrower and (2) the ability of the borrower to obtain funds at reasonable rates from other sources. No salary shall be paid to board members, but they shall be paid from funds available for the administration of this act a per diem compensation not to exceed $_____ for time devoted to the business of the board, and necessary traveling and subsistence expenses or per diem allowance in lieu thereof, within the limitations prescribed by law for civilian employees in the executive branch of the Government. The members of the board shall serve during the continuation of the emergency.

SEC. 15. Appropriations authorized by section 7 shall remain available until expended or until the index of industrial production, as now computed, of the Federal Reserve Board reaches index No. 100. Thereafter the administrator shall make no new commitments, and shall have the emergency powers conferred upon

him by this act only so far as may be necessary to complete contracts already under way and liquidate the emergency affairs of the Administration of Public Works.

PROSPERITY BOND ISSUE

SEC. 16. (a) To provide funds for the emergency construction program authorized by this act, the Secretary of the Treasury, with the approval of the President, is authorized to borrow, from time to time as may be necessary for the purposes of this act, on the credit of the United States, not to exceed $5,500,000,000 and to issue bonds therefor, to be known as "prosperity bonds," in such form as he may prescribe, and at such rate of interest, not to exceed 4¼ per cent per annum, as may be fixed by him.

(b) Such bonds shall be in denominations of $50 and upwards and shall mature 10 years from the date of their issue. The principal and interest thereof shall be payable in United States gold coin of the present standard of value, and such bonds shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by authority of the United States or its possessions, or by any State or local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, now or hereafter imposed by the United States upon the income of individuals, partnerships, associations, or corporations.

(c) Such bonds shall be first offered at not less than par, as a popular loan, under such regulations prescribed by the Secretary of the Treasury as will give all citizens of the United States an equal opportunity to participate therein, and any portion of the bonds so offered and not subscribed for may be otherwise disposed of at not less than par by the Secretary of the Treasury; but no commissions shall be allowed or paid on any bonds issued under authority of this act.

ADDITIONAL TAX LEVY

SEC. 17. (a) In addition to the surtax imposed by section 12 of the revenue act of 1928, there shall be levied, collected, and paid for each taxable year, beginning with the taxable year 1932, upon the net income of every individual having a net income in excess of $5,000, an additional surtax of 2 per cent of his net income less the credit provided in subdivision (b).

(b) For the purpose of such additional tax there shall be allowed the following credits against the net income of individuals having a net income not in excess of $10,000:

(1) In the case of a single person, a personal exemption of $1,000; or in the case of the head of a family or a married person living with husband or wife, a personal exemption of $2,500. A husband and wife living together shall receive but one personal exemption. The amount of such personal exemption shall be $2,500. If such husband and wife make separate returns, the personal exemption may be taken by either or divided between them.

(2) In the case of a change of status the personal exemption shall be determined in the manner provided in section 25 (e) of the revenue act of 1928 in the case of the personal exemption there provided for.

(c) The tax imposed by this section shall be levied, assessed, collected, and paid upon the same basis and in the same manner as the similar taxes imposed by section 12 of the revenue act of 1928, and shall for all purposes be regarded as a tax imposed by Title I of the revenue act of 1928.

(d) All moneys received from taxes imposed by this section shall be covered into a special fund in the Treasury and shall be available only for the payment, redemption, or purchase, at not to exceed par and accrued interest, of any bonds issued pursuant to the provisions of this act; and all moneys in the fund are hereby appropriated for that purpose.

EFFECTIVE DATE

SEC. 18. This act shall take effect immediately, except that the provisions of this act in relation to the transfer of any agency from the jurisdiction and control of one officer to the jurisdiction and control of another, or in relation to the transfer of functions from one officer or agency to another, shall take effect on the thirtieth day after the enactment of this act.

HEARINGS BEFORE THE DISTRICT OF COLUMBIA COMMITTEE

Mr. CAPPER submitted the following resolution (S. Res. 121), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the District of Columbia, or any subcommittee thereof, hereby is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

INVESTIGATION BY TARIFF COMMISSION—CRAB MEAT, ETC.

Mr. GOLDSBOROUGH submitted the following resolution (S. Res. 122), which was ordered to lie on the table:

Resolved, That the United States Tariff Commission is hereby directed to investigate for the purposes of section 336 of the tariff act of 1930 the differences in the cost of production between the domestic article and the foreign article, and to report at the earliest date practicable upon crab meat, fresh or frozen (whether or not packed in ice), or prepared or preserved in any manner, including crab paste and crab sauce.

HOLIDAY RECESS

Mr. JONES. Mr. President, House Concurrent Resolution No. 5, relating to adjournment for the holidays, was referred to the Committee on Appropriations. That committee has given the resolution consideration and was practically evenly divided, but has ordered a favorable report of the resolution without amendment. I understand that it is a privileged matter, and I present it for the consideration of the Senate.

Mr. BINGHAM and Mr. BORAH addressed the Chair.

The PRESIDENT pro tempore. The Senator from Connecticut.

Mr. BINGHAM. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BINGHAM. Is it correct that under Rule XXII this concurrent resolution, when it has been offered, is not debatable?

The PRESIDENT pro tempore. The concurrent resolution is privileged, not debatable, may be amended, and a motion to recommit is in order, which would be debatable.

Mr. BINGHAM. Mr. President, before the concurrent resolution is offered, if the Senator will permit me, may I state that, as far as I am personally concerned, I shall be entirely willing to come here every day, Saturdays, Sundays, and Christmas excepted, and go on with the business of the Senate.

Mr. WALSH of Montana. A parliamentary inquiry.

The President pro tempore. The Senator will state it.

Mr. WALSH of Montana. Did not the Chair state that this is not a debatable question?

The PRESIDENT pro tempore. The resolution has not yet been read. It is being withheld at the request of the Senator from Connecticut.

Mr. WALSH of Montana. Then I ask for the regular order.

Mr. BINGHAM. Mr. President——

The PRESIDENT pro tempore. The regular order is the submission of the resolution. Therefore the resolution will be submitted, and debate will be cut off.

Mr. BINGHAM. Mr. President, I ask that before the resolution is formally offered I may be permitted to proceed for one minute.

The PRESIDENT pro tempore. The Chair understood the Senator who submitted the concurrent resolution to withhold submission of the report from the committee in order to permit a statement to be made by the Senator from Connecticut. If the Chair is wrong in his understanding, the Senator from Washington will correct him.

Mr. JONES. I did not intend to withhold the report. I intended to offer it as I was directed to do by the committee.

The PRESIDENT pro tempore. It is now offered; it is the regular order, and the concurrent resolution will be read for the information of the Senate.

The Chief Clerk read the concurrent resolution (H. Con. Res. 5) as follows:

Resolved, by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Tuesday, December 22, 1931, they stand adjourned until 12 o'clock meridian Monday, January 4, 1932.

The PRESIDENT pro tempore. The Chair understands the Senator from Washington to have moved the adoption of the concurrent resolution. Is that correct?

Mr. JONES. I presented it under direction of the committee for the consideration of the Senate.

The PRESIDENT pro tempore. The resolution seems to be here, then, without any motion, but merely as a report from the committee.

Mr. KING. Mr. President, I move that the resolution be adopted.

The PRESIDENT pro tempore. The question is on agreeing to the resolution, and the motion is not debatable. The resolution may be amended.

Mr. BORAH. Mr. President, I desire to offer an amendment. The amendment is on the table, I believe.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. The Senator from Idaho proposes to strike out "January 4, 1932," and insert "December 28, 1931."

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Idaho.

Mr. WALSH of Montana. Mr. President, Rule XXII provides for certain motions to be received with respect to the pending motion. The first of those is to adjourn and the last is to amend. The second is to adjourn to a day certain or that when the Senate adjourns it shall be to a day certain. Are we to understand the Presiding Officer to rule that a motion to adjourn is subject to amendment?

The PRESIDENT pro tempore. The great preponderance of precedents with reference to resolutions of this character is that the motion is privileged, that it is not debatable, that it may be amended, and that the amendment is not debatable, but that a motion to recommit may be made and is debatable.

Mr. BARKLEY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. At what time is a motion to recommit in order?

The PRESIDENT pro tempore. At any time.

Mr. BARKLEY. I wish to make that motion, if the Senator from Idaho will yield to me to do so.

Mr. BORAH. Certainly.

Mr. BARKLEY. I move to recommit the concurrent resolution to the Committee on Appropriations.

The PRESIDENT pro tempore. The question is on agreeing to the motion proposed by the Senator from Kentucky, and that motion is debatable.

Mr. BARKLEY. Mr. President, my reason for offering the motion is, and my understanding is, that if we make any change in the date or if any amendment at all is made in the concurrent resolution, action on the part of the Senate will be entirely futile, because the House will not agree to it. The result will be that there will be no action whatever taken in the House and there will be no adjournment, and therefore the concurrent resolution will die, so we might as well recommit it as to have that condition exist.

I have been reliably informed this evening that if we make any change whatever in the resolution, no further action will be taken by the House. As a matter of fact, there is not a quorum of the House present at this time. Therefore it seems to me futile to take any action on the resolution if we are going to change the date. If the Senate should provide for a shorter adjournment than to January 4, we might as well recommit the resolution to the Committee on Appropriations.

Mr. KING. Why does the Senator assume there will be a change if we take a vote?

Mr. BARKLEY. I assume it from the discussion I have heard among Senators.

Mr. KING. If the Senate shall refuse to adjourn, the House will simply meet every third day and adjourn, so there will be no action taken at either end of the Capitol.

Mr. BARKLEY. That is what I understand will be done.

Mr. KING. Why should we not adjourn as the House has done?

Mr. BARKLEY. We can not adjourn longer than three days without the consent of the House. There is not a quorum of the House present, and I dare say they would not consent that we should take an adjournment of two weeks if we did not consent to their doing the same thing.

Mr. WALSH of Montana. Mr. President, may I endeavor to throw a little light on the parliamentary situation? Rule XXII provides as follows:

When a question is pending, no motion shall be received but—
To adjourn.
To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.
To take a recess.
To proceed to the consideration of executive business.
To lay on the table.
To postpone indefinitely.
To postpone to a day certain.
To commit.
To amend.

Then it continues:

Which several motions shall have precedence as they stand arranged; and the motions relating to adjournment, to take a recess, to proceed to the consideration of executive business, to lay on the table, shall be decided without debate.

I think it elementary in parliamentary law that when a motion itself is not open to debate a subsidiary motion is equally not open to debate. If we can not debate the question of adjourning or adjourning to a day certain, a subsidiary motion to commit would be equally not debatable.

But more than that, if the motion to commit a resolution of this kind is debatable, then as a matter of course any other motion to which the motion to commit is addressed is equally debatable. In other words, we move to commit a motion to adjourn. Some one rises and moves that the Senate adjourn. Then some one can move that that motion be committed to the Committee on Appropriations. Then, according to the construction now given to the rule by the present occupant of the chair, that motion would be debatable. Again, here is a motion to take a recess, which, under the rule, is not debatable, but some one may move to commit that motion to the Committee on Banking and Currency, and then we could debate the motion to commit.

That utterly destroys all the force and effect of the rule, it seems to me. Accordingly I would respectfully submit to the Chair again whether it is sound, and if it is sound, what reasons are there for reaching the conclusion that a motion to commit a motion, which is not debatable, is debatable?

The PRESIDENT pro tempore. The Senator has been speaking wholly with reference to an adjournment of the Senate itself. This comes in the form of a concurrent resolution which has already been acted upon by the House and brought to the floor of the Senate and which may be debated.

Mr. BORAH. Mr. President, will not the Senator from Kentucky [Mr. BARKLEY] withdraw his motion to recommit and let us take a vote on the amendment? If the amendment is agreed to, the Senator may still make his motion. If the amendment is defeated, then we will be in harmony with the House and perhaps free to act.

Mr. BARKLEY. Under the circumstances I will withdraw temporarily my motion to recommit.

The PRESIDENT pro tempore. The question, then, is on agreeing to the amendment proposed by the Senator from Idaho.

Mr. REED. Mr. President——

The PRESIDENT pro tempore. It is not debatable.

Mr. REED. I understand; but I myself can move to recommit, and I now make that motion.

The PRESIDENT pro tempore. The question is on agreeing to the motion made by the Senator from Pennsylvania.

Mr. REED. Mr. President, regardless of the action of the House I think we all ought to have a very sober realization of the fact that the country is faced with problems which are much more important than the construction of Rule XXII and very much more important than the holiday which we shall give ourselves at this time. A great many people in the United States are having an enforced holiday, and I doubt whether the people who sent us here will appreciate our abdication of our functions for two weeks in such times as these.

It may be asked, What can we do if we stay here if we do not adjourn for so long a time? One thing we can do is to take action in committee and in the Senate on the pending bill introduced by the Senator from Connecticut [Mr. WALCOTT] to create the reconstruction finance corporation. The railroads of the United States have never in the lifetime of most of us been faced with such a situation as they are in to-day. Many of the most important systems are not nearly meeting their fixed charges, and while we per-

haps lack in sympathy for the railways—some of us do, I know—none of us lack in sympathy for the savings-bank depositors, for the holders of insurance policies, whose solvency depends on the maintenance of a sound market for the bonds of the railway companies.

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. REED. No; I do not yield at this moment.

However we may think about the railway problem, there are no two minds about the savings-bank problem or the insurance-company problem or the problem of the little depositors and little policyholders. If we pass the bill providing for the reconstruction finance corporation, much can be done to prevent any more railway receiverships—very much can be done—and we will be thus one week further ahead if we meet here next Monday and go to work on it than if we take a longer holiday and stay away until the 4th of January.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Kentucky?

Mr. REED. I yield.

Mr. BARKLEY. The Senator ought to include in that situation the land-bank system.

Mr. REED. I was going on to mention that. Some of us know to our deep regret the predicament in which the building and loan associations of the country stand or, as they are called in some States, the savings and loan associations. They too base their solvency and their continuance in business upon what were sound mortgages when they were taken, mortgages upon moderate-priced homes, most of them. Such is the condition of their business to-day that a very large part of those mortgages are in default, not because the loans were bad when they were made, not because of bad banking or reckless practices, but simply because of temporary collapses in quoted values. We all know that those loans are sound ultimately. We all know that the tangible values in America are unaffected by this momentary panic. We all know there is nothing the matter with us but the functional troubles due to fear and the collapse of credit that follows fear.

America is sound. Its population is healthy, industrious, sane. We are not troubled with pestilence. Our people are educated, industrious, willing to work. The physical condition of American properties was never before so high as it is to-day. Our highways and our railways physically are in superb shape. Our factories were never so efficient. America never was so sound as it is to-day, but it functions badly because of fear. If we go to work diligently to do something to make these home-mortgage loans available for borrowings, as is proposed in the home loan bank bill; if we do something to bring emergency aid to the railroads between now and April 1, when the Interstate Commerce decision begins to take effect, we will have done something of very real value for all the people of America, the people who are looking to us for action and not for vacation.

I know full well that the adjournment to the 4th of January has been arrived at by discussion between our leaders and the leaders in the House. I try to be a loyal soldier and back up our leaders when they have committed us to any decision.

But, Mr. President, I do not understand that the question of the prestige of our leaders is involved in this matter, and I hope the Senator from Indiana [Mr. WATSON] will back me in that statement. I do not understand that to disagree with them in this moment of crisis is any reflection upon the Senator from Indiana or upon the Senator from Arkansas [Mr. ROBINSON] or upon others to whom we look for leadership. We are confronted by something which is very real, Senators, something too real to stand on formalities; and I, for my part, shall feel constrained to vote in favor of the amendment and in favor of our reconvening next Monday.

Now, Mr. President, I withdraw my motion to recommit.

Mr. NORRIS. I renew the motion. [Laughter.]

Mr. GLASS. Mr. President——

The PRESIDENT pro tempore. The Chair recognizes the Senator from Nebraska.

Mr. NORRIS. Mr. President, I am going to vote the same way as the Senator from Pennsylvania [Mr. REED] says he is going to vote. I hope that announcement does not frighten him; I hope that none of the fear that he has been speaking about will be in his heart and cause him to vote differently, because I am going to vote as he does. I am not only going to vote that way, but I want to join with the Senator from Pennsylvania in rendering my apology to our leader for not following him in this particular instance. Now, Mr. President, I withdraw my motion. [Laughter.]

Mr. GLASS and Mr. BROOKHART addressed the Chair.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Virginia, and the Chair will assume that the motion of the Senator from Nebraska [Mr. NORRIS] is still pending.

Mr. GLASS. Otherwise, I shall renew it. [Laughter.]

Mr. President, I do not know exactly how much better informed about these matters the Senator from Pennsylvania [Mr. REED] is than those of us who have been working on these problems in committee meetings from morning till night, and at night as well, and some of us for three weeks before the Congress convened. I do know that there has been no testimony before the Banking and Currency Committee that would indicate that we should be precipitate about this particular bill, No. 1. On the contrary, the testimony before the Banking and Currency Committee indicated that there was no imminent danger of railroad receivership.

With respect to insurance companies, actually some of the officials of the large insurance companies in this country resented the idea of being included in the bill. They indicated that they thought that there was an implication in such inclusion that the insurance companies were in need of financial assistance, whereas they positively were not.

As for the question of fear, it occurs to me that the constant reiteration here on the floor of the Senate of the desperation of our situation is very much more calculated to create fear than anything we have heard in the formal hearings before the Banking and Currency Committee on this bill. As a matter of fact, the maturities of the railroads between now and the 1st day of May would seem to some of us to indicate that the process instituted before the Interstate Commerce Commission would be ample to take care of any railroad situation that might arise between now and that date.

Some of us are a little impatient over this concerted idea that has been presented that we must be precipitated into some action here regardless of orderly consideration of the problems which confront us. It occurs to me that if the Senate were to violate faith with the other House on the presumption that the country is in a critical state, we would but accentuate that unauthorized and unwarranted supposition. Of course, there is distress, but we are not in any such critical condition as has been repeatedly represented here. If the Senator from Pennsylvania has any source of information which would indicate that not to be so, it seems to me he might have come before the Banking and Currency Committee and given us the benefit of that peculiar knowledge that has not been presented to us and which none of us possess.

I have been in Washington since three weeks before Congress convened; I have been at work on banking problems night and day, sometimes not extinguishing the light in my apartment at my hotel until 10 minutes past 6 o'clock in the morning; and the subcommittees of the Banking and Currency Committee to which these matters have been referred have been hard at work, I think, and they are not in any state of panic; they have nothing to warrant them in standing here on the floor of the Senate and suggesting that the railroads are going into the hands of receivers if we take our ordinary holiday recess. The railroad officials who appeared before our committee made no such statement. On the contrary, the facts and figures presented by them convinced me, as one member of the committee, that

there is no imminent necessity for proceeding with undue haste about this bill.

It was understood in the other branch of Congress that the so-called leaders—one of which I am not—of the Senate were in favor of this holiday-recess adjournment; the House acted upon that presumption, which is not unusual, and passed this concurrent resolution; hundreds of Members of the other House have gone to their homes; and now we are asked to forego a Christmas holiday recess upon the assumption that there is a tremendous danger confronting the country. It is not so, Mr. President; or, if it is, the facts have not been brought to the attention of those of us who have given consideration to these matters.

I shall vote to adjourn. I think a vote not to adjourn would imply that these agonizing stories of imminent and critical danger have more substance behind them than they really have.

Mr. BORAH and Mr. BROOKHART addressed the Chair.

Mr. BORAH. Does the Senator from Iowa desire to discuss this matter?

Mr. BROOKHART. Yes.

Mr. BORAH. Who made the last motion to recommit the resolution?

Mr. NORRIS. I think I did.

Mr. BORAH. Mr. President, was the motion withdrawn?

Mr. NORRIS. I said I would withdraw it, but the Chair, I understand, announced that he would consider it still pending.

Mr. BINGHAM and Mr. BROOKHART addressed the Chair.

The PRESIDENT pro tempore. The Senator from Connecticut.

Mr. BROOKHART. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Connecticut yield to the Senator from Iowa?

Mr. BINGHAM. I shall only take a minute. I have tried three times now to speak for a minute.

Mr. BROOKHART. I should like to inquire why I was not recognized?

Mr. BINGHAM. Mr. President, there seems to be a general concert to prevent my making a 1-minute speech. The Senator from Montana objected very strenuously to my endeavoring to make a speech before the concurrent resolution was submitted, and since then I have tried to keep quiet and watch the debate proceed.

I merely wanted to say, Mr. President, that, although perfectly willing to stay here and work, in view of the fact that the leaders on both sides of the aisle have agreed with the leaders of both majority and minority parties in the House about this adjournment, I shall vote for the adjournment, because I believe that that is the orderly way in which to proceed when one has leaders.

Mr. BROOKHART. Mr. President, as I remember the situation, the Senator from Pennsylvania [Mr. REED] was one of those who saw prosperity just around the corner if we could get rid of the Congress of the United States. They got rid of us; then the moratorium came along, and we all received telegrams from the President of the United States. I desire to read the first part of my answer. It is as follows:

JUNE 25, 1931.

Hon. HERBERT HOOVER,
President of the United States,
Washington, D. C.:

Your telegram received and I agree that the proposal of the American Government in respect to postponement for one year of all intergovernmental debts is of immediate national importance, but believe it of too much importance to be decided by the Congress by informal conferences or telegrams to Members. I would therefore suggest an immediate extraordinary session of Congress to consider this proposition.

Yet, as I understand, the Senator from Pennsylvania opposed that proposed extraordinary session; he was in favor of keeping Congress off the job; but now he comes with his crocodile tears for the railroads of the United States, and must have Congress on hand every minute.

Mr. President, I have served on the subcommittee considering Senate bill No. 1, and I agree fully with what the Senator from Virginia [Mr. GLASS] has just said. I should like to add merely one or two details more. The insurance companies came before us and said they did not need this bill for themselves; that they were solvent and all right and would not take advantage of it. The savings banks came before us and said the same thing. In fact, Mr. Bruyere, head of the largest savings bank in the world, said they were sounder to-day than they had been at any other time. The railroads made no claim of immediate bankruptcy. The only one mentioned in that regard was one that is now in the hands of a receiver, which is its normal condition.

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. BROOKHART. I yield.

Mr. NORRIS. The Senator does not think, does he, because the railroads and the banks and insurance companies made no complaint that we ought not to extend them relief? That is just what we have done in the case of the moratorium. [Laughter.]

Mr. BROOKHART. I think the Senator's observation fits the facts all right. But I remember 10 years ago, when agriculture became distressed, I did not see any crocodile tears falling from the eyes of the Senator from Pennsylvania about agriculture. A million and a half farmers have lost their homes or their life's savings as a result of the agricultural depression, but that never impressed the Senator from Pennsylvania. No; he is not impressed until somebody from the railroads comes around.

I just went through this 15 per cent advance rate case for the railroads. They showed that as a whole they were still earning, over and above their operating expenses, a net return of 2.24 per cent upon the valuation fixed by the Interstate Commerce Commission. They are not in a bad condition. They are one of the most prosperous outfits there is in this country.

Mr. President, since 1920 agriculture has lost more than $35,000,000,000 of its capital and has had no return at all upon the other capital investment as a whole; and yet those things have not impressed the Senator from Pennsylvania.

I do not understand exactly what this political bill means. I have tried to find out something about it. I have listened to all of the testimony. I have been at every hearing all the way through. It is a bolshevik bill to start with. It is the first time I have known the Senator from Pennsylvania to stand right plain out, forsquare, for bolshevism. This bill goes into the Treasury of the United States for two thousand million dollars, five hundred million of it to be subscribed in capital and fifteen hundred million of it to be issued in debentures for which the Treasury of the United States is liable upon a guaranty.

I remember when we had some debentures up here for the farmers. They were not so very many compared with the two thousand millions of debentures in this bill, but the Senator from Pennsylvania was opposed to debentures then. He had no sympathy with and shed no tears then for the condition of agriculture at all.

Mr. President, there is something about this situation that is peculiarly offensive to any plan to get out of this depression. What caused it? You knocked the farmers down with your railroad laws. You put $7,000,000,000 of water into that railroad valuation under the transportation act back in 1920.

The operations to sustain it increased the rates on the farmers by 60 per cent over what they had paid before. You took that out of their pockets and transferred it into the pockets of the owners of the railroads, mainly over in New York. Late in 1920 and early in 1921, they put on a deflation policy that caused the greatest panic in farm prices ever known in the history of agriculture. You put on tariff laws that were effective for the protected industries, that protected their prices, and then put rates on agriculture that were not effective, and denied agriculture the debenture that would have made them effective. All of that has gone on until the very present time, and agriculture has gone lower and lower every minute.

In the depression of 1920, other business revived. Other business in 1929 went into the greatest inflation and specu-

lation in all the history of the world. Agriculture stayed down through it all, and yet there was no weeping for agriculture.

What about this bill that the Senator from Pennsylvania is proposing for the relief of the situation? Is there one dollar in it for agriculture? Not one—not one. It mentions these railroads, these insurance companies that do not want it, these savings banks that do not want it, and then it mentions a lot of other big banks that do want it. These railroads and these banks that put on this deflation, that brought this condition upon the country, these men who are responsible for this condition, now want to pass a bill for their own relief.

I want to read to you the rest of my telegram to the President of the United States:

I do not hesitate to express my opinion upon any important public question when all the facts are before me, but this is not possible in your telegram. As I understand the general situation which you mention, the policy of Secretary Mellon, Gov. Eugene Meyer, of the Federal Reserve Board, and Comptroller of the Currency Pole has been to force a branch-banking system upon the United States, controlled mainly by the big eastern banks. For years the Comptroller of the Currency has decried loans by banks in the agricultural States to farmers, because they were not liquid, and this caused the failure of many banks. At the same time he approved the buying of long-time listed bonds, until all the little banks in the agricultural States are now loaded up with these bonds. Yesterday I heard those bonds condemned by the chairman of the Farm Board—

That was the late lamented Mr. Legge—

and his predecessor, and they were likened to an I. O. U. in a poker game. Also, for several months the comptroller, through his examiners, has been requiring the country banks to put up a depreciation fund or charge off these same bonds, which policy will cause the closing of many other small banks, and thus aid the branch-bank plan. I am also informed that this policy has not been so rigidly enforced against the big eastern banks. However, in spite of all these well-laid plans, the big banks have struck a dangerous snag in the enormous stock speculation; and even after the panic of 1929, and subsequent declines up to December 1, 1930, stock values still remain 208 per cent on an average above the 1914 level of prices, with a resultant proportionate inflation of bonds.

Mr. President, since that time further estimates have shown that these stocks have declined; but, as you will see from the chart on the wall here which the Federal Reserve Board itself gave me, they are still 50 per cent up in the air above the 1914 level, and that was too high, while all other commodity prices have gone below the 1914 level.

These facts becoming known to the country, stock speculation declined, because values are still on a volcano of inflation, and the public refused to buy. This has endangered the big eastern banks themselves, and they are certainly making frantic efforts to renew the stock speculation. The first effect of your announcement in reference to postponement of the intergovernmental debts was to renew this gigantic stock boom. Such a result is unsound, and means future disaster unheard of.

I shall therefore certainly insist upon some legislation, perhaps similar to the speculative stock sales tax offered by Senator GLASS as an amendment to the tariff act, before I vote for any proposal that will revive the stock-gambling orgy.

SMITH W. BROOKHART.

Mr. President, I can not see anything in this bill—this $2,000,000,000 bolshevistic bonus bill of the Senator from Pennsylvania——

Mr. NORRIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Nebraska?

Mr. BROOKHART. I yield to the Senator.

Mr. NORRIS. I wish to ask the Senator if he sent that telegram collect? [Laughter.]

Mr. BROOKHART. I think, Mr. President, that the President of the United States got that telegram.

Mr. KEAN. Who paid for it?

Mr. BROOKHART. It is marked "Official business."

Mr. GLASS. Mr. President, may I ask the Senator from Iowa whether he included that chart in his telegram to the President? [Laughter.]

Mr. BROOKHART. I sent down to the Federal Reserve Board and got that chart.

Mr. FESS. Did the Senator put it in the telegram?

Mr. BROOKHART. No; I have not sent that to the White House yet. I think they need it over there, though.

I see nothing now in this bolshevik bill of the Senator from Pennsylvania except a scheme to revive that stock-gambling game, if they can do that through something out of the United States Treasury for the railroads and the big banks. They have already tried three different schemes to boom those railroad stocks.

On was a consolidation of the big eastern railroads—something never contemplated by this law. The Senator from Michigan [Mr. COUZENS] hit that between the eyes, and it died.

Then along came this 15 per cent rate advance. The Interstate Commerce Commission allowed only a little of that, and the stock boom did not start on that.

Then along came this moratorium, and that did start a boom for a few days; but as soon as a stock boom starts, those men who are still holding some of those stocks begin selling, and down goes the boom. [Laughter.]

Now the Senator from Pennsylvania gets together the big financial autocrats of this country, and they cook up bill No. 1, and have it dressed and ready for presentation when Congress meets, and it is introduced as the very first bill in the Senate of the United States. It is rushed over to the committee, and an investigation is put on. "We must have this all at once. These savings banks and these insurance companies need it, and the poor railroads."

When we got under way there was no one but the railroads and the New York banks left to support it, and one big Chicago bank; and that is the way it stands at this minute.

Will that bill do any good?

If we pass that bill and take this money from the Treasury, to whom will we give it? To the railroads, who are not entitled to it and who do not need it, who still have that $7,000,000,000 of watered value in their stocks and bonds? Then there is nobody else to benefit except a few big banks; and how will the benefits reach down to the six and one-half million farmers of this country who are in actual distress and have been in distress since 1920? That distress now has reached around into the other industries and the other businesses of the country, until many of the wheels of industry have stopped, and 7,000,000 men are unemployed as a result of this situation.

If we had a bill here to relieve agriculture, if we had a bill here to start public works and employ these 7,000,000 men who are out of work, I should be willing to stay here day and night. I am willing to stay anyhow; but, Mr. President, there is no such situation. This is some Wall Street political scheme, rather than anything to relieve the real economic situation of this country.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nebraska [Mr. NORRIS].

Mr. BORAH. Mr. President, is any motion to recommit now before the Senate?

Mr. NORRIS. I withdraw the motion to recommit.

Mr. BORAH. Now I ask for the yeas and nays on my motion.

Mr. WATSON. Let us have the yeas and nays.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Idaho [Mr. BORAH]. On that question the yeas and nays have been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BYRNES (when his name was called). I have a general pair with the junior Senator from Nevada [Mr. ODDIE], who is unavoidably absent. If he were present, he would vote "nay." If permitted to vote, I would vote "yea."

Mr. DAVIS (when his name was called). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN], and withhold my vote.

Mr. FLETCHER (when his name was called). On this vote I am paired with the senior Senator from Colorado [Mr. WATERMAN]. I do not know how he would vote if he were present; but if I were permitted to vote, I would vote "yea."

Mr. HARRISON (when his name was called). On this vote I am paired with the junior Senator from New Hampshire [Mr. KEYES]. If permitted to vote, I would vote "yea."

Mr. REED (when his name was called). I have a general pair with the senior Senator from Arkansas [Mr. ROBINSON]. He would vote "nay" if he were present. I have not yet been able to obtain a transfer. If I were permitted to vote, I would vote "yea." For the present I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). Again announcing my pair with the junior Senator from Mississippi, I withhold my vote.

Mr. SHIPSTEAD (when his name was called). On this vote I am paired with the junior Senator from West Virginia [Mr. NEELY]. If present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. THOMAS of Idaho (when his name was called). On this vote I have a pair with the senior Senator from Virginia [Mr. SWANSON]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea."

Mr. TYDINGS (when his name was called). I have a general pair with the senior Senator from Rhode Island [Mr. METCALF]. If he were present, he would vote the same as I shall vote, and therefore I am permitted to vote. I vote "nay."

The roll call was concluded.

Mr. McNARY. I desire to announce that the senior Senator from Michigan [Mr. COUZENS] has a general pair with the senior Senator from Nevada [Mr. PITTMAN]. If the Senator from Michigan were present, he would vote "yea"; and if the Senator from Nevada were present, he would vote "nay."

The result was announced—yeas 33, nays 39, as follows:

YEAS—33

Bailey	Coolidge	Harris	Steiwer
Barkley	Costigan	Jones	Thomas, Okla.
Black	Cutting	Kean	Trammell
Blaine	Dale	La Follette	Vandenberg
Borah	Dill	McKellar	Wheeler
Brookhart	Frazier	Morrison	White
Broussard	Glenn	Norris	
Capper	Goldsborough	Nye	
Carey	Hale	Patterson	

NAYS—39

Austin	Fess	Johnson	Smith
Barbour	George	Kendrick	Smoot
Bingham	Glass	King	Townsend
Bratton	Gore	Lewis	Tydings
Bulkley	Hastings	McGill	Wagner
Bulow	Hatfield	McNary	Walcott
Caraway	Hawes	Moses	Walsh, Mass.
Connally	Hayden	Schall	Walsh, Mont.
Copeland	Hebert	Sheppard	Watson
Dickinson	Hull	Shortridge	

NOT VOTING—23

Ashurst	Harrison	Norbeck	Shipstead
Bankhead	Howell	Oddie	Stephens
Byrnes	Keyes	Pittman	Swanson
Couzens	Logan	Reed	Thomas, Idaho
Davis	Metcalf	Robinson, Ark.	Waterman
Fletcher	Neely	Robinson, Ind.	

So Mr. BORAH's amendment was rejected.

The VICE PRESIDENT. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

PHILIPPINE AFFAIRS

Mr. BINGHAM presented resolutions adopted by the Solidaridad Filipina, Manila, P. I., which were referred to the Committee on Territories and Insular Affairs and ordered to be printed in the RECORD, as follows:

Resolution supporting the Timberlake bill limiting the free entry into the United States of certain Filipino products; urging limitation of Filipino immigration thereto and the continuation of the United States Government in the Philippines for the present and certain amendments in the Jones law

Whereas it is a fact that a portion of the people of the United States represented by their respective Senators and Representatives in Congress and by certain Federal labor organizations earnestly desires the withdrawal of the United States Government from these islands for the purpose of eliminating the competition of certain Filipino products to their home products, having requested the United States Congress to give the Philippines an immediate and absolute independence, which will be disastrous to the Filipinos at the present time; and

Whereas it is also a fact, based on statistics, that our present government and economic stability depend and will depend for some time yet on the continuation of the altruistic and beneficial control and progressive influence of the United States Government; and

Whereas, due to our continuous contact with the Spaniards for more than three centuries, our character, activities, customs, and usages, laws, and psychology have greatly become Latin-Spanish; and the Latin people, according to that great English statesman, Lord Gladstone, are not adapted to popular and modern representative democratic governments; and

Whereas the lapse of some time will be needed by us in order to eradicate these acquired Latin traits and for our gradual readjustment and adaptation to these modern and popular representative democracies; and

Whereas our so-called nationalistic leaders and their few followers who have monopolized for more than two decades the management of our public affairs have clearly shown that their Latin-acquired traits are not yet fully eradicated, as evidenced by their questionable running of our government, their irresponsibility, and corruption;

Whereas our inexperience in financial matters was shown by these very leaders in their mismanagement of our Philippine National Bank in 1921 before the administration of Governor General Wood, by their nonselection of the best available local talent for the management of said bank, by their favoritism and nepotism selecting only their relatives and friends, irrespective of individual merits and capacity, thus retarding our development in financial affairs; and

Whereas all these facts clearly show the impracticability, for the present, of our immediate separation from the United States inasmuch as some time will be needed to enable us to acquire the proper experience in financial matters, and especially to properly work our economic development; and

Whereas our political concessions secured have only favored our few so-called leaders and politicians for their own personal gain and benefit, while our economic development, which is our real and great problem, has been greatly neglected by them, a condition already noted by Senator ARTHUR H. VANDENBERG when he was in these islands in April of this year, when he frankly stated before his departure from Manila that our real problem was an economic one and not political; and

Whereas Solidaridad Filipina, a civic association incorporated since August, 1921, under the laws of these islands, and organized for the purpose of working for the prosperity and happiness of the people of these islands through the proper expansion and development of our economic and natural resources, setting aside, for the present, our political advancement which is already highly developed, that in many cases it is misused by our so-called leaders and politicians to foster nepotism, favoritism, and political bossism, this civic association finds itself compelled to take this action and pass this resolution for the purpose of analyzing the reasons our so-called leaders and politicians have advanced for requesting our immediate and premature separation from such a generous and altruistic Government as that of the United States of America, strong, wealthy, and powerful, which guarantees our Government and Territorial integrity and is trying to develop our country in all directions so as to enable us to occupy our proper place among the nations of the world; and for the purpose of making certain suggestions which Solidaridad Filipina believes to be the wishes of that portion of responsible, well-meant, and intelligent Filipinos: Now, therefore, be it

Resolved by Solidaridad Filipina, To suggest, and it hereby suggests, the following to the Congress of the United States of America—

(a) The passage of the Timberlake bill limiting the free entry into the United States of our sugar to 1,000,000 tons yearly, our coconut oil to 800,000,000 pounds per annum, and our immigration into continental United States at a just and reasonable number per year, to be determined by a mixed committee of Americans and Filipinos appointed by the President of the United States.

(b) That our political concessions and autonomy should remain in a status quo at present, except the necessary increase thereof consistent with our gradual advancement and development.

(c) That the Government of the United States of America should remain in these islands for the present, provided that in case an action is contemplated by Congress regarding our final status the same be planned in accordance with the plan formulated by Senator HIRAM BINGHAM'S resolution introduced in Congress on January 6, 1930, which authorizes the President of the United States to call a conference to be held in the Philippines (at Manila), to include eight representative citizens of the United States and an equal number from the Philippines, which would make recommendations as to the future of the Philippines and its final government.

(d) The urgent and necessary amendments of the Jones law on the following points:

1. To reduce the maximum duration of the regular annual sessions of the Philippine Legislature from 100 to 50 days, and that of the special sessions thereof, whenever called, to continue no longer than 15 days, except Sundays.

2. That the general elections in the Philippines be held once every four years, instead of every three years, as at present, for the purpose of saving money in election expenses.

3. That the Governor General of the Philippines be authorized to dissolve the Philippine Legislature when just and reasonable reasons exist to do so, like the authority of the Governor General of Canada.

4. That the Governor General of the Philippines be authorized to fill all cases of vacancies in any and all elective positions of any kind and nature for the unexpired term of the elective vacated positions, thus effecting a considerable and substantial saving in the expenditure of public funds for special elections.

6. That the auditor of the Philippines, also called the insular auditor, be made a real and full comptroller with full and complete auditing powers on all public or government financial matters and accounts of the three departments of the government; and be it further

Resolved, By Solidaridad Filipina, in its own name and in that of the people of these islands, whose desires it is interpreting and voicing, to reiterate, and it hereby reiterates their gratitude, high and sincere appreciation, and unconditional loyalty to the generous and altruistic Government and people of the United States of America, to make amends for the ungratefulness of our so-called political leaders and politicians; and be it finally

Resolved, By Solidaridad Filipina, to furnish copies of this resolution to all the States of the Union, in addition to those furnished the Federal authorities and Members of the United States Congress.

Unanimously adopted at Manila, Philippine Islands, November 21, 1931.

JOSÉ E. ALEMANY,
President Solidaridad Filipina.

To the UNITED STATES SENATE,
Through the Committee on Territories and Insular Affairs, Washington, D. C., U. S. A.

EXECUTIVE SESSION

Mr. McNARY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States, submitting two nominations in the Foreign and Diplomatic Service, which was referred to the Committee on Foreign Relations.

(For nominations this day received see the end of Senate proceedings.)

REPORTS OF NOMINATIONS

Mr. COPELAND. Mr. President, I send forward a report from the Committee on Commerce, and ask for its immediate consideration.

The VICE PRESIDENT. Let the report be read for the information of the Senate.

The CHIEF CLERK. The Senator from New York reports from the Committee on Commerce the following nomination:

COAST GUARD

Robert B. Adams, of Massachusetts, to be engineer in chief for a period of four years, to rank as such from December 18, 1931, a reappointment.

The VICE PRESIDENT. The question is on confirming the nomination.

The nomination was confirmed.

Mr. COPELAND. Mr. President, I ask unanimous consent that the President be notified.

The VICE PRESIDENT. Is there objection?

Mr. NORRIS. Mr. President, I would like to make an inquiry about that. Is there any reason why the President should be notified?

Mr. COPELAND. Yes; this man's appointment expired on the 18th of December, and it is very important that he be immediately put on duty.

The VICE PRESIDENT. Is there objection to the request of the Senator from New York? The Chair hears none, and the President will be notified.

FEDERAL POWER COMMISSION

Mr. KENDRICK. Mr. President, at the request of and for the Senator from Michigan [Mr. COUZENS], I desire to report from the Committee on Interstate Commerce favorably the nomination of Claude L. Draper, of Wyoming, to be a member of the Federal Power Commission. I ask unanimous consent for the immediate consideration of the nomination.

Mr. KING. Mr. President, will the Senator permit me to ask him a question?

Mr. KENDRICK. Certainly.

Mr. KING. Is the Senator from Montana satisfied?

Mr. KENDRICK. The Senator from Montana has agreed to the confirmation of this nomination.

Mr. SMITH. What was that nomination, Mr. President?

The VICE PRESIDENT. The nomination of Claude L. Draper to be a member of the Federal Power Commission.

Mr. SMITH. That is all right.

The VICE PRESIDENT. Is there objection to the present consideration of the nomination? The Chair hears none, and the nomination is confirmed.

Mr. KENDRICK. Mr. President, I ask unanimous consent that the President be notified.

The VICE PRESIDENT. Is there objection?

Mr. NORRIS. Mr. President, we have had so much difficulty about notifying the President in connection with nominations to the Federal Power Commission that I think we had better let this nomination take its regular course. He will find it out in some way.

The VICE PRESIDENT. Are there further reports of committees? If not, the calendar is in order.

DEPARTMENT OF JUSTICE

The Chief Clerk read the nomination of Roy St. Lewis, of Oklahoma, to be Assistant Attorney General.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

The Chief Clerk read the nomination of James Alger Fee to be United States district judge, district of Oregon.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

The Chief Clerk read the nomination of Samuel Purvis to be United States marshal, middle district of Georgia.

Mr. GEORGE. Mr. President, the chairman of the Judiciary Committee advised me to-day that he had received a wire indicating an intention to file some objection to this nominee. I therefore request that it go over.

The VICE PRESIDENT. The nomination will go over.

The Chief Clerk read the nomination of John T. Barrett, of Massachusetts, to be marshal of the Canal Zone.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified. This completes the Executive Calendar, and the Senate resumes legislative session.

RECESS

Mr. McNARY. Mr. President, it is quite essential that we should not follow out the provisions of the concurrent resolution until we have received some important bills for enrollment. I therefore move that the Senate take a recess for 10 minutes.

The motion was agreed to; and the Senate (at 10 o'clock and 53 minutes p. m.), took a recess for 10 minutes, at the conclusion of which the Senate reassembled.

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Farrell, its enrolling clerk, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

S. 930. An act limiting the operation of sections 109 and 113 of the Criminal Code with respect to counsel in the case of the Appalachian Electric Power Co. against George Otis Smith and others; and

H. J. Res. 147. Joint resolution to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

HOLIDAY RECESS

Mr. McNARY. Mr. President, I move that the Senate carry out the provisions of the concurrent resolution agreed to a few moments ago by adjourning at this time until 12 o'clock noon on Monday, January 4, 1932.

The motion was agreed to; and the Senate (at 11 o'clock and 5 minutes p. m.) adjourned, the adjournment being under the concurrent resolution of the two Houses until Monday, January 4, 1932, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate December 22 (legislative day of December 21), 1931

FOREIGN SERVICE OFFICERS, UNCLASSIFIED, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE

The following-named persons to be Foreign Service officers, unclassified, vice consuls of career, and secretaries in the Diplomatic Service of the United States of America:

Stephen E. Aguirre, of Texas.

Overton G. Ellis, jr., of Washington.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 22 (legislative day of December 21), 1931

MEMBER OF THE FEDERAL POWER COMMISSION

Claude L. Draper to be a member of the Federal Power Commission.

ASSISTANT ATTORNEY GENERAL

Roy St. Lewis to be assistant Attorney General.

UNITED STATES DISTRICT JUDGE

James Alger Fee to be United States district judge, district of Oregon.

MARSHAL OF THE CANAL ZONE

John T. Barrett to be marshal of the Canal Zone.

COAST GUARD

Robert B. Adams to be engineer in chief.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 22, 1931

The House met at 12 o'clock noon.

The Rev. John Compton Ball, of the Metropolitan Baptist Church, of Washington, D. C., offered the following prayer:

Our Heavenly Father, we come to Thee at this time recognizing Thy majesty and greatness and power, regnant over all nature; and we pray that our wills may be dominated by Thee; that every thought and word and act, and the duties of the day and the hour, may be to Thy good pleasure. We are not unmindful of the fact, O God, we are approaching that time of the year which marks the bestowing of the greatest gift upon the world that it has ever known; and we come to praise Thy holy name for this invaluable gift, this unspeakable gift. We thank Thee that our Lord Jesus Christ was born as a babe; that He came not as a full-grown man like Adam, for had that been so we might have thought He did not understand our nature, but coming as a little child and growing to a splendid boyhood and to a matchless manhood He can enter into our lives at every point and every age. We pray that the sweet spirit that dominated Him may dominate our land and every heart, from that of the President of the United States down to the humblest citizen, from the oldest to the youngest; and that the great spirit of charity and love may spread over all our land, and that the song of the angels may be ours—Glory to God in the highest and on earth peace, good will to all men. For His sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee did on December 21, 1931, present to the President, for his approval, joint resolutions of the House of the following titles:

H. J. Res. 141. A joint resolution to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932; and

H. J. Res. 142. A joint resolution making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 194. An act for the relief of Jeff Davis Caperton and Lucy Virginia Caperton;

S. 241. An act for the relief of Donald K. Warner;

S. 243. An act for the relief of S. F. Stacher;

S. 258. An act authorizing adjustment of the claim of H. E. Hurley;

S. 468. An act for the relief of the estate of Benjamin Braznell;

S. 551. An act for the relief of Blanche Broomfield;

S. 930. An act limiting the operation of sections 109 and 113 of the Criminal Code with respect to counsel in the case of the Appalachian Electric Power Co. against George Otis Smith, and others;

S. 1214. An act to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy;

S. 1306. An act to provide for the incorporation of the District of Columbia Commission, George Washington Bicentennial; and

S. 2077. An act to relieve the Commissioners of the District of Columbia of certain ministerial duties.

The message also announced that in accordance with the provisions of House Concurrent Resolution 4, the Vice President had appointed Mr. FESS, Mr. CAPPER, and Mr. GLASS as members on the part of the Senate of the joint committee to make arrangements for a celebration in the House of Representatives on February 22, 1932, of the two hundredth anniversary of the birth of George Washington.

INCREASE OF FREIGHT RATES

Mr. HARE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a short statement I submitted to the Interstate Commerce Commission on August 11 last, protesting against the increase in freight rates.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Speaker, under the leave to extend my remarks in the RECORD I include a statement submitted by me to the Interstate Commerce Commission on August 11, 1931.

The statement is as follows:

In registering my protest against the proposed increase of 15 per cent in freight rates I am not unmindful that the railroads or transportation companies have suffered seriously during this economic depression, but we should not forget that there are others who have suffered just as much and many a great deal more, all of whom are entitled to the same consideration at the hands of our Government. I want to state further at the outset that, in the economy of production and distribution, the carrier has no greater natural right to existence or a guaranteed income from its efforts or investments than the producer.

On the other hand, if there is a superior or prior right to any special consideration or inducement that right must of necessity be resolved in favor of the producer, because his activities and contribution to the economy of mankind existed long before the services of a carrier was needed.

But, Mr. Chairman, it is not my purpose at this time to discuss the relative importance of these two great factors in the economy of man, for they are both extremely vital, and I might say indispensable, under our existing standard of civilization. However, if certain types or classes of producers are to continue to exist, some one must see to it that the market value of their labors are not wholly absorbed by the carrier or distributor. On the contrary, if the Government or any governmental agency should attempt to determine or regulate the value of the efforts or services of either, it should be just as considerate of the one as of the other.

Just at this time both are suffering great financial losses, and if there was ever a time when conditions demanded sympathetic cooperation between the producer and the carrier it is now; and I do not think that there has ever been a more inopportune time for the carrier to ask or demand a higher price for his services than at present. The natural and logical thing under the circumstances would be a reduction in freight rates instead of an increase. The price or market value of everything has decreased except freight rates. The value of man's labor has decreased 100 per cent in some cases, from 10 to 50 per cent in most cases, but the carrier in this case takes the position that it is entitled to a

fixed income and, therefore, must have an increase in freight rates in order to make it.

In this connection I want to repeat that naturally it is not entitled to a fixed income any more than the producer, and the commission should not lose sight of this fact in its deliberations and conclusions. In the light of my observations and experience an increase in rates now will certainly result in a decrease in business or volume for the carrier and very likely a decrease in total income to the railroads. If this is true, the producer will certainly be a loser, particularly those engaged in agriculture, a class of producers who have contributed more toward the support, upkeep, maintenance, and prosperity of the transportation companies than any other class. Right now farm products in different parts of the country are going to waste in the fields, and we hear that there are thousands or even millions of people in cities who are suffering for lack of food. Why? It is all because the rate for the services rendered in transportation is more than the market value of the labor entering into the production of the commodity and is greater than what may be termed the corresponding purchasing capacity of the consumer. As a consequence the commodity fails to move and both producer and carrier are losers. An increased rate in freight will mean that additional crops or commodities will remain in the field, resulting in additional losses to the producer and carrier. It will be admitted that there is a pronounced decrease in the cost of production of most crops. If there should be a corresponding decrease in the cost of transportation, many of these commodities or crops could move from field to market and consumption of same greatly increased.

I understand the railroads are saying that they are suffering on account of serious competition from motor-bus lines; that a large per cent of the freight formerly carried by the railroads is now being hauled by truck, and that an increase in freight rates is necessary in order for the railroads to maintain a certain or definite income. I do not doubt but that the motor truck is carrying much that was formerly carried by the railroads, because they are carrying it cheaper, and it is my judgment if you increase the freight rates the motor truck will carry a much larger proportion of the freight than at present. An increase in freight rates will not add one pound to the volume of freight carried by the railroads. It will give the motor trucks an opportunity to increase their rates and at the same time increase the volume of business in competition with the railroads, which will operate to the loss or injury of the producer; for, in the last analysis, the producer always pays the freight regardless of who carries it. An increase of rates at this time will, therefore, be a great loss to the producer, and he is unable to afford it.

PROPOSED AUTOMOBILE TAXES

Mr. CLANCY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the President's message and on law enforcement and taxation.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLANCY. Mr. Speaker, the Congress is now considering proposed heavy, unjust, and exorbitant taxes on automobiles, autotrucks, parts, tires, and accessories.

The automobile industry is the key industry of the Nation, and realizes that the imposition of these taxes, which would amount to about $80,000,000 for the next fiscal year and as much as $200,000,000 in prosperous years, would not only be a terrific blow to the automotive industry itself but would retard the recovery of many other important industries in the country.

The automobile industry staged legislative battles beginning in 1923, which was led by myself, to kill the odious war-excise taxes similar in nature to these taxes proposed this year by the Treasury Department, and in successive cuts by Congress in 1924, 1926, and 1928 they absolutely killed all the war-excise Federal sales taxes on autos, trucks, parts, tires, and accessories.

But the resentment shown by the spokesmen of the industry and the owners of the cars and the accessory businesses dependent upon the industry was mild from 1923 to 1928 compared to the fierce anger which these leaders show now as the industry is attacked just when it is on its way to recovery. Moreover, the auto industry is generally accepted as the one to lead all the other industries of the country to recovery.

AIDS OTHER LEADING INDUSTRIES

The automotive industry is the biggest industrial enterprise of the Nation, but it aids by purchases of material other important industries, as follows: Steel, 15.5 per cent; aluminum, 17.4 per cent; copper, 14.8 per cent; rubber, 82.6 per cent; lead, 26 per cent; nickel, 30 per cent; gasoline, 85 per cent.

Many other great industries are aided, such as the lumber industry, which, for instance, sells a billion feet of lumber per year to the auto industry.

The railroads are tremendously benefited by an enormous amount of revenue from carrying the raw materials to the factories and then transporting the finished product or the knocked-down product to the consumer and the assembling depots.

Steamship lines profit tremendously from the automobile industry.

The New England States, and particularly Connecticut, profit vastly through manufacturing and selling machinery to the auto industry.

ALL STATES AIDED BY AUTO INDUSTRY

There are automobile and accessory factories in 41 of the 48 States. Each of the 48 States furnishes from 2 to 17 per cent of the raw materials of the automobile industry.

Four million working men and working women make their living through the automobile industry, and, as it is fair to presume that each working person is supporting at least three or four dependents, about 15,000,000 men, women, and children are supported directly or indirectly by the automobile industry.

Contemplate the stupendous sum spent by the automobile industry for advertising, which is another aid to American business.

COURAGE, ENTERPRISE, AND PATRIOTISM

No American industry during the terrible depression has shown the audacious courage, the daring enterprise, and the unparalleled patriotism which the automotive industry has demonstrated time and again since its inception only a few years ago.

Every American should be stirred to pride by the challenge to a sick and depressed world flung at the annual automobile show in New York City a few days ago.

The amazing record was made in the worst period the automobile industry has ever had by producing 217 new models, practically all of them giving increased values at decreased selling prices.

This most sensational gamble of all industrial history was made while practically all the companies were "in the red" and were daily losing money.

The new models meant the junking of many millions of dollars' worth of practically new machinery and the installation of newer machinery, tools, jigs, dies, stamps, drills, and so forth. Some of these individual pieces of machinery were enormous in size, and they cost until they hurt. Millions of dollars' worth of parts and accessories in stores and depots all over the United States went to the junk heap when these new models were issued.

The big investment of the automobile manufacturers already made was jeopardized, and an enormous added investment was hazarded. The Rubicon was crossed, the die was cast, and the Caesar of the industrial world is marching on the citadel of depression.

The largest possible number of employees and distribution of work was made by bringing men in this vast imperial progress.

AUTOS NOT LUXURIES OR SEMILUXURIES

The Treasury Department, in its strange hostility to the automobile industry, has insisted for years that the automobile and autotruck are luxuries or semiluxuries and are to be classed in the same category with cigarettes, soft drinks, candy, jewelry, moving-picture houses and other theaters, and so forth.

Every student of political economy knows that the necessities of life are food, clothing, fuel, shelter, and transportation. It is only the Treasury Department experts who claim that transportation is a luxury. Yet they modify this attitude by saying that the horse and buggy and wagon are not luxuries or semiluxuries, and that the railroad freight car, passenger car, and locomotive are not luxuries. They say

that the freight or passenger airplanes are not luxuries or semiluxuries.

They declare that the freight or passenger vessels are not luxuries, but in the rulings they have said that some pleasure yachts are luxuries and especially the larger pleasure yachts, which, of course, everyone knows are luxuries.

The automobile which competes with all of the above and which has largely displaced the horse and buggy and wagon is declared, however, by the Treasury Department to be a luxury or semiluxury.

Recent statistics of the Census Bureau show that a surprisingly large number of automobile trucks are owned and operated by farmers. Four million cars and 26 per cent of all motor trucks are owned by farmers. As I recall the figures, about 80 per cent of the farms in the Middle West, for instance, have autotrucks. All the garden truck farmers living near the cities have autotrucks instead of horses and buggies, and life has been made tremendously easier and the business more profitable by substituting the autotruck for the horse and buggy.

On the farms, the cheap, hardy, passenger automobile often serves as a truck in carrying commodities as well as the family to and from the near-by towns.

The great farm organizations of the United States have taken the attitude that the automobile is not a luxury or semiluxury and is an absolute necessity of life to the farmer.

Accurate statistics show that two-thirds of all car buyers have annual incomes of $3,000 or less and that more cars are sold to persons having incomes of fourteen hundred dollars or less per year than to those having $7,000 or more.

TAXES

The Treasury Department has always maintained, especially under Secretary of the Treasury Mellon and Under Secretary of the Treasury Mills, that the automobile is escaping taxation and should be taxed more. Statistics show that the owners of 26,000,000 motor vehicles paid almost a billion dollars in special motor taxes in 1931. Also, they paid large sums in personal property and other general taxes. They are subjected now to gasoline, registration, wheelage, and other special taxes, including such levies as those on drivers' permits and license taxes.

AUTO AND RAILROAD TAXES

Mr. Mills and also Mr. Mellon have continuously argued before Senate and House committees that the railroads are more heavily taxed than the automobile industry. Their statements are not true, and the automobile industry is far more heavily taxed than the railroad industry; and the auto industry is the most heavily taxed necessity industry in the country.

For instance, the railroads pay only $400,000,000 per year in real estate and property taxes, whereas the automobile industry not only pays real estate, property, and other general taxes, but it pays a billion dollars per year in sales taxes.

It is particularly distressing to me to set the railroad industry off against the automobile industry, as Ogden Mills has often done. Andrew Mellon is guilty of the same offense.

The automobile industry can not be permanently injured by such antagonisms, and Mr. Mills and Mr. Mellon are inviting trouble for the railroad industry when they endeavor to create friction and antagonism between the two industries. The automobile industry simply refuses to get into a row with the railroad industry, and every automotive leader that I have talked to is very anxious to help and assist the railroads in their difficulties rather than to hinder or harass them.

That is certainly my attitude and I want to be of all possible aid to the railroads in their endeavor to get legislative assistance. Recently, I voted for the $2,000,000,000 reconstruction loan bill, which is designed primarily to assist railroads.

THE MOTIVE FOR THE AUTOMOBILE TAX

But, unfortunately, the arguments of Mr. Mills and Mr. Mellon that the automobile industry must be crippled by heavy taxes to assist the railroads must be faced, as they have made a heavy impression upon many Congressmen and Senators with whom I have talked. These legislators have been misled into believing that automobiles must be heavily taxed to assist the railroads.

Congressional hearings and records show very bluntly this form of attack. For instant, Ogden Mills, the Under Secretary of the Treasury, spoke with all the power of the administration behind him in 1928, when the administration party was in control of both the House and Senate, assumed this false and damaging line of reasoning. Mr. Mills said before the House Ways and Means Committee in 1928:

> The automobile is one of the railroad's chief competitors. Is it quite fair to ask the railroads to contribute to the construction and maintenance of the roads on which their rivals operate, while exempting the latter from any contribution?
>
> Once the automobile tax is repealed it can not be reimposed in time of peace.
>
> We have eliminated most of our excise taxes. There remain for revenue purposes the excise tax on tobacco and automobile sales, the admissions tax, and a few stamp taxes. All of these should be retained in the interest of a well-balanced tax system.

Moreover, Mr. Mills issued a statement December 29, 1931, in an effort to bolster up his crusade, and asked, "Can anyone seriously complain * * * if even automobiles cost a trifle more?" His "trifle" consists of a tax amounting to about $200,000,000 per year placed upon the purchasers of automobiles and trucks.

MR. MILLS'S "TRIFLE" TAX

His proposed rates are a 5 per cent sales tax placed upon the purchaser of an automobile, a 3 per cent tax on trucks, and a 2½ per cent tax on repair parts and accessories. These "trifles" would place an intolerable burden upon the auto manufacturers and upon the purchasers of autos.

The auto manufacturers spend a vast amount of money in research because they figure that if they cut the cost of the production of the auto by only $50 they increase tremendously their sales, yet Mr. Mills proposed to offset these aids and economies by his "trifle" tax.

It is proper to place the responsibility for the auto-tax proposal upon Mr. Mills alone, because it is the understanding of prominent leaders of the auto industry that neither the President nor even Secretary Mellon sponsored the tax whole-heartedly or enthusiastically and that their consent to consider it as an administration proposal was forced upon them by Mr. Mills, who has always been the bitter and uncompromising enemy of the automobile industry. When he was a Member of Congress from New York Mr. Mills filled pages of the CONGRESSIONAL RECORD with his savage attacks upon the key industry of the country, namely, the automobile industry, and upon a means of cheap and rapid transportation which is of the highest importance to developing the Republic and lightening the burden of tens of millions of the American people.

FIERCE COMPETITION

Mr. Mills criticized from 1923 on the automobile industry as not being governed by economic laws nor the laws of supply and demand and the same laws which govern other industries, because it made a few men very rich and captains of industry in a shorter time than the leaders of other industries.

I led the fight against Mr. Mills in the House in 1923 and 1924, and I pointed out that there is nothing supernatural about the automobile industry, and that it is governed by the same economic laws as other industries and commodities, and predicted that while there were 300 automobile companies in 1924, that in a few years honest but fierce competition would cut the number in a startling fashion. To-day I have not the figures available, but there are probably not more than 30 automobile companies in this country. It shows the tremendous mortality since Mr. Mills made his intelligent analysis in 1924. In other words, there has been about a 90 per cent mortality, and about 270 automobile companies have gone to the wall, bringing ruin to many investors and sponsors.

To-day there are captains in the automobile industry who are facing absolute ruin and are making desperate efforts to save their plants for the benefit of the country, as well as for

themselves and for thousands of their workingmen. Two years ago more than one of these captains of industry could conservatively say that he was worth $100,000,000 or $200,000,000. To-day no business man in the country is more worried or harassed than these automobile manufacturers who face absolute ruin.

Some of the leading automobile dealers of the country who two years ago rated their wealth at over a million dollars now say that they probably can not hold out more than a year before being forced into bankruptcy or retirement.

The dealers with their regiments of sales agents face the future bravely, they hold their weekly pep meetings and tackle their problems with terrific force, acute intelligence, and an unfaltering courage, but nevertheless they are not selling the cars.

AUTO INDUSTRY NOT SELFISH

But if you want to hear a real scream of heartfelt rage and agony, you repeat to them Mr. Mills's glib statement about his devastating tax proposal being a mere "trifle." Also, in Mr. Mills's statement of December 29, 1931, he accuses Members of Congress of "doubtful morality" in their tax proposals; but what of the "doubtful morality" of Mr. Mills in singling out only one transportation industry for tremendous taxes? He refused to propose a tax on other transportation interests which compete with the automobile industries. The United States Government, and rightfully so, is granting heavy subsidies to the airplane industry, and directly and indirectly is spending many millions of dollars in developing both the lighter-than-air and heavier-than-air craft. The mail subsidy alone amounts to $20,000,000 per year, but the automobile leaders do not complain of that nor do they suggest a sales tax on passenger or freight aircraft—mark you, neither does Mr. Mills. The auto people rejoice in that.

NOT ATTACKING COMPETITORS

The railroads were granted by the United States Government billions of dollars in real estate and in land grants, but no one ever heard the automobile leaders complain of those subsidies. Nor have they heard the automobile leaders propose a sales tax on freight or passenger cars, Pullmans, private cars, or locomotives. Neither has Mr. Mills proposed a sales tax on these transportation utilities. The automobile leaders rejoice in that.

The United States Government has spent over a billion dollars of the taxpayers' money on rivers and harbors, inland waterways, canals, locks, and so forth, but the automobile leaders have not complained of that. They have never suggested a sales tax on freight or passenger vessels or any form of tolls through canals or locks. Neither has Mr. Mills done so, to our knowledge. The automobile leaders rejoice at that.

Mr. Mills predicted in the hearings before the House Ways and Means Committee when he was a member thereof that if the automobile taxes were killed through the protests of men like myself, that the country would never see these sales taxes put back again on the automobile industry in peace times. He knew the Congress would not reestablish these unjust and exorbitant taxes, because it would be committing a mistake if it did.

A BATTLE TO THE END

But, meantime, the automobile industry and its friends are taking nothing for granted and will continue their resistance to Mr. Mills's auto-tax plan to their utmost. The 26,000,000 owners of automobiles and trucks in this country and the probable purchasers of new cars will be mobilized to give voice to their protests to their Congressmen and Senators. The 11 great automotive organizations, including the owners of cars, the manufacturers, the accessory, taxicab, rubber, and bus interests, and so forth, will protect themselves.

The farmers and those living outside the cities and villages have found the automobile and its development of good roads their best friend, and representatives of the farm organizations are swinging into the fight against Mr. Mills's proposal even as they did in 1923 and 1924 and have within the past few days already denounced the tax before the Ways and Means Committee.

Victory seems assured for the owners of automobiles and trucks, but they and their representatives will take no chance on anything being slipped over on them and will not relax their vigilance.

AUTO TAX NOT A TRIFLE

To prove that Mr. Mills's proposed auto taxes are not a trifle take the production figures of 1931 for passenger cars, motor trucks, and parts, tires, and accessories, and they show that Mr. Mills's proposed taxes would result in a revenue of $78,200,000.

But 1931 was a bad year, and even with difficult times the industry thinks it will sell 10 per cent more cars this year.

However, there are at least 6,000,000 cars being operated to-day in the United States which should be replaced by new cars, as they are antiquated and quite worn out. In good, prosperous years Mr. Mills's proposed taxes will run $200,000,000 or more per year.

On this 1931 production, I insert the following table to show just how the taxes in detail would be raised:

Passenger cars	2,045,000
Wholesale value	$1,175,000,000.00
Average value	575.00
Tax, at 5 per cent	28.75
Total tax	58,750,000.00
Motor trucks	420,000
Wholesale value	$260,000,000.00
Average value	619.00
Tax, at 3 per cent	18.57
Total tax	7,800,000.00
Parts, tires, and accessories	666,000,000
Tax, at 2½ per cent	$16,650,000.00
Total tax	83,200,000.00
Deduct for Canadian sales	5,000,000.00
	78,200,000.00

In conclusion, remember that there are three parts to the automobile tax. It is absolutely true that a tax on motor trucks is the most indefensible of all these three taxes, because the motor truck by the wildest flight of fancy or imagination can not be considered a luxury or semiluxury.

Moreover, the tax on parts, tires, and accessories is a misfortune or nuisance tax. If a man breaks a part or wrecks a tire, he is charged a tax for its replacement on his misfortune.

When I led the fight to kill these three forms of taxes in 1923 I found that the entering wedges were the motor-truck tax and the parts tax, as members of the Ways and Means Committee were forced to open their minds to the truth that these taxes are absolutely indefensible from any economic or patriotic standpoint.

The tax on passenger cars is, of course, highly indefensible when other fields of taxation are left untouched. It should be only assessed in war time, as Ogden Mills practically admitted in 1928 when he said that if Congress killed these automobile taxes they could never be assessed again in this country in peace time.

AN INVITATION FROM FLORIDA

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. GREEN. Mr. Speaker and my colleagues, we are rapidly approaching the Christmas season, which is the most joyous and greatest of all. Significant to all civilized Christian people in what it means to them, somehow at this season of the year there is a different feeling in the hearts of all mankind—that feeling of the love of home and the highest spiritual sentiment. I judge that many of you look forward to spending these Yuletide hours in the quiet-

ness and pleasure of your own hearthstone; but to those of you who may find this impossible I extend a hearty invitation to come to Florida and there enjoy to the fullest extent the pleasures and contentment of my wonderful State. The best roads in the world find their way from here throughout all parts of Florida. The railroads are offering you reduced rates with best accommodations and will carry you there in 18 hours. A direct air line from here to all parts of Florida will carry you there in a very short while. At this season of the year fresh and nourishing vegetables are plenteous, her luscious fruits are abundant. A general harvest is rich, and her springs, thousands of them, are gushing forth daily millions of gallons of that wholesome, transparent, and God-given fluid sparkling with purity and virtue. One thousand and three hundred miles of coast waters with beaches are there, where the tide ebbs and flows and the gentle ocean breeze will sweep from your brow the gloom of your daily cares and troubles. If you should be inclined to play and frivolity, you will find playgrounds wide, with strains of sweet music to enrage your heart's desire. But if you would live in the sublime when the hush of night surrounds the universe, your ears will be called by the chimes ranging forth from the Bok Singing Tower when its bells peel forth the Christmas carols. There in this salubrious climate you will enjoy the bright sunshine of the clear atmosphere so charged with the life-giving ozone. When the rays of the golden sun fade in the west a pale moon will mount the eastern horizon and shed its silvery sheen upon you, upon the trees, and upon the lakes and flowers. Then, my friends, in conclusion, I extend to you:

GREETINGS FROM FLORIDA

From palm-fringed shores and sunlit bays,
Where the lakes like jewels glimmer blue,
I am extending you this greeting,
'Cause in Florida friends are waiting for you.

BALANCE THE BUDGET

Mr. SNELL. Mr. Speaker, I have had a tentative arrangement with the gentleman from Illinois [Mr. RAINEY] that we should each have about 20 minutes on the side, to be controlled by the gentleman from Illinois and myself, and that this would conclude the debate to-day. If this is agreeable to the gentleman from Illinois, I shall yield the gentleman from New York [Mr. TABER] 20 minutes.

Mr. RAINEY. Mr. Speaker, I would like to have a little more time than that; say, 30 minutes.

Mr. SNELL. That is all right.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. SNELL]?

There was no objection.

Mr. TABER. Mr. Speaker, I have felt that it was time that some one put before the country what I believe to be the absolutely necessary policy for the United States Government to follow if we are to bring back prosperity. Everyone will remember what criticism was made of England, France, Germany, Italy, Japan, and other countries of the world when they were spending more than their income. Everyone will remember that things in each of those countries, while they went along in that extravagant way, were in absolute turmoil and that no progress was possible toward prosperity for the people, but that their condition continually became worse and worse. The more they became obliged to borrow the worse they became off.

In 1926, in France, under the leadership of Raymond Poincaire, the war-time President of France, the budget was balanced. Her expenses were reduced to come within the amount of revenue she was able to raise by taxing her own people, and France began immediately to climb toward prosperity.

The nearer Italy has come to that condition, the more she has been respected and the better off her people have been.

Germany, with continuous borrowings and with an unbalanced budget, has become worse and worse. Although she spent tremendous sums for public works with borrowed money, conditions have continually become worse and worse.

Ramsay MacDonald drifted along in England until her situation reached the point where he and his party faced absolute political disaster and where England was upon the rocks. Mr. MacDonald had intelligence enough and courage enough to cut loose from a policy which all history has shown to be disastrous and fatal, and to slash the expenses of the British Government and raise the taxes to the point where they would yield the greatest possible revenue. When Mr. MacDonald took his firm stand they reduced the salaries of government employees 25 per cent, and on top of that England went off the gold standard, so that the real cut in salaries and the real cut of every employee in England was not 25 per cent but nearer 50 per cent. There was a cut of 25 per cent direct and at least another of 25 per cent indirect, and a cut in all salaries and prices of 25 per cent due to going off the gold standard.

Can we not take a lesson from England's experience and from the history of the world? Can we not see that if we go on as England did and as other countries did, and continue spending more than our income, that we are heading for a terrible disaster? Can we not see that if we do not stop spending money and get all of our expenses within our income that next year when we sit down to make up the appropriation bills and our Budget, our situation will be much worse?

I appreciate that mine perhaps is a lone voice in the wilderness, but I am expressing the sentiment and issuing a warning that I believe needs to be issued to all America at the present time. That warning is to balance our Budget or face disaster.

Balance our Budget now and we shall have taken the first great step toward prosperity, toward the upbuilding of our business system, toward the restoration of that prosperity which has been the byword of America for 150 years.

Some people have proposed a tremendous bond issue to carry on public improvements. Where are we going to sell the bonds? With an issue of $1,300,000,000 of temporary bonds of one year, for which bids were opened yesterday, the demand only exceeded the supply by a few million dollars. We have reached the position here in America, where cities have gone so far with building programs that they are now beyond the debt limits and in most cases can not borrow any more money on bonds.

The States are rapidly approaching the same position. It will take just one more year of foolish appropriations and unnecessary bond issues to put the Federal Government in exactly that position. For one, I am violently opposed to seeing my country in that situation.

My own vote and my own effort will be spent entirely in the direction of preventing that situation from arising. We must appropriate such funds as are absolutely necessary to maintain the national defense without any waste and such sums as are necessary to make the Government function. We must also meet the necessary governmental obligations on veterans' relief which is now provided for by law. Beyond the necessary items we must cut and cut to the bone.

I do not advocate the cutting of salaries except as a last resort, but I submit this: It is much better for us who are on the Federal pay roll to take a 10 per cent cut this year, and perhaps a smaller cut in the smaller salaries, than to have to take a 25 per cent or larger cut next year because we have not met our responsibilities. It is both good business from our own standpoint and good patriotism to meet our situation now.

After this we must turn around and try to raise what money we can. We are not going to be able to do as we did in war time and attempt to place the tax on larger profits which were then being made, because there is at the present time no such thing as large incomes on a large scale such as we had in war time and have had in the past five or six years, and we need none of us fool ourselves with the idea that there is such an amount of income as there was in the years of 1925–1929, inclusive. It is not going to be a case of what tax is scientific or what tax is politically expedient, but what tax is going to be necessary which will produce money.

If we can balance our Budget or come so close to it that we are not ashamed to look ourselves in the face, we shall have made the most far-reaching step forward toward American prosperity.

Let us have courage and patriotism; let us stand up to the rack and meet America's situation face to face; let us take one sound, forward, patriotic step; let us put demagoguery behind us and by means of sound legislation, well considered, lead the way to American prosperity. [Applause.]

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following date the President approved and signed joint resolutions of the House of the following titles:

On December 21, 1931:

H. J. Res. 141. Joint resolution to provide additional appropriations for the Veterans' Administration for the fiscal year ending June 30, 1932; and

H. J. Res. 142. Joint resolution making an additional appropriation for the Employment Service, Department of Labor, for the fiscal year ending June 30, 1932.

UNEMPLOYMENT

Mr. FREAR. Mr. Speaker, I ask unanimous consent to extend in the RECORD my remarks on unemployment.

The SPEAKER. Is there objection?

There was no objection.

Mr. FEAR. Mr. Speaker, two schools of thought are seeking to steer our country off the rocks of unemployment. One school says that our unemployed, whether 4,000,000 men and women or double that number, must depend upon local charities aided by the Red Cross organization that has left its benevolent impress on the disasters and suffering found in every land.

No one will seek to discredit the charities afforded in national emergencies by the Red Cross, Near East Relief, American Relief, and other associations. The latter extended a helping hand to Russian famine districts in 1921, to Austria, China, and to all countries of warring Europe indiscriminately. Its aid and benevolences, more than its soldiers and sailors, have left for us lasting gratitude on the part of Europe and Asia.

From the lips of Chicherin and other high officials of Russia, from President Michael Heinich, of Austria, from Cuno and Hermes, of Germany, in her dark hours following the war, from Sun Yat Sen, the great patriot of China, and others, when in those countries, I have heard expressions of their gratitude to our own country for relief during their hour of need.

These expressions repeated many times elsewhere leave no uncertainty of American leadership in the great field of world charities. America has responded nobly to every cry for help from the distressed of every land, including our own.

As a joint partner in this humanitarian work, supplying an emergency Federal, State, and local aid supplementing temporary charity, I offer a bill that amplifies benevolences by furnishing constructive labor with just compensation for a jobless army.

PROVISIONS OF BILL

My bill (H. R. 4552) for meeting the unemployment situation provides for a permanent Federal commission of three Cabinet officers acting ex officio with a skeleton organization, excepting in cases of emergency, when the Federal Government is requested to aid local unemployment.

It provides whenever petition is received from any State for contribution to meet local unemployment with notice that the State has made like provision for an unemployment agency, the Federal commission may consider applications from any municipal corporation in that State for contribution toward the construction of specified local municipal improvements. The Federal commission may contribute not to exceed 20 per cent of the cost of the local improvement to be matched by 20 per cent contributed by the State government, the balance to be borne by the municipality for which the improvement is to be constructed.

Provisions for safeguarding the money so contributed by the commission, character of the local improvement, control and manner of payment of money and other requirements are briefly set forth.

The Federal Government by contributing $100,000,000 in any great emergency would thus employ five times that amount in the construction of municipal improvements; the State through its cooperation and equal contribution would assume supervision of construction and thus avoid what might be undue demands by any one locality.

Restriction in the amount paid by the Federal Government of $1,000,000 to any municipality and of $5,000,000 in any one State from the $100,000,000 appropriation would thus provide five times that amount and safeguard any attempt to absorb the appropriation by one or more States. This aid would be in force only during the declared emergency. Not to exceed $50,000 shall be expended annually for commission's investigations, excepting during the period of the declared emergency.

It answers the proposition that a man or woman asking for work should not be compelled to depend on public charities or beg for aid when out of a job. Wives, children, and other dependents must beg for that aid to-day, and humiliation in so doing is not understood by those blessed with a job or competence.

THE RIGHT TO WORK

Our declaration of rights asserted that all men are born equal, with inalienable rights of life, liberty, and the pursuit of happiness. For those rights colonists fought at Valley Forge and Yorktown. By what reasoning can we justify sending a willing worker to the souphouse or to some other charity when work, not charity, is needed and asked for?

Workmen's insurance, unemployment insurance, and other aid is all preferable to begging for charity, but I submit these do not meet the requirements of those asking for work instead of charity.

From the lips of English laborers, when in that country, I learned their belief that the "dole" encourages idleness and dishonesty by substituting financial support for work. Instead of building a self-dependent manhood and womanhood for citizenship, the dole was declared to encourage slothfulness, hypocrisy, and dishonesty. However worthy its purpose, I learned that was the result.

ACCUMULATION OF WEALTH

All the millionaires in this country of ours could have been counted on the fingers of two hands, possibly of one hand, a century ago. To-day their number reaches many thousands, while men possessing $1,000,000,000 in wealth are beginning to rival in number our millionaires when the Constitution was adopted. Although in this time of business depression few men know their exact holdings, which illustrates the adage that riches have wings, money is only useful for the comforts and opportunities it brings to its holder and to the people who are permitted to enjoy it.

Neither a billionaire nor a millionaire who has acquired his wealth under our beneficent laws needs vast wealth, for when our forefathers wrote that all men have inalienable rights of life, liberty, and pursuit of happiness, they intended to say that every man, not the few, had full protection under our law to those rights.

It can not be said that a thousand-fold all the wealth of Crœsus must be kept intact and protected to one man and charitable relief afforded another without inviting the inquiry, Is that the purpose of our widely heralded democracy?

In this day of financial extremes, where men of wealth satisfy their consciences by dribbling small charities to keep other equally good Americans from starving, we may well ask, Have we assured to those in need rights promised by our forefathers when establishing this Government?

Men of great wealth generally place a large share of their wealth in tax-free securities, or make large gifts to maintain others in luxury and so escape estate taxes. They receive the protection of this Government in acquiring that

wealth. Should they be relieved from paying for that protection when hoarding their wealth?

I have no envy for any man possessing great wealth. He misses much in life for the enjoyment he gets in accumulating money. To cite an extreme case, the miser gets happiness out of his habits and his sacrifices for wealth, but few people envy him that joy. We are dealing with rights when that wealth is permitted to accumulate and is protected, to the exclusion of rights to work and live by millions not blessed with food or shelter.

MEN WHO ASKED FOR JOBS

It is generally understood that Secretary Mellon, by threats of resignation and of ultimate national financial confusion, compelled Presidents Harding, Coolidge, and Hoover to oppose and veto veteran compensation legislation. Its effect on the subject in hand is disclosed by the following extract from a speech in the House on February 16, 1931. Quoting from the committee hearings of January 31, I said:

Appeals for relief of unemployment by veterans and tales of need do not go to Mr. Mellon, where they would be unanswered, but to General Hines.

I quote from the committee hearings of January 31:

General HINES. I estimate between 200,000 and 300,000 ex-service men are out of employment. * * *

Mr. FREAR. You have previously stated that not over 50 per cent, if given the option, would release their certificates, so that 50 per cent will not be forced; is that right?

General HINES. That is correct.

Mr. FREAR. The proportion that will be forced is simply those out of work, in distress, with their families in need. Now, what provisions are we to make to care for those people, other than by the bills which are now before us?

General HINES. I indicated, Congressman, I felt we should make an effort to get them into employment * * * The Department of Labor, with the cooperation of the Veterans' Administration and the service organizations, indicate the result of our combined efforts * * * that from May until December of 35,974 veterans they were able to place in employment 13,253. An additional 17,439 have been referred to employers but to date it has not resulted in getting a job.

Mr. FREAR. On the basis of those figures 22,000 of the 35,000 are still out of employment.

General HINES. Yes.

Mr. FREAR. Now, what proportion of the total number would you say are in this third group that are in distress or in need?

General HINES. I think I limited it to two or three hundred thousand.

Mr. FREAR. These combined efforts, as you have stated, have provided 13,000 with employment out of two or three hundred thousand. What are we to do for the balance of those two or three hundred thousand?

General HINES. It is our duty to continue our special effort to get the veteran employment. * * *

Mr. FREAR. But if we have only secured 13,000 positions out of two or three hundred thousand we have not made much progress. * * * Of course, they are put in competition with the great number out of employment who are not ex-service men. That is one reason why 13,000, the number provided for, is so limited, is it not?

General HINES. Yes.

If Secretary of the Treasury Alexander Hamilton, No. 1, had said to General Washington, first in the hearts of his countrymen, that the survivors of Valley Forge, when asking for bread, should be given a stone or shown the soup house, that great patriot, whose bicentennial we are about to honor, would doubtless have replied that Aaron Burr must hurry his sunrise meeting.

Patriotism has been so diluted since those days by foreign investments, foreign entanglements, and war profiteering that the second Hamilton, although rolling in wealth, enhanced by the World War and sacrifice of veterans now in need, disclosed a different atmosphere when he says, in effect, a soldier must depend on charity. I am using his case as an object lesson and not because of any prejudice against the individual.

That eminent financier was aware last year of the fact that 287,000 veterans, once ruthlessly taken from their jobs to fight our battles, were then out of employment, without hope of jobs; that families had suffered mentally and financially during their absence in war; that these families in many cases are now dependent on charity; that I O U's of Uncle Sam in the form of Government insurance certificates, the best security in the world, were offered by Congress and that loans, not gifts, were asked to tide these men over a great business depression. To placate the present Secretary of the Treasury it was agreed by Congress, over protests, that the wealthiest government in the world might shave interest rates so that the Treasury would make an actual profit from these loans to veterans.

That relief bill was vetoed, with a dismal prospect of crowding soup houses already the refuge of several million other Americans looking for jobs. Congress, irrespective of politics, voted not to throw out the pleas of men who fought, to save Mellon's millions. In so doing, to a mild degree, it reflected the immortal spirit of the Father of our Country when again it overruled a President's veto.

Veterans asking for a job were to be handed a soup ticket. That was and is Americanism down to date. Congress must return to an Americanism which declares "work," not "charity," is the right of every man, so far as the Government can provide.

No system can be devised that will prevent injustices or suffering, but it is well to consider extremes when charity is offered as a remedy for the needs of millions of people out of employment and who want work.

MEN WHO GOT JOBS

Present conditions were disclosed when the press recently reported that a call in one city for 250 men to dig ditches for sewers caused ten times that number to stand in line during the night, including many white-collared men, all looking for jobs to dig dirt at nominal wages. A small riot was precipitated by the excess of labor asking for that work.

Senator LA FOLLETTE's committee has been holding hearings during the recess and has many valuable data on which to frame a bill or bills to meet the present unemployment emergency, but I have had the temerity to offer a suggestion which may properly furnish a basis for additional permanent relief.

A Federal unemployment commission to deal with the problem might well follow the plan of Federal highway aid. That commission should be authorized in emergency to extend possibly not to exceed 20 per cent of the cost of new local municipal improvements, providing the State in which a municipality is located contributed a like amount of State money.

This would leave 60 per cent of the actual cost of the improvement to be borne by the municipality. Such improvements, when an emergency was declared to exist, would extend from ordinary permanent municipal improvements to projects for housing and otherwise caring for the welfare of the people. The work to be performed under joint supervision after the project, including wages and amount of joint contribution, had been determined and agreed to.

Large cities that have a proportionately large surplus of unemployed labor would thus be relieved from a portion of the excess burden of caring for unemployed who flock there in times of depression.

Surrounding restrictions should be required with limitations of character of work to receive contribution, amount to be expended, with an additional provision that Federal officials be required to approve every project, its necessity, and usual building conditions in manner similar so far as applicable to present authorizations for Federal building construction throughout the States.

Federal aid would be extended only in cases of unemployment emergency, to be determined by the administrative board acting under definite provisions of law, to avoid extravagance or unauthorized expenditures. Such Federal aid would be based upon cooperation by the State and local municipal unit. Details could be provided for safeguarding the Federal Government and a plan could be developed to meet the necessities of a situation that everyone concedes demands vigorous treatment.

EXPENSE, HOW BORNE

What will be the expense and how will it be met?

Under charitable contributions those best able to pay generally shirk their full duty. Under income, estate, gift, and like tax measures those best able to pay must give support to their Government. Evasions or exemptions due to trusts,

gifts, tax-free securities, or other provisions that prevent the Government from collecting the full amount paid by ordinary taxpayers are frequent. Remembering that our Federal tax rates are below those of practically all other countries, a tax based on ability to pay would be just to those taxed. That is the present proposal of the administration.

That is a separate responsibility of Congress and an increased tax to balance the Federal Budget should give priority to the establishment of such an unemployment bureau. Highways, waterways, irrigation, and other like proposed expenditures, especially where undertaken without proportionate local contribution, should wait in times of stress because slight scrutiny will often disclose doubtful utility and the fact that actual manual labor on those projects is not to be compared with the harvest of profits ordinarily reaped by contractors using modern machinery. The right to work is superior to community benefits claimed to be gained. Frequently much public money is wasted under the guise of public "improvements," and Congress as well as the President has a responsibility for the wise expenditure of money, second only to the prior right of work for those in need.

With war-debt payments already anticipated by the Treasury it would not embarrass this Government to ease the present depression by a bond issue, if need be, that would be oversubscribed by those who are looking for safe investments. Until industries are again on a normal basis this course would give needed relief.

If relatively more important expenditures are to be considered, it would be well to delay, if not permanently postpone, a naval-parity program which seeks to secure a billion dollars from the Federal Treasury for naval parity with Great Britain in addition to an annual drain on the Treasury of three-quarters of a billion dollars now paid for maintaining our Army and Navy. That tax drain to-day is more than double the cost of our defense measures prior to the World War, and greater than is paid by any other country for "national defense." Other like extravagances are familiar to every Member.

By payment of $1,000,000,000 toward unemployment in one year, a proper investment, the Federal Government could secure a contribution of four times that amount from the States and municipalities, or a total of $5,000,000,000. Probably one-tenth of $5,000,000,000 that could thus be raised for any emergency would be sufficient to meet ordinary demands, but work should be given to those who ask for it, where possible to furnish.

A contribution of $100,000,000 from the Federal Government, with a like sum from the State and three times that amount from the municipality, would furnish employment for 2,500,000 people for several months at modest compensation, and double that Federal contribution would provide 5,000,000 unemployed with work on useful improvements throughout the average period of depression. Compared with appeals to charities, this would be a far better method of relief than to provide simple gratuities which would not approach those amounts during the same period nor be equitably contributed by those best able to pay.

The blessings of individualism have long been held up to the world, but when men and women ask for work instead of charity it is time for us to give attention to our own public methods that excite criticism from abroad.

The suggestion is here proffered of a constructive plan that may be further developed with a protest against forcing self-respecting people to line up with down and outers, by pleading for charity, when work and not charity is asked. Our country can and should face the problem squarely, by making provision for the present and for future emergencies that are sure to come.

BETTER INVEST OUR MONEY IN AMERICAN JOBS

One word in conclusion: The Commerce Department's Bureau of Foreign and Domestic Commerce reports the United States and its citizens hold approximately $24,500,000,000 in foreign investments, or $200 per capita for every man, woman, and child, including 5,000,000 unemployed, 95 per cent of whom have no part of that enormous investment.

The total is divided into $7,740,000,000 cash value (?) of $11,640,000,000 war debts when whittled down to date with likelihood of more whittling to be done.

Fifteen billion dollars is in private long-term investments in factories, mines, public utilities, and various foreign government bonds and $1,725,759,000 in short-term credits. Of these investments Canada has $3,941,693,000; Europe, $4,929,277,000; South America, $3,041,926,000; and Mexico, Central America, West Indies, Africa, Asia, and Oceania have practically all the rest of the $15,000,000,000. If our financiers can place their securities in such large quantities abroad, it would be well to reserve a portion here for the use of America's unemployed.

To get a picture of the moderate tax paid by the American, compared to that paid by his English cousin, the last tax proposal by Snowden in England reached 5 shillings (or 25 per cent) on the pound as the basic income tax. Ten per cent increase in the surtax on higher incomes is also one method of distributing wealth in conservative England.

Sixteen cents per pound on smoking tobacco, 16 cents tax a gallon on gasoline, and similar heavy English taxes are then imposed. A small fraction of that tax rate would provide work for all of America's unemployed.

It is sometimes comforting to know that misery has company, and in these days of business depression when all the world is affected, the situation does not look so bad when we realize that, after all, ours is the best country in many ways, and it is only a matter of better distribution of wealth by taxation that is asked for in time of need and a contribution from those best able to pay to provide work for those who ask for it and not for charity.

I attach hereto bill (H. R. 4552) that provides for a permanent Federal unemployment commission.

H. R. 4552

A bill to provide for cooperation with the States and with municipal corporations for the relief of unemployment by extending Federal aid toward the construction of municipal improvements

Be it enacted, etc.—

FEDERAL COMMISSION FOR THE RELIEF OF UNEMPLOYMENT

SECTION 1. That a Federal commission for the relief of unemployment (hereinafter referred to as the commission) is hereby created, to be composed of the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor. Two members of the commission shall constitute a quorum for the transaction of business, and the commission shall have an official seal, which shall be judicially noticed. The President shall designate the chairman of the commission.

EMPLOYEES AND ADMINISTRATIVE EXPENSES

SEC. 2. That the commission shall appoint, without reference to the civil service act of January 16, 1883, an executive secretary, who shall receive a salary of $5,000 a year; and may employ, subject to the said civil service act and the classification act of March 4, 1923, as amended, such experts and other personal service as may be necessary to carry out the purpose of this act. The commission shall occupy rooms assigned to it by the Public Buildings Commission; or if no such rooms can be assigned, the commission may rent suitable rooms in the District of Columbia. The commission is authorized to purchase, through the General Supply Committee, such furniture, stationery, and other supplies as may be necessary to carry out the purpose of this act. For the expenses referred to in this section there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary, not to exceed $100,000 for any one fiscal year: *Provided*, That such appropriation shall not be expended at a rate in excess of $50,000 a year except during such times as an emergency has been declared to exist, under section 3 of this act.

UNEMPLOYMENT EMERGENCIES

SEC. 3. That the provisions of this act relating to Federal aid shall apply with respect to any State only during an emergency condition in the unemployment situation in such State; the existence of the emergency condition being declared by the commission, subject to the approval of the President; but no such condition shall be declared to exist in any State until after some duly constituted official of that State has requested the commission to make such declaration. The commission, subject to the approval of the President, may declare the termination of an emergency condition in any State; and shall make such declaration whenever so requested by the legislature of the State or by the governor, if the legislature has not been in session at any time during the preceding 60 days.

APPLICATION FOR FEDERAL AID

SEC. 4. That during any emergency condition in the unemployment situation in any State, any municipal corporation in such State may apply to the commission for Federal aid for the construction of permanent improvements, and the commission is authorized to grant such Federal aid under the following conditions:

(a) The Federal aid shall be limited to 20 per cent of the estimated total cost of the improvement.

(b) The State must guarantee, through some commission or other agency duly authorized by the legislature thereof, that it will contribute toward the same improvement, an amount at least equal to the Federal contribution, and that it will be responsible for the completion of the improvement, in case of any default on the part of the municipal corporation to comply with its obligations under this act.

(c) The municipal corporation must provide for defraying all cost of the improvement in excess of the Federal and State contributions; and the commission must satisfy itself before approving the application that this provision constitutes a valid legal obligation on the part of the municipal corporation.

(d) The application must be accompanied by detailed plans and specifications for the proposed improvement, including an estimate of cost; and no Federal aid shall be granted until the plans, specifications, and estimate of cost have been approved by the commission.

(e) The commission shall have complete discretion to refuse to grant Federal aid to any municipal corporation in respect to any specific application; but the reasons for such refusal shall be communicated in writing to the municipal corporation.

(f) The proposed improvement set forth in the application must be of a permanent character, and may be in the nature of facilities for water, light, gas, power or sewage service, municipal buildings, or dwelling houses to be the property of the municipal corporation.

(g) Before any of the Federal appropriations are expended the commission must be satisfied that the State aid is actually available, that any necessary bond issues have been validly authorized and the proceeds of the bonds made available, and that both the State and municipal agencies for the expenditure of the funds are effectively organized.

(h) The agreement providing for Federal aid shall contain such provisions as to methods of construction, wages, and other details as the commission may think necessary or desirable; and the commission may withhold any Federal contribution if in its judgment such provisions have not been complied with. No contribution of Federal funds shall be made except proportionately with funds advanced by the State until the improvement is completed and the action by the commission shall not be subject to review by any court, but only to an appeal to Congress for relief.

APPROPRIATIONS

SEC. 5. That for the purpose of carrying out the provisions of section 4 of this act there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of $100,000,000: *Provided*, That not more than $1,000,000 shall be contributed in aid of any one municipal corporation, nor more than $5,000,000 for municipal corporations in any one State in a single year.

SEC. 6. The commission is authorized to call upon all agencies of the Federal Government for information or advice in connection with the operation of this act, and the commission shall from time to time make detailed recommendations to Congress for further legislation needed in order to carry out more effectually the purpose of this act, and shall at the beginning of each session of Congress make a full report of all expenditures made under section 4 of this act subsequent to the period covered by its last preceding report. The commission shall meet at any time at the call of the chairman or of the President; and the chairman shall call a meeting within 10 days after a request from the governor of any State for a declaration of an emergency condition in the unemployment situation in such State.

ADJUSTED-SERVICE CERTIFICATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a radio speech I made last night, and to include a letter from Thomas Kirby, national legislative chairman of the Disabled American Veterans of the World War.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following speech delivered by myself over the Columbia Broadcasting System Monday evening, December 21, 1931, on the subject, "Why the adjusted-service certificates should be paid in cash now."

Are veterans of the World War "bonus racketeers," "Treasury raiders," and are they trying to bankrupt the Government? Many such charges have been brought against them. Many such odious terms have been applied to their demands. If their requests from the Government are unreasonable, such charges are at least corroborated. If, on the other hand, the veterans are reasonable in their demands and are supported by both justice and right, the charges are unauthorized and the ones making them are entitled to have their motives impugned.

H. R. 1 FOR FULL PAYMENT

Congress should immediately pass a bill authorizing the full cash payment of the adjusted-service certificates. My bill, H. R. 1, introduced the first day of Congress, provides for full cash payment without deducting interest on prior loans since October 1, 1931. This proposal is indorsed by the Veterans of Foreign Wars, the Disabled American Veterans of the World War, Fleet Reserve Association, and many other organizations.

NOT BONUS CERTIFICATES

Three million six hundred thousand veterans of the World War hold adjusted-service certificates. They are not bonus certificates and do not represent a bonus; they represent a just and honest debt confessed and acknowledged by the Congress of the United States to the veterans of the World War for services rendered. They range in value from $126 to $1,590 each; the average certificate is for $1,000. The holders of these certificates reside in every nook and corner of America.

COMPOUND INTEREST WILL CONSUME REMAINDER

Two million five hundred thousand of these veterans, or about 75 per cent, have borrowed $1,300,000,000 by using their certificates as collateral security. They are paying 4½ per cent interest, compounded annually, for their own money. They are now charged with being unpatriotic for objecting to the remaining one-half of their certificates being consumed by compound interest. They are told the money will be needed by them much worse in 1945. A veteran holding a certificate of the average size, who has borrowed the limit allowed by law, as these veterans have borrowed, and does not pay any part of it back, will be able to negotiate another loan on his certificate in 1944 for $16.55; the next year, 1945, he will be given $66.25 and his certificate will be canceled. Compound interest will consume the remainder.

Two billion two hundred million dollars will pay the balance due on all the certificates. Only the uninformed or the veterans' enemies contend that the Government can not conveniently make this payment now. The Government can be saved tens of millions of dollars a year in administration expense by making the payment now, and at the same time save the veterans, their widows, and orphans tens of millions of dollars annually in compound interest. For a veteran to be required to pay interest for his own money is bad enough, but to require him to pay "compound interest" is adding insult to injury.

The veterans' problem is the problem of the plain people. Most of the veterans belong to that great middle class. It is that class that has done so much for this country. They are the ones who build our country in time of peace and who save our country in time of war. If they are made prosperous, everybody will be prosperous; they have the consuming power.

The plain people will be greatly benefited by the payment of the adjusted-service certificates. A benefit to them is a benefit to the Nation.

OTHERS RECEIVED ADJUSTED PAY

The principle of adjusted pay was invoked by our Government for the benefit of others who rendered war services. The railroad owners and war contractors were given billions of dollars by the Government immediately after the war in adjusted compensation. Federal employees, drawing $2,500 a year or less during the war, drew $1,200 and $1,400 each as adjusted compensation—this payment costing the Government $300,000,000. Foreign countries were given $10,000,000,000 in the adjustment of their debts with us and they used our money to pay their own soldiers not only adjusted compensation but bonuses aggregating as high as $7,290 each. Remember, the railroad owners, war contractors, and Federal employees were paid by our Government in cash, and ten billions were given to foreign countries at a time when our Nation owed $26,000,000,000. No one asked the question, "Where are we going to get the money?" Our Nation owes at this time $10,000,000,000 less than it owed at that time.

ACT OF 1924

Congress passed a law in 1924 which was known as the adjusted compensation act. The report of the committees of Congress reporting this bill, both House and Senate, and the copy of the proceedings of both Houses in the discussion of the measure disclose that by the enactment of this law Congress intended to confess and acknowledge to the veterans of the World War a debt for extra pay during the time of their military service equal to $1 a day extra pay for service in the United States and $1.25 a day extra pay for service overseas. These reports and discussions further disclose that the amount was arrived at by taking into consideration the difference between what the average private soldier, sailor, or marine received for his service at $1 a day and his food and clothing, which was furnished by the Government, and what the lowest paid laborer in America received as compensation during the war. This calculation enabled the lawmakers to come to the conclusion that the veterans were entitled to receive between $1 and $1.25 a day extra pay and resulted in allowing the men in domestic service $1 a day extra and the overseas men $1.25 a day extra.

Contrary to the belief of many people, the veterans of the World War are not asking Congress to give them one penny more than the $1 or $1.25 that has already been confessed. The veterans are not asking that the amount be raised; they are merely asking for the payment as of the time their services were rendered with a reasonable rate of interest since that time.

Is that an unreasonable request? No one can contend that it is.

Congress, in the passage of the act which confessed the debt to the veterans, provided that instead of paying them in cash, the amount due them would be increased by 25 per cent for waiting, and they would be given an endowment-insurance policy, due January 1, 1945, for an amount equal to what such a premium would purchase, according to the American Experience Table of Mortality, at 4 per cent interest, which was done. Under this act veterans were permitted to borrow from the Government, by using their policies as collateral security, a small amount each year, equal to about $2 a month on the average policy. On these loans the veteran was required to pay a rate of interest equal to 2 per cent above the rediscount rate effective in the Federal reserve district where the veteran resided. This resulted in the veterans being required to pay 6, 7, and 8 per cent interest, compounded annually, for their own money, which they paid for many years.

In the full-payment bill now pending the veterans are not asking for the 25 per cent increase for waiting—just the amount due at $1 and $1.25 a day as of the time the services were rendered, with a reasonable rate of interest since that time. The 25 per cent increase is omitted.

What is a reasonable rate of interest? The Government in charging the veterans 6, 7, and 8 per cent interest, compounded annually, for their own money admitted these amounts were reasonable; therefore, a request for 6 per cent interest, compounded annually is not unreasonable. That is all the bill calls for. If the veterans are paid the $1 and $1.25 a day with 6 per cent, compounded annually, from the time the services were rendered, each veteran was entitled to receive, October 1, 1931, an amount equal to the full face value of his adjusted-service certificate. Therefore the face or maturity value of all the adjusted-service certificates is long past due. They must be paid some time. If paid now, both veterans and the country will be benefited. The additional purchasing power such payment will afford is badly needed at this time.

HAS THE LAW AUTHORIZING LOANS OF 50 PER CENT UPON ADJUSTED-SERVICE CERTIFICATES CAUSED ANY PART OF THE TREASURY DEFICIT?

This charge is often made. It is not true. No part of the Treasury deficit has been caused by loans to veterans on their adjusted-service certificates. November 28, 1931, the Veterans' Administration furnished me with the latest information relative to these loans. This information discloses that a total of $1,173,330,971.37 has been loaned to veterans under both the old and new laws relating to loans; $537,339,791.76 loaned under the original act of 1924, when the debt was acknowledged; $635,891,179.61 has been loaned under the new act of 1931 authorizing a loan up to 50 per cent of the value of certificate.

None of this money has been loaned by the Treasury Department. It has all been advanced from two funds, as follows:

Adjusted-service certificate fund	$840,243,494.98
United States Government life-insurance fund	332,987,487.28

There is in the adjusted-service certificate fund at this time, after deducting the above amount, and which may be used to advance on additional loans, the sum of $153,925,720.

A letter from the Veterans' Administration to me, dated November 28, 1931, substantiates the statements I have made.

MISLEADING HEADLINES

During the past two or three days newspapers all over the Nation have carried this headline, "Veterans' bonus of $200,000,000 passed by Congress." One would immediately come to the conclusion that a new veterans' bonus bill has passed and that the veterans who have borrowed can now secure an additional sum on their certificates. Such is not the case. The President, anticipating that the adjusted-service certificate fund will become exhausted and that additional funds will be needed for the purpose of loaning veterans their own money at 4½ per cent interest, compounded annually, requested Congress to make the $200,000,000 available for that purpose. A veteran who has borrowed 50 per cent on his certificate is not affected by this legislation. He can not borrow an additional sum. The appropriation is for the purpose of granting additional loans to veterans who have not borrowed the limit allowed by law.

WHERE WILL WE GET THE MONEY TO PAY THE CERTIFICATES?

Our national debt is being retired too rapidly. Congress passed a law which established the policy of the Government in the retirement of this debt. Since the war was fought for posterity, Congress declared that the payment of the debt caused by the war should be borne, at least partly, by a future generation. The Secretary of the Treasury, contrary to the policy expressed by Congress, has paid $3,500,000,000 more on the national debt the past 10 years than Congress said should have been paid during that period of time. Congress can pay the adjusted-service certificates in full in cash now and our country's national debt will not be as great by over $1,000,000,000 as Congress, 10 years ago, contemplated that it should be at this time. Our national debt, compared to our national wealth, is insignificant and is nothing compared to the indebtedness of foreign countries. Our national debt is between sixteen and seventeen billions of dollars. Our national wealth is thirty times the amount of such debt.

HOW WILL THE MONEY BE SPENT?

Will the veterans waste the money? It is their money. They have a right to spend it for any purpose they choose. An investigation made by the Veterans' Administration for the purpose of discovering how the money was spent that was paid on the 50 per cent loans disclosed that 65 per cent was spent for comforts and necessities of life; 20 per cent for investment purposes, including payments on homes; 8 per cent on automobiles; and 7 per cent in a way that no practical benefits were realized therefrom. The average age of the veterans is 39½ years. They are married and have children. Almost a million of them are out of employment. They need the remaining half of their certificates much worse than the Government needs it in compound interest.

THE NATION WILL BE HELPED $18 PER CAPITA

If the remainder of the certificates are paid in full it will be the same as distributing $18 per capita all over the Nation. In a city of 1,000,000 people $18,000,000 will be paid to the veterans. This money will go immediately into the channels of trade. A veteran will pay his doctor bill, drug-store account, grocery bill, an installment on the furniture, a payment on the home, or possibly enjoy additional comforts and necessities of life. All the people in that city will be helped. The benefits will not be confined to the veterans and their families.

GET THE TRUTH TO THE PEOPLE

This is not a question of sympathy. It is a business proposition. A great principle is involved. That is, shall the Government liquidate this debt in the same way that debts owed by the Government to others are liquidated? If so, it should be paid in cash now. The veterans do not want sympathy, they want understanding. We will be victorious when the people understand that our request is both right and reasonable. Our problem is getting the truth to the people. The request for this payment does not come from veterans alone but from farmers, wage earners, manufacturers, wholesalers, retailers, jobbers, business and professional men and woment, and all others who want a wrong righted and our Nation made prosperous.

FIGHT WILL CONTINUE

We have a just cause; we are right; the fight has just commenced, and it will continue until the certificates are paid in full.

It has been contended that the Disabled Veterans of the World War are not favorable to the proposal that the adjusted-service certificates be paid in full in cash now. The following letter is self-explanatory:

DISABLED AMERICAN VETERANS OF THE WORLD WAR,
Washington, December 17, 1931.

Hon. WRIGHT PATMAN,
House Office Building, Washington, D. C.

MY DEAR MR. PATMAN: In response to your request for confirmation as to the position of the Disabled American Veterans on the matter of adjusted-compensation-certificate legislation at this session, you are informed that the Disabled American Veterans of the World War stands for the immediate cash payment of this obligation.

This position has resulted from the action of the eleventh national convention of the Disabled American Veterans of the World War last June at Wilkes-Barre, hundreds of delegates representing every section of the country voting overwhelmingly to make this an item of the national legislative program. This was not a precipitate action from the floor but came after the legislative committee had deliberately considered numerous resolutions from various units.

In this connection the eligibility of the Disabled American Veterans of the World War can not be overemphasized. This is the only organization of any wars' disabled in the history of the Republic that has been federally recognized, and we have always been extremely jealous of our eligibility lists, which are limited exclusively to men whose disabilities resulted from their military or naval service.

As you are aware, the legislation at the last session came at a time when the distress among the disabled was not as severe as at present. I know it will be interesting to you to be informed that the first employment census of the disabled since the armistice was taken during the past summer under the guidance of the Disabled American Veterans of the World War. There was sent to every compensable man in America a questionnaire as to his employment status and the tabulation from these returns showed there were 75,000 service-connected disabled men without employment whose average compensation is less than $30 per month. It has been estimated that 20 per cent of the soldiers were married, while to-day 80 per cent of the veterans are married, and the vast majority of these have dependents. It is easy to visualize the distressful condition of these men at this time of depression so, if the legislation last year was justified, it is more so at present, so far as the war's disabled are concerned.

Cordially yours,
THOMAS KIRBY,
National Legislative Chairman.

I want to thank Mr. Harry C. Butcher and the other officials of the Columbia Broadcasting System for the privilege of making these remarks over the air.

I shall be glad to send to anyone requesting it a copy of a speech which covers every phase of this subject, answers every argument against the proposal, and discloses the number of veterans in each State holding adjusted-service certificates and the amount that will be paid these veterans if H. R. 1 passes Congress. You may address your request to Representative WRIGHT PATMAN, House Office Building, Washington, D. C.

APPALACHIAN ELECTRIC POWER CO. *v.* GEORGE OTIS SMITH

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 930, limiting the operation of sections 109 and 113 of the Criminal Code with respect to counsel in the case of the Appalachian Power Co against George Otis Smith and consider same.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That nothing in sections 109 and 113 of the act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909, as amended (U. S. C., title 18, secs. 198 and 203), or of any other act of Congress forbidding any person in the employ of the United States or acting in any official capacity under them from acting as agent or attorney for another before any department or branch of the Government or from receiving pay for so acting shall be deemed to apply to counsel serving in the case of the Appalachian Electric Power Co. *v.* George Otis Smith et al., now pending in the District Court of the United States for the Western District of Virginia.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. SUMNERS of Texas, a motion to reconsider was laid on the table.

PHILIPPINE INDEPENDENCE

Mr. RAINEY. Mr. Speaker, I yield five minutes to the gentleman from the Philippine Islands [Mr. OSIAS].

Mr. OSIAS. Mr. Speaker, I wish at the outset to express my grateful appreciation for the uniform courtesy extended to me by the Members of the House of Representatives during my incumbency in office. I am thankful for the generosity of the majority floor leader in allotting me a few minutes to discuss in a preliminary way the Philippine question.

I shall do nothing more on this occasion than to present the true stand of the Filipino people in regard to our national freedom and apprise the membership of Congress of the subtle and widespread propaganda misrepresenting the real sentiment of my people and the declaration of the Filipino leaders.

Mr. Speaker, it is neither new nor strange to us that those opposed to the redemption of America's pledge to grant independence to the Philippines should labor to frustrate favorable action. We have long been the victims of a campaign of misinformation and misrepresentation. Time and again in the past accusations had been hurled against us. Our adversaries have alleged that the Filipinos do not really want independence; that only politicians are clamoring for it; and that the leaders must go through the gestures to keep themselves in power.

We have repeatedly denied these charges. We have answered that the fact that no Filipino may be elected to any office if he is not for independence is a proof of our universal devotion to our national emancipation. We have answered that all live elements of our population are convinced that independence is the best solution of the Philippine question. We have answered that the allegation that leaders have to advocate independence to keep themselves in power is really an argument in favor of independence, for it clearly reveals that the masses compel their leaders to take a firm stand.

At the extensive hearings on Philippine independence before the Senate Committee on Territories and Insular Affairs, the insidious propaganda reached the members. We are indebted to the Senate committee for the categorical answer given. I quote the exact words of the majority report:

It is insinuated that the Philippine people do not actually desire independence and that their leaders do not really favor it, and yet, in reply to this propaganda, there comes from the entire press of the Philippines, from all classes of its population, from its school children and its public officials, from the representatives of its political parties, majority and minority, a demand for independence.

Not a single witness before your committee could name 10 Filipinos who do not favor independence. The business organizations of the islands, their national conferences, their educators, their government officials, their economists have all declared for independence. The Philippine press, the Philippine public, the Philippine pulpit, the Philippine school, and Philippine industries seem, so far as we can ascertain, to be unanimous in the demand that the United States redeem its pledges to grant to these people the sovereignty to which they aspire.

In recent months a similar propaganda was renewed with greater intensity. Now it is blatantly announced to the four winds that the Filipinos have changed front. Right here in Washington there are individuals or agents interviewing Members of Congress and whispering that the Filipino leaders no longer want independence. They are distributing drafts of measures alleging that they embody the new stand of my people. I have in my possession a copy of such a measure kindly furnished me by a colleague. I also hold in my hands a printed pamphlet skillfully conveying the idea that a number of Filipino leaders no longer desire immediate independence and national sovereignty.

I stand here and say authoritatively that the allegation that we have changed front is false and unfounded. We employ no lobbyists—Filipino, foreigner, or American—to voice our desires. We speak for ourselves. The Philippine Legislature and the Filipino people are cognizant of the proper procedure in approaching the people and Government of the United States. Within a few days an independence mission sent at the behest of the Philippine Legislature will arrive in Washington. The members of this body and the American people at large are entitled to the truth, and the truth they shall have from the authorized and chosen spokesmen of my people. [Applause.]

I have the deepest respect for the Congress of the United States, and I wish to say without fear of successful contradiction that if the Members could visit the Philippines they would see for themselves that the Filipino people's demand for independence to-day is more vocal and insistent. Speaker Roxas, who headed the last mission that appeared before congressional committees during the last Congress, voiced our true sentiments when he pleaded for the immediate, absolute, and complete independence of the Philippines. Senator Osmeña, speaking at the last session of the Philippine Legislature, stated what the Filipinos most desire, in these words:

What our people want now is their independence; that they be allowed to live their own free life, direct their own destinies, and establish, finally, a government of their own, loved and sustained by themselves under the ægis of their own flag.

Senate President Quezon, whose views had been garbled in transmission and very seriously misrepresented in the American press, defined the relations that the Philippines should have with America when he submitted his report to the legislature. No one who knows the patriotic and self-sacrificing spirit of our national leader in our emancipatory struggles extending over a period of years, no one who had ever come in contact with him while in Congress could ever doubt that he is now, as he has always been, for independence. The report alluded to closes with this paragraph:

Our relations with the American people * * * must be inspired by the principle of self-determination and voluntary partnership. It is only thus that an effective and cordial cooperation between America and the Philippines may be secured in a common design to promote the moral and material interests of both peoples.

The last independence congress held in Manila attended by representative elements of our population adopted the following self-explanatory resolution:

In the name and in behalf of the Filipino people we solemnly affirm, with full realization of the consequences and responsibilities of political independence, that our people should be allowed to live an independent life and to establish a government of their own without any further delay and without any condition which makes its advent uncertain; hence we respectfully reiterate our petition to the people and Government of the United States to grant the Philippines immediate, complete, and absolute independence.

At the last session of our insular legislature an independence memorial was approved at a joint session, and I take the liberty of reading the closing paragraph:

The independence of America from the Philippines would seem to be as imperative as the independence of the Philippines from America. Therefore, with all due respects, with a deep feeling of gratitude to America, and with full consciousness of the burdens

and responsibilities of an independent life, we hereby submit that the time has come for the redemption of America's solemn promise to declare and recognize the independence of the Philippine Islands.

Mr. Speaker, no one who hears or reads these pronouncements can honestly say that the Filipino people are not sincerely devoted to their independence. Every mail from across the seas brings to my office resolutions from provincial boards and municipal councils voicing the same sentiment. I submit that the members of this body are witnesses to my constant plea for immediate, absolute, and complete independence.

An impartial observer, Mr. Eddy, in a volume on the Challenge of the East, recently published, and devoting a chapter to the Philippines, does not hesitate in saying:

> We have found no people in the world so unitedly, so passionately, so insistently desiring independence as the Filipinos.

The SPEAKER. The time of the Commissioner from the Philippines has expired.

Mr. OSIAS. I ask unanimous consent to proceed for one-half minute.

Mr. COLE of Iowa. Mr. Speaker, I suggest that the gentleman take all the time he wants. We would like to hear the subject discussed.

Mr. KNUTSON. I ask unanimous consent that the gentleman be given 20 minutes.

The SPEAKER. Unanimous consent was granted that there would be 20 minutes of debate on a side, to be controlled by the gentleman from Illinois and the gentleman from New York [Mr. SNELL].

Mr. RAINEY. Mr. Speaker, I yield two minutes to the gentleman from the Philippines.

Mr. OSIAS. I thank the gentlemen most heartily. Mr. Speaker, in two minutes it is clearly impossible adequately to discuss other phases of this all-important problem, independence, but the extension of time enables me to present succinctly our independence stand. In words as plain and in language as clear as I can make it, this is the stand of my people to-day: If given the choice between a continuation of the present form of government on the one hand and immediate, absolute, and complete independence, with all the attendant consequences on the other, the Filipino people are a unit in favor of immediate, absolute, and complete independence. To make this point more emphatic: If the choice is between relative prosperity without freedom on the one hand and independence with relative poverty on the other, my people would unhesitatingly choose the latter. Naturally, if they could secure immediate independence with reasonable economic adjustment, they would welcome it. But let there be no mistake. The supreme concern of the Filipinos is the early grant of national independence. [Applause.]

I am inspired, Mr. Speaker, that during this brief session of the Seventy-second Congress already the membership has shown itself liberal and generous even to countries across the Atlantic, even to people who were once the enemy of the United States. I speak for a people, who during that world cataclysm, clung to you with a loyalty that bordered on filial affection. They, through my weak voice, appeal to you that you cast your eyes upon those distant isles and attend with equal sympathy and promptness to our needs.

The last important legislation for the Philippines was approved in August, 1916. For a decade and a half Congress has enacted no fundamental law that would remove the uncertainty and anomaly of the Philippine situation or which would forever solve the relations between the United States and the Philippine Islands.

There should be no further moratorium on the Philippine question. There should no longer be a holiday on a problem involving people's rights and human freedom. Let American statesmanship now assert itself and grant us the independence which has been promised, and forestall even the possibility of bankruptcy in American-Filipino relationship. [Applause.]

The independence resolution approved on September 24, 1931, at a joint session of the Philippine Legislature, unanimous consent for the inclusion of which was secured, follows:

INDEPENDENCE RESOLUTION APPROVED SEPTEMBER 24, 1931, AT A JOINT SESSION OF THE PHILIPPINE LEGISLATURE

We, the members of the Philippine Legislature, in joint session assembled, for ourselves and in behalf of the Filipino people do hereby reiterate our petition for the immediate and complete political separation of the Philippine Islands from the United States. Our desire for liberty was repeatedly manifested in the course of our history throughout our many struggles for political emancipation culminating in the establishment of the Philippine Republic. We lost our independence because of the superior force of America. We expect to regain it because of her plighted word.

We acquiesced in American rule only when we were assured that she came not as a conqueror but as a liberator. In all good faith we relied on her promise made through her highest executive officials and confirmed by the Congress of the United States when it declared that the independence of the Philippine Islands shall be granted upon the establishment of a stable government. This condition having been fulfilled, the Filipino people rightfully expect that their independence will be recognized without any further delay.

Practical considerations also justify this urgent desire for immediate separation. The present movement to exclude Filipinos from the United States is giving rise to friction and misunderstanding. The manner in which the campaign is being conducted can not but arouse among the Filipino people a feeling that it is impelled by other than purely economic motives. Then, at the present time it is not safe for Filipinos in some parts of the United States to engage in lawful occupations. So long as we remain under the American flag, justice demands that we shall be allowed to live, work, and travel freely in any American territory.

The dual responsibility in our Government, the one assumed by the governor general and the other by Filipino officials, has been the source of serious conflicts in the past and is ever fraught with difficulties. Such an unsatisfactory situation must end. A backward step is unthinkable. The only solution is independence.

Our present trade relations with the United States are uncertain and unstable. Regulated exclusively by the American Congress, America's interests rather than our own are the dominant consideration. There is an increasing demand by American producers to maintain the American market solely for their benefit. Powerful American interests are now conducting a persistent campaign against the free entry of Philippine products. No one knows how long the American market will remain open to us. Doubts and misgivings have seized upon the minds of Philippine producers and investors, thus checking our development. We believe that enduring economic progress can only be achieved under an independent Philippines, free to dictate its own policies.

These facts prove the wisdom of the declared purpose of the United States to grant us independence. They also serve to strengthen our belief that political separation is the only solution to our problem. We see no other alternative. The happiness and prosperity of the Philippines and the economic interests of America are not to be found in the present artificitl union which hampers our national development and injures economic progress, but in political separation wherein each may live the life suited to its distinct individuality and its national interests.

The independence of America from the Philippines would seem to be as imperative as the independence of the Philippines from America. Therefore, with all due respect, with a deep feeling of gratitude to America, and with full consciousness of the burdens and responsibilities of an independent life, we hereby submit that the time has come for the redemption of America's solemn promise to declare and recognize the independence of the Philippine Islands.

EXTENSION OF REMARKS

Mr. HOPKINS. Mr. Speaker, I ask unanimous consent to insert in the RECORD a resolution commending a bill that I have introduced in regard to the communists.

The SPEAKER. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, what is the resolution about?

Mr. HOPKINS. It is a resolution approving a speech that I made in regard to communism and the bill that I have introduced, which has been referred to the Committee on Naturalization and Immigration, in regard to excluding communists from this country.

Mr. RANKIN. Mr. Speaker, for the time being I shall object.

Mr. RAINEY. Mr. Speaker, I yield the remainder of my time to the gentleman from South Carolina [Mr. STEVENSON].

The SPEAKER. The gentleman from South Carolina is recognized for 13 minutes.

Mr. STEVENSON. Mr. Speaker, I may be forced to use more than 13 minutes and I would like to know now before I start whether I can or not. I ask unanimous consent that I may have 20 minutes.

The SPEAKER. The gentleman from South Carolina asks unanimous consent that he may address the House for 20 minutes, regardless of the unanimous-consent agreement entered into by the gentleman from Illinois and the gentleman from New York. Is there objection?

There was no objection.

Mr. STEVENSON. Mr. Speaker, during the discussion of the moratorium resolution I discussed briefly a proposition for the rehabilitation of finance in this country. I referred to the fact that it would have to be handled by a board or commission, and I questioned the policy of allowing the President of the United States to name that whole commission. I did so upon the ground that he had not been particularly successful in the commissions which he had named, and adverted to the fact that the Farm Board was one of the shocking instances of a commission that had not been popular in the execution of its trust. Yesterday the gentleman from Nebraska [Mr. SIMMONS] took me to task, and while I was not here, which was all right, he made quite a lengthy discussion and inserted a great deal in the CONGRESSIONAL RECORD in reference to that matter. He conceived that I had devoted a great deal of time to assailing the Farm Board. Two short paragraphs were all I used about it, but it seemed to have touched a tender spot somewhere, because it took from 30 to 40 pages of the CONGRESSIONAL RECORD to reply to it. I shall have something to say about some of the things said.

He undertakes to say who the board are, and he first names Mr. Teague, who came from California. I did not mention Mr. Teague, but he was a member of the board, and his principal business is growing lemons, oranges, and walnuts. I knew we had a lemon, and I said in my speech that there were nuts on the board, and I am satisfied that the gentleman from California was one of those who participated in handing us a lemon and that he was one of the nuts.

The next gentleman they talked about is Mr. Legge. My friend twits me because Mr. Legge was appointed on a commission once before by President Wilson. Now, that does raise a presumption that he had sense enough to be on this board, but it is not a presumption that is not rebuttable, and when he says the only thing for the cotton farmers to do when they are about to make a good crop is to plow up one-third of that crop I say that presumption is rebutted. The gentleman overlooked the fact that President Wilson also appointed Mr. Hoover, now the President of the United States, to a position of equal dignity to that of Mr. Legge, and yet I am questioning Mr. Hoover's capacity to name boards to handle these great financial transactions, and I am in favor of some limitation upon these things aside from that provided in the Constitution.

Then the gentleman speaks of Mr. McKelvie, to whom I referred as being a newspaper man and not a farmer, and that he had not raised any wheat. Mr. McKelvie replies to his inquiry in a very long telegram and says:

> We have produced wheat on our Nebraska farms for 50 years, and now have a thousand bushels of wheat in the bin on our farms near Lincoln.

Who is "we"? Has this gentleman become so exalted that he has to be spoken of in the plural number? Gentlemen, if he tells the truth, he is an abnormal man. He saw the light of day cutting wheat. I call attention to the fact that the gentleman has only been born 50 years. Certainly in Nebraska they do not begin to raise wheat the moment they begin to raise "cain" when they have the colic, and therefore I say that "we," Mr. McKelvie, who writes this telegram, certainly is not the fellow who was making wheat, because he could not make it 50 years ago.

What did he say in Who's Who? We all know who prepares Who's Who. The fellow writes his own biography. He says he was born on the 15th of April, 1881; married June 19, 1904; with the Bee Publishing Co., Omaha, Nebr. Is that where he was raising wheat—with the Bee Publishing Co. in 1902 to 1905? Became editor Nebraska Farmer in 1905; principal owner and publisher, 1908; now president; member, city council, Lincoln, 1908–9. Member, Nebraska House of Representatives, 1911–1913; lieutenant governor, 1913–1915. Governor Nebraska, 1919–1923. Appointed member Federal Farm Board, 1929. Republican; Methodist; Mason; Odd Fellow; Elk; Commercial Club of Lincoln; Chicago Athletic Club; Hamilton Club.

That is the record.

Now, where does the wheat appear? Where does Mr. McKelvie even himself assert that he was ever a farmer raising any wheat? A promoter, as I shall show before I get through here.

Now, let us see what this great board has done. It is a great board, or should be. It has most remarkable powers and has been endowed with the most remarkable amount of money that any board has ever been given. He says they loaned $5,000,000 to the cooperatives of South Carolina. Five million out of five hundred million. That is true. I thank them for it. I will say they have loaned it to a deserving institution. As far as the cotton cooperative in South Carolina is concerned it is now a well-regulated, well-managed concern, in which the people of the State have confidence. I am thoroughly acquainted with it. I have my 1930 cotton crop with them to-day, which I put there on the advice of the gentlemen who constitute this board; that cotton was too low and it was foolish to sell it. That is what Legge said. That is all right. I voted for the law and am not attacking it, but I have the right to criticize the administration of it.

They have loaned some to the tobacco cooperative, which has gone out of business. I am sorry it has. Now, let us see what else they did. They employed a gentleman by the name of Creekmore. I do not know where he came from, but they employed him at a salary of $75,000 a year to manage the cotton business; the same salary that the President of the United States draws. They employed him and authorized him to employ help, and they fixed their salaries. This man fixed them all except his own, and they run from $35,000 down, and there are many of them. Just glance at these hearings before the committee. In the cotton cooperatives there are eight pages of names, and nobody gets less than a hundred dollars a month and many of them get $1,250 and $1,500 a month. That is a most remarkable salary list and there are eight pages of that.

Then they employed a Mr. Milnor to manage the wheat business and they pay him $50,000 a year.

Mr. HOPE. Will the gentleman yield?

Mr. STEVENSON. I can not yield. My time is limited. They pay Mr. Milnor $50,000 a year and they pay several of his underlings over $30,000 a year. It would not do to put them all in one place, so they established two corporations, the Grain Stabilization Corporation and the Farmers' National Grain Corporation, I believe, is the name of the other. Both of them are controlled by the Federal Farm Board. They have a list of officers, and the president of the National Farm Grain Association gets $15,000 a year. This man Milnor controls both of them. The salary list of the one runs from page 201 to page 204 of these printed hearings, a closely printed list of three pages. The Members of this House should each have a copy of these hearings before the Senate, and they will find what a tremendous lot of statesmen we have who are worth a lot more money than the ordinary business man.

Then from pages 216 to 235 there are 19 pages of closely printed names of people who are holding jobs under this great Mr. Milnor and his coordinates—no; he has no coordinates; he is the biggest man in the world outside of the board. The board has given those two men, one of them to manage the cotton and the other to manage the wheat, $125,000 a year. That is $50,000 more than the President of the United States gets. So that when we look at the beginning of it we might imagine we will come out the little end of the horn. Let us see about it.

The stock of grain now on hand. In this volume in their report which they have made to the Government, and which, by the way——

Mr. REED of New York. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. REED of New York. I would like to get some information. Who hires these men? The board or the cooperatives?

Mr. STEVENSON. The board hires them. The board hires the head man and he hires the balance.

Mr. REED of New York. For instance, take the man at the head of the cotton cooperative. I know nothing about the cotton business, but does the board pay him?

Mr. STEVENSON. Yes; the board pays him through its agencies, the two corporations it finances, one of which it owns absolutely. He hires the help and those agencies pay them.

Mr. REED of New York. I do not care to differ with the gentleman, because undoubtedly he has looked it up, but it is my impression that the board simply suggests certain men who are capable of handling the business, and if they meet the approval of the cooperatives they engage the men and pay the salaries.

Mr. STEVENSON. I will show the gentleman where he is wrong. [Reads from the hearings before Senate committee, p. 290:]

The CHAIRMAN. Well, all that you control. You are occupying the postion of a general manager of one institution and vice president and general manager of the other. You control a quantity of cotton. What do you propose to do with it; and how much money have you borrowed on it? How much have you sold? What is the present situation?

Mr. CREEKMORE. The Cotton Stabilization Corporation is a Delaware corporation consisting of memberships purchased at a nominal price by the various State cooperative associations. It is financed entirely by the Federal Farm Board. It has a board of directors, but the policies of the Cotton Stabilization Corporation, general policies, are directed by the Federal Farm Board. The money we have invested in the Cotton Stabilization Corporation has been received entirely from the Federal Farm Board or borrowed from commercial banks.

Mr. REED of New York. The point I am making is this—and all I want is information—that certain managers are selected to handle these cooperatives and that these salaried men are really the employees of the cooperatives.

Mr. STEVENSON. That is not the testimony, and I will just cut the gentleman off now. I hate to be brusque, but that is not the evidence, as the gentleman will find if he examines the hearings before the Senate committee.

Mr. REED of New York. I did not mean to interrupt the gentleman, but I simply wanted accurate information.

Mr. STEVENSON. The accurate information is that all of these people have testified that the Farm Board names the two headmen and they name the balance, and the Farm Board pays all of them through their agencies.

Mr. HOPKINS. As a loan.

Mr. STEVENSON. As a loan nothing. They pay them out of the funds.

Mr. HOPE. Will the gentleman yield?

Mr. STEVENSON. I will yield one more time.

Mr. HOPE. The gentleman just read from the testimony given before the Senate committee a statement relative to the Cotton Stabilization Corporation which I am afraid the gentleman is confusing with the cotton cooperative associations.

Mr. STEVENSON. No. I have more cotton than McKelvie ever had wheat. I know all about that.

Mr. HOPE. I think if the gentleman will read that more carefully he will find I am correct.

Mr. STEVENSON. Well, I have read it sufficiently carefully to know that I am correct. I will read further from the hearings before the Senate committee (reads from p. 324):

Senator GORE. I say, didn't your cooperatives take over cotton from the Oklahoma cooperatives, paying them 5 cents a pound more than it was worth at the time? In other words, didn't you advance to them 16.34 cents a pound when it was selling around 11 and 12 cents a pound in the market?

Mr. CREEKMORE. Well, I don't believe there was that much difference at any time; but it is admitted that at the time the Cotton Stabilization Corporation took the cotton over from the Oklahoma association it took it over at a materially higher price than existed at the time.

Senator GORE. Now, do you know why that was done?

I want you to notice where the reasons came from.

Senator GORE. I have heard so much talk about it that I should like to know why it was done.

Mr. CREEKMORE. I can give you my reason; but the Federal Farm Board and I have not yet agreed on the exact reason.

They have not yet agreed on the reason, and that is another evidence of the incompetency of the Federal Farm Board. Here a year after the thing was done, which cost the Farm Board millions of dollars, the Federal Farm Board and its agent have not agreed on what excuse they will offer.

They have had nearly a year and yet they have not been able to agree on the same reason, and that is merely an instance I wanted to call to your attention of the inefficiency of the whole set-up.

Now, gentlemen, what do they carry in their assets and liabilities? We find that the Farm Board claims that they have $118,700,000 invested in cotton.

Mr. REED of New York. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. REED of New York. I just talked with the Federal Farm Board and the gentleman is mistaken. The managers to whom the gentleman has been referring, with the possible exception of one or two, are employed by the cooperatives and paid by them.

Mr. STEVENSON. But it comes out of the funds of the Federal Farm Board.

But the gentleman from New York asserts that the board has nothing to do with these salaries. Let us see what Mr. Stone, of the board, says about it. In reference to Milnor, Senate hearings, pages 21 and 22:

The CHAIRMAN. Mr. Milnor is in charge of the stabilization activities, is he not?

Mr. STONE. He is in charge of the Stabilization Corporation.

The CHAIRMAN. Inasmuch as the Farm Board supplies the funds and is responsible for the management of that corporation, as you have described, you have fixed the salaries of those associated with Mr. Milnor, have you not?

Mr. STONE. We have been consulted about salaries.

The CHAIRMAN. What salary does Mr. Milnor receive?

Also pages 26 and 27 of Senate hearings:

Senator CAPPER. I want to hear something about that salary of $50,000 a year. How does the Federal Farm Board justify such a salary?

Mr. STONE. In this way, Senator CAPPER: In the beginning, when the Stabilization Corporation was organized, the board was very anxious to get the very best grain man we could to operate it. We found it was a very difficult thing to do. There were several men we had in mind but they turned it down. And we came to the conclusion that for a man who had the capacity and the ability to handle an operation involving possibly hundreds of millions of dollars, it was not so much a question of salary as a question of ability and honesty and integrity. And with a business of that magnitude a salary of that kind is not out of line in industrial operations.

So the board does select the grain man, and the evidence is conclusive that they furnish the money with which the business is conducted by both the Stabilization Corporation and the Farmers' National Grain Corporation, and if these corporations pay the exorbitant salaries they will have the greater deficit to report to the board, and the loss falls directly at last on the revolving fund.

Again, on page 50 and 51 of the hearings, we find the following statement:

Senator GORE. Mr. Stone, when you selected Mr. Milnor as the head of the Stabilization Corporation I believe you said you were more concerned about the matter of ability than salary.

Mr. STONE. Yes.

Senator GORE. Did the Federal Farm Board select Mr. Milnor as the manager of the Stabilization Corporation?

Mr. STONE. They approved his selection.

Senator GORE. Who made the selection in fact?

Mr. STONE. As far as the Stabilization Corporation was concerned, I think the Federal Farm Board selected him. But Mr. Legge was the chairman then.

Senator GORE. What compensation did he get?

Mr. STONE. He got at that time from the Stabilization Corporation, I think, $36,000. But Mr. Milnor can give you all of the details about that.

Senator GORE. I understand; but I want to ask you a few questions along that line. Then he was paid an additional sum from the Farmers' National Grain Corporation, I believe?

Mr. STONE. Yes; by the Farmers' National Grain Corporation.

Senator GORE. An aggregate of $50,000?

Mr. STONE. Yes.

Senator GORE. When you came to approve his selection you made no inquiry as to his talents or services, did you?

Mr. STONE. Yes. He was very highly recommended to us by the vice president of one of the largest banking institutions in St. Louis, who is probably one of the ablest grain men in the country.

But they say the Farmers' National Grain Corporation is an independent concern. Hear the facts—page 52 of the hearings:

Senator WHEELER. And the people who furnish the money to the Farmers' National Grain Corporation are whom, for instance? Is that the Federal Farm Board?

Mr. STONE. Largely, I might say.

Senator WHEELER. Not only that, but the Federal Farm Board has likewise loaned to its members large sums of money, to organizations like the Farmers' Union?

Mr. STONE. No; we have only loaned money through the Farmers' National Grain Corporation.

So the Farmers' National Grain Corporation is the agent of the board to loan money, but it gets "largely" all its money from the board, and it is now claimed to be paying Milnor the $50,000. Either this is coming out of the revolving fund of the board, directly or indirectly, or it is coming out of the farmers whose wheat they handle with the board's approval, for they approve Milnor and his salary, and could shut him off any minute by stopping loans to their agent. In either event they are failing in their duty.

Again they have been speculating in wheat futures, and this Farmers' National Grain Corporation is their agent to buy and sell. See page 262 of the hearings, where it is admitted that the Farmers' National Grain Corporation charged the Stabilization Corporation $471,000 commissions for handling its future contracts, and bragged that it made in the period $2,418,300.32. See page 261:

Senator GORE. Now, during that time the Stabilization Corporation lost $110,000,000.

Mr. MILNOR. Quite right.

Senator GORE. And these corporations are Siamese twins, aren't they?

Mr. MILNOR. No sir.

Senator GORE. You are president and general manager of the Grain Stabilization Corporation, are you not?

Mr. MILNOR. That is right.

Senator GORE. And you are the vice president and general manager of the Farmers' National Grain Corporation?

Mr. MILOR. That is quite right.

Senator GORE. That is a pretty strong ligament, is it not?

Now, these two corporations were practically owned by the board. No capital had been paid into the stock of the grain stabilization except what the board furnished. Farmers' National had received $76,000—page 262 of hearings—in cash capital from cooperatives and borrowed $38,000,000 from the board. The salary of the manager is $50,000. Eighteen months would take the entire private capital, yet it is so managed that it makes two and one-half millions and the board-owned corporation loses $110,000,000, and they say the board, who selected the manager and approved his salary, is not responsible for the slice which he gets and the Government does not lose it.

Cotton was handled the same way. A cotton stabilization corporation was absolutely controlled by the Farm Board. They were consulted before Creekmore was employed (p. 288, hearings). The American Cotton Association was the other corporation in the deal. It had a capital stock paid in of $79,500 (p. 289, hearings), and Creekmore's salary was $75,000. The Farm Board pays half that salary directly through the Stabilization Corporation and indirectly all of it in its loses. On pages 290 and 291, hearings, we find the following:

The CHAIRMAN. Does the Federal Farm Board, that is, the Stabilization Corporation as its agent, contribute the $25,000, or is it also sharing in the 5 cents a bale up to the 1,000,000 bales?

Mr. CREEKMORE. It would share the 5 cents a bale up to 1,000,000 bales.

The CHAIRMAN. Then it is a 50-50 proposition with respect to your salary?

Mr. CREEKMORE. It worked out the past year as one-third for the Cotton Stabilization and two-thirds for the American Cotton Cooperative Association. I think perhaps the percentage was a little higher than that.

The CHAIRMAN. That is the cooperative association.

Mr. CREEKMORE. Yes. American Cotton Cooperative Association.

The CHAIRMAN. Of which you are vice president and general manager. What are you attempting to do with your holdings at this time?

Mr. CREEKMORE. With the 2,000,000 or 1,700,000 bales.

The CHAIRMAN. Well, all that you control. You are occupying the position of a general manager of one institution and vice president and general manager of the other. You control a quantity of cotton. What do you propose to do with it and how much money have you borrowed on it? How much have you sold? What is the present situation?

Mr. CREEKMORE. The Cotton Stabilization Corporation is a Delaware corporation consisting of memberships purchased at a nominal price by the various State corporative associations. It is financed entirely by the Federal Farm Board. It has a board of directors, but the policies of the Cotton Stabilization Corporation, general policies, are directed by the Federal Farm Board. The money we have invested in the Cotton Stabilization Corporation has been received entirely from the Federal Farm Board or borrowed from commercial banks.

Now, how were the salaries paid? Hear Mr. Creekmore (p. 302):

The CHAIRMAN. Where did you get the money, then, to pay the salaries of these employees if your venture was a losing one?

Mr. CREEKMORE. Under the arrangement we made with the Federal Farm Board last year they agreed to finance the American Cotton Cooperative Association if we would make this 90 per cent loan.

Senator WHEELER. What is the aggregate monthly salary of your organization, the A. C. C. A., as you call it?

Mr. CREEKMORE. The average?

Senator WHEELER. The aggregate.

Mr. CREEKMORE. The aggregate—roughly, I would estimate it to be around $70,000 a month.

Senator SHIPSTEAD. $70,000 a month?

Mr. CREEKMORE. Correct.

Senator SHIPSTEAD. That would be a million dollars a year?

Mr. CREEKMORE. Very nearly.

So while they have attempted to camouflage the salary business by mixing it up in two corporations, it was all laid on the doorstep of the Farm Board, who selected the two managers with their enormous salaries, and they in turn selected the other employees and fixed their salaries, and ultimately the Treasury must bear the burden.

Mr. REED of New York. Oh, no; it does not. All that the board can do is recommend.

Mr. YON. Does not the Federal Farm Board provide the money for these stabilization corporations?

Mr. STEVENSON. Yes.

Mr. REED of New York. I have talked with them direct.

[Here the gavel fell.]

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes more.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. STEVENSON. Now, gentlemen will see when they look at the hearings that the investment in cotton reported by the Farm Board is $118,000,000; that they have 1,310,789 bales of cotton at 6 cents, worth $39,000,000, and leaving a loss of $79,000,000 in to-day's market; but Mr. Creekmore does not make that same report. Mr. Creekmore reports more indebtedness. If you will refer to Creekmore's report, which is in the hearings, you will find that Mr. Creekmore reports they have $193,000,000 invested in it instead of $118,000,000.

To give the gentleman information as to what the Federal Farm Board regards the situation to be, the Grain Stabilization Corporation also owes commercial banks and intermediate credit banks $83,000,000, in addition to these obligations, and further offsetting its assets of 257,000,000 bushels of wheat. The total invested in wheat stabilization on June 30, 1931, was, therefore, $248,076,253.57. Final cost of the operation will not be known until the sale of the 257,000,000 bushels of wheat.

This is what the Farm Board says in its own report, and this is the amount that I charge they have invested, and this is the amount that Mr. Milnor represents.

Oh, they want to shift it now to the cooperatives. Who are the cooperatives that are getting all this money? They are the ones created by the Federal Farm Board, and, as the testimony here shows, they are controlled by it. Mr. Creekmore and Mr. Milnor both admit that these matters are all controlled by the Federal Farm Board and that ultimately the expenses come out of the Federal Farm Board, because the cooperatives can not live with this kind of proposition.

Now, gentlemen, I have one or two other things I desire to advert to.

Mr. HOWARD. Will the gentleman yield for a moment?

Mr. STEVENSON. Yes.

Mr. HOWARD. For the special delight of most Nebraskans I would like to ask the gentleman to inject just a little more embalming fluid into the Farm Board corpse of McKelvie. [Laughter and applause.]

Mr. STEVENSON. Yes. I will proceed to that situation. Mr. McKelvie I have already referred to. Mr. McKelvie was a promoter, and in his statement here he says he is not

a member and has not been a member of any cooperative association. Let us get at that:

"I never have had any official connection with any cooperative, but have had membership in one," and so on, and so on.

Now, let us stop a minute and see. We find Mr. McKelvie's activities very largely distributed. I do not usually read these books that are sent around to everybody, but when a man sets out a facsimile of what he is talking about, then I think there is something to it. Mr. McKelvie says he has never been an officer in any cooperative. Let us see about that.

If you will get Wheat and Politics, by one Brinton, whom McKelvie introduced here at Washington in very florid terms, as I will show by this book if anybody questions it, you will find with respect to the Nebraska wheat-pool organization headquarters "J. W. Brinton, organization director; Philip W. Bross, campaign manager; Sam R. McKelvie, chairman of advisory committee."

Then we have another "Midwest Grain Marketing Association," which was the other name of the Nebraska wheat pool, "Ernest Peterson, president; L. S. Hurst, secretary; O. M. Smith, general manager; Sam R. McKelvie, chairman advisory committee; A. P. Sprague, legal counsel; T. M. McIlwraith, organization director."

This was the Midwest Grain Marketing Corporation. So he was an officer in it, and not only that, but in organizing it they organized a wheat-finance corporation of $50,000 with which to get the money to pay the expenses of the organization, and they carried out their contract so miserably that they got $50,000 of notes from the farmers of Nebraska, and when they began to collect them they had fallen down on their contract absolutely. They, the farmers, went into court, and you will find set out there the complaint in which McKelvie, as one of the defendants, is one of the officers mentioned in the complaint, and the court of Nebraska held that it was a fraud committed on the farmers and enjoined the collection of the notes by the finance corporation. This is what happened to Mr. McKelvie in this particular instance.

Mr. LOZIER. Will the gentleman yield?

Mr. STEVENSON. For just a minute.

Mr. LOZIER. May I say, in support of the gentleman's statement, that the book he has, Wheat and Politics, shows the type of men the Federal Farm Board has placed in charge of the stabilization activities of the Union.

Mr. STEVENSON. I commend it to the honest consideration of anybody here.

While Mr. McKelvie was running his newspaper he ran a farmers' protective association, whereby, I believe, for a fee of $2, he let them join his protective association and gave them a little tag to put up in the front yard to keep out crooks and slickers. You know they call him Slippery Sam out there. Here is the thing that was given to the members of the farmers' protective association, a little brass card to put up in your front yard so that any crook will run away when he sees it.

Now, some of the farmers that went into the McKelvie wheat pool were not satisfied and complained; but that was appealing from Philip drunk to Philip sober.

Now, there is one thing further. The Farm Board loaned a lot of money over McKelvie's signature. Listen to this:

FEDERAL FARM BOARD,
Washington, D. C., October 16, 1929.

Mr. OTIS M. SMITH,
General Manager Midwestern Grain Marketing Association, Lincoln, Nebr.

MY DEAR OTIS: Your application for a supplemental loan was received Monday and approved Tuesday. By this time our secretary, no doubt, has advised you how to proceed to get the money without delay.

I will be in Lincoln Saturday of this week and hope to see you then.

Very truly yours,

SAMUEL R. MCKELVIE,
Member, Federal Farm Board.

(Mr. STEVENSON reads further from Wheat and Politics:)

As pointed out in a letter reproduced elsewhere, some of these farmers considered the 60 cents per bushel which they received for wheat as against an average "farm price" of $1.07—a difference of 47 cents per bushel—a sufficient reason for calling upon the McKelvie "protective" organization to protect them. In this letter the "protective" bureau manager appealed to the McKelvie wheat-pool attorney, and recited that a farmer had received only 60 cents per bushel on 2,000 bushels which he had delivered the previous year, and McKelvie's "protective agent" said they were receiving other "letters along this line." "This matter," said the McKelvie representative to the McKelvie attorney, "can not be staved off any longer. If it is, some action will be started in court."

Instead of McKelvie's protective bureau frankly telling its members who paid for the protective sign in their yards—and who rightly expected protection from the organization—the facts and giving them honest explanations, the agent of the "slippery one" concealed the facts to protect the politician from embarrassment and appealed to the attorney of Mr. McKelvie thus:

"Any suggestion you have to offer that will enable us to answer these people in a way that will explain the situation as satisfactorily as the circumstances will permit will be appreciated."

If that isn't a master plea in "confession and avoidance," we miss our guess.

This letter was written on July 25, 1929, when the McKelvie wheat pool was insolvent, when embezzlements and misappropriations had taken place within it, and when the facts were known to both McKelvie and his "protective agent," who is maintained in the McKelvie publication headquarters for the sole purpose—if that is the purpose of McKelvie's protective bureau—to give the McKelvie subscribers correct and true information and protect them from swindle and fraud.

Now, I am going to close what I have to say. It would take half a day to attend to this bunch.

[Here the gavel fell.]

Mr. STEVENSON. Mr. Speaker, I want five minutes more in order to read one more letter.

Mr. RAINEY. I yield to the gentleman five minutes more.

Mr. STEVENSON. Now, I am going to appeal from the gentleman from Nebraska [Mr. SIMMONS] to a gentleman from Nebraska who lives in the district of the gentleman from Nebraska [Mr. HOWARD]. This letter was published in the Republican, published at Central City, Nebr.:

I am a Federal Farm Board speculator. I trusted to their advice and lost. * * * As a farmer I had great confidence in the Federal Farm Board. I thought with $500,000,000 and unlimited power they would protect my interests. I was wrong. * * * I gambled on the Federal Farm Board by storing my grain.

I did not wish to crowd my wheat on the market against such advice. I stored it with one of the Federal Farm Board subsidiaries, the Westcentral Grain Co. They advanced me 45 cents for my wheat. In spite of their orderly marketing we heard so much about in the last few years and the promises of the Federal Farm Board, wheat continued to drop in price until the margin I was supposed to have was wiped out.

This is not a notice addressed to an old-time speculator on the board of trade, but to a greenhorn farmer—myself—who really thought the great and mighty Federal Farm Board was going to do my marketing wisely, in my name, for me. I am only one of thousands and thousands they have fooled. In fact, all who followed their advice are in the same unfortunate position. They got me in and then billed me (for $432.01). * * * Their letters demand the last pound of flesh. * * *

The Federal Farm Board subsidiaries have made their victims pay the price. Professing to be against speculating in grain, the Federal Farm Board advice has been nothing but gambling, with the farmers who listened paying the losses.

The minute a farmer stored his grain with a subsidiary of the Federal Farm Board his grain became subject to charges sufficient to pay a horde of employees and officials, as well as the inevitable cost of warehousing and keeping the product in condition. This, in the face of a down market, rather than the promised raise in price has wiped many a farmer from the picture where he had been a real Federal Farm Board speculator. * * *

AUG. J. WAGNER.
Central City, Nebr.

That is the story of the handling of things out there, and if the Federal Farm Board undertakes to establish an alibi by saying that all these fellows are employed by cooperatives, then I say that the testimony is that these cooperatives that constitute the Grain Stabilization Corporation are controlled by the Grain Stabilization Corporation, and that it is absolutely controlled by the Federal Farm Board, and it is so testified in these hearings, much of which I have set out. Therefore I submit with all deference that I have not done the gentlemen very much injustice by saying that they were incompetent to carry on the duties of their business, because they have lost, according to their own statement, $200,000,000 to $300,000,000, in round numbers, and, according to the statement of Mr. Creekmore, $50,000,000 more than that in their operations at stabilization, for which they and they alone are responsible. [Applause.]

ORDER OF BUSINESS

Mr. RAINEY. Mr. Speaker, I ask that it be in order to move that the House stand in recess until such time to-day as the Speaker calls it together again, the bells to ring 15 minutes in advance of the call by the Speaker.

The SPEAKER. The gentleman from Illinois asks unanimous consent that it may be in order to move that the House shall stand in recess, subject to the call of the Speaker, with the understanding that the bells shall be rung 15 minutes prior thereto. The Chair is informed by the leader of the Senate, Senator WATSON, that they hope to be able to definitely state by 4.30 or 5 o'clock this afternoon whether or not the body will pass the concurrent resolution providing for an adjournment of the House and the Senate until January 4. As a result of that information the gentleman from Illinois [Mr. RAINEY] makes the request he has just announced. If the Senate does not pass the concurrent resolution, then it is the hope of the Chair that the House will give consent for the consideration and passage of a resolution, which the Clerk will report, when the House reconvenes after the recess.

The Clerk read as follows:

Resolved, That from and after this day the House shall meet only on Mondays and Thursdays of each week, until Monday, January 4, 1932.

The SPEAKER. The object of that resolution is that when we meet on Mondays and Thursdays the only thing in order would be a motion to adjourn, so that Members may go home with the assurance that nothing will be done in their absence. In case the Senate does not pass the concurrent resolution, the Chair believes it safe for Members to return to their homes with the assurance there will be no roll call or any business transacted before the 4th day of January.

Mr. SNELL. Mr. Speaker, I am very glad that the Speaker has made that explanation, because I think it should go out to the country so that Members may know what the situation is.

The SPEAKER. There is perfect cooperation between the majority leader and the minority leader in the matter. The Chair can not conceive of any situation that can arise where any business would be transacted. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McDUFFIE. Mr. Speaker, what the Speaker has reference to is that no business will be transacted in the House.

The SPEAKER. That is correct.

Mr. McDUFFIE. However, several committees will function, as I understand.

The SPEAKER. The committees can work as much as they want to.

Mr. McDUFFIE. And will do so.

The SPEAKER. Certainly; that is a matter for the committees to determine for themselves.

GENERAL DISARMAMENT CONFERENCE, GENEVA

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered printed.

To the Congress of the United States:

In my message on foreign affairs which was communicated to the Congress on the 10th day of this month I spoke of the invitation which this Government has accepted to participate in the general disarmament conference which is to meet at Geneva on February 2, 1932. I spoke also in that message of the interest of this Government in supporting the efforts of this conference in accordance with the traditional policy of the American Nation to meet with the other nations of the world and to offer its cooperation in any endeavor which has in view the reduction of the huge burdens which result from unnecessarily heavy and costly armaments.

I am transmitting herewith and I commend to the favorable consideration of the Congress a report on the subject from the Secretary of State, in which he requests that authorization be made for an appropriation to defray the expenses of sending an American delegation to Geneva for the purpose of representing the United States at the conference.

HERBERT HOOVER.

THE WHITE HOUSE, *December 22, 1931.*

TOM SHINNERS

Mr. SEGER. Mr. Speaker, I ask unanimous consent to extend my remarks by the insertion of the story of the man known as The Sunshine Man, Tom Shinners, who resides in my district.

The SPEAKER. Is there objection?

Mr. UNDERHILL. Mr. Speaker, I object.

RECESS

Mr. RAINEY. Mr. Speaker, I move that the House now stand in recess.

The motion was agreed to; and (accordingly at 1 o'clock and 6 minutes p. m.) the House stood in recess, subject to the call of the Speaker.

AFTER RECESS

At the expiration of the recess the House was called to order by the Speaker at 11.01 o'clock p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 147. Joint resolution to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

The message also announced that the Senate had concurred in House Concurrent Resolution No. 5, providing that when the two Houses adjourn on Tuesday, December 22, 1931, they stand adjourned until 12 o'clock meridian Monday, January 4, 1932.

THE STATE OF THE UNION

Mr. McDUFFIE. Mr. Speaker, the gentleman from Oklahoma, Mr. McKEOWN, was compelled to leave the city this afternoon and asked me to request unanimous consent that he might extend his remarks in the RECORD on the state of the Union, and I now make that request.

The SPEAKER. Is there objection?

There was no objection.

Mr. McKEOWN. Mr. Speaker and gentlemen of the House, for several days gentlemen here have debated the President's message on the state of the Union. In view of the fact that the state of the Union has improved so little since I last spoke on this subject in this House a year ago, I am constrained to again remind the country of the conditions as I see them.

What is the state of the Union?

A land of plenty and poverty.

A land of plutocrats and panics.

A land of big business and bankrupt merchants.

A land of inflated stocks and deflated buyers.

A land of trusts and combinations—chain stores and chained competition.

A land of gushing oil wells with importation of oil and its products increasing daily.

A land of the Federal reserve bank and home of breaking banks.

A land of natural water power controlled by trusts whose stocks are soaked with water.

A land where prohibition prevails and racketeers flourish.

A land blessed by Almighty God and dammed by bootleggers and the godless.

Where farmers fight in vain for a fair chance.

Where wheels of industry have stopped and laboring men wander up and down in search of work.

What has happened so suddenly to change in a decade a happy, prosperous, and contented people into a condition of misery, unrest, and chaos? There is but one answer—unwise and discriminatory laws.

This condition is not the result of "just happened so" or of any particular distressing occurrence. This condition has been long on the way and is the result of years of folly.

When the industrial sections of the Nation were not satisfied with reasonable tariff rates to protect their interests and wholly disregarded the fact that prosperity in America includes the far stretches of the West and South as well as the area of the manufacturing States, they obtained the enactment of the Fordney-McCumber Tariff Act. This afforded the industrial areas a season of apparent prosperity. They apparently cared nothing for the distress of the agricultural group; and imbued with the prospects of world-wide denomination of trade, they closed their eyes and ears to the cry of distress from the South and the West.

This attitude of industry led Mr. Coolidge to proclaim in every speech and from the housetops that we were enjoying unparalleled prosperity. This was his platform in 1924.

Speculative citizens, after their run-to in Florida, turned to the greatest of all Monte Carlos, the stock market in Wall Street, and there commenced an amazing debacle. Every sane man knew it could not last.

Whether it be the duty of the White House to warn reckless citizens is not one made so by statute, but it remains that no warning was issued.

The panic in Wall Street can not be said to be responsible for our economic dilemma.

The money was not destroyed in any holocaust of fire or lost in some whim of nature.

In the early days after the war the manufacturers, having become more familiar with our European neighbors, began to prepare to furnish to Europe her needed supplies. Funds to buy with were needed. This was arranged through eager bankers who could exact luscious rates of interest.

The orders came in a deluge.

Manufacturers converted war industries into mass production of goods. To hold this trade, they set in to acquire and invent every possible labor-saving machine with which to reduce the costs of manufacturing and increase their profits.

The laborer and the farmer were left out of the picture. Whenever a labor-saving device was installed and 500 men thereby displaced, the wages of 500 men were saved; but, alas! the machine would not buy a pound of butter nor a yard of cloth.

They saved the cost of the labor of 500 men and likewise lost the buying power of 300 families.

While pandering to European trade, they kept the sales prices at war levels to the consuming public in America. Although by mass production the costs were lowered, yet the retail prices were not immediately cut. When business slackened, they made some reductions, but even to this hour the necessaries of life are above the price level of farm products. During the war period agriculture, driven on by the world's demands, expanded tremendously in spite of a dearth of farm labor and its greatly increased costs.

Upon the close of the war the farmers suffered more than their share in the deflation which immediately followed. In order to lower food prices in the great cities and industrial centers, the farmer was sacrificed on the altar of deflation.

He did not have in his pockets the needed money with which to absorb the shock. All America went on a spending orgy for a time, and we lost that element of saving and thrift for which our ancestors were noted.

How different has been the reaction from the World War as compared to the end of the War between the States. The soldiers of the North returned home to bend their efforts to restore their industries and broken fortunes. The followers of Lee went back to Dixie, a land of waste and ashes, to reconstruct a new and better South.

Saving, thrift, and work were magic talismans that brought this Republic to the forefront with the great nations of the earth. What of the state of the Union to-day? Gigantic surpluses of food products and manufactured wearing apparel, and thousands are hungry and nearly naked!

A land of boundless acres of land and thousands of homeless farmers and laborers with no place to lay their heads. A land of combination and centralization of wealth, where by one transaction you make one millionaire and a million poor. This is a situation brought about by unwise legislation fostered by the party in control of the Government. But to correct the situation calls for the best thought and votes of progressive Americans in both political parties.

The transportation question is here again. The railroads are to be consolidated. The whole rate structure should be revised.

What a situation do we often find in America—delicious fruits and food rotting in orchards or fields in one section and mouths hungry for them in other sections, wholly because of prohibitive freight rates.

The railroads complain that the United States Government is building highways and waterways out of the public fund for busses and boats to use in competition with their privately owned roads. They will not agree for Uncle Sam to run them, and do nothing to meet the competition.

There would be but few bus lines competing to-day had the railroads been willing to furnish shuttle trains and station-to-store delivery. On the other hand, if we do not regulate the tonnage, rates, and sizes of vehicles on highways, we will destroy both our railroads and highways.

The railroads, in a measure, are in the situation of the steamboats on inland waterways when railroads began to build. The Congresses of bygone days permitted the railroads over the outcry and protest of the river boats to parallel the rivers and destroy the steamboats.

We should profit by the errors of the past, and put an end to the constant fighting between transportation agencies, even if we go to the extent of fixing the classes of freight to be hauled by railroads, by busses, by barges, by pipe lines, and by air.

America needs all our methods of transportation, and it was an economic crime when we lost our river transportation.

The railroads are now clamoring for regulation of oil and gas rates by pipe lines.

Why did they not furnish equipment and fair rates to the oil people at the proper time and avoid the pipe-line competition?

America is suffering from high freight rates, and what we need most at this time is not consolidation, but freight classification and conservation of all our transportation methods.

Proscribe the sphere of the activities of each method, make them stop squabbling among themselves, and give the American people service.

The farming industry has been permitted to starve out and is to-day a quarter of a century behind industry in the matter of equipment and method.

We are not going to solve the difficulties of agriculture until we start at the root of the underlying trouble. As long as there are thousands of tenant farmers without land of their own or hope of a home; as long as the tenant farmer because of his dire extremities must pay excessive rates of interest for his supplies and exorbitant tariffs on his purchases; as long as his home and community conditions are such that the bright lights of the near-by towns and cities lure his sons and daughters away from home, so long will farming be a failure.

Cooperative marketing is good for big producers, but the little fellow will never get into the picture.

American business men want to do things on a big scale. Never satisfied to enjoy the better things of life, such as happiness and contentment, they seem to want to gather in a short span of life all the money in the world. Corporation farming and peasant farmers are in the offing. No individual farmer is financially able under present prices to equip his farm with necessary cost-cutting machinery. In Oklahoma, due under the constitution to the wisdom of its makers, corporation farming can not exist.

In view of the doctrine of isolation to which Republican leaders have committed our country in world affairs; first, by rejecting any affiliation with the other nations of the world, which action was approved by several millions of

American voters who in an evil moment failed to foresee the commercial results; and second, by prohibitory tariff rates destructive to trade at home and commerce abroad. We shall now have to turn our attention, in so far as our industries are concerned, to the domestic markets.

Before you can stabilize agricultural products, you must assist the producers in controlling production. You apply control to the other industries, why not agriculture? [Applause.]

This is what must take place in America under the ill-advised and ill-constructed policies that have been inaugurated and put into force in the last 10 years in this country. You may as well make up your minds that you are going to confine all of your business activities to America alone, because, as I said a moment ago, in an evil moment there was a rejection of the association of nations that would have put us in touch with the foreign peoples and kept us in contact with them. But what have we done? In order to add insult to injury we refused to associate with them. We then passed the Fordney-McCumber Tariff Act, which was the highest tariff that was ever passed. Then, in addition to that, we passed this monstrous Hawley-Smoot bill, which absolutely closed the markets for 26 nations of the world to our products.

Why do the cotton farmers of the South propose to raise cotton so that they can sell it abroad at less than it costs to produce it? Do your farmers of the South owe the manufacturers of England that much consideration that your women and your children shall toil in the fields in the hot days of summer to produce cotton and sell it to the manufacturers at less than it costs to produce it? Why do you not favor curtailing production of your cotton to meet domestic demands? Why do the wheat farmers of the West produce wheat and spend their time and energy to produce wheat to be sold to foreigners for less than it costs to produce it in America?

You can control overproduction. You control the production of manufactured articles. You control the production of oil, and yet there is importation of oil into this country every day that is overwhelming the oil business. You are going to destroy the American oil industry. You are going to give the foreign companies control of the American oil industry in this country within the next five years unless you change your policy. If we are going to have home markets, then the farm products must be controlled.

I have introduced a bill, for whatever it is worth, that sets out a plan by which the products of the farm can be controlled to meet domestic demands, and I can not understand why the farmers want to produce these articles and sell them at less than it costs to produce them.

Now, let me call your attention to something else. You may just as well make up your minds that you have either to pass an old-age pension bill in the Congress of the United States or you must close the Pension Office of the United States for 10 years on labor-saving devices. Where are you going to gain when you put a labor-saving device in by which you supplant thousands of men and not only lose both the labor of those men but the purchasing power of those men to buy your products?

One thing I am thankful for is that while my amendment to require one year's extension on all past-due installments due Federal land banks failed by a few votes, we have shown the temper of a large number of Congressmen on that vote, and I am advised that foreclosures will for a time cease.

It is hoped that Congress will at this session dispose of the soldiers' bonus matter at least to the extent of repealing the interest charges against the veterans on their loans.

My prayer for the state of the Union is a speedy return to prosperity.

ENROLLED BILLS SIGNED

Mr. PARSONS, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 147. A joint resolution to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932, and their repayment over a 10-year period beginning July 1, 1933.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 930. An act limiting the operation of sections 109 and 113 of the Criminal Code with respect to counsel in the case of the Appalachian Electric Power Co. *v.* George Otis Smith, et al.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 3 minutes p. m.), pursuant to House Concurrent Resolution No. 5, the House adjourned until January 4, 1932, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

324. A letter from the chairman of the United States Tariff Commission, transmitting report of an investigation made by the United States Tariff Commission relative to the cost of production of crude petroleum, fuel oil, gasoline, and lubricating oils, etc., produced in the United States (H. Doc. No. 195); to the Committee on Ways and Means and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. UNDERWOOD: Committee on Invalid Pensions. H. R. 6596. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; without amendment (Rept. No. 14). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 536) granting an increase of pension to Belle Brown; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 1114) granting a pension to Armina E. Smith; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 1963) granting a pension to William A. Powers; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 2386) granting a pension to Alexander Lane; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 2401) granting a pension to Wilson Branch Cook; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 2484) granting a pension to Rose M. Young; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 2569) granting a pension to Mathilda H. Byrnes; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 2637) granting an increase of pension to Emma W. Rice; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BANKHEAD: A bill (H. R. 6577) providing for a site and public building for post office and other Federal purposes at Russellville, Ala.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6578) providing for a site and public building for post office and other Federal purposes at Fayette, Ala.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6579) to provide for the purchase of a site and the erection of a building thereon, at Carbon Hill, in the State of Alabama; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 6580) providing for a site and public building for post office and other Federal purposes at Haleyville, Ala.; to the Committee on Public Buildings and Grounds.

By Mr. CARLEY: A bill (H. R. 6581) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. COLTON: A bill (H. R. 6582) to provide for the compromise and settlement of claims held by the United States of America arising under the provisions of section 210 of the transportation act, 1920, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HADLEY: A bill (H. R. 6583) to amend paragraph 1798 of the tariff act of 1930; to the Committee on Ways and Means.

By Mr. HASTINGS: A bill (H. R. 6584) to provide for the immediate redemption of World War adjusted-service certificates with bonds of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. KENDALL: A bill (H. R. 6585) to protect American labor and industry from competition of products of convict, forced, and indentured labor; to the Committee on Ways and Means.

By Mr. NELSON of Maine: A bill (H. R. 6586) for the conservation of lobsters, to regulate interstate transportation of lobsters, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. OLIVER of Alabama: A bill (H. R. 6587) to provide for the commemoration of the Battle of Tuscaloosa, in the State of Alabama; to the Committee on Military Affairs.

Also, a bill (H. R. 6588) to provide for the commemoration of Fort Tombecbee, in the State of Alabama; to the Committee on Military Affairs.

By Mr. SCHNEIDER: A bill (H. R. 6589) to promote the public health and to encourage the dairy industry in the interest of the general welfare; to the Committee on Agriculture.

By Mr. THOMASON: A bill (H. R. 6590) to provide for reimbursement of certain cotton farmers for expenses incurred in fumigating cotton; to the Committee on Agriculture.

By Mr. WILSON: A bill (H. R. 6591) to amend the act approved May 15, 1928, entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes"; to the Committee on Flood Control.

By Mr. GASQUE: A bill (H. R. 6592) to permit an increase in the length of leaves of absence, with pay, for members of the Metropolitan police, the United States park police, and the fire department of the District of Columbia; to the Committee on the District of Columbia.

By Mr. LUDLOW: A bill (H. R. 6593) to decrease the interest rate on adjusted compensation loans, and to remove the 2-year time limit; to the Committee on Ways and Means.

Also, a bill (H. R. 6594) to authorize the erection of a 150-bed addition to the United States Veterans' Administration hospital at Indianapolis, Ind.; to the Committee on World War Veterans' Legislation.

By Mrs. NORTON of New Jersey: A bill (H. R. 6595) to provide old-age securities for persons over 60 years of age residing in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. UNDERWOOD: A bill (H. R. 6596) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; committed to the Committee of the Whole House.

By Mr. DICKSTEIN: A bill (H. R. 6597) to permit naturalization of certain Filipinos who have served in the United States Army; to the Committee on Immigration and Naturalization.

By Mr. VINSON of Georgia: A bill (H. R. 6598) to authorize the appointment of a board of arbitrators to determine royalties on torpedoes; to the Committee on Naval Affairs.

Also, a bill (H. R. 6599) to amend the act entitled "An act to authorize the construction and procurement of aircraft and aircraft equipment in the Navy and Marine Corps, and to adjust and define the status of the operating personnel in connection therewith," approved June 24, 1926, with reference to the number of enlisted pilots in the Navy; to the Committee on Naval Affairs.

By Mr. WHITE: A bill (H. R. 6600) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 6601) to authorize the distribution of cereal grains for relief purposes; to the Committee on Agriculture.

By Mr. LINTHICUM: Joint resolution (H. J. Res. 163) to provide an appropriation for expenses of participation by the United States in a general disarmament conference to be held in Geneva in 1932; to the Committee on Foreign Affairs.

By Mr. McGUGIN: Joint resolution (H. J. Res. 164) pertaining to unemployment and proposing certain remedial steps; to the Committee on Labor.

By Mr. SOMERS of New York: Concurrent resolution (H. Con. Res. 7) providing for the equitable division of hours of employment during the present business depression; to the Committee on Labor.

By Mr. JOHNSON of Washington: A bill (H. R. 6657) to authorize the purchase of an electric generating, transmission, and distribution system in the Mount Rainier National Park, and for other purposes; to the Committee on the Public Lands.

By Mr. MARTIN of Oregon: A bill (H. R. 6658) to create a bureau of welfare of the blind in the Department of Labor, to provide for the issuing of licenses to blind persons to operate stands in Federal buildings, and for other purposes; to the Committee on Labor.

By Mr. FRENCH: A bill (H. R. 6659) for the inclusion of certain lands in the Coeur d'Alene and St. Joe National Forests, State of Idaho, and for other purposes; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 6602) granting an increase of pension to Mary V. Maxwell; to the Committee on Invalid Pensions.

By Mr. AMLIE: A bill (H. R. 6603) granting an increase of pension to Annie E. Shannon; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 6604) granting a pension to Charles C. Low; to the Committee on Pensions.

Also, a bill (H. R. 6605) granting a pension to John W. Dollarhide; to the Committee on Pensions.

By Mr. CARDEN: A bill (H. R. 6606) granting a pension to Alfred Daugherty; to the Committee on Invalid Pensions.

By Mr. CLARKE of New York: A bill (H. R. 6607) granting a pension to Lillie Brinkerhoff; to the Committee on Invalid Pensions.

By Mr. COLLINS: A bill (H. R. 6608) for the relief of N. D. Brookshire; to the Committee on Claims.

Also, a bill (H. R. 6609) for the relief of Bradley R. Boughton; to the Committee on Claims.

By Mr. EVANS of Montana: A bill (H. R. 6610) to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont., and for other purposes; to the Committee on Indian Affairs.

By Mr. FINLEY: A bill (H. R. 6611) granting an increase of pension to Rhoda Ellis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6612) granting an increase of pension to George Roberts; to the Committee on Pensions.

By Mr. FULMER: A bill (H. R. 6613) granting an increase of pension to Charlie R. Saylor; to the Committee on Pensions.

Also, a bill (H. R. 6614) granting a pension to Thomas Grimsley; to the Committee on Pensions.

By Mr. GRISWOLD: A bill (H. R. 6615) granting a pension to Margaret E. Stephens; to the Committee on Invalid Pensions.

By Mr. GUYER: A bill (H. R. 6616) granting a pension to Willanna Green; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6617) granting an increase of pension to Henrietta B. Banks; to the Committee on Invalid Pensions.

By Mr. HARE: A bill (H. R. 6618) for the relief of Lissie Maud Green; to the Committee on Claims.

By Mr. HOGG of West Virginia: A bill (H. R. 6619) granting back pay to William J. Bell on account of pension allowance heretofore made; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6620) granting a pension to Mary Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6621) granting an increase of pension to Amanda Gregg (with accompanying papers); to the Committee on Invalid Pensions.

Also, a bill (H. R. 6622) granting an increase of pension to Agnes Ireland (with accompanying papers); to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 6623) for the relief of Minnie D. Hines; to the Committee on Claims.

Also, a bill (H. R. 6624) granting an increase of pension to Sarah J. Shepard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6625) granting an increase of pension to Elizabeth Hahn; to the Committee on Invalid Pensions.

By Mr. HORR: A bill (H. R. 6626) authorizing the appointment and retirement as a major, United States Army, of Harold L. Coffin; to the Committee on Military Affairs.

By Mr. JENKINS: A bill (H. R. 6627) granting an increase of pension to Phebe A. Fife; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Illinois: A bill (H. R. 6628) granting an increase of pension to Elizabeth Snyder; to the Committee on Invalid Pensions.

By Mrs. KAHN: A bill (H. R. 6629) for the relief of Patrick O'Brien; to the Committee on Naval Affairs.

By Mr. KENDALL: A bill (H. R. 6630) granting an increase of pension to Roxalina Davis; to the Committee on Invalid Pensions.

By Mr. LANKFORD of Virginia: A bill (H. R. 6631) to reimburse certain individuals for damakes by reason of loss of oyster rights in Little Bay, Va., due to the taking of the same by the United States for the purpose of operating thereon a naval air training station; to the Committee on Claims.

By Mr. MAPES: A bill (H. R. 6632) granting a pension to Orange E. Sink; to the Committee on Pensions.

Also, a bill (H. R. 6633) granting an increase of pension to Sarah W. McPherson; to the Committee on Invalid Pensions.

By Mr. MONTAGUE: A bill (H. R. 6634) for the relief of Vertner Tate; to the Committee on Claims.

By Mr. NELSON of Wisconsin: A bill (H. R. 6635) granting an increase of pension to Kate Walker; to the Committee on Invalid Pensions.

By Mr. NORTON of Nebraska: A bill (H. R. 6636) granting an increase of pension to Catharine Kechely; to the Committee on Invalid Pensions.

By Mr. OLIVER of Alabama: A bill (H. R. 6637) authorizing the President to present a medal of honor to Richmond Pearson Hobson; to the Committee on Naval Affairs.

By Mr. PURNELL: A bill (H. R. 6638) granting an increase of pension to Athelia P. Land; to the Committee on Invalid Pensions.

By Mr. REILLY: A bill (H. R. 6639) granting an increase of pension to Julia Burk; to the Committee on Invalid Pensions.

By Mr. SANDERS of New York: A bill (H. R. 6640) granting an increase of pension to Laura Y. Olmsted; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 6641) granting an increase of pension to Delia M. Allen; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 6642) granting an increase of pension to Sarah A. Bulluck; to the Committee on Invalid Pensions.

By Mr. SUMNERS of Texas: A bill (H. R. 6643) for the relief of Joe E. DeAndrea; to the Committee on Military Affairs.

Also, a bill (H. R. 6644) for the relief of William A. Lipscomb; to the Committee on Military Affairs.

By Mr. SUTPHIN: A bill (H. R. 6645) granting an increase of pension to Katherine Garrison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6646) for the relief of James Luker, sr.; to the Committee on Claims.

By Mr. SWANK: A bill (H. R. 6647) granting an increase of pension to Dora Abshier; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 6648) for the relief of John W. Green; to the Committee on Military Affairs.

By Mr. OLIVER of Alabama: A bill (H. R. 6649) for the relief of Mrs. Tonnie Smith Young; to the Committee on Claims.

By Mr. THOMASON: A bill (H. R. 6650) authorizing the William Robert Smith Memorial Association, of El Paso, Tex., to construct a memorial in honor of William Robert Smith, former Member of Congress from the sixteenth district of Texas; to the Committee on Irrigation and Reclamation.

Also, a bill (H. R. 6651) granting a pension to Presley B. Bradley; to the Committee on Pensions.

By Mr. WEST: A bill (H. R. 6652) granting an increase of pension to Margaret V. Myers; to the Committee on Invalid Pensions.

By Mr. MARTIN of Oregon: A bill (H. R. 6653) granting an increase of pension to Lucy Lee Thomas; to the Committee on Pensions.

By Mr. SWING: A bill (H. R. 6654) for the relief of Jordan Young; to the Committee on Claims.

Also, a bill (H. R. 6655) granting a pension to Edward Lewis Searl, 3d; to the Committee on Pensions.

Also, a bill (H. R. 6656) for the relief of James Jones; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

192. Petition of Speers Sand & Clay Works (Inc.) for the impeachment of his honor, Judge John J. Parker, United States Circuit Court of Appeals of the Fourth Circuit; to the Committee on the Judiciary.

193. By Mr. BRUNNER: Resolution of the Rego Park Community and Civic Club (Inc.), Elmhurst, Long Island, N. Y., urging the United States Congress to enact some form of unemployment insurance; to the Committee on the Judiciary.

194. By Mr. CHAPMAN: Petition of National Association for Legislated Regulation of Busses and Trucks (Inc.), general office, Paris, Ky., calling attention to the perils confronting the railroads through unjust competition and calling upon Congress for protection; to the Committee on Interstate and Foreign Commerce.

195. By Mr. HORNOR: Memorial of the Business Men's Club, of Rainelle and Meadow Bluff district, West Virginia, indorsing the proposal to establish a system of mortgage-discount banks; to the Committee on Banking and Currency.

196. By Mr. HORR: Petition of the Esther Reed Chapter, of the Daughters of the American Revolution, Spokane, Wash., requesting the maintenance of an Army and Navy which can adequately protect our country and in opposition to the participation of the United States in the World Court or League of Nations; to the Committee on Foreign Affairs.

197. By Mr. RUDD: Petition of Scovell, Wellington & Co., accountants-engineers, New York City, opposing retroactive income-tax legislation; to the Committee on Ways and Means.